

SSDI Work Incentives

Trial Work Period (TWP)- Allows a person to test their ability to work for at least 9 months without affecting the monthly benefit check. A trial work period month is any month that the individual's gross earnings are \$670.00 or more. Or if the individual is self-employed, working 80 hours or more per month is considered using a TWP. Trial work period months do not have to be consecutive, but must fall within a rolling 60-month span of time.

Substantial Gainful Activity (SGA)- This is the amount that SSA considers a person to be working enough to no longer need to receive an SSDI payment after utilizing all 9 of their TWP months. Three months after the last TWP is used, SSA will cease to pay the SSDI payment to the individual, if they are making SGA. SGA is \$940 per month in 2008.

Extended Period of Eligibility (EPE)- This begins the month following the completion of the trial work period. It is a consecutive 36-month period during which cash benefits will be reinstated for any month that a person does not earn SGA \$940.00/month in 2008.

Extended Period of Medicare Coverage (EPMC)- Medicare coverage will continue for 93 months after the trial work period is completed, even if the SSDI benefits stop because the person is working at SGA, \$940.00 in 2008.

Medicare for People with Disabilities who work- An individual has the option to purchase Medicare coverage after the continuation of Medicare coverage by paying a monthly premium. In 2008 the monthly premium is \$96.40 for Part B.

Continued Payment under a Vocational Rehabilitation Program- An individual who medically recovers can continue receiving benefits for a limited time while completing a Vocational Rehabilitation Program.

Subsidy- The support that a person receives on the job that could result in more pay than the actual value of the work performed. The value of the subsidy is deducted from the person's earnings when determining whether or not the individual is earning at SGA level for continued eligibility for SSDI. Subsidy is not utilized until the TWP is completed.

Impairment Related Work Expense (IRWE)- A person can deduct the cost of certain impairment-related items and services that were needed to work from gross earnings. This is useful when trying to keep earnings below SGA to maintain eligibility for a cash payment.

Unincurred Business Expense- Contributions that you receive from others in order to be self-employed. Items that you would be able to claim as business expenses on taxes if you had paid for them can be used as Unincurred Business Expenses. An example may be the free labor a friend or family member provides to your business, or a computer that was purchased to run your business. Social Security will deduct any of these contributions as a business expense when making your SGA decision.

Plan for Achieving Self-Support (PASS)- A person could be allowed to set aside income or resources for a specified period of time for a work goal. For example, an individual could set aside their SSDI payment and earnings for an education or starting a business. As a result, the person will be eligible to receive a full SSI payment of \$637.00 in 2008 along with the state supplement of \$83.78.