

Medicaid for Workers with Disabilities

Overview, Stipulations, Recommendations, Application

Overview

Program description and objectives

Disclaimer

- Every person's individual finances are different
- Financial eligibility for any Medicaid program is determined by the Office of Public Assistance
- This presentation is only meant to give an overview of the program
- Summit ILC is contracting with the Department of Public Health and Human Services to publicize the Medicaid for Workers with Disabilities program

What is MWD?

- State program that allows people with disabilities to work and still receive Medicaid coverage, even if they are not currently receiving Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI)
- Created from Balanced Budget Act (1997) and Ticket to Work and Work Incentives Improvement Act (1999)
- Montana's program is based on the Balanced Budget Act

When did MWD start?

- Approved in Montana during 2009 Legislative Session, Senate Bill 119
- MWD was implemented July 1, 2010

What are the advantages and goals of MWD?

- Lower unemployment rate and increase tax revenue
- Offset some Medicaid costs through cost share fees
- Allow workers with disabilities to contribute to their communities
- Increase use of federal disability work incentive programs
- Increase the talent pool for employers
- Ties benefit to employment, encouraging personal responsibility and community participation
- Increase resource limits to allow people to save for the future and emergencies

What are the basic requirements?

- Meet all non-financial eligibility criteria for Medicaid
- Has been determined to have a disability under Social Security Administration's criteria, or would be considered disabled if not for current work activities
- Age 16 or older
- Are employed, part- or full-time including self-employment, and are subject to FICA taxes
- Family countable income does not exceed 250% of the federal poverty level
- Recipients pay a cost share fee on a sliding scale based on individual's monthly income
- Are not residing in residential medical institutions

Stipulations

Requirements consumers must meet

Income limits

- 250% of the federal poverty level
- 2011 limits(Monthly Income Standards):
 - Individual: \$2269 month
 - Couple: \$3065 month
- Income is 'countable monthly income'
- NOT gross income

What is countable income?

- If just Employment income:
 - $(\text{Gross wages} - \$85) / 2 = \text{Countable Income}$

- Employment income & Social Security Disability Insurance (SSDI)
 - $(\text{Gross wages} - \$65) / 2$
+
 $\frac{(\text{SSDI} - \$20)}{\quad}$
Countable Income

What is the maximum gross income someone can earn per month?*

- For an Individual (2011)
 - $(\$2269 \times 2) + \$85 = \$4621$
- For a Couple (2011)
 - $(\$3065 \times 2) + \$85 = \$6215$

* With NO SSDI or other unearned income

Resource limits for MWD

- Resource limits are higher than SSI limits and other Medicaid eligibility categories

- Individual: \$8,000
- Couple: \$12,000

*MWD allows an individual to establish a retirement account and does not apply it against resource limit

What counts as a resource?

- Cash
- Something that can be converted to cash
 - **Examples:**
 - Bank accounts
 - Savings, checking, Certificate of Deposit, other investments
 - Vehicles
 - One primary vehicle is allowed per household, others are considered resources
 - Jet Skis
 - Snowmobiles
 - Motorcycles
 - Additional cars or trucks
 - Property
 - Land that you do not live on

What doesn't count?

- Household goods and personal effects
- Medical devices and adaptive equipment
- Certain life insurance policies
- A person's home
- Some land that you use to support yourself: gas station, farm, beauty parlor, etc.
- One automobile per household
- Some burial funds, burial spaces and life insurance assigned to funeral provider
- Student financial assistance received under Title IV of Higher Ed. Act or Bureau of Indian Affairs and most other student aid including scholarships, grants, loans and other direct educational payments
- Individual Development Accounts (IDAs)
- Some Trusts

- **Note:** Retirement accounts owned by workers with disabilities are excluded resources for the MWD program only.

How much is MWD per month?

- Only the applying individual's (not a couple's) income is counted for the cost share fee

- | <u>% Fed Poverty level</u> | <u>Income 2011</u> | <u>Payment</u> |
|----------------------------|-----------------------|----------------|
| Up to 100% | \$01.00 to \$908 | \$35 |
| Over 100% to 150% | \$908.01 to \$1,362 | \$67 |
| Over 150% to 200% | \$1,362.01 to \$1,815 | \$100 |
| Over 200% to 250% | \$1805.01 to \$2,269 | \$135 |

*Native Americans do not pay cost share fee

Recommendations

Warnings and Tips

Over in countable income?

- There are income exclusions to lower the amount of gross income that is used to determine countable income
 - Exclusions do NOT lower countable UNEARNED income (SSDI, etc.)
- Student Earned Income Exclusion (SEIE)
 - Under 22 and attending school, college or job training
- Impairment Related Work Expenses (IRWE) and Blind Work Expenses (BWE)
 - Deductions of value of goods and services necessary for work paid for by the individual

Extra Assistance

- Need guidance setting up IRWE's, BWE's, and SEIE's?
- Individuals interested in these options can work with:
 - Local Centers for Independent Living
 - Vocational Rehabilitation
 - The University of Montana Rural Institute
 - Or other Employment Network Provider agencies
- ... To assist them with these programs and other Social Security questions

What happens if someone stops working?

- No grace period once employment ends
- When MWD eligibility ends and other Medicaid programs are considered, the lower resource limits of other programs will apply to eligibility
- May not qualify for Medicaid without a spend down
- Certain types of accounts don't count against SSI
 - Plan ahead based on needs

What about other benefits?

- While MWD allows consumers to continue receiving Medicaid while working, other benefits can still be impacted by working wages
- LIEAP, SNAP, Housing Assistance, etc. can all be reduced by an increase in income
 - Research benefits programs to see their income and resource restrictions

Applying for MWD

How to receive Medicaid while working

How to apply for MWD

- Call or visit a local Office of Public Assistance for an application or an appointment
- List of Montana offices available online at:
<http://www.dphhs.mt.gov/contactus/humancommunityservices.shtml>
- Or apply online:
<http://www.dphhs.mt.gov/programsservices/medicaid.shtml>

Other helpful programs

- Plan to Achieve Self-Support (PASS)
 - Agreement between SSA and beneficiary to use 'countable income' or resources to pay for goods and services to reach an agreed upon employment goal
 - PASS plan resources are set aside and don't count against various SSI and other resource limits
- Individual Development Accounts
 - An IDA is a special bank account that helps you save for your education, the purchase of a first home or to start a business with your contributions matched with money from your State's TANF

Want a one-on-one discussion about this presentation or want to learn more about other employment resources?

- Contact:

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