

Medicaid Disability Manual

Where work is done under special conditions (e.g., an impaired person who does simple tasks under close and constant supervision), only the part of the pay which is actually "earned" is considered. An employer may set a specific amount as a subsidy after figuring the reasonable value of the employee's services. If the employer does not set the amount of the subsidy, a decision by the agency shall be made as to the reasonable value of the work.

- (c) **Earnings at a monthly rate in excess of \$1090** - An individual whose average monthly earnings from work activities are more than \$1090 shall be deemed to demonstrate the ability to engage in substantial gainful activity in the absence of evidence to the contrary. Effective January 1, 2015, the SGA level was increased from \$1070 to \$1090. Federal regulations provide for an annual automatic cost of living adjustment (COLA) to this amount. An individual is generally considered not to be engaged in SGA if his/her earnings are less than the SGA level, unless there is evidence to the contrary.
- (d) **Factors considered when an individual is self-employed** - The earnings or losses of a self-employed individual often reflect factors other than the individual's work activities in carrying on his/her business. For example, a business may have a small income or may even operate at a loss even though the individual performs sufficient work to constitute substantial gainful activity. Thus, less weight shall be given to such small income or losses in determining a self-employed individual's ability to engage in substantial gainful activity and greater weight shall be given to such factors as the extent of his/her activities and the supervisory, managerial, or advisory services rendered by the individual.
- (e) **Impairment-related work expenses** – Impairment-related work expenses which, due to an individual's impairment(s), are expended to enable the individual to work shall be deducted in determining an individual's countable earned income and in deciding if he/she has done substantial gainful activity. These expenses must be paid by the disabled individual. No deduction will be allowed to the extent that payment has been or will be made by another source. The costs are deductible even though the items and services are also needed to carry out daily living functions unrelated to work.

The following are deductible impairment-related work expenses:

- (i) Assistance in traveling to and from work or, while at work, assistance with personal functions (e.g., eating, toileting), or with work-related functions (e.g., reading, communicating)
- (ii) Assistance at home with personal functions, (e.g., dressing,

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for spinal disorders, and tests to determine the efficacy of medication.

- (x) Expendable medical supplies, such as catheters, elastic stockings, bandages, irrigating kits, incontinence pads, face masks and disposable sheets and bags
- (xi) Physical therapy required because of an impairment and which is needed in order for the individual to work
- (xii) Costs of a seeing-eye dog, including food, licenses and veterinarian services
- (xiii) Payments for transportation costs in the following situations:
 - Costs of structural or operational modifications to a vehicle required by an individual in order to get to and from work;
 - Mileage allowance for an approved vehicle, limited to travel related to employment; and
 - Cost of driver assistance or taxicabs, where such special transportation is not generally required by an unimpaired individual in the community.

2. Trial Work Period

- a. Trial Work Period is a period during which an individual may test his or her ability to work and still maintain disability status. During a trial work period an individual, who is still medically impaired, may perform "services" in as many as nine (9), not necessarily consecutive, months.
- b. "Services" in this section means any activity in employment or self-employment for pay or profit, or the kind of activity normally done for pay or profit. **Work activity will be considered "services" if in any month the individual earns more than \$780 a month.** Federal regulations provide for an annual automatic cost of living (COLA) adjustment to this amount. For self-employed individuals, work will be determined to be "services" only when the individual's monthly net earnings are more than the Trial Work Period amount or when the individual works more than 80 hours a month in his/her business.

Work is generally not considered to be "services" for the purpose of calculating trial work period months if the work is:

- (1) Part of a prescribed program of medical therapy;
- (2) Carried out in a hospital under the supervision of medical and/or administrative staff;
- (3) Not performed in an employer-employee relationship; or