



**IDA Support for Social Security Disability Beneficiaries
July 14, 2011**

Coordinator: Welcome and thank you for standing by. At this time all participants are in a listen-only mode until the question-and-answer session of today's conference. At that time you may press star 1 to ask a question.

I would like to inform all participants that today's conference is being recorded. If you have any objections, you may disconnect at this time. I would now like to turn the conference over to Ms. Susan O'Mara. Ma'am, you may begin.

Susan O'Mara: Thank you so much. Hello everyone. Again my name is Susan O'Mara and on behalf of everyone at the AFI Resource Center team, I'd like to thank you for joining our Webinar today on IDA support for Social Security Disability beneficiaries.

Just as a bit of background, Assets For Independence which is administered through the Office of Community Services at HHS enables community-based non-profits and government agencies to implement and demonstrate and asset-based approach for giving Wellington families a hand up out of poverty.

AFI projects help participants save earned income in special purpose matched savings accounts called IDAs or Individual Development Account and the Administration for Children and Families is very supportive of asset-building strategies for people with disabilities and today you're going to hear a bit about one of our initiatives that we have underway.

If you have any questions at all after the call, the AFI Resource Center is certainly available to help you with that, providing information and support. We just ask that you direct any requests using the link that we've provided here on the screen on your PowerPoint slide where you can also reach us by phone at 866-778-6037.

We do have a lot of information to cover in today's call but we're going to do our best to kind of get through that and save some time for question-and-answer at the end as well today.

In terms of the purpose of today's call, what we're going to be focusing on examining the Social Security disability benefit program rules and



opportunities for beneficiaries to work, save and build assets through participating in AFI IDAs.

Some of the things that we're going to be covering are basics on the Social Security disability benefit program, Title II disability benefits and SSI. We're going to be looking at the Social Security disability program rules that provide opportunities for beneficiaries who want to work and build assets.

Specifically we're going to talk about the end time and eligibility rules that promote participating in an IDA for beneficiaries. We're going to also look at the past work incentive and how that can be used to strategically help beneficiaries work towards their asset development goals.

And finally we're going to be touching on some supports for AFI grantees including the work incentive planning in the systems projects. The presenters for today's call, I'll be doing a good bit of the presenting today. Susan O'Mara again with Virginia Commonwealth University.

I am a consultant with the AFI Resource Center working on the IDA initiative for persons with disabilities. I have been doing this for gosh more than four years at this point. I'm also the Project Director for the Social Security Administration's work incentive planning and assistance national training center.

In addition we have Jolene Wyler and (Jeff Huntsman) and they are both with the Utah Benefits Planning Assistance and Outreach Program and they have graciously agreed to come on the line today and share some information about this WIPA project and their involvement with their local IDA program, their AFI grantee in Utah so without further ado, we're going to go ahead and jump right into the content for this session.

As I'm sure that most of you all who operate AFI grantees have experienced first-hand maybe the individuals with disabilities that are served by your program received one or more types of public benefits and two of the largest federal disability programs out there are administered by SSA and they include the Title II disability benefits and Supplemental Security Income or SSI.

And there are actually three different types of disability benefits that a person might be receiving under I kind of refer to it as the umbrella of Social Security disability benefits. You see them listed here on the slide and they



include Social Security Disability Insurance or SSDI and that's probably the one you're most familiar with.

But Title II disability benefits also include Childhood Disability Benefits or CDB and disabled widow or widower benefits. We'll be talking a bit more about each of these in just a few minutes.

And I did also want to point out that in some cases you're going to run into individuals who might be receiving both of these benefits and we refer to these individuals as concurrent beneficiaries.

So why spend our time this afternoon - I know everyone's so busy - on such an engaging topic as the disability benefit programs and I think there are actually a couple of really important reasons for this.

First of all because we understand just how much economic assets do matter and secondly because we also know that people with disabilities represent the largest segment or group of low-income individuals in our society and they often have very few if any assets.

This is particularly true of the millions of folks who receive disability benefits administered by SSA. If we just take a look at the numbers here on the slide, there are 4.1 million adults who receive SSI benefits and the maximum monthly benefit that you can get in SSI in 2011 for an individual is \$674.

This is roughly 75% of the federal poverty level for a family of one and in addition to this there are another 6.5 million adults who receive Social Security disability insurance benefits.

The average monthly benefit for this program is \$1004 and while this is a bit better than the situation for those who are receiving SSI, it still only represents 116% of the federal poverty level so given this, it's clear that, you know, if individuals choose a life of just being on benefits and depending on benefits to make it, essentially it's the same as choosing a life in poverty.

So while the topic might be a little dry and challenging for us, understanding the rules and the opportunities for these beneficiaries to choose an alternate path of work and being able to save and build assets can make all the difference for them.



So let's go ahead and move to the next slide and we're going to start by looking at the disability benefit basics. Once upon a time actually a very long time ago and I hate to say but I was working at that point in time, it was true that the Title II disability benefits and SSI programs were very similar.

But over the years the rules have changed a good bit and while the Title II and SSI programs still have a common disability requirement and process - they use the same process for determining disability - they're very different programs when it comes to their purpose and their non-disability requirements to be eligible and how they treat work earnings and resources.

So based on these very important differences in the rules, answering the question what's going to happen when I go to work and use an IDA and I have these benefits requires first understanding the different types of disability benefits and then all the different criteria and rules that apply to each specific program.

So what we'd like to do is start with the Title II disability benefit basics. The Social Security Act actually became law in 1937 and originally it was just designed to serve solely as a retirement program for workers but over the years it added a number of benefit programs under Title II of the Act and these include benefits to workers' family members and survivors but it also includes the disability program for workers that we added in 1956.

All of these programs under Title II are intended to supplement the income of workers and their families when the worker loses earnings from their job due to retirement or disability or death.

It's important to keep in mind that the Social Security benefits are an insurance program meaning that individuals are entitled to receive these benefits based on the fact that they've worked and paid into the system or they're a dependent of somebody who's worked and paid Social Security taxes as a sufficient level through their employment.

They have what's called insured status so again there are several different types of Title II disability benefits. SSDI is the most common and this is paid or probably the one you're most familiar with anyway and it's paid to workers who have worked themselves, paid Social Security taxes and then become unable to work at a certain level because of a disability.



So only individuals with disability who have worked and have insured status can receive a DI benefit or SSDI. Childhood Disability Benefits or CDB benefits are paid to people who are over the age of 18.

They developed a disability before they turned 22 years of age and they have a parent who's worked and is either disabled, retired or deceased and that parent's paid into the system so again it's tied to a work record.

And finally the third disability benefit program that's the widow and widowers and those have to be over the age of 50 to receive this benefit, must have a disability, and then there are some additional requirements such as marriage to the worker.

So again in all of these situations, these benefits are all tied to a work record so somebody had to have worked and paid into the system. Now let's look at eligibility. A couple of other key points to keep in mind.

First of all, Title II benefits are not based on economic need so therefore unearned income and resources are not considered at all and they don't have any bearing whatsoever on a person's eligibility or payment amount.

I always like to say that, you know, if Bill Gates were to become disabled tomorrow and not work, he would be able to draw a benefit based on the fact that he's paid into the system. Doesn't have anything to do with how much you have in resources.

Secondly there's no minimum age requirement for a person to begin receiving an SSDI benefit on their work record and in fact becoming eligible for SSDI can happen pretty quickly for younger folks since fewer work credits are needed for insured status when you're under the age of 24.

The third point is that to be eligible of course individuals must meet SSA's definition of disability and finally individuals determined eligible for a Title II disability benefit, they receive a cash benefit, a monthly cash benefit and medical insurance under Medicare but only after they've completed a 24-month waiting period for the Medicare.

Now let's talk about SSI. SSI was added under Title XVI of the Social Security Act in 1972 and its purpose is to provide a minimum level of monthly income for food and shelter needs of individuals who are aged, disabled or blind and



have little or no income and resources. SSI unlike the Title II programs is a means-tested program so SSI is means-tested.

And there's no requirement that a person have worked or be a dependent of somebody who's worked and paid into the system so it's not based on having paid into the system at all. It's based on the fact that you have a disability or you're aged or blind and you have an economic need so little or no income and resources.

As its name suggests, SSI program supplements any other income a person may already have to meet their basic needs for food and shelter and eligible individuals receive a monthly cash benefit up to a maximum level and this is known as the federal benefit rate and you might hear it referred to.

The current federal benefit rate for an individual is \$674 and for a couple who both receive SSI it's \$1011 so in determining eligibility for SSI an income test is applied because again you have to have submitted income to qualify and the individual's countable earned and unearned income is subtracted from the federal benefit rate.

So SSA will gather information on all their sources of income, deduct from the allowable exclusions; what's left is the countable income and it's both earned and unearned income and the individual in this countable earned and unearned income is subtracted from the benefit rate. They have to qualify for some dollar amount of SSI to meet this income test.

Once you're eligible, how much of the maximum SSI benefit you actually get in a given month depends on a number of other factors because SSI supplements other kinds of income. The more a person has in earnings as well as unearned income, the less they get in SSI.

So as a result of this, what happens is that as a person's financial situation changes and their earnings go up or down, this will also result in a change in their SSI cash benefits being adjusted.

Now in terms of the resource test, resources are defined as any cash for liquid resource that a person has and also any real or personal property that they own that could be converted into cash and used to meet their food and shelter needs.



And so during the eligibility process, again SSI gathers information on all the person's assets, determines which of the assets meet the definition to be considered a resource and they exclude a number of things.

And then the countable resources must be below the allowable limit to be eligible and you'll see on the slide here that the limits are \$2000 for an individual and \$3000 for an SSI-eligible couple. This is not very much in terms of allowable resources, countable resources and this figure has not changed since 1980.

I can tell you that there is - Congress is considering - a change and they're looking at the SSI savers act right now which would propose an increase to raise these limits and so, you know, we can be hopeful that that would occur but right now the limits are \$2000 for an individual and \$3000 for a couple.

So what I'd like to do now, now that we've looked at the purpose and eligibility for each program, let's go ahead and look at the opportunities for individuals in these programs to work.

And this time we're going to start in a second with SSI but first of all let's take a look at the common misconception. One very common misconception that I've heard a great deal in talking with AFI grantees across the country is that disability beneficiaries may be eligible for an IDA but they're not able to work and have the necessary income that they need to participate in an IDA.

And the thinking here seems to be that people with disabilities who receive benefits are limited in their ability to have earned income as a result of the rules that are applied to these benefit programs.

The reality is that SSI and Title II disability beneficiaries can and do work. The rules that govern how a person's earnings will affect their benefits differ greatly between the two programs but what's important to keep in mind here is that people can work and still receive disability benefits in both of these programs.

In addition to that there are many work incentives in place in both programs that encourage work and these include exclusions that are applied to a person's earnings as well as a number of incentives that make it possible for folks to get the services and support that they need to work while at the same time retaining their cash benefits at some level while they work towards becoming stable in their employment situation.



So the SSI program - the takeaway from today's program - what I really want to emphasize is that SSI is an extremely work-friendly program. This wasn't always the case but, you know, for about the past 25 years it has been, more than 25 years due to some changes in the rules and work will always pay for individuals who receive this benefit.

People who receive SSI will always have more money in their pocket if they work and receive SSI than if they just simply choose to stay home and not work and just receive their disability benefit.

So, you know, I know that there's still a lot of instances where SSI beneficiaries are encouraged not to work or to only work at a certain level and what I'd like you to take away, you know, today after listening to this call is that there's really not a reason for doing that.

There's no earnings level where a person's going to kind of drop off a cliff and lose all of their SSI benefits and it's a guarantee that they're always going to have more money in their pocket.

Now the reason that the SSI beneficiaries are always going to be better off and have more money when they work. It's due to the fact that SSI benefits are not reduced dollar-for-dollar. There's not a dollar reduction in SSI for every dollar that a beneficiary earns.

Instead what happens is there are a number of different income exclusions - earning exclusions - specifically that are applied to their gross monthly earnings and the result is a gradual reduction in the SSI cash benefits as a person's earnings increase.

So an SSI beneficiary who has only earnings and no other income could earn up to \$1433 a month before losing their SSI cash benefit altogether in 2011 okay, so this again I want to underscore that this is only for SSI beneficiaries who have just earnings, no unearned income from any other source; earnings are their only source of income.

And the news is great or even better I should say for young people on SSI who are students because there's an additional income exclusion available called the student earned income exclusion and as a result of this income exclusion, many young people who receive SSI have absolutely no reduction at all in their SSI cash benefit when they go to work.



Now the other thing to keep in mind is, you know, a very long time ago before the rule changes more than 25 years ago, it used to be the case that a person had to be receiving SSI - at least \$1 in SSI - to be able to keep their Medicaid and they were closely linked together.

They had to have the cash benefit in order to have the Medicaid coverage but that all changed and there is no longer, you know, that connection between the SSI cash benefit and the Medicaid.

And this is really great news for individuals and basically what it says is you can continue to work and work towards greater self-sufficiency and increase your earnings to a level that you're no longer eligible to receive an SSI cash benefit.

And even in spite of the fact that you might not be getting an SSI cash benefit, if you're not getting that benefit because your work and your earnings are too high, you could be eligible to continue your Medicaid coverage under a special provision known as Section 1619B.

So this is really terrific news. People can work. They can continue their Medicaid even if they're not getting an SSI cash benefit and the other really important thing about 1619B that I like to point out is that not only can you continue your Medicaid but it actually keeps you in an active SSI status.

So even though you're not getting a cash benefit, you're still considered a beneficiary and on the rolls and if anything happened with your earnings and it fell back below the allowable level, you could just start getting a cash benefit again without having to reapply so there are some safety nets that are actually built into the SSI program now as well that are really great.

In addition if individuals earn to the point where they're no longer eligible to get Medicaid through 1619B because their earnings are too high, most states at this point in time do have Medicaid buy-in programs where they can actually purchase Medicaid by paying a premium just as if they were to purchase it on the private market.

So that's all really great news for the SSI program so now what I'd like to do is switch gears and take a look at the Title II program and work. The bottom line with the Title II program is that earnings may affect the ability of the beneficiary to continue receiving their benefits over time.



And after a certain period of time SSA is going to look at the value of the person's work and determine whether it's substantial and there's a whole process that they go through in doing that and if they do make a determination that a person's benefits are substantial, this will ultimately result in the loss of their cash benefit.

But this doesn't mean an immediate loss of cash benefits when a person begins working. There are a number of Title II work incentives that allow for beneficiaries to keep their cash benefits for a period of time when they go to work.

And beneficiaries who have all their work incentives intact meaning they haven't used them in the past are able to keep their full benefit for a minimum of 12 months after going to work and this is no matter how much they're earning at that point.

Okay, so while it's true that work at the substantial level will ultimately result in a loss of benefits, the benefit program - or the work incentives in the program - do make it possible for beneficiaries to work and receive their benefits at the same time.

And the key thing to takeaway here is that earned income and Title II benefits do not have to be mutually exclusive and it's very possible, quite possible for beneficiaries to work and never lose cash benefits or Medicare coverage. It's just simply a matter of how much the person is able to work and for how long.

Many Title II beneficiaries do work for years while receiving candidates making them great candidates for an IDA so now what I'd like to do at this point now that we've taken a look at the incentives and provisions that support work and earnings is kind of switch gears and look at what about the opportunities to save and build wealth?

And we're going to start this time with the Title II program because it's a very savings and asset building friendly program. This one is very straightforward. As I mentioned a little earlier, Title II disability benefits are an insurance program that a person's entitled to based on their past work.



It is not means-tested so accumulating resources and building wealth have never been a problem for these beneficiaries and there are no restrictions at all on savings, investment or asset accumulation so that's really great news.

Now SSI on the other hand we've talked about the fact that this is based on economic need and there are definite resource limits that we looked at before, \$2000 for an individual, \$3000 for an eligible couple.

But even though we have these resource limits, it's important to know that there are opportunities for SSI beneficiaries to save and build assets. There are many resources that simply just don't count in the SSI program as a resource or are excluded. On the next slide here, I have some common resource exclusions for you.

I'm not going to read all of these but, you know, do refer back to this. It does include you'll see here federal individual development accounts so I think, you know, in looking at these things that are not counted as a resource, it's clear that SSI beneficiaries do have some opportunities available to them to build assets.

I do want to point out again that this is not an exhaustive list of resource exclusions in the SSI program. These are just some examples of the more common resource exclusions and on a later slide, I do have the POM citation, kind of a citation in the SSI program rules that you can use to go in there and look a little, you know, further at this if you're interested in kind of digging deeper after the presentation today.

So now what I'd like to do is spend some time talking about the impact of AFI IDAs on Social Security disability benefits. While the beneficiary might be able to meet the eligibility requirements to participate in an IDA, does it really make sense for them given, you know, the impacts that it'll have on their disability benefits.

So we're going to start again with the Title II disability benefit programs. Once again participating in an AFI IDA or any other IDA is not going to have any adverse effects on a person's application or eligibility for a Title II benefit.

These again are not - it's not - a means-tested program so asset building is not a problem and in addition once a person's eligible, their earnings contributions to their IDA, the matching funds and the interest earned will have no impact at all on the cash benefit amount so that's very easy.



Now my guess is that some of you are thinking well IDAs are a great choice for these folks receiving Title II benefits. They may not be such a great idea for SSI beneficiaries since it's a means-tested program but that's definitely not the case.

The good news is that (un) set aside in federally-funded IDA programs meaning the program's authorized by AFI and TANF do not count toward the SSI resource limits.

Matching deposits don't count as income and the individual's deposits into the account don't count as income either and can actually cause the SSI cash benefit amount to go up because they're deducted from earned income in calculating the SSI benefit.

Since January 2001 when SSA expanded its exemptions for funds held in TANF and AFI IDAs, there's really no negative impact on an individual's SSI benefit for participating in a federally-funded IDA.

What I have here I've kind of listed-out all of the specifics of the impact of AFI IDAs on eligibility. This first slide here looks at the SSI income test and indicates specifically that the earnings contributions from the person are deducted from wages in determining their countable earning.

Matching funds and any interest earned on the account are also excluded. IDA disbursements for qualified asset purchases are excluded and emergency withdrawals are considered loans by the SSI program and are therefore not counted as income because the individual has the obligation to repay them. Okay, so that's all really great news.

Moving on to the SSI resource test, again the specifics of the rules are that an individual IDA contribution - the person's contributions to the account - are excluded as a resource when they're looking at whether a person meets the SSI resource limit. The matching funds and interest earned are also excluded as resources and the IDA asset goals are excluded as resources, okay?

What I'd like to do is look a little more closely on the next slide at the asset goals. In each of these in turn here - the AFI asset goals I'm addressing on the bullets on this slide - you'll see for each of them I've included an SSA POMS or program rule citation at the end.



And if you'd like again to do a little more digging on this, you can certainly just plug that into your browser and it'll take you right into the Social Security POMS online. POMS stands for Program Operation Manual System and again that's the SSA program rules for the disability and retirement programs.

Now in terms of home ownership, just know that if you have a participant saving in their IDA to purchase their first home, it is not going to be a problem at all if they're receiving SSI because it's always been the case that the SSI program allows applicants and beneficiaries to own a home.

In fact the primary residence is completely excluded from consideration as a resource no matter what it's worth but it's important to note the phrase primary residence. That means that the applicant must live in the home for it to be excluded, okay?

SSA or the SSI rules also permit ownership of a business through a specific resource exclusion known as a Property Essential for Self-Support or PESS it's referred to and this is an important self-employment incentive that allows beneficiaries to accumulate unremitted assets through small business ownership.

So having your own business, if you have an IDA and you're starting up a business, this exclusion will help to make sure that none of those resources are going to count against a person and cause them to not be eligible for SSI so that's terrific information as well.

And finally the SSI program offers a variety of income and resource exclusions that are designed to promote savings for post-secondary education. This slide and the next I've provided a bit more detail on these specific exclusions for post-secondary ed because I thought it would be important to you all AFI grantees who are supporting a savings goals of post-secondary education.

And first of all what's noted here is that all student financial assistance that's received under the laws noted above on the slide including Pell grants and work study programs are excluded from income and resources in the SSI program and they have no limit whatsoever.

On the next slide additionally if a person has a federal education loan to cover their education expenses, these funds are also excluded as income and resources.



And finally any portion of a grant, scholarship, fellowship or gift that's used or intended to be used for tuitions, fees or other educational expenses at any educational institution and this includes vocational and technical ed is excluded from resources for a period of nine months.

So again I thought these would be important bits of information for AFI grantees to have in hand as you're working with beneficiaries who might be pursuing post-secondary education.

All right, so at this point we've talked about how AFI IDAs are excluded as income and resources in determining eligibility for SSI but I mentioned a few minutes ago that there's also good news about the impact on the actual SSI payment.

Not only is an individual contribution deducted during the income test for eligibility but once a person is eligible for SSI, the AFI IDA contribution that the person is making each month is deducted in the formula for determining the SSI payment so it's subtracted from the person's gross earnings.

This means because the person is counted as having less countable income that they're due, they're able to recover and increase in their SSI cash benefit so their monthly contribution of earnings to their IDA program - their AFI IDA - is subtracted from their gross earnings when calculating their benefit amount and they can recover up to one-half of the amount through an increase in their SSI cash benefit.

So that's tremendous news and it's something that beneficiaries will want to talk, you know, make sure that they report to their claims representative if you have that exclusion apply and I provided here the link at the very bottom of the slide again to the SSA POMS citation on this particular provision. Okay. Let's move on here.

What I'd like to do is switch gears a bit and talk about the work incentive known as the plan for achieving self-support and I think many AFI grantees, I know when we started the initiative this was the one thing that I was kind of surprised but there were so many grantees that I talked to that were familiar with this at least had heard of it and were very interested in figuring out how it might work so let's take a little bit of time to look at that.



PASS is an SSI work incentive that makes it possible for beneficiaries to set aside and use their income and/or their resources towards reaching their employment goal so when using a PASS, an individual develops a detailed written plan and this plan outlines the steps that they're going to take to reach their particular work goal.

And it also indicates in the plan the income and resources that they're going to set aside and use towards reaching the goal. In some cases beneficiaries use a PASS to save up funds that they have to buy items or assets that they need for work.

In other cases a beneficiary may just use some of their income on a monthly basis to pay for services or support that they need to be successfully employed so PASS is very flexible in terms of being an asset-building tool.

And beneficiaries have used it to start businesses, to pay for education or training, to purchase equipment they may need and to pay for all kinds of services such as job searching for instance.

It can basically be used to help save and pay for any item or service that is agreed by SSA to be needed to support the person's work goal. Unlike in SSA, I'm sorry, unlike an IDA however, a PASS cannot be used to support home ownership, okay, so let's take a look at how it works.

PASS is essentially an agreement with SSA between the beneficiary and SSA and the beneficiary up front just basically says I agree to take these outlined steps in my plan to reach my goal and I'm going to use these income and resources set aside under the plan to do so.

And in turn what happens is SSA doesn't count this income and resources that they're using under the plan when they determine the person's eligibility for SSI or the SSI payment amount.

So since the individual now has less countable income, it results in a higher SSI payment so in using a PASS, SSA essentially replaces the passed expenditures by increasing the individual's SSI benefit amount, okay?

Now what's important to keep in mind is that while IDAs focus on promoting self-sufficiency through acquiring assets that grow in value over time, PASS really promotes the self-sufficiency of beneficiaries by helping them to be successful in employment.



While PASS and IDAs differ slightly in their intended outcomes, the fact is that both are very valuable tools and both have the potential just as people to acquire assets and enhance their ability to be more self-sufficient.

So when you're considering PASS opportunities for an IDA participant, it's just critical to keep in mind that acquiring assets through a PASS always needs to be tied to an employment goal.

So if an IDA participant has no interest in pursuing an employment goal then PASS is just not going to be a viable option to support their goals but if on the other hand you have an IDA participant in your program that's interested in pursuing both employment and asset goals then PASS may be just the ticket they need to help them move strategically forward in this way.

Now let's go ahead to the next slide and look at some circumstances. When might it be helpful for an individual to consider using a PASS and an IDA? A PASS just like an IDA is not for everybody so what I'd like to do is take a couple of minutes just to focus on where it really might work.

The first situation that I have on the slide here involves a person who's contributing earnings to an IDA for an asset goal that promotes an employment outcome, specifically post-secondary education or self-employment so they have an IDA for one of those two purposes.

In these cases the earnings that the person's contributing to their IDA can simultaneously be excluded under a PASS helping the person to leverage additional funds or savings through their SSI benefit.

So by setting-up a PASS that excludes the IDA funds they're saving, the beneficiary is potentially able to recover all of their IDA contributions through an increase in their SSI benefit.

Now I know that might be a little confusing because just a few minutes ago I talked about the fact that beneficiaries - SSI beneficiaries - if they're using an IDA, it can just be automatically excluded from their earnings and that's the case.

And if a person doesn't want to bother with a PASS, that's fine. The other exclusion can be applied and they can receive up to one-half of what they're contributing in their IDA through an increase in their SSI cash benefit.



However, if they went the route of setting-up a PASS and excluded their IDA contribution, what that does is because of where the PASS is excluded in the SSI calculation, it just puts them in a position where they can recover a little bit more money through an increase in their SSI so that would be the benefit of that.

A second situation where PASS and IDA can work well together involves a person who's contributing earnings to an IDA but also has some additional unearned income such as an SSDI benefit.

While we know that the unearned income can't be used for a contribution to the IDA because IDAs require a contribution of earnings, it can be used - the earned income can be used - in a PASS. That's one big difference.

If the IDA participant is saving for education or self-employment, they could use their unearned income and set it aside in a PASS to help them save towards their employment goal.

So by using the unearned income in a PASS to save for post-secondary education or self-employment expenses, participants can leverage some additional SSI dollars to be used to meet their IDA savings goal and this can make it possible for them to reach their goal more quickly.

We're going to move on to the next slide here. A third situation is where it can be really helpful for an individual beneficiary to use a PASS and IDA at the same time is in situations where the person has other items or services that they need in order to meet their work goal that are not permissible AFI IDA savings goals.

So for example these types of services and supports might include assistive technology if your state doesn't have an assistive technology IDA. It might include personal assistance services and transportation. These are just a couple of examples.

One thing to keep in mind that if a person, you know, is saving in an IDA to meet their goal and then sets-up a PASS to pay for other types of things, they must have additional income to set aside in the PASS beyond the earnings that they're contributing to their IDA.



So for example an IDA participant who has \$200 in earnings and is currently contributing \$50 a month to an IDA for their post-secondary education expenses may want to setup a PASS to exclude an additional \$50 of their earnings to be used towards job development and job placement services to help them find a job once they've completed that education program, okay, so that's just one example of how that might work.

And a final example of where a PASS might be helpful is when a participant's IDA account will be closed and they will have unused earnings contributions that will be returned to them.

We all know that either circumstances change and sometimes due to these circumstances, individuals aren't successful in completing their savings plan and reaching, you know, their asset goal, purchase of their asset goal.

And in these instances when their earnings contributions are returned to them, this unused cash that's reclaimed if it's disbursed as cash to the individual, it's going to be counted as income for the SSI program in the month that it's received and then any amount that remains at the beginning of the second month is going to count as a resource, okay?

So the IDA exclusions that applied before are no longer going to apply and regular income and resource counting rules for SSI are going to start applying. Beneficiaries in this situation may want to consider setting these funds aside in a PASS to be used in support of an employment goal so that their eligibility for SSI and payments are not adversely affected.

PASS is actually just one way to address this, you know, of course in some instances it may be that the person has an opportunity to kind of roll-over their funds into a second IDA and there are other things that don't count as resources in the SSI program that the person can use the funds towards.

But the bottom line is we have to plan for these instances if an IDA is going to end and the individual is going to receive funds back again. Now just some PASS considerations that I'd like to touch on that, you know, a beneficiary would want to, you know, kind of toss around these things and really give them some thought, not just toss them around but give them some good thought when making a decision about using an IDA and a PASS.

The first here is it doesn't make sense given their unique situation and goal. Remember PASS is not a good option if the person's not interested in



pursuing employment or self-employment and they're not willing to reduce their reliance on benefit supports in the long term.

This is due to the fact PASS it's an expectation that not only will the person work towards achieving this employment goal but they're working towards achieving a level of employment that's going to reduce their reliance or reduce their benefit, their public benefit or eliminate them altogether in the long term.

Secondly does the PASS make good financial sense for the person or in other words will the PASS result in the person being able to recover funds through an increase in their SSI. This isn't always the case.

You might think that well that makes great sense, you know, everyone should probably setup a PASS because they can use these funds towards goods and services to reach their work goal and they're going to get all of it back in their SSI but that's not going to be the case for everybody.

It depends on how much income the person has, how much countable income and how much they set aside in the PASS. Keep in mind that there is a maximum monthly SSI amount that we talked about earlier, that federal benefit rate and you can only ever increase your SSI cash benefit to that level, okay?

Now some states do have supplements to the SSI amount so you might be thinking you've seen a higher level. That would be because of the supplement but again if you're using a PASS and setting aside more than you're able to increase your, you know, to the level that you're able to increase your SSI cash benefit, it might not be financially advantageous.

And you're probably thinking now with all of these considerations well huh, I'm not so sure that I want to talk - if I'm an AFI grantee - that I want to bring this PASS thing because I'm not sure I can help this person figure this out.

There is some good news. There are projects out there that we're going to be talking about a little bit later who are able to work with beneficiaries around this theory type of work incentive, okay, and we'll tell you how to get in touch with them.

The third thing is is the person willing to commit the time and effort to PASS plan development, application and approval? It is an intensive process. There



is a very lengthy PASS application form, a plan that has to be developed, requires a good bit of information gathering and there's also once the plan is approved by SSA.

There is also a good bit of ongoing management that has to happen in terms of making sure that, you know, the person needs to be following the steps of the plan and using the, you know, setting aside and using the income and resources that they said they would so it does require some management.

So these things have to be weighed by an individual when they're deciding to go this route. The fourth thing is will separate bank accounts be required for the IDA and PASS and as you can imagine that might just be a, you know, a difficult thing for beneficiaries to manage two different accounts.

The bottom line is if a PASS is being used - I'm sorry, if the PASS has been established - strictly to exclude funds that are being contributed to an IDA, then it's possible that the IDA account can also serve as the PASS account, just the one account.

However, if the PASS involves saving funds in addition to what the person is saving for in their IDA and the person needs to access and periodically use these funds for things other than the IDA goal then it may be necessary for them to establish two separate accounts.

And that's something that will require, you know, the individual kind of discussing, looking at with their IDA program as well as with their benefits counselor.

And finally what additional supports might be needed to help the individual manage both the PASS and IDA at the same time and again I talked a minute ago about how intensive the process can be. It does require intermittent attention.

I do want to point out that the AFI Resource Center has developed a paper on opportunities for using a PASS and IDA at the same time and goes into much greater detail than I am able to get into today on our Webinar and the link, there'll be a link provided at the end of the program today - it's right here in your PowerPoint - that you can use to go to our idaresources.org Website.



And if you look under the link for people with disabilities you'll find a paper there on PASS and IDA so if you're really interested in pursuing this, I do encourage you to take a look at that paper and then feel free to contact us and we'd be happy to kind of spend some more time with you walking through how this would work.

Now a couple of other important considerations for beneficiaries in using IDA. The first point we just touched on so I'm going to skip right over that for the sake of time but the second key consideration here is that SSI program rules that favor IDA participation only apply to the federal IDA programs meaning AFI and TANF IDAs.

The IDA exclusions that we reviewed earlier for the SSI program do not extend to other state or private IDAs so, you know, I just want to point that out because I know in many instances there are, you know, many states have IDA programs that are state-funded as well as privately-funded IDA programs or locally-funded programs.

And you just need to be aware that if a person is participating in an IDA funded through these other sources other than AFI and TANF, these exclusions that we've talked about do not apply.

But with that said if the state or private IDA program is structured in the same manner as the federal IDA, it's possible under the SSI rules that the IDA funds can still be excluded in eligibility determination.

There are a number of factors that go into considering this, you know, does the person have legal access to the funds in their IDA? Are the funds paid directly from the account to the vendor when the asset is purchased and what the particular asset that the individual is saving for and purchasing with their IDA?

But we do have some examples of that at the AFI IDA Resource Center, some examples of states who have actually assisted people to get a read from SSA that basically said this isn't a federal IDA but it's still, you know, can be excluded as a resource under all the existing SSI program rules, okay?

Now in the final bullet here is even - or the final thing I wanted to say about these non-federal IDAs I guess there's one more thing there that I wanted to touch on - is that even if the IDA - the state or private IDA - is structured in a way that it can be excluded for SSI in determining eligibility.



Keep in mind that the SSI program rules don't allow for IDA earnings contributions in these IDAs to be deducted in determining the SSI payment so remember earlier we talked about the AFI IDA.

A federal IDA is how you can SSA will actually subtract your contribution from earnings when calculating your SSI benefit amount and you can recover some of that through increasing your SSI. That is not the case for non-federal IDAs so I just want to point that out so that people aren't misled, you know, leaving the program here today.

And the final point is that I just want to touch on is a very positive point. Both the AFI 2000 amendments and the TANF statute include a requirement that all federal means-tested programs disregard any assets that accumulate in an AFI or TANF IDA when determining eligibility or benefit level.

What this means is that the federal IDA asset exclusion applies not only to SSI as we talked about it today but to other federal benefits that are means-tested that a person might be receiving such as food stamps and TANF and Medicaid to name a few.

Okay. That's a lot of information to get through but we're through the hard content and we're just about at an hour at this point and what I'd like to do is talk about some keys to success here and about establishing partnerships.

So I think what you've learned today is that Social Security disability beneficiaries are in fact just terrific candidates for AFI IDAs and the disability program rules actually favor IDA participation and they provide lots of opportunities for beneficiaries to build assets for their future without jeopardizing the benefit support.

In addition, these programs have a number of work incentive provisions and supports for work so the bottom line is that many beneficiaries can and do work and are in a great position to participate and contribute to an IDA but while the program rules are friendly - they're IDA-friendly - the fact remains that they are complex.

They are confusing and I've heard just over the years - our resource center has heard over the years repeatedly from grantees - that they just don't have the resources to commit to becoming an expert on these provisions and helping IDA participants with their benefit support needs.



So an important key to being successful in including disability beneficiaries in a program really does lie in building a close working partnership with the folks in your community who can help beneficiaries.

And these folks are your local Work Incentive Planning and Assistance or WIPA projects as well as other organizations in your community that might also provide benefits and work incentive counseling.

I'm going to strongly suggest that if you haven't already that your first step after getting off the call today if you're an AFI grantee is to connect with your local WIPA project. The WIPA projects are local organizations that are funded by SSA to provide information and assistance to disability beneficiaries who are working or interested in going to work.

And these projects are staffed by very highly-trained and certified Community Work Incentive Coordinators or CWICs and these CWICs work one-on-one with disability beneficiaries to plan for employment, to help them understand the impact of work on their benefits and to help them consider and use work incentives like PASS strategically to help them meet their work goals.

WIPA projects and AFI grantees I've always felt are kind of kindred spirits. Your programs have very similar commitments and goals related to helping and supporting individuals who are low income and disadvantaged to move towards greater personal independence and self-sufficiency.

And I always like to point out to the WIPA projects keep in mind that the asset goals that are supported by AFI IDAs, two of the three are all about supporting employment of people through education and small business capitalization so those are very important things to keep in mind.

In terms of this item what to expect with WIPA services, CWICs work very closely with the beneficiary as part of that person's employment team around kind of helping to establish the employment goal and clarify employment support needs.

They gather and verify information on all of the person's various benefits that they receive as well as information on work incentives they are using or may want to use and services they need.



And based on all of this information, the work goal and the benefits and work incentive information verified, CWICs will develop a detailed written benefit summary and analysis plan for the beneficiary to support their informed choice about work and how they're going to move forward towards meeting that work goal.

And finally they provide ongoing support to the beneficiary throughout the employment process so it's not a one-time shot just when the person's going to work.

But over time as benefits, the person's situation changes and they may have a change in their employment status or something else in their life changes and the CWIC can be there to work with a person and provide ongoing support in terms of the impacts that these changes have on their benefits and work incentives.

Okay, now the following on this next slide here are a list of supports that your local WIPA projects can assist with related to IDA participation. To start with, WIPA projects as I said have a wealth of information related to disability benefits and the impacts of work and earnings.

They also are learning about IDA participation and wearing my other hat at the WIPA National Training Center we've been doing some work to provide training to WIPAs in this area and make sure they have materials and understanding of the AFI IDA program.

It's very likely that your local WIPA would be receptive to requests to kind of meet and share information or maybe even conduct a workshop for your staff and partners on this topic.

And while some local WIPAs may not be in a position to offer formal training, they can certainly serve as a source of information answering questions related to the disability benefits and how IDAs work together and in particular not just in general but for a specific beneficiary.

A second collaborative activity is identifying and referring individuals between the WIPA and AFI grantee organizations. As WIPAs support beneficiaries who work or are actively pursuing work, it's likely that they'll be, you know, connected with individuals who can benefit from participation in an IDA.



Similarly it's likely that your AFI program will meet beneficiaries who are working and pursuing an IDA but for some reason they've not yet connected with a WIPA project for planning and assistance services with their benefits and work incentives.

And it can be really helpful to work out a formal process for referring beneficiaries between your programs to help make sure that the beneficiaries have all the support that they need to be successful.

A third activity that WIPAs can help with involves providing ongoing benefit and work incentive support as needed, you know, to individual beneficiaries who are participating in an IDA.

There are actually a number of points in the IDA process when this help might be needed from the CWIC. This includes the point in time that the IDA participation begins.

Remember SSI beneficiaries in particular may need assistance in understanding how their IDA contributions affect their cash payments and may also need help in working with SSA to make sure that their payment is adjusted correctly and that this exclusion is applied.

Help may also be needed in planning and using other Social Security provisions and work incentives in combination with the IDA like a PASS as we talked about earlier.

And finally it's very clear that supports are likely to be needed when IDA emergency withdrawals are accessed or when a beneficiary doesn't successfully complete their IDA and they have earnings contributions that are returned.

And finally as an integral part of the employment support team, WIPA staff are very well-positioned to link AFI grantees with other disability agencies and organizations in your community.

They can help with other types of information and support so, you know, they work closely within the other organizations throughout the disability community and can be a great source of information and connection there for you.



The next slide that I've included here is a slide that's on basic WIPA eligibility - and give me just one second to adjust the layout, had a little pop-up come up - and we're not going to go through this but I just wanted to put it out there for your quick reference because at this point what I want to do is to turn the floor over to Jolene and to (Jeff).

As I mentioned, Jolene Wyler and (Jeff Huntsman) are with the Utah Benefits Planning Assistance and Outreach Program which is also the WIPA project in Utah and Jolene's project has been involved with our AFI initiative project site in Utah for over four years now and working with the AFI grantee there to support the participation of people with disabilities.

And she and (Jeff) have been just wonderful in agreeing to be on the call today and share some information on their services and their experiences in working with the IDA program so without further ado, Jolene and (Jeff)?

Jolene Wyler: Thank you very much, Susan. I appreciate that you invited us today. I wanted to open up by just giving a tiny bit of background about the benefits planning program - WIPA program - in Utah.

We started providing services in probably late 2001 and we work really closely with other agencies such as vocational rehabilitation, one-stop centers, mental health and also the Medicaid infrastructure grant for Utah.

We currently have nine benefit specialists and most of them right now are CWIC-certified and the ones who are not yet will be at the end of August and we provide services statewide to individuals with disabilities and so we cover quite a large geographical area.

We actually started working with the IDA program as Susan said a little bit over four years ago and initially there was a presentation. Susan came in and (Martha Wonderly) who is our local IDA contact did a presentation for vocational rehabilitation and for the benefits planning program.

And they've really worked closely with us to continue to provide ongoing education and so it's really worked out well for our program to work closely with IDA because we give out their brochures to all of the individuals that we serve.

The idea behind that is that even if the individual we're serving can't utilize the IDA program right now, it's something that they can have to think about



for the future and we can refer back to that when we provide follow-up services and give them another option when they're working to be able to gain some assets and be able to continue to access their Social Security and Medicaid potentially.

Also when we work with individuals with representative payees or if they bring someone with them, it passes on the information to the community and to the family members who may be able to utilize the IDA program.

The benefits planning program in IDA, we have co-presented at places in the community most recently at a job coaching training that wanted to know a little bit more about benefits planning and also the IDA to do some asset development.

It's really provided us some good things to coordinate with our IDA program and it's done good things for the benefits planning WIPA program but then also for the IDA program.

We're really provided education to our IDA representative on working with people with disabilities and hooking her up with different programs in the state too that work with people with disabilities.

We take referrals and we provide the IDA program with referrals as well. They have mentioned that a lot of people call in as a result of the brochures that they have gotten from benefits planning. We talk to them and help them refer individuals to for example vocational rehabilitation or our one-stop centers.

We've really been able to talk to our IDA coordinator and, you know, ease some of the fears that she's had and discuss some general situations where we've been able to ease the fears that the people who are inquiring won't necessarily lose their benefits when they do access the IDA program.

And then they've provided really great service to our clients that we've referred over to them and they've really kept us in the loop as far as information about some of the new changes for IDAs and how we can help our clients access those programs.

Some of the barriers that we've run into are confidentiality issues. It's always an issue with benefits planning because of the nature of the information that



we have that it's hard to get past some of the confidentiality barriers sometimes.

So when we do provide follow-up on our clients, sometimes it's hard to mesh with the IDA program and find out if our clients have actually accessed the IDA program so we don't generally know necessarily unless the client calls us back or unless we find out in follow-up services that they've accessed IDAs.

Another issue that we've had are accessing some of the brochures so the brochures for our particular IDA program are very nice and they're on this slick paper but because of that, those brochures are pretty expensive.

So we end-up again we give out hundreds of these brochures per year and so we ended-up really kind of asking them all the time for more brochures and we probably could have broken their bank as far as their brochure budgets in just one year.

So what we have done in collaboration with the program is developed a one-page paper on IDAs that we can photocopy and put into our files that we give the clients and that makes it so it's more cost-effective and we can give the information.

Because we feel that it's really important for every client that we serve to get that information and again as I said before they may not want to utilize it right now but it gives them some hope for the future that as they start working they can start pulling in some assets and be able to better their lives and better their futures.

I wanted to turn a little bit of time over to (Jeff Huntsman) who is one of our benefit specialists and he has actually worked with an individual who has gone through benefits planning and was referred into the IDA program.

(Jeff Huntsman): Yes, again my name is (Jeff Huntsman). I had a client recently - well not recently, about a year ago I was working with - and when I was working with him I noticed that he would be an ideal candidate for the IDA program.

He had a job offer that he was waiting to meet with a benefit specialist and find out how working affected his benefits before he took the job but also he was interested in potentially getting a first house.



He was also interested in education and he was interested in getting a new wheelchair potentially. He is confined to a wheelchair. All those are potential uses for the IDA program so when it got time for me to give him the IDA brochure, I made sure to emphasize how great a program this is and how it could really help him out in his particular situation.

A couple of weeks later I get a call from (Martha Wonderly) as Jolene mentioned - she's the IDA contact in Utah - wanting to know how working and Social Security and IDA how that all worked together and how they affected one another.

But as Jolene mentioned we had some confidentiality issues so we had to get the client himself to call me. Once we got him to do that, the three of us kind of discussed it and found out that nothing negative would happen to him by being involved with the IDA, Social Security and working all at the same time and he decided to go through with it.

And at first he was going to get money towards his new wheelchair but instead he decided to go towards using the money towards education needs. Currently he is still putting money into his IDA account. He's become essentially the poster boy right now for Utah IDA program.

He's a great example. He's working part-time and going to school at the same time so he's doing all he can to improve his situation and improve his life.

Jolene Wyler: Susan, did you have anything else that you wanted to mentioned about the Utah program?

Susan O'Mara: No, other than the fact that I think you all have just done a tremendous job. It does - I think going into the initiative - I think our thinking was that, you know, most of the education would need to be done with AFI grantees around understanding disability, community and support needs and all kinds of things.

But what we've learned is that it's education on both side with the disability community as well so our efforts have really and it's cross-training, the fact that you all have come together repeatedly over the years and maintained that contact and continued to educate each other, it's something that takes some time to put together, you know, actually just hashing-out the referral process back and forth.



But it's really worked to the benefit of individuals like this young man that (Jeff) was talking about. I had the pleasure of being there for one of the meetings when you all were sitting down with him and this young man is a Social Security disability insurance beneficiary SSDI if I'm remembering correctly so there's no negative impact of the IDA on his benefits whatsoever.

But I think the benefit here is that there are a lot of agencies and people that have come around kind of this individual. He's accessing various services and supports including the IDA, including vocational rehab, including benefits counseling and by combining all of those things, he's able to successfully pursue his post-secondary education goal.

I just think the WIPAs in my mind and, you know, are just key partners. Should be the best friends of AFI grantees. They're all about work and helping people understand benefit impacts and their finances and I think, you know, that you all really have done in Utah just a tremendous job of making that happen and I appreciate you all being on today. Thank you so much, Jolene and (Jeff).

(Jeff Huntsman): Thanks, Susan.

Susan O'Mara: I do have a couple of more slides but we're not going to spend much time talking about them because they're really resource slides. You're going to want to know where to locate your local WIPA.

We've got some links here that'll take you right to the SSA Website. The other Website is the VCU WIPA National Training Center Website which is where I work.

We provide training and support to the WIPA projects across the country and we've got just probably more information than you'd ever want to have on disability benefit programs and work incentives and asset-building opportunities as well so if you're interested in learning more, certainly avail yourself of the resources there.

The AFI Resource Center team, again the phone number and the link to our team here. Please do not hesitate to contact us if you have any questions at all and there's the link to our Website as well, idaresources.org.



And when you get to the main page on idaresources.org, there's a little button there that says people with disabilities and if you click on that it'll take you to just a host of materials.

There's a whole section of the Website devoted to the interface between IDAs and disability benefits as we've talked about today and I've got a screenshot for you here of this so please do not hesitate to go there and at this point if we can take a few questions, I think that'd be wonderful.

Coordinator: If you would like to ask a question, please press star 1 and record your name. To withdraw your question, you may press star 2. Again to ask a question, press star 1 and one moment for the first question. Our first question comes from (Paul Fontaine). Sir, your line is open.

(Paul Fontaine): Thank you very much so am I to understand that these are not really grants. These are more for working with the Social Security Administration?

Susan O'Mara: I may need to ask you to clarify there. When you say these are grants like the AFI grant...

(Paul Fontaine): No, these are not grants in terms of these are more geared towards individuals as opposed to organizations.

Susan O'Mara: Well, let me just clarify. The AFI grantees that I've been referring to are actually grants programs and they have grant funding through the Office of Community Services that administers the AFI IDA program.

And the WIPA projects that I've referenced are also grant-funded projects. They are funded by the Social Security Administration to local community organizations so which of those two were you asking about? I'm sorry if I'm not being - answering your - question.

(Paul Fontaine): Well, basically I work for the UMass Massachusetts Medical School and we're looking at grants to help keep our funding going and one of my managers recommended listening to this Webinar and I'm not sure that there's anything really that the IDA can offer us.

Susan O'Mara: Right, I hear what you're saying, so IDAs, yes. What we have been talking about are IDAs for individuals who meet the criteria who receive disability benefits.



(Paul Fontaine): Okay. Okay.

Susan O'Mara: So yes, the focus of today's call is on how to support disability beneficiaries who participate in an IDA program.

(Paul Fontaine): Okay, thank you.

Susan O'Mara: No problem at all.

Coordinator: Our next question comes from (Michele Eckert). Your line is open.

(Michele Eckert): Hi, can you hear me?

Susan O'Mara: Yes, I can hear you, thanks.

(Michele Eckert): Okay. I have like a bunch of questions but I'll only do one at a time so that other people have a chance.

Susan O'Mara: Okay, and please send your other ones in if you don't get to ask them.

(Michele Eckert): I will. I just - a couple of just tiny questions - is work study considered earned income for IDA?

Susan O'Mara: Is work study considered earned income for IDA?

(Michele Eckert): Right, so if somebody was going to school and participating in a work study, and they were, you know, they had a job getting work study income, could they use that income to put into an IDA?

Susan O'Mara: You know, I wish I had an AFI grantee actually on the phone here. I don't have the legislation that's in front of me but they're going to look - I believe they're going to look - at your earnings as it shows on your taxes for the previous year and I'm going to have to verify that and I can e-mail you back but again but if you send that question, we'll get the answer back to you.

We will have your contact information on the registration form I believe so I should be able to get that back to you (Michele) so let me verify but I do believe that, you know, I don't believe it would count is what I'm saying but I don't want to say that for sure.



That would be a question that the folks in the AFI office can clarify for us if need be. Is that okay to get back with you on that?

(Michele Eckert): That would be fine. Along the same line, I wondered if there were any tax benefits for someone who put money into an IDA.

Susan O'Mara: Well, you know, one thing that I can think of when we think about taxes and benefits, what comes to my mind is that if you were working, many of these individuals who would be eligible in accessing an IDA would also be individuals who would be eligible for the earned income tax credits.

And that is a credit here, a direct credit so and for these individuals who are claiming that credit, one of the things that they're able to do is use that to further help them move kind of down the road in reaching their asset-building goals because many of the IDA programs do allow people to use that earned income tax credit - that refund - and deposit it into an IDA as earnings contributions to help them towards meeting their goal.

You would certainly need to talk to your local AFI IDA program to verify exactly, you know, how they do that but that's one thing, you know, when we looked at IDAs that's one of the things that we promote to folks is make sure we're helping folks access their earned income tax credit and help them to think about how they might use that if they do in fact have asset goals.

(Michele Eckert): Okay. I'm going to let somebody else pipe in and if nobody else does, I'll come back. Thanks.

Susan O'Mara: Okay, thank you.

Coordinator: Our next question comes from (Sheila Stogel). Ma'am, your line is open.

(Sheila Stogel): I was - you might want to like maybe answer this question by sending me a direct e-mail - but I'm with Iowa and I just wondered if there was a way that you could maybe walk through the SSI calculation, how that works with IDA and PASS or is that something you'd feel more comfortable with just e-mailing me after the call?

I know you don't maybe have a lot of WIPAs on and maybe the calculation might be too much.



Susan O'Mara: Right, right. It's probably too much for the AFI grantees - and hi, Sheila, this is Susan - we do actually have a number of WIPAs that registered for the call and hopefully are participating on here but, you know, we also have a resource document that I can send you that has the example of the calculation right in there and shows where that is.

It's applied right after the gross, you know, when you have your gross earnings, you would subtract it right after but before you divide by two.

(Sheila Stogel): Kind of like in the early.

Susan O'Mara: Yes, yes, exactly.

(Sheila Stogel): And then the amount that counts is what's set aside in the IDA?

Susan O'Mara: It's only what the person's contribution is, yes. The person's contribution of their earnings to IDA so it's not the match dollars or any interest earned, none of that. It's just the person's contribution of earnings that's deducted.

(Sheila Stogel): Yes, if you can send me the link to that document or just...

Susan O'Mara: I can do that.

(Sheila Stogel): ...my way I'd appreciate it.

Susan O'Mara: I will do that.

(Sheila Stogel): Thank you.

Susan O'Mara: You're welcome.

Coordinator: Our next question comes from (David Eddlestein). Sir, your line is open.

(David Eddlestein): Yes, good afternoon. I just wanted to clarify again the types of income or funds that can be contributed to an IDA account. We're just talking about earned income as opposed to unearned income or as opposed to any other source of savings; is that correct?

Susan O'Mara: Right. You're absolutely correct and just let me clarify that. What we're talking here are AFI IDAs and so the Assets For Independence federal IDA



program and it's mandated in their statute that it has to be a contribution of earnings.

This is the case for most IDAs, whether they be federal or non-federal funded IDAs. Most IDAs do require - I'm sure there are some around the country - that are non-federal IDAs that may allow for unearned income to be contributed and matched but for the federal IDAs, for AFI and TANF IDAs it's a requirement that the person contribute earned income, okay?

Now with that said, you know, what I found is that the, you know, when we're talking about the earnings contribution per month, generally, you know, we're not talking a huge amount of money that the person has to, you know, contribute to their account and it varies from program to program but for instance it might be there's a minimum contribution required of \$25 a month or, you know, 45 or \$50 a month.

And generally the IDA programs what I found as I meet with them and talk with them about their criteria is that they are, you know, they're kind of open in looking at the earnings.

They can be earnings not, you know, maybe from a traditional job but maybe from cutting grass or babysitting or, you know, whatever it might be as long as the person has some source of earned income and again, I've also seen projects that allow people to use their earned income tax credit refunds for the deposit into their IDA.

(David Eddlestein): Okay, thank you very much.

Susan O'Mara: You're welcome.

Coordinator: And our next question comes from (Julie Johnson). Ma'am, your line is open.

(Julie Johnson): Oh, thank you. Hi. I just have a question about how the IDA, the amount you put into the account, you're able to for SSI recipients it reduces the gross income. For an SSDI recipient, if they completed their trial work period, could it be used to reduce their gross earnings say to keep them under SGA and keep their benefit longer?

Susan O'Mara: No. We had a meeting when we started this initiative with SSA, the folks from the office of policy - it's LPDR, anyway - and involves some more - the folks up there that deal with the policy stuff - and they were very gracious



and came and met with us at HHS as did the Medicaid folks and we talked about that and there is absolutely no opportunity.

And I think the deal is because when you're thinking about the SGA, the Substantial Gainful Activity determination, is a person's earnings substantial, that's really a determination about the value of their work as based on their earnings.

So you know, contributing to an IDA doesn't really impact the value of that person's work and is not considered at all in that but that's a great question.

(Julie Johnson): Thank you.

Coordinator: And our next question comes from (Michele Eckert). Ma'am, your line is open.

(Michele Eckert): Thank you again. I must have gotten into the right queue. Another question I had was on one of your slides it says AFI and TANF IDA resource exclusively applies to all federal means-tested programs and you talked about resources but what about income?

Do you still have that same opportunity to deduct from other federal means-tested programs the income that you're putting in?

Susan O'Mara: Yes, yes. It is not counted as the income and resources and, you know, with Medicaid for instance what you have to keep in mind is that for the aged, blind and disabled eligibility group in Medicaid, they follow the same disregards as are in the SSI program so the same exclusion that we talked about for SSI should apply in Medicaid as well.

Now whether your local Medicaid agency's going to understand that or not because this is a newer thing for folks, you know, in the disability community. We're just kind of getting to the table around this and trying to get our arms around all the implications.

So at a local level there's still a lot of education that needs to happen on that but yes, if you go to the AFI Website - the AFI IDA Website - they actually have the legislation posted or you could probably get that through the resource center as well and you can, you know, see in there specifically the exclusion.



I believe it's Section 504 if I'm remembering off the top of my head that basically says, you know, that they must disregard for all federal means-tested programs must disregard, you know, in determining benefit eligibility and payment amount.

(Michele Eckert): Okay, that's great. Thank you.

Susan O'Mara: No problem.

Coordinator: I show no other questions at this time.

Susan O'Mara: Okay, that's wonderful and it's perfect timing. I can't believe we did all of that in an hour and a half. Again I'd like to thank you for being on the call today. I hope you found it to be informative.

Please do not hesitate to let us know if you have any additional questions using that link that we provided as well as the phone number and we'll be happy to get back with you and I hope you all have a great afternoon. Thank you. Bye bye.

Coordinator: That concludes today's conference. Thank you for your participation. You may disconnect at this time.

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