

# FAMILY BENEFIT SOLUTIONS, INC.



Sherri Schneider

# My Life

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1989

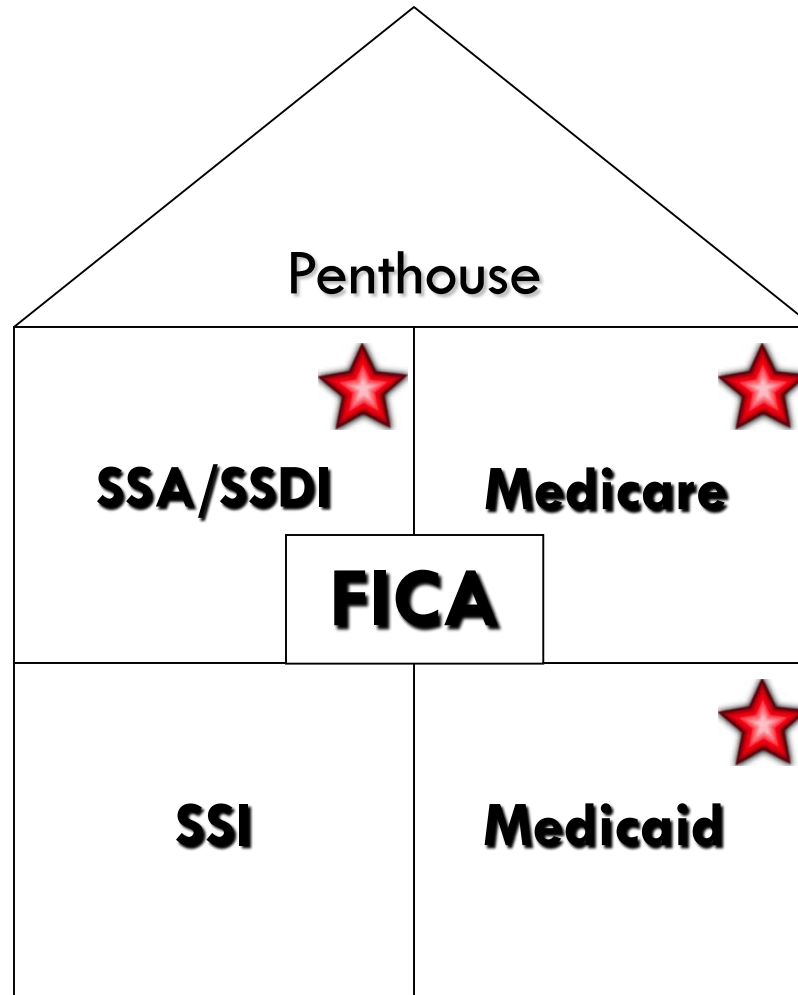


2020



# House of Benefits <sup>TM</sup>

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 = Goal Room

# SSA/SSDI

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- Retirement
  - Early Retirement
  - Widow's pension
  - Disabled – Title II
- **MUST** have paid into FICA
  - Quarter: **2020 is \$ 1410**
  - Does **NOT** look at assets

# Disability Definition Requirements

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## Different for children than for adults



# Disability for under 18 years old

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- Is not working at a job that we consider to be substantial work; and
- Has a physical or mental condition (or a combination of conditions) that results in “marked and severe functional limitations.” This means that the condition(s) very seriously limits his or her activities; and
- The condition(s) has lasted, or is expected to last, at least 1 year or is expected to result in death.
- To decide whether your child is disabled, SSI looks at medical and other information (such as information from schools and from you) about his or her condition(s), and they consider how the condition(s) affects his or her daily activities. SSI considers questions such as:
  - What activities is your child not able to do, or is limited in doing?
  - What kind of and how much extra help does your child need to perform age-appropriate activities -- for example, special classes at school, medical equipment?
  - Do the effects of treatment interfere with your child’s day-to-day activities?

# Adult Disability – per Social Security

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- The definition of disability under Social Security is different than other programs.
- Social Security pays only for total disability. **No benefits are payable for partial disability or for short-term disability.**
- "Disability" under Social Security is based on your inability to work.
- They consider you disabled under Social Security rules if:
  - ▣ You cannot do work that you did before;
  - ▣ They decide that you cannot adjust to other work because of your medical condition(s);

**And**

**\*\*\*\*\*Your disability has lasted or is expected to last for at least one year or to result in death.**

# Adult Disability – per Social Security

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**A. Compassionate Allowance**

**OR**

**B. Diagnosis**

**AND**

**Functional Limitations**



# Disability:

## A. COMPASSIONATE ALLOWANCE

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### - **Approved with-in 20 days**

Social Security has an obligation to provide benefits quickly to applicants whose medical conditions are so serious that their conditions obviously meet disability standards.

Compassionate Allowances (CAL) are a way of quickly identifying diseases and other medical conditions that invariably qualify under the Listing of Impairments based on minimal objective medical information. Compassionate Allowances allow Social Security to target the most obviously disabled individuals for allowances based on objective medical information that we can obtain quickly.

# Compassionate Allowance

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If NOT a compassionate allowance:

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Need to prove 2 things:

# First: Need to have:

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- A **DIAGNOSIS** on Social Security's list of impairments
- Go to SSA.GOV and Listings of impairments
  - ▣ "Sections" for every bodily function
  - ▣ Physical, Organ & "Mental"

# What are they looking for??

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## DEVELOPMENTAL DISABILITY:

- WAIS – full score of 70 or below
- during developmental years

## MENTAL ILLNESS:

- 3 inpatient stays within the past 12 months
- compliance with doctor & medication
- clean & sober for at least 6 months+

# What are they looking for Cont'

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## PHYSICAL DISABILITY:

- affecting 2 limbs

## SEIZURES:

- continuing despite medication

## AUTISM:

- spectrum

# BUT:

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Many people CAN work  
having any diagnosis



# Second: Functional Limitations

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- Because I have this diagnosis, WHY CAN'T I WORK?

NEED TO PROVE WITH DOCUMENTATION from a professional – WHY Can't work???

- ▣ Concentration, pace, persistence
- ▣ Appropriate social functioning
- ▣ Activities of daily living
- ▣ Understand/Remember/Apply information ★
- ▣ Interact with others ★
- ▣ Adapt or manage oneself ★



# ALL MEDICAL INFORMATION:

17

- Best if not older than 3-6 months old
- MUST show **functional limitations** as to why CANNOT work
- Should be consistent
- School records / IEP: Should compare to a TYPICAL child

# Once they get enough medical info:

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- Case gets reviewed by a doctor in Springfield.
  - ▣ Medically awarded 😊
  - ▣ Medically denied – there is some work that can be done 😞 - usually did not prove significant functional limitations
  - ▣ Go to a Consultative Examination (CE) 😞

# 2<sup>nd</sup> Definition of Disability

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□ **Unable to earn:**

□ **SGA** : Substantial Gainful Activity

**NOT BLIND**

**2020 = \$ 1260**

**BLIND**

**2020 = \$ 2110**

# OH NO Too much \$\$\$\$

20

- Raise in the minimum wage
- Working more hours

## □ Impairment Related Work Expenses

- Deduct the cost of certain impairment related expenses that are needed in order to work from your earnings when Social Security decides if you are performing SGA.
- Some examples: a wheelchair, special transportation costs, YOUR cost of medication, specialized work related equipment, YOUR cost of a job coach – may need dr letter

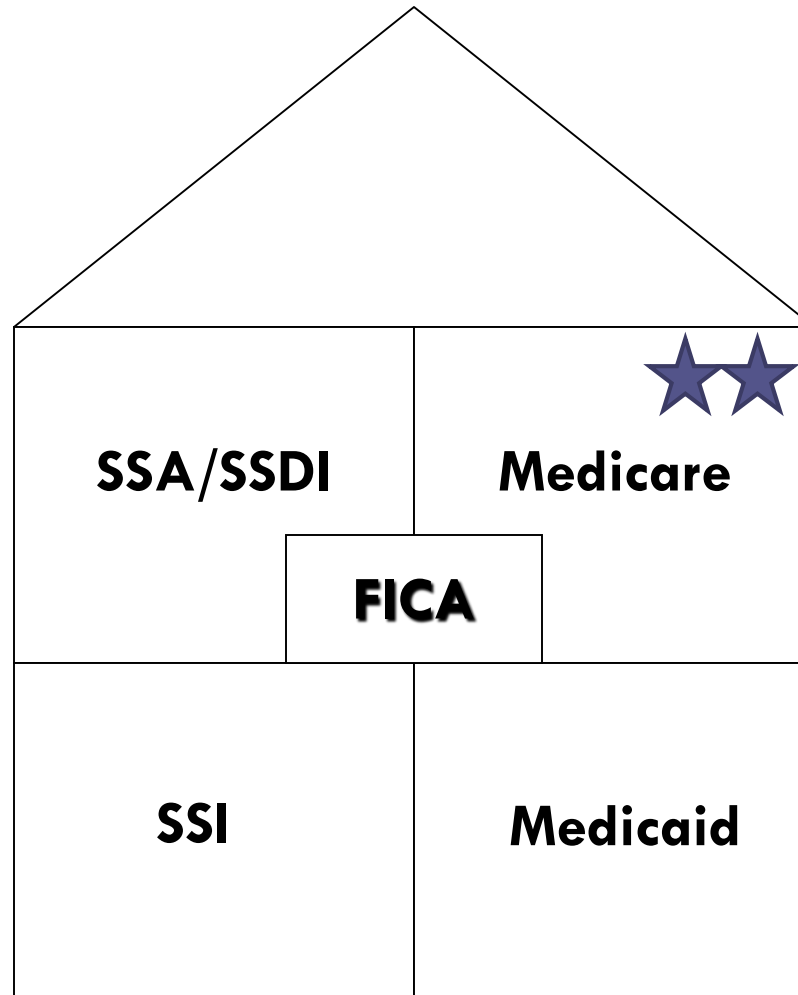
# Working Over SGA??

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- WIPA- Contact the IATP WIPA Program toll free at (800) 852-5110
- Work Incentive Planning and Assistance (WIPA) Program will give you the information you need to make the best choice about your future.
- - A federally funded program created to help individuals receiving SSI/SSDI make informed choices about being employed. If you are working, have a job offer or ready to start employment, they will help you understand how working will affect your benefits. They will explain Social Security work incentives in addition to state benefits, such as Medicaid, subsidized housing, TANF, food stamps, etc..

# House of Benefits <sup>TM</sup>

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# Medicare

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## □ Who is eligible?

- **65 y/o**
- **65 y/o on SSI**
- **65 y/o & Federal Employee**
- **Any age - ALS**
- **Any age - Renal dialysis for end stage renal disease**
- **Any age - Receiving SSDI checks for 24 months**



# Medicare

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## □ Parts of Medicare:

### ➤ Part A – inpatient hospital

- Usually free

### ➤ Part B – Outpatient & doctors

- Monthly premium – 2020 = will be \$144.60
- Annual deductible – 2020 = will be \$ 198

# Medicare Parts Cont'

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- **Part C – Medicare Advantage Plan**
  - **Part A, Part B & sometimes D**
  - **VERY HMOish – limited to in-network providers**
  - **May cover: vision, dental, hearing**
  
- **Part D – Drug benefit**
  - **14 companies selling 42 different plans – each has drug list**
    - The maximum Medicare Part D deductible for 2020 is \$435.
    - There is a range of premiums – beginning range is \$32.74
    - **Premiums range**
    - **Call SHIP or 1-800-MEDICARE to determine best plan**

# Medicare

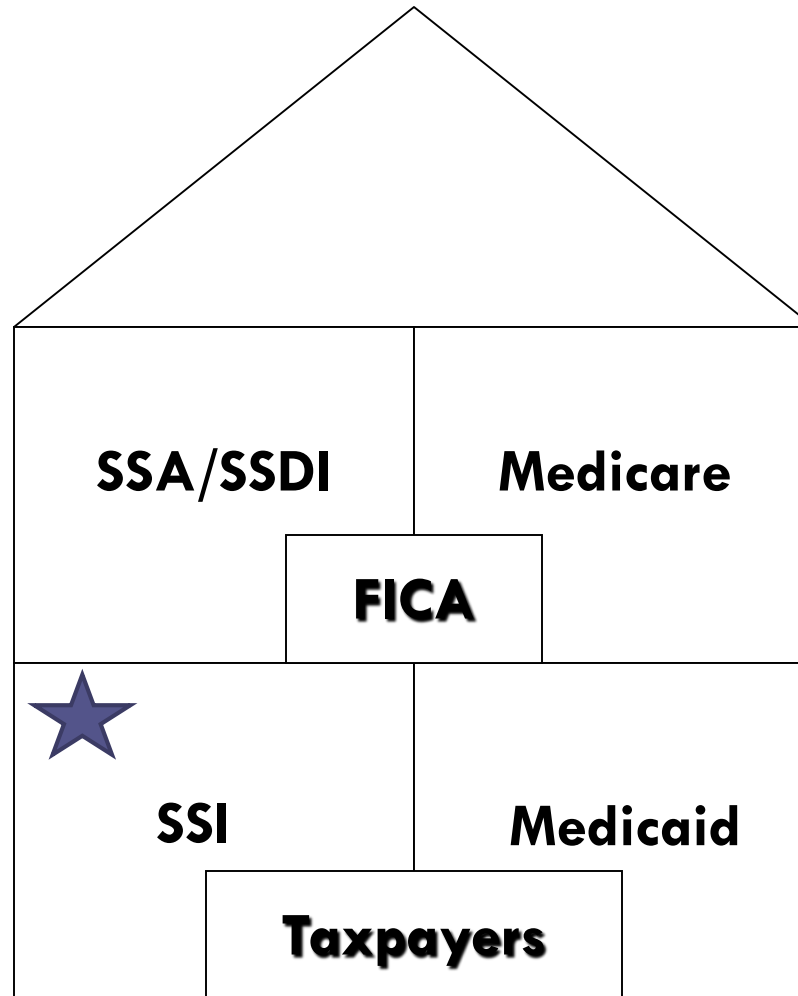
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- WHO pays first?
  - ▣ Coordination of benefits Hotline: Medicare & other insurance: 800-999-1118
- Medicare Part A – 877-602-2430
- DME Claims – 800-270-2313
- Medicare Part B – 800-642-6930
- Medicare in general – 1-800-MEDICARE



# House of Benefits <sup>TM</sup>

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# SSI

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- **Supplemental Security Income**
  - **1 Person Maximum - 2020 in IL = \$ 783**
- **MOST STATES ALSO GIVE A STATE CHECK – NOT IL**
- **Who is eligible?**
  - **65 years old or older**
  - **Blind in both eyes**
  - **Disabled:**
    - **Compassionate Allowance**
    - **or**
    - **Listing level impairment AND functional limitations**

- **How Process Works**

- **3 Decisions –**

- **Disabled?** (have we proven **CANNOT** work)
- **Date of onset?** – **BE CAREFUL** - if after age 22, will lose “goodies” later
- **Need payee?**
  - **THIS IS A JOB !!!!!!**



# SSI

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- **LOOKS at income, assets, and living arrangements**
  - **If over income or asset limit – no SSI**
  - **Under 18 years old, parents income & assets count (deeming)**
  - **Spouse's income & assets count**

## **THREE PARENTAL ASSETS ARE EXEMPT FOR A MINOR CHILD:**

- **Homestead**
- **One car**
- **Qualified retirement accounts**

# SSI: INCOME – earned & unearned

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- **INCOME:**
  - **Between 18 - 22 y/o & Full time Student exemption**
    - **2020= \$ 7670/yr**
  - **22 y/o + or Not full time Student - monthly**
    - **First \$85 ok**
    - **then for every \$2 earned, they subtract \$1 SSI**



# SSI - ASSETS

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## □ ASSETS:

### ■ One single person – 18 or older, ALLOWED:

- Home that you live in
- One car – any value
- Less than \$2,000 (checking, savings, stocks, bonds, IRA, C/D, money market, 401K, cash value of life insurance – if you are the owner, savings bonds, brokerage accounts)

\*\*\*\*\* Three year look back \*\*\*\*\*

UTMA, UGMA accounts are exempt in IL until age 21.

529 owned by parents are exempt in IL.

# SSI – Living Arrangements

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- Living arrangement = where you live and who pays for your food and shelter items.
- SSI benefits may be reduced because of the living arrangement when any of the following apply:
  - ▣ You live in *another* person's home and pay less than your fair share of the food or housing costs.
  - ▣ You live in your own home and someone else is paying for all or part of your food, rent, mortgage, or utility expenses.
  - ▣ You live in a private or public hospital or nursing home for the whole month and Medicare pays for over one-half of the cost of your care.
  - ▣ You live in an institution run by a federal, state, or local government for the whole month.
  - ▣ You are a minor child living in a medical treatment facility for the whole month and private insurance or Medicaid, or both, pays over half your bill.

# SSI

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## □ Living Arrangements

- Living with another = loss of 1/3 (**\$522 in 2020**)
- Living in OWN household



# SSI – Living Arrangements Cont'

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- Rental arrangement -Needs written rental agreement
- Why wouldn't everyone rent – get more \$\$\$\$ ?
  - Will the rental income cause a tax issue for the parent?

# SSI – Living Arrangements

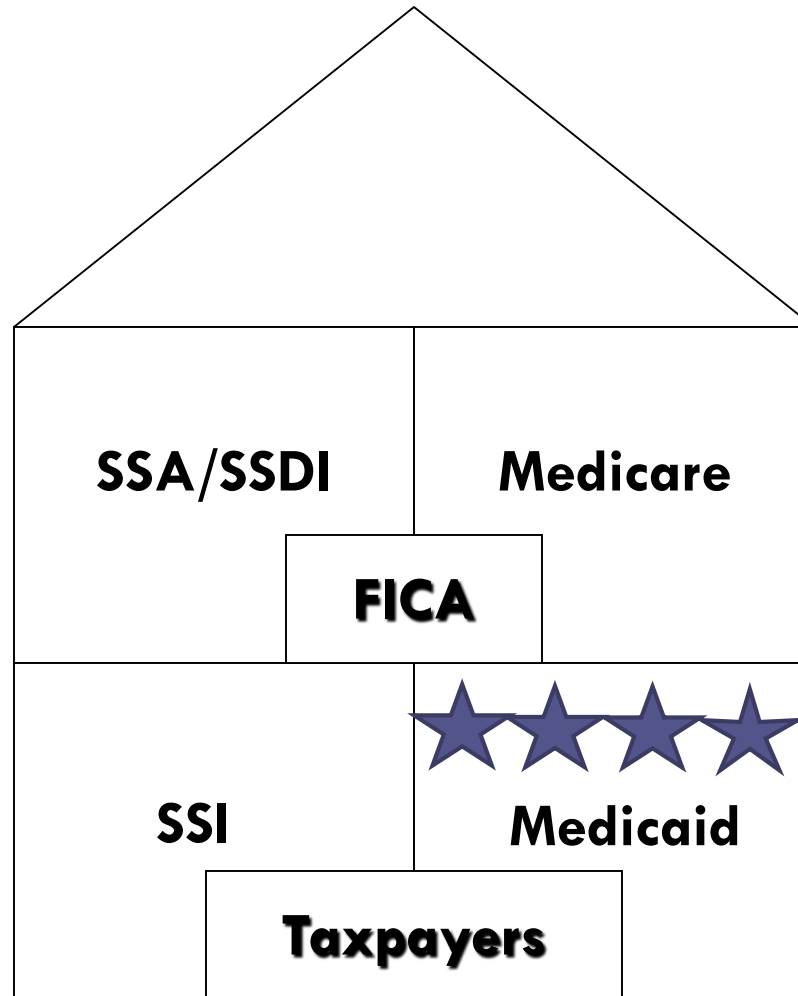
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## □ FAIR SHARE

- Get all necessary household bills
- Divide the monthly amount by number of people in the household
  - If the SSI recipient's share is LESS than \$783, he/she will get \$783
  - If the SSI recipient's share is MORE than \$783, he/she is getting help & will get the reduced amount of \$522

# House of Benefits <sup>TM</sup>

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# Illinois Medicaid

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- **Many names: Illinois Department of Public Aid -vs- Department of Family & Child Services -vs- KidCare -vs- All Kids -vs- Illinois Department of Healthcare and Family Services**
- **Medicaid office: CASH, MEDICAL & ??**



**S**upplemental  
**N**utrition  
**A**ssistance  
**P**rogram

Putting Healthy Food  
Within Reach



# If you ONLY have IL Medicaid

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- And no Medicare or no commercial insurance, you will NOT have traditional Medicaid
- You will have to pick an INTEGRATED CARE PLAN – Health Choice IL - has it's own hospitals, doctors & pharmacies.
- If you do not actively pick one, one will be automatically assigned to you



# Illinois Medicaid (Cont.)

42

- **Traditional Illinois Medicaid (Medicaid is ALWAYS secondary) covers:**
  - **Most acute care hospitals in Illinois**
  - **Certain doctors – if accept Medicaid – co-pay is \$3.90 – co-pay may be eliminated**
  - **\*\*\* Pharmacies – co-pay \$2 generic, \$3.90 name brand- co-pay may be eliminated**
  - **Diapers & bed pads delivered**
  - **DME – with prior authorization**
  - **Many nursing homes**
  - **QMB – if eligible- Part B and Part D Premiums**

(There is no co-pay for pregnant women, people enrolled in the Breast & Cervical Cancer treatment program, residents of nursing homes, supportive living facilities and intermediate care facilities)

# BEGINNING JANUARY 1, 2020

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IL Medicaid will **ONLY** pay for prescriptions, referrals, services, etc....

IF THE PRESCRIPTION IS WRITTEN BY AN IL MEDICAID ENROLLED PROVIDER

Need to:

- Find a Medicaid enrolled doctor

Or

- Ask your doctor to enroll in IL Medicaid

# Medicaid -> NOT JUST FOR MEDICAL

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# Medicaid Pays

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- **PROGRAMMING**
  - for after 18 years old  
(alone or with another payor )
- **Day Program**
- **Supported Employment**
- **Job Coach**
- **Residential**



# MEDICAID WAIVER PROGRAMS

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- ❑ **HCBS Waiver for Adults with Developmental Disabilities (Home & Community Based Services)**
- ❑ **HCB Support Waiver for Children and Young Adults with Developmental Disabilities**
- ❑ **Residential Waiver for Children and Young Adults with Developmental Disabilities**
- ❑ **Children that are Technology Dependent/Medically Fragile**
- ❑ **Persons with Brain Injuries (TBI)**
- ❑ **Persons with HIV or AIDS**
- ❑ **Supportive Living Facilities**
- ❑ **Persons with Disabilities- DHS - DRS**
- ❑ **Persons who are Elderly**
- ❑ **Behavioral Health – pilot project**

# Medicaid Waiver Programs

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Some programs, ALL you need to have is IL Medicaid.

Some programs, you need to have IL Medicaid AND another source of funding.

# Department of Human Services

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## 3 “Doors”

#1

Division of Mental Illness

#2

Division of Rehabilitation  
Services

#3

Division of Developmental Disability





# Division of Mental Illness

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- For any age
- Must have a primary diagnosis of a mental illness
- Pilot project waiver



# Division of Rehabilitation Services

50

- Usually for individuals with an IQ over 70 or who have a physical disability
- DON SCORE (Determination Of Need)
- 800-843-6154
- MANY programs
  - Personal Assistant, homemaker services
  - Can help pay for 2-4 year IL state college
  - Respite Services
  - Pre-vocational & supported employment



# Division of Developmental Disability

51

- Must have IQ of 70 or below before age 18

OR

- Have a related condition (before age 22), likely to continue indefinitely, AND have significant life skill deficits in three or more of the following areas of major life activity:
  - ▣ Self-care
  - ▣ Language
  - ▣ Learning
  - ▣ Mobility
  - ▣ Self-direction
  - ▣ Capacity for independent living



# FOR DDD: ALSO NEED PUNS FUNDING

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- Prioritization of Urgency of Need for Services
- There is not enough money to give everyone in Illinois the services they need 😞
- PUNS = List of people in Illinois with developmental disabilities who need services
- No guarantee of services but it is the FIRST step toward getting services in Illinois.
- If you are NOT on the PUNS list, you are NOT on the waiting list for services.

# IL Medicaid Waiver for anyone with an Intellectual & Developmental Disability

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Needs:

IL Medicaid

&

Being selected off of the PUNS list

See handouts of what PUNS is and how to see when your 18 year old + may be selected

# Division of Development Disability

54

- Services: day programs, work programs, job coach, group home
- Two things PAY for these services
  - 1) Medicaid
  - AND
  - 2) Be selected from the PUNS (Prioritization of Urgency of Need for Services) list



# PUNS

55

- REQUIRED for children & adults with Intellectual and Developmental Disability (since 2/08)
- REQUIRED for all Medicaid Waiver Programs for DD
- If under 18, ask for the Children's Waiver
- If 18 or older, ask for the Adult Waiver
  - ▣ Home Based services
  - ▣ Group home & day program

# More PUNS

56

- Where to start – ISC Agent (Independent Service Coordination) – see map
- **These screeners will ask questions about you & your needs.**
- **To get on the PUNS list, you must have a developmental disability.**
- Urgency of need must be reflected on the PUNS





# PUNS

57

If age 18 or older - When will I be selected??

[dhs.ddd.puns@Illinois.gov](mailto:dhs.ddd.puns@Illinois.gov)

- Name
- Address
- Birthdate
- Social Security number

# Medicaid Facts

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- **Medicaid is not very portable**
  - **Out of state**
  
- **Medicaid is not accepted at every doctor**
  
- **Medicaid is ALWAYS the payor of last resort**

# WHO CAN GET IL MEDICAID?

59

**BEFORE 1/1/14:**

**MUST BE A CATEGORY**

**AFTER 1/1/14:**

**Affordable Care Act (ACA)**

# Illinois Medicaid

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- **TRADITIONAL CATEGORIES:**
  - **Refugee**
  - **65 & over**
  - **Blind in both eyes**
  - **Disabled (SSDI, SSI, disease ends in death, unable to work for 12 months or more - substantiated with medical records)**
  - **Pregnant**
  - **Under 19 years old**
  - **Parent(s) living with child(ren) who are under 18 years old and that are legally theirs – the entire family is eligible**
  - **DCFS or Foster Child**
  - **Breast or cervical cancer – thru Dept of Health**

# NEW CATEGORY

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- Now, thanks to the ACA and IL [Public Act 98-104 \(pdf\)](#), more adults are eligible for Medicaid in Illinois and the public is able to apply for Medicaid through a new, online application called the Application for Benefits Eligibility (ABE).
- Beginning January 1, 2014, all Illinois residents between 19 and 64 years of age, who are U.S. citizens or who have legal status, and who have monthly income less than (2020) **\$1,467** for an individual are eligible for Medicaid through the new “ACA Adult” category.

# Affordable Care Act Clients

62

- Illinois Medicaid expansion
- “ACA”
- ONLY LOOK AT INCOME
- DO NOT LOOK AT ASSETS
- CANNOT have MEDICARE
- SAME coverage as other categories
- TODAY – WILL PAY FOR WAIVER PROGRAMS-  
including nursing homes

**DEEMING OF PARENTS' income  
IF CLAIMED BY PARENTS –  
regardless of age of applicant**

# 18 year olds

64

- REGARDLESS of being claimed on parents' taxes or not – due to RELATIONSHIP RULES
  - ▣ If 18 y/o lives at home with parent(s), parent(s) income will be requested. 😞😞



# Some Good News – in these challenging times

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**During the pandemic -> until further notice**

- 1) IL Medicaid has waived ALL co-payments and ALL premiums for ALL of their programs.
- 2) IL Medicaid will not cancel any medical coverage during the pandemic

# Illinois Medicaid

66

## □ INCOME –

- For all categories- **NOT ACA**

### ➤ Community

- If over allowable standard, monthly deductible “spend-down” :**2020**=(**\$1063 + \$25 = \$ 1088**)
- Long Term Care
  - Resident can keep **\$60 monthly**
- Resident can pay for Medicare and other health insurance
- If single, balance of income to facility
- If married, adhere to spousal rules

# Income Living in a Residential Facility

67

- Residents living NOT in the community:

## SOCIAL SECURITY

- Resident gets to keep \$60 of their SSI/SSDI
- The balance of their SSI/SSDI goes to the facility

## WORKING INCOME

- The facility can get a portion

# Illinois Medicaid

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## □ **ASSETS –**

- **ONLY for Aged, Blind or Disabled**
- **If over allowable standard = deductible “asset spend-down”**
- **Community**
  - **1 single person - allowed: house they live in, 1 car and \$2000**
  - **No look back**
- **Long Term Care**
- **DRA - February 8, 2006**
- **SMART Act**
  - **60 month look back**
  - **Spousal Impoverishment**



# BUT I WANT TO WORK

69



# Health Benefits for Workers with Disabilities

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- **Illinois resident between 16 & 64**
- **MUST have “disability”**
- **MUST be employed & pay into FICA**
  
- **Allows person to earn more money**
- **Allows person to have more assets**
- **Can ONLY apply at one office (Springfield)**

# Traditional Medicaid vs. Health Benefits for Workers with Disabilities

71

	<b>TRADITIONAL</b>	<b>NEW HBWD</b>
<b>INCOME</b> {1 Person}	<b>\$1088</b>	<b>\$3643</b>
<b>ASSETS</b> {1 Person}	<b>\$2,000</b>	<b>UP TO \$25,000 &amp; Qualified Retirement Accounts ARE EXEMPT!</b>
<b>COST</b>	<b>If over \$1088 Monthly spend down. No coverage until spend down is met.</b>	<b>CANNOT be over. Monthly premium to “buy” coverage is \$0 - \$100+</b>

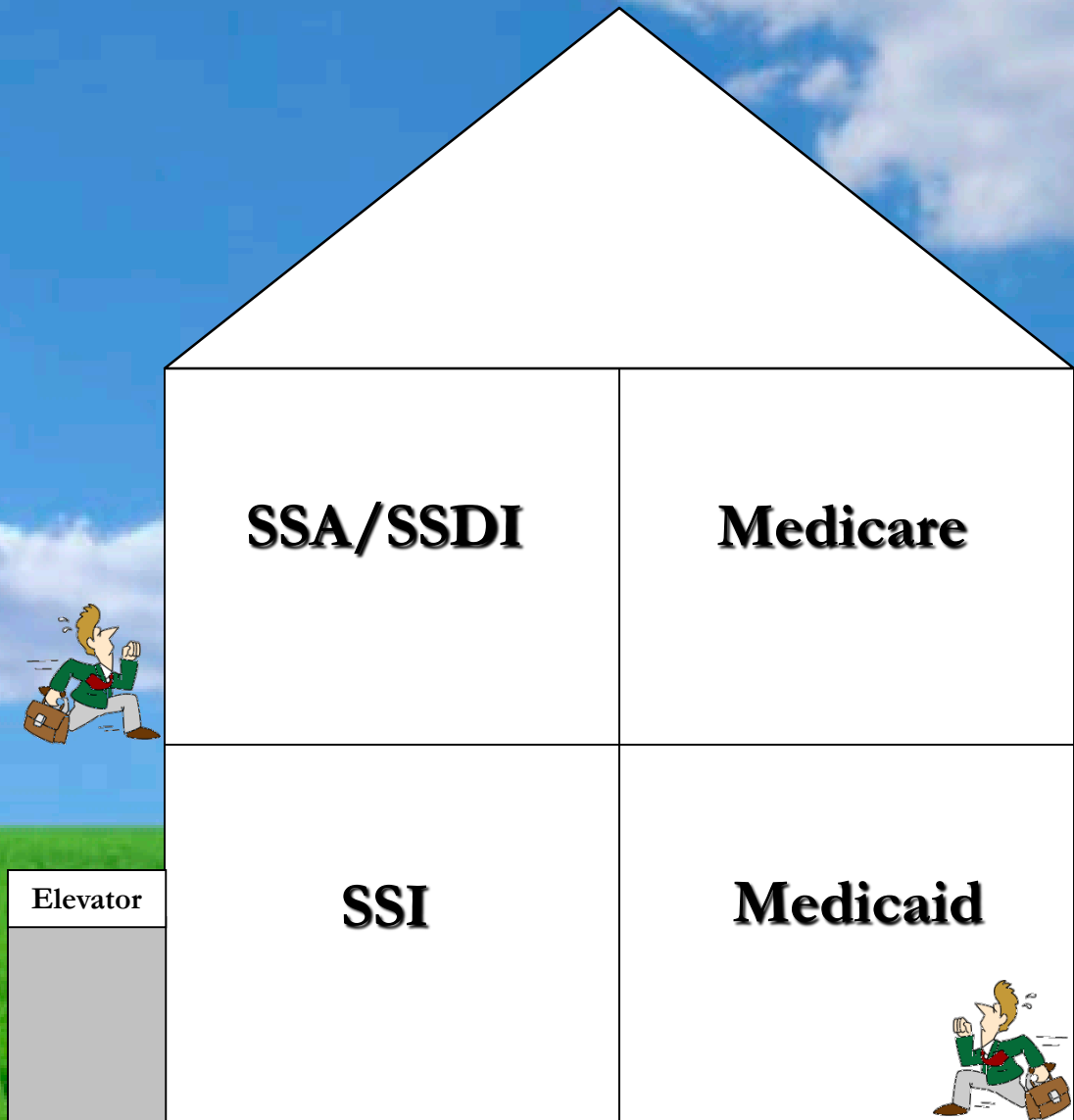
# Movin' On Up

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- **If we are in the “basement”, how do we get to the “penthouse”?**







# Riding the Elevator

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- **1) Works and earns FICA on own but LESS than SGA = monthly (2020= \$1260)**
- **2) DAC = Disabled Addult Child**
  - **CDB = Childhood Disability Benefits**
    - **a) Onset date that Social Security has is before age 22**
      - **AND**
    - **b) Parent with a FICA work record**
      - **AND**
    - **c) That Parent either:**
      - **Becomes retired & collects SSA**
        - **or**
      - **Becomes disabled themselves and collects SSDI**
        - **or**
      - **Becomes deceased**

# Riding the Elevator (Cont.)

□ **Adult Child moves from SSI to DAC (disability)**

□ **AND**

**In 24 months**



**Medicare**



# Oooooops!

76

- **Now:**
  - ▣ **Receiving SSDI = \$1500**
  - ▣ **IL Medicaid income allowed 2020= \$ 1088**
- **Medicaid messed up**



# DAC – Disabled Adult Child

77

-> If I lose my SSI TO GET DAC benefits, this new DAC amount will NOT count toward income for IL Medicaid.

- Policy 06-06-01

# Riding the Elevator (Cont')

78

## OLD RULE:

- Prove you have enough FICA quarters on your own work record  
Or
- Prove your parent has retired & collects, or your parent has a disability of their own & collects or your parent has expired
- **AUTOMATICALLY MOVED TO SSDI or DAC**

# Riding the Elevator (Cont')

79

## NEW RULE:

A **NEW APPLICATION** will need to be initiated.

New Medical records will need to be provided to be sent to Springfield's doctors to review to determine if the applicant meets the current rules of disability for their diagnosis.

# What Stops the Elevator?

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□ **Marriage**



□ **Working over SGA**





# How to Lose These Benefits?

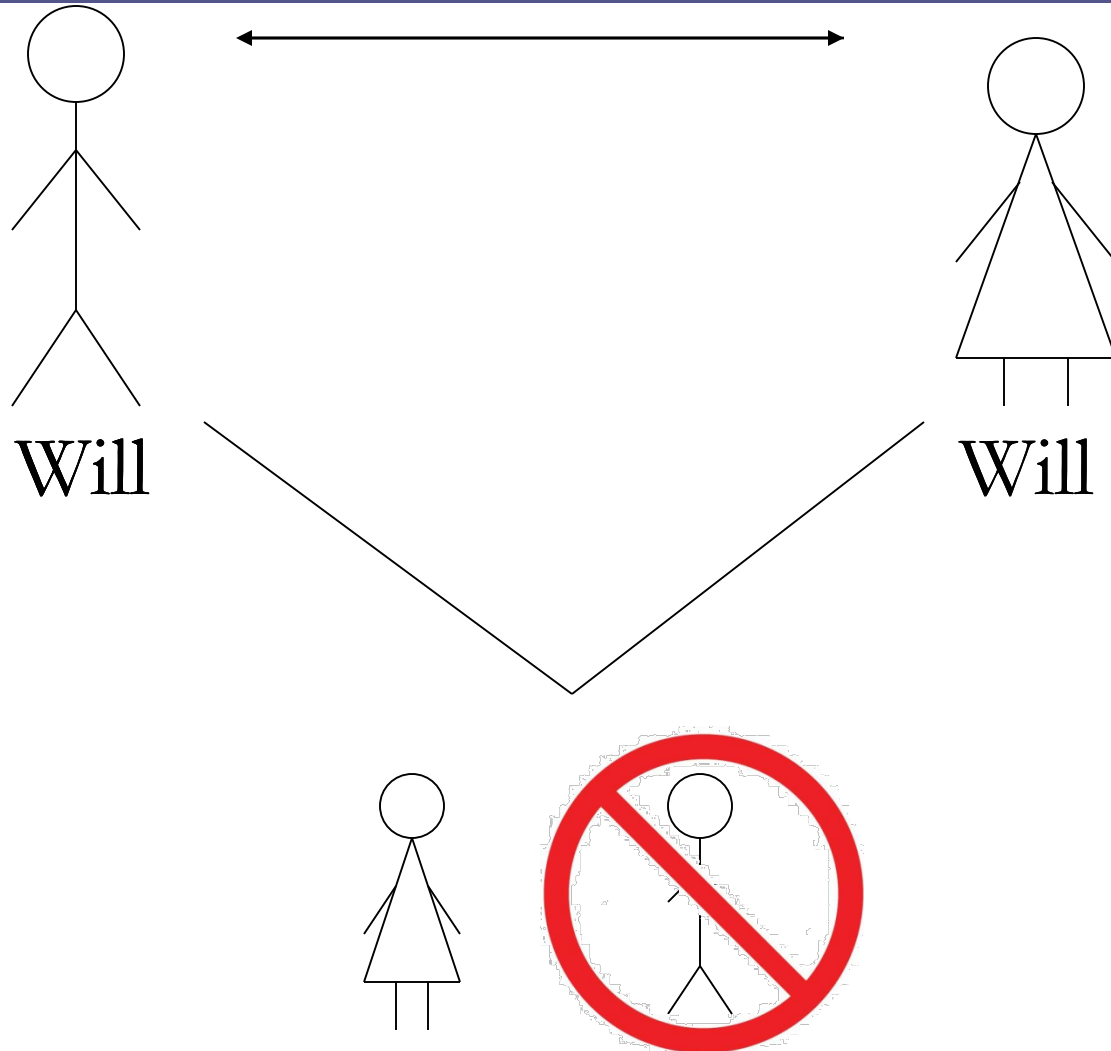
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- ❑ **1) 10 day rule**
- ❑ **2) Redeterminations**
- ❑ **3) Inheritances**

# Future Planning

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REAL ANSWER IS- SPECIAL ESTATE  
PLANNING TO INCLUDE:

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**SPECIAL**

**NEEDS**

**TRUST (S)**

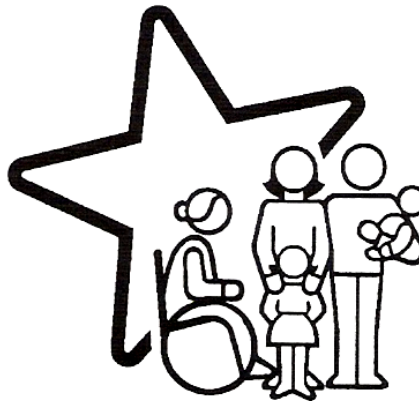
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