

Good morning, Honorable Chairs and Members of the Committee on Health and Human Services

Today, there are 84,000+ working age adults receiving Social Security disability benefits in Maine. This is 10% of Maine's working-age population, and ranks us 6<sup>th</sup> in the nation per capita. All of these individuals are eligible to receive public health insurance, Medicare and/or MaineCare. When considering employment, individuals worry about the impact of earnings on their medical safety net.

Maine Medical Center's Department of Vocational Services has provided Benefits Counseling Services to individuals with disabilities in Maine since the service was created by the Ticket to Work and Work Incentives Improvement Act of 1999. Our staff of six Community Work Incentives Coordinators (CWICs) are specifically and intensively trained to advise Mainers receiving disability benefits who work on how earned income will impact – or not impact – their benefits, including but not limited to MaineCare. I have advised hundreds of individuals since being hired in 2007, and now coordinate the program.

Please consider this:

- Those of us employed full-time enjoy the benefit of employer-based health insurance; continued employment ensures continued health coverage.
- People receiving disability-related MaineCare receive it due to disability and low income; most fear that wages from employment will mean losing health insurance. The majority of individuals will work fewer than 35 hours/week and do not have access to employer-based health insurance. We have heard time and again from our clients that their biggest fear is not loss of cash benefits, but loss of health care coverage.

Although this fear is understandable, the little-known reality is that there are rules already in place to reduce countable earned income in MaineCare regulations. With respect to part one of the bill, adding more rules that affect only one category of MaineCare disability-related coverage is not equitable and will likely just add to the confusion and difficulty in managing benefits while navigating a return to work.

We believe that part one of this bill is **well-intentioned but inadequate** to address the issues that impact all individuals receiving MaineCare in a disability-related category. Current MaineCare rules, see details on reverse, could be adjusted or expanded to address this bill's intent.

We support part two of the bill, excluding income received from participation in vocational rehabilitation. This income is typically time-limited and paid as part of a work assessment necessary to evaluate a person's work capacity. Other public benefits programs such as Supplemental Security Income (SSI) and Housing and Urban Development (HUD) also exclude income received from vocational rehabilitation participation.

Should this bill move forward to a work session, I would be happy to participate in the discussion.

Respectfully submitted,

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Most individuals eligible under the MaineCare waiver category can keep MaineCare while working through existing MaineCare work incentives such as SSA's 1619(b) and DHHS' Working Disabled.

- 1619(b) allows continued MaineCare for SSI recipients whose wages are less than \$35,735 in 2017. Social Security can determine a higher 1619(b) limit for those with unusually high medical expenses.
- Working Disabled excludes 50% of earned income after the first \$65 earned per month. Monthly income *after* earned income exclusions and other deductions must be below 250% of the Federal Poverty Level. In 2017, this is \$2,513 a month for a single person or \$3,384 a month for a married couple. This is a generous income limit considering 50% of earnings are excluded. However, many people with disabilities are not eligible for this program when they begin working because unearned income (SSDI, Disabled Adult Child benefits, VA benefits, etc.) must be below 100% of the FPL.

Long Term Care rules, which are applied when a waiver individual is NOT eligible under any other disability-related MaineCare category, count 100% of gross monthly income and do not exclude any portion of earned income, unlike other disability-related MaineCare categories such as Working Disabled, SSI Related, and Medicare Buy-in.

- We encourage the committee to explore whether the Centers for Medicare & Medicaid Services allow changes to how earned income is counted for Long Term Care MaineCare eligibility.

Rather than exclude all wages for anyone receiving work supports, we suggest the following alternatives to ensure wages for all people with disabilities are treated equally:

- Disregard \$65 and ½ of all gross job wages and Impairment-Related Work Expenses for all waiver recipients under Long Term Care MaineCare eligibility rules, as done for all other disability-related MaineCare categories.
- Consider increasing or eliminating the unearned income limit for Working Disabled MaineCare. This would allow the vast majority of waiver recipients eligible under Long Term Care MaineCare rules to transition to Working Disabled when employed. This change would also increase Working Disabled access to other Maine citizens with disabilities whose unearned income is currently at or over 100% FPL.

MaineCare Eligibility Examples of People with Disabilities Earning Same Wages	SSI Benefit	SSDI/DAC Benefit < 100% FPL	SSDI/DAC Benefit > 100% FPL
Benefit Amount Not Working	\$735	\$900	\$1,250*
Eligible MaineCare Category	SSI Related	SSI Related	Long Term Care
Job Earnings	\$1,100	\$1,100	\$1,100
Benefit When Working	\$227.50	\$900	\$1,250
Gross Monthly Income	\$1,327.50	\$2,000	\$2,350
Countable Monthly MaineCare Income	\$670.00	\$1,342.50	\$2,350
Eligible MaineCare Category When Working	SSI Related	Working Disabled	Over income for Long Term Care
Income Limit for Category	\$35,735/year	\$2,513/month	\$2,205/month

\*Average Social Security Disability Benefit in 2/2017

[https://www.ssa.gov/policy/docs/quickfacts/stat\\_snapshot/2017-02.html](https://www.ssa.gov/policy/docs/quickfacts/stat_snapshot/2017-02.html)