

Returning to Work: SSI Work Incentives

2021 Tip Sheet

If you receive Supplemental Security Income (SSI) benefits; you should learn about your Work Incentives

What It Means to You:

Supplemental Security Income or SSI is received on the 1st of every month and in the state of Iowa comes with Medicaid (Title 19) health insurance. SSI has a full benefit rate in the amount of **\$794 (for an individual)** per month or less; and **\$1,191 (for an eligible couple)** per month or less.

On the **SSI** program; your eligibility for the program and the amount of your monthly cash benefit can be impacted by your resources and monthly income. **SSI** carries a monthly resource limit of **\$2,000 (for an individual)** and **\$3,000 (for an eligible couple)**. Many items can be considered resources; this most often applies to the amount of money you have in the bank on the last day of any month. You can also have one vehicle and one home in your name that is **not** counted as a resource. Assistance from programs such as SNAP (Food Stamps), Section 8, Public Housing or money from Income Tax Refunds **do not** impact your SSI benefits.

On the **SSI** program; **income** can also have an impact. Unlike the SSDI or Disability program; **most** income impacts SSI. This income includes money received from work; as well as money received from services such as Unemployment Insurance, FIP, SSDI payments, etc. Of all the income that can impact your SSI benefits; **income from work impacts SSI the least**. In fact; if you get and keep a job on SSI you **always** have more money in your pocket and oftentimes you can maintain your Medicaid.

How It Works:

The **Supplemental Security Income or SSI** program has a variety of Work Incentives which assist you in maintaining both your cash benefit and insurance coverage. First is how wages or income from work impacts your benefits. When your monthly income is money from SSI and money from work; SSI does not count the first **\$85** you make from work; and then **only counts ½ of what remains**. This new lower amount of income is what is subtracted from your SSI cash benefits. Below is an example.

\$885	Earned Income
<u>-20</u>	General exclusion
\$865	
-65	Earned Income Exclusion
<u>\$800</u>	
/2	½ remaining earnings
<u>\$400</u>	Countable earnings
\$794.00	Federal Benefit Rate- 2021
-400.00	countable earnings
<u>\$394.00</u>	SSI payment

If a person earns **\$885** from a job in February; SSI does not count \$85 which leaves \$800. SSI counts ½ of \$800 which is \$400. \$400 is the amount which is subtracted from the SSI payment **2 months later** (April). In the month of April; the SSI payment will be \$394 (\$794 - \$400). If the person is still working; they will receive \$394 in SSI and \$885 in wages. Before taxes; the individual has **\$1,279 (\$394 + \$885) in total income**. Even after taxes; they would have more money than a full SSI payment alone. Also, he or she would still be eligible for Medicaid.

In 2021; an individual would need to earn **\$1,673 per month** from work in order to make their SSI payments zero. On the SSI program; a person must go 12-consecutive months of getting no cash payments to be terminated from the program. If at any time a person receives any SSI income (even just \$1); the 12-consecutive months start over. If you are ever terminated from the SSI program due to earnings from work; you may request an **Expedited Reinstatement (EXR)** of your benefits.

Expedited Reinstatement (EXR) is a 60-month or 5 year period of time in which you have a “safety net” **if** your income from work decreases. This safety net allows an individual to have their Supplemental Security Income (SSI) benefits reinstated **without** having to do a new application. In EXR you will be eligible for 6 months of provisional (temporary) benefits while the Social Security Administration reviews your file for the continuation of your original disability. In order to be eligible for the **Expedited Reinstatement (EXR)** of your benefits; the following conditions **must** be met:

- You stopped receiving SSI due to earnings from work;
- You are no longer working at the Substantial Gainful Activity (SGA) level or more. In 2021; that is level is: \$1,310 (non-blind) and \$2,190 (blind)
- You have the same (or related) disability as when you applied initially; and,
- You make the request for reinstatement within 60 months (5 years) from the month of termination of benefits.

If the Social Security Administration determines that your medical condition does not prevent you from working, the 6 months of provisional benefits will **not** be considered as an overpayment.

Always remember to report your wages to the Social Security Administration to make sure that your SSI benefits are accurately calculated and reduce the chances of receiving an overpayment.

There are several other work incentives in the SSI program; if you have questions about these work incentives, SSI or the Ticket to Work program; please **contact the Social Security Administration at 1-800-772-1213 or Brian Dennis at 515-725-3666 or via email Brian.Dennis@iwd.iowa.gov**.