

Moving Forward, Winter 2012 Edition

Your Connection to Answers about the Impact of Work on Benefits

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Michael's Story

Michael's life has never been easy. He struggled with school and dropped out after 10th grade. He has had trouble with reading and math his whole life. In 2006, he was hit by a car, leaving him with a steel rod in his leg, a lifting restriction and additional challenges. Others in this situation might have felt sorry for themselves, but Michael refused to let life's circumstances get him down.

"Every day is a choice and I can try to improve myself or I can give up." Michael wasn't about to give up. When he saw a sign in the window of the local car wash that said "HELP WANTED", Michael decided to apply. He was delighted to be hired, but was concerned about how working would impact his benefits. Michael had heard there were Social Security limits on what he could earn, but didn't know the details, so he told his employer he could only work a limited number of hours.

When Michael contacted the Work Incentives Connection, a Benefits Analysis was recommended. A benefits specialist met with Michael about how working would impact each of his benefits and showed him how he would be money ahead – even with benefit changes. Michael also learned that he could work more hours than the limit he had mistakenly set for himself. "If I am able to do it, I would rather work more!" he exclaimed. He left the meeting excited about the possibility of working more hours.

Michael currently works at the car wash three days a week. He likes to greet customers and to see the look on their faces when they leave with a clean car.

Although he is happy with his job at the car wash, Michael would eventually like to be trained as a mechanic. "Now I get a lot of support, feel good about myself and feel like I can prove myself." With his positive attitude, there's no doubt that Michael will continue to advance.

When asked about the advice he has for others receiving disability benefits, he said: "It's scary to think about working, but the only way to move forward is to make that phone call. Everything in life is a challenge, so you just have to get up and do it!"

Michael's story is a common one we hear at the Connection. People often set artificial limits for themselves, based on word of mouth information, which is sometimes inaccurate. Our goal at the

Connection is to ensure that people can make informed decisions, based on true and accurate information for their individual circumstances.

Happy New Year from the Director!

2011 was a momentous year at the Work Incentives Connection. As announced in our last newsletter, we spent most of the year exploring, strategizing and planning about the future. Our strategic planning came to fruition on October 1, 2011, when the Connection became a program of Goodwill/Easter Seals Minnesota. The past three months have been spent in making the transition, mostly of the Connection's administrative processes. The Connection's transition will continue well into 2012.

Even as we are making a significant change, in many ways the Connection remains the same. We offer the same services; all of our staff members are the same; and our program procedures are unchanged. Our board of directors will be making the transition from board members to advisory committee members for the Connection. They will continue to help guide the Connection through the transition process and to offer insights and advice on the future development of the Connection's services. Leadership team members at Goodwill/Easter Seals have welcomed, supported and guided us. I hope it is reassuring to our constituents and supporters that at all levels of our organization, people are committed to providing stability during this time of transition, so Connection staff can continue offering high quality, benefits planning and assistance services to Minnesotans.

As we prepare for a busy and challenging year in 2012, we look back with gratitude for 2011. We appreciate those of you who have traveled with us this year either as a participant, a referral source, a financial supporter or a provider of words of wisdom and encouragement. Your presence as we do our work is heartening and it moves us to work even harder to keep our services as vibrant and as effective as they can be. The promise of a new year is exciting for us and we hope 2012 holds joy, peace and all good things for you and your loved ones.

Warmest regards,

A handwritten signature in black ink, appearing to read "Barb Smith". The signature is fluid and cursive, with the first name "Barb" being larger and more prominent than the last name "Smith".

Barb Smith, Director

Call us!

For answers to questions about work and benefits, contact the Work Incentives Connection at:

Phone: 651-632-5113 or 1-800-976-6728

MN Relay – 711

Website: www.mnworkincentives.com

Calling About Your Satisfaction

Instead of mailing out a yearly satisfaction survey, the Work Incentives Connection is now phoning a random sample of participants within a few weeks after they receive our services. If you receive a "Satisfaction Call", we hope you will take a few minutes to give us honest feedback about the

assistance you received from the Connection. This feedback allows us to continue fine-tuning our services, so we can be as efficient and helpful as possible.

Opt-in for More Information

As mentioned earlier, the Work Incentives Connection became a program of Goodwill/Easter Seals MN on October 1st. In the next few months, those receiving this newsletter will be contacted regarding their interest in receiving other publications, notices or e-mails from Goodwill/Easter Seals. Feel free to “opt in” if you are interested or decline if you are not.

SOCIAL SECURITY ADMINISTRATION CHANGES FOR 2012

Social Security Disability Insurance (SSDI) Cost of Living Adjustment – People on SSDI will receive a **3.6%** cost of living adjustment (COLA), effective January 2012. Letters telling SSDI beneficiaries how much their SSDI checks will be for 2012 were sent out in December.

Medicare Part B Premium: In 2012, the Medicare Part B premium will be **\$99.90 per month**. For some, this will be an increase of \$3.50 per month. For others, it will mean a Part B premium decrease of \$15.50 per month. Those who signed up late for Part B and those with high incomes may pay more.

Trial Work Period Months (for persons on SSDI): The minimum amount of earnings for a Trial Work month will remain **\$720 per month** in 2012. The Trial Work Period is nine months (not necessarily consecutive) during which SSDI beneficiaries can earn as much as they are able without affecting their SSDI checks. In 2012, having gross wages over \$720 in a month counts as a Trial Work Period month. If self-employed, net earnings over \$720 count as a Trial Work Month. In addition, working more than 80 hours in a month counts as a Trial Work month for self-employed individuals, regardless of income. Please do not assume you have your Trial Work Period available, since you may have used it in a previous year.

Substantial Gainful Activity (SGA) Level for People with Disabilities: The Substantial Gainful Activity (SGA) level for people with disabilities will be **\$1,010 per month** in 2012. When applying for SSI, SSDI or other disability benefits, a person's earned income must be below the SGA level. Once benefits are approved, SGA is only relevant for those on SSDI, Disabled Widow(ers) (DWB), or Disabled Adult Child (DAC) benefits. After the Trial Work Period has been used, persons on SSDI, DWB or DAC may lose their cash benefits if their earned income goes over SGA. However, special work incentives may allow these individuals to earn more than SGA and still keep their benefits. Call the Work Incentives Connection for further information.

Substantial Gainful Activity (SGA) for People who are Blind: The SGA for people who are blind will be **\$1,690 per month** in 2012.

SSI Federal Benefit Rate: The Supplemental Security Income (SSI) Federal Benefit Rate (FBR) will increase in 2012 to **\$698 for individuals and \$1,048 for a couple**. The FBR is the maximum amount someone on SSI can receive if they have no other income. The FBR is also important in calculating how a person's SSI payment is affected when they work. If you receive SSI and want to know how this applies to your situation, call the Work Incentives Connection.

Student Earned Income Exclusion (for people on SSI): The Student Earned Income Exclusion is an SSI work incentive, which enables students to earn money to pay for school expenses. A portion of the student's earnings is not counted in determining how much their SSI payment is reduced due to work. In 2012, up to **\$1,700 per month** may be excluded, with a maximum exclusion of **\$6,840 per year**.

SSI 1619(b): People whose earnings cause their SSI cash payment to be reduced to zero may be eligible for continued Medical Assistance coverage through the SSI 1619(b) program. In 2012, Minnesotans who qualify for SSI 1619(b) can earn up to **\$50,846** per year and keep their Medical Assistance. (Those with high health care expenses can earn more.)

Medical Assistance for Employed Persons with Disabilities (MA-EPD): No changes for 2012.

For more information, contact the Work Incentives Connection:
651-632-5113 or 1-800-976-6728 (or MN Relay – 711)

Take Charge with a Free Wage Tracking Calendar!

Free 2012 Wage Tracking Calendars are now available. Tracking your earnings the same way that Social Security does, keeping good records, and reporting changes in work to Social Security, are key ways to ensure your Social Security checks are correct each month. SSI and SSDI look at earnings differently, so you need a tracking calendar that works for your specific Social Security benefit. The Connection can provide you with the right tool and step-by-step instructions for tracking your earnings, based on the type of Social Security benefit you receive.

Reporting your work to Social Security as you start a job or change jobs is required and will keep your Social Security records up to date. Tracking earnings and saving your paystubs is also critical. If you are paid incorrectly by Social Security, you may end up with an overpayment, which you will eventually have to pay back. By keeping needed information organized, you can be a more effective advocate for yourself if there is ever a question about your earnings.

Please call us if you would like to receive a free, 2012 Wage Tracking Calendar with instructions.

Phone: 651-632-5113 or 1-800-976-6728 (or MN Relay – 711)

Fall Community Meetings Results

This fall, the Connection conducted 42 community meetings throughout Minnesota with 351 people attending. Each session covered:

- How the SSDI and SSI programs count earnings
- Basic work rules for each program
- The importance of keeping good records
- How and when to report work and earnings to Social Security

At each meeting, community providers, family members and Social Security beneficiaries also learned how to track earnings using the free calendar tool mentioned in the previous article.

If you did not get a chance to attend a community meeting, or if you did attend, but still have questions, please call us at 1-800-976-6728 or 651-632-5113 (or MN Relay 711).

REMARKABLE ACHIEVEMENTS!

2012 Awardees: Scott Jill Claudette Brian Kevin Darla Reid David Susan Mark Jacquelyn Kathryn Stefanie Anita Jacqueline

Every year, the Connection pauses to recognize individuals who have worked hard to overcome difficult barriers in order to return to work and to give up Social Security benefits. The individuals named here accomplished this feat during another tough year for people seeking employment.

Those honored with the Connection's 12th Annual Recognition Awards are a diverse group with all types of disabilities and different kinds of jobs. These individuals have different stories, but they all share the characteristics of being optimistic, persistent, resilient, and strongly focused on their goals. Although some learned that they were not going to be much better off financially for working and giving up benefits, they did so anyway in order to become financially independent; to serve as role models for their children; to satisfy a strong work ethic; and to be contributing members of their local communities. Others who achieved this goal are now saving for a vacation, a down payment on a house, for a car or to pursue other dreams they could not have achieved when they had to rely on benefits.

Congratulations to all the awardees, and kudos to everyone who continues to pursue employment in these tough times! Our awardees would tell you that they did not achieve their goals alone. On their behalf, we want to offer a big thank you to those family members, agencies, financial workers, job coaches, rehabilitation counselors, social workers and others who supported these individuals and helped them achieve their goals.

You Gave to the Max!

Thanks again to those who gave generously to the Connection on Give to the Max Day (November 16th). Response was so strong that generous donors added to our challenge pool, increasing the matching funds available to \$3,500. We received enough donations to draw down more than the entire challenge pool and raised \$7,440 in one week!

If you did not get a chance to donate, you still can. We need to raise at least another \$7,500 this fiscal year. We guarantee that every dollar you donate will be put to good use!

To donate online, go to the Connection's website (www.mnworkincentives.com) and click on the link to donate via GiveMN.org.

To donate by check, please mail your gift to:
Goodwill/Easter Seals MN for Work Incentives Connection
NW 5798
P.O. Box 1450
Minneapolis, MN 55485-5798

Thank you for your generosity!

More Help in the Medicare Prescription Drug “donut hole”

The federal Health Care Reform Act passed in 2010 included a provision which gradually closes the coverage gap or “donut hole” in the Medicare Prescription Drug Program between now and 2020.

If you are an individual who already receives “extra help” with your prescription costs from Social Security, the new provisions for the Medicare Prescription Drug Program do not apply to you. Since you do not pay for medications in the coverage gap, you do not need to use these new provisions.

If you did not qualify for “extra help” in 2011, you were in the coverage gap once the “total cost” of your medications was over \$2,840. If you needed brand name prescription drugs, you received a 50% discount from your pharmacy. You paid 93% of the cost of generic drugs and Medicare paid the balance.

In 2012, you will be in the coverage gap once the “total cost” of your medications is **over \$2,930**. In the coverage gap, you will pay **86% for generic** drugs and Medicare will pay the balance. You will receive a **50%** discount from your pharmacy if you need **brand name** prescription drugs. **(It is usually to your advantage to use less expensive generic drugs, but the 50% discount will help if you are unable to take the generic or rely on medications for which no generic is available.)**

Over the next ten years, additional savings will be provided until the coverage gap is closed in 2020. If you have questions about Medicare, call the Disability Linkage Line at 1-866-333-2466.

Change your mailing list information or sign up for the Work Incentives Connection's listserve

Please respond only if you wish to be taken off our mailing list, update your record or sign up for our e-mail listserve. You can contact us in several ways:

Mail your request to:

Work Incentives Connection, Goodwill/Easter Seals MN
2200 University Ave West #240
St. Paul, MN 55114

OR

Call us at 651-632-5113 or 1-800-976-6728 (or MN Relay - 711)

OR

Send a fax to: 651-632-5121

OR

Send an e-mail to: mailinglist@mnworkincentives.com

If you do not respond, we will keep you on the mailing list at the address we currently have for you.

Name: _____

Agency (if applicable): _____

Address: _____

City: _____ State: _____ Zip code: _____

Phone (optional): _____ E-mail (optional): _____