

# Social Security Disability Insurance

## This fact sheet covers:

- **Social Security Disability Insurance (SSDI)** eligibility
- **Work Incentives**—Social Security programs that assist people with disabilities who are working or who want to work.
- **Substantial Gainful Activity**—an earnings level set by Social Security to determine if you are eligible for benefits.

Social Security Disability Insurance (SSDI) is a benefit designed to assist some people who had worked, but who can no longer work because they are disabled.

You also may be eligible for SSDI if...

- you are an adult and have worked and paid a certain amount of taxes but are now considered disabled.
- you are *younger* than 19 and your parent is disabled, retired, or has died.
- you are *over* age 19; you have a disability (that you acquired before you turned 22); *and* your parent is disabled, retired, or has died.



## How Work Incentives Can Help You

Work incentives are Social Security Administration programs that provide additional supports to people with disabilities who are working. Social Security wants people to work if at all possible, so they've created these programs to encourage you to work.

Eventually, you may earn enough that you won't need benefits, but in the meantime, work incentives may help adjust the amount of earnings that Social Security counts to determine whether or not you should receive SSDI.

Work incentives can be especially helpful:

- when you begin working.
- if you lose your job within the first five years of working.
- if you need special on-the-job supports.
- if you pay out-of-pocket for medical expenses that allow you to work.

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### Specific Work Incentives



#### Trial Work Period

Trial Work Period allows you to test your ability to work. You can earn an unlimited amount of money during this time, and your SSDI won't decrease and won't be eliminated. You are allowed 9 months of trial work. They can be used all in a row (e.g., January through September) or now and then, over a period of 60 rollover months.

In 2021, you must earn at least \$940 in a month for Social Security to consider it a trial work month. If you earn less than that, it won't count as one of the 9 months in your Trial Work Period.



#### Substantial Gainful Activity

Each year, Social Security sets a monthly level of earnings that determines whether a person is eligible to receive or continue to receive benefits. In 2021 that level, known as Substantial Gainful Activity (SGA), is \$1,310, or \$2,190 if you are considered blind by Social Security. If you consistently earn at or above SGA (outside the Trial Work Period), you will no longer receive cash benefits.



#### Extended Period of Eligibility

After your Trial Work Period ends (9 months), you'll also have an Extended Period of Eligibility, which lasts for 36 consecutive (all in a row) months, regardless if you are working or not. During this time, Social Security will be looking to see if your countable earnings are at or above SGA. If you consistently earn at or above SGA, you will no longer receive cash benefits.

However, during your Extended Period of Eligibility, you will continue to be on the Social Security list, so your benefits are *suspended* not *terminated*. This means that every month your earnings are below SGA, you are entitled to an SSDI check, even if the previous month you earned above SGA and did not receive a check.

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<https://www.iidc.indiana.edu/pages/fact-sheets-on-work-incentives>

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There are several ways to decrease the amount of earnings Social Security will count when they are deciding if you've reached SGA. Those include:



### Impairment-Related Work Expense

If you pay for expenses related to a medical impairment (disability), you can submit your receipts for those expenses to Social Security. The expenses must be 1) paid out-of-pocket (not reimbursed by Medicaid or another insurance), 2) reasonable, and 3) related to work. If approved, the amount of these items will be deducted from your gross earnings to lower the amount that Social Security considers when deciding if your earnings are at SGA. Examples of possible IRWEs include medication and doctor visit copays and specialized transportation.



### Subsidies or Special Conditions

A Subsidy or Special Condition can also lower the amount of earnings that Social Security considers when it decides whether or not you've been achieving SGA. If you receive any supports on the job, Social Security can determine the dollar value of the supports and subtract the value from your gross earnings. (Gross earnings refers to the amount you earn before taxes are deducted). Examples of supports include: an on-site job coach, modified job duties, special equipment or accommodations (paid for by the employers or Vocational Rehabilitation), extra time to complete job duties, and lower productivity compared to coworkers.

For example, let's say your employer pays for a tablet, a laptop, and special apps and software to help you be more independent at work. Let's also say you've earned \$1,300 that month. If Social Security determines that your supports are a Subsidy/Special Condition, here's how that can help you:

\$1,370	Monthly gross earnings
<u>-\$175</u>	Monthly cost of subsidy
<u>\$1,195</u>	New gross earnings counted by Social Security

Remember that when you consistently earn more than the Substantial Gainful Activity level of \$1,310, your cash benefits will stop. In this case, your benefits could have stopped since you earned \$1,370 that month. However, because Social Security deducted the value of your on-the-job supports from your

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earnings, it lowered your monthly gross earnings to beneath SGA, so you continue to receive SSDI in addition to the \$1,370 you earned at your job.



### Expedited Reinstatement of Benefits

If and when you work your way off benefits, there is a great safety net in place if you ever need them again. If you find yourself unable to earn SGA due to your disability, within 60 months of your benefits stopping, you can file for an Expedited Reinstatement of Benefits. This is a very short application, and you will receive 6 months of temporary cash benefits while Social Security determines whether you are again eligible for benefits.



#### The Social Security Red Book

<http://www.socialsecurity.gov/redbook/>

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<https://www.iidc.indiana.edu/pages/fact-sheets-on-work-incentives>