

SSI and Medicaid for Students with Intellectual and Developmental Disabilities

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To Receive DDD Services at Age 21

- **Must be functionally eligible for DDD services *and* must have Medicaid.***
 - Functional eligibility determined from questionnaire called NJ Comprehensive Assessment Tool (NJ CAT)
- **Best way to have Medicaid: Apply for Supplemental Security Income (SSI) at age 18. If receiving SSI will also get Medicaid.**
 - In low-income family – can apply for SSI as a child.
 - However, some children already have income at age 18 and are not eligible for SSI. **There are also other ways to have Medicaid!**
- **Not required to have legal guardianship to apply for DDD services.**
- ***There is an exception to the DDD regulation on having Medicaid, which is known as “Non-DAC”.**

Planning for the SSI application

- Before starting the SSI application, it's helpful to set up a folder with:
 - IEPs
 - progress reports and assessments
 - information on child's doctors, including medications and doses
 - part-time jobs (if applicable), including start and end dates and salary;
- Contact the Child Study Team if you need a copy of reports.
- When SSA reviews SSI application – they want to know how the disability will affect ability to be self-supporting.

When Applying for SSI: Resources

- When student is younger than 18, family income is considered. On 18th birthday, family's income is disregarded and only the consumer's income is considered. **Encourage applying for SSI as soon possible after age 18.**
- Person with a disability **can't have more than \$2,000** in his/her name, with that person's Social Security number.
- Inform relatives not to leave money in their will to the individual with I/DD. They can leave assets in their will to a Special Needs Trust that parents have set up.

When applying for SSI: Resources (cont.)

- “Spend-down” if amount over \$2,000 is small. Can document for spend-down: summer camp; class trip; therapies not covered by insurance.
 - No spend-down on food, clothing, shelter – parent’s responsibilities.
- If applicable, consider a Special Needs Trust (SNT). Parents can have life insurance policy with money going to the SNT after their death. **Hire an attorney who specializes in SNT!**

ABLE Accounts

Achieving a Better Life Experience (ABLE) Act of 2014

- Persons with disabilities can deposit up to \$15,000/year in an ABLE tax-exempt savings account.
- Eligibility: Must be receiving SSI or SSDI; Age of onset of disability must be before age 26, **OR**
- With medical documentation, can deposit money into ABLE account (up to max. of \$15,000/yr) as spend-down *before* applying for SSI.
- ABLE accounts won't affect continuing financial eligibility for SSI, Medicaid and other public benefits.

ABLE Accounts (cont.)

- **ABLE accounts are available in NJ and in other states.**
<https://savewithable.com/nj/home.html>
- Visit the **ABLE National Resource Center website** www.ablenrc.org, for state-specific information. Great website; webinars; state-by-state comparisons.
- **Important: Upon the death of the beneficiary, the state in which he/she lived may file a claim for all or a portion of the funds in the ABLE account to recoup costs paid by the state while the beneficiary was receiving services through the state Medicaid program.**

What to do if parents opened a 529 account for child with I/DD?

- Eligible educational institution: any college, university, vocational school, or post-secondary educational institution.
- Be sure the **account owner** is a parent or grandparent, not the person with I/DD. **The student should be the designated beneficiary**
- **When applying for SSI - as long as account owner is not the individual with I/DD, a 529 account is not counted as asset when SSI applicant is 18 or older.**

What to do if parents opened a 529 account for child with I/DD? (cont.)

- If person with I/DD is not going to college: Owner can transfer funds to a different 529 account for member of beneficiary's family.
- **A rollover provision.** Can rollover up to \$15,000/yr. into ABLE account. If 529 account had more than \$15,000, can do rollover in multiple years.
- Talk to accountant about tax implications of rollover.

36 Month “look-back” on child’s assets when applying for SSI

- Child cannot have more than \$2,000 in assets. (money in an ABLE account is an exception.)
- “Assets” includes savings bonds with child’s Soc. Sec. number.
- On all financial transfers, there is a 36 month look-back period on the child’s assets. This is 36 months before the date the individual filed an application for SSI.
- If the person is already receiving SSI, the 36 month look-back period starts with the date the resources were transferred.

How to apply for Supplemental Security Income (SSI)

- Information on applying for SSI: www.ssa.gov/ssi/text-apply-ussi.htm
- Call local Social Security office to make appointment to do the SSI application on the phone. Because of COVID pandemic, SSA offices are closed to the public.
- Parents can call Social Security at 1-800-772-1213 or use SSA office locator to get phone number for the local office.

Social Security Office Locator

The screenshot shows the Social Security Administration's Office Locator page. At the top left is the SSA logo. The main heading is "Social Security Office Locator". Below this is a yellow alert box with a warning icon stating: "We are OPEN to receive your calls. On Tuesday, March 17, 2020, we suspended face-to-face service to the public in our field offices and hearings offices nationwide until further notice. However, we are still able to provide critical services via phone, fax and online." Below the alert is a search section titled "Find the Office for this ZIP Code." with a text input field for "ZIP:" and a "Locate" button. To the right of the search section are two boxes: "Using our online services, you can:" with a list of services (Apply for most types of benefits, Estimate your future benefits, Do so much more) and a link to "What You Can Do Online"; and "National 800 Number" with the toll-free number "1-800-772-1213". At the bottom of the page are links for "Privacy Policy", "Website Policies & Other Important Information", "About Us", "Site Map", and "FAQs".

Social Security
The Official Website of the U.S. Social Security Administration

Social Security Office Locator

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Find the Office for this ZIP Code.
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Using our online services, you can:

- Apply for most types of benefits
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To learn more, visit [What You Can Do Online](#).

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Applying for SSI or Medicaid if parents are divorced

- When parents are divorced, child support is viewed as the child's "income".
- Depending upon the amount of child support, adolescent may not be eligible for SSI or Medicaid, but there is a 1/3 exclusion of child support income.
 - Example: if child receives \$1,000/month in child support, only \$666. would be counted by Medicaid as "income."

When SSI begins...

- Parents should open new bank account, jointly with individual with I/DD, with child's Social Security number first.
- SSI checks to be deposited electronically into this new joint bank account.
- Can't have more than \$2,000 in this bank account!
- If receiving lump sum back payments, have 9 months to spend down. After 9 months, cannot exceed \$2,000 in this account. May open ABLE account, if needed.
- Select a Medicaid HMO or be auto-assigned.

SSI and travel outside the U.S.

- Important note: If a person receives SSI and travels out of the U.S. for **30 consecutive days or more**, he/she is not eligible for SSI (or Medicaid) during any month when he/she is outside the U.S.
- An individual who was receiving SSI, and has traveled out of the U.S. for 30 days or longer is not considered by Social Security to be in the U.S. until he/she is in the U.S. for **30 consecutive days upon returning**.

After approval for SSI

- After approval for SSI or Medicaid: **Must respond in timely way to official requests for re-determinations. SSI and Medicaid can be terminated for failure to respond.**
- If moving, be sure Social Security and Medicaid have the new mailing address.
- If person receiving SSI is employed, must report wages monthly to Social Security.
- Social Security: Substantial Gainful Activity (SGA) - **\$1,310/mo., gross income** (2021).

What happens if the SSI application is turned down?

What happens if person applies for SSI and is turned down?

- Family is advised to appeal in timely manner.
Easiest way to appeal:
www.socialsecurity.gov/disability/appeal
- Possible reasons for denial of SSI:
 - Assets above \$2,000
 - Special Needs Trust not done correctly
 - Medical documentation not sufficient to justify a severe disability, per SSA requirements.

Individuals with high functioning autism who apply for SSI

- SSI is intended for persons with a *severe disability*.
- In doing the SSI application, parents should include all of their child's diagnoses, if applicable. For example: autism, seizure disorder, depression, OCD, etc. with medical documentation of the diagnoses.
- In general, persons with high functioning autism (i.e., Aspergers), will probably be turned down for SSI. They can apply, but they should be prepared for the application to be turned down, and they may want to hire an attorney for representation at a hearing.

If turned down for SSI...

- Parents may want to contact attorney to represent the son/daughter at a hearing with a judge.
- If attorney accepts the case, typically there is no fee, unless the attorney wins the case. Then the fee is a % of the lump sum back payment from Social Security.
- Can call the County Bar Association's Lawyer Referral Service, and ask for names of three attorneys in your county who do this type of work.

New Jersey State Bar Association- Lawyer Referral Service

The link below is a list of county bar associations that offer lawyer referral services

<http://bit.ly/LegalReferralService>

Why is it important to have SSI?

Why is it Important to Have SSI?

- When parent of person with I/DD retires, becomes disabled, or dies, the son/daughter receives a Social Security Disability (SSD) benefit on parent's work record.
- Monthly SSD on parent's work history is often too high to get Medicaid.
- **But, when persons with disabilities previously had SSI, they are "Disabled Adult Children: Section 1634 DACs", as defined by the Social Security Admin. They are eligible to get Medicaid again, after they start receiving SSD on parent's work record, from county Board of Social Services. The amount of the SSD benefit is disregarded.**

Official Definition: Section 1634 DAC

- **DAC = Disabled Adult Child. See Section 1634 DAC flyer developed by NJ DHS.**
- Social Security Admin. (SSA) definition of a DAC:
 - A person who was receiving Supplemental Security Income (SSI) benefits (and Medicaid) and who meets the following:
 - Is at least 18 years of age;
 - Has blindness or a disability which began before the age of 22;
 - Has been receiving SSI based on blindness or disability; and
 - Has lost SSI due to the receipt of Social Security benefits on a parent's record due to the retirement, death, or disability of a parent.
- Also, the person cannot have more than \$2,000 in resources in his/her name (not including a Special Needs Trust)

Medicaid application as a Section 1634 DAC

- Upon retirement, death, or disability of a parent: If son/daughter has SSI, this is what parents should know:
 - **Will receive SSDI instead of SSI. Medicaid that started when SSI started will be ending.**
 - **Letters from Social Security and Medicaid will arrive – previous form letter said Medicaid will stop in 4 months.**
 - **Medicaid form letters are changing.**

Getting Medicaid again as a Section 1634 DAC

- Usually the DAC status occurs after the person with I/DD is 21 and has DDD services.
- There is a different process for persons under the age of 21 who has DAC status.

RFI = Request for Information (New Medicaid application)

- This information is when the person with I/DD is age 21 or older and has DDD services:
- Parent should receive a **Request for Information (RFI) email from DDD**. During the coronavirus pandemic, this RFI will be emailed, rather than mailed.
- The RFI (which is the ABD Medicaid application), should be completed and returned promptly to the address provided.
- Check with DDD Support Coordinator if you don't receive it after son/daughter has switched to SSDI.

If turned down for SSI, can the person with I/DD get Medicaid and have DDD services?

If denied SSI because disability is not “severe”...

- If there is a Social Security hearing and you win, the son/daughter receives SSI and Medicaid, and lump sum back payment.
- Wait a year and try to apply for ABD Medicaid from NJ (will require medical documentation of disability), or
- Apply for Medicaid expansion – regular NJ FamilyCare/Medicaid. But son/daughter with I/DD **cannot** be a dependent on parent’s tax return.

What happens if a student with I/DD is not able to have SSI because of too much income from SSDI or child support?

What Happens if Unable to Get SSI Due to SSDI Benefits or Child Support Income?

- **Depending on the income, students age 18 and older may be able to apply for NJ Medicaid.**
- If the gross monthly SSDI benefit (on parent's work record) is **below \$1,073/mo. (in 2021)**, can apply for NJ Care Special Medicaid Program (also called Community Medicaid).
- Can have up to \$4,000 in resources. **Having this type of Medicaid is okay for DDD services.**

What is a “Non-DAC”?

- A **non-DAC** *never had SSI as an adult (age 18 or older)* and now receives Social Security Disability Insurance (SSDI) on the parent’s work record, due to retirement, disability or death of the parent. **If the amount of the SSDI benefit is above \$1,073/month (in 2021), the student is not eligible for NJ Care Special Medicaid Program.**
- Other situations may also qualify for DDD’s Non-DAC status.

More on Non-DACs

- Families are confused because most DDD-related notices say that Medicaid is required.
- **Families should know that “Non-DAC” status is an exception to DDD’s Medicaid requirement!**
- The Arc of NJ has fact sheet on Non-DAC status.
- **IMPORTANT: Having “Non-DAC” status does NOT provide Medicaid immediately. In the future, the person who has Non-DAC status from DDD will be eligible for Medicaid from DDD Supports Program.**

Medicaid Eligibility Problem Form or DDD's Troubleshooting Form

The Arc of New Jersey's Mainstreaming Medical Care Program
Medicaid Eligibility Problem Form
 www.mainstreamingmedicalcare.org

Date of Report: _____

Individual's Name: _____ DDD Client? Yes No Date of Birth: _____ Age now: _____
 CCM? Yes No Social Security# _____

Address: _____ County: _____

Name of Contact Person: _____ Contact Person's Telephone: _____ Email: _____
 Relationship to Individual: _____

Assets
 Amount of money in the bank in the name of the individual: \$ _____
 Any other assets in the name of the individual (e.g., stocks, bonds)? \$ _____
 If there are assets in the name of the individual, was a special needs trust ever developed? Yes No
 Comments: _____

Supplemental Security Income History Has the individual ever received SSP? Yes No
 If yes, monthly amount: \$ _____ At what age did SSP start? _____ Is the person still receiving SSP? Yes No
 If no, at what age did person stop receiving SSP? _____
 Do you know the circumstances that caused the person to lose SSP? Please explain: _____
 Comments: _____

Medicaid History Has the individual ever received Medicaid? Yes No
 If yes, approximate age when Medicaid started: _____ Approximate age when Medicaid ended: _____
 Do you know why Medicaid ended? Yes No If yes, please explain: _____
 If the person has never received Medicaid, did he/she ever apply for Medicaid? Yes No
 If yes, explain why Medicaid was denied: _____
 If no, explain why no application was ever made to Medicaid: _____
 Comments: _____

Social Security Disability? Yes No If yes, monthly amount: \$ _____ At what approximate age did SSD start? _____
 Did he/she begin receiving benefits from Social Security based on parent's work history? Yes No If yes, please explain: _____
 Medicaid? Yes No

Employment Status of Parents
 Mother: Working? Yes No Retired? Yes No If yes, approx. age when mom retired: _____
 Deceased? Yes No If yes, approx. age when mom died: _____
 Disabled? Yes No If yes, approx. age when mom became disabled: _____
 Father: Working? Yes No Retired? Yes No If yes, approx. age when dad retired: _____
 Deceased? Yes No If yes, approx. age when dad died: _____
 Disabled? Yes No If yes, approx. age when dad became disabled: _____

Individual's Employment Questions
 Currently employed? Yes No If yes, Number of hours/week: _____ Salary: \$ _____ per month
 If currently employed, did individual apply for Medicaid's WorkAbility Program? Yes No Comments: _____
 Receiving unemployment income? Yes No If yes, amount of unemployment income: \$ _____ per month
 Receiving SSD because of individual's work history? Yes No If yes, amount of SSD per month: \$ _____
 Does individual receive any other income not listed above? (including child support, pension from a parent or income from any other source) Yes No
 If yes, what is the other income and amount, per month? _____

Miscellaneous
 If applicable, Please mention any other issues that you think are relevant to this person's applying for Medicaid: _____
 I give permission for this information to be forwarded to The Arc of New Jersey, and also give permission for it to be forwarded to the NJ Division of Medical Assistance and Health Services (NJ Medicaid) and/or the Division of Developmental Disabilities (DDD).
 *Signature: _____ Date: _____

Please email or fax the completed form to Beverly Roberts at broberts@arcnj.org / fax (732) 246-2567 or Jennifer Lynch at jlynch@arcnj.org / fax (732) 784-6267. We will get back to you as soon as possible.
 *Electronic signature accepted. *Typed signature with date indicates electronic verification of the information provided. Revised 10/2012

Medicaid Thru NJ WorkAbility

- NJ WorkAbility provides Medicaid for people with disabilities who are employed and between ages 16 & 64.
- Persons with permanent disabilities, working PT or FT are eligible.
- Can earn as much as \$64,596/yr. Can have \$20,000 in personal assets and still qualify.
 - IRA & 401K personal retirement accts. – not counted for eligibility

Free Help from NJ WINS when Person with I/DD is Employed

- Some additional Medicaid-related complications are possible when person who has SSI or SSDI is employed.
- **Substantial Gainful Activity (SGA) max. for 2021 - \$1,310/month, gross income.**
- Free help available from NJ WINS for persons with disabilities who are planning to work, or are already employed, and want to know if they can maintain SSI, SSDI, and Medicaid while working.
- Website: www.njwins.org The “contact us” page lists the staff contact info by county, including company cell number and e-mail address.

Other types of Medicaid – special situations

- Sometimes there are special situations, and another type of Medicaid may be appropriate for a person with I/DD who is not eligible for SSI.
- The Arc of New Jersey can provide individualized information to those families.
- Contact: Beverly Roberts: broberts@arcnj.org

IMPORTANT: Continuation of Parent's Private Health Insurance AFTER age 26

- All young adults can stay on parent's health insurance until age 26.
- **BEFORE** child's 26th birthday – parent requests a form from employer's Human Resources Dept.
- Special process for young adults with disabilities who are not capable of self-sustaining employment to stay on parent's employer's health insurance – for as long as parent has the health insurance.
- Can have private health insurance *and* Medicaid. Medicaid is always payer of last resort.
- The Arc of NJ's fact sheet on private insurance.

Questions?

