

**DEPARTMENT OF HEALTH SERVICES**

714/744 P Street  
P.O. Box 942732  
Sacramento, CA 94234-7320  
(916) 657-2941



November 14, 1997

**Medi-Cal Eligibility Branch Information Letter No.: I-97-25**

TO: All County Welfare Directors  
All County Program Specialists/Liaisons  
All Medi-Cal Disability Liaisons

**SOCIAL SECURITY ADMINISTRATION (SSA) PUBLICATION ON SOCIAL SECURITY AND SUPPLEMENTAL SECURITY INCOME (SSI) WORK INCENTIVES FOR THE DISABLED**

The purpose of this letter is to inform counties that the Department will be sending to each county welfare director one copy of an SSA publication titled Graduating to Independence. The publication provides comprehensive information regarding SSA's work incentive programs for Social Security Disability Insurance (SSDI) and SSI disability programs. While it is directed primarily towards young people with disabilities, it is applicable to disabled persons of any age. The package is presented in five parts and is written in easy to understand language. This letter will highlight those parts that may be of particular interest to the counties.

"Part II: Fact Sheets" provides a description of:

- the basic eligibility requirements for SSDI and SSI ;
- "substantial gainful activity" (SGA) and how it applies in the SSDI and SSI programs (Medi-Cal follows the SSI provisions);
- SSI Plans for Achieving Self-Support program;
- work incentives under SSDI and SSI and their impact on Medicare and Medi-Cal eligibility; and
- continued Medi-Cal eligibility under Section 1619(b) of the Social Security Act for former SSI beneficiaries who lose SSI cash benefits due to excess earnings.

Parts III/IV and the videotape titled "Promises to Keep" located in the back of the binder presents disabled persons who have successfully used the Social Security work incentives to hold satisfying and rewarding employment. The video provides a closeup of how Social Security programs (especially SSI) affect those who work in spite of their disability.

Part V provides computer software designed to show the effect work and earnings might have on a person's cash benefits and eligibility to his/her Medicare and/or SSI-based Medi-Cal. While the software will help counties understand the effect of work and earnings on benefits, it is not an actual determination of eligibility or benefit amounts which must be determined by the SSA.

All County Welfare Directors  
All County Program Specialists/Liaisons  
All Medi-Cal Disability Liaisons  
Page 2

**Please note pages 110 and 111--these pages provide a handy list of impairment related work expenses (not all inclusive) that may be deducted from gross earnings in determining whether a Medically Needy Only (MNO) disabled *applicant* is engaging in SGA. The SGA determination is *not* to be confused with a share of cost determination and it is *not* applicable to *disabled MNO beneficiaries* who have returned to work. However, a *beneficiary's* return to work may be an indication that there has been significant medical improvement. Counties should refer to Article 22 of the Medi-Cal Eligibility Procedures Manual on how to process and refer such cases to the State Programs-Disability Evaluation Division.**

For additional copies of the SSA publication, please send your requests to:

Graduating to Independence  
Social Security Administration  
Office of Disability  
Division of Employment and Rehabilitation Programs  
545 Almeyer Building  
6401 Security Boulevard  
Baltimore, Maryland 21235

Or counties may telephone Ms. Sam Generette in that office at (410) 965-9214.

If you have any questions regarding disability-related questions, please contact Terry Durham at (916) 657-2701. For questions regarding this letter, please contact Lea Shalabi at (916) 654-5689.

Sincerely,

Original signed by

Frank S. Martucci, Chief  
Medi-Cal Eligibility Branch