



# PUBLIC BENEFITS

## A HOLISTIC GUIDE FOR FAMILIES WHO HAVE A LOVED ONE WITH SPECIAL NEEDS

Many important benefits are outlined below, but not all. Also, effort has been made to point out important aspects of the programs, but outlining every detailed exception, rule, etc., is beyond the scope of this informational guide. For context, most of these programs are “means-tested,” which means they are usually not available until the child turns 18 because up until that point the parents’ assets and income are taken into account, which is often too high to qualify.

BY CALEB HARTY CFP®

### 1) SUPPLEMENTAL SECURITY INCOME

- Individuals may be eligible for SSI if they do not have “substantial gainful activity” (SGA) and a disability. SGA is defined as earning less than \$1170/month (or \$1950/month if blind).
- SSI payment is up to \$735/month. It can be less for various reasons such as the individual living at home. Some states also have a state supplement program (SSP) which gives the SSI recipient a smaller additional payment.
- Individual usually cannot have more than \$2,000 in their name to qualify (there are certain items not counted, such as a car, home, burial plot, and other permitted items).
- Note: \$20 of unearned income (a gift from a parent for example) is permitted and the first \$65 of earned income also does not reduce benefits, per month. There is a \$1 reduction in benefits for every \$2 earned (after the \$65 exclusion)
- Rent subsidies and food assistance does not count against SSI.
- Qualifying for SSI can provide automatic eligibility for Medicaid in some states.



### 2) MEDICAID

- Comprehensive healthcare for low-income individuals and those with disabilities.
- Like SSI, individuals in many states usually cannot have more than \$2,000 in their name.
- Medicaid covers much more than just health insurance; various home and community-based services are only available via Medicaid. For this reason, even if other health insurance is available through a parent, etc., it is often recommended to qualify for Medicaid if possible.

### 3) SECTION 8

- Also called federal “Housing Choice Voucher” program (HCV).
- Housing vouchers for low-income individuals.
- To qualify, the individual must have an income of 50% of the “area median income”. If already qualified for SSI, he/she will most likely also be eligible for Section 8 based on income.
- No asset limits for qualification, but interest earned on assets counts towards income limit.
- Several different variations of the program, but the most common is when the individual pays approximately 1/3 of

their income towards housing rent, Section 8 voucher covers the remainder.

- It is often recommended as soon as the child turns 18, to get on the Section 8 waiting list (which can reportedly be as long as 7-10 years). Even if not sure the child will need it, it can always be turned down if approved in the future.

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#### 4) SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM

- Supplemental Nutrition Assistance Program (“SNAP”), formerly referred to as “food stamps.”
- Food assistance programs to individuals with low income.
- Individual cannot have more than \$3,250 in countable assets.
- Income limitations similar to SSI (if already receiving SSI however the individual will qualify).
- For single individuals for example, the monthly allotment is \$194 – 30% of net income.

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#### 5) PERSONAL CARE ATTENDANT

- Funded through Medicaid.
- Program in which the individual with needs hires a PCA to help with Activities of Daily Living (ADL’s) such as bathing, dressing, transfers, etc.

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#### 6) SOCIAL SECURITY DISABILITY INSURANCE

- Program similar to SSI, administered through the Social Security Administration (SSA).
- Once a parent begins collecting Social Security (usually at retirement), their child with disabilities is eligible to receive half of that payment, which is typically higher than SSI payments.
- After the parent passes away, the payment the child is receiving goes to 3/4 of the parent’s Social Security payment.
- Unlike SSI, not “means-tested” meaning there is no asset restriction. There is also no limit on unearned income, however, earned income above the SGA limit as outlined in section 1 for SSI would disqualify the individual from receiving SSDI payments.
- Disability onset has to be before age 22 and be continuous through the time the person is claiming benefits.
- It’s possible to receive SSDI and SSI simultaneously, but not typical.
- After he/she is getting SSDI for 2 years or more they are eligible for Medicare and can have this in addition to their Medicaid.

#### 7) ABLE ACCOUNTS

- Result of the Achieving a Better Life Experience Act in December 2014.
- Investment account for eligible individuals with special needs for “qualified disability expenses” (QDE) such as housing, education, transportation, and many other items.
- Funds grow tax-free and are distributed tax-free.
- Disability onset must have occurred before individual turned 26.
- Accounts up to \$100,000 do not impact a person’s SSI benefits.
- Maximum contribution per year is \$14,000 from all sources. Individual can only have one ABLE account.
- There is a payback provision, meaning if the individual with the account passes away, any remaining funds are used to payback Medicaid benefits the person received.

\*2017 figures

Note: This guide is only intended to be informational in nature. There is no assurance of complete accuracy. Please visit the public benefits government websites directly for more detailed information on eligibility, amounts, etc. Caleb Harty and Harty Financial do not provide legal or tax advice and any information in this guide is not intended to be interpreted as such.

*To receive a free public benefits resource guide and/or more information email your name to [caleb@hartyfinancial.com](mailto:caleb@hartyfinancial.com) and include “resource guide” in the subject line or call 978-972-5961.*

#### Web Resources

- 1) <https://www.ssa.gov/oact/cola/sga.html>
- 2) <http://www.mass.gov/eohhs/consumer/insurance/more-programs/>
- 3) <https://www.medicaid.gov/medicaid/benefits/list-of-benefits/index.html>
- 4) [http://www.tacinc.org/knowledge-resources/publications/e-books/section-8-made-simple/?utm\\_source=TAC+News+-+September+2016&utm\\_campaign=TAC+News+September+2016&utm\\_medium=email](http://www.tacinc.org/knowledge-resources/publications/e-books/section-8-made-simple/?utm_source=TAC+News+-+September+2016&utm_campaign=TAC+News+September+2016&utm_medium=email)
- 5) <https://www.fns.usda.gov/snap/eligibility>
- 6) <http://www.thearcofghn.org/web/services-2/adult-family-care-afc/>
- 7) <http://www.mass.gov/eohhs/consumer/insurance/masshealth-member-info/pca/>
- 8) <https://www.ssa.gov/planners/disability/index.html>
- 9) <https://secure.ssa.gov/poms.nsf/lnx/0501130740>

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