

Winter 2006 – 2007, Minnesota Work Incentives Connection Newsletter, ConnectionNews  
Helping people with disabilities go back to work with clear, accurate information about the effects of work on benefits.

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Do you want to stay on our mailing list?

Work Incentives Advisory Group

Last Chance to Become a Founder!

A few months ago, we invited those on our mailing list to become Founders of the new, nonprofit Minnesota Work Incentives Connection. Thank you again to those who responded with donations!

If you have not had a chance to contribute, you can still do so by mailing your donation in the envelope enclosed with this newsletter. Anyone who contributes by December 31, 2006, will be listed as a Founder on the Connection's website and in our 2006 Annual Report. The Minnesota Work Incentives Connection has been approved by the IRS as a 501(c)(3), charitable organization, so donations are tax deductible.

When the Minnesota Work Incentives Connection was launched by the State of Minnesota in late 1998, it was never intended to be a permanent part of state government. On October 1, 2006, the Connection fulfilled its original plan to separate from state government and become an independent, nonprofit agency. Being a nonprofit allows us to:

enhance our credibility as a source of objective information about the impact of work on government benefits;

be more nimble in responding to new opportunities, resolving problems and exploring creative partnerships with other organizations; and

diversify our funding base, so the Connection can remain a strong and stable organization.

By becoming a Founder, you play a key role in preserving the Connection as a long term resource for people with disabilities who want to work. You also help us demonstrate to foundations and other funders that we have the support of the community.

See the Connection's website at [www.mnworkincentives.com](http://www.mnworkincentives.com) for a list of those who have already become Founders. We are deeply grateful for your support!

Minnesota Work Incentives Connection  
2200 University Ave West #240  
Saint Paul, MN 55114

To contact the Minnesota Work Incentives Connection, call:  
Twin Cities Metro Area: 651-632-5113  
Toll-free from Greater Minnesota: 1-800-976-6728  
TTY: 651-632-5110 or MN Relay - 711

## Navigating the Health Care Maze

Several health care options exist for people with disabilities, but it's not easy finding the coverage that's right for you. This article provides an overview of very complex programs and is only meant to be used as a guide. For more information, see the contacts listed for each program or call the Minnesota Work Incentives Connection for assistance in sorting through your options.

### Medical Assistance (MA):

Medical Assistance (MA) provides comprehensive health coverage for low income families with children, seniors and people with disabilities. MA is typically used by people with disabilities who have low monthly incomes and limited assets, particularly those who require specialized care or long term services, such as personal care assistance (PCA). For regular MA, there are no premiums or deductibles. Co-pays are charged for some services.

### For more information:

Contact the Minnesota Work Incentives Connection, your county human services office, or the DHS Recipient Help Desk (651-431-2670 or 1-800-657-3739; TTY: 1-800-627-3529 or 711). See also the MN Department of Human Services website: [www.dhs.state.mn.us](http://www.dhs.state.mn.us). Click on "Health Care" in the title header, then on "Adults with disabilities" in the left column.

### MA with a Spenddown:

People with disabilities whose monthly income exceeds the regular MA limits may qualify for MA with a spenddown. Typically, this applies to those on Social Security Disability Insurance (SSDI) or those with a disability who are not receiving any benefit from the Social Security Administration. A spenddown is like a monthly insurance deductible where you pay for a portion of your health care costs each month before MA pays the rest. Spenddowns can be several hundred dollars a month, depending on income. People on MA with a spenddown also pay co-pays for certain services.

### For more information:

Call the Minnesota Work Incentives Connection or the contacts listed under "Medical Assistance (MA)" above.

### Continued MA through SSI 1619(b):

SSI 1619(b) allows Supplement Security Income (SSI) recipients with disabilities who work to continue receiving MA after their SSI cash payments stop. The loss of SSI must be due to earnings, not to other factors, such as marriage or an increase in unearned income. Those who qualify for SSI 1619(b) pay no premium or deductible, but do pay co-pays for certain services.

### For more information:

Contact the Minnesota Work Incentives Connection, your county human services office or the DHS Recipient Help Line (651-431-2670 or 1-800-657-3739; TTY: 1-800-627-3529 or 711). If questions arise regarding whether or not you qualify for SSI 1619(b), contact your local Social Security office.

### Medical Assistance for Employed Persons with Disabilities (MA-EPD):

MA-EPD is a good option for working people with disabilities who need comprehensive health coverage. It is particularly helpful for those who do not have regular MA because:  
their checking, savings and other investments exceed the regular MA asset limits;  
their MA spenddown would be too high to make work worthwhile; or  
their spouse's income and assets prevent them from being eligible for regular MA.

To qualify for MA-EPD, people with disabilities must be between the ages of 16 and 64, and have earnings of more than \$65 per month. (This includes earnings from an employer or self-employment.)

MA-EPD recipients pay a monthly premium, based on a sliding fee scale – as income increases, the premium increases. They also pay the same co-pays as those on regular MA.

For more information:

Contact the Minnesota Work Incentives Connection, your county human services office or the Disability Linkage Line (1-866-333-2466; TTY: 1-800-627-3529 or 711).

MinnesotaCare (MNCare):

MNCare provides basic health coverage for uninsured individuals. It does not cover long term care services, such as personal care assistance (PCA). MNCare can benefit people with disabilities who: need basic health insurance, but whose income or assets are too high for MA; have not yet been determined disabled, or whose fluctuating conditions make it difficult for them to be certified disabled; or have low income and need coverage for their children or a spouse.

To qualify for MNCare, you must not have been covered by other insurance for 4 months (except if that “other insurance” was MA or MA-EPD). You cannot have Medicare or turn down Medicare in order to receive MNCare. If you are in the 24-month waiting period for Medicare, you may qualify for MNCare until your Medicare starts.

For more information:

Contact the Minnesota Work Incentives Connection or call MNCare at 651-297-3862 or 1-800-657-3672 (TTY: 1-800-627-3529 or 711). See also the MN Department of Human Services website: [www.dhs.state.mn.us](http://www.dhs.state.mn.us). Click on “Health Care” in the gray title header, then on “MinnesotaCare” in the left column.

Minnesota Comprehensive Health Association (MCHA):

MCHA provides basic health coverage for people who have been refused private insurance due to a pre-existing health condition. MCHA covers most basic health care services, but does not cover dental or long term services, such as personal care assistance (PCA). Costs for MCHA can be quite high, including a monthly premium, deductible and 20% co-insurance for most services. Nevertheless, it is an option for people with disabilities if: their income and/or assets are too high for MA or MNCare; they are eligible for MA, but want to see a specific health care provider who does not accept MA; or they are not “certified” as disabled by the Social Security Administration or the State, but have serious health conditions, which prevent them from being able to purchase private insurance.

For more information:

Contact the Minnesota Work Incentives Connection or call Medica at 1-866-894-8053 (TTY: 1-800-841-6753). Website: [www.mchamn.com](http://www.mchamn.com)

Medicare:

Medicare provides health coverage for seniors and people with disabilities who receive disability insurance or retirement benefits from the Social Security Administration. People with disabilities generally have Medicare if: they have been receiving Social Security Disability Insurance (SSDI) benefits for 24 months; they have permanent kidney failure, even if they are not receiving SSDI; or they have worked off of SSDI, but still qualify for Extended Medicare for a period of time.

Medicare consists of three parts:

Part A – inpatient hospitalization, hospice and some home health care

Part B – doctor visits and other outpatient services

## Part D – prescription drugs

(See also separate article, entitled “Update on the Medicare Prescription Drug Program”)

Medicare does not cover long term services, such as personal care assistance. For this reason, some people with disabilities on Medicare also need MA.

For Medicare Part A, there is typically no premium, but there are deductibles and co-insurance for some services. Medicare Part B has a monthly premium (\$93.50 per month in 2007), as well as deductibles and co-insurance for some services. Medicare Part D costs vary, depending on income level. (See also separate article on “Help with Medicare Costs – Medicare Savings Programs”.)

For more information:

Contact the Minnesota Work Incentives Connection or call 1-800-MEDICARE (1-800-633-4227).

TTY: 1-877-486-2048. Website: [www.medicare.gov](http://www.medicare.gov)

Update on the Medicare Prescription Drug Program (Medicare Part D):

To receive Medicare Prescription Drug (Part D) coverage, you must enroll in a prescription drug plan or Medicare Advantage (managed care) plan. For those who wish to enroll for the first time or change prescription drug plans, “Open Enrollment” for coverage in 2007 runs from 11/15/06 through 12/31/06. Those who become eligible for Medicare later in the year can enroll in a prescription drug plan for Part D at the same time as they become eligible for Medicare Parts A and B.

If you were enrolled in Medicare Part D in 2006 and are satisfied with your prescription drug plan, you don’t have to do anything for 2007. Nevertheless, the Minnesota Work Incentives Connection recommends that everyone review their options. More prescription drug plans have been added and existing plans may have changed their formularies (lists of drugs that are covered). Costs for many plans have also changed.

Assistance is available for paying Medicare Part D costs. It is called “Extra Help”. For more information about “Extra Help”, call the Social Security Administration at 1-800-772-1213 (TTY: 1-800-325-0778). Website: [www.socialsecurity.gov/prescriptionhelp](http://www.socialsecurity.gov/prescriptionhelp)

For help choosing a Medicare Prescription Drug Plan or for other Medicare Part D information, contact: Minnesota’s Linkage Line - 1-866-333-2466 (TTY: 1-800-627-3529 or 711).

Medicare toll-free number: 1-800-MEDICARE (1-800-633-4227); TTY: 1-877-486-2048.

Medicare Website: [www.medicare.gov](http://www.medicare.gov).

Social Security Administration Announces Increases for 2007:

SSI Federal Benefit Rate to Increase – The Supplemental Security Income (SSI) Federal Benefit Rate (FBR) will increase in January 2007. 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 Minnesota Work Incentives Connection.

Federal Benefit Rate for 2006: \$603 for a single individual; \$904 for a couple

Federal Benefit Rate for 2007: \$623 for a single individual; \$934 for a couple

Resource limits for SSI and SSI 1619(b) will remain the same (\$2,000 for an individual; \$3,000 per couple).

SSDI/RSDI Cost of Living Adjustment (COLA) In January 2007, Social Security Disability Insurance (SSDI) and Retirement, Survivors, Disability Insurance (RSDI) benefit payments will increase by 3.3

percent. For example, a \$700 SSDI benefit will increase to about \$723. SSDI and RSDI beneficiaries should have received letters from the Social Security Administration in December, telling them exactly how much their monthly benefit will be for 2007.

#### Substantial Gainful Activity (SGA) Level for People with Disabilities:

The Substantial Gainful Activity (SGA) level for people with disabilities will increase from \$860 to 900 per month in 2007. When applying for SSI, SSDI or RSDI, a person's earned income must be below the SGA level. Once benefits are approved, the SGA is only relevant for those on SSDI or RSDI. After the Trial Work Period has been completed, persons on SSDI/RSDI risk losing all their cash benefits if their earned income goes over the SGA level. However, special work incentives may allow them to earn more. Call the Minnesota Work Incentives Connection for further information.

#### SGA for People who are Blind:

The SGA for people who are blind will increase from \$1,450 to \$1,500 per month in 2007.

#### Medicare Part B Premium:

The Medicare Part B premium will increase from \$88.50 to \$93.50 per month in 2007.

#### Trial Work Period Months (for persons on SSDI or RSDI)

The minimum amount of earnings for a Trial Work Period month will increase from \$620 to \$640 in 2007. The Trial Work Period is nine months (not necessarily consecutive) during which an SSDI/RSDI beneficiary may test his or her ability to work. Beginning January 2007, if a person earns less than \$640 in a month, that month will not count as one of the nine Trial Work Period months.

#### 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 money the student earns is not counted in determining how much their SSI payment is reduced because of their work. In 2007, the Student Earned Income Exclusion will increase, so that up to \$1,510 per month may be excluded, with a maximum annual exclusion of \$6,100 per year.

#### SSI 1619(b)

Minnesotans who qualify for the SSI 1619(b) program can earn up to \$44,009 per year in 2007 (or possibly more if they have high health care expenses.) The SSI 1619(b) program allows SSI recipients who work to continue receiving Medical Assistance at no cost after their SSI cash payments stop. Loss of SSI cash benefits must be due to earnings.

To learn more about these and other work incentives, contact the Minnesota Work Incentives Connection:

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

TTY: 651-632-5110 or MN Relay – 711

Website: [www.mnworkincentives.com](http://www.mnworkincentives.com)

#### Help with Medicare Costs – Medicare Savings Programs

Medicare Savings Programs can assist with Medicare Part A and Part B out-of-pocket costs. The Qualified Medicare Beneficiary (QMB) program pays for Medicare Part B premiums and Medicare Part A and B co-insurance and deductibles. The Service Limited Medicare Beneficiary (SLMB) pays for Medicare Part B premiums only. Those with slightly higher incomes may qualify for similar programs called "QI1" or "QWD".

If you are eligible for a Medicare Savings Program, you also qualify for "Extra Help" for Medicare Part D, providing you with significant assistance with the costs of Medicare Prescription Drug coverage.

For more information:

Contact the Minnesota Work Incentives Connection, your local county human services office, or the Disability Linkage Line (1-866-333-2466; TTY: 1-800-627-3529 or 711).

### Congratulations Are In Order!

On October 5<sup>th</sup>, the Minnesota Work Incentives Connection celebrated its 7<sup>th</sup> Annual Recognition Awards Ceremony. An all-time record of thirty-one (31!) people with disabilities assisted by the Connection were recognized for working off of Social Security benefits in the past year. While we know many people with disabilities have jobs, working enough to risk giving up benefits is no small feat. Kudos to our awardees and any of our readers who've also been able to achieve that extra level of self-sufficiency!

The Connection also recognized 8 people for assisting consumers and promoting systems changes to reduce barriers related to work and benefits. Awardees included: Red Lake and White Earth Indian Tribal Rehabilitation Services staff; a private vocational service provider; three Social Security Administration claims representatives; the Minnesota Director of Rehabilitation Services; and the Director of Pathways to Employment. Congratulations to everyone!

### MA-EPD Beyond Age 64

The Minnesota Consortium for Citizens with Disabilities (MN CCD) may advocate for the State Legislature to extend the age limit for Medical Assistance for Employed Persons with Disabilities (MA-EPD) beyond age 64. If you would like to be involved in this effort, contact Joel Ulland at 612-335-7900 or 1-800-582-5296. E-mail: [julland@mssociety.org](mailto:julland@mssociety.org).

### Claim It! - Tax Help Resource Fair

On Saturday, January 27<sup>th</sup> from 10:00 a.m. to 2:00 p.m., low income individuals and families are invited to attend the "Claim It!" Resource Fair at the Minneapolis Convention Center. Individuals with incomes below \$28,000 per year and families with incomes below \$38,000 per year can have their taxes prepared for free by experts, and access resources for financial education, housing, employment and family services. The goal of this Fair is to help low to moderate income families build or maintain financial independence by increasing public awareness and access to the Earned Income Tax Credit, free tax preparation services, and other asset building resources. For more information on the Claim It! Resource Fair, free parking for the even, or for a list of free tax preparation sites, call United Way at 211.

Do you want to stay on our mailing list?

Once a year, we update the MN Work Incentives Connection's mailing list. Please respond if you wish to be taken off the list, or if you would like to update your record.

To be removed from the list, or to make changes, you can contact us in several ways:

Leave a phone message by calling 651-632-5113 or toll free at 1-800-976-6728 (TTY: 651-632-5110).

Mail your request to:

MN Work Incentives Connection, 2200 University Ave West #240, St. Paul, MN 55114

Or

Send it via fax to 651-632-5121

### Work Incentives Advisory Group (WIAG):

The Work Incentives Advisory Group (WIAG) was started in 1999 by SSA Chicago Regional Commissioner, James Martin. WIAG is working to help all of us by identifying changes in SSA rules and office procedures that could remove barriers and improve incentives for people with disabilities who

want to work. WIAG is unique in providing an opportunity for SSA staff and disability advocates to work together in addressing systemic issues affecting people with disabilities.

If you would like to receive an e-mail newsletter about WIAG's activities, or if you have suggestions of issues the WIAG should address, contact one of the individuals listed below. Agencies that have newsletters are welcome to re-publish articles from WIAG E-News in their own publications.

To receive WIAG E-News or to provide input to the WIAG, contact:

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