Using the Plan to Achieve Self-Support to Promote Successful Employment Outcomes

TG = Thomas Golden
JS = Jim Sheldon
CW = Carol Wingate

TG - Good afternoon, welcome to our seventh in the Work Incentive Utilization Series. My name is Thomas Golden and you each received electronically today a Power Point File to follow along with and you should have the file opened and in “Slide Show” mode at this time. Throughout the program today we will advance you through the slides referencing the number in the top right hand corner of each slide. You also received an electronic resource directory that we will be referencing throughout the broadcast today. At this time everyone should be on the title slide — SLIDE #1. If you would like to take notes during today’s program you can do so directly in the Power Point Presentation by clicking on the “View” button across the top of the screen and scrolling down to “Note Pages”. By clicking “Note Pages” you open up both the slide as well as text box in which to type any notes you might like to take while following along.

As you will note on SLIDE #2, This series of continuing education distance learning programs has been designed by Cornell University in collaboration with Neighborhood Legal Services, Inc of Buffalo with sponsorship from a grant to the Research Foundation for Mental Hygiene from the U.S. Department of Labor with the support of the New York State Developmental Disabilities Planning Council (DDPC) and the New York State Department of Education’s Office of Vocational and Educational Services for Individuals with Disabilities (VESID). The thoughts and opinions expressed in this and future programs are those of the trainers and do not necessarily reflect the viewpoints or official policy positions of the Social Security Administration, the Department of Labor, the Developmental Disabilities Planning Council, the Education Department and/or any other state or federal agency. The information, materials and technical assistance are intended solely as informal guidance and are neither a determination of legal rights or responsibilities, nor binding on any agency with implementation and/or administrative responsibilities for programs discussed.

As referenced on SLIDE #3, joining me today is a team of experts to aid us in understanding more about the SSI program’s Plan for Achieving Self Support or PASS. Please join me in welcoming Carol Wingate. Carol is a PASS Specialist with the Social Security Administration. She is a consultant and trainer for the PASS Program and other work incentives for SSI and SSDI recipients. She has worked with the SSA in various positions since 1971. Since 1999, Mrs. Wingate has been actively involved in the agency’s focus on advising the public and community agencies and organizations about Social Security programs and work incentives through community outreach and training seminars.
Jim Sheldon, an attorney with Neighborhood Legal Services in Buffalo, is back with us again and will join Carol for today’s presentation.

Let me thank you all for joining us as we discuss this very important SSI work incentive. During today’s call we want to encourage you to forward via email any questions that you may have pertaining to our topic. As referenced on SLIDE #4, your questions can be forwarded to tpg3@cornell.edu and we will take as many of those questions as possible at the end of today’s call. If you don’t have email you can also call your questions into our toll free line at 1-888-224-3272. We also want to extend our sincere appreciation to Jessica Abbott who is staffing our toll free line today at the Work Incentives Support Center. We will also have a transcript of today’s program available and will provide directions for requesting that transcript at the end of the call. I also want to extend our sincere appreciation to Jessica Abbott who is staffing our toll free line today and Alexis Falise here at Cornell who assisted in the production of today’s broadcast.

So, let’s jump right in and get started. Carol, as our listeners transition to SLIDE #5, I understand that the PASS is part of the SSI or Supplemental Security Income program. Could you start by explaining what the SSI program is and how the PASS program fits into the scheme of SSI income and resource rules?

CW - The SSI program was discussed in great detail in one of the earlier sessions. It is a cash benefit program for individuals who are aged, blind, or disabled and have limited income and limited resources. The PASS is an SSI work incentive under which persons with disabilities can set aside income and/or resources to be used to achieve specific work goals.

We will get into some examples of the types of items and/or services individuals can have included as “expenses” in a little bit. Basically, a PASS can be established to cover the costs of obtaining items and/or services necessary in order to achieve a specific work goal, including items necessary to start a business (self-employment goals). The PASS program centers on assisting a person in competing in the job market. In summary, the PASS makes it financially feasible for individuals to set aside income and/or resources that can be used to achieve their vocational goals. The exclusion of the income and/or resources enables the individual to receive either a new SSI payment or a higher SSI payment as they work toward self-sufficiency.

TG - Carol, this sounds like a great program. Who administers the program and how are PASS proposals processed?

CW - As a part of the SSI program, the PASS is administered by the Social Security Administration or SSA. About 8 years ago, the SSA decided to establish centralized units, on a regional basis, to oversee the PASS program. These are known as PASS Cadres and include PASS specialists who develop, process, and monitor Plans for Achieving Self Support or PASSes for a specific region. As our listeners can see on SLIDE # 6, there are 24 different PASS Cadres within the United States. For New Yorkers, there is one PASS Cadre in Cheektowaga, N.Y., a suburb of Buffalo, that covers...
all of upstate New York; and there is a second Cadre in New York City that covers the five boroughs of New York, Long Island, and New Jersey. I operate out of the PASS Cadre in Cheektowaga.

TG - So, a person who lives in Rochester or Syracuse would submit their PASS proposal to your Cheektowaga office and a person who resides in Brooklyn would submit a PASS proposal to SSA’s PASS Cadre in New York City?

CW - That’s right, Thomas.

TG - Jim, we’ve talked about a lot of different benefits and work incentives throughout our Work Incentives Utilization Series. I am sure our listeners are wondering who this program applies to. As we transition to SLIDE # 7, is there a specific class of individuals who are eligible to use the PASS?

JS - A person seeking to use a PASS must meet three basic requirements: first, they must have a disability meeting the SSI criteria; second, they must have a source of income or resources that would otherwise count against eligibility for SSI; and three, they must have a vocational goal and need to set income or resources aside to help them achieve that goal.

Any person who meets SSA’s definition of disability can qualify for a PASS. It is important to point out that although PASS is an SSI work incentive, the individual does not have to already be entitled to SSI benefits in order to submit a PASS proposal. (Later, we will go over an example of how someone whose income and/or resources make them ineligible for SSI can qualify for SSI with an approved PASS.) Right now, we’re just highlighting the basic requirements for a PASS. In addition to meeting SSA’s definition of disability, an individual must have income other than SSI or a resource to set aside. The “other income” can be Social Security Disability Insurance (SSDI), Worker’s Compensation, a VA benefit, or wages - - basically, any income other than SSI. This could even be the income of a responsible relative, like a spouse or parent, that would count in determining SSI eligibility.

In addition to meeting SSA’s definition of disability and having income or a resource to set aside, the individual must have a feasible work goal and a specific savings and spending plan. This is where the “Plan” comes in.

TG - Jim, could you talk about how this really works? Perhaps you could explain the PASS by giving us an example.

JS - Let’s look at the example on SLIDE # 8. This will help illustrate how income and/or resources set aside in a PASS are not counted in determining eligibility for SSI or in calculating the amount of the SSI benefits check.

Geri is already receiving SSI payments. The amount of her monthly SSI payment is reduced by her “countable” SSDI benefit. Without a PASS, we would determine Geri’s
SSI countable income by subtracting the $20.00 general income exclusion from her $520.00 SSDI benefit. Her SSI countable income would be $500.00. The 2004 SSI rate for an individual residing alone is $651.00. We would subtract Geri’s $500.00 SSI countable income from the $651.00 SSI rate to determine her SSI payment amount—$151.00. Without a PASS, Geri’s total income is $671.00 ($520.00 SSDI + $151.00 SSI).

If Geri sets aside some of her SSDI income in a PASS, she can qualify for a higher SSI payment while pursuing her work goal. In our example, Geri would like to set aside $500.00 per month in order to purchase a reliable used vehicle and to cover the first 6 months of car insurance. (She has 18 months of nursing school remaining and has estimated she will need $9000.00 to cover the car and insurance.) Since income set aside in a PASS does not count in determining SSI payments, Geri will now qualify for the full $651.00 SSI payment.

Remember, it is SSI countable income that goes into a PASS — in Geri’s case, the $500 of SSDI. Geri still has the $671.00 for living expenses ($651.00 SSI plus the $20.00 of the SSDI check that was excluded.) In addition, she has the $500.00 that she is depositing from the SSDI check. Her total income with an approved PASS is $1171.00 per month.

TG - Carol, you said that part of a PASS specialist’s job is to monitor an approved PASS. If this PASS was approved for Geri, what is she required to do to keep track of the extra $500 that has been approved for the PASS?

CW - Under the guidelines or policy that SSA has established for the PASS, our hypothetical Geri would be required to set up a separate bank account to deposit the $500 per month in PASS funds. This would allow her to distinguish between the money she is using for her regular living expenses and the money she is saving toward the car and insurance.

TG - Carol, a moment ago Jim mentioned that a person does not have to be a current SSI recipient to submit a PASS application. How might a PASS work in a case like that?

CW - If a person’s income (including earnings and unearned income such as Social Security benefits) and/or resources are too high, they will not be eligible for SSI. However, by excluding this income and/or resources in a PASS, the individual could then meet the income and resources test, thus potentially qualifying for SSI. Let’s look at SLIDE # 9 to see how a PASS could help Geri qualify for SSI if her SSDI benefit is otherwise too high.

In this example, Geri’s SSDI benefit is now $720 per month. As we can see from this revised example, without a PASS Geri is ineligible for SSI because her SSDI benefit is too high. With only her SSDI benefits, Geri cannot possibly afford to put any money aside for a car. No matter how well she does in school, Geri’s chances of obtaining a
position in her goal would be very slim without reliable transportation. The PASS program can help Geri get the car she needs to reach her goal.

With a PASS, Geri can begin saving $500.00 per month to purchase a car when she is ready to begin working. (Remember, income and/or resources set aside in a PASS do not count when determining SSI eligibility or SSI payments.) First, we would deduct the $20.00 general income disregard from Geri’s SSDI benefit. Then, we would deduct the $500.00 to be set aside in the PASS. Geri’s SSI countable income is now $200.00 per month, so she qualifies for an SSI payment of $451.00. In summary, Geri has $500.00 per month from her SSDI benefit to set aside each month towards purchase of a car. She has the remaining $220.00 from her SSDI benefit and the $451.00 SSI check to use for living expenses.

TG - Before we go on, as noted on SLIDE # 10, I want to remind our listeners that they can contact us with any questions concerning today’s presentation and we will try to get to many of those questions at the end of the program. You can email your questions to tpg3@cornell.edu or you can call our toll-free number at 1-888-224-3272.

Jim, it seems like individuals with disabilities need to do some careful budgeting to make sure they are able to both use the PASS and continue to meet their monthly living expenses. Are there ever situations when the PASS is unrealistic because it does not leave the individual with enough income to meet household expenses?

JS - This can be a big issue Thomas. We always say that after the PASS is approved a person must have enough in disposable income to meet living expenses. This is probably not a problem with the two examples involving Geri, which we already discussed.

As we transition to SLIDE # 11, let me change the facts one more time to show how this disposable income issue could be a problem. Let’s assume Geri gets $1,020 in SSDI benefits and wants to set aside $500 per month toward a car purchase and insurance payment. After the $20 general income exclusion and $500 exclusion for the PASS set aside, Geri still has $500 in countable SSDI. This means that her SSI payment, after the PASS is approved, will be $151.

Before the PASS was approved, Geri had $1,020 in disposable income to meet her monthly living expenses. After the PASS is approved she has $671 to meet living expenses (the $20 from the general income exclusion, the $500 remaining of SSDI benefits, and the $151 in SSI). Unless Geri is prepared to live on nearly $350 less per month, the PASS is probably unrealistic under these facts.

TG - So, Jim, it sounds like the individual, their benefits counselor (if they have one) and the PASS specialist must look at the individual’s entire economic picture or benefits package to figure out if the PASS can work for them. Since the PASS is helping the individual generate more income, will this extra income work against them with programs like Medicaid, food stamps, and subsidized housing?
JS - That’s a great question, Thomas. The good news is that not one of the three programs would be affected adversely. Let’s take Medicaid first. Since SSI recipients are automatically eligible for Medicaid in NY, approval of a PASS guarantees that Medicaid will be available. In fact, if the PASS results in first time eligibility for SSI, an important side benefit is that Medicaid eligibility, without a spend down, will also be established. This could be important for a person like Geri, if she had the $1,020 in SSDI benefits. Under those facts, she would face a Medicaid spend down (or out-of-pocket expense) of $341 per month to obtain Medicaid. With an approved PASS, that spend down would disappear.

For food stamps, ordinarily an increase in monthly income would result in a decrease in food stamp eligibility -- roughly, a $1 reduction in food stamps for each $3 increase in monthly income. However, there is a special food stamp rule that says that money that is put into a PASS and excluded by the SSI program will also not be counted by the food stamp program in determining eligibility.

A similar set of rules will apply in subsidized housing programs, like the section 8 or Housing Choice Voucher program. Like food stamps, an increase in income would usually mean the value of the housing subsidy would decrease -- again, by roughly $1 for every $3 of additional income. Also, like food stamps, most federal subsidy programs have a special rule that says that money put into a PASS and excluded by SSI will not count as income in the housing subsidy program. The practical effect is that the tenant share of rent would remain the same.

TG - Carol, so far we’ve been talking about putting monthly income into a PASS. As our listeners transition to SLIDE # 12, can you also put resources into a PASS and how would that work?

CW - If individuals have resources that exceed the resource limit for SSI, these resources may be put into the PASS as well. Resources can be anything that is owned, including bank accounts, real estate, or personal property.

If we go back to Geri’s situation, she is saving $500.00 per month to purchase a reliable used vehicle. Remember, she plans to save for 18 months so that she has $8000.00 for the vehicle and $1000.00 for insurance and miscellaneous registration fees. We need to apply the PASS “resource exclusion” provisions to the PASS account so that it is excluded in determining Geri’s eligibility for continuing SSI payments. Otherwise, as soon as she accumulates over $2000.00, her resources would be too high to continue SSI eligibility.

In the second part of the example, let’s consider what would happen if Geri receives unexpected funds from another source. Let’s assume she inherits $2,500 from her aunt. In order to retain her SSI eligibility, she wants to add $2000.00 to her PASS account and keep the balance in a separate savings account for emergency needs. This would be a possibility. However, we would have to take into consideration how much Geri needs in order to achieve her goal. If, for example, Geri’s only PASS expenses are the car,
insurance and related fees ($9000.00), we can only exclude income and resources up to that amount. If Geri’s PASS was initially approved to set aside $500.00 per month for 18 months in order to accumulate $9000.00 for the car, insurance, and related fees, adding the inheritance to the PASS would require an “amendment.” We would need to shorten the duration of the plan, decrease the ongoing income exclusion, or...add additional expenses.

A PASS account and PASS expenses need to balance, like the accounts ledger in a business. And, like any “Plan,” the PASS is subject to changes. That is why I like to refer to PASS as the “flexible” work incentive. Knowing that she will have $2,000 more in available money, Geri may decide to purchase the car earlier or might now propose to purchase a computer that will allow her to do school assignments without traveling to a sister’s house several miles away. Any new expense must be reasonable and necessary to allow her to achieve her work goal.

TG - So far, we have discussed the background of the PASS program and how it works. Now let’s get into the basic elements of a PASS. Carol, what is the “Plan” part all about? Beginning with SLIDE # 13, could you explain the basic “elements” of a Plan for Achieving Self-Support or PASS.

CW - In SLIDE # 13, we have broken down the PASS into four key elements: it must be in writing; it must contain a feasible occupational goal; it must be viable; and it must contain a savings and spending plan.

TG - Taking them one-by-one, Carol, let’s talk about the writing requirement first.

CW - As our listeners can see in SLIDE # 14, the PASS must be in writing and SSA has established form SSA-545 to assist in completing a comprehensive Plan. Although we do not require that the PASS be written on an SSA-545, the form solicits all of the information the PASS Specialist needs to make a decision to approve the PASS, starting with the work goal or “occupational goal.”

As we move to SLIDE # 15, there is a reason that the SSA-545 PASS Application starts with the occupational goal. The entire plan centers on the selected work goal. That is why it is so important to be specific. For example, it would be important to show “Chef,” not “Cook;” “Elementary School Teacher,” not just “Teacher”; “Registered Nurse,” not just “Nurse.”

TG - That seems pretty picky. Why does the selected work goal have to be that specific?

CW - I realize that at first it might appear as if we are being picky. However, the PASS specialist needs to look at the plan as a whole when making a decision to approve it. The PASS is like a set of accounting books—everything needs to balance. Education requirements, certification requirements and job requirements differ for different level positions. For example, a restaurant “Chef” requires a lot more training than a short order cook at a fast-food restaurant. Similarly, different levels of teaching and nursing
require different educational levels and involve different work settings and requirements. A Registered Nurse (RN) requires a higher educational level than a Licensed Practical Nurse (LPN). In addition, an RN performs more difficult tasks with less supervision than an LPN.

TG - Are there any restrictions on the job goal an individual selects?

CW - Yes. Although the PASS emphasizes consumer choice, the selected occupational goal must meet certain requirements. First, the selected occupational goal must be feasible. SLIDE # 16 explains what we mean by feasible.

Basically, feasible means that the person must have a reasonable chance of being able to perform the work considering the nature of the disability, the limitations imposed by it, and the individual’s strengths and abilities.

TG - How does the PASS Specialist determine that the goal is feasible?

CW - The PASS Specialist looks at a lot of information when determining if the work goal in a PASS is feasible. One advantage to completing the SSA-545-BK PASS Application is that it solicits a lot of the information the PASS Specialist will consider. First, we look at the reason the person selected the goal. An individual, who really feels attracted to the goal or links the selected goal to past experience, can sometimes overcome some pretty strong obstacles to reach a goal they really want to reach. The PASS Specialist needs to know that the applicant understands the job requirements, understands their own limitations, strengths and abilities, and has selected a work goal that suits their specific circumstances.

We also look at the PASS Application to see if the person is working with a State VR or vocational rehabilitation agency, an Employment Network, or other VR counselor or agency. In many situations, a person can succeed in reaching a work goal that does not appear on the surface to be feasible, if they have a network of supports in place. Also, absent evidence to the contrary, the PASS Specialist can assume that an occupational goal is feasible and the plan for achieving it is viable if the PASS was prepared by a State VR agency’s counselor of a professional with similar credentials. Similarly, if the PASS proposal was prepared by an advocate or other person, and supported in writing by a certified VR counselor, this will generally establish that the goal and plan are appropriate.

TG - What if a person knows that they want to work but doesn’t know what they want to do or where to start?

CW - Let’s look at SLIDE # 17. If an individual wants to work but does not know what jobs might be suitable, or doesn’t know where to obtain information on schools and training programs, they can start a PASS with “VR Evaluation” as the work goal. (The PASS Specialist can assist the individual in selecting a VR agency that suits their needs.) A vocational rehabilitation counselor or agency that assists individuals with disabilities can work with the individual to determine a suitable work goal and advise the person.
what they need to do to achieve the goal. Once the evaluation process has been completed and the individual selects a specific work goal, a new PASS is completed centered on the selected work goal. Generally, the initial PASS to complete the VR evaluation process is approved for no more than six months.

TG - So far we have discussed how the occupational goal must be specific and how it must be feasible. Are there any other occupational goal requirements?

CW - The chosen occupational/work goal must meet certain guidelines with respect to the amount of earnings. The occupational goal must be the earliest point on the person's chosen career path that would generate earnings sufficient to pay for certain key expenses, including:

- living expenses that the person has at the outset of the PASS;
- all out-of-pocket medical expenses (including health insurance premiums) not subject to reimbursement; and
- all work-related expenses, including any outstanding PASS expenses.

TG - Jim, I know our listeners are wondering, must the person be expected to earn a specific dollar amount before their PASS proposal is approved? As we transition to SLIDE 18, can you comment on that issue.

JS - Thomas, the general rule is that the work goal should be expected to increase the individual's prospect for self-support. A person's increased prospect for self-support is measured in terms of higher earnings potential upon completion of the PASS even if the person is working in the same job. The individual may use the PASS to increase the number of work hours, the rate or pay, or even to reduce the amount of special support, such as job coach services, that they receive on a job. Basically, upon completion of the PASS, the person should be in a “better position” from a self-support standpoint.

This issue and the specific earnings requirements will be treated differently depending on whether the person was eligible for SSI without a PASS or if they will use the PASS to become eligible for SSI. Often, the distinction will be between the person who got at least some SSI before the PASS proposal was submitted and the person who got only Social Security Disability Insurance or SSDI before the PASS proposal was submitted.

Let’s take first the individual who was already eligible for SSI before the PASS proposal was submitted. That person must choose an occupational goal that will generate enough earnings to reduce the person's SSI benefit “substantially.” The reduction need not occur as soon as the individual begins working but within a reasonable amount of time, generally 12 to 18 months after starting work. For example, the person may expect periodic pay raises to substantially increase earnings in the upcoming months.
TG - Before we go on, as noted on SLIDE # 19, I want to remind our listeners that they can contact us with any questions concerning today’s presentation and we will try to get to many of those questions at the end of the program. You can email your questions to tpg3@cornell.edu or you can call our toll-free number at 1-888-224-3272.

Carol, what does it mean when we say that the increased earnings must reduce the person’s SSI benefit “substantially”?

CW - The term, “substantially,” is not defined in SSI’s POMS, that is, the Program Operations Manual System that PASS Specialists and other SSA employees use as policy guidelines. Again, the PASS Specialist looks at the overall Plan. For example, if an individual needs only $500.00 for uniforms or work clothing and the expected earnings will decrease the SSI check by $100.00 per month, we may consider that to be “substantial.” In a case like that, an expected increase of $200 to $300 in gross monthly earnings should be enough. On the other hand, if the individual needs a modified vehicle and other items that add up to $25,000.00, decreasing the SSI check by only $100.00 per month might not be determined to be substantial. Every PASS is individually designed and it is the overall Plan that we consider.

TG - It sounds like this earnings test, for those already on SSI, will be a fairly flexible test. In fact, under the criteria Carol just explained, if a person was not working before the PASS was submitted, initial earnings of $300 to $400 per month should be enough to reduce the SSI check substantially and justify approval of the PASS proposal in many cases.

Jim, we know from the earlier discussion there will be some individuals who receive SSDI who will not qualify for SSI benefits without a PASS. Will a PASS that results in new earnings of $300 to $400 per month ever be approved for that person?

JS - The answer is probably not, unless the longer-term goal is to earn at what is known as the substantial gainful activity or SGA level, currently $810 per month for individuals who are not blind, or $1,350 per month for those who are blind.

Social Security Disability Insurance (SSDI) and Retirement and Survivors Insurance (RSI) beneficiaries who receive a benefit based on disability, who would not be SSI eligible without excluding some or all of their income under a PASS, must pursue a work goal at the SGA earnings level. In fact, SSA wants a projected earnings level that, after the PASS ends, would typically be enough to eliminate SSDI eligibility in the future. Since the projected earnings level would be enough to eliminate SSDI eligibility, and with it, any benefits to dependents (often known as auxiliaries), this projected earnings level should also be sufficient to replace the benefits of the individual and any auxiliaries, residing with the individual, whose benefits eventually could be affected by the individual's work.
TG - Jim, as our listeners transition to SLIDE # 20, could you provide our listeners with an example that might make it easier to follow how this might work?

JS - Let’s use the example of Thomas, who receives $1,000 a month in SSDI benefits based on his work record. His wife and children, who live with him, receive an additional $500 a month in auxiliary benefits combined, for a family total of $1,500. Thomas submits a PASS with an occupational goal in which he would earn about $1,500 a month. After taxes and other payroll deductions, the new income from work will be less than what Thomas and his family were making before he started the job. This could make the PASS unrealistic for him.

In this instance, the PASS Specialist (or his benefits counselor, if he has one) will discuss the issues with Thomas and advise him that he may wish to pursue a goal with a higher earnings expectation. For example, he may want to pursue an education for a higher-level position, such as an RN rather than LPN. Of course, Thomas may want to try a lower level job, without the support of the PASS, if the higher-level position does not seem realistic. He would not be able to use a PASS if his projected earnings were not expected to exceed the SGA level of $810 monthly. He also would not be expected to lose his SSDI benefits with this lower level of earning. A PASS Specialist or a benefits counselor can explain all options so the individual can make the decision that is most beneficial for their situation.

TG - Carol and Jim, that pretty much covers the “occupational goal” requirements. Once the PASS Specialist determines that the individual has selected a feasible occupational goal, the “Plan” to achieve the goal must be “viable.” Carol, as we move to SLIDE # 21, can you explain what it means for the PASS to be viable?

CW - The PASS Specialist considers all aspects of the plan and determines if the plan is “viable” or “realistic.” Again, a thoroughly completed PASS application provides a lot of information the PASS Specialist considers when determining if the PASS is viable. Part II of the SSA-545 solicits information about the individual’s medical, vocational, and educational background. We review this information to determine if the person understands the requirements of their selected work goal and has taken into consideration their own limitations, strengths, and abilities. We look at their prior work history and educational background to determine the existence of transferable skills and educational credits.

For example: If the plan shows that a person with a severe disability needs 6 years to complete a Bachelor’s Degree program but has a definite plan and the goal is feasible, the plan would most likely be approved. On the other hand, if the plan shows that because of the severity of the person’s disability, the individual can only take one course at a time, the plan would most likely be denied. It would be “unrealistic” to approve a plan that would take over 20 years to complete the degree program. Also, if the individual’s impairment is so limiting that they can only take one course per semester, they would most likely not be able to work enough hours to substantially reduce the SSI payment or
engage in SGA. The milestones must show the logical progression towards the work goal in a realistic time frame.

The last item we look at when determining the viability of the PASS is **affordability**. Can the individual afford the items and/or services outlined in the PASS? Can the individual live on the SSI rate while pursuing the PASS? We will get into the “affordability” aspect of viability in a bit.

TG - Carol, I know that the milestones that are written into a PASS are very important. As our listeners move to **SLIDE # 22**, could you describe the requirement for milestones.

CW - “Milestones” are the significant, visible steps or events necessary to achieve the occupational goal. Milestones are the cornerstones of the plan! Part III of the SSA-545, “Your Plan,” advises the individual to “List the steps, in sequence”, and “**Be as specific as possible**.”

This part of the PASS application is very important in the initial evaluation of the PASS and in monitoring an ongoing PASS. Detailed steps showing a logical progression toward the work goal indicate the individual has given the plan some thought and knows what course of action is needed to achieve his or her goal. This section should also show at what point the items required to achieve the goal are needed.

The PASS Specialist looks for detailed milestones when determining the feasibility and viability of the PASS. Milestones are also important when monitoring the on-going PASS. PASS Specialists maintain frequent contact with consumers to make sure they are following their plan.

TG - Carol, on this issue of milestones, as we transition to **SLIDE # 23**, could you share what information is important to put into this all-important Part III of the SSA-545 PASS application.

CW - Going back to our example of Geri, the woman who planned to attend nursing school, we can see that **SLIDE # 23** outlines the logical sequence of steps she will take to reach that goal. The first step, for example, can indicate what prompted her to decide on the chosen occupational goal (in her case, an interaction with VESID, including a vocational evaluation). The first step can vary a great deal, but should always show when the individual began to pursue their occupational goal, or the first step the individual needs to take toward achieving the goal. It is important to always show the earliest date the individual began to pursue the goal because a PASS can be retroactive up to 2 years as long as the individual has been actively pursuing the occupational goal **AND** is already entitled to SSI, **AND** has income or a resource to exclude. If not eligible for SSI at the time a PASS is apparent, set up an appointment to file!!! SSI claims are not retroactive.

The last step should **always** reflect achievement of the occupational goal. The steps between the begin date and achievement of the occupational goal should show exactly what the individual needs to do and what items are needed in order to achieve the goal.
Items that need to be purchased at specific points should be shown with the coinciding milestone. Steps can include VR evaluation, job shadowing, applying for admission to schools, completing financial assistance forms, registration for courses, completion of degree, resume preparation, job search. SLIDE # 24 shows how Geri, our nursing school student, might complete her milestones.

Geri’s milestones show that she knows all of the steps she needs to take in order to become a registered nurse. The milestones show a logical progression towards her goal and incorporate purchase of the items she needs at the appropriate time in her plan. Once her PASS has been approved, the PASS Specialist would monitor her progress based on her own defined timeline. When the PASS client is attending college, the PASS will be reviewed between semesters. The PASS Specialist will review the individual’s grades for the completed semester and registration for the upcoming semester. We will also check to make sure the person is taking the courses required to complete the degree program.

TG - Jim, so far you and Carol have talked about the vocational goal and the Plan or what we call the milestones. In the time we have left, let’s focus on the issues of expenses, as our listeners turn to SLIDE # 25. What items can be purchased or paid for using PASS funds?

JS - The short answer is that PASS funds can pay for just about anything if two critical criteria are met: first, the item or service must be necessary in order to achieve an occupational goal; and second, the item or service must be reasonable in cost. Some items that are frequently requested in a PASS are: computers, vehicles and other transportation costs, tuition and other school expenses, uniforms, tools and business clothing, child care, and business start-up costs. The PASS must show why the item is necessary in order to reach the work goal and why a less expensive alternative would not be sufficient.

TG - Jim, can you provide us an example of how the “reasonable and necessary” criteria would be applied in a real case?

JS - Let’s go back to our example of Geri, the nursing student and assume she needs a computer for use in college. The PASS application contains a statement showing that because of an attention deficit disorder and anxiety, use of the school computer lab would not be suitable (we’ll assume there is professional support for these assertions). The PASS applicant submits an estimate for a $3,000.00 computer. Although “necessary” under these facts, the requested $3,000.00 computer is probably not “reasonable.” The benefits counselor, if Geri has one, or the PASS Specialist can offer Geri assistance in how to obtain a suitable computer at no more than half the suggested price. However, if Geri was pursuing a career in computer aided design or web design, a more expensive computer might be “reasonable.” Once again, we need to keep in mind that each person’s PASS is individually designed. What is “reasonable” is determined by the overall PASS and documentation. The SSA-545 PASS application, “Part IV-Expenses”
solicits the information about the expenses the person wishes to have funded in their PASS, why the item and/or service is needed in order to reach the work goal, and how the person arrived at the cost.

TG - Carol, I understand that, in some cases, the PASS applicant will save for a later purchase, like Geri in our hypothetical case saving to purchase a used car. How would this work?

CW - As our listeners move to SLIDE # 26, I should note that many times purchase of the items and/or services an individual wishes to be funded in the PASS will be “deferred.” The PASS Specialist will work with the individual (and the individual’s advocate) to determine when the items and/or services are needed and in some cases, when sufficient funds will be available. Let me give a couple of examples of this, staying with the individual who is looking to purchase a car.

In the first example, which appears on SLIDE # 26, the individual does not currently have a driver’s license. In this case, the PASS Specialist would not authorize purchase of a vehicle until the individual completes all of the requirements and obtains a driver’s license. In fact, one of the milestones should be to obtain a license.

A second example might involve a situation in which public transportation is available for school and the person will not need a vehicle until they are ready for their job search. In that case, purchase of a vehicle would be deferred until the person has completed school and documents the need for the vehicle. The PASS Specialist may decide to fund other transportation until the person actually has a job in their goal. Again, each case is individually designed based on the person’s specific circumstances.

TG - Carol, as our listeners transition to SLIDE # 27, could you briefly summarize the important aspects of PASS expenses.

CW - In summarizing the expenses aspect of the PASS:

- Be very specific about what items and/services you want your PASS to include.
- Show the specific reason the item/service is needed, including statements such as: “I need my own computer because I have difficulty concentrating and working around a lot of people and noise. It would be very difficult for me to do my school papers and research papers in the school computer lab.”
- Show accurate estimates for the cost of each item/service. Show how you arrived at the estimated cost. Include the documentation with your PASS.

TG - Jim, as we wind down here toward the end of our program, I know that a successful PASS depends on having enough money set aside in the PASS account to pay for the needed items. As we transition to SLIDE # 28, can you comment on this requirement?

JS - Last, but definitely not least, the PASS must show how the individual expects to pay for the items and/or services requested in the plan. Part V on the SSA-545 PASS
application covers the funding issues. The PASS must specifically show what type of income and/or resource is being set aside, how much will be set aside each month and where the funds will be maintained.

The PASS funds must be “separately identifiable.” They should not be co-mingled with living expense funds. If the individual is saving to purchase a car, a computer, etc., the funds must be kept in a separate PASS bank account. Accounts are verified during progress reviews.

One exception to this separate account rule: If an individual has a PASS approved to pay installments on a car and insurance premiums and those amounts are automatically deducted from the same account as SSA benefits are deposited to, that is okay. THE KEY IS THAT PASS FUNDS BE “SEPARATELY IDENTIFIABLE.”

If the individual will receive assistance from any other source (TAP, PELL, Vocational Rehabilitation, school grants), the PASS must show which items are involved, what agency or source is assisting with the purchase, and how much assistance is being received from the other source.

TG - That pretty much covers the basic elements of a Plan for Achieving Self-Support (PASS).

This might be a good time to briefly discuss “Amendments.” Jim, your agency operates one of the Benefits Planning, Assistance and Outreach or BPA&O projects and helps put together many PASS proposals for individuals in Western New York. What can be done to amend a Plan if a milestone isn’t completed timely, or successfully?

JS - Thomas, if our BPA&O program was working with an individual, like Geri, whose PASS was approved, we would communicate regularly with her. We would want to make sure she is meeting the terms of the PASS and make sure there have been no major changes in her life that would make it difficult to timely complete all the milestones. If there are problems or if an amendment to the approved PASS needs to be made, we want to identify these issues at the earliest possible date so that we can help the beneficiary identify a timely solution.

Staying with Geri, the nursing student, let’s assume she receives the $2,500 inheritance from her aunt and wants to use it (or a part of it) to purchase a computer. This is a case in which a proposed amendment can be submitted - - even before the money is received - - to have the $2,500 put into the PASS to purchase a computer and other supplies. If the amendment is approved, the $2,500 would not be counted as income when received and would not be counted as a resource in later months if it is held in her PASS account.

TG - Carol, I understand that SSA policy requires the PASS specialist to periodically review progress on an approved PASS. What does that entail?

CW - These progress reviews will occur on all approved PASSes, at least once per year, but often more frequently. In addition to making sure the individual is timely and
PASS

successfully completing the steps outlined in the PASS, the PASS Specialist will also verify PASS account balances and obtain proof of any expenses paid during the period covered by the “progress review.”

TG - Carol and Jim, let me thank you both so much for this overview of SSI’s Plan for Achieving Self Support. Unfortunately, we are running out of time and before we get to questions and answers I want to remind folks on SLIDE #29 to email their questions regarding today’s topic to us here at Cornell at tpg3@cornell.edu or by tolling 1-888-224-3272. That’s tpg3@cornell.edu or 1-888-224-3272. Let’s take a couple of questions.

QUESTION and ANSWER PERIOD

Well folks, that is all we have time for today and as you transition to SLIDE #30, we want to thank you for taking the time today to be a part of this important distance education program and ask you to take two minutes to go online and complete the training evaluation form. You received an email from us that provided an Internet link to our e-evaluation. Simply follow the directions in the email and it will link you to an e-form on a secure website. Complete the form and hit submit and you are done!

Individuals seeking a Certificate of Completion at the end of this series and/or Rehabilitation Counselor Continuing Education Re-certification Credits will need to have a program evaluation form on file here in our offices, so please make sure to forward your evaluations to us today. I also want to encourage those of you after our call today that continue to have questions pertaining to how a person’s benefits are impacted by returning to work to call our toll free line for technical assistance 24/7. The number for toll free technical support pertaining to work incentives or to subscribe to the quarterly newsletter the Benefits Planner is 1-888-224-3272. You can also subscribe electronically to the newsletter and statewide listserv by emailing your request to tpg3@cornell.edu.

Finally, for a copy of today’s transcript, please call 1-888-224-3272 and our operators will be able to assist you.

We look forward to our next audio-conference scheduled as you can see in SLIDE #31 for May 14, 2004 from 2:00 – 3:30 PM. The topic will be How Work Affects State Welfare Benefits and Food Stamps. Elizabeth White, an attorney with the Public Benefits Unit at Neighborhood Legal Services in Buffalo will be joining us to guide us through the next program in this series.

On behalf of Jim Sheldon, Carol Wingate, our sponsors, and myself, thanks for joining us and have a great afternoon!

Questions/Answers

1. I was just recently told by a Work Incentive Liaison (WIL) at a local Social Security Office that all PASS applications HAD to go through that local SSA office and reviewed before any would be sent on to the Cadre'. My understanding is that applications do NOT have to go through the local SSA office. Please Clarify!
PASS

2. Why wouldn’t Geri put more than $500 in a pass in the third example couldn’t she put $900 or $1000 and still end up with the same CASH every month? Is there a limit? She could get to her goal of saving for a car even more quickly and actually have the car before her nursing program ends.

3. Are there situations where a person under 18 would be eligible for a PASS plan?

4. I have a person who receives $613/mo SSD & her child receives $209/mo SSD based on her disability. If she wanted to apply for a PASS, she could set apart a portion of her SSD. But what affect would that have on her child's SSD? She shouldn't ask to set aside any of her child's SSD, should she?

5. If a person's occupational goal is self-employment and he plans to use his PASS for start-up expenses, and he receives SSD & SSI, how much time would he be given before he would be expected to be making enough profit to reduce his benefits substantially?

6. Is there a limit to the amount of resources that an individual can put into a PASS? I am thinking of money saved for college tuition by someone receiving SSDI. Could the individual put 10,000 or 20,000 into a PASS for college?

7. I’ve heard that if a person is paying back an over grant to SSA (my person still owes about $2000.00), he should not request a PASS retroactive to when he started working on his goal. This is because any lump sum he may receive from the retroactivity of the PASS would be immediately applied to the over grant. Is that always the case?

8. What kind of accountability is there for payback if a person receives education and items via a PASS, then does not become self sufficient?