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How to Use Medicaid Once Your Child has SSI

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- The state's largest organization advocating for children and adults with intellectual and developmental disabilities (IDD) and their families.
- Affiliated chapter of The Arc of the United States.
- Community-based, direct support services available statewide through our network of 20 local chapters across all 21 counties in NJ.
- Primarily an advocacy organization, conducting public policy work, community outreach, and information and referral services.

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Disclaimer

Information shared in this presentation is intended for informational purposes only. It should not be construed as formal legal or medical advice.

Final determinations regarding Social Security and Medicaid eligibility, SSI cash payments, and other applicable adjustments are made by the Social Security Administration and NJ FamilyCare/Medicaid, and are subject to the individualized situation of each beneficiary.

For the most accurate information regarding Social Security benefits, speak with a representative at your local office, visit SSA.gov, or call the national Social Security number: 1-800-772-1213.

Regarding Medicaid, call NJ FamilyCare: 1-800-701-0710, contact your local county social services agency or Medical Assistance Customer Center (MAAC) office, or visit the NJ FamilyCare website.

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Social Security Benefits

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Supplemental Security Income (SSI)

- SSI provides monthly payments to people with disabilities and older adults with little or no work history, income, and resources, through the Social Security Administration (SSA)
- SSI Federal maximum for an eligible individual: **$994**
    - NJ adds an SSI supplement - person can receive up to **$1,025.25/month**
- SSI eligibility automatically qualifies someone for Medicaid (NJ FamilyCare health insurance)

Visit: https://www.ssa.gov/ssi

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SSI Eligibility

- **Most people with IDD qualify for SSI upon turning age 18**, when they are considered an adult
- Some children under age 18 do qualify for SSI.
  - SSA considers household/parental income and resources.
  - Child must have medically determinable physical or mental impairment(s) resulting in marked and severe functional limitations.
- SSI eligibility is reviewed on an ongoing basis, and is **redetermined when the child turns 18 under the adult rules**.

SSI for Children: https://www.ssa.gov/ssi/text-child-ussi.htm

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Social Security Disability Insurance (SSDI)

- Social Security Disability Insurance (SSDI) or “Disability” provides monthly payments to people who have a disability that stops or limits their ability to work.
    - A person is paid based off their work record.
- Automatic enrollment into Medicare after 2 years of being eligible for SSDI benefits.
- Some children qualify for a “**child’s benefit**” because a parent has retired or become disabled, and collects Social Security, or has passed away, which entitles the child to a Survivor’s Benefit.

Visit: https://www.ssa.gov/disability

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SSI or SSDI?

- **SSI = Supplemental Security Income** - Based on having a severe disability that limits or prevents work, and having very limited income and resources.
  - Many families apply for SSI when their child turns 18.
  - Provides Medicaid

- **SSDI = Social Security Disability Insurance** - Based on Social Security's determination of a disability and a person's work credits.
  - A child can receive Social Security based on a parent's work record.
  - Provides Medicare (after 2 years)

SSI and SSDI Guide

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How to Spend SSI?

- SSI is intended to be spent on the person's basic, most essential needs, including:
  - Food/groceries
  - Rent/mortgage/shelter costs
  - Utilities
  - Medical expenses (not covered by insurance)
  - Clothing
  - Personal needs/recreation
- SSI has a **$2,000** asset limit - must remain below this amount.
- If a parent/guardian is the representative payee, you are responsible for managing the SSI benefits and resources of the child.

A Guide for Representative Payees

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What Determines SSI Benefit Amount?

- NJ residents: highest single SSI benefit is **$1,025.25/month**
- Your SSI benefit may be lower based on your:
  - Countable income (earned and unearned)
  - Your living situation
  - Other various factors

- For children under age 18, the income and resources of other people in the household are also considered.
- **Keep Social Security updated on changes!**

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Countable Income and SSI

Earned income (SSI disregards about half)

- Wages, self-employment

Unearned income (SSI disregards $1 for $1)

- SSDI
- Unemployment
- Child support
- Pension

For children under age 18, the income and resources of other people in the household are also considered.

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Example: Income and the SSI Benefit

John works part-time and earns **$1,400/month**. He lives on his own and pays for all his expenses. He has no other income, besides SSI.

1. (*SSI disregards the first $20 and $65 of earned income*):
    - $1,400 - $85 = $1,315
2. (*SSI disregards half of earned income over $65*):
    - $1,315/2 = $657.50
3. (*SSI maximum*) $1,025.25 - $657.50 = **$367.75** SSI payment

John's total monthly income is **$1,767.75**

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Living Arrangements

- Living arrangements affect a person's monthly SSI.
- SSI considers whether someone is living alone, or living with others, and if they pay their their "fair share" of household expenses.
    - "Shelter costs" = rent/mortgage, utilities, etc.
- A person living with others, who is not paying their fair share, is considered to be receiving **"in kind support and maintenance" (ISM)**
- ISM can reduce the person's SSI check by **up to 1/3rd** of the Federal Benefit Rate = **$331.33** (in 2026)

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Rental Agreements

- If an SSI recipient lives in another person's household, to avoid an ISM reduction of their SSI, must document payment towards household expenses.
- Some households use a **rental agreement**.
- Sample SSI rental agreements can be found online
- The agreement should include the renter's and landlord's names, the rental address, and the amount, purpose and frequency of payment. Upon request, the renter should be able to produce rent receipts.
- Document prevailing rents in the area. An important condition is that the individual pay fair market value for what is received.

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Rental Agreements (cont.)

- You cannot charge your adult child a “discounted” rental rate.
- If the SSI recipient cannot afford the fair market rental rate for your area, Social Security may reject a rental agreement.
    - Example: average rent for a 1 bedroom apartment in your township/county is $1,500/month. And your adult child has no other income besides SSI.
- For some household, it might be more simple for the person’s SSI payment to reduced by 1/3rd of the FBR each month.

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Reporting Income to SSI

SSI recipient or their representative payee must report monthly income to Social Security.

See here: https://www.ssa.gov/ssi/reporting/wages.

Report wages:

- Online through the SSA portal
- Utilize the SSA Mobile Wage Reporting App
- Automated telephone number: **+1 866-772-0953**

Sign up for reporting reminders
SSA will send an email or text message every month that reminds you to report your wages. Sign up to get reporting reminders

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Disabled Adult Child (DAC)

- When a parent retires or becomes disabled and starts collecting Social Security benefits - if their adult child receives SSI, often become eligible to receive Social Security based on the parent's work record.
- May also happen if a parent passes away - "**Survivor's Benefit**."
- When the adult child previously had SSI, they are classified as a **Disabled Adult Child -** or **"DAC"**
- The DAC benefit is a continuation of the Social Security **"Child's Benefit"** beyond age 18.
- For adult children with disabilities, this benefit can continue beyond age 22 - check with Social Security!

NJ DHS DAC Flyer



Disabled Adult Children (§1634 DAC)

§1634 DAC Eligibility Group Requirements*:
An individual who was receiving Supplemental Security Income (SSI) benefits and meets the following:

- Is at least 18 years of age;
- Has blindness or a disability which began before the age of 22;
- Has been receiving Supplemental Security Income (SSI) based on blindness or disability; and
- Has lost Supplemental Security Income (SSI) due to the receipt of Social Security benefits on a parent's record due to the retirement, death or disability of a parent.

*A person who meets all of the above criteria may qualify as a Disabled Adult Child under Section 1634 of the Social Security Act (regarding DAC). This designation comes from the Social Security Administration. Eligibility for Medicaid may continue as long as the person is determined blind or disabled. However, if the person receives income from another source or exceeds the resource limits, they may become ineligible for Medicaid coverage.

I lost my SSI benefits and Medicaid coverage when I started receiving Social Security Disabled Adult Child (DAC) benefits. The DAC benefits caused me to be over the SSI income limit. What should I do?

You or your guardian should have received a letter from the Social Security Administration (SSA) verifying that you may continue to be eligible for Medicaid coverage under the §1634 DAC eligibility group. If you did not receive or no longer have this letter, call the Social Security Administration at 1-800-772-1213, Monday through Friday between 7 am and 7 pm, to request a Benefit Award letter verifying Social Security benefits as a Disabled Adult Child or Disabled Dependent Child who received SSI in the past.



Obtaining Medicaid after Losing SSI Benefits

For individuals ENROLLED in the Division of Developmental Disabilities (DDD) Supports Program or Community Care Program:

DDD will send you or your guardian the NJ FamilyCare Aged, Blind, and Disabled Programs **Request for Information (RFI) Packet in a blue envelope**, including instructions about where to send the completed form. It is important to complete this RFI Packet as soon as possible and return it as instructed. After your packet is reviewed (this can take up to 90 days), you or your guardian will receive a Final Determination letter.

For individuals NOT ENROLLED in the DDD Supports Program or Community Care Program:

Your local County Board of Social Services will send you the NJ FamilyCare Aged, Blind, and Disabled Programs **Request for Information (RFI) Packet in a blue envelope**. It is important to complete this RFI Packet as soon as possible and return it to the County Board of Social Services. After your packet is reviewed (this can take up to 90 days), you or your guardian will receive a Final Determination letter.

If you do not receive the RFI Packet soon after you are notified about your Medicaid being terminated, **contact your County Board of Social Services to request it**: **www.nj.gov/humanservices/njsnap/home/cbss.shtml**



If you have questions, or if you have difficulty obtaining Medicaid for an individual who may be eligible for §1634 DAC status, please contact your support coordinator or send an email to DDD's Medicaid Eligibility Help Desk: **DDD.MediEligHelpdesk@dhs.nj.gov**

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NJ FamilyCare/Medicaid Benefits

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NJ FamilyCare - Medicaid

- **NJ FamilyCare** is the name for the **NJ Medicaid** program.
- Includes the **Children's Health Insurance Program (CHIP)**

Main Types of Medicaid:

1. **NJ FamilyCare Medicaid** insures people with lower incomes up to age 65. Considers income and household size.
    - Expanded Medicaid eligibility for adults (ages 19-64) with income up to 138% of the FPL.
2. **NJ FamilyCare Aged, Blind, Disabled (ABD) Programs** are different programs that cover people age 65+, some people enrolled on Medicare, and people determined blind or disabled by Social Security or the state.
    - Medicaid waivers are also available.

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Medicaid Enrollment

- If your child qualifies for SSI, automatically qualifies for Medicaid.
- Do not need to do a Medicaid application.
- Must choose a health plan, through a "**Managed Care Organization**" **(MCO)**
- Five health plans (MCOs) participate in New Jersey's NJ FamilyCare Medicaid program:

1. Aetna Better Health of New Jersey
2. Fidelis Care
3. Horizon NJ Health
4. UnitedHealthcare Community Plan
5. Wellpoint (formerly Amerigroup New Jersey)

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NJ FamilyCare Services

NJ FamilyCare is a comprehensive healthcare coverage program that provides a wide range of services:

- Doctor visits
- Eyeglasses
- Hospitalization
- Lab tests
- X-rays
- Prescriptions
- Regular check-ups
- Mental health
- Dental
- Preventive screenings
- Autism services
- Community doula services
- Help with personal care needs

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Personal Care Assistance (PCA)

Personal Care Assistance (PCA) services are non-emergent, on-going health related tasks performed by qualified staff, such as a home health aide.

The number of hours authorized is based upon medical necessity, determined by a nursing assessment (through the Medicaid MCO).

PCA services can include assistance **"Activities of Daily Living" (ADLs)** such as:

- care of teeth and mouth
- ambulation
- grooming
- shaving
- toileting
- assistance with feeding
- assistance with dressing

and more!

Visit here:
https://www.nj.gov/humanservices/dds/hottopics/personalcare/

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Eligibility and Accessing PCA

Eligibility

In order to qualify for PCA services, recipients must:

- Obtain a doctor's order to receive the service (do not have to be permanently disabled).
- Live in a community-based residence or group home, skill development home, supervised apartment or other congregate living program where personal care is not provided as a part of the service package included in the living arrangement.
- Have a documented need for hands-on personal care.

Accessing Services

PCA services are administered directly through a members NJ FamilyCare managed care organization (MCO). To apply, contact your **MCO** directly.

Visit here:
https://www.nj.gov/humanservices/dds/hottopics/personalcare/

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Personal Preference Program (PPP)

- The NJ **Personal Preference Program (PPP)** offers a way for NJ FamilyCare members, who qualify for the **PCA** service, to remain in their home, active in their community, and does not require the use of a home health care agency.
- PPP allows you to self-direct services and choose your own paid caregiver, such as a family member, close friend, or another trusted individuals.
- The PPP requires greater individual responsibility, but in return, offers greater control, flexibility and choice over the services you receive. If you have any questions or concerns, please feel free to **contact the state PPP team**.

Visit here:
https://www.nj.gov/humanservices/dmahs/individuals-families/njppp.shtml

**Please note not all NJ FamilyCare plans cover PCA/PPP. CHIP Plans B, C, and D typically do not cover the service.*

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Choosing an MCO/health plan

To choose a Health Plan ask yourself these questions:

1. What NJ FamilyCare Health Plans are available in my county?
2. What doctors or specialists do we see and what Health Plan do they participate in?
3. Does the Health Plan have other participating doctors, dentists, and drug stores that are convenient for me to use?

For more information on how to enroll in a Health Plan, call the NJ FamilyCare Health Benefits Coordinator at **1-800-701-0710** (TTY: 711)

Visit: https://njfamilycare.dhs.state.nj.us/choos.aspx

- **Health Plan Brochure (English)**
- **Health Plan Brochure (Spanish)**

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Using your Medicaid

- You should always verify if a provider accepts your Medicaid MCO health plan.
- Bring your applicable MCO/health plan insurance ID card, and any other health insurance ID cards.











Health Benefits ID Card

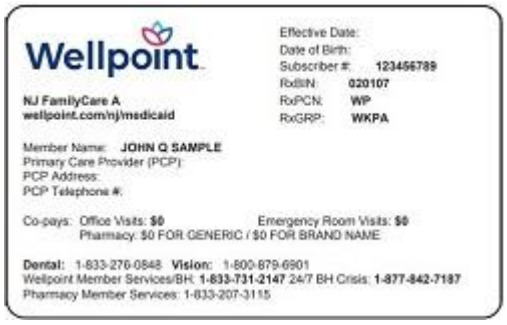
- In addition to your health plan card, you have a blue and white "**Health Benefits Identification**" card
- It is important that you **bring both cards** any time you see your provider.
- The provider will know the benefit package and how to bill for the services when both cards are presented.













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Navigating Medicaid Benefits

- If you have questions about your specific plan benefits, or need help finding a provider, you should contact your health plan.
- Each health plan has directories of providers and provide member assistance to access services.
- Call the number on your health plan ID card, or visit your health plan's website for more information:
  - Aetna Better Health of New Jersey
  - Fidelis Care
  - Horizon NJ Health
  - UnitedHealthcare Community Plan
  - Wellpoint (formerly Amerigroup New Jersey)

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Changing Health Plans/Challenges

- For more information on how to enroll in a Health Plan, or switching your current health plan, call an NJ FamilyCare Health Benefits Coordinator at **1-800-701-0710** (TTY: 711).
- A person can switch their health plan at any time for a "**good cause**" (cannot find specialists in network, suitable provider near you, etc.)
- New plan enrollment is usually on the **1st day of the month** (sometimes can be retroactive)
- **If you encounter providers listed as in network with your health plan, but the provider says they do not accept that plan…**
    - Document and report this to the MCO. Submit a complaint if needed.
    - Can also report this to NJ FamilyCare. Call the state office at 1-800-701-0710 or your local Medical Assistance Customer Center (MACC), which help Medicaid members with questions/concerns.

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Keep NJ FamilyCare Updated

- Changes must be reported Medicaid (or Social Security, for SSI beneficiaries):
  - Income, change in employment/work
  - Household size, including pregnancy
  - Contact information, including address
  - Other health insurance
  - Legal/citizen status
  - Head of household
- It’s important to ensure these agencies have accurate, up-to-date information!

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Multiple Health Insurance Payers

- Many children have private health insurance, usually through a parent's employer, and may also qualify for Medicaid.
- You can continue to use the private health insurance, which is the **primary health insurance**.
    - Medicaid is the **secondary** insurance, which would pay last.
- You are not required to see a provider who accepts Medicaid, if the service is covered and in-network with the private plan.
- However, seeing a provider that accepts the private plan and Medicaid makes it more likely you will pay little, if anything, out-of-pocket.
- The best advice is bringing all your health insurance ID cards to give to the provider, and ensuring your provider is in-network with at least one of your insurances.

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Questions?

Thank you!

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Sign up for emails!