

DSS-4357EL

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GENERAL INFORMATION SYSTEM

11/06/01

DIVISION: Office of Medicaid Management

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TO: Local District Commissioners, Medicaid Directors

FROM: Betty Rice, Director, Division of Consumer & Local District Relations

SUBJECT: Federal Ticket to Work and Work Incentive Improvement Act of 1999

EFFECTIVE DATE: Immediately

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This message advises local districts of some of the basic provisions of the Federal Ticket to Work and Work Incentive Improvement Act of 1999. This legislation provides new work incentives and employment support systems for disabled or blind recipients of SSI and/or social security disability (SSD) benefits. The program will be gradually implemented by the Social Security Administration (SSA) in New York State over the coming months and nationwide over several years. The program is designed to encourage and support eligible SSI/SSD recipients to return to or attempt to work. The program builds on current SSA work incentives by adding new options and services for individuals who are interested in attempting to work. The program is optional; therefore, no recipient is required to participate. Additional information regarding the program can be found at SSA's web page at: Social Security Online at <http://www.ssa.gov>. Key features/aspects that may be of interest or relevant for local districts are the following.

There will be a new employment network consisting of community based agencies that can provide vocational rehabilitation and employment support services to individuals interested in obtaining services that will prepare or enhance their ability to work. SSA has contracted with Maximus to administer and otherwise manage the employment network nationwide and respond to inquiries from recipients about employment provider provisions. SSA pays for the employment network services and there is no cost to the individual.

SSA has also funded several community-based organizations to provide outreach about SSA work incentives including the new Ticket program and benefits counseling provisions. Benefits counseling is designed to ensure that individuals interested in returning to work will have specific information about the effect of earnings and work activity on their SSI/SSD and other program benefits. SSA has arranged for training for benefits counselors. Such training has been conducted and included material on the effect of earnings on Medicaid eligibility.

Under separate cover, we will send to your Commissioner an updated listing of SSA's Work Incentive Liaisons (WILs) for each local social security office. WILs are experts on SSA work incentives. Questions about work incentives for this population can be referred to the local social security office's WIL.

To encourage recipients to take advantage of the employment services and attempt to work, Congress made the following additional changes.

- SSA will not conduct a continuing disability review (review an individual's medical condition) while an individual is using a ticket to work unless the individual was previously scheduled for such a review.
- Individuals who return to work and who then subsequently become unable to work because of their medical condition may be eligible for expedited reinstatement of SSI/SSD benefits for up to 6 months while SSA re-determines their eligibility.
- Medicare recipients may continue to receive Medicare for eight and a half years after they would otherwise lose such health coverage. This is an extension of an additional four and a half years beyond the current timeframes.
- States have enhanced authority and flexibility to provide Medicaid to disabled individuals who work and who would not otherwise be eligible for Medicaid. This option is called the Medicaid Buy-in option. The State legislature has been considering such a provision.

In the Fall 2001 SSA will begin sending eligible individuals informational brochures and a "Ticket" entitling them to employment services. The brochure will briefly explain the new options and instruct interested individuals to contact Maximus at their toll-free number of 1-866-968-7842, (YOUR TICKET) for additional information.

Local districts are reminded of the following Medicaid eligibility policies for this population.

SSI recipients who have earnings in excess of SSI limits may be eligible for continued Medicaid through the 1619(b) program. SSA determines eligibility for this program using guidelines that provide for continued Medicaid coverage if the recipient needs Medicaid in order to work. To qualify, the individual must have been eligible for SSI for at least one month, still be disabled, meet all other SSI eligibility rules, need Medicaid in order to work and have gross earned income that is insufficient to replace SSI and Medicaid. New York State's 1619(b) gross income threshold is \$32,261. A higher amount may be set for individuals who have high medical expenses. Individuals who meet 1619(b) requirements have their Medicaid automatically continued.

SSD recipients have eligibility determined using the SSI-related budgeting methodology. SSD recipients continue to be considered disabled regardless of their earnings even if they exceed the substantial gainful activity limit.

Local districts are reminded of the work incentive options that are available to individuals determined disabled by local or State disability review. These options include: Impairment Related Work Expenses (IRWEs), found in Section II E. 1.b.(5) (g) of the Disability Manual; Trial Work Period, found in Section II E. 2 of the Disability Manual; and Plans for Achieving Self-Support (PASS), Section II E. 3 of the Disability Manual. The Medicaid Reference Guide also includes sections related to these work incentives.