



# Alphabet Soup: Understanding Public Benefit Programs



# Outline of Presentation

- Basics
  - Purpose of Public Benefit Programs
  - What is 'Means-Testing'
  - Definition of 'Disability'
- Financial Assistance
  - Supplemental Security Income (SSI)
  - Social Security Disability Insurance (SSDI)
- Medical Assistance
  - Medicare
  - Medicaid
- Services and Support Assistance
  - Medicaid Waiver Services
  - Food Assistance
  - Housing Assistance



# Why Public Benefits?

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Assist and support those in need.

Allow a basic standard of living.

Also attempt to reduce poverty, improve health outcomes, and create opportunities for people to thrive

Have only been partially successful at achieving these goals.

Programs may require an applicant to have a disability, have limited financial resources, or both.



# What is Means Testing?

- Financial component to eligibility.
  - To qualify for a benefit, individual/couple/household must have limited financial resources.
- Eligibility determined based on asset limits, income limits, or both.
- Applicant's circumstances can affect the amount of assets or income they can have and still qualify.
- Different programs have different rules and methods for determining countable assets and income.

# What is Income?

- Earned Income
  - Wages
  - Self-employment net earnings
  - Payments for services performed in a sheltered workshop or work activities center
- Unearned Income
  - Annuities, pensions, and other periodic payments
  - Alimony or child support payments
  - Rental income
  - Lump-sum payments (inheritances, prize winnings, life insurance payouts)
  - In-kind support and maintenance
- Income rules are very complex and are not the same rules used by the IRS!



# What are Assets?

- Money or Property:
  - Owned by the individual
  - Available to the individual
  - Not “exempt”
  - Can be used to pay for food, shelter, or medical expenses or can be converted to a form usable to pay for those expenses
- Exempt Assets
  - Household goods (clothing)
  - Residence - Primary
  - One vehicle (used for transportation)
  - Irrevocable funeral contract
  - Whole life insurance policies IF combined face value of all policies is under \$1,500
  - Back payments from Social Security
  - Assets in exempt trusts





# What is Disability?

## SSA Definition

- **Adult**
  - Physical or mental impairment
  - 12 months or longer, or result in death
  - Prevents engaging in Substantial Gainful Activity (“SGA”)
    - 2023: \$1,470/mo. rule
- **Child (under age 18)**
  - Physical or mental impairment
  - 12 months or longer, or result in death
  - Results in marked and severe functional limitations

# Types of Programs

## Financial Assistance

Provides monthly cash payments to an individual via direct deposit.

## Medical Assistance

Health insurance coverage billable by hospitals, doctors, and other medical providers.

## Services and Support Assistance

Provides specific types of assistance for a specific need, such as food, shelter, care services, job training, etc.

# Public Benefits:

## Overview of Program Requirements

Program	Means Tested	SSA Disability Required	Asset Transfer Rules
Supplemental Security Income (SSI)	✓	✓	✓
Social Security Disability Insurance (SSDI)		✓	
Medicaid (Health Coverage)	✓	✓ *for some categories	✓ *for LTC only
Medicare		✓ *(until age 65)	
Medicaid Waivers	✓	(must meet applicable Level of Care)	✓
Medicare Premium Assistance (MPAP)	✓		
Medicaid Buy-in for Workers with Disabilities (MBIWD)	✓	✓	
Supplemental Nutrition Assistance (SNAP) (aka Food Stamps)	✓		
HUD Housing Assistance	✓		

# Supplemental Security Income (SSI)

- Federal income program for persons who are blind, or who have a disability and who do not qualify for Social Security payments
- SSI is intended to pay for the beneficiary's food and shelter
- 2023 Benefit:
  - \$914.00/mo. for single person
  - \$1,371.00/mo. for married couple
- Administered by SSA
  - Can complete disability report online but must apply in person
- Means-tested
  - Countable resources: Less than \$2,000.00 for unmarried; \$3,000.00 for married couple.
  - Income: “Low”
- Transfer of assets will result in a loss of benefit eligibility for up to three years





# SSI: Eligibility

- Must be determined disabled (unless over age 65)
- Have monthly countable income under the applicable benefit amount (i.e. a single person must receive less than \$914.00/month)
  - First \$20.00 of monthly unearned income, first \$65.00 of monthly earned income, and one-half of remaining earned income are excluded from being counted.
  - Countable income will reduce benefit payment by that same amount.
  - Receiving free food or shelter (in-kind support) from another source will reduce SSI payment by 1/3<sup>rd</sup>
- Have countable resources under the applicable limit during each month benefits are paid.
- SSI recipients are categorically eligible for Medicaid.

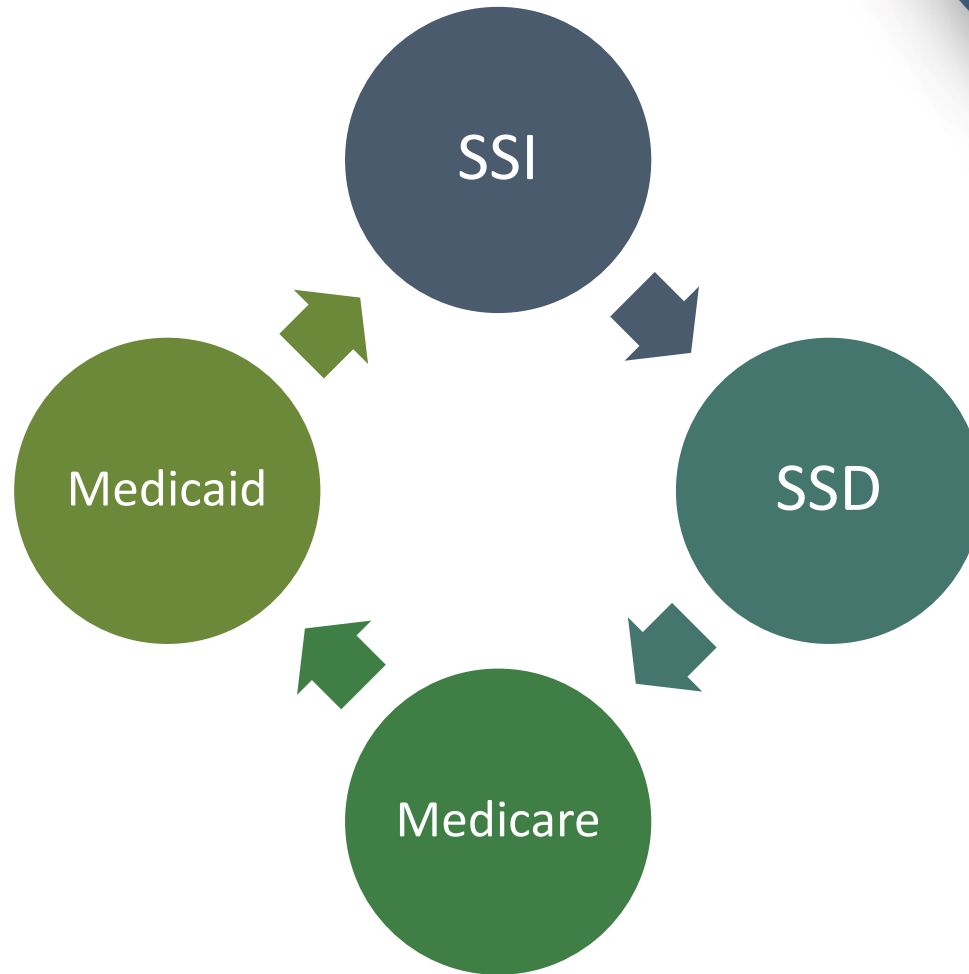


# Social Security Disability Insurance (SSDI)

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- Federal income program for persons who are unable to work due to a disability.
- Is an insurance program funded through payroll taxes.
- Administered by SSA.
  - Can apply online at [www.socialsecurity.gov](http://www.socialsecurity.gov)
- No financial eligibility limits.
  - Must have earned enough work credits to qualify (typically 20 credits in 10 years immediately prior to becoming disabled; but can vary based on age)
  - If earned income is higher than SGA, will lose disability status.
  - No limit on unearned income.
- Monthly benefit amount based on average lifetime earnings and severity of disability. Can range from a few hundred dollars to several thousand per month.
- Payments begin five months after approval. 24 Months (two years) after first payment, recipient can enroll in Medicare.

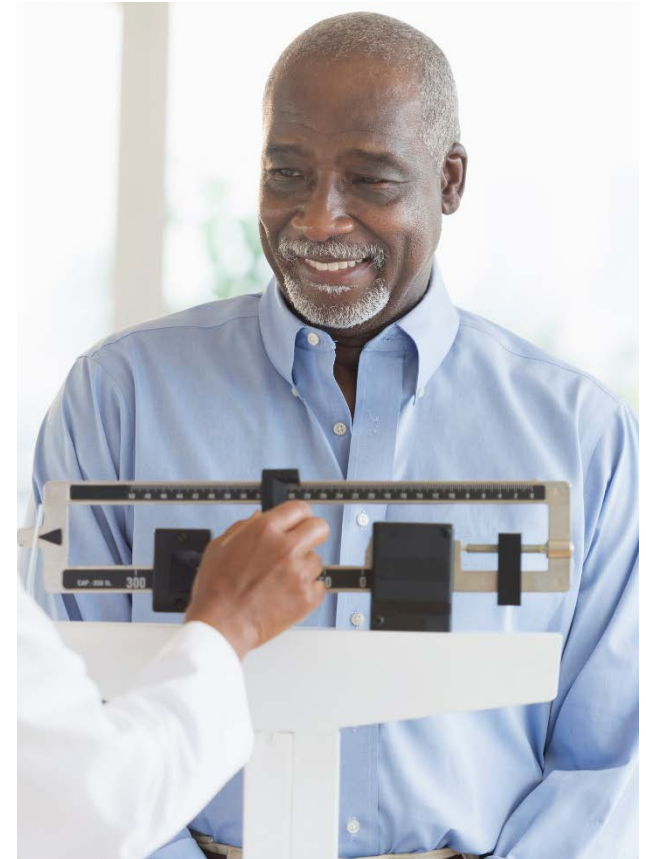
# Financial & Medical Assistance



# Medicare

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- Federal health insurance program for individuals over age 65 or with long-term disabilities.
- Divided into multiple parts.
  - Part A covers hospitalization, surgery, and short-term rehabilitation.
  - Part B covers doctor visits, outpatient care, ambulances, mental health services, and some prescriptions.
  - Part C is better known as Medicare Advantage. This is an option to have private insurance instead of Medicare.
  - Part D covers prescription drugs.
- Out of pocket costs
  - Premiums for Part B, Part D, and sometimes Part A
  - Deductibles, co-pays, and limits on services
- Not means-tested
  - Individuals with very high incomes may pay higher premiums.
  - Individuals with limited means may have some or all out of pocket costs paid by Medicaid or Social Security programs



# Medicaid Health Insurance



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Consists of multiple different programs and eligibility categories.

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Eligibility rules governed by state law within guidelines set by Federal government.

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Administered by Ohio Department of Medicaid. Eligibility determined by County Dept. of Job and Family Services.

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Provides health insurance coverage to low-income adults, SSI recipients, and aged, blind, or disabled individuals with very limited means.

# Medicaid for Adults under Modified Adjusted Gross Income (MAGI)

- New method of determining eligibility in Ohio since 2014.
- Part of the Affordable Care Act Medicaid Expansion (aka “Obamacare”).
- Covers adults between 18 and 65 who are not covered by other insurance.
- Means-tested on income only. There is no asset test for MAGI Medicaid. (Interest earned on assets may be included in income).
- Income evaluated under Federal rules. MAGI is all taxable income included by the IRS under Adjusted Gross Income (AGI) plus untaxed foreign income, non-taxable Social Security Benefits, and tax-exempt interest.



# Medicaid for Aged, Blind, and Disabled (ABD)

- Pre-ACA Eligibility category.
- Still evaluates eligibility for individuals over age 65 or disabled individuals covered by Medicare.
- Income and Asset limits highly restrictive:
  - \$2,000.00 maximum in countable assets
  - \$914.00 maximum in countable income
- Individuals who require hands-on assistance with Activities of Daily Living or who have certain qualifying illnesses may be eligible at higher income and asset levels under various Medicaid Waivers.

# Medicaid Buy-In for Workers with Disabilities (MBI-WD)

- Between the ages of 16 and 64
- Meets the Social Security Administration's definition of disabled
- Earn no more than 250% of the FPL (\$2,831/month in 2023) → Don't forget disregards, credits
- Employed in paid work (part-time or full-time)
- Meet citizenship requirements for Medicaid
- Resources of less than \$13,233
- May pay premium based on income



# Medicaid Specialized Recovery Services (SRS)

- You have income below \$2,349 per month (\$28,188 per year);
- You are 21 years of age or older;
- You have been diagnosed with a severe and persistent mental illness, are actively on the solid or soft transplant waiting list or have a diagnosed chronic condition, which includes certain malignancies, HIV/AIDS or immune deficiencies, end stage renal disease (ESRD), sickle cell anemia, cystic fibrosis, hemophilia or if you have had a previous organ transplant;
- You need help with medical appointments and/or activities of daily living;
- You have been determined to meet the definition of disability used by the Social Security Administration for purposes of SSI or SSDI (this does not apply if you are under 65 with ESRD, or over 65 with certain diagnosed chronic conditions or actively on the solid or soft transplant waiting list); and
- You do not live in a nursing facility, hospital or similar setting.

# Medicaid Specialized Recovery Services (SRS)

- If you are eligible, you may get these Medicaid-covered services in addition to your current Medicaid health care coverage:
- Recovery Management - Assistance developing a plan of care specific to your needs
- Individual Placement and Support (IPS) - Supported Employment - Help finding and keeping a job
- Peer Support - Support from others with similar life experiences



# Dual-Eligibility: Medicare and Medicaid

- Individuals may receive coverage from Medicare and Medicaid at the same time.
- Medicare will always be primary coverage; Medicaid will cover co-pays, deductibles, and other out of pocket costs.
- Individuals can have some or all Medicare out of pocket costs covered by a Medicare Premium Assistance Program (MPAP). MPAP financial limits are higher than base ABD.

Program	Income Limit	Pays for
Qualified Medicare Beneficiary (QMB)	\$1,215.00 (100% FPL)	All deductibles and coinsurance that Medicare does not pay; Medicare Part B premium
Specified Low Income Medicare Beneficiary (SLMB)	\$1,458.00 (120% FPL)	Medicare Part B premium
Qualified Individuals-1 (QI-1)	\$1,641.00 (135% FPL)	Medicare Part B premium; Limited availability, must re-apply each year
Qualified Disabled Working Individuals (QDWI)	\$2,430.00 (200% FPL)	Medicare Part A premium; For disabled individuals who have returned to work
<b>All MPAP programs have a resource limit of \$9,090.00</b>		

# Medicaid Waivers

- Provides services and support to an individual residing in the community. Allows individual to avoid institutionalization while still getting the care and support they need.
- Known as ‘Waivers’ because the State has received permission from the Federal Government to use Medicaid funds for non-medical services such as help with personal care, vocational training, home delivered meals, home accessibility improvements, etc.
- Waivers are administered by the Ohio Department of Medicaid in conjunction with either the Department of Developmental Disabilities (“DD Waivers”) or the Ohio Department of Aging (“Home- and Community-Based Services” (HCBS) Waivers)





# Waiver Level of Care Criteria

For DD Waivers

Age 0-9: substantial developmental delay or condition that results in substantial functional limitations three areas of major life activities

Age 10 and up: severe chronic physical or mental impairment, diagnosed before age 22, that results in substantial functional limitations in three areas of major life activities:

- Self-care
- Receptive and expressive communication
- Learning
- Mobility
- Self-direction
- Capacity for independent living
- Economic self-sufficiency

# Waiver Level of Care Criteria

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For HCBS Waivers:  
Intermediate Level of Care

1. Needs hands-on assistance with at least two Activities of Daily Living (ADLs); or
2. Needs hands-on assistance with one ADL and assistance with medication management; or
3. Requires at least one skilled nursing service; or
4. Requires 24-hour support to prevent harm due to cognitive impairment

ADLs -  
Mobility, bathing, grooming, toileting,  
dressing, and eating



# Medicaid Waiver Programs

Waiver Program	Admin.	Care Criteria
Individual Options (I/O)	DODD	DD LOC
Level One	DODD	DD LOC
Self-Empowered Life Funding (SELF)	DODD	DD LOC
Assisted Living Waiver	ODA	Age 21+ & Intermediate LOC
PASSPORT Waiver	ODA	Age 60+ & Intermediate LOC
Home Care Waiver	ODA	Under Age 60 & Intermediate LOC

# Medicaid Waiver Programs: Financial Eligibility

All waiver programs require basic Medicaid eligibility.

Can be eligible via MAGI, SSI, or ABD

Permitted countable income up to 300% of the SSI Rate, called the Special Income Level (SIL)  
Note: SIL is \$2,742.00 in 2023

If income is over SIL, can use a Qualified Income Trust (QIT) Account to reduce countable income

Must have assets under \$2,000.00 unless eligible under MAGI criteria



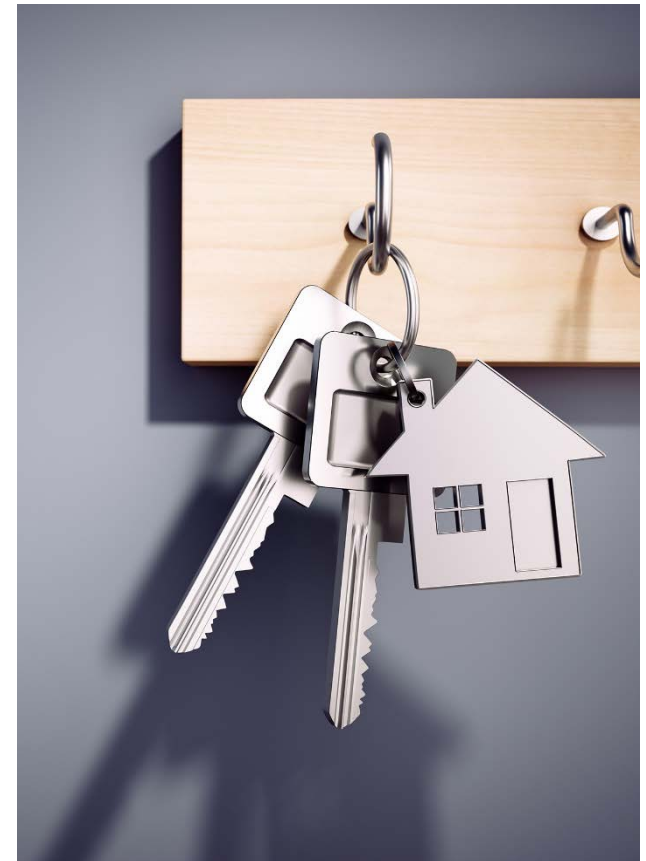
# Food Assistance

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- Supplemental Nutrition Assistance Program (SNAP)
  - administered by the Ohio Department of Job and Family Services (ODJFS).
- Eligibility:
  - Gross income under 130% of the federal poverty level.
  - Resources under \$2,250.00 (or \$3,500 if over age 60 years or disabled.)
- Able-bodied adults without dependents (ABAWDs) must work, participate in a work program, or do community service for at least 80 hours per month.
- Amount of SNAP benefits is based on household size, income, and expenses such as rent and utilities.

# Housing Assistance

- Several programs administered by US Dept. of Housing and Urban Development (HUD)
- Housing Choice Voucher Program (aka Section 8)
  - Income less than 50% of Area Median Income (AMI)
  - In Cuyahoga County, 50% AMI is \$22,300.00 annual income
  - Waiting list for assistance; may be months or years after applying before receiving assistance
- Public Housing
  - Income under 80% AMI
- Utility Assistance
  - Low-Income Home Energy Assistance Program (HEAP) and Percentage of Income Payment Plus (PIPP)
  - Income under 175% FPL (\$23,782.50 annual income); add \$8,260.50 per member





Questions??



Thank  
You

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