

CATEGORICAL FACTORS**SUBSTANTIAL GAINFUL ACTIVITY (SGA)**

Description: Persons who are performing Substantial Gainful Activity (SGA) are not usually considered disabled. However, local districts must refer all such cases to the State Disability Review Team for a disability determination for the Medicaid Buy-In Program for Working People with Disabilities (MBI-WPD).

Policy: SGA is work activity that involves performing significant physical and/or mental activities for pay or profit. Work can be substantial and gainful even if it is performed part-time or requires less responsibility than former work.

Activities such as household tasks, hobbies, club activities or social programs generally are not considered substantial gainful activity.

References: Dept. Reg. 360-5.2

Disability Manual

GIS 06 MA/029
04 MA/031

Interpretation: The amount of gross monthly earnings from work activities (minus appropriate impairment-related work expenses) may establish that the individual is engaging in SGA.

The maximum amount of gross earnings is identified in **REFERENCE SUBSTANTIAL GAINFUL ACTIVITY**. When an individual's gross earnings from work activities average in excess of the identified monthly amount, this generally demonstrates the ability to engage in SGA in the absence of evidence to the contrary (See Disability Manual). Federal regulations provide for annual automatic cost of living adjustments to the SGA threshold amount.

NOTE: When evaluating whether or not an individual is performing SGA, consider the nature of the work being done, the adequacy of the performance, any special employment conditions and the amount of time that is spent in work activity.

When to Verify: When a potentially disabled A/R declares that s/he is employed.

CATEGORICAL FACTORS**SUBSTANTIAL GAINFUL ACTIVITY (SGA)****Documentation:**

Sufficient to establish an audit trail:

- Employer statement concerning any subsidy, special condition of employment, performance at work;
- Pay stubs; or
- Impairment-related expense receipts.

CATEGORICAL FACTORS

TRIAL WORK PERIOD

Policy:

A trial work period (TWP) is a period during which a certified disabled individual may test his or her ability to work and still maintain disability status. During this trial work period, an individual who is still medically impaired may perform “services” in as many as nine (9), not necessarily consecutive, months. “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.

Effective January 1, 2005, a trial work period month is any calendar month in which the certified disabled recipient’s earnings exceed the TWP level. The TWP amount changes each year. The current amount can be found in **REFERENCE TRIAL WORK PERIOD**. For self-employed individuals, a calendar month counts as a trial work period month when his/her net earnings are more than the TWP level or the individual works more than 80 hours in the month. Federal regulations provide for annual cost of living adjustments to the trial work threshold amount.

References:

Dept. Reg. 360-5.9

GIS 06MA/029
04 MA/031

Disability Manual

Interpretation:

For the purpose of calculating the number of months associated with a trial work period, the time spent on certain activities is **NOT** considered if the activity 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
4. Not normally performed for pay or profit.