

# Government Benefits: Getting Financial Support for Your Child and Your Family

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# At a Glance

Money	Medical	Housing
SSI	MassHealth	DDS/DMH
SSDI	Medicare	Section 8 State vouchers
AFC ABLE Account	Private Insurance	Food Stamps Utility subsidy The Ride

# Part 1: CASH

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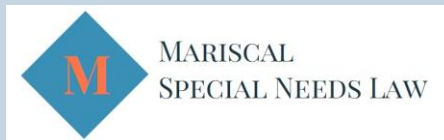
# Supplemental Security Income (SSI)

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Person Must Meet Two Tests:

Be Medically Disabled (physically or mentally), plus  
Be Poor

- Resource Test –no more than \$2,000 in assets
- Income Test – no more than about \$1200/month in wages



# SSI – Money to Live

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In 2019, Federal Benefit Rate is \$771/month  
Massachusetts Supplement \$114.39

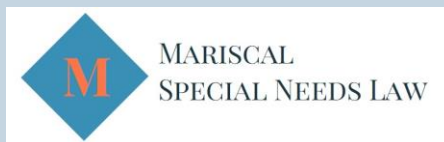
If living at home, \$514 month plus state supplement  
of \$87.58 equals \$601.58/month



# SSI Definition of Disability

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- “Disability” for an adult is defined as the inability to engage in any “substantial gainful activity” (SGA) due to any medically determinable physical or mental impairment, or combination of impairments, that has lasted or can be expected to last for a continuous period of at least 12 months, or result in death.



# Translation

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- SSI uses a work test. Maximum earnings from competitive employment is \$1220/month in 2019.
- If not actually earning, test is whether they can earn \$1220/month or more in competitive employment

# Assets that Count

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-Bank Account

-Savings Bonds

-UTMA Account at age 21 (custodian account)

-Before Age 18, parents' assets count





# Assets that Don't Count

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-529 Plan

-ABLE Account

-Special Needs Trust (if properly written and managed)



# Reducing Assets to Qualify for SSI

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DO:

- Spend the money
- Put into ABLE Account (no more than \$15,000/year)
- Put into special needs trust



# Reducing Assets to Qualify for SSI

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DON'T:

- Put in parents' bank account
- Give the money away

# SSI and Work Income

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- Earned income reduces the SSI monthly benefit \$1 for every \$2 earned
- The first \$20 of any income is exempt plus the first \$65 of earned income

# SSI Unearned Income

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- Unearned Income reduces SSI \$1 for \$1 after the \$20 exemption
- Don't give your child cash
- SSI is reduced by \$1 for every dollar you give them

# SSI and Child Support

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- Child support counts as “income”
- Child support over \$791/mth eliminates SSI
- Child support that is paid directly into a pay-back special needs trust doesn't count as “income”
- Court order required



# SSDI

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- Social Security Disability Insurance payments based on the parent's earnings, if the child is:
  - Disabled before age 22 and
  - Has parents who are drawing benefits based on their work record who are retired, disabled or deceased
    - 50% of parent's SS check while living
    - 75% of parent's SS check after death
- SSDI payments reduce or eliminate SSI benefits
- No resource test
- Medicare after 24 months
- No automatic entitlement to MassHealth



# SSDI

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- Social Security Disability Insurance payments based on the child's own earnings
  - If younger than 24, need only 6 work credits in three years
  - Usually not as much as SSI, but SSI makes up the difference
  - Medicare after 24 months



# ABLE Account

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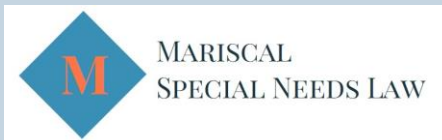
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# ABLE Act: The Basics

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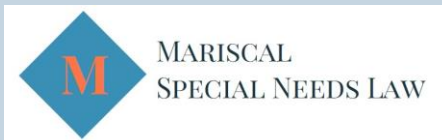
- Like a 529 college savings account, but for disabled people. Called 529A.
- Money can grow tax-free, and be used for many different things, not just education.
- Importantly, it's a way to improve the financial lives, on a daily basis, of people receiving SSI



# ABLE: Only \$15,000/year

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- Individuals are limited to one ABLE account, and total annual contributions to any one account for each year cannot exceed the gift tax annual exclusion (\$15,000 in 2019).
- For estate plans, 529A usually is not an option.



# \$100,000 Limit

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- If the account grows over \$100,000, SSI is suspended until the money is spent down.
- If SSI is not a concern, maximum is about \$350,000.

# Disability Requirements to Open an Account

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- Disability must have existed before the person turned 26.
- Must be determined blind or disabled by SSA or Medicaid, or obtain a physician's certification that the person is blind or disabled, before age 26. The beneficiary must certify, under penalty of perjury, that they have received this certificate before they open the account.



# Medicaid Payback

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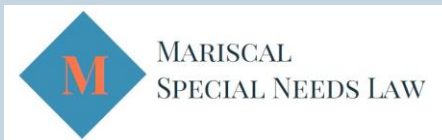
- Just like a First Party Special Needs Trust, Able Act Accounts require repayment of any funds remaining in the account on death for benefits received.



# Qualified Disability Expenses

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- Qualified disability expenses are any expenses “related to the disability of the beneficiary,” according to the SSA, including:
  - education,
  - housing,
  - transportation,
  - employment training and support and assistive technology
  - health, prevention, wellness and personal support services,
  - financial management and administrative services,
  - legal fees,
  - expenses for oversight and monitoring,
  - funeral and burial expenses.



# MEDICAL



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# MassHealth Caregiving Programs

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Adult Foster Care (AFC)

Personal Care Assistance (PCA)



# Adult Foster Care/ Adult Family Care (AFC)

MassHealth-funded program to help pay for  
caregiving

Available at 16 to those on MassHealth

Based on child's eligibility/physical needs



# AFC

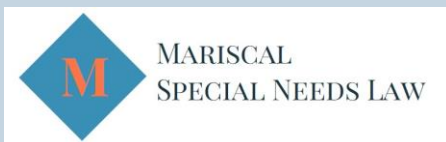
- Provider receives a tax-free stipend from MassHealth
- About \$9,500/year per person for Level I care (Needs assistance with one or more ADL skills)
- About \$19,000/year for Level II care (Needs assistance three or more ADLs, or two ADLs plus a behavior)
- Won't pay a person's legal guardian



# AFC Level 1

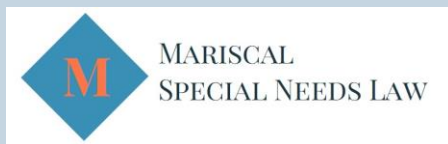
AFC participants must need daily assistance with at least one of the following Activities of Daily Living:

- Eating
- Bathing
- Dressing
- Toileting
- Ambulating
- Transferring



# AFC Level 2

Level 2 is for people who need assistance with three or more ADLs; or two or more ADLs, plus caregiver intervention for one or more of these behaviors: wandering, resisting care, being physically or verbally abusive, or socially inappropriate or disruptive behavior.



# PCAs

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## Personal Care Attendants

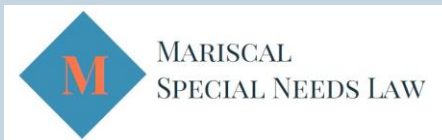
- Instead of AFC
- Pays for an attendant (or you, if not the guardian) to take care of your child for a certain number of hours per week, depending on the need
- Not as easy to administer, but could provide more financial support for physically disabled



# Medical: MassHealth and Medicare Eligibility

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- MassHealth Standard
  - Automatically available with SSI
  - Must apply separately with SSDI
  - If income is above \$1,396/Month, CommonHealth
  - No asset limit if disabled and not receiving waiver services



# Medicare

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- Available with SSDI and DAC after 24 months
- Covers more doctors and procedures than MassHealth



# Private Medical Insurance

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- Can be helpful because not all clinicians take MassHealth
- Always primary -- MassHealth will be excess insurer
- Premium Assistance: 800-862-4840



# Premium Assistance

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- Premium Assistance: 800-862-4840
- MH program that can pay private insurance premiums if MH recipient is covered
- MH recipient must be living with subscriber
- Not eligible for Medicare recipients



# Housing/Residential Services

## Department of Developmental Services (DDS) Priority One

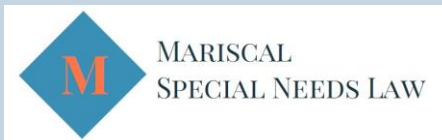
- What do you get?
  - Group Home
  - Shared Living
- How do you get it?
  - Need ID diagnosis
  - Can't live safely at home



# Housing: Everyone Else

If not prioritized:

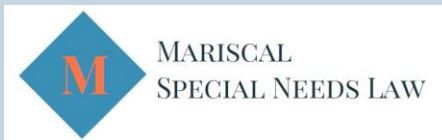
- Piece together public benefits and family resources
- If not living at home:
  - SSI/SSDI
  - Section 8 (rent)
  - AFC or PCA (caregiving)
  - Food Stamps/utility/fuel assistance
  - Parent Contribution



# Housing: Everyone Else

If living at home:

- Piece together public benefits and family resources
- SSI/SSDI
- Section 8 (if accessory apartment)
- AFC or PCA (caregiving)



# Housing Subsidies

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- Section 8 portable vouchers
- State vouchers

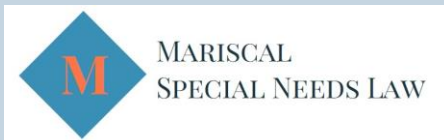


# Section 8

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- Wait list is 8-12 years
- Pays rent to participating landlords
- Tenants pay 30% of their income as rent and the housing authority pays the rest
- No asset limit
- Tenants must have low income—50% or less of the median income for the geographic area
- Within limits, families may be the “landlord” and collect rent from the program

Apply at [www.section8listmass.org](http://www.section8listmass.org).



# State Rental Assistance

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- Rules are similar to Section 8
- May give priority to residents
- Contact your local housing authority





# Other Subsidies

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-SNAP (food stamps)

-Fuel Assistance

-The Ride



# Major Take-Aways/Traps To Avoid

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- Don't put money in your child's name
- if the child has over \$2,000, reduce the assets permissibly
- Explore AFC before you commit to guardianship. AFC pays about \$9,000 to \$18,000/year
- If divorced or separated, consider having child support paid into a trust (\$29,000 over 4 years)

