



Overview of Title II Benefit Phases

The two most common Title II benefits that BenefitU supports are **Social Security Disability Insurance (SSDI)** and the **Childhood Disability Benefit (CDB)**, formerly known as **Disabled Adult Child (DAC)**. Eligibility for these benefits are determined by earning work credits either by the beneficiary (SSDI) or a parent who is drawing on their SSA benefits due to disability, retirement, or based on the record of a parent who has passed away (CDB).

Title II benefits move through three phases. It's important for beneficiaries and their teams to understand the phases and rules related to each to ensure that they are able to utilize and manage their benefits in a way that works for them. The information below provides an introductory snapshot of Title II benefit phases. To learn more, please visit www.benefitU.org.

Phase 1 – Trial Work Period (TWP)

During Trial Work Period, beneficiaries gross earnings (how much you make before taxes are taken out) are measured against a Trial Work Period threshold. This amount changes each year and can be found on Social Security's website.

If a beneficiary earns over the TWP threshold it will count as 1 of 9 available Trial Work Period Months. Beneficiaries will continue to receive their Title II cash benefit during the TWP even if they earn over the threshold amount. Once the beneficiary has gone over the TWP threshold 9 times they will move into phase 2, the Extended Period of eligibility.

- SSA only looks at the last 60-months when counting TWP months. This is called a 'Rolling 60-month period.'
- TWP Length: 9 non-consecutive months earning above Trial Work Period threshold. Uses a 'rolling 60-month period.'
- Earning limits to receive cash benefit: No, you may earn as much as you like during your TWP and still receive a cash benefit.
- Do Work Incentives apply: No. Title II work incentives do not apply during the TWP.

Phase 2 – Extended Period of Eligibility (EPE)

The Extended Period of Eligibility is a consecutive 36-month period where a person's eligibility to receive a Title II cash benefit is based on a new threshold called Substantial Gainful Activity (SGA). SGA measures the gross earned income a person receives during a month through employment. This amount may also change annually and can be found on SSA's website. The Extended Period of Eligibility starts the month immediately following the end of your Trial Work Period.



While in the EPE think of your monthly Title II cash benefits like a light switch, if gross wages are under SGA the light stays on and a check is received. If gross wages are over SGA and there are not additional deductions such as Work Incentives to consider, the light switch is turned off and a check is not issued for that month*.

Following the 36th month of the EPE, beneficiaries will move to the Post-EPE phase.

***NOTE:** SSA is typically 2 month 'behind' and so wages earned in January will likely be reflected in a March payment.

- EPE Length: 36 consecutive months.
- Earning limits to receive cash benefit: Yes. During this phase SSA uses Substantial Gainful activity to determine cash benefit eligibility.
- Do Work Incentives apply: Yes.
- Possible Additional Benefits: Medicare Eligibility after two years of Title II Benefits.

Phase 3 – Post-EPE

Immediately following the 36-month Extended Period of Eligibility (EPE) ending, beneficiaries will move to the Post-EPE. Beneficiaries can remain in the Post-EPE indefinitely, but it is important to know that once in the Post-EPE, going over SGA will result in a termination of Title II cash benefits.

If you stop performing SGA within 5 years of losing your Title II benefits, you can request reinstatement of Title II benefits without a new application. This is called an Expedited Reinstatement of Benefits (EXR). While an EXR decision is being made, beneficiaries will receive 6 months of 'provisional benefits,' including continuation of Medicare benefits.

If approved, the Expedited Reinstatement will restart benefits with a new Trial Work Period and Extended Period of Eligibility.

- Post-EPE Length: Indefinitely, or until countable gross wages surpass SGA.
- Earning limits to receive cash benefit: Yes. During this phase SSA uses Substantial Gainful activity to determine cash benefit eligibility.
- Do Work Incentives apply: Yes.

Additional Title II Considerations



Title II Benefits and Medicare:

- Recipients of Title II benefits are typically eligible for Medicare coverage after 24 months of Title II benefit eligibility.
- Medicare coverage will be maintained indefinitely as long as a beneficiary remains eligible for Title II cash benefits.
- Medicare coverage will continue for at least 93 months (7yrs 9 months) following the end of the Trial Work Period even if a beneficiary becomes ineligible for Title II cash benefits. Additionally, continued coverage can be purchased if a person's disability continues beyond the 93 month period.
- Beneficiaries can hold Medicare, Medicaid, and private insurance concurrently.

Reporting, Dual Eligibility, and Other Considerations:

- Individuals can be eligible for and receive SSI and Title II benefits at the same time.
- Many people do not realize that they may remain eligible for SSI after they start receiving a Title II cash benefit, even if they no longer receive an SSI check. This is called 1619(b) status. Because of this, Benefit U encourages people to continue to report their wages to Social Security on a monthly basis and follow SSI / Medicaid rules to ensure continued eligibility.
- It is also possible to be eligible for SSDI and a Childhood Disability Benefit (CDB) at the same time. If that is the case, please know that each benefit will move through their own phases and timelines based on the date that eligibility began.

For more information on Title II benefits, SSI, Medicare, Medicaid, or to see if you are eligible to work with a BenefitU Benefits Planner, please visit www.benefitu.org