

Social Security Myth Busters!!

(for 2021)

Myth #1: "I'll lose my SSI if I work." or "I can't work and get SSI."

Truth: Social Security wants you to work.

- SSI doesn't count all of your earned income; therefore, in most cases, this allows you to remain eligible for SSI while working.
- SSI uses the following exclusions to decrease your countable income:
 - o General Income Exclusion: \$20 deduction is first applied to your unearned income if you have it (this would be SSDI, unemployment, etc.). If you do not have any unearned income, the \$20 is deducted from your earned income.
 - o Earned Income Exclusion: \$65 deduction taken from your earned income
 - o ½ Income Disregard: After the general income exclusion and earned income exclusion are deducted from your income, ½ of your remaining countable earned income is then deducted as well. The result is your total countable earned income.
- SSI subtracts your total countable income from your SSI amount to determine your new adjusted SSI check.
- A full SSI amount for 2021 is \$794.
- SSI uses your gross earnings (wages before taxes are taken out) when calculating your reduced SSI.
- See the math below for someone earning \$485 a month:

Gross Earned Income	\$485
- General Income Exclusion (\$20)	- \$20
Remainder	\$465
- Earned Income Exclusion (EIE) (\$65)	- \$65
Remainder	\$400
Divide by 2 (½ income exclusion)	\$200
= Total Countable Earned Income	= \$200
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Base SSI Rate (\$794 for 2021)	\$794
- Total Countable Earned Income	- \$200
= Adjusted SSI Payment	= \$594
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Gross Earned Income	\$485
+ Adjusted SSI Payment	+ \$594
= TOTAL RESOURCES (before taxes)	= \$1,079

Your SSI check will decrease.

You are replacing SSI cash with wages.

But because less than ½ of your earnings are counted by SSI,
you will ALWAYS have MORE MONEY than when you were not working!

Myth #2: "I'll lose my Medicaid if I start working."

Truth: You can keep your Medicaid and still earn money.

- As long as you are receiving an SSI check, you will remain eligible for Medicaid.
- If you earn too much to keep getting an SSI cash benefit by going over the Break Even Point, you will continue to be eligible for free Medicaid through a program called 1619(b).
 - o The Break Even Point (BEP) is the amount that would perfectly zero out your SSI cash benefit.
 - o The BEP is calculated using all your income, applicable income exclusions and work incentives.
 - o If your only income is earnings, the 2021 BEP is \$1,673 gross monthly wages.
 - o If you receive unearned income or use work incentives, the BEP point will be different.
- You will remain eligible for 1619(b) until your total income is over the State Threshold Amount, which is \$41,112 annual income for Washington State for 2021.
- As long as you are in the 1619(b) program you are considered eligible for SSI even though you do not receive a check. **So keep reporting wages monthly!**
- If your medical expenses are significantly high and you need medical coverage to maintain your employment, you can contact Social Security and request an individual threshold amount which could allow you to remain eligible for 1619(b) if you earn over the State Threshold Amount.
- If you earn over the State Threshold Amount, you can purchase Medicaid through the Healthcare for Workers with Disabilities (HWD) program. The premium for HWD is no more than 7.5% of your gross monthly income, maybe less.
- HWD does not have a resource limit, an age limit or an income limit.
- SSI, Medicaid, and 1619(b) all have a \$2,000 resource limit.

Myth #3: "Social Security denies everyone the first time."

Truth: Around 25-30% of folks are accepted the first time.

- If you apply for benefits and are denied, you will want to appeal within 60 days of the date on the denial letter. If you wait past 60 days, you will need to complete a new application.
- There is a small list of qualifying conditions that may allow SSI payments to start right away and for six months while a decision is made. After the decision is made, the payment will continue if disabled or end if not disabled. If it is determined you are not disabled, you do not need to pay these payments.
- In some cases, you may be eligible for a back payment to the date of application.

Myth #4: "If my benefits are terminated, I have to reapply to receive them again."

Truth: If your benefits have been terminated within 5 years, you can request for them to be reinstated. After 5 years, you do have to reapply.

- You will want to call your local office and talk with your claims rep to request an Expedited Reinstatement of your benefits.

Myth #5: "I can't own my own home and get SSI."

Truth: You can own a home and the land that it is on as long as you live there.

- If you do not live in the house, it will be considered a resource and terminate you from SSI and possibly from your state benefits. Purchasing Healthcare for Workers with Disabilities could help protect your state benefits when you own a home.
- As a homeowner, if you have people rent rooms in your home and you collect rent from them, that income is considered unearned income and could terminate you from SSI.