

Transition = It is Time to Work!

Customized Employment and Benefits Planning

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THANK YOU!!!

- *NSSEO and Laura Fine, Transition Specialist*
- *Parent Education Resource Center - Lunch and Learn Series*

Goals for Today's Session

- *Disability does not mean 'not abled'. Disability does not translate to 'not working.' A customized job provides the match of an individual's skills, interests and abilities to the unmet need of a business employer.*
- *Introduction to Customized Employment and possible outcome of Self -Employment*
- *Individuals with disabilities CAN work AND still be connected to the SSI or SSDI cash benefits AND will very likely not lose their health insurance.*

Having a Vision and Building Social Capital

Life begins with a vision

Dream BIG Dreams!

A lifelong dream with goals = Reality!

*We want to avoid an individual having to live
someone else's program*



Social Capital

To increase the employment of individuals with disabilities by encouraging the use of local contacts through friendships, relationships, business contacts and places where individuals do business



Intro to Social Capital

Trust Growing Elements:

- *Repeated exposure & shared spaces*
- *Honesty in Communications*
- *Follow-Through on Commitments*
- *Consistency in Behavior*



Knack, S. (2001); Sander & Lowney, (2006);
Griffin-Hammis Associates

Employment First

Department of Labor –

Office of Disability Employment Policy

- An individual with a disability should have the first option to become employed in a job of their choosing, utilizing their skills, interests and abilities, with the supports needed to be successful in meeting the needs of a business in their community, at a competitive wage.
- Moving away from sheltered work, group or enclaves and below minimum wage employment.

Customized Employment

- CE was designed for individuals with high or complex support needs
- CE is applicable to anyone, with or without a disability, seeking employment
- CE circumvents the comparison of applicants made in “Competitive Hiring”
- CE relies on natural relationships, supports, training, etc.



Frames By Devora

- *Shows she is happy by waving her hands*
- *Demonstrates a passion in 'painting' and making a mess!*
- *Her mother developed that passion into a marketable item – hand-painted frames*
- *Funded through DRS, Life My Way grant and SSA – PASS – reducing dependence upon SSI!*
- *Devora actively shops for frames; delivers frames; takes to post office; banks; is present for fairs and shows*
- *Devora is a member of the Chamber of Commerce*

Principles of CE

- One person – one job
- Regular wages
- Match the person with the right job
- Put people in situations in which they can be most successful.



Principles of CE

- Capitalize on someone's strengths, abilities and interests
- Work supports are individualized
- Applicable to all workers, not just people who have disabilities
- Negotiation is the key.



Families Are Key Partners

- Expect that family members can and should hold a job that meets both economic and social needs
- Teach skills (no skill is insignificant) – chores, etc.
- Talk about work and what the individual will do when grown up beginning at an early age
- Expose family members to many different experiences and places



Poppin' Joe's Kettle Korn

- *In high school – described as combative; non-communicative*
- *Parents recognized that labor market employment would not work for 'Joe'*
- *Joe loves people; being out-of-doors; making noise*
- *Started out with a 'popcorn stand' outside of Wal-Mart*
- *Today, Joe lives in his own home with supports; the company has gross earnings over \$75,000; has several part-time employees; parents will retire as business managers when earnings reach \$100,000.*

*Discovery consists of seeing
what everyone has seen and
thinking what nobody has
thought.*

Dr. Albert Szent-Gyorgyi



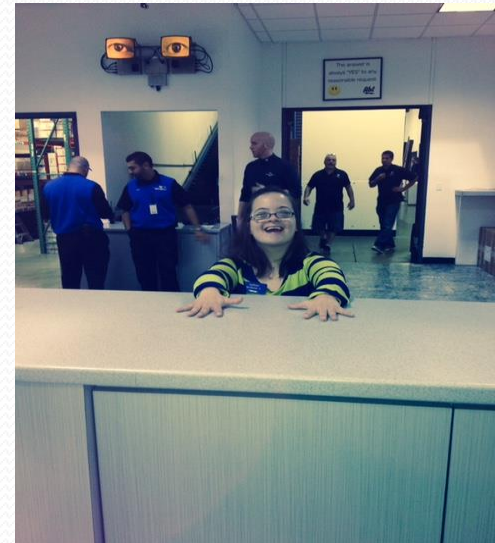
Customized Employment

- Discovering Personal Genius
 - A planful approach that reveals life Themes
 - That presents a path of Discovery
 - That begs Investigation
 - That creates Options
 - That breeds Innovation in job development



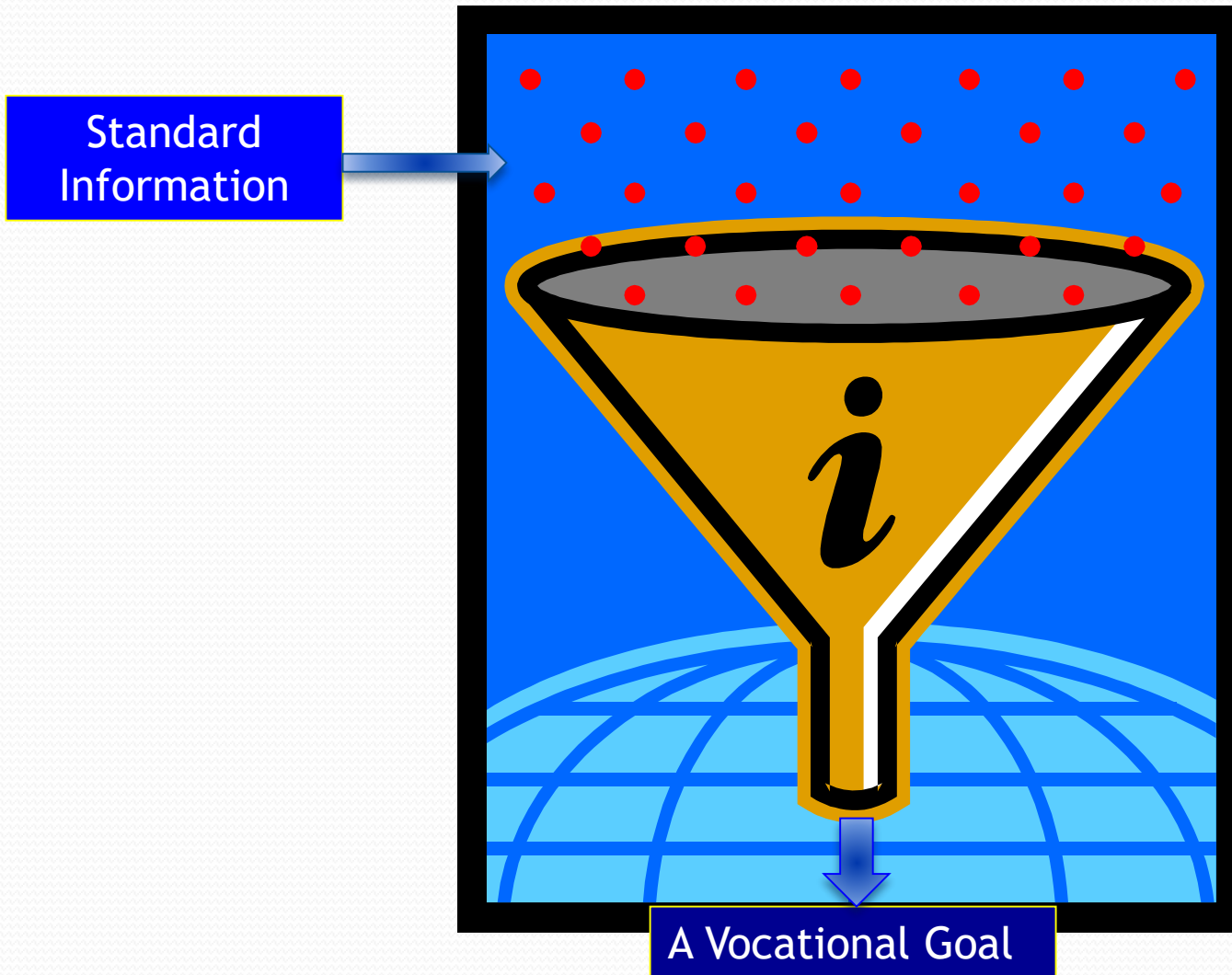
Meet Sarah

When Sarah exited the school System, she was working at McDonald's
Now she is a Customer Service Representative making more than minimum wage working 15 hours per week



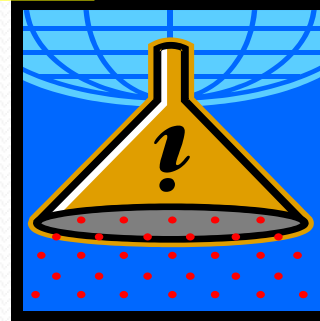
“Use your network. People tend to help out when asked. Let people know you are looking for information, contacts and resources.”

Traditional Assessment



A Different Approach

Job Seeker



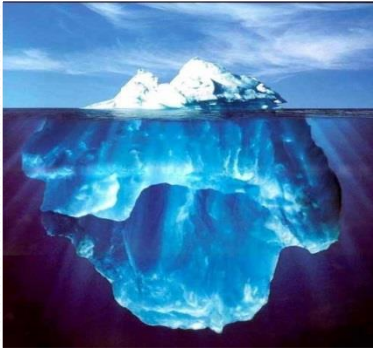
Possibilities based
on Themes



Finding the Jobs Behind the Jobs

Customized Employment Uses:

- A Positive Vocational Profile
- Themes instead of job descriptions
- Ideal Conditions of Employment
- Informational Interviews



Customized Employment

- Employment Approaches Include:
 - Negotiated Jobs
 - Job Creation
 - Job Carving/Restructuring/Unbundling
 - Resource Ownership
 - Self Employment/Micro-Enterprise
 - Business Within a Business



Benefits of Self-Employment

- *Process begins whenever individual is ready – no lengthy job search process*
- *Businesses are grown specifically around individual*
 - *Talents, skills, interests, etc.*
- *Necessary accommodations written into business plan*
- *Working at home eliminates transportation issues*

Employment AND Benefits Planning

- *Go hand in hand*
- *Starts with Discovery–DPG™*
- *Have to understand the interaction of income from wage and/or self-employment on public benefit systems*
- *What public benefit systems are being received now?*
- *SSA, Medicaid, DD Waivers – CILA? Home Based Support?, DRS Home Services*



Show of Hands!

I think these benefits programs are.....

- A. Easy to Understand*
- B. Challenging to Understand, but not Rocket Science.*
- C. Rocket Science.*



Two Disability Cash Programs

- *Supplemental Security Income (SSI)*
 - *Strict income and resource limits*
 - *No work history required*
 - *\$750 - 2018 Federal Benefit Rate*
 - *\$1,125 - 2018 SSI Amount for a couple*

- *Social Security Disability Insurance (SSDI)*
 - *Based on work record*
 - *No income or asset limits*
 - *Amount depends on work record*



Supplemental Security Income

- *2018 SSI Amount \$750 (\$1,125 for a couple)*
 - *Payment can vary based on living arrangements and other factors*
 - *Not guaranteed to always receive the full amount*
- *\$2,000 – Asset and Resources Limit each month*
- *If qualify for SSI, probably also for Medicaid*
 - *In IL, NOT automatic → Must apply separately*



Social Security Disability Insurance - CDB

- *Childhood Disability Beneficiary*
- *Adults (18 and older) having a disability determination before age 22 can collect SSDI on their parents Social Security employment earnings record, if the parent:*
 - *Becomes retired and collects SSA*
 - *Becomes disabled themselves and collects SSDI*
 - *Becomes deceased*

CDB becomes eligible for Medicare, 24 months after being determined a CDB, but maintains Medicaid under special rules!

Social Security Disability Insurance - On Own Record

- *An individual with a developmental disability from birth can be found eligible for their own SSDI after 6 work credits are earned before the age of 24*
- *2018 – one Social Security Credit earned = \$1,320 gross*
- *2018 – up to four credits earned = \$5,280*

*24 months after being found eligible for SSDI – Medicare eligible. **THIS IS VERY IMPORTANT!!!***



SSI Work Incentives

- *Student Earned Income Exclusion*
- *PASS Plan*
- *Earned Income Exclusion*
- *Impairment Related Work Expenses*
- *1619*

Report all Income to SSA & DHS!!!

Student Earned Income Exclusion

- *Under age 22 and in school*
 - *High School*
 - *Community College*
 - *Trade School*
- *SSA will exclude up to \$1,820 of gross earned income per month, up to an annual exclusion of \$7,350*
- *Note: For Recipients of SSI, not dependent SSDI students!*
- *Have to provide verification to SSA of being a student up to the age of 22*

Plan for Achieving Self Support

- PASS allows you to set aside income and/or resources for a specified time for a work goal.
 - For example: set aside money to pay expenses for education, vocational training, or starting a business as long as the expenses are related to achieving a work goal.
- The money in this plan will not count as an asset for SSI, Medicaid or most public benefit eligibility.
- **May also be used to become eligible for SSI!**

PASS Specialist (Cadre)

- All new PASS cases go to:
- Ms. Connie DaValt, Area 2 Work Incentive Coordinator (AWIC) and PASS Cadre for WI
- 866-807-5995, ext. 26030
- 608 270-1021 (Fax)
- Connie.Davalt@ssa.gov
- Address: SSA, 6011 Odana Road., Madison, WI 53719

- PASS Plans currently in place are handled by:

- Ms. Joani Werner, Area 1 Work Incentive Coordinator (AWIC) and PASS Cadre for MN & Upper MI
- 866-667-7481, ext. 34061 (Toll-free)
- 651- 290-3811 (Fax)
- joani.werner@ssa.gov



Hardback YoYo

- Self-Employment takes a team!
- At 18 years old - loves books and keeping the earth a great place for all to live, Brian was inspired to create an eco-friendly business – springing old books into a new purpose.
- Taking products that would have been discarded and otherwise considered useless and turn them into a new UPCYCLED product.
- Hardback YoYo is called a mini-microenterprise due to Brian's being a student (first in high school and now at community college), as well as, an entrepreneur.
- Being self-employed, he relies on the help and support of others.
- Currently selling his products at a variety of venues and fairs.
- Most importantly, Brian is making an income and paying taxes and will now be eligible for Medicare in less than 2 years!

What on Earth Does All That Mean?

- *When a recipient of Supplemental Security Income is working and gross earnings are above \$85 – there WILL be an impact on the monthly SSI cash benefit*
- *Will the SSI check go down – YES, unless Student Earned Income Exclusion, IRWE's or PASS reduce countable benefits*
- *Is this a bad thing? **NO!!***
- ***Work Is Good!!** Almost always have MORE money while working, even though SSI check may be reduced!*

Supplemental Security Income and Earned Income Calculation

SSI and earnings are calculated with a formula. These deductions are subtracted from the gross income to determine countable income:

- General Income Disregard **\$20.00**
- Student Earned Income Exclusion
- Earned Income Disregard **\$65.00**
- Impairment Related Work Expenses
- Divided by 2
- Blind Work Expenses
- PASS Deduction

Example of Earnings on SSI after school and age 22

Alexis is out of school and is over the age of 22. She is working 15 hours a week at an hourly rate of \$8.25 (current IL minimum wage)

$15 \times \$8.25 = \$123.75 \times 4.25 = \$526$ gross earnings / month

Will Alexis still get an SSI check?

Ex: Impact of Earnings on SSI

- YES!!!

\$526 monthly earnings

- \$65 earned income exclusion
- \$20 unearned income exclusion (if not on SSDI)

= \$441 divided by 2

= \$220.50 = Countable Earnings

\$750 – Full Federal Benefit Rate for SSI

- 220.50

= \$529.50 – NEW adjusted SSI check

Results

- Gross Income from work \$ 526
- New adjusted SSI check \$ 530
- New Total Monthly Income \$ 1040
- Vs previous - \$750
- Improved Monthly Income \$ 290

- **What if Alexis worked 40 hours?**

Alexis works Full-Time

$40 \times \$8.25 = \$330/\text{weekly}$

$\$330 \times 4.25 = \$1,402.50/\text{monthly}$

Will Alexis get an SSI check????

Remember the Earned Income Calculation . . .

Impact of F/T Minimum Wage

Gross Earnings from Work = \$1,402.50

- Earned Income Exclusion - \$ 65.00

- General Income Exclusion- \$ 20.00

- \$ 1,317.50

- Divided by 2= \$ 659

Countable Earnings = \$ 659

- **Will She Still Get an SSI Check????**

More Results

- SSI Full Federal Benefit = \$ 750.00
- Minus Countable Earnings = \$ 659.00
- NEW SSI monthly check = \$ 91.00
- Gross Earnings = \$ 1,402.50
- NEW SSI check = \$ 91.00
- NEW monthly Earnings = \$ 1,493.50
- Monthly Income Improved by = \$ 743.50

WAY TO GO!!!!!! WORK IS GREAT!!!

Medicaid - 1619

- *1619(a) – When gross earnings are over \$1,180/month in 2018 – free Medicaid*
- *1619(b) – In 2018, when gross earnings are over \$1,585 (or when SSI check goes to \$0 from Earned Income ($\$750 \times 2 + \85 – Called the ‘Breakeven’)*
 - ▶ *Keep Medicaid until annual earnings of \$27,102 in 2017 (Jan. 2018 threshold to be announced)*
- *Individualized Threshold = could be higher if person has high medical needs or is on a Medicaid Waiver*

SSDI and/or Childhood Disability Beneficiary (DAC)

- *Trial Work Period (TWP) \$850 (2018)*
- *Extended Period of Eligibility (EPE)*
Substantial Gainful Activity (non-blind SGA) \$1,180 (2018)
Blind SGA \$1,970 (2018)
- *Grace Period*
- *Impairment Related Work Expense (IRWE)*
- *Subsidy*
- *Expedited Reinstatement of Benefits*

Other Considerations

- When individuals work and pay into FICA taxes, credits are earned toward Social Security Administration benefits
- An individual with a developmental disability from birth can be found eligible for their own SSDI when 6 work credits are earned before the age of 24
- 2018 – one Social Security Credit earned = \$1,320 gross
- 2018 – up to four credits earned = \$5,280

24 months after being found eligible for SSDI – Medicare eligible.
THIS IS VERY IMPORTANT!!!

SSDI and Medicaid

- *Medicaid income limit as of January 2017 = \$1,005/monthly (Federal Poverty Level)*
- *If work income is above that level, Healthcare and Family Services calculates a spenddown*
- *Spenddown is essentially a deductible of medical expenses are incurred (doctor co-pays, Community and Home Based Services)*
- *To avoid spenddown, there is the Medicaid Buy-In*

Medicaid: Health Benefits for Workers with Disabilities

- *Workers with Disabilities - age 16 to under 65*
- *Pay small monthly premium (avg: \$40 - \$50)*
- *Proof of paying FICA taxes (no minimum)*
- *Earnings to \$3,517 / month – NET (\$42,210)*
- *Savings up to \$25,000*
- *Retirement Accounts are not counted!*
- *HBWD eligibility maintains DD Waiver eligibility*

Application directly to HBWD – Call 800 226-0768

Examples of Self-Employment in Illinois

- *CuBBull (loves quarters)*
- *Frames By Devora (loves to paint)*
- www.framesbydevora.com
- *Hardback Yo-Yo (loves old books and 'upcycling')*
- www.hardbackyooyo.com
- *Poppin' Joe's Kettle Korn (loves people, noise, movement)*
- <http://poppinjoes.com/>
- *Shredigator*
- <http://www.shredigator.com/>

Resources

Griffin-Hammis Associates

- www.griffinhammis.com

Online Training:

- <http://griffinhammis.reliaslearning.com/>

Department of Labor-Office of Disability Employment Policy

- www.dol.gov/odep

Work Incentives Planning & Assistance Projects

Illinois Assistive Technology Program

www.iltech.org/

Contact the IATP WIPA Program toll free at (800) 852-5110(voice/tty), (217) 522-7985 or email us at iatp@iltech.org

Resources - Continued

Rural Institute of Montana Self – Employment
Project

http://rtc.ruralinstitute.umt.edu/?page_id=5028

Start-Up USA

<http://www.start-up-usa.biz/resources/listContent.cfm?formatID=2>

Questions

Contact Information

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