



PLANNING YOUR FINANCIAL FUTURE

The Key to Understanding Your State
and Federal Benefits when You Work



Social Security Disability Programs

Social Security Disability Insurance (SSDI)

- ◆ Financed through FICA Payroll taxes
- ◆ Benefit amount determined based on work history
- ◆ Must have “current connection” with the workforce to be “insured” for this benefit

Includes Disabled Adult Child (DAC) and Disabled Widow(er) (DWB) Auxiliary and Survivor Benefits

SSDI- Where do you want to go?





Tale of the Overs and Unders

- ◆ Mike Under
- ◆ SSDI of \$1000 +
job \$500

SSDI continues
indefinitely
\$1500 monthly total
income

- ◆ Mary Over
- ◆ SSDI of \$1000 +
job \$2500

SSDI continues for 12
months

1-12 = \$3500 monthly
total income

13+ \$2500 monthly
income



What Happens if SSDI Ends

- ◆ Trial Work Period for 9 months + 3 Month Grace Period = 12 months full SSDI
- ◆ Medicare continues for 8 ½ years
- ◆ Extended Period of Eligibility for 3 years
- ◆ Expedited Reinstatement for 5 years



Social Security Disability Programs

Supplemental Security Income (SSI)

- ◆ Needs based program (limited income and resources)
- ◆ Benefit rate is federally mandated each year for all beneficiaries (2009 = \$674)
- ◆ Federal Benefit Rate (FBR) adjusted due to other income – earned or unearned after applicable exclusions
- ◆ Work history and “current connection” to the work force NOT a factor

SSI – It pays to go to work

SSI =
\$674

SSI only goes down
\$1 for each \$2 earned
(after the first \$85)

Work =
\$1433

Work =
\$0

SSI =
\$0





SSI – It pays to go to work

- ◆ State Medicaid continues under 1619a or b
- ◆ Special exemptions for student earned income
- ◆ PASS Plan (Plan to Achieve Self-Sufficiency)



Regular Medicaid

- ◆ Income up to \$903 per month
- ◆ Assets up to \$2000
- ◆ Must be aged or disabled
- ◆ Full Medicaid coverage
- ◆ Low co-payments (\$2 or \$3)
- ◆ Apply thru DHS



HBWD Benefits

- ◆ Individuals pay a low monthly premium based on income (avg \$50 per month)
- ◆ Income up to \$3159 per month \$25,000 asset limit
- ◆ Unlimited retirement account
- ◆ Full Medicaid coverage
- ◆ Low co-payments (\$2 or \$3)
- ◆ HBWD picks up where Medicare or other insurance don't pay (80/20)



General Eligibility Rules

- ◆ Must have a Disability
- ◆ Must have a job and pay taxes
- ◆ Must be a Citizen or Eligible Non-citizen
- ◆ Must be a Resident of Illinois
- ◆ Age 16 through 64
- ◆ Must have Assets less than \$25,000 excluding home, vehicle, or retirement
- ◆ Must pay the monthly premium