

SSI and Medicaid for Students with Intellectual & Developmental Disabilities

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Planning for Adult Life - Webinar

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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. Everyone who receives 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!
- ***There is an exception to the DDD regulation on having Medicaid, which is called “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

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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 (in 2018).
- 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. Can open ABLE account in this state or another state.**
<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
- Can start the disability application process online, as long as this is a first time SSI application.
- Parents can call Social Security at 1-800-772-1213 to make appointment to apply for SSI benefits for son/daughter with I/DD. With appointment, can apply for SSI on the phone or in person at local Social Security office.
- Can visit Social Security office without appointment. However, there will be a longer wait time.

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) - **\$1,220/mo., gross income** (2019).

Social Security Admin. and “Continuing Disability Reviews”

- After being approved for SSI (or SSDI) parents should expect their child will have continuing disability reviews. *Parents should respond in timely manner to all requests from Social Security for information and documentation!*
- **Continuing Eligibility Review:** Is the individual still disabled? Frequency is determined by specific disability and symptoms.
 - Can be required every **3 years**; can be more or less often.
- **Redetermination:** Does individual continue to meet the technical eligibility requirements for SSI/SSDI, including documentation of finances, resources and income.
 - Can be required every **6 years**; can be more or less often.

**What happens if the SSI
application is turned down?**

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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.

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 contact Community Health Law Project to discuss representation. 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>

Community Health Law Project

Main Admin - South Orange, 973-275-1175

Essex County - Bloomfield, 973-680-5599

DCF & DDD - Bergen, Essex, Passaic, Sussex,
Warren

Union County - Elizabeth, 908-355-8282

DCF & DDD - Hudson, Morris, Union,
Somerset

*Hudson County - Jersey City, 201-630-6201

Monmouth County - Eatontown, 732-380-1012

DCF & DDD - Monmouth, Ocean

*Ocean - Toms River, 732-349-6714

Mercer County - Trenton, 609-392-5553

DCF - Burlington, Hunterdon, Mercer, Middlesex

DDD - Hunterdon, Mercer, Middlesex

*Burlington - Mt. Holly, 609-261-3453

Camden County - Collingswood, 856-858-9500

DCF - Atlantic, Camden, Cape May, Cumberland,
Gloucester, Salem

DDD - Atlantic, Burlington, Camden, Cape May,
Cumberland, Gloucester, Salem

*Atlantic - Galloway, 856-858-9500

Why is it important to have SSI?

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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)

Disabled Adult Child (1634 DAC) Flyer, from NJ DHS



Disabled Adult Children (§1634 DAC)



Eligibility Group Requirements*: An individual who was receiving Supplemental Security Income (SSI) benefits and 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 Supplemental Security Income (SSI) based on blindness or disability; and
- Has lost Supplemental Security Income (SSI) due to the receipt of Social Security benefits on a parent's record due to the retirement, death or disability of a parent.

*If an individual meets all of the above criteria, they may qualify as a Disabled Adult Child under Section 1634 of the Social Security Act (regarding DAC). This designation comes from the Social Security Administration. Eligibility for Medicaid may continue as long as the person is determined blind or disabled. However, if the person receives income from another source or exceeds the resource limits, they may become ineligible for Medicaid coverage.

What should an individual do if they lose their SSI benefits and Medicaid coverage because they are now receiving Social Security Disabled Adult Child (DAC) benefits, resulting in their income exceeding the SSI income limit?

The individual should have received a letter from the Social Security Administration (SSA) verifying that he/she may continue to be eligible for Medicaid coverage under this eligibility group (§1634 DAC). If the individual did not receive or no longer has this letter, contact the Social Security Administration at 1-800-772-1213 (Monday–Friday from 7am–7pm) to request a Benefit Award letter verifying Social Security benefits as a Disabled Adult Child or Disabled Dependent Child who received SSI in the past.




To obtain Medicaid Eligibility for individuals expected to be enrolled in the Community Care Waiver (CCW) Program:

Individuals must complete and submit the Medicaid Only-Community Care Waiver Application that is sent to them. They also must submit all necessary documents, including the letter from the SSA verifying that the individual may be eligible for DAC status for consideration of Medicaid eligibility under Section 1634 of the Social Security Act (regarding DAC).

To obtain Medicaid Eligibility for individuals expected to be enrolled in the Supports Program:

Individuals must complete the NJ FamilyCare Aged, Blind, Disabled (ABD) Medicaid Application. They must submit the completed ABD Application and all necessary documents to the County Welfare Agency, including the letter from the SSA verifying that the individual may be eligible for DAC status for consideration of Medicaid eligibility under Section 1634 of the Social Security Act (regarding DAC). The ABD Application is available at:

www.state.nj.us/humanservices/dmahs/clients/medicaid/abd/ABD_Application_Booklet.pdf




If you have questions, or if you have difficulty obtaining Medicaid for an individual who may be eligible for §1634 DAC status, please contact your DDD Case Manager or Support Coordinator, or send an email to DDD's Medicaid Eligibility Help Desk: DDD.MediElighelpdesk@dhs.state.nj.us.

Produced by DHS Office of Publications revised 09/2017

Getting Medicaid again as a Section 1634 DAC

- Can access the Aged Blind and Disabled (ABD) Medicaid application online. **Be sure application is for ABD Medicaid (not regular NJ FamilyCare/Medicaid).**
- **Can access the ABD Medicaid Application online.** Can complete it online. Then bring or mail paper application to County Board of Social Services.
http://www.state.nj.us/humanservices/dmahs/clients/medicaid/abd/ABD_Application_Booklet.pdf
- Keep a copy of the completed application.
- Attach the letter from Social Security documenting that the person previously had SSI.

**What happens if a student with
I/DD is not able to have SSI ?**

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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 \$1,012/mo. (in 2018)**, can apply for NJ Care Special Medicaid Program (also called Community Medicaid).
- Students also eligible for this category if receiving child support income that is **below \$1,012/month (in 2018)**.
- 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 \$1,012/month (in 2018)**, the student is not eligible for NJ Care Special Medicaid Program.
- Other situations (e.g., receiving child support above \$1,012/mo. in 2018) 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.**

What happens if not eligible for SSI or NJ Medicaid?

- Parent will complete The Arc of NJ's Medicaid Eligibility Problem Form, or DDD Troubleshooting form.
- Parent forwards completed form to The Arc of NJ, and we review it and email to DDD – **requesting “Non-DAC status.”**
- When DDD approves “Non-DAC” status, parent attaches this emailed approval to DDD application.
- When person with I/DD starts to receive DDD services: DDD will provide an Aged, Blind & Disabled (ABD) Medicaid application, to be completed promptly by parent.

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? <input type="checkbox"/> Yes <input type="checkbox"/> No CCW? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date of Birth:	Age now:
Address:		Social Security#	
Name of Contact Person:		Contact Person's Telephone:	County:
Relationship to Individual:		Email:	
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? <input type="checkbox"/> Yes <input type="checkbox"/> No Comments: _____			
Supplemental Security Income History Has the individual ever received SSI? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, monthly amount: \$ _____ At what age did SSI start? ____ Is the person still receiving SSI? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, at what age did person stop receiving SSI? ____ Do you know the circumstances that caused the person to lose SSI? Please explain: _____ Comments: _____			
Medicaid History Has the individual ever received Medicaid? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approximate age when Medicaid started: ____ Approximate age when Medicaid ended: ____ Do you know why Medicaid ended? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please explain: _____ If the person has never received Medicaid, did he/she ever apply for Medicaid? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, explain why Medicaid was denied: _____ If no, explain why no application was ever made to Medicaid: _____ Comments: _____			
Social Security Disability? <input type="checkbox"/> Yes <input type="checkbox"/> 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? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please explain: _____ Medicare? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Employment Status of Parents Mother: Working? <input type="checkbox"/> Yes <input type="checkbox"/> No Retired? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when mom retired: ____ Deceased? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when mom died: ____ Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when mom became disabled: ____ Father: Working? <input type="checkbox"/> Yes <input type="checkbox"/> No Retired? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when dad retired: ____ Deceased? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when dad died: ____ Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when dad became disabled: ____			
Individual's Employment Questions Currently employed? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, Number of hours/week: _____ Salary: \$ _____ per month If currently employed, Did individual apply for Medicaid's Workability Program <input type="checkbox"/> Yes <input type="checkbox"/> No Comments: _____ Receiving unemployment income? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, amount of unemployment income: \$ _____ per month Receiving SSDI because of individual's work history? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, amount of SSDI per month \$ _____			
Does individual receive any other income not listed above? (Including child support, pension from a parent or income from any other source) <input type="checkbox"/> Yes <input type="checkbox"/> 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)784-6397. 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 01/2017

Non-DAC status can be requested later, if needed

- Usually, Non-DAC status is requested prior to age 21.
- But there may be complicated situations later on, after the individual with I/DD has had Medicaid and has received DDD services, when Medicaid is terminated and families can use this “Non-DAC” process.

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 part-time or FT are eligible.
- Can earn as much as \$61,500/yr. (2018). Can have \$20,000 in personal assets and still qualify.
 - IRA & 401K personal retirement accts. – not counted for eligibility
- However, if **unearned income** in 2018 exceeds \$1,012/mo. due to parent's work record, **not** eligible for NJ WorkAbility. **SSDI income from parent is considered “unearned income.”**
- **Caution: If person is unemployed, NJ WorkAbility ends.** If receiving DDD services, could apply for Medicaid through Supports Program, but total income can't exceed \$2,250/mo. (2018).

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

- Some additional Medicaid-related complications are possible when person who has SSI is employed.
- **Substantial Gainful Activity (SGA) max. for 2019 - \$1,220/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?

