



California's Working Disabled Program Got Even Better ~ Summary of Changes in Effect Since 8/1/11

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The California Working Disabled (CWD) program is designed to encourage and support people with disabilities to participate in the workforce while still qualifying for Medi-Cal's health insurance benefits. Because of this program, people with disabilities don't have to choose between work and Medi-Cal; they can have both. Also, contrary to the common assumption that being on Medi-Cal equals poverty, people in California's Working Disabled program can earn an income and build their assets. This article reviews the benefits and eligibility of this program and outlines several changes that went into effect August 2011, due to AB 1269. These changes make this program even better, including allowing additional income and resource exemptions, and allowing enrollees who are temporarily unemployed to stay in the program.

What are some of the benefits of participating in the CWD program?

The CWD program is for anyone who has a disability AND works. Individuals can earn up to \$56,892 (\$76,692 for a couple) gross income per year for the period 4/1/2012 – 3/31/2013. A person's gross income includes all their earned income before taxes (salaries, wages, tips, etc), and their unearned income, which includes funds from sources for which no work was performed, such as Social Security Disability Income, Veterans benefits, spousal income, income from investments or a trust, etc.

Also, while the CWD program does have the same asset limits as many other Medi-Cal programs (\$2,000 for an individual and \$3,000 for a couple), certain additional funds are exempt. For example, all IRS approved retirement products such as Individual Retirement Accounts (IRAs) are excluded from these limits.

The CWD program has an affordable monthly premium, which is based on the person's or family's countable income (this does not include disability benefits). For a single individual, the premium range is \$20 - \$250 per month; for a couple, the range is \$30 - \$375. The premium amount is often significantly less than the cost of private insurance coverage, and may be less than the share of cost one has to meet in the Medi-Cal Share of Cost (a.k.a. Medically Needy) program.

Additional benefits for people on Medicare and the CWD program

People who are enrolled in both Medicare and the CWD program have additional benefits. For example, Medi-Cal pays for their Medicare Part B premium (\$99.90 per month in 2012). A beneficiary can also access In Home Support Services (IHSS) to get personal assistance services that are not covered by Medicare or private insurance.

In addition, if a Medicare beneficiary enrolls in California's Working Disabled program they automatically qualify for Medicare Part D's Extra Help, also known as the Low-Income Subsidy, which covers the premium and deductibles of benchmark Part D prescription drug plans. Their prescription copays are up to

\$6.50 per prescription. Note that Medi-Cal does not cover the cost of Part D copays.

Who is eligible for the CWD program?

To be eligible for the CWD program, a person:

- Must meet the medical requirements of Social Security's definition of disability, but are not required to meet the agency's income and work requirements.
- Must be working and earning income (this can be part-time and/or self-employed work). Note that the CWD program has a loose definition of work and can include anything from a salaried employee position, to self-employment and/or part-time work. A person just needs to show proof of employment or self-employment, with either a pay stub, written verification from an employer, written agreement, a W-9 form or an IRS tax return.
- Must have **Countable Earned Income** at or below 250% of the federal poverty level:
 - Individual: \$2,328/month
 - Couples: \$3,153/month
 - **Note:** one's countable earned income differs from one's gross income in that does not include any unearned income. This includes disability income, such as Social Security Disability Insurance (SSDI), worker's compensation, California State Disability Insurance (CSDI), or any federal, state or private disability benefits. It only includes the income one earns (salaries, wages, etc.) minus certain deductions. For example, people with Impairment Related Work Expenses (IRWEs), expenses that broadly relate to both their disability and their work, can deduct these expenses from their total earned income. A couple of examples of IRWEs include special eyeglasses needed for job performance or transportation assistance necessary for getting to one's job.
- Must have assets worth less than \$2,000 for an individual or \$3,000 for a couple. (Note: they can have other assets saved in a separate account and/or any retirement income savings accounts – see below for more details.)
- Does not need to be on the Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI) program.
- Can receive IHSS personal assistance services. In this program, they're available at home and at the workplace.

AB 1269 – Making the California Working Disabled program even better

AB 1269 was signed into law in October 2009, and many of the provisions became effective in August 2011. By highlighting the program and the recent changes, we hope that people who may be eligible but don't know about the program may apply and take advantage of the benefits. The following changes became effective August 2011:

- Enrollees may make their monthly premium payments to the Department of Health Care Services (DHCS) using Electronic Fund Transfer (EFT) payments from their bank.
- Social Security retirement income that converted from Social Security Disability Insurance (SSDI) income is exempt from countable income to determine eligibility. However, Social Security retirement income is not exempt for calculating one's premium amount.
- An enrollee's retirement accounts that are currently exempt under the Medi-Cal's California Working Disabled program will continue to be exempt if or when this individual becomes eligible for other Medi-Cal programs that have age, blindness or disability as an eligibility requirement.
- Retained earned income is exempt as long as it is held in a separately identifiable account and not combined with other resources that are held in regular savings and checking accounts.

- the Medi-Cal program; interest income is considered unearned income.
- o To be eligible for any Medi-Cal program, a person has to meet the asset limit (\$2000 for a single individual and \$3000 for a couple). However, once a person is enrolled, s/he will be able to save earned income with no cap.
 - o Enrollees may remain in the program for up to 26 weeks (in each annual eligibility period) if they are temporarily unemployed so long as they continue to pay the premium.

All of these above-mentioned new features are "retroactive." This means that if a person was denied enrollment or dropped from the CWD program at any point since August 1, 2011 but could have remained in the program due to the changes, s/he can file an appeal.

Spread the word!

While the CWD program began in 2000, it currently has fewer than 6,000 enrollees across the state. This excellent program can potentially benefit many more Californians, and we encourage you to share this article and educate the public on its benefits. Two websites for more information and answers to your questions are the Disability Benefits 101 website and the California Health Incentives Improvement Project website. Also, see our website for a brief overview of the program.

To apply for the CWD program, people can make an appointment with a local Medi-Cal county coordinator who is authorized to work with this program. CHIS has a list of all these county coordinators throughout the state.

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