

The following are notes from a presentation on Social Security benefits and criteria by Charles Killen, Social Security Adm., Work Incentives Coordinator, Area 8, Region 5 (the Peoria area)

Charles Killen, who has been with the SSA for 20 years, including 15 as a claims representative, presented criteria for receiving benefits that seemed very positive for children and adult children with mental and physical disabilities. He emphasized that the program is designed to include, not reject, those in need, despite news reports that would suggest otherwise. There are two distinct Social Security programs:

Social Security Disability Insurance (SSDI) provides benefits to individuals who have been employed and who contributed to a social security account through FICA tax payments. If these individuals are over 31, they must have worked in 5 out of the last 10 years. Younger adults can qualify with less employment time, and children or adult children may also qualify if a parent (who paid FICA) is retired or disabled. Average SSDI monthly payments are around \$2,400, but they can be more or less, depending on the individual's FICA contributions.

Social Security Supplemental Income (SSI) makes cash assistance payments to retired, blind or otherwise **disabled people of all ages** who have limited income and resources. This funding source comes from federal taxes and is not linked to an individual's FICA contributions.

SSI pays a monthly benefit of \$794 (as of Jan. 2021) for an individual who is disabled. Individuals receiving SSI must have less than \$2,000 in liquid assets—cash, stock, a checking account or an IRA or a trust fund that they have access to. This does not include assets such as a car, life insurance or a home. If the person seeking SSI is 18 or over or not residing at home (in the case of an RTC placement) then parents' income and assets are not considered. (If a child has more than \$2,000 in assets, you can legally spend the account down with educational, computer, health or other qualified expenses for that child.)

If a child or adult child lives at home or receives assistance in paying rent on an apt., etc., this is considered "In-kind support and maintenance," and the monthly payments may be reduced by about \$250 as a result. However, if the individual pays rent (\$225 or more) or contributes to household expenses, they may qualify for the full \$731. SSI or SSDI coverage also automatically makes an individual eligible for Medicaid medical coverage after they receive their first SSI or SSDI benefits, Killen said. (However this requires a separate application)

Physical and mental disabilities, including autism, mental illness, Downs Syndrome, etc. are specifically covered by SSI. A very detailed list of Illnesses/disabilities covered is available on-line at WWW.SSA.Gov. Go to this site, plug in "Blue Book" in the search field and then look up disability coverage.

SSI qualification information for those with a bipolar diagnosis can be found at <http://www.ssdrc.com/bipolar-disorder.html>

Killen was asked if families should seek an attorney's help in filing for social security benefits. He said claims reps are employed to help families with paperwork, and that attorneys do not make a difference in the outcome, since Congress has set out very specific qualifying criteria (See Blue Book online). If an attorney fills out application documents, they maybe entitled to receive 25% of back benefits as a fee, Killen said.

However, if someone seeks to appeal a denial, an attorney may be helpful. On average, a coverage decision takes 30-45 days, and there is a 5 month waiting period before payments begin.

A person can be employed while receiving SSI benefits, but benefits are generally reduced by 50 cents for every dollar earned. However, someone under age 22 who is a high school or college student or taking a job training course can qualify for a Student Earned Income Exclusion (SEIE). SEIE allows individuals to earn up to \$1,640 of earned income per month or up to \$6,600 per year. This is intended to encourage students to work. Payments stop for months when students earn more than \$1,640, but resume if/when their income drops below this ceiling.

SSDI also encourages recipients to attempt to work by allowing income over \$980 to count during a Trial Work Period (TWP) of 9 months of employment in a 60 month period. These months do not need to be consecutive, and an individual can earn less than \$700 per month indefinitely without starting a TWP. SS eligibility would continue; the idea is to encourage recipients to attempt work but not to penalize them if they cannot maintain employment or if they earn some money, but not enough to live on.

If an individual makes more than \$980 per month, that month can be averaged with other, lower earning months to come up with an average income that benefits the recipient. Averaging is only done when it benefits the recipient, Killen said.

Work expenses related to an individual's disability can be deducted from the gross monthly income, so workers can earn more than \$980 per month and retain SS coverage. These expenses, called "Impairment Related Work Expenses," (IRWE) can include **medications**, some transportation costs, attendant care, etc—any expenses related to the disability that make it possible for an individual to work. So, someone earning \$1,200 gross per month could deduct \$300 in medication costs and therefore have an adjusted monthly income of \$900—below the income ceiling of \$980.

Parents can apply to be a “**Representative Payee**” for a child or an adult child. This requires a physician’s statement that the recipient cannot wisely manage the money. As long as a parent is providing some care—shelter, clothes, tuition, food, medicines, etc., this cash can legitimately be used to defray those costs. Many parents give the SSI recipient a portion of the monthly check for spending, and use the balance to cover some of their costs related to the disabled child or adult child.

Recipients can accumulate more than \$2,000 in cash or other liquid assets if they are saving to reach a specific occupational goal—such as to buy a car, pay college costs, buy a computer, etc. They must apply in writing for a **PASS Plan**, and then money they save and set aside must be used for the approved cost.

Questions? Visit www.socialsecurity.gov or www.ssa.gov or call 1-800-772-1213.