

Glossary of Selected Social Security Terms

Individuals with disabilities who do not work may receive income support through two Social Security programs, Social Security Disability Insurance program and Supplemental Security Income program. These programs provide critical income support to individuals, however, the terminology and acronyms used in such programs can be confusing. This document serves as a resource guide to help you understand the different terminology. It is not an exhaustive guide to the SSA programs, but it will give you a basic understanding if different terms are used in your work with individuals with disabilities. Social Security provides a resource guide called the Red Book: A Guide to Work Incentives (<http://www.ssa.gov/redbook/>) with more information on these topics. This sheet describes different SSA programs, factors that impact benefits and the SSA work incentives.

Social Security Administration (SSA): SSA is the Federal agency that administers the benefit programs that provide monthly cash benefits to approximately ten million individuals with disabilities in the United States under the SSDI and SSI programs. SSA is also responsible for administering the Ticket to Work program. The largest program administered by SSA is the retiree program.

Income Support & Health Insurance Benefits

Supplemental Security Income (SSI): Benefit programs for elderly and individuals with disabilities (determined by Social Security standards) who are low income and have little financial resources. In most states, people who get SSI also automatically get Medicaid.

Social Security Disability Insurance (SSDI): SSDI is a social insurance benefit program for people considered disabled (by Social Security standards) who have worked enough to qualify for benefits. The SSDI program also covers spouses with disabilities and dependent children of fully insured workers upon the retirement, disability, or death of a primary beneficiary [the individual who would receive benefits upon an individual's death].

Childhood Disability Benefit (CDB): A benefit for people considered disabled whose parents have worked enough to qualify for benefits and who are now deceased or getting Social Security retirement or disability benefits.

Medicaid: The joint federal-state health benefit program for people with disabilities and others who qualify, such as low-income individuals over 65 and children with disabilities who are from low-income families. Typically individuals who receive Supplemental Security Income (SSI) are also eligible for Medicaid.

Medicare: The federal program that provides health coverage to individuals who receive SSDI and/or other Social Security benefits under the Old Age Survivors and Disability Insurance (OASDI) program (this does not include SSI benefits). Part A covers hospital insurance while Part B provides supplemental medical insurance. Beneficiaries receive Medicare after 24 continuous months on SSDI, and must pay certain deductibles and co-insurance fees. Part D provides prescription drug coverage.

Factors that Influence SSI and/or SSDI Benefits

Earnings or Earned Income: Money earned from working. For example, this may simply be the amount in a paycheck. The living allowance that AmeriCorps State/National and VISTA receive does not count as earned incomes for SSI recipients. For SSDI recipients, AmeriCorps VISTA living allowance does not counting as earned income, but the living allowance for AmeriCorps State and National is considered income.

Overpayment: It is not uncommon for recipients who earn income or receive financial resources like a living allowance to receive a letter from SSA stating that they have been paid too much and must return the excess funds. SSA will negotiate gradual repayment of the debt, or the recipient can file an appeal or a waiver form within 60 days of receipt of the overpayment notice.

Resources: Social Security's term for what most people call "assets." It includes anything you own, such as cash, a bank account, cars, stocks, business assets or other property that you can use to support yourself.

Substantial Gainful Activity (SGA): The dollar amount of earnings that is the cutoff point for eligibility for disability benefits. For purposes of determining initial eligibility for SSDI and SSI, "disability" is defined as the inability to engage in any "Substantial Gainful Activity" by reason of a medically determinable physical or mental impairment that is expected to last for a specified period. The SGA amount may change from year to year as it changes with the national average wage index. The Federal government calculates the national average wage index.

Work Incentives

Blind Work Expenses (BWE): If a person receives SSI and is blind, they can exclude expenses needed to work (not necessarily related to the disability) from their gross earned income [total monthly income before any deductions are made] when Social Security decides on the amount of their SSI check.

Extended Period of Eligibility (EPE): A 36-month (three-year) period of time during which a person can still receive an SSDI check if earnings drop below the substantial gainful activity (SGA) level.

Impairment-Related Work Expense (IRWE): IRWEs are expenses for items and services a person with a disability needs in order to work. Social Security gives its recipients an incentive to work by excluding these costs from the gross earned income that it counts for both the SSI and SSDI programs. IRWEs include the reasonable cost of items and services (e.g., attendant care, medical or prosthetic devices, drugs and medical services, residential modifications, special transportation) that, because of a disability, a person needs and uses in order to work.

Income Exclusion: An amount of money that is not counted when Social Security decides how much it will pay in a benefit check.

Expedited Reinstatement (EXR): A process for getting back on benefits. An individual must request a return to benefit status and will not be required to file a whole new application. People who ask for EXR can receive up to six months of provisional benefits.

Medicaid while working (1619-b): This incentive allows SSI recipients to continue to receive Medicaid coverage if they are working and earn so much that they are no longer eligible for SSI cash payments.

Plan for Achieving Self-Support (PASS): A Social Security work incentive that allows a person with a disability to set aside income and/or resources towards a work goal for a specified period of time (e.g., a person could set aside money for education, vocational training, or business start-up expenses). A PASS can be used to help reduce the amount that SSA deducts from an SSI check because of a person's earned income. SSA must approve PASS plans.

Student Earned Income Exclusion (SEIE): The Student Earned Income Exclusion is a work incentive that allows qualified young people who are in school to keep some or all of their earnings without losing money from their SSI check.

Trial Work Period (TWP): A period of nine months during which an SSDI beneficiary can work and still get their full SSDI check and Medicare, regardless of how much money they earn. The nine months of the Trial Work Period can be consecutive (one after the other) or can be spread out over a 60-month period (five years).

Ticket to Work and Work Incentives Improvement Act (TWWIIA): This law was designed to assist people with disabilities to have greater choices in getting the services they need to help them go to work. It allows people receiving Social Security disability benefits to obtain assistance in finding employment at a vendor/service of their choice.

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