

EPE: Extended Period of Eligibility

What is the Extended Period of Eligibility?

The Extended Period of Eligibility is Social Security's acknowledgment that nine TWP months may not be an adequate amount of time for an SSDI beneficiary to test out returning to work. Therefore, once a person completes her ninth month of TWP, she **automatically** begins an Extended Period of Eligibility (unless a CDR is done and determines that she is no longer eligible for benefits).

The EPE is the 36 **consecutive** months immediately following the completion of the TWP, regardless of whether or not the person is employed during those 36 months. **NOTE: THE EPE, LIKE THE TWP, PERTAINS ONLY TO SSDI. THERE IS NO EPE IN SSI.**

How Does The EPE Effect The SSDI Check?

During the EPE, the person receives a full cash benefit for any month that countable earnings (i.e. after subsidies and IRWE's are deducted) fall below SGA. If countable earnings are more than SGA in a given month, the person gets no SSDI for that month. This is why you hear so many people say, "I can't earn more than \$810 or I'll lose my Social Security". As always with SSDI, the amount is not pro-rated – a beneficiary receives the **whole check or no check at all**.

Keep in mind that there is a two-month delay in responding to earning levels. For example, if you earned over SGA in May, it would actually be July before you missed a check. The bottom line in advising clients:

- Be scrupulously accurate in reporting your income promptly to SSA.
- **Save** some of the money that comes in on those months in which you have both SSDI and earnings – that way when you have a month in which there is no SSDI check, you'll be prepared.

How does the EPE work?

The Extended Period of Eligibility is exactly that, the *extended period of eligibility*. Often times, persons in the EPE will go in and out of payment status. Because SSA uses three words for when there is no SSDI payment, the terms **cease, stop and terminate** have been defined below. Beneficiaries will receive letters that use these terms, so understanding their true meaning will be extremely helpful when providing information.

“Your benefits have been ceased”:

The **first** month above SGA once the EPE begins is called the “**Cessation Month**”, hence the phrase “your benefits have been ceased”. This can be the first month of the EPE, or the fifth, or the thirty-sixth; or the third month after the EPE ends, or the tenth, or any other number. The two months following the “Cessation Month” are called the “**Grace Period**”. During these three months, the person will receive a full SSDI check regardless of the level of income reported.

“Your benefits have been stopped”:

Any month during the EPE, after the cessation month and the grace period, that a person earns above SGA, her benefit check will be “stopped”. When a person falls below SGA **during the Extended Period of Eligibility**, benefits are restarted. This is because s/he is in the “*Extended Period of Eligibility*” for benefits.

Your benefits have been “terminated”:

The use of the word terminated here is the final word for ending benefits for SSDI benefits. You can think of it as THE END! The termination month is the last month a person will receive benefits. Once a person goes above SGA **after the end of the EPE**, she will no longer be considered eligible for benefits. If a person has not already used her cessation month and grace period, she will receive a benefit check for those 3 months. Of course, if one undergoes a CDR and is found to no longer be medically disabled, benefits may be terminated *during* the EPE.

When Does the EPE End?

At the end of 36 consecutive months following the TWP.

- 1) The first month after the 36th month she earns SGA, benefits will be terminated. If she has not used the cessation and grace period, she will get benefits for the three months: the cessation month and the two grace period months. The last grace period month would be considered the termination month.
- 2) If the regularly scheduled CDR during the EPE determines that the person is not medically disabled, her benefits will be terminated and she will have a two-month grace period, if they have not already been used.
- 3) If the person is not performing SGA at the end of the EPE, her benefits will continue indefinitely. We unofficially call this “EPE

Limbo”. The first month after the end of the EPE that she performs SGA, her benefits will be terminated. As above, the grace period may or may not apply depending on whether it has already been used.

- 4) If the person is in the middle of a vocational rehabilitation plan when the EPE ends, benefits may continue until the plan is ended. See “Continued Payment under a Rehabilitation Plan also known as Section 301 protection”.

Unsuccessful Work Attempt:

If the employment turns out to be short term (1- 6 months); it was not the person’s choice to leave the job and it was related to the disability, she can ask Social Security for a determination of an “Unsuccessful Work Attempt” which will reinstate benefits. This can be used at any time during the EPE, which may renew the cessation month.

What happens after the end of the Extended Period of Eligibility?

A person who has completed the Extended Period of Eligibility and benefits were terminated, who becomes too disabled to engage in SGA within 5 years (or 60 months) of termination can become eligible again for SSDI benefits one of two ways:

Re-entitlement to SSDI:

A person who has completed the Extended Period of Eligibility and has been terminated due to work activities, can **reapply** for SSDI benefits, if her income drops below SGA and she continues to meet other SSDI requirements (i.e. she has a disability and has paid into the system). She must reapply within 5 years (7 years for SSDAC) of the termination month. A new disability determination will be made, and she will be eligible for a new Trial Work Period and Extended Period of Eligibility. She will not have to meet a 5 month waiting period for eligibility for payment if determined disabled, but she will have to meet the Medicare waiting period (24 months of receiving an SSDI benefit).

OR

Expedited Reinstatement of Disability Benefits for an SSDI recipient under TWWIA effective January 1, 2001: (EZ Back On)

A person who has completed the Extended Period of Eligibility and has been terminated due to work activities can ask for an **expedited**

reinstatement of benefits within 5 years of the termination month. The individual will undergo a disability review just like a continuing disability review where the DDS will determine if s/he is as disabled as at original application. The DDS will look to see if any medical improvements have been made. S/he must not be able to work due to his/her medical condition.

While the DDS is making the determination, s/he will receive provisional benefits (SSDI and Medicare) for no more than six months. If s/he is *not* found to be disabled, benefits paid will not be considered an overpayment. If s/he is found to be disabled, her/his benefits will be reinstated against her/his prior entitlement.

Once benefits have been reinstated, Medicare will continue and earnings will impact the SSDI benefit just like it does during the EPE: above SGA, no check; below SGA, whole check. **Once the individual receives an SSDI check for 24 months, s/he will be eligible for a new TWP and EPE.**

Extended Period of Medicare Coverage (EPMC):

The Extended Period of Medicare Coverage (EPMC) begins the month following the end of the Trial Work Period.

- ❑ Before TWWIIA, the EPMC ran concurrently with the Extended Period of Eligibility for 39 months.
- ❑ Effective October 1, 2000, the EPMC extends an additional 4^{1/2} years beyond the original 39 months, for a total of 7 years and 9 months after the end of the TWP. *Individuals whose 39 months (the old EPMC) ended prior to 9/30/00, will not get the additional 4^{1/2} years of free Medicare Part A.* They would have free Part A if they continue to receive SSDI benefits past the 39th month (EPE Limbo)

How does it work?

During the EPE:

- ❑ An individual who is **above SGA**, and not receiving an SSDI check will still receive Part A free but have to pay for Part B directly.
- ❑ If one is **below SGA**, s/he will still receive Part A free but s/he will pay for Part B, it will come directly out of her/his SSDI check as usual.

Once the EPE ends under TWWIIA:

Medicare coverage will remain the same, regardless if one is earning SGA or not. Medicare Part A will continue to be free. S/he will have to pay for

Part B as usual. The above rules would apply. This continues for 4 and _ years past the 36th month (the end of the EPE), for a total of 7 years and 9 months of free Part A coverage past the end of the TWP.

