

Moving Across SSI Programs

Income	Program Involved	Benefit(s)
Gross Income above Threshold	None	None
Between Break-even and Threshold	1619b	Medicaid only Retain eligibility for cash benefits if income drops
Between SGA (gross income) and Break-even	1619a	“Special” cash benefit (prorated) and Medicaid
Gross Income below SGA	1611	Cash benefit (prorated) And Medicaid

1611

People on SSI whose gross income is under SGA receive an income check from the basic SSI program, **Section 1611** (named for the section of the law that authorizes such payments). The amount of the check is prorated according to the total countable income. In most states, recipients also get Medicaid coupons to purchase medical services.

1619a

People on SSI whose gross income is above SGA but whose total countable income is less than the “break-even” point continue to receive a prorated benefit check and medical benefits, but the money for the check now comes out of **Section 1619a**, a special work incentive section of the law. The **break-even point** occurs when the countable income (after exclusions and divide-by-two) equals the SSI check and therefore the person is no longer eligible for a cash award.

The break-even point for a person who was getting \$530 in SSI and is now earning wages (and has no unearned income) would be \$1,213 (2004). Subtracting the \$85 in exclusions from the gross earnings of \$1,213 leaves \$1,128; dividing that by two yields \$564; subtracting that amount from the full SSI check of \$564 leaves \$0 in cash benefit.

1619b

When total countable income goes above the break-even point, the person moves into Section **1619b**, which provides no cash benefit but continues medical benefits until gross earnings are up to the “Threshold” amount.

The **Threshold** amount is the level of earnings that have been determined to be sufficient for the person to purchase his own medical insurance.

The Threshold amount varies across states. The Threshold amount for 2006 is \$49,517 in Alaska. Each June the State of Alaska calculates the Threshold amount for the previous year. If a person's gross income exceeds the Threshold amount, Individual Thresholds can be calculated if the person has high medical needs and expenses.

Continuing in 1619b also maintains the person's eligibility for cash benefits should the income drop below the break-even amount. It is not necessary to re-apply, just to inform Social Security about the change in income.

This program (1619b) is not applicable to people who have more than the FBR in unearned income. Thus, a person who was earning \$1,000 per month but also had \$600 per month in unearned income from an insurance settlement would not continue to receive Medicaid coupons even though his earned income was less than the threshold amount.

The other requirements for this benefit are that the person must continue to have a medical disability, must be not able to afford benefits equivalent to those he would receive if he were not working and he must "need" Medicaid support in order to work. They will ask two questions and they must answer yes to at least one of them:

- 1) Have you used Medicaid in the last year?
- 2) Do you think you will need to use Medicaid in the next year?

If he uses his coupons at least once per year, his "need" requirement will be met. If he has a year in which no coupons are used, Social Security will accept his statement that he plans to use them in the next year as evidence of need.

If the person doesn't qualify for 1619b, perhaps because his new job provides health insurance for a reasonable premium, but then he loses that coverage within 12 month of leaving the SSI system, coverage can be reinstated upon request.

Once the person's gross income goes above the threshold amount, he will no longer be eligible for SSI benefits. If his income drops below the threshold within 12 months, reinstatement should happen automatically after notifying of SSA.

Under TWWIA, one can request a reinstatement of benefits within 5 years of being terminated as of January 1, 2001.

Expedited Reinstatement of Benefits for SSI recipients

This is a new provision under the Ticket to Work and Work Incentives Improvement Act, effective January 1, 2001. Under this provision, an SSI recipient who:

1. had not received a cash payment for more than 12 months and
2. whose SSI eligibility was terminated due to excess earnings

can be reinstated if s/he stops working due to medical reasons within 5 years of being terminated. This will usually apply to persons who were in 1619b, then went above the “threshold” for over 12 months and lost eligibility as outlined in the above section.

To have SSI benefits reinstated, one:

- ❑ **Must ask to have benefits reinstated within 60 months of termination**
- ❑ **Will receive provisional benefits for 6 months – SSI and Medicaid**
- ❑ **Undergo a disability review**
- ❑ **If not found disabled, won't have to pay back benefits**
- ❑ **If found disabled, will resume SSI status**