

SSI/SSDI and Employment

A BRIEF OVERVIEW OF WORK INCENTIVES

Case workers are encouraged to support individuals to pursue their vocational goals, both before and after applying for Supplemental Security Income (SSI)/Social Security Disability Insurance (SSDI). This overview will briefly discuss how the Social Security Administration (SSA) views the work activity of an SSI/SSDI applicant, and the many work incentives available to beneficiaries.

Working While Applying for SSI/SSDI

Individuals *can* work during the SSI/SSDI application process. In fact, information gathered from work activity can help strengthen the application by documenting any functional limitations experienced.

- SSA looks at the *type and amount* of work completed to see if an individual can maintain “substantial gainful activity (SGA).” This is quantified as earning \$1,620/month (2025 amount).

Working While Receiving SSI/SSDI: Cash Benefits

Supplemental Security Income (SSI) is a needs-based program for children and adults, so an individual’s check will likely reduce when they start working. SSA first applies a few exclusions and then counts \$1 for every \$2 of income from employment.

- *General Income Exclusion*: SSA will exclude the first \$20 of earned or unearned income a person receives.
- *Earned Income Exclusion*: SSA will exclude the first \$65 a person earns from working.
- *Plan to Achieve Self-Support (PASS)*: An SSI recipient can save money for an educational or vocational goal in a separate account, which is not counted as a resource or countable income when determining their SSI payment, (e.g., saving \$100/month towards tuition for a training program)
- *Impairment Related Work Expense (IRWE)*: This is an out-of-pocket expense that enables the person to go to work. The expense must be related to the disability, such as medication co-pays, special equipment, and special transportation, (e.g., 5 medication co-pays of \$10 each = \$50).
- *Student Earned Income Exclusion (SEIE)*: This is available to certain SSI recipients under the age of 22 who are regularly attending school. It allows the student to exclude a specified amount of gross earned income per month up to a maximum annual exclusion, decreasing the amount of countable earned income (\$2,350 per month, up to a yearly maximum of \$9,460 in 2025).

How does Work Activity Affect SSI Cash Benefits?

| Income/Exclusion Detail | Calculation |
|--|----------------------------|
| Gross Monthly Earnings from Work: | \$500 |
| General income Exclusion: | (\$20) |
| Earned income Exclusion: | (\$65) |
| *PASS Plan | (\$100) |
| **IRWE | (\$50) |
| Monthly earnings after exclusions: | = \$265 |
| Divide in half: | \$265/2 |
| Countable income: | = \$132.50 |
| Maximum SSI check – countable income: | \$967 ⁺ -132.50 |
| Amount of New SSI Check: | = \$834.50 |
| Total Income (SSI check + earnings) | \$1,334.50 |

**Based on 2025 SSI Federal Benefit Rate*

Social Security Disability Insurance (SSDI) is the program you pay into when you work, and the benefit amount is based on past earnings. Because of this, SSA has some work incentives that encourage individuals to try working again.

- **Trial Work Period (TWP):** 9 months in a rolling 5-year period, during which a person can work as much as they are able and keep their full SSDI check.
 - After the TWP, there is an *Extended Period of Eligibility (EPE)*, a 3-year period during which a person is eligible to receive their full SSDI check in any month that they aren't able to earn over SGA.
- **Subsidy:** A value put on the extra support that an employer provides, such as a job coach, or reduced workload for an individual with disabilities.
 - Subsidies, along with IRWEs, can be used by SSDI recipients to reduce countable income during the EPE. If earnings can be reduced below SGA, benefit payments would continue.

Working While Receiving SSI/SSDI: Health Insurance

Medicaid (SSI): Individuals may retain Medicaid eligibility even if SSI payments stop due to earnings from work and those earnings are below a certain threshold under [federal rule 1619b](#). This threshold is different in each state and varies widely.

Medicare (SSDI): Coverage continues for 93 months after payments stop due to earnings from work. After this, Medicare can be purchased under certain conditions and Part A premiums would apply.

Expedited Reinstatement of Benefits

This is a five-year safety net after cash benefits end due to earnings from work that allows an expedited return to cash and medical benefits if someone is unable to continue earning above SGA due to their disabling condition. Social Security will review the request to determine if the disabling condition is the same as, or related to, the impairment in the original claim, and applicants can receive up to six months of provisional benefits while the decision is processed.

Social Security's Ticket to Work Program

This is a free program available to all SSI/SSDI beneficiaries. SSA has specialists that can connect individuals to employment supports in their area, such as career counseling, training, and job placement, and can explain in detail how going back to work will impact a person's benefits. The [Ticket to Work website](#) has links to local employment resources and offers free training webinars for beneficiaries and service providers.

Additional Resources

- ["SOAR and Employment for SSI/SSDI Beneficiaries." The SAMHSA SOAR TA Center.](#)
- [The Red Book - A Guide to Work Incentives. Social Security Administration's guidebook on work incentives.](#)