

SSI and Medicaid for Individuals with Intellectual & Developmental Disabilities

Planning for Adult Life

A program of The Arc of New Jersey

helpdesk@planningforadulthood.org

Céline Fortin

Associate Executive Director

The Arc of New Jersey

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Planning For Adult Life

- **Planning for Adult Life** was created to help high school students with I/DD and their families navigate the process of preparing for life after they leave school.
- Planning for Adult Life activities, events, and materials are conducted and developed in partnership with The Arc of New Jersey with funding from the New Jersey Division of Developmental Disabilities.
- We offer classes for students in high school (MAPs), community presentations (HOW), Planning Conferences, Webinars, an extensive website, and the monthly e-newsletter (The Compass).
- Our HelpDesk is always available at HelpDesk@PlanningForAdultLife.org or 732.828.0972.

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Continuation of Parent's Private Health Insurance AFTER age 26

- **All** young adults can stay on a parent's health insurance until age 26.
- Special process for young adults with disabilities who are not capable of self-sustaining employment to stay on parent's employer sponsored health insurance – *for as long as parent has the health insurance.*
- BEFORE child's 26th birthday – parent requests a form from employer's Human Resources Dept. or the insurer.
- Child can have private health insurance *and* Medicaid. Medicaid is always payer of last resort.
- The Arc of NJ's fact sheet on private insurance.

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Why do we focus on applying for Medicaid?

Because Medicaid is a critical benefit for individuals with disabilities to access services and supports.

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Under Age 21, Services from Dept. of Children and Families

- DCF provides limited services through **PerformCare**.
Phone line operates 24/7: **1-877-652-7624**.
- Example of services: Respite & summer camp. Families who need a service should call PerformCare to discuss the need.
- The child/young adult does not have to have Medicaid to get services but PerformCare will still do the application.

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To Receive Division of Developmental Disabilities (DDD) Services at Age 21

- **Must be functionally eligible for DDD services and must have Medicaid.**

Functional eligibility determined from questionnaire called NJ Comprehensive Assessment Tool (NJ CAT)

- **Best way to have Medicaid: Apply for Supplemental Security Income (SSI) at age 18. Everyone who receives SSI will also get Medicaid.**
 - SSI is the cash benefit. Medicaid is the health insurance benefit and the gateway to DDD services.

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Applying for Supplemental Security Income (SSI) and Medicaid: How Does It Work and How Do I Plan For It?

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Rule #1 – Age Matters!

When the individual with a disability is under 18 years old, determination for Supplemental Security Income (SSI) is based on the *family* income.

When the individual is over 18, the determination is based on the *individual's* income.

Apply as soon as possible after the individual's 18th birthday.

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Rule #2 – Money Matters!

If the individual has “too much” they won’t be eligible.

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Resources

- Person with a disability **can’t have more than \$2,000** in his/her name (with that person’s Social Security number)
 - “Assets” includes savings bonds with child’s Soc. Sec. number.
- Spend-down” if amount over \$2,000 is small. Document for spend-down: summer camp; class trip; therapies not covered by insurance.
 - No spend-down on food, clothing, shelter – these are considered the parent’s responsibilities.

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- If applicable, consider a Special Needs Trust (SNT). Parents can have life insurance policy with money going to the SNT after their death. **Hire a professional who specializes in SNT!**
- Inform relatives not to leave money in their will to the individual with I/DD. They can leave assets in their will to a Special Needs Trust that parents have set up.

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Achieving a Better Life Experience (ABLE) Act of 2014

- Persons with disabilities can deposit up to \$15,000/year in an ABLE tax-exempt savings account.
- Eligibility: Age of onset of disability must be before age 26; Must be receiving SSI or SSDI **OR**
- With medical documentation, can deposit money into ABLE account (up to max. of \$15,000/yr) as spend-down *before* applying for SSI.
- ABLE accounts won't affect continuing financial eligibility for SSI, Medicaid and other public benefits, until the account reaches \$100,000.

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ABLE Accounts (cont.)

- ABLE accounts now available in NJ. Can open ABLE account in this state or another state.
<https://savewithable.com/nj/home.html>
- Visit the **ABLE National Resource Center website** www.ablencr.org, for state-specific information. Great website; webinars; state-by-state comparisons.
- Important: Upon the death of the beneficiary, the state in which he/she lived may file a claim for all or a portion of the funds in the ABLE account to recoup costs paid by the state while the beneficiary was receiving services through the state Medicaid program.

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529 accounts for child with I/DD

- Special accounts to pay for eligible educational institutions.
- Be sure the **account owner** is a parent or grandparent, not the person with I/DD. **The student should be the designated beneficiary.**
- **When applying for SSI - as long as account owner is not the individual with I/DD, a 529 account is not counted as asset when SSI applicant is 18 or older.**

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529 accounts (cont.)

- If person with I/DD is not going to college: Owner can transfer funds to a different 529 account for member of beneficiary's family.
- Can rollover up to \$15,000/yr. into ABLE account. If 529 account has more than \$15,000, can do rollover in multiple years.
- Talk to accountant about tax implications of rollover.

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36 Month "look-back" on child's assets when applying for SSI

- On all financial transfers, there is a 36 month look-back period on the child's assets. This is 36 months before the date the individual filed an application for SSI.
- If the person is already receiving SSI, the 36 month look-back period starts with the date the resources were transferred.

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Applying for SSI or Medicaid if parents are divorced

- When parents are divorced, child support is viewed as the child's "income".
- Depending upon the amount of child support, adolescent may not be eligible for SSI or Medicaid, but there is a 1/3 exclusion of child support income.
 - Example: if child receives \$1,000/month in child support, only \$666 would be counted by Medicaid as "income."

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Rule #3 – Make Sure You Have Your Information Ready

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As you are getting ready to complete the application, start collecting:

- Evaluations and assessments
- IEPs and Progress Reports
- Doctors and therapists: Name, address, phone, dates first and last seen, specialty, diagnosis
- Medications: Name, prescribing physician, date and dosage when started as well as most recent date and dosage
- Employment: Name, address, phone, supervisor name, position held, date and pay when started, last date of work and pay

Put together a file or binder as well as creating electronic files, if possible.

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Start thinking about the questions.

- What is the individual's disability?
- How does it affect the individual?
- What is keeping them from working?
- Can they complete tasks and activities independently?
- What does a typical day look like?
- What steps have been tried previously to obtain and maintain employment? What happened?

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Be prepared to talk about the individual's disability.

- Decide who is the best person to be "in charge".
- Consider how you will answer questions about the individual's disability, including when you are discussing their disability with them present.

Prepare the individual to talk about their disability.

- Let them know they will be asked questions, when appropriate.
- Help them to describe how they feel or how their disability affects their daily life.
- Help them to feel as comfortable as possible.

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Ready to apply?

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How to apply for Supplemental Security Income (SSI)

- Information on applying for SSI: www.ssa.gov/ssi/text-apply-ussi.htm
- Can start the disability application process online, as long as this is a *first time* SSI application.
- Parents can call Social Security at 1-800-772-1213 to make appointment to apply for SSI benefits for son/daughter with I/DD. With appointment, can apply for SSI on the phone or in person at local Social Security office.
- Can visit Social Security office without appointment. However, there will be a longer wait time.

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Keep in mind that if you do the application online, you can always stop, save and go back to it later. This is very helpful if you find yourself getting distracted or tired.

Remember – if you begin to answer questions just to “get them over with”, it’s time to stop and take a break.

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After approval for SSI

- Always respond in timely way to official requests for information. SSI and Medicaid can be terminated for failure to respond.
- If moving, be sure Social Security and Medicaid have the new mailing address.
- If person receiving SSI is working, must report wages monthly to Social Security.
- Social Security: Substantial Gainful Activity (SGA) - **\$1,260/mo., gross income (2020).**

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When SSI begins...

- Parents should open new bank account, jointly with individual with I/DD, with child's Social Security number first. Consider representative payeeship.
- SSI checks to be deposited electronically into this new joint bank account.
- Can't have more than \$2,000 in this bank account!
- If receiving lump sum back payments, you have 9 months to spend down. After 9 months, cannot exceed \$2,000 in this account. May open ABLE account, if needed.
- Select a Medicaid HMO or be auto-assigned.

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Continuing Disability Reviews and Redeterminations

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

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SSI and travel outside the U.S.

- Important note: If a person receives SSI and travels out of the U.S. for **30 consecutive days or more**, he/she is not eligible for SSI (or Medicaid) during any month when he/she is outside the U.S.
- An individual who was receiving SSI, and has traveled out of the U.S. for 30 days or longer, is not considered by Social Security to be in the U.S. until he/she is in the U.S. for **30 consecutive days upon returning**.

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What happens if the SSI application is turned down?

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- **Appeal in timely manner! Easiest way to appeal:**
www.socialsecurity.gov/disability/appeal
- **Possible reasons for denial of SSI:**
 - Assets above \$2,000
 - Special Needs Trust not done correctly
 - Medical documentation not sufficient to justify a severe disability, per SSA requirements.

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If turned down for SSI...

- Parents may want to contact attorney to represent the son/daughter at a hearing with a judge.
- If attorney accepts the case, typically there is no fee, unless the attorney wins the case. Then the fee is a % of the lump sum back payment from Social Security.
- Can contact Community Health Law Project to discuss representation. Can call the County Bar Association's Lawyer Referral Service, and ask for names of attorneys in your county who do this type of work.

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Community Health Law Project

Main Admin - South Orange, 973-275-1175

Essex County - Bloomfield, 973-680-5599

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

Union County - Elizabeth, 908-355-8282

DCF & DDD - Hudson, Morris, Union, Somerset
*Hudson County - Jersey City, 201-630-6201

Monmouth County - Eatontown, 732-380-1012

DCF & DDD - Monmouth, Ocean

*Ocean - Toms River, 732-349-6714

Mercer County - Trenton, 609-392-5553

DCF - Burlington, Hunterdon, Mercer, Middlesex

DDD - Hunterdon, Mercer, Middlesex

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

Camden County - Collingswood, 856-858-9500

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

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

*Atlantic - Galloway, 856-858-9500

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New Jersey State Bar Association Lawyer Referral Service

- The link below is a list of county bar associations that offer lawyer referral services

- <http://bit.ly/LegalReferralService>

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Other avenues to accessing Medicaid

In the following scenarios, the individual may not receive SSI (the cash benefit) but they will still receive Medicaid.

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Scenario #1

The parent of person with I/DD is retired, disabled, or has died. BUT the individual with I/DD had been receiving SSI and Medicaid in the past.

- In this case, the son/daughter is receiving a Social Security Disability (SSD) benefit on parent's work record.
- Monthly SSD on parent's work history is often too high to get Medicaid.
- **But, when persons with disabilities previously had SSI, they are "Disabled Adult Children: Section 1634 DACs", as defined by the Social Security Admin. They are eligible to get Medicaid again, after they start receiving SSD on parent's work record, from county Board of Social Services. The amount of the SSD benefit is disregarded.**

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- Social Security Admin. (SSA) definition of a DAC:
 - A person who was receiving Supplemental Security Income (SSI) benefits (and Medicaid) and who meets the following:
 - Is at least 18 years of age;
 - Has blindness or a disability which began before the age of 22;
 - Has been receiving SSI based on blindness or disability; and
 - Has lost SSI due to the receipt of Social Security benefits on a parent's record due to the retirement, death, or disability of a parent.
- Also, the person cannot have more than \$2,000 in resources in his/her name

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



Disabled Adult Children (§1634 DAC)


Eligibility Group Requirements*: An individual who was receiving Supplemental Security Income (SSI) benefits and who meets the following:

- Is at least 18 years of age;
- Has blindness or a disability which began before the age of 22;
- Has been receiving Supplemental Security Income (SSI) based on blindness or disability and
- Has not Supplemental Security Income (SSI) due to the receipt of Social Security benefits on a parent's record due to the retirement, death or disability of a parent.

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

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

You should have received a letter from the Social Security Administration (SSA) verifying that you meet criteria to be eligible for Medicaid coverage under this eligibility group (§1634 DAC). If you have not received this letter, or no longer have this letter, contact your Social Security Representative by calling 1-800-772-1213 (available Monday - Friday from 7am - 7pm) to request a Benefit Award Letter verifying Social Security benefits as a Disabled Adult Child or Disabled Dependent Child who received SSI in the past.

To obtain Medicaid Eligibility for individuals applying who are expected to be enrolled on the Community Care Waiver (CCW):

You will need to complete the Medicaid - Only-Community Care Waiver application that is sent to you and provide the necessary documents, including the letter from the SSA verifying that you may be eligible for DAC status for consideration of Medicaid eligibility under Section 1634 of the Social Security Act (regarding DAC).

To obtain Medicaid Eligibility for individuals who are expected to be enrolled on the Supports Program:

You will need to complete the appropriate "Aged, Blind and Disabled (ABD)" Medicaid application. See this [LINK](#). You will also need to provide the necessary documents, including the letter from the SSA verifying that you may be eligible for DAC status for consideration of Medicaid eligibility under Section 1634 of the Social Security Act (regarding DAC), to the County Welfare Agency. <http://www.state.nj.us/humanservices/dmahs/clients/medicaid/abd/index.html>



If you have any questions or any difficulty obtaining Medicaid for an individual who may have §1634 DAC status, please do not hesitate to contact your DDD Regional Office and ask to speak with your Case Manager. You may also email any questions to: DDD.MedElighelpdesk@dhs.state.nj.us

Produced by DDD's Office of Public Access 12/2019

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Getting Medicaid again as a Section 1634 DAC

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

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Scenario #2

The parent of person with I/DD is retired, disabled, or has died and the individual with I/DD has *never* received SSI and Medicaid in the past.

or

The person with I/DD was denied because their child support income was too high.

- If the gross monthly SSDI benefit (on parent's work record) or the child support income is **below \$1,064/mo. (in 2020)**, they can apply for NJ Care Special Medicaid Program (also called Community Medicaid).
- Can have up to \$4,000 in resources. **Having this type of Medicaid is okay for DDD services.**

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Scenario #3

The parent of person with I/DD is retired, disabled, or has died and the individual with I/DD has *never* received SSI and Medicaid in the past.

or

The person with I/DD was denied because their child support income was too high.

- **If the amount of the SSDI benefit or the child support income is above \$1,064/month (in 2020)**, the student is not eligible for NJ Care Special Medicaid Program.
- However, they can be considered a special **"Non-DAC"** status by DDD and receive Medicaid solely to access DDD services.

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More on Non-DACs

- Families should know that “Non-DAC” status is an exception to DDD’s Medicaid requirement!
- The Arc of NJ has fact sheet on Non-DAC status.
- **IMPORTANT:** Having “Non-DAC” status does NOT provide Medicaid immediately. In the future, the person who has Non-DAC status from DDD will be eligible for Medicaid from DDD Supports Program.

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How to request Non-DAC status

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

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Date of Report: _____

Medicaid Eligibility Problem Form or DDD's Troubleshooting Form

Individual's Name:	DDD Client? <input type="checkbox"/> Yes <input type="checkbox"/> No	Date of Birth:	Age now:
Address:	CCW? <input type="checkbox"/> Yes <input type="checkbox"/> No	Social Security#:	County:
Name of Contact Person:	Contact Person's Telephone:	Email:	
Relationship to Individual:			
Assets Amount of money in the bank in the name of the individual: \$ _____ Any other assets in the name of the individual (e.g., stocks, bonds)? \$ _____ If there are assets in the name of the individual, was a special needs trust ever developed? <input type="checkbox"/> Yes <input type="checkbox"/> No Comments: _____			
Supplemental Security Income History Has the individual ever received SSI? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, monthly amount: \$ _____ At what age did SSI start? _____ In the person still receiving SSI? <input type="checkbox"/> Yes <input type="checkbox"/> No If no, at what age did person stop receiving SSI? _____ Do you know the circumstances that caused the person to lose SSI? Please explain: _____ Comments: _____			
Medicaid History Has the individual ever received Medicaid? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approximate age when Medicaid started: _____ Approximate age when Medicaid ended: _____ Do you know why Medicaid ended? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please explain: _____ If the person has never received Medicaid, did he/she ever apply for Medicaid? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, explain why Medicaid was denied: _____ If no, explain why no application was ever made to Medicaid: _____ Comments: _____			
Social Security Disability? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, monthly amount: \$ _____ At what approximate age did SSDI start? _____ Did he/she begin receiving benefits from Social Security based on parent's work history? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, please explain: _____ Medicaid? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Employer Status of Parents Mother: Working? <input type="checkbox"/> Yes <input type="checkbox"/> No Retired? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when mother retired: _____ Deceased? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when mother died: _____ Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when mother became disabled: _____ Father: Working? <input type="checkbox"/> Yes <input type="checkbox"/> No Retired? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when father retired: _____ Deceased? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when father died: _____ Disabled? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, approx. age when father became disabled: _____			
Individual's Employment Questions Currently employed? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, number of hours/week: _____ Salary \$ _____ per month If currently unemployed: did individual apply for Medicaid's Disability Program? <input type="checkbox"/> Yes <input type="checkbox"/> No Comments: _____ Receiving unemployment income? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, amount of unemployment income: \$ _____ per month Receiving SSDI because of individual's work history? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, amount of SSDI per month: \$ _____ Does individual receive any other income not listed above? (including child support, pension from a parent or income from any other source) <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what is the other income and amount, per month? _____			
Miscellaneous If applicable, please mention any other issues that you think are relevant to this person's applying for Medicaid: _____ I give permission for this information to be forwarded to The Arc of New Jersey, and also give permission for it to be forwarded to the NJ Division of Medical Assistance and Health Services (NJ Medicaid) and/or the Division of Developmental Disabilities (DDD). Signature: _____ Date: _____			

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Scenario #4

The individual with I/DD is working and they earn too much to be eligible for Medicaid through other means.

- NJ WorkAbility provides Medicaid for people with disabilities who are employed and between ages 16 and 64.
- Persons with permanent disabilities, working PT or FT are eligible.
- Can earn as much as \$64,596/yr. (2020). Can have \$20,000 in personal assets and still qualify.
 - IRA & 401K personal retirement accts. – not counted for eligibility
- However, if **unearned income** in 2020 exceeds \$1,064/mo. due to parent's work record, **not** eligible for NJ WorkAbility. **SSDI income from parent is considered "unearned income."**
- **Caution: If person is unemployed, NJ WorkAbility ends.**

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

- Some additional Medicaid-related complications are possible when person who has SSI is employed.
- **Substantial Gainful Activity (SGA) max. for 2020 - \$1,260/month.**
- Free help available from NJ WINS for persons with disabilities who are planning to work, or are already employed, and want to know if they can maintain SSI, SSDI, and Medicaid while working.
- Website: www.njwins.org The “contact us” page lists the staff contact info by county, including company cell number and e-mail address.

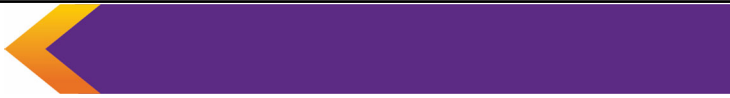
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Scenario #5

NJ FamilyCare Medicaid

- Cannot have Medicare and this type of Medicaid.
- Medicaid will review parent’s income through their tax return. Person with I/DD is not eligible if parents claim son/daughter as dependent on tax return -- unless parents have low income.
- **Income maximum for an individual is \$1,468/mo. in 2020.**

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Questions?

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