



How Can Work Incentives Help You Receive Supplemental Security Income (SSI) and Medicaid While Working?

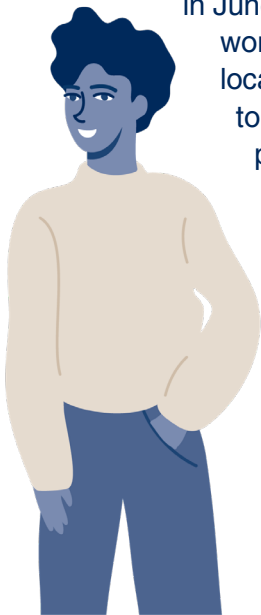
How can work incentives help you receive SSI and Medicaid while working?

- Some work incentives allow us to exclude a portion of your income or resources when we determine your eligibility for benefits.
- Other work incentives let you continue to receive Medicaid coverage after you stop receiving SSI cash benefits.

You may take advantage of more than one work incentive. The amount of income we may not count and the amount of your SSI benefit will change with the types and amounts of your other income each month. It is important for you to tell us when your income changes, and for you to know the current amount we can set aside of your income.

Work Incentive Examples

Student Earned Income Exclusion (SEIE)



Chayton is a student who earned \$1,830 a month in June, July, and August of 2021 while working at the snack counter at his local pool. In September, he returned to school and continued working part-time. He earned \$900 a month in September through December 2021. In 2021, the maximum monthly amount of SEIE was \$1,930 and the yearly limit was \$7,770. Using the SEIE, we can exclude all of Chayton's earnings each month in June, July, and August, and all of his \$900 earnings in September and October ($\$900 \times 2 = \$1,800$). Through October, Chayton used \$2,290 of his \$7,770 yearly limit.

Impairment Related Work Expenses (IRWE)

Asia receives SSI benefits and is self-employed. She uses a motorized wheelchair and a special transportation service. Since she is self-employed, her earnings vary some each month. In a typical month, she earns \$1,025 selling her photography in a local Art Co-Op. The money from her pictures is the only other income she receives.

In 2021, her monthly work expenses were:

- \$250 a month Art Co-Op dues and insurance.
- \$100 a month in printing costs.
- \$250 a month for a special transportation service that she needs to get to and from the Art Co-Op due to her disability.

Although Asia has work expenses of \$600 a month, only the \$250 of her earnings she uses to pay for the special transportation service relates to her impairment. We do not count her costs for the special transportation in determining the amount of her SSI benefit as follows:

$$\begin{aligned}
 &\$1,025 - \$20 \text{ (general exclusion)} = \$1,005 \\
 &\$1,005 - \$65 \text{ (earned income exclusion)} = \$940 \\
 &\$940 - \$250 \text{ (impairment-related work expense)} = \$690 \\
 &\$690 / 2 = \$345 \\
 &\$345 = \text{countable earnings}
 \end{aligned}$$

Note the cost of public transportation is not typically an IRWE. Also, be mindful that the earnings of individuals who are self-employed vary from week-to-week and month-to-month. It is important to report the money you earn to us, including from self-employment. We will work with you to apply the special earning rules for self-employment.

Plan To Achieve Self-Support (PASS)

Roberto has cerebral palsy and receives SSI. At 17, he starts working on the weekends and during the summer months as an assistant to a writer for an online tech magazine. He wants to enroll in the local community college and take some journalism classes when he graduates from high school in June.



Roberto's case manager, who is on his Individualized Education Plan (IEP) team, told him he could apply for a PASS to help him set money aside for his educational training. She connects him with a benefits counselor at the local Work Incentives, Planning, and Assistance. His benefits counselor helps him write the PASS and submit the plan to the local Social Security PASS Specialist.

Roberto's work goal is to become a journalist for a tech magazine. Through his PASS, he will set aside \$50 each paycheck from now until next fall and that money will pay for two journalism classes at the community college his freshman semester. By getting his Associates Degree, he can apply for full time journalist vacancies in the online tech magazine industry and earn more money.

We will not count the money Roberto sets aside each month for his PASS as income when determining his SSI benefit. We will also exclude the money in his PASS savings account from his resource limit. He will need to track his savings for his PASS in a separate bank account and keep his payment receipts for his classes. We will ask to see proof of his deposits into his PASS savings account and his receipts for the classes.

For more information about work incentives, visit our website at www.ssa.gov/disabilityresearch/workincentives.htm and www.ssa.gov/redbook.

Youth Toolkit 2021

You can find additional information and resources to make a successful transition to adulthood at www.ssa.gov/youth/



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Publication No. 64-120 | April 2021
How Can Work Incentives Help You Receive Supplemental Security Income (SSI) and Medicaid While Working?
Produced and published at U.S. taxpayer expense