

SSI's Plan For Achieving Self Support (PASS)

The PASS is a special SSI rule that allows an individual to exclude, or not count income or resources that are used to support a work goal.

Background: SSI's Income and Resource Rules

- ◆ In New York, an SSI recipient typically receives monthly benefits based on an SSI rate of \$761 (living alone) or \$697 (living with others). The rates change each year.
- ◆ If the individual has income, other than the SSI check, a part of that income is subtracted from the SSI base rate to determine the monthly SSI payment.

Example. Joan, age 20, lives alone and receives Social Security Disability Insurance (SSDI) of \$620 per month based on a mental illness. The SSI program will disregard \$20 and the remaining \$600 is subtracted from the \$761 SSI base rate, giving Joan a \$161 monthly SSI check. Her total monthly income is \$781 (\$620 SSDI, \$161 SSI).

- ◆ An SSI recipient is allowed no more than \$2,000 in countable resources. A bank account, cash on hand, stocks, and bonds, for example, will count against the \$2,000 limit.

How a PASS Works

- ◆ When income or resources are used in an approved PASS to support a work goal, the income or resources will not count when determining SSI eligibility.
- ◆ The result is that the individual will be eligible for SSI or a larger SSI payment based on the countable income and resources that remain.

Example. Joan from above plans to attend a two-year community college program to become an occupational therapy assistant. She will receive support from the Office of Vocational and Educational Services for Individuals with Disabilities (VESID) to pay for tuition, transportation to college, and books. She will still need the following to achieve her work goal: \$600 for a laptop computer; \$9,000 for a used car to travel to work or work sites; and \$600 for the first six months of car insurance. Joan proposes to set aside \$600 of her SSDI check each month to save for these items to meet her work goal.

If Joan's PASS proposal is approved, the SSI program will no longer count the \$600 of SSDI. This will reduce her countable income to \$0 and increase her SSI check to \$761 per month. With \$600 per month in PASS savings, in 17 months she can save the \$10,200 needed to pay for the computer, car, and insurance. If her PASS starts in July 2009 and continues through November 2010 (17 months), she can purchase her car and insure it as early as December 2010, allowing her to travel to internships and job interviews based on a projected graduation in May 2011. Joan still has \$781 for monthly living expenses (\$761 SSI, \$20 of SSDI not counted under usual rules).

Criteria for PASS Approval

- ◆ Must be in writing using Form SSA-545
- ◆ Must contain: a feasible work goal; a savings and spending plan; a list of items and services needed and their cost; and a timetable for achieving the goal
- ◆ Must be expected to increase person's prospect for self support
 - For individual who receives SSI before PASS is approved, the work goal must be expected to significantly reduce the SSI payment amount
 - For individual who receives only SSDI before PASS is approved, the work goal must be expected to eliminate the SSDI check (i.e., the resulting work must be at the substantial gainful activity level, i.e., \$980 per month in 2009)

The Feasible Work Goal

- ◆ Must specify a job or profession
- ◆ Must have reasonable chance of attaining the goal, in light of the disability
- ◆ Goal could be for full-time or part-time work
- ◆ Goal could be to move from part-time to full-time work

What Money Goes Into a PASS?

- ◆ Earned income (wages from a job, income from a business)
- ◆ Unearned income (such as a Social Security check or VA pension)
- ◆ Resources (such as savings, personal injury award, inheritance, lump sum Social Security or SSI award)

What Expenses Are Allowed in an Approved PASS?

All reasonable and necessary expenses, such as:

- ◆ College or training costs
- ◆ Transportation, including vehicle lease or purchase
- ◆ Vehicle insurance, maintenance, repairs, warranty costs
- ◆ Computer, software and Internet costs
- ◆ Work clothes, professional clothing
- ◆ Business start-up costs
- ◆ Child care
- ◆ Anything reasonably tied to the work goal

Time Limits

- ◆ The PASS can be approved for whatever period of time is needed to achieve the goal

Practical Considerations

- ◆ An individual who is not currently an SSI recipient must submit an SSI application along with the PASS proposal. E.g., if Joan receives \$920 in SSDI per month and no SSI, she would need to submit an SSI application with her PASS proposal.
- ◆ An individual must be prepared to meet monthly living expenses with the income that remains after money is set aside to meet PASS expenses. E.g., if Joan receives \$920 in SSDI and \$900 goes into an approved PASS, she will get \$761 per month in SSI, giving her \$781 per month for living expenses.