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Collection/Record Group: Clinton Presidential Records

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OA/ID Number: 17801

FolderID:

Folder Title:
Disabilities-SSA [Social Security Administration] Regulation Change

Stack:	Row:	Section:	Shelf:	Position:
S	97	4	6	1

Joanne Cianci 07/17/2000 09:47:29 AM

Record Type: Record

To: J. Eric Gould/OPD/EOP@EOP
cc:
bcc:
Subject: Re: SSA reg changes for disability event

No decisions have been made on these proposals (they are all regs). SSA formally transmitted the last portion of the package on Friday afternoon. We are still waiting for additional information we requested.

Ken McGill, who has been the SSA representative at the meetings, should be able to provide you with a non-technical description of the proposals. His number is 410-965-3988.

The costs are as follows:

SGA indexing -- Already reflected in the baseline, therefore, no need to offset.

TWP -- First Year: $7 million OASDI; no Medicare costs
5 years: $27 million OASDI; no Medicare costs
10 years: $37 million OASDI; $10 million in Medicare

SEIE -- First Year: $3 million SSI; <$500,000 in Medicaid
5 years: $16 million SSI; <$500,000 in Medicaid
10 years: $38 million SSI; <$500,000 in Medicaid

The "saver" is the revised listing for musculoskeletal body systems.
First Year: $-10 million OASDI; $-5 million SSI; Medicare and Medicaid effects under development
5 years: $-305 million OASDI; $-55 million SSI; Medicare and Medicaid effects under development
10 years: $-1,280 million OASDI; $-205 million SSI; Medicare and Medicaid effects under development

The regulatory package also includes the revised listing for disability determination of SSI kids.
First Year: $5 million SSI; Medicaid estimate to be determined
5 year: $215 million SSI; Medicaid estimate to be determined
10 years: $810 million SSI; Medicaid estimate to be determined

J. Eric Gould 07/16/2000 04:02:18 PM

Ken
358 6045

J. Eric Gould 07/16/2000 04:02:18 PM

Record Type: Record

To: Joanne Cianci/OMB/EOP@EOP

cc:
Subject: SSA reg changes for disability event

Are we doing all three of the actions below? Are they all reg. changes? How much do they cost? Who at SSA could help me put together a real person (non-technical) description of what these do? Thanks

Annually adjust per the average wage index the earnings guidelines that shows whether work done by persons with impairments other than blindness is substantial gainful activity.

Increase (from $200 to $530) the earnings amount that shows that a person has used one of his/her trial work months under SSDI, and then annually adjust the amount per the average wage index.

Increase the maximum monthly (from $400 to $1,290) and yearly (from $1,620 to $5,200) Student Earned Income Exclusion amounts used in determining SSI eligibility and payment amounts, and then annually adjust these amounts per the CPI.

OFFICE OF EMPLOYMENT SUPPORT PROGRAMS
SOCIAL SECURITY ADMINISTRATION

FACSIMILE TRANSMISSION
ROOM 3N15 OPERATIONS
410-966-8597

DATE : 7-18-00

TO : Eric Gould of the

OFFICE PHONE NO : Domestic Policy Counsel

TELEFAX NO. : 202 456 7431

FROM : Ken McGill

PHONE NO. : Secretary/Stephanie Jones 410 966 1971

TOTAL NUMBER OF PAGES: 3 (INCLUDING COVER SHEET)

COMMENTS:

Jones, Stephanie D.

From: McGill, Ken
Sent: Tuesday, July 18, 2000 3:53 PM
To: Jones, Stephanie D.
Subject: FW: Draft Press Release for 2001 SGA Increase

-----Original Message-----
From: Baumel, Jack
Sent: Tuesday, July 18, 2000 2:03 PM
To: McGill, Ken
Cc: Shreet, Sharon
Subject: Draft Press Release for 2001 SGA Increase

As you requested, he is my draft:

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News Release

SSA Proposes Rule Changes to Enable More Disability Beneficiaries to Return to Work

As part of the Clinton Administration's ongoing efforts to help people with disabilities reenter the workforce, XXXXXXXXXX announced today that the Social Security Administration is proposing significant changes to the amounts that disabled adult beneficiaries can earn while still remaining eligible for benefits under various circumstances. Under this proposal, future increases to these amounts would be linked to the national average wage or the consumer price index. The proposed changes may affect as many as 500,000 (? -check with OACT) Social Security beneficiaries with disabilities in their first year.

"This is good news for many of our disability beneficiaries," commented Commissioner Kenneth S. Apfel. "This changes will allow more beneficiaries with disabilities to return to the workforce and enable them to lead more productive, self-sufficient lives."

Current rules state that to become eligible for Social Security Disability Insurance (DI) or Supplemental Security Income (SSI) benefits, an individual must be unable to engage in any substantial gainful activity (SGA) that exceeds $700 per month. In addition, SGA is used as a measure in determining ongoing entitlement for DI benefits. The SGA level is set by the Commissioner through regulation. Under this proposal, future increases will be indexed to the national average wage.

"Many beneficiaries are leery of attempting work for fear of inadvertently crossing the SGA threshold and losing critically important cash and medical benefits," stated Commissioner Apfel.

Another change proposed by SSA affects the Trial Work Period during which DI beneficiaries can receive full benefits regardless of how high their earnings might be (if their impairment does not improve) for 9 months of work performed within a rolling 60-consecutive-month period. The proposal would increase (from $200 to $530) the amount of monthly earnings that is currently considered work during the trial work period, and provide annual adjustments to this amount based on any increases in the national average wage.

The third significant change included in this proposal would increase the maximum monthly (from $400 to $1,290) and yearly (from $1,620 to $5,200) Student Earned Income deductions currently used to determine Supplemental Security Income Program eligibility and payment amounts. This proposal also includes annual adjustments to these amounts, but these would be based on any increases in the cost-of-living index.

Currently, less than one half of one percent of disability beneficiaries leave the rolls voluntarily and return to work. Each year since 1991, approximately 400,000 disability beneficiaries have remained on the rolls and have participated in the workforce. The indexed SGA level and the other changes are expected to prompt additional beneficiaries to venture into the workforce.

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