



# Family Benefit Solutions

## Sherri Schneider

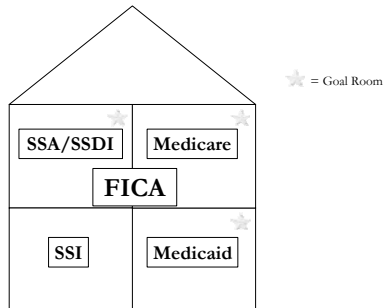
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2009



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## House of Benefits™



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## SSA/SSDI

- Retirement
  - Early retirement
  - Widow's pension
  - Disabled
- 
- **MUST** have paid into FICA
  - Does **NOT** look at assets
  - Disabled – listing level impairment functional limitations
  - Easier to go back to work
  - SGA : 2010= \$1000

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## Medicare

- Who is eligible?
  - 65 y/o on SSA
  - 65 y/o on SSI
  - 65 y/o & Federal Employee
  - Any age - ALS
  - Any age - Renal dialysis for end stage renal disease
  - Any age - Receiving SSDI checks for 24 months

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## Medicare

- Parts of Medicare:
  - Part A – inpatient hospital
    - Usually free
  - Part B – Outpatient & doctors
    - Monthly premium
  - Part C – Medicare Advantage Plan
  - Part D – Drug benefit
    - 14 companies selling 42 different plans – each has drug list
    - Call SHIP or 1-800-MEDICARE to determine best plan

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## How Working Affects Medical Benefits

- SSDI – Medicare
  - If the individual never worked while on benefits, they will have at least eight and a half years of Medicare coverage when they do begin working.
  - The first nine months of Medicare would be covered under the Trial Work Period
  - The following 93 months are called Extended Medicare Coverage.

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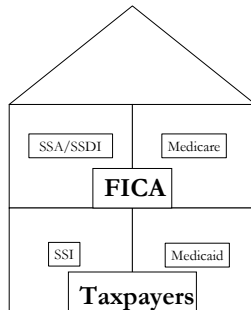
## SSDI & Medicare

- After Extended Medicare Coverage ends, individuals are able to purchase their Medicare coverage. They would have to pay a premium to keep their Medicare



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## House of Benefits™



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## SSI

- **Supplemental Security Income**
  - Maximum 2010 in IL = \$ 674
- **Who is eligible?**
  - 65 years old or older
  - Blind in both eyes
  - Disabled (Listing level impairment AND functional limitations)
- **How Process Works**
- **3 Decisions –**
  - Disabled?
  - Date of onset?
  - Need payee?

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## SSI

- **LOOKS** at income, assets, and living arrangements
  - If over income or asset limit – no SSI
  - Under 18 years old, parents income & assets count
  - Spouse's income & assets count
- **Income**
  - Full time Student and under 22 y/o= disregard = \$6600 yr
  - Not f/time Student or 22 y/o+= monthly
    - \$85 ok then \$2 earned - \$1 SSI
- **Assets**
  - One single person = house they live in, 1 car & \$2000
  - 3 year look back

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## SSI

- **Living Arrangements**
  - Living with = loss of 1/3 (\$449.34)
  - Renting
  - Share household expenses



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## Plan To Achieve Self Support

### What is a PASS?

- It is an SSI provision to help individuals with disabilities return to work.
- 
- **How does a PASS help someone return to work?**
- SSI eligibility and payment amount are based on income and resources (things of value that individual owns).
- PASS lets disabled individual set aside money and/or things he or she owns to pay for items or services needed to achieve a specific work goal.

## PASS PLANS

- **How does PASS work?**
- Applicant finds out what training, items or services needed to reach work goal.
- Can include supplies to start business, school expenses, equipment and tools, transportation and uniform requests.
- Applicant finds out how much these items and services will cost.
- PASS can help person save to pay these costs. PASS lets person set aside money for installment payments as well as a down payment for things like a vehicle, wheelchair or computer if needed to reach work goal.

## More PASS Info

- **How do you set up a PASS?**
- Decide on work goal and determining items and services necessary to achieve.
- Can get help in setting up plan from a vocational rehabilitation (VR) counselor; an organization that helps people with disabilities; Benefits Specialists or Protection and Advocacy organizations who have contracts with SSA; Employment Networks involved in the Ticket to Work program; the local Social Security office or anyone else willing to help him or her.
- Contact local SSA office; SSA work site or some third parties shown above to get a **PASS form (SSA-545-BK)** to complete.
- Bring or mail it to the Social Security office.
- SSA usually approves plans prepared by VR
- If goal is self-employment, there must also be a business plan

## Still More Pass Info

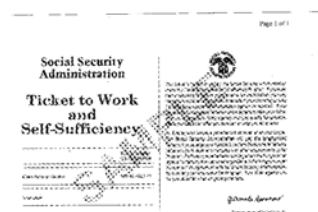
- **What happens to the PASS?**
- SSA sends PASS to SSA employees who are trained to work with PASS.
- PASS expert works directly with the applicant. PASS expert looks over the plan to see if work goal is reasonable
- SSA reviews plan to make sure that items and services listed on PASS needed to achieve the work goal and reasonably priced.
- If changes needed, the PASS expert discusses with the applicant.
- If PASS not approved, can appeal the decision

## Ticket to Work

### What is the Ticket Program?

- The Ticket to Work and Self-Sufficiency Program is an employment program for people with disabilities who are interested in going to work. The Ticket Program is part of the Ticket to Work and Work Incentives Improvement Act of 1999 – legislation designed to remove many of the barriers that previously influenced people's decisions about going to work because of the concerns over losing health care coverage. The goal of the Ticket Program is to increase opportunities and choices for Social Security disability beneficiaries to obtain employment, vocational rehabilitation (VR), and other support services from public and private providers, employers, and other organizations.

## Picture of "The Ticket"



## More Ticket to Work

- Under the Ticket Program, the Social Security Administration provides disability beneficiaries with a Ticket they may use to obtain the services and jobs they need from a new universe of organizations called Employment Networks (ENs).
- MAXIMUS, a private company, has been contracted by the Social Security Administration to function as the Operations Support Manager (OSM) and the Ticket Program Data Operations Center Manager (TPDOCM). It is MAXIMUS' responsibility to administer oversight and process support necessary to sustain ongoing Ticket Program Operations.

## Still More Ticket to Work

### Eligibility:

- 18 – 64 years of age
- In active pay status for SSDI or SSI
- Someone who is not expected to improve medically

### STEP ONE:

#### Find the Employment Networks in your area:

- Online -> [www.yourtickettowork.com](http://www.yourtickettowork.com)
- by telephone -> Toll-Free Line:1-866-968-7842

## Ticket Continues

### STEP TWO:

- Find an Employment Network that fits your needs
- Exercise your right to choose who will serve you.

### STEP THREE:

- Choose your Employment Network

## Even More Ticket To Work

- UNDERSTAND YOUR RESPONSIBILITIES under the Ticket to Work Program
  - SSA will measure your progress to see if you are using your ticket.
  - There is no requirement to work during the first 24 months of the Plan. You are only required to actively follow your Plan with your Network.
  - During months 25-36 of your plan, you must earn a gross income over SGA (2010= \$1000 mo) for 3 months out of a twelve-month period.

## Still More Ticket To Work

\*\*During months 37 – 48 of your plan, you must earn a gross income over SGA (2010=\$1000 mo) for 6 out of the 12 months.

\*\*During months 49 – 60 of your plan, you must have a gross income that disqualifies you from receiving SSDI or SSI

## THE TICKET SAGA

\*\*If you do not meet these goals of progress, it does not mean that you will be withdrawn from this program or that you will lose your SSDI/SSI. If SSA decides that you have not met these goals, you could be subject to a Disability Review. If SSA decides that you are no longer disabled through this review, then you may lose your benefits.

## Illinois Medicaid

• Many names: Illinois Department of Public Aid –vs- Department of Family & Child Services –vs- KidCare –vs- All Kids –vs - Illinois Department of Healthcare and Family Services

• Illinois Medicaid covers:

- Most acute care hospitals in Illinois
- Certain doctors – if accept Medicaid – cost is \$2
- Pharmacies - \$0 generic, \$3 name brand
- Diapers & bed pads delivered
- DME – with prior authorization
- Many nursing homes
- QMB – if eligible- Part B and Part D Premiums

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## ILLINOIS MEDICAID

- Covers:
  - Limited dental
  - Doral = 1-888-286-2447



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## ILLINOIS MEDICAID

- Covers:  
MEDICAL TRANSPORTATION  
877-725-0569



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## Medicaid Pays

### •PROGRAMMING for after 18 years old

- Day Program
- Workshop
- Supported Employment
- Job Coach
- Residential



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## PUNS

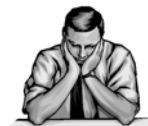
### Prioritization of Urgency of Need for Services

- There is not enough money to give everyone in Illinois the services they need ☹
- PUNS = List of people in Illinois with developmental disabilities who need services
- No guarantee of services but it is the FIRST step toward getting services in Illinois.
- If you are NOT on the PUNS list, you are NOT on the waiting list for services.

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## PUNS Continued

- What can I ask for?
  - In-Home Supports
    - Children's Waiver
    - Home Base Services
  - Respite Care
  - Job Coaches
  - Group Homes
  - And more.....



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## MORE PUNS

- Call your Pre-Admission Screener (PAS)
- These screeners will ask questions about you & your needs.
- To get on the PUNS list, you must have a developmental disability.



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## Medicaid –vs- Commercial Insurance

- Medicaid is not very portable
  - Out of state
- Medicaid is not accepted at every doctor

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## Medicaid –vs- Commercial Insurance

- Medicaid is ALWAYS the payor of last resort

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## Illinois Medicaid

- CATEGORIES:
  - 65 & over
  - Blind in both eyes
  - Disabled (SSDI, SSI, disease ends in death, unable to work for 12 months or more - substantiated with medical records)
  - Pregnant
  - Under 19 years old
  - Parent(s) living with child(ren) who are under 19 years old and that are legally theirs – the entire family is eligible
  - - breast or cervical cancer – Dept of Public Health

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## Illinois Medicaid

- INCOME –
  - For all categories
  - Community
    - If over allowable standard, monthly deductible “spend-down” (\$928)
  - Long Term Care
    - Resident can keep \$30, \$50, or \$90
    - Resident can pay for Medicare and other health insurance
    - If single, balance of income to facility
    - If married, adhere to spousal rules

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## Illinois Medicaid

- ASSETS –
  - ONLY for Aged, Blind or Disabled
  - If over allowable standard = deductible “spend-down”
  - Community
    - 1 single person - allowed: house they live in, 1 car and \$2000
    - No look back
  - Long Term Care
    - 36/60 month look back
    - Spousal Impoverishment
    - DRA - February 8, 2006



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## HOW TO MEET THAT PESKY SPEND-DOWN

- ✓ Unpaid hospital, doctor, dental, pharmacy bills – with a current dated statement showing it is still owed.
- ✓ Paid hospital, doctor, dental, pharmacy bills - the last six months of payments
- ✓ DRS services
- ✓ HBSS
- ✓ Pay-In Spend-down – new program!

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## How Does Working Affect Medical Benefits?

- SSI - Safety net called 1619 - Medicaid
  - Protects the loss of Medicaid when an individual goes to work
  - Is available to SSI recipients whose SSI decreases to zero due to their work earnings
  - The individual must continue to meet all of the other SSI eligibility requirements
  - The individual must continue to be “disabled” according to Social Security standards
  - Individuals can keep their Medicaid through 1619 until they earn what is called their state threshold.
  - 2009 in Illinois – state threshold= \$26,852.

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## Traditional Medicaid vs- Health Benefits for Workers with Disabilities

- ▶ **Illinois resident between 16 & 64**
  - ▶ **MUST have “disability”**
  - ▶ **MUST be employed & pay into FICA**
- Allows person to earn more money
  - Allows person to have more assets
  - Can **ONLY** apply at one office (Springfield)

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## Traditional Medicaid vs- Health Benefits for Workers with Disabilities 02/01/09!

	TRADITIONAL	<u>NEW/ HBWD</u>
<b>INCOME</b> {1 Person}	\$928	\$3159
<b>ASSETS</b> {1 Person}	\$2,000	UP TO \$25,000 & <u>Qualified Retirement Accounts ARE EXEMPT!</u>
<b>COST</b>	If over \$928, Monthly spend down. No coverage until spend down is met.	<b><u>CANNOT</u></b> be over. Monthly premium to “buy” coverage is \$0 - \$100+

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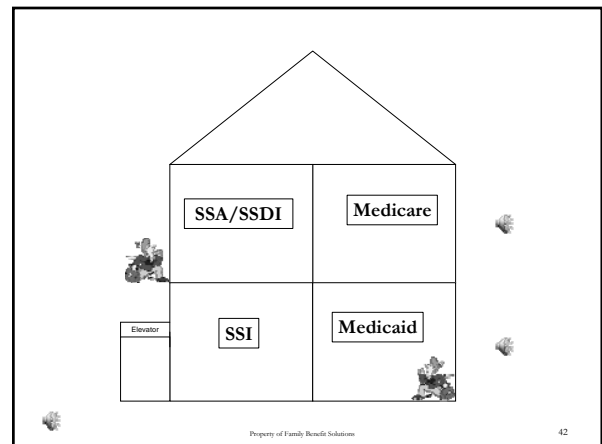
## Movin’ On Up

- If we are in the “basement”, how do we get to the “penthouse”?



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## Riding the Elevator

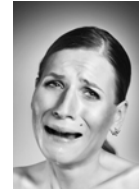
- 1) Works and earns FICA on own but less than SGA = 2010=\$1000
- 2) DAC = Disabled Adult Child
  - Onset date that Social Security has is before age 22 &
  - Parent with a FICA work record &
  - That Parent either:
    - Becomes retired & collects SSA
    - Becomes disabled themselves and collects SSDI
    - Becomes deceased
  - Adult Child moves from SSI – to SSDI and in 24 months, gets Medicare

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## Oooooops!

- Now:
  - Receiving SSDI = \$1500
  - Medicaid income allowed = \$928
- Medicaid messed up



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## “Pickle” Rule

- Riding the elevator could make SSDI over the Medicaid limit.
- However –
- Congressman Pickle fixed this
- The income from moving from SSI to SSDI on a parent work record is exempt for Medicaid



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## What Stops the Elevator

- Marriage



- Working over SGA



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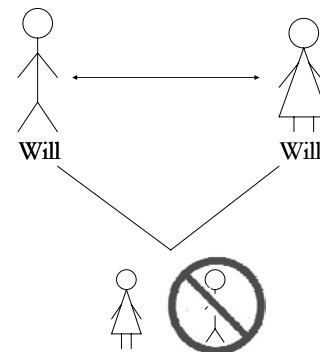
## How to lose these benefits?



- 1) 10 day rule
- 2) Redeterminations
- 3) Inheritances

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15.1 DSNT  
(Discretionary  
Special Needs Trust)

- Others people's money
- Trustee
- Sole benefit
- Heirs

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### Step 2 and 3

- Beneficiaries
  - IRA
  - 401K
  - Life Insurance
- Change from name – to – name of trust
- Family & friend meeting

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15.1 DSNT  
(Discretionary Special  
Needs Trust)

- Others people's money
- Trustee
- Sole benefit
- Heirs

D4a, OBRA 93,  
Payback  
OOOOOPS

- Adult - child's money
- Trustee
- Sole benefit
- Government Reimbursement ☹
- Then heirs

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- KNOW YOUR ATTORNEY:
  - How many have you done?
  - How do you keep up with the rule changes?
  - Do you let your clients know when the rules change?
  - Has your trust been denied by SSI or Medicaid?
  - Has your trust been pre-approved by SSI and/or Medicaid?
  - If your trust gets denied, will you appeal at no charge?
  - MEMBER OF SPECIAL NEEDS ALLIANCE?

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# BENEFIT BINGO

## TIME TO PLAY

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## FAMILY BENEFIT SOLUTIONS, INC.

SherrI Schneider  
847-279-8506  
Benefithelp@aol.com



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