



PASS
A Powerful Work Incentive
Part 1
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Plan for Achieving Self-Support

If a person has an employment plan that would result in becoming more self-supporting (ie, less reliant on SSI), this work incentive can be used to allow the person to specify and/or set aside resources and income to pay for needed goods and services

Purpose of PASS

- A means to acquire the services and items needed for starting work, not to make income or resources available for ongoing costs.
- PASS increases or maintains income producing capabilities.

Purpose of PASS

- Must be a reasonable chance that individuals can achieve their voc goal.
- Must be a clear connection between voc goals and increased earning capacities.
- Meant to assist a person in competing in the job market.

Purpose of PASS

- Makes it financially feasible for individuals to set aside or save income / resources which can be used to achieve their voc goals.
- Provides persons with disabilities the opportunity to self-direct the voc rehab process.

PASS Summary

- Meant to be a flexible tool.
- Income / resources set aside in a PASS not counted in determining eligibility for SSI or in calculating the amount of the SSI benefit that individuals will receive.

PASS Summary

- SSI amount is increased by excluding certain income / assets which would have to be counted under the regular SSI rules.
- Extra SSI pays for other living expenses (i.e. food, clothing, and shelter).
- Other factors make PASS advantageous, such as allowing Medicaid eligibility.

Income & Resources

- PASS can be established by setting aside one or more of the following to achieve a voc goal:
 - Earned income (wages, self-employment, certain sick pay, royalties / honoraria);
 - Unearned income (SS, deemed income, other benefits or monetary support);
 - Resources.

Income & Resources

- PASS enables individuals to recoup some or all of the expenses paid for under the PASS.

Unlikely Candidates

- Individuals ineligible for SSI for reasons other than excess income / resources.
- Individuals who are unable to pursue occupational goals due to their condition.

Unlikely Candidates

- Individuals who are currently self-supporting.
- Individuals who had a PASS and have not tried to seek employment.

Unlikely Candidates

- Individuals who do not have income or resources to set aside and are willing to do so
- Individuals who do not need services or items to work or willing to set aside funds

Developing a PASS

- May be developed at any time.
- If receiving SSI, meeting initial SSI eligibility criteria is not required.
- If not receiving SSI, must go through the regular SSI app procedure before a PASS can result in an SSI check issued.
- PASS Specialists play a vital role in the app and review process.

Excluding Wages

- Wages excluded under PASS cannot be deducted from gross wages to meet the SGA criteria.
- If establishing a PASS to meet the Income and Resources Test, the PASS expense can simultaneously be computed as an IRWE (meets IRWE criteria) to reduce wages for the SGA/medical disability determination.

Excluding Wages

- Once individuals meet both the SGA and Income and Resources Test, the actual amount of their cash benefit is computed.

Calculation w/out PASS

Step One:

Unearned Income \$ 220.00
 - Gen Income Exclusion (GIE) \$ 20.00
 = Countable Unearn Income \$ 200.00

Calculation w/out PASS

Step Two:

Gross Earned Income	\$ 462.00
- SEIE	\$ 0
=Remainder	\$ 462.00
- GIE if not used above	\$ 0
=Remainder	\$ 462.00
- Earned Income Exclusion	\$ 65.00
=Remainder	\$ 397.00
- IRWE	\$ 0
=Remainder	\$ 397.00
Divide by 2	/ 2
=Remainder	\$ 198.50
- BWE	\$ 0
=Total Countable Earn Income	\$ 198.50

Calculation w/out PASS

Step Three:

Countable Unearned Income	\$ 200.00
+ Countable Earned Income	<u>\$ 198.50</u>
= Countable Income	\$ 398.50
- PASS	<u>\$ 0</u>
= Total Countable Income	\$ 398.50

Step Four:

Base SSI Rate:	\$ 603.00
- Total Countable Income	<u>\$ 398.50</u>
= SSI Payment	\$ 204.50

Calculation w/ PASS

Step One:

Unearned Income	\$ 220.00
- GIE	<u>\$ 20.00</u>
= Count Unearned Income	\$ 200.00

Calculation w/ PASS

Step Two:

Gross Earned Income	\$ 462.00
- SEIE	<u>\$ 0</u>
=Remainder	\$ 462.00
- GIE if not used above	<u>\$ 0</u>
=Remainder	\$ 462.00
- Earned Income Exclusion	<u>\$ 65.00</u>
=Remainder	\$ 397.00
- IRWE	<u>\$ 0</u>
=Remainder	\$ 397.00

Divide by 2	<u>/2</u>
=Remainder	\$ 198.50
- BWE	<u>\$ 0</u>
=Total Count Earned Income	\$ 198.50

Calculation w/ PASS

Step Three:

Countable Unearned Income	\$ 200.00
+ Countable Earned Income	<u>\$ 198.50</u>
= Countable Income	\$ 398.50
- PASS	<u>\$ 150.00</u>
= Total Countable Income	\$ 248.50

Step Four:

Base SSI Rate:	\$ 603.00
- Total Countable Income	<u>\$ 248.50</u>
= SSI Payment	\$ 354.50

Expense Exceeds FBR

Step One:

Unearned Income	\$ 450.00
- GIE	<u>\$ 20.00</u>
= Countable Unearn Income	\$ 430.00

Expense Exceeds FBR

Step Two:

Gross Earned Income	\$ 450.00
- SEIE	<u>\$ 0</u>
=Remainder	\$ 450.00
- GIE if not used above	<u>\$ 0</u>
=Remainder	\$ 450.00
- Earned Income Exclusion	<u>\$ 65.00</u>
=Remainder	\$ 385.00
- IRWE	<u>\$ 0</u>
=Remainder	\$ 385.00

Divide by 2	<u>/2</u>
=Remainder	\$ 192.50
- BWE	<u>\$ 0</u>
=Total Count Earned Income	\$ 192.50

Expense Exceeds FBR

Step Three:

Countable Unearned Income	\$ 430.00
+ Countable Earned Income	\$ <u>192.50</u>
= Countable Income	\$ 622.50
-PASS	\$ <u>622.50</u>
= Total Countable Income	\$ 0

Expense Exceeds FBR

Step Four:

Base SSI Rate:	\$ 603.00
- Total Countable Income	\$ <u>0</u>
= SSI Payment	\$ 603.00

Important Note: Michael is not recouping all the money he is spending on goods and services under his PASS. He must pay \$58.50 of the expense over and above his SSI check.

Exceeds Countable Income

Step One:

Unearned Income	\$ 0
- GIE	\$ <u>20.00</u>
= Count Unearned Income	\$ 0

Exceeds Countable Income

Step Two:

Gross Earned Income	\$ 500.00
- SEIE	\$ <u>0</u>
= Remainder	\$ 500.00
- GIE if not used above	\$ 20.00
= Remainder	\$ 480.00
- Earned Income Exclusion	\$ <u>65.00</u>
= Remainder	\$ 415.00
- IRWE	\$ <u>0</u>
= Remainder	\$ 415.00

Divide by 2	<u>/2</u>
= Remainder	\$ 207.50
- BWE	\$ <u>0</u>

= Total Count Earned Income \$ 207.50

Exceeds Countable Income

Step Three:

Countable Unearned Income	\$ 0
+ Countable Earned Income	\$ <u>207.50</u>
= Countable Income	\$ 207.50
-PASS	\$ <u>350.00</u>
= Total Countable Income	\$ 0

Exceeds Countable Income

Step Four:

Base SSI Rate:	\$ 603.00
- Total Countable Income	\$ <u>0</u>
= SSI Payment	\$ 603.00

Mary's check has increased \$207.50 as opposed to not using a PASS. She will need to pay the difference between her PASS expenses and countable income - \$142.50.

Value of 1/3 Reduction Support

Step One:

Unearned Income	\$	0
- General Income Exclusion (GIE)	\$	<u>20.00</u>
= Countable Unearned Income	\$	0

Value of 1/3 Reduction Support

Step Two:

Gross Earned Income	\$	595.00
- SEIE	\$	<u>0</u>
= Remainder	\$	595.00
- GIE if not used above	\$	<u>20.00</u>
= Remainder	\$	575.00
- Earned Income Exclusion	\$	<u>65.00</u>
= Remainder	\$	510.00
- IRWE	\$	<u>0</u>
= Remainder	\$	510.00
Divide by 2		<u>/2</u>
= Remainder	\$	255.00
- BWE	\$	<u>0</u>
= Total Count Earned Income	\$	255.00

Value of 1/3 Reduction Support

Step Three:

Countable Unearned Income	\$	0
+ Countable Earned Income	\$	<u>255.00</u>
= Countable Income	\$	255.00
- PASS	\$	<u>405.66</u>
= Total Countable Income	\$	0

Step Four:

Base SSI Rate:	\$	402.00
- Total Countable Income	\$	<u>0</u>
= SSI Payment	\$	402.00

Presumed Maximum Value

Step One:

Unearned Income	\$	213.00
- GIE	\$	<u>20.00</u>
= Countable Unearn Income	\$	193.00

Presumed Maximum Value

Step Two:

Gross Earned Income	\$	595.00
- SEIE	\$	<u>0</u>
= Remainder	\$	595.00
- GIE if not used above	\$	<u>0</u>
= Remainder	\$	595.00
- Earned Income Exclusion	\$	<u>65.00</u>
= Remainder	\$	530.00
- IRWE	\$	<u>0</u>
= Remainder	\$	530.00
Divide by 2		<u>/2</u>
= Remainder	\$	265.00
- BWE	\$	<u>0</u>
= Total Count Earned Income	\$	265.00

Presumed Maximum Value

Step Three:

Countable Unearned Income	\$	193.00
+ Countable Earned Income	\$	<u>265.00</u>
= Countable Income	\$	458.00
- PASS	\$	<u>405.66</u>
= Total Countable Income	\$	52.34

Step Four:

Base SSI Rate:	\$	603.00
- Total Countable Income	\$	<u>52.34</u>
= SSI Payment	\$	550.66

PASS Etiquette

- Don't get the person's hopes up if the PASS does not appear to be feasible to use.
- If you follow these steps, you will have the information needed to support the person's decision whether to use a PASS.

Clarify Vocational Goal

- Upon completing goal, will the person be more self-supporting (including less dependent on benefits)
- Does person have a voc goal through VR, EN or another agency?
- Do not reinvent the wheel.

Explain Rules & Process of a PASS

- Secure current mo. expenses
 - Use worksheet
 - Look at current expenses
 - placed in PASS;
 - covered by Medicaid; and/or
 - decreased/eliminated by other support programs (HUD, food stamps)
- Make sure the person can pay mo. bills given the PASS set aside.

PASS Touch-Points

- Mark calendar to check on the person once PASS approved
 - Accordion file
 - EXCEL spreadsheet
 - Initially, follow-up with the person bi-monthly
 - SSA will review at 6 mos and annually thereafter.

Potential Impact on PASS

Circumstances that warrant PASS revision:

- Moves
- Marries
- Resources \$2,000 or more
- Start/Stop working
- Increase/Decrease in pay
- Need additional expenses added to the PASS
- No longer need identified PASS expense

Stopping vs. Suspending a PASS

- You can have as many PASS plans and PASS revisions as you can get approved - but you can only have a vocational goal once.

Stopping vs. Suspending a PASS

- It is better to discuss suspending the PASS than stopping it.
 - Work with the PASS Specialist on the suspension.
 - During the suspension SSA no longer expects you to set aside funds and they will stop sending extra funds.
 - If suspended, any money in the PASS account will remain in the account for the duration of the suspension. It is an excluded resource.

PASS & Title 2 Work Incentives

- PASS set aside is NOT ignored for the purposes of Title 2.
 - In other words, the Title II clock does not stop ticking when there is a PASS
- Always track Title 2 first

PASS & Title 2 Work Incentives

- Pursue applicable Title 2 work incentives once the EPE starts
- Use those items in the PASS, that meet the definition of IRWE (for Title 2 purposes), at the same time they are used in the PASS

PASS & SEIE

- Student Earned Income Exclusion (SEIE)
 - Can impact PASS since it is taken prior to the general and/or earned income exclusions and the divide by two.
 - Must be used if the person meets the eligibility requirements for SEIE

PASS & IRWE

- Impairment-Related Work Expense (IRWE)
 - Instead, put these items in the PASS and stop using the IRWE. Remember, you only get credit for 50% of the out-of-pocket expenses.
 - Items that are “IRWE” may then count as IRWE after the PASS is completed
 - If concurrent, IRWE’s still count for SGA determination

PASS & BWE

- Blind Work Expense (BWE)
 - Can have a PASS and BWE at the same time.
 - Add all items from the BWE into the PASS and leave those remaining items in the BWE that may not meet PASS criteria (FICA, pension contributions)

Developing the PASS

- It is good practice to run any questionable expenses and situations by the PASS Specialist prior to submitting. This will eliminate negotiations after the PASS is completed.