

What Happens to SSI and Medicaid When I Work?

Who gets Medicaid on Supplemental Security Income (SSI)?

Medicaid is a federal and state insurance program that covers individuals who are both medically and financially needy. In Oregon, Medicaid eligibility is automatic as long as you continue to be SSI eligible. There is no waiting period for Medicaid as an SSI beneficiary and you can continue to receive Medicaid indefinitely, so long as you continue your SSI eligibility.

I receive SSI and Medicaid. What will happen if I work?

It's a basic rule of thumb: Social Security will begin reducing the SSI cash benefit by roughly half of the amount of your gross income earned each month. When this happens, your overall gross income is greater than it is without working, but your SSI cash benefit actually decreases. When your cash benefit begins being reduced, you will continue to maintain your Medicaid eligibility. Once you have eliminated your cash benefit entirely as result of working, you become what is called 1619b eligible. You can maintain your 1619b eligibility until you reach one of two thresholds;

1. If your net annual earnings exceed more than \$33,221 per year after work incentive utilization.
2. If your assets exceed the SSI eligibility limit of \$2,000 for an individual or \$3,000 for a married couple.

What happens if I am no longer 1619b eligible because of earnings?

If your net annual earnings exceed \$33,221 you may be eligible to continue your eligibility for Medicaid under an individualized threshold. This option is particularly beneficial for individuals who have high Medicaid costs. Under 1619b, the state uses the average annual Medicaid costs plus the amount of the SSI benefit to calculate 1619b limit (\$33,221). Under an individualized threshold, the state uses your actual Medicaid costs per year instead of the state average. Individualized thresholds can allow working SSI beneficiaries with very significant earnings to keep Medicaid, so long as they do not exceed the asset limit.

What happens to me if I am no longer eligible for SSI and Medicaid due to working?

If you have earned your way off of SSI, you can apply to the state to become eligible for the state Medicaid buy-in program, called the Employed Persons with Disabilities or EPD program. EPD is a Medicaid program for workers with disabilities that allows workers to maintain Medicaid eligibility while working at higher income and asset levels than other Medicaid eligibility groups. You can find out more about EPD or apply at any Aging and People with Disabilities Office.