

SSI's Plan for Achieving Self Support

At-A-Glance



The PASS is a special SSI rule that allows an individual to exclude, or not count income or resources that are used to support a work goal.

Background: SSI's Income and Resource Rules

- ◆ SSI recipients typically receive monthly benefits based on New York's 2012 SSI rate of \$785 (living alone) or \$721 (living with others). The rates usually change each year.
- ◆ If the individual has income, other than the SSI check, a part of that income is subtracted from the SSI base rate to determine the monthly SSI payment.

Example. Joan, age 20, lives alone and receives Social Security Disability Insurance (SSDI) of \$620 per month based on a mental illness. The SSI program will disregard \$20 and the remaining \$600 is subtracted from the \$785 SSI base rate, giving Joan a \$185 monthly SSI check. Her total monthly income is \$805 (\$620 SSDI, \$185 SSI). As an SSI recipient Joan will also qualify for automatic Medicaid.

- ◆ SSI recipients are allowed no more than \$2,000 in countable resources. A bank account, cash on hand, and stocks, for example, will count against the \$2,000 limit.

How a PASS Works

- ◆ When income or resources are used in an approved PASS to support a work goal, the income or resources will not count when determining SSI eligibility or payment amount.
- ◆ The result is that the individual will be eligible for SSI or a larger SSI payment based on the countable income and resources that remain.

Example: Joan from above plans to attend a two-year community college program to become an occupational therapy assistant. She will receive support from the New York's ACCES-VR, formerly the Office of Vocational and Educational Services for Individuals with Disabilities (VESID), to pay for tuition, transportation to college, and books. She will still need the following to achieve her work goal: \$600 for a laptop computer; \$9,000 for a used car to travel to work or work sites; and \$600 for the first six months of car insurance. Joan proposes to set aside \$600 of her SSDI check each month to save for these items to meet her work goal.

If Joan's PASS proposal is approved, the SSI program will no longer count the \$600 of SSDI. This will reduce her countable income to \$0 and increase her SSI check to \$785 per month. With \$600 per month in PASS savings, in 17 months she can save the \$10,200 needed to pay for the computer, car, and insurance. If her PASS starts in July 2011 and continues through November 2012 (17 months), she can purchase her car and insure it as early as December 2012, allowing her to travel to internships and job interviews based on a projected graduation in May 2013. Joan still has \$805 for monthly living expenses (\$785 SSI, \$20 of SSDI not counted under usual rules).

Criteria for PASS Approval

- ◆ Must be in writing using Form SSA-545
- ◆ Must contain: a feasible work goal; a savings and spending plan; a list of items and services needed and their cost; and a timetable for achieving the goal
- ◆ Must be expected to increase person's prospect for self support
 - For individual who receives SSI before PASS is approved, the work goal must be expected to significantly reduce the SSI payment amount
 - For individual who receives only SSDI before PASS is approved, the work goal must be expected to eliminate the SSDI check (i.e., the resulting work must be at the substantial gainful activity level, i.e., \$1,010 per month in 2012)

The Feasible Work Goal

- ◆ Must specify a job or profession
- ◆ Must have reasonable chance of attaining the goal, in light of the disability
- ◆ Goal could be for full-time or part-time work
- ◆ Goal could be to move from part-time to full-time work

What Money Goes Into a PASS?

- ◆ Earned income (wages from a job, income from a business)
- ◆ Unearned income (such as a Social Security check or VA pension)
- ◆ Resources (savings, personal injury award, inheritance, lump sum SSDI or SSI award)

What Expenses Are Allowed in an Approved PASS?

All reasonable and necessary expenses, such as:

- ◆ College or training costs
- ◆ Transportation, including vehicle lease or purchase
- ◆ Vehicle insurance, maintenance, repairs, warranty costs
- ◆ Computer, software and Internet costs
- ◆ Work clothes, professional clothing, child care
- ◆ Business start-up costs
- ◆ Anything reasonably tied to the work goal

Time Limits

- ◆ The PASS can be approved for whatever period of time is needed to achieve the goal

Practical Considerations

- ◆ An individual who is not currently an SSI recipient must submit an SSI application along with the PASS proposal. E.g., if Joan receives \$920 in SSDI per month and no SSI, she would need to submit an SSI application with her PASS proposal.
- ◆ An individual must be prepared to meet monthly living expenses with the income that remains after money is set aside to meet PASS expenses. E.g., if Joan receives \$920 in SSDI and \$900 goes into an approved PASS, she will get \$785 per month in SSI, giving her \$805 per month for living expenses.

PASS Online (www.ilr.cornell.edu/edi/pass) – a Resource for the PASS Writer

- ◆ This dedicated website serves two primary purposes: a self-directed tutorial on what a PASS is; and the PASS application, with helpful tips and sample answers for each question, that can be completed, saved and ultimately printed as a PDF.
- ◆ After obtaining a password from Cornell's Employment and Disability Institute, the individual or advocate can draft the PASS and save it for future editing.