

SOAR and Employment for SSI/SSDI Beneficiaries

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Introduction

Individuals who have disabling conditions and receive cash and other benefits through the Social Security Administration’s (SSA) Supplemental Security Income (SSI) and Social Security Disability Insurance (SSDI) programs are eligible for employment supports to assist them in obtaining and maintaining employment. When SSI/SSDI benefits begin, lifelong employment goals do not end. In the spirit of SSI/SSDI Outreach, Access, and Recovery (SOAR) as a critical part of income supports for individuals who are experiencing or at risk of homelessness, people who receive SSI/SSDI are encouraged to seek employment and employment services throughout the application process and after benefits are obtained.

This issue brief describes:

- How to work while applying for SSI/SSDI benefits
- Misconceptions about employment and loss of disability benefits
- How earned income from employment affects SSI/SSDI benefits and Medicare/Medicaid coverage

- Employment resources and work incentives offered by SSA to current SSI/SSDI beneficiaries who want to find work or return to work
- The role SOAR programs can play in connecting individuals to employment resources

Getting the Facts Straight

Misinformation about working and retaining SSI/SSDI benefits can reduce the likelihood a person will attempt to return to work by creating unnecessary fear that they will lose their hard-won benefits. A significant majority of individuals with disabilities want to work.* Removing fears and barriers to employment can be a critical step in recovery.

Employment is about more than income. Additional benefits can include:

- An improved housing stability through increased income
- A defined role in the community
- Feelings of self-worth and self-confidence
- New friendships and connections to others
- Added structure to daily life

* Tina Marshall, Richard W. Goldberg, Lisa Braude, Richard H. Dougherty, Allen S. Daniels, Sushmita Shoma Ghose, Preethy George, and Miriam E. Delphin-Rittmon, “Supported Employment: Assessing the Evidence.” *Psychiatric Services* 65, no. 1 (January 2014): 16–23. <https://doi.org/10.1176/appi.ps.201300262>.

Myths and Facts About Working and Retaining SSI/SSDI Benefits

Myth #1: Benefits end immediately when you return to work.

Fact: Cash benefits do not end immediately. For how work affects SSI payments see pages 3-4, for SSDI see pages 4-6.

Myth #2: You can work only 20 hours per week while receiving disability benefits.

Fact: There is no limit to the number of hours you can work while receiving disability benefits.

Myth #3: Health insurance ends immediately when you return to work.

Fact: You can still be eligible for Medicaid and Medicare, see page 6-7.

Myth #4: If Social Security knows you are working they will say you aren’t disabled anymore.

Fact: SSA suspends Continuing Disability Reviews while beneficiaries are using Ticket to Work and making progress towards employment goals, see page 2-3.

Misinformation about how SSA considers work during the SSI/SSDI application process unnecessarily prevents individuals from accessing life-saving income and pursuing their vocational goals.

Working While Applying for SSI/SSDI

Too often, SSI/SSDI applicants are discouraged from working while their application is in progress, or told that if they pursue employment their disability application will be denied. This misinformation about how SSA considers work during the SSI/SSDI application process unnecessarily prevents individuals from accessing life-saving income and pursuing their vocational goals.

SSI/SSDI applicants should be encouraged to pursue employment during the disability application process. Not only does this help provide them income for housing and basic needs, but applicants may find that with the appropriate employment supports, they are able to earn more than the cash benefits they would have received through SSA disability benefits.

Work attempts may also bring to light any limitations in functioning that the applicant has when completing tasks and any employer-provided accommodations. This information can be helpful evidence for SSI/SSDI applications. SSA provides numerous employment resources and incentives to support individuals as they begin or return to work.

SSA Employment Resources for SSI/SSDI Beneficiaries

SSA's Ticket to Work Program

Ticket to Work (TTW) is a free, voluntary program designed to help beneficiaries maintain their benefits while exploring employment. Using TTW, beneficiaries receive specialized employment supports, including career counseling, training, and job placement, through community providers known as Employment Networks (EN) or State Vocational Rehabilitation (VR) agencies. Individuals become eligible for TTW when SSI/SSDI payments begin, and they can begin receiving assistance by finding a [local service provider](#).

Both EN and VR agencies work with individuals to assess their skills, interests, needs, and employment goals. Beneficiaries using the Ticket develop a collaborative plan with an EN or VR agency that describes their vocational goals and the support services needed to attain them. SSA encourages individuals to talk with multiple ENs to find the agency that is the best fit for them. Ticket users may reassign their Ticket at any time to another agency if they feel the EN or VR they are working with does not fully meet their needs.

Any organization providing employment services for individuals with disabilities can apply to SSA to become an EN. As an approved EN, organizations qualify to receive compensation for assisting SSI/SSDI beneficiaries achieve employment-related milestones and outcomes as they move toward self-supported work.

New York Employment Services System: A Model Statewide Employment Network

New York Employment Services System (NYESS), spearheaded by the New York State (NYS) Office of Mental Health, is the first statewide Employment Network in the United States. NYESS coordinates access to all employment services and supports offered in NYS, regardless of the state agency providing or funding such supports. They help individual job seekers assess their skills, assist with resume development, and match them with job opportunities through the NYS Job Bank, using the One-Stop Operating System, a web-based job matching, case management, and reporting system, maintained by NYS Department of Labor.

NYESS generates tax-claiming documentation for businesses that hire individuals with disabilities through the system, as well as Ticket to Work milestone payments received when individuals maintain employment. These efforts result in millions of dollars of incentive payments that can be reinvested to sustain and expand employment supports throughout the state for individuals with disabilities.

Former NYS Mental Health Commissioner Michael Hogan states, "For too long getting federal disability has led to a life in poverty, without work, and with excess use of health care services. We see an alternative where people can achieve a working life with increased income, fulfillment, and independence."

TTW participants have the additional benefit of exemption from Continuing Disability Reviews (CDRs) that SSA periodically conducts on all beneficiaries to determine whether they continue to meet disability criteria under SSA's SSI/SSDI regulations. Participants do not have to undergo a CDR as long as they are receiving services from an EN or VR agency and making progress towards their employment goals.

SSA Work Incentives

Work Incentives are SSI/SSDI rules and regulations allowing beneficiaries to maintain their health care and cash benefits while working. Since SSI is based on need and SSDI is based on a person's past earnings and what they have paid into the system, an increase in income from work is going to affect each benefit program differently. For SSI recipients, the amount of their SSI check can change from month to month depending on their earned and unearned income. SSDI recipients may or may not be eligible to continue receiving their SSDI check after completing a trial work period, depending on their level of earnings from work. There are no partial or reduced checks for SSDI due to earned income. Most of SSA's work incentive programs apply to either SSI or SSDI, as illustrated in Table 1.

Table 1. Work Incentives: SSDI and SSI

Incentive Program	SSDI	SSI
Income Exclusion	N/A	X
Plan to Achieve Self-Support (PASS)	N/A	X
Trial Work Period (TWP)	X	N/A
Extended Period of Eligibility (EPE)	X	N/A
Subsidy	X	N/A
Impairment-Related Work Expenses (IRWEs)	X	X
Expedited Reinstatement of Benefits (EXR)	X	X

Work Incentives for SSI Beneficiaries Only

Income Exclusions

SSA adjusts a person's SSI benefit amount based on unearned and earned income they receive. Income exclusions and other adjustments for people who are returning to work help reduce countable income and maintain a higher benefit amount. SSA created a **general exclusion** for all SSI recipients, where the first \$20 of earned or unearned income does not count against their SSI payment. Unearned income, such as Temporary Assistance for Needy Families, alimony, Veterans benefits, or state assistance, is counted dollar for dollar against their SSI payment. For example, if someone receives \$200 alimony each month, their check will be reduced by \$180,

as the first \$20 is not counted and the remaining unearned income is counted dollar for dollar.

The second exclusion is for individuals whose only other income besides their SSI check comes from working. The **earned income exclusion** is \$65. When SSI and earnings from employment are a person's sole income, he or she is eligible for both exclusions, totaling \$85 dollars. This means that the first \$85 dollars the person earns per month does not affect his or her SSI payment amount. Note that these are 2020 exclusion amounts and although they have not changed for some time, they could change in the future.

After SSA subtracts the exclusions from the person's earnings, they will count one dollar for every two dollars of gross earnings; that is, they will divide the remainder by two to determine countable income. Social Security determines the new monthly benefit by subtracting the amount of countable income from the current monthly benefit. For example, Figure 1 shows how a person's SSI check would be adjusted if they began working part-time, earning \$600 gross in wages per month.

Figure 1. Calculating Countable Income: SSI

Item	Amount
Gross Earnings From Work:	\$600
General Exclusion:	(\$20)
Earned Income Exclusion:	(\$65)
Work Earnings:	=\$515
\$1 Counted for Every \$2 Earned:	\$515/2
Countable Income:	=\$257.50
Maximum SSI Check—Countable Income:	\$783-257.50
Amount of New SSI Check:	\$525.50
Total Income:	\$1,125.50

As an individual's wages may vary each month, SSI checks may also vary. With this variation in SSI checks due to wages, it is important that SSI beneficiaries report their earnings each month to SSA to ensure accurate payments and avoid overpayment of SSI benefits.

Plan to Achieve Self Support

Generally, a person receiving SSI cannot save much money, as anything over the resource limit of \$2,000 (for individuals) results in loss of SSI eligibility. However, SSA's Plan to Achieve Self-Support (PASS) allows an SSI recipient to save money for an educational or vocational goal in a separate account, which is not counted as a resource or countable income when determining their SSI payment. The PASS must be written and approved by SSA, and the

goal must be reasonable to attain in three years. For example, a man working part-time as a line cook in a restaurant would like to attend culinary school to get a job as a chef at a local hotel. The tuition for culinary school is \$3,000. With an approved PASS, savings to pay this tuition would not be counted as a resource and would not eliminate his SSI eligibility.

Figure 2. Calculating Countable Income: PASS and SSI

Item	Amount
Gross Earnings From Work:	\$1,000
General Exclusion:	(\$20)
Earned Income Exclusion:	(\$65)
PASS Set-Aside	(\$100)
Subtotal	= \$815
\$1 Counted for Every \$2 Earned:	\$815/2
Countable Income:	= \$407.50
Maximum SSI Check—Countable Income:	\$783* - 407.50
Amount of New SSI Check:	\$375.50
Total Income:	\$1,375.50

Student Earned Income Exclusion

Certain SSI recipients who are under age 22 and regularly attend school may also qualify for the Student Earned Income Exclusion (SEIE). This allows the student to exclude a specified amount of gross earned income per month up to a maximum annual exclusion, thus decreasing the amount of countable earned income. SSA applies the SEIE before the general income exclusion or the earned income exclusion. In 2020, the exclusion is \$1,900 per month, up to a yearly maximum of \$7,670.

Work Incentives for SSDI Beneficiaries Only

Since SSDI is an insurance program, recipients are offered a trial work period to see whether they are able to return to work. There are no adjustments to the benefit amount during this time. If the person’s work attempt is successful over a period of time, their benefits are suspended. However, if they struggle to work enough to maintain substantial gainful activity (SGA), which is \$1,260 per month in 2020, safety nets are in place that allow reinstatement of SSDI benefits.

Trial Work Period and Extended Period of Eligibility

The Trial Work Period (TWP) gives individuals the opportunity to go back to work, earn as much money as they are able, and preserve their cash benefit during that time. Social Security currently allows for nine months of trial work, which do not have to be consecutive, within

John’s Path to Independence Through Employment



A Florida native, John has a master’s degree in liturgical music and spent most of the 1970s and 80s as director of music at various churches in the South. During that time he struggled with depression and would try to hide his symptoms from the congregations. He cried at night, struggled to get out of bed, and stopped caring for his apartment and managing other activities of daily living. He eventually resigned to avoid embarrassment and confrontation.

John was hospitalized many times and tried hard to treat the symptoms of his bipolar disorder and major depression. To finance treatment, he sold his home, cashed in his retirement, and liquidated all his other assets. By 2006 he had gone through all of his resources. He started staying at a shelter, seeing a therapist at the county mental health department, and taking medication, which began to help a bit. Soon he was offered an apartment with a transitional housing provider.

Through everything, John’s love for music remained. He began playing the organ in a local church and now earns \$450 per month playing twice a month, which is all he says he can handle. John worked with a SOAR benefits specialist to apply for SSDI. John was not able to earn at a substantial gainful level, and so the fact that he was working part-time did not prevent him from being approved for SSDI benefits. He now receives his cash benefits, has Medicare, and continues to contribute to his community.

With SOAR’s help, John has found a way to earn an income by doing something he loves at a level that is comfortable for him. He can add on hours as a church organist if and when he’s ready, and SSDI work incentive programs will be there to support his efforts.

a rolling 5-year period. Beneficiaries continue to receive their full benefit check during the TWP. A month of work does not count toward the TWP unless the individual’s earnings meet the TWP earnings threshold, which in 2020 is \$910 per month. For example, if an individual goes to work and is earning \$500 a month, which is below the trial work threshold, they will continue to receive their

full benefits. However, if an individual goes back to work and earns \$1200 a month, they are over the trial work threshold and those months will count toward their TWP.

Once an individual has worked at or above the TWP threshold for nine total months, SSA will evaluate the individual's work and earnings to determine if they are earning above the SGA amount. This first month after the TWP marks the beginning of an Extended Period of Eligibility (EPE), a 36 month re-entitlement period, during which benefits can be reinstated without a new application. If an individual is earning SGA in this first month following the TWP, their SSDI benefits will stop after a three-month grace period. If an individual is not earning SGA, their benefits will continue as usual until they work a month above SGA. They would continue working and continue to receive their SSDI benefits. When this assessment is made, a person's countable earnings can be reduced using two other work incentive programs discussed below. The Subsidy and the Impairment Related Work Expenses programs can reduce a person's countable income. If reduced below SGA, they can continue receiving their SSDI benefits.

If a person's benefits are stopped after their TWP due to earnings above SGA, they still have a safety net available to them. During the EPE, for any month when the person's earnings fall below SGA, they will be eligible to receive their full SSDI check. This program can relieve concerns about not being able to maintain a job long-term or worries about what will happen if their condition worsens. If a person is unable to earn SGA through employment, they can report that to SSA, and they will be issued their

SSDI check for that month. If an individual struggles to maintain SGA after the EPE, they will be eligible for another safety net, Expedited Reinstatement of Benefits, discussed below.

For too long getting federal disability has led to a life in poverty, without work, and with excess use of health care services. We see an alternative where people can achieve a working life with increased income, fulfillment, and independence.

—Former New York State Office of Mental Health Commissioner Michael Hogan

Subsidy

This program, for SSDI beneficiaries only, works by valuing the extra support received from an employer on the job. That support can come in the form of extra hours of supervision, time spent with a job coach or mentor, or a reduced workload. A worker who is subsidized is paid the same amount as other workers who are in the same job function. The Subsidy is not an amount of money that is given to the person from SSA, but rather is a value that is put on the support provided.

For example, Jane receives SSDI, and is working at a grocery store alongside her coworker Eric who does not have a disability. Jane and Eric are paid the same hourly rate, but Jane is expected to unpack only eight boxes, while Eric is expected to unpack ten. Jane's employer is subsidizing her employment by allowing her to have a reduced workload but paying her the same wage as

Avoiding and Managing SSI/SSDI Overpayments Due to Employment

Overpayments of SSI/SSDI benefits frequently occur when individuals return to work because earned income affects benefit payments. For SSI beneficiaries, overpayments can occur if earnings are not taken into account as countable income when calculating the monthly payment amount. SSDI beneficiaries may be considered overpaid if they work over SGA after their TWP, yet still receive an SSDI check.

When individuals begin working they should let SSA know as soon as possible and continue to report their wages to SSA on a monthly basis to lessen the chance of incurring an overpayment. Beneficiaries may report their earnings through their my Social Security account, by certified mail, or at their local SSA office. SSI recipients are also able to report their earnings using the Social Security SSI mobile wage reporting app on a smart phone.

If an individual receives notice that they were overpaid SSI or SSDI benefits and they feel this is in error or that they are without fault in causing the overpayment, they can file a request to SSA to waive the repayment. If the individual needs to repay the amount, SSA can withhold a portion of money, typically 10 percent, from each SSI or SSDI check until the overpayment is repaid.

a full workload. Assuming the value of Jane’s subsidy is \$200, if she earns \$1,100 that month, SSA would count her earnings at \$900. The Subsidy can be very useful throughout the EPE when SSA calculates whether a person is earning SGA. If earnings can be reduced below SGA with the application of a subsidy, as in the example above, benefit payments would continue.

Work Incentives for Both SSDI and SSI Beneficiaries

Impairment Related Work Expenses

Impairment related work expenses (IRWEs) are applicable to both SSI and SSDI beneficiaries, but they are applied at different times and in different ways. An IRWE is an out-of-pocket expense that enables the person to go to work. The expense must be related to the disability, such as medication co-pays, special equipment, and special transportation. An example of a work-related expense that is not an IRWE would be the company uniform, since all employees must buy the uniform and it is not related specifically to the person’s disability. Social Security does not reimburse beneficiaries for IRWEs, but rather reduces the calculated countable income. For SSI recipients, the IRWE is subtracted along with general and earned income exclusions to calculate countable income. For SSDI recipients, the IRWE is similar to the Subsidy and is subtracted from earnings during the EPE to determine whether the earnings met SGA.

Expedited Reinstatement of Benefits

Both SSI and SSDI recipients are able to apply for Expedited Reinstatement of Benefits (EXR) for five years after they lose eligibility for benefits based on

earnings. This safety net allows an expedited return to payment and medical benefits, without a new disability application, for those who can no longer work above SGA. Social Security will review the request to determine if the disabling condition is the same as, or related to, the impairment in the original claim, and applicants can receive up to six months of provisional benefits while the decision is processed.



Beneficiaries Can Retain Health Insurance While Working

A common myth about returning to work is that beneficiaries will immediately lose their Medicaid or Medicare coverage. The health insurance benefit is often as valuable to an individual as the cash payments, so it is important to know what will happen to Medicaid and Medicare when a person goes to work.

Retaining Medicaid Eligibility

As noted earlier, receiving the minimum SSI check of \$1 per month retains beneficiaries’ eligibility for Medicaid.

Building Pathways to Independence: Integrating SOAR with Employment Services



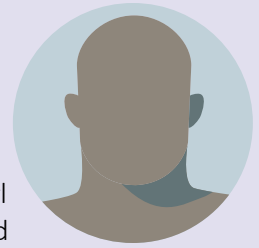
Columbus House Inc., in New Haven, Connecticut, provides a mix of emergency, transitional, and permanent supportive housing for adults who are homeless. Through its Pathways to Independence Program, Columbus House uses a holistic, recovery-based approach to support individuals through an SSA disability application with SOAR while also providing training and support to engage them in employment.

Columbus House reached the final stages of becoming an Employment Network under Ticket to Work by strengthening its connection with the Bureau of Rehabilitation Services, the state vocational rehabilitation agency, as well as other community partners that provide employment and wellness supports. They recently launched an Employment and Enrichment Center, which offers a 60-hour job readiness and recovery program. Almost all classes are taught by peer specialists, who use their lived experience to guide individuals through the training.

Pathways to Independence has experienced a great deal of success, through incorporating intensive case management, person-centered planning, long-term services, and a belief that the income generated by SSI/SSDI and employment supports can end the cycle of homelessness for the individuals they serve.

Overcoming the Fear of Working: Earl's Story

During the opening of a SOAR training in Georgia, participants were asked what they expected to learn from the training and to tell the group one “Wow!” moment they’d like to share. Earl Gourdine introduced himself and shared his wow moment: “I filed my taxes yesterday for the first time after never working before.”



Prior to his employment, Earl Gourdine applied for disability himself. He was denied. He worked with an attorney and was denied initially but approved at the hearing. Now, he works as a certified peer specialist /wellness coach for the AIMS program (a SAMHSA-funded Integrated Health Care Systems grant).

Before he received benefits, Earl's life was affected by experiences of homelessness, mental illness, and jail. When asked what work meant to him, he said, “There was a long period of my life where I was not able to make decisions for myself. I was dependent on family for everything. I couldn't make choices for myself. Benefits helped but working opened a whole world of independence for me. I never had an interest in driving but the job required that I have a license. I got my driver's license in February 2012. My mentor left me a car in his will. I used the back pay from my disability to fix it.”

Earl shared that his biggest challenge was “getting over the fear of going to work” and he explained, “There is a lot of fear with working and what happens to benefits. For me, working with the Social Security office, I had to navigate how to work and understand the Red Book. I enjoyed navigating the system. From my experience and looking at what happened to my check, work seems to be a better situation because you make enough to actually support yourself. I live on my own for the first time! It made me feel like I had learned something and that I was provided the opportunity to make choices for myself as well as prepare me to advocate for others.”

Benefits were a welcome resource for Earl but not enough to sustain him. While his illness made him eligible for benefits, it was information about work incentives that gave him the confidence to try working. And it was work that changed his life.

In addition, Federal Rule 1619B continues Medicaid eligibility even if SSI payments stop due to earnings from work and those earnings are below a certain threshold. This earnings threshold is different in each state and varies widely. Please see SSA's [Continued Medicaid Eligibility \(Section 1619\(B\)\)](#) for current amounts. As long as the individual's earnings remain under that threshold and meet the other eligibility requirements for SSI, they can remain eligible for Medicaid. If an individual is earning over the 1619(b) threshold amount, they may still qualify for Medicaid if they have IRWEs, PASS, or their medical expenses are higher than the average Medicaid expenses in their state. If these factors apply, SSA can calculate an individualized 1619(b) threshold amount. Additionally, many states offer Medicaid buy-in programs, allowing individuals who earn over the 1619(b) threshold amount to pay premiums and retain their Medicaid. To find out more about these programs, contact your local or state [Medicaid office](#).

Retaining Medicare Eligibility

SSDI beneficiaries are eligible for Medicare as long as they receive a benefit payment. If payments stop at the end of the TWP, their Medicare coverage will continue for 93 months after the last month of the TWP. After 93 months, Medicare can be purchased under certain conditions and Medicare Part A premiums would then apply.

How SOAR Programs Can Connect Individuals to Employment Resources

The challenge for front-line staff is to maintain hope that employment is possible and worth the effort. For people who may be fearful of losing benefits, knowledge of these supports and programs can encourage them to consider employment. To help cultivate hope, SOAR coordinators and organizations can:

- Talk about work frequently – before, during, and after the completion of the benefits application for SSI/SSDI. Income support goal-setting does not end when a person receives SSI/SSDI.
- Develop expertise around the Ticket to Work Program and work incentives offered by SSA, and give clear examples of how part-time, full-time, or occasional work will affect benefits.
- Print listings of current job openings, GED classes, other employment resources and services.
- Offer space and guidance for peer-led employment support groups, including resumé and work habit discussion groups.

- Research evidence-based practices, such as Supported Employment, through [SAMHSA's evidence-based practice toolkits](#).
- Provide transportation to job interviews and employment services and assist in finding appropriate job interview attire, uniforms, work boots, tools, safety equipment, etc.
- Identify and collaborate with potential employers and promote employment support services and other resources that assist people transitioning into the workforce.

Social Security Administration Resources

For comprehensive information on all of SSA's employment programs and services, consult [The Red Book](#). You also may also visit SSA's [The Work Site](#) or call 1-800-772-1213 between 7:00 a.m. and 7:00 p.m. Monday through Friday. Visit [SSA's website](#) for specific information on its disability benefits programs.

Find your local office by going to the [SSA office locator](#). Print copies of SSA public information materials (including the Red Book) may be requested by faxing 410-965-2037 or downloading from SSA's website.

For More Information

This issue brief was produced by the SAMHSA SOAR Technical Assistance (TA) Center under contract to the Substance Abuse and Mental Health Services Administration (SAMHSA). The SAMHSA SOAR TA Center develops and provides training and technical assistance to support children and adults who are experiencing or at risk of homelessness to apply for SSA disability benefits. For more information about SOAR or to find other briefs in this series, visit [SOARWorks](#).

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