

## 7 Work Incentives Network MYTHS and FACTS

**MYTH #1: The various benefit program work rules determine how much I can work and earn**

**FACT:** While the work rules for the benefit programs are complicated, they have *many work incentives* that can be used to support you in reaching your work goal:

- Determine what kind of job you want, how much you want to work, and how much you plan to make per hour; then
- Learn about the work incentives that assure you will financially get ahead!

**MYTH #2: I will lose my SSDI if I work**

**FACT:** Since SSDI is an all or nothing benefit (you either get the whole check or none of it if you earn above Substantial Gainful Activity-SGA), SSA created work incentives that allow you to:

- Keep the SSDI cash benefit even if earnings are above SGA (Trial Work Period, Impairment Related Work Expenses, or Subsidy);

*If your earnings won't replace the SSDI benefit, then you can create a plan to make sure work incentives will allow you to maintain the benefit.*

- Keep the SSDI eligibility status even if earnings cause check to stop (Extended Period of Eligibility).

*If earnings will at least replace the SSDI benefit, you may only be concerned with maintaining eligibility status, so you know the SSDI can be easily restarted if the earning drop or stop.*

**MYTH #3: I get SSI and have heard I will have less money if I go to work**

**FACT:** There are work incentives that make sure *you always financially get ahead when you receive SSI and you work!*

- SSI is financial needs-based, so it does get reduced when you have other money, such as wages. BUT, SSI doesn't look at all your earnings when reducing the SSI check, which is why you always end up with MORE MONEY when you WORK:

They exclude the first \$65 of your earnings (they will exclude another \$20 of your earnings if you have no other income). Then they divide that remaining amount in half.

Example: You get \$794 of SSI and plan to earn \$1085/month

- $\$1085 - \$20 - \$65 / 2 = \$500$  (amount SSI will be reduced)
- $\$794 - \$500 = \$294$  (new SSI amount)
- $\$1085 + \$294 = \$1,379$  (Total Income: SSI and wages)

Additional deductions may apply that reduce countable income further ~ Impairment Related Work Expenses, Blind Work Expense, Student Earned Income Exclusion, and a Plan to Achieving Self Support (PASS)

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### **MYTH #4: I have to keep \$1 of SSI or I'll lose my SSI and Medicaid/OHP+**

**FACT:** If earnings cause your SSI to go to \$0 you can **keep SSI eligibility status and Medicaid (OHP+)**! A special work incentive called 1619b allows this to happen. Being in 1619b is the best of all worlds:

- You still have SSI eligibility status (SSI is easily restarted if your earnings drop),
- You still have Medicaid,
- You have more money than when you weren't working, AND
- You don't have to worry about the SSI check readjustments

To use 1619b; earnings must have caused the SSI check to go to \$0, you must still have a disability, your resources must still be below \$2,000, you must need the Medicaid/OHP+, and your annual income must be below the annual threshold (at least \$43,116 in 2021).

### **MYTH #5: I don't have SSI, but somehow I have Medicaid/OHP+, I've heard I'll lose it if I work.**

**FACT:** There are several ways a person can get Medicaid/OHP+, each way has its own income and resource rules. If by working you go over income for your current way into Medicaid, **you can use Employed Persons with Disabilities (EPD) to keep Medicaid!**

- With EPD, you can earn at least \$5,453/month (2021) and still keep Medicaid!

### **MYTH #6: There are no resources to help me reach my goal of self-sufficiency**

**FACT:** There are work incentives that will match funds you set aside to pay for expenses related to an employment goal!

- Plan to Achieving Self Support (PASS) gives you SSI to cover your living expense while you use your SSDI or wages to pay for work-related expenses
- Individual Development Accounts (IDA) are matched savings program. If you save up \$1,000, you can get up to a \$3,000 match
- ABLE Accounts (for those whose disability occurred before age 26) allow you to save up to \$15,000 per year that will not count toward the resource limit.

### **MYTH #7: If I work I'll end up with an overpayment**

**FACT:** There are strategies to prevent overpayments

- Report regularly
- Get a receipt from the Social Security Administration (SSA) to document reported wages
- Create a benefits binder to keep your earning and benefit paperwork organized
- Work with your employment team members to identify strategies that will work for you in reporting income and understanding SSA letters!

Additional information can be found at <http://www.oregon.gov/dhs/employment/VR/WIN/Pages/Index.aspx>.