Understanding Social Security Disability (SSI / SSDI)  
The Basics

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2017

MedData (Formerly Cardon Outreach)
Disclaimer

• Please keep in mind, there are exceptions to many rules.
Current Vendor - Strong in SSI / SSDI?

- Medicaid Expansion states – Not Florida
- 1634 States - Florida
- Medically needy states – Florida
- 340 status – Is your facility 340b eligible?
Disability in the U.S.
Key Statistics Relating to Disability

• Currently 49+ million people with disabilities
• 3,000+ will become disabled within this hour
• 1 in 4 chance of a person under 20 becoming disabled before retirement age
• 2 - 4 years is the average duration of a Long-term disability
• Poverty rates are 2x higher after disability
• 90% of disabilities are caused by illnesses and not accidents
Key Statistics About Social Security Disability

- Women accounted for about 50-60% percent of adult Social Security beneficiaries.
- The average age of disabled-worker beneficiaries is 54.
- 1 in 3 individuals who qualify, never even apply.

Drivers of Disability
- Sustained Unemployment
- Aging population
- Mental Health Related Claims
  - Over 1/3 of EVERY approved claim is due to mental health.
Programs: Title II vs. Title XVI

- Title II (SSDI) Program: Electronically filed with SSA
- SS - (Social Security)
- SSDI – (Social Security Disability INSURANCE)

- Title XVI (SSI) Program: Paper application process
- SSI – (Supplemental Security Income)
- SSI-D - (Supplemental Security Income for the Disabled)
What is SSDI?

- Social Security Disability Insurance
- Administered by the Social Security Administration
- Paid into by the patient’s federal taxes
- Paid to the patient if he/she becomes disabled and cannot work
What is SSI?

- Supplemental Security Income
- The Social Security Administration administers this program
- SSA pays a monthly benefit to people with limited income and resources who are age 65 or older, blind, or disabled
How does Social Security define “disability?”

• For all individuals applying for Title II and for adults applying for Title XVI, the definition of disability is the same.

• The Code of Federal Regulations (CFR) defines disability as the inability to engage in any substantial gainful activity (SGA) by reason of any medically determinable physical or mental impairment(s) which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.
What exactly is SGA?

• SGA = WORK (it has a value)

• For non-blind individuals, the monthly SGA amount for 2017 is $1170.00
### How is SSI (Title XVI) different from Social Security Disability (Title II)?

<table>
<thead>
<tr>
<th>SSI</th>
<th>SSDI</th>
</tr>
</thead>
<tbody>
<tr>
<td>• SSI benefits are not based on patient’s work or a family member’s prior work</td>
<td>• SSDI is based on patient’s work history</td>
</tr>
<tr>
<td>• Patient must have limited income and resources</td>
<td>• There are no income or resource guidelines*</td>
</tr>
<tr>
<td>• SSI beneficiaries can also get Medicaid in most states</td>
<td>• SSDI beneficiaries get Medicare coverage</td>
</tr>
<tr>
<td>• Patient must be at least 65 years old, blind, or disabled</td>
<td>• Patient must be of insured status (quarters of coverage)</td>
</tr>
</tbody>
</table>

* Income from SGA counts
How are SSI and SSDI related?

- Both programs pay monthly benefits
- The medical standards for disability are the same in both programs
- SSA administers both programs
What are the SSI income and resource limits? - 2017
Convert your uninsured patients

**Single Individual**
- FBR = $735.00 Payable amount & Monthly income allowed
- - $20.00 Exclusion
- Max Income = $755.00 Month
- Resource Limit ($2,000.00)

**Couple**
- FBR = $1103.00 Payable amount & Monthly income
- - $20.00 Exclusion
- Max Income=$1123.00 Month
- Resource Limit ($3,000.00)

*Income Limits for non-SSI eligible see deeming income chart
<table>
<thead>
<tr>
<th>NUMBER OF INELIG CHLDRN</th>
<th>PARENT-TO-CHILD</th>
<th>SPOUSE-TO-SPOUSE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ALL INCOME IS:</td>
<td>ALL INCOME OF Ineligible Spouse and Eligible Individual is:</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>EARNED 1 PARENT</td>
<td>EARNED 2 PARENTS</td>
</tr>
<tr>
<td></td>
<td>Reduc-tion Begins</td>
<td>Elig-i-bility Ceases</td>
</tr>
<tr>
<td>0</td>
<td>1595</td>
<td>3065</td>
</tr>
<tr>
<td>1</td>
<td>1963</td>
<td>3433</td>
</tr>
<tr>
<td>2</td>
<td>2331</td>
<td>3801</td>
</tr>
<tr>
<td>3</td>
<td>2699</td>
<td>4169</td>
</tr>
<tr>
<td>4</td>
<td>3067</td>
<td>4537</td>
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<tr>
<td>5</td>
<td>3435</td>
<td>4905</td>
</tr>
<tr>
<td>6</td>
<td>3803</td>
<td>5273</td>
</tr>
</tbody>
</table>
First of Month Rule!! What is that?

- SSI patients
  - Benefits start the beginning of the month (get claims filed)
    » Waiting = revenue loss to provider and patient

- Income and resources in calendar month count ALL month

- Protection of claim by end of month is critical.
What do income and resources include?

**Income**
- Money patient earns from work
- Money patient receives from other sources (SSA, VA, friends, or relatives)
- Free food and shelter

**Resources**
- Cash/bank accounts
- Land
- Personal property
- Life insurance

**Excluded Resources**
- Home patient lives in
- Primary vehicle
- Any resource without equity
Social Security counts income in two ways: Unearned and Earned

Unearned Income Formula
1. Income of patient
2. Subtract $20.00 general deduction
3. Subtract total countable income from FBR ($733.00)
4. Remaining amount is SSI benefit

Unearned Income - example
543.00 (Patient income)
-20.00 (General deduction)
$523.00 (Countable income)
$735.00 (FBR- SSI max payment)
-523.00 (Countable income)
$212.00 (Possible SSI benefit)
Social Security counts income in two ways – Unearned and Earned, cont.

**Earned Income Formula**
- Income of patient only during the month he/she became disabled
- Subtract $65.00 working deduction
- Subtract $20.00 general deduction
- Divide income in half
- Patient is eligible if number is below $735.00 per month

**Earned Income Example**
- $1200.00 (Patient income at onset)
- -$ 65.00 (Working deduction) = $1135.00
- -$ 20.00 (General deduction) = $1115.00 (Countable Income)
- Divide $1115.00 in ½ = $557.50 (Countable Income)
- $735.00 (SSI FBR)
- -$557.50 (Countable income) =$177.50 (SSI benefit)

* Missed the most by inexperienced Vendors – major revenue loss to provider
Nationwide snapshot of 100 hospitals
150+ beds – Remember Slide 14 (EOM)

In-Patient – Self Pay
• Of 3625 Accounts
• $76,623.00 Avg. balance
• $278,000,000 Total Charges

Out-Patient – Self Pay
• Of 10,950 Accounts
• $3007.00 Avg. balance
• $32,900,000 Total Charges
Citizen Vs. Resident

• LAPR = Legally authorized Permanent Resident

• Do you have an eligibility vendor that understands the Welfare Reform act of 1996?

☐ Not understanding this can lead to loss of revenue
The Welfare Reform Act of 1996

08/22/1996

Today

AFTER 08/22/96
1. Citizen
2. LAPR with 40 Credits

Before 08/22/1996
1. Citizen
2. LAPR…
Earning Credits

- Year 2015 = $1220.00 = 1 or $4880.00 = 4
- Year 2016 = $1260.00 = 1 or $5040.00 = 4
- Year 2017 = $1300.00 = 1 or $5200.00 = 4
- Total credits needed = 40
- 10 years of consistent work needed
<table>
<thead>
<tr>
<th>Disabled at age</th>
<th>Credits needed</th>
<th>Years of work</th>
</tr>
</thead>
<tbody>
<tr>
<td>31 through 42</td>
<td>20</td>
<td>5</td>
</tr>
<tr>
<td>44</td>
<td>22</td>
<td>5½</td>
</tr>
<tr>
<td>46</td>
<td>24</td>
<td>6</td>
</tr>
<tr>
<td>48</td>
<td>26</td>
<td>6½</td>
</tr>
<tr>
<td>50</td>
<td>28</td>
<td>7</td>
</tr>
<tr>
<td>52</td>
<td>30</td>
<td>7½</td>
</tr>
<tr>
<td>54</td>
<td>32</td>
<td>8</td>
</tr>
<tr>
<td>56</td>
<td>34</td>
<td>8½</td>
</tr>
<tr>
<td>58</td>
<td>36</td>
<td>9</td>
</tr>
<tr>
<td>60</td>
<td>38</td>
<td>9½</td>
</tr>
<tr>
<td>62 or older</td>
<td>40</td>
<td>10</td>
</tr>
</tbody>
</table>
What is the federal disability process our patients go through?

The Sequential Evaluation Process

1. Substantial Gainful Activity (SGA)
2. Is there a severe impairment that will last 12 consecutive months or result in death?
3. Impairment meets or equals the listing*
4. Is claimant able to perform past relevant work?
5. Is claimant able to perform other work generally available in the national economy?

* Listings are medical diagnoses provided by Social Security ([http://www.ssa.gov/disability/professionals/bluebook/AdultListings.htm](http://www.ssa.gov/disability/professionals/bluebook/AdultListings.htm))
What are the medical listings?

• 1.00- Musculoskeletal system
• 2.00- Special senses and speech
• 3.00- Respiratory System
• 4.00- Cardiovascular System
• 5.00- Digestive System
• 6.00- Genito-urinary System
• 7.00- Hemic & Lymphatic System

• 8.00- Skin
• 9.00- Endocrine system
• 10.00- Multiple Body Systems.
• 11.00- Neurological
• 12.00- Mental Disorders
• 13.00- Neoplastic Diseases
• 14.00- Immune System
What is the federal process for disability?

- Initial Application = 70% + get denied
- Request for Reconsideration = 86% + get denied
- Administrative Law Judge = 40% Approval rate
- Request for the Appeals Council Review
- District Court – (most if not all vendors will not conduct)
“It takes forever”
## How long does it take after a claim is filed?

<table>
<thead>
<tr>
<th>Process</th>
<th>National</th>
<th>Cardon</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Initial Process</td>
<td>120-150 days to get a decision</td>
<td>90-120 days to get a decision</td>
</tr>
<tr>
<td>2. The Reconsideration</td>
<td>Takes an additional 90 days</td>
<td>60 – 90 additional days</td>
</tr>
<tr>
<td>3. The Administrative Law</td>
<td>Averages at 440 days</td>
<td><strong>Averages at 240 days</strong></td>
</tr>
<tr>
<td>Judge Hearing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. The Appeals Council Review</td>
<td>Takes an additional 16-24 months</td>
<td>Takes an additional 16-24 months</td>
</tr>
</tbody>
</table>
## National Stats – Ranking 1-164

<table>
<thead>
<tr>
<th>Rank</th>
<th>Hearing Office</th>
<th>Region</th>
<th>Avg Processing Time - Today</th>
<th>Avg Processing Time - 02/2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>68</td>
<td>HOUSTON-BISSONNET</td>
<td>6</td>
<td>561</td>
<td>336</td>
</tr>
<tr>
<td>66</td>
<td>MCALESTER</td>
<td>6</td>
<td>556</td>
<td>368</td>
</tr>
<tr>
<td>58</td>
<td>ALBUQUERQUE</td>
<td>6</td>
<td>553</td>
<td>432</td>
</tr>
<tr>
<td>56</td>
<td>RIO GRANDE VALLEY TX</td>
<td>6</td>
<td>551</td>
<td>390</td>
</tr>
<tr>
<td>45</td>
<td>SAN ANTONIO</td>
<td>6</td>
<td>534</td>
<td>397</td>
</tr>
<tr>
<td>40</td>
<td>DALLAS DOWNTOWN</td>
<td>6</td>
<td>528</td>
<td>386</td>
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<tr>
<td>34</td>
<td>NEW ORLEANS</td>
<td>6</td>
<td>521</td>
<td>345</td>
</tr>
<tr>
<td>18</td>
<td>TULSA</td>
<td>6</td>
<td>461</td>
<td>312</td>
</tr>
<tr>
<td>17</td>
<td>LITTLE ROCK</td>
<td>6</td>
<td>459</td>
<td>352</td>
</tr>
<tr>
<td>15</td>
<td>DALLAS NORTH ODAR</td>
<td>6</td>
<td>452</td>
<td>352</td>
</tr>
<tr>
<td>14</td>
<td>FORT WORTH</td>
<td>6</td>
<td>449</td>
<td>354</td>
</tr>
<tr>
<td>8</td>
<td>OKLAHOMA CITY</td>
<td>6</td>
<td>422</td>
<td>429</td>
</tr>
<tr>
<td>7</td>
<td>SHREVEPORT</td>
<td>6</td>
<td>411</td>
<td>397</td>
</tr>
<tr>
<td>5</td>
<td>ALEXANDRIA</td>
<td>6</td>
<td>405</td>
<td>304</td>
</tr>
<tr>
<td>5</td>
<td>METAIRIE</td>
<td>6</td>
<td>405</td>
<td>265</td>
</tr>
<tr>
<td>4</td>
<td>HOUSTON NORTH</td>
<td>6</td>
<td>390</td>
<td>333</td>
</tr>
<tr>
<td>3</td>
<td>FORT SMITH</td>
<td>6</td>
<td>360</td>
<td>354</td>
</tr>
</tbody>
</table>

Note: The table includes hearing offices ranked from 68 to 1, with processing times in days.
# National Stats – Ranking 1-164

<table>
<thead>
<tr>
<th>Rank</th>
<th>ODAR</th>
<th>Region</th>
<th>Days</th>
<th>Days</th>
<th>+/- Days</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Jul-17</td>
<td>Jul-15</td>
<td></td>
</tr>
<tr>
<td>27</td>
<td>FORT MYERS FL</td>
<td>4</td>
<td>530</td>
<td>592</td>
<td>-62</td>
</tr>
<tr>
<td>138</td>
<td>FT LAUDERDALE</td>
<td>4</td>
<td>672</td>
<td>470</td>
<td>202</td>
</tr>
<tr>
<td>113</td>
<td>JACKSONVILLE</td>
<td>4</td>
<td>644</td>
<td>462</td>
<td>182</td>
</tr>
<tr>
<td>162</td>
<td>MIAMI</td>
<td>4</td>
<td>761</td>
<td>559</td>
<td>202</td>
</tr>
<tr>
<td>104</td>
<td>ORLANDO</td>
<td>4</td>
<td>628</td>
<td>389</td>
<td>239</td>
</tr>
<tr>
<td>55</td>
<td>TALLAHASSEE FL</td>
<td>4</td>
<td>574</td>
<td>460</td>
<td>114</td>
</tr>
<tr>
<td>131</td>
<td>TAMPA</td>
<td>4</td>
<td>660</td>
<td>457</td>
<td>203</td>
</tr>
</tbody>
</table>
The Perfect Storm – Going to get worse

- High Unemployment
- Fewer hours to the public

- **Baby Boomers!** – 1946-1964
• Remember Slide 4?

• Women accounted for about 50-60% percent of adult Social Security beneficiaries

• **The average age of disabled-worker beneficiaries is 54**

• 1 in 3 individuals who qualify, never even apply.

**Drivers of Disability**

• Sustained Unemployment
• Aging population
• Mental Health Related Claims
  • Over 1/3 of EVERY approved claim is due to mental health.
The Silver Tsunami – more people and less money

Beginning in 2011, Social Security will experience a dramatic increase in the number of baby boomers eligible for their Social Security benefits.

In fact, the SSA has labeled the upcoming years as the “Silver Tsunami.” When the baby boomers started turning 65 in 2011, 10,000 people turned 65 every day and will continue to do so for the next 20 years.

By 2030, almost one out of every five Americans (72 million people) will be 65 years or older. By 2050, the 65+ population is projected to be between 80 and 90 million.
Patients over the age of 50:

Why does it matter?

Typical disabled individual is over 50
How does age, education, and work experience affect the claim?

<table>
<thead>
<tr>
<th>Age</th>
<th>Education</th>
<th>Past Work</th>
</tr>
</thead>
<tbody>
<tr>
<td>Younger</td>
<td>Limited or less</td>
<td>Non-skilled</td>
</tr>
<tr>
<td>Approaching</td>
<td>High school</td>
<td>Semi-skilled</td>
</tr>
<tr>
<td>advanced age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Advanced age</td>
<td>High school/more</td>
<td>Skilled</td>
</tr>
</tbody>
</table>

Types of Exertional Demands (types of work):

- **Sedentary** - Exerting up to 10 pounds of force occasionally
- **Light** - Exerting up to 20 pounds of force occasionally
- **Medium** - Exerting up to 50 pounds of force occasionally
- **Heavy** - Exerting up to 100 pounds of force occasionally
- **Very heavy** - Exerting in excess of 100 pounds of force occasionally
Disability Rules

- **Social Security disability rules – Federal**
  - T16 (SSI) – Payable benefits cannot retro behind the SSI application date
  - T16 (SSI) – SSI payment starts the month after the file month
  - T2 – Benefits can retro 12 months prior to the application file date
  - T2 – Claimant must wait 5 months before his payment is compounded
  - T2 – Medicare starts 25 months after the first payment month
Don’t let patients guide themselves
Garbage in, Garbage out

- 70%+ of all claims get denied the first time
- Sometimes personally helping a patient is not always the best route to take (Are you a disability expert? Do you really want to be?)
• Patients are going to get help when applying for disability.
• Even the insured need help
• Out of pocket costs
• Monthly revenue

• #1 reason claims get denied ????????????????
• MedData IS ONLY PAID IF THE PATIENT WINS: NOTHING IS EVER PAID TO US IF WE ARE NOT SUCCESSFUL.

• Cost to the referring hospital $0.00

• It’s a ONE TIME payment to the representative from prior benefits received (no future or recurring payment of the patients).

• The federal government authorizes a ONE TIME fee of 25% or $6000.00 (whichever is LESS). (Example: Most fee payments to our representatives are only a few hundred dollars. If patient receives $2000.00 in retro disability benefits, Cardon’s onetime fee is $500.00).

• Mandated by the federal government. (MedData is not authorized to charge anything more than what the federal government allows).

• The payment is paid directly to the representative (patient never has to write a check).
QUESTIONS?

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