

Disability Benefits Explainer

*This fact sheet has general information. It is not intended as legal advice.
Only an attorney can give you legal advice to help you with a problem, or answer a question.*

ABLE Account

An Achieving a Better Life Experience (ABLE) account provides a way for people, whose disability meets Social Security's definition and began before the age of 26, to save money and maintain eligibility for public benefits. For example, the first \$100,000 saved doesn't count toward SSI or Medicaid's savings or property limit. You or others can contribute a total of \$19,000 a year (or \$34,650 if you work and your employer doesn't contribute to your retirement account) in 2025. Unlike a special needs trust, you can control the money. It can be spent on qualifying disability expenses such as rent, food, education, transportation, employment training and support, assistive technology, and/or healthcare. It's a good idea to keep a record of and any receipts for purchases from your account. Utah recently started its own program. You can also open an account in any state with a program.

Special Needs Trust

A special needs trust (SNT) can hold more assets, like a settlement or inheritance, without affecting your eligibility for programs like SSI and Medicaid. The money or property must be used for needs related to your disability (although, this can be broadly defined). An SNT can also contribute to an ABLE account. While you can add your own money to a first-party trust, someone else must add resources to a third-party trust. If you're younger than 67, another option is to pay a company or organization to manage your and others' money together in a pooled trust. This can be less expensive than hiring an attorney to create a personal trust. The other difference between a first-party or pooled trust and a third-party trust is that Medicaid can't claim any money remaining in a third-party trust when you die. Regardless of the type of SNT chosen, it must be managed by someone other than you. If it's a first- or third-party trust, it's best to work with an experienced estate planning attorney.

Medicaid

In addition to doctors and hospitals, Medicaid covers long-term services and supports, mental health treatment, and other services not usually available through private insurance or Medicare. If you qualify for Medicaid because of a disability, you or your family need to have SSI-countable income below 100% of the federal poverty level (FPL) and less than \$2,000 in countable resources. If your income or resources are more than this, you may be able to "spend down." However, the Medicaid Work Incentive (MWI) could be another option. It allows you to keep Medicaid if you get paid for a formal or informal job, have SSI-countable income below 250% of FPL and less than \$15,000 in countable savings or property. All you do is pay a monthly sliding-scale premium based on your SSI-countable income. As always, it's important to report changes right away.

SSI

Supplemental Security Income (SSI) helps individuals with disabilities who haven't/can't work, or don't earn enough, to pay for food and housing. SSI is based on your income, resources, and living situation. Because SSI is designed to encourage work, Social Security only reduces your check by a little less than half your earnings. Part of the cost of almost anything you pay for related to your disability and that

you need to work can also be subtracted from your earnings. If you're under 22 and working while in school, you can deduct even more from your earnings. However, nearly all your unearned income (like SSDI or help paying rent) will reduce your check from the maximum possible amount dollar-for-dollar. As your countable income changes, the amount of your check might too. It's important to report any change as soon as possible. Regardless of your countable income, you must have less than \$2,000 in countable savings or property. Finally, when you turn 18 Social Security uses its adult disability definition to decide if you can keep receiving SSI.

SSDI

You may receive Social Security Disability Insurance (SSDI) if you've earned enough but can no longer work as much or at all. You may also receive something like it if a parent gets SSDI or Social Security retirement. How much you get depends on how much you or they earned while working. Unlike SSI, SSDI generally only counts your earnings. Also, savings or property don't usually matter. Like SSI, you might be able to subtract some of your earnings or part of your expenses. However, with a few exceptions, if you earn over the allowable amount, you don't get a check that month. If you earn over that amount long enough, your check will stop. Fortunately, there are ways to start it again quickly if things change. It's important to report any change as soon as possible. An advantage of SSDI is that, after receiving a check for two years, you get Medicare – a federal health insurance program usually for those over 65 – regardless of your age. There are also programs that can help pay out-of-pocket costs for Medicare.

More Information

Benefits Planning

If you have or are close to getting a job, Utah Work Incentive Planning Services can tell you how your earnings will affect your benefits:

jobs.utah.gov/usor/vr/services/uwips.html

If you're thinking about getting a job, Ability 1st Utah can help you explore how different possibilities may affect your financial independence and stability. Their virtual services are available statewide:

ability1stutah.org/ability-1st-employment/

FPL Guidelines

oepmanuals.dhhs.utah.gov/DOHMedicaid.htm?#t=Tables/TABLE II -

Aged, Blind and Disabled Income Limits and Other Important Figures.htm

ABLE

ABLE Utah: ableut.com

ABLE National Resource Center: ablenrc.org

Payee and ABLE Accounts:

ssa.gov/payee/able_accounts.htm

Special Needs Trust

Special Needs Trust Overview:

futureplanning.thearc.org/pages/learn/where-to-start/financing-the-future/special-needs-trusts

Turn Community Services:

turncommunityservices.org/project/utah-pooled-trust/

Find an Estate Attorney: licensedlawyer.org

Medicaid

Constituent Services: 1-877-291-5583

or medicaidmemberfeedback@utah.gov

Medicaid Work Incentive: medicaid.utah.gov/Documents/pdfs/Work_Incentive_Program.pdf

Medicare

Senior Health Insurance Information Program: 800-541-7735

SSI

Income: ssa.gov/ssi/text-income-ussi.htm

Resources: ssa.gov/ssi/text-resources-ussi.htm

Living Arrange.: ssa.gov/ssi/text-living-ussi.htm

Impairment Related Work Expense (IRWE):

ssa.gov/ssi/spotlights/spot-work-expenses.htm

Student Earned Income Exclusion:

ssa.gov/oact/cola/studentEIE.html

Maximum Check Amount:

ssa.gov/oact/cola/SSlamts.html

Estimated Check and Total Income: ytionline.org/ssi-calculation-worksheet

Age 18 Redetermination:

ssa.gov/ssi/text-redets-ussi.htm

SSDI

Work Incentives:

mn.db101.org/mn/programs/job_planning/incentives/program2.htm

Maximum Earnings: ssa.gov/oact/cola/sga.html