

## Basics on Social Security Benefits, Earning Wages and Work Incentives 2025

Individuals with disabilities can work, earn money, and *retain the Social Security benefits they need for long-term services and support*. Unfortunately, a person is often advised not to work or earn a regular wage for fear of losing their SSA benefits or accruing overpayment. Trouble can happen when there is misinformation, lack of preparation and poor follow-through. The fact is a person can work, earn competitive wages, and still keep their benefits. To achieve this the person with disability, family and professionals providing services need to follow the basic ground rules, utilize the SSA **work incentives**, and get help when needed.

When a Social Security beneficiary goes to work, they must submit monthly earnings reports. This report can include evidence of an approved work incentive. Ask for assistance to complete this required step from the local SSA office, a Work Incentive Planning and Assistance program (find help at <https://choosework.net/findhelp/>) or other knowledgeable source, such as a vocational rehabilitation counselor. Quality employment services must include support for the worker with a disability to *learn how wages will impact their benefits, identify the work incentives that may apply to their situation, create an individual budget and report wages to SSA to avoid problems*.

The tables below outline basic information about benefits and work incentives with [examples in blue](#).

**Table I: Overview of SSDI and SSI**

There are two categories of SSA for disability benefits: Title 2 & Title 16/Supplemental Security Income. These benefits usually include a monthly check and health insurance. When a person receives both Title 2 and SSI, he/she must meet ALL income and resource requirements for both benefits.

Title 2 – Social Security Disability Benefit	Title 16 – Supplemental Security Income
<b>Social Security Disability Benefit:</b> <ul style="list-style-type: none"><li>- Childhood Disability Benefit (CDB)</li><li>- Social Security Disability Insurance (SSDI)</li><li>- Disabled Widow(er) Benefit (DWB)</li></ul>	<b>Supplemental Security Income (SSI):</b> benefits for aged, blind, and disabled children & adults who have <i>limited income and resources</i> . Children receive redetermination at age 18.
<b>Disability Payments:</b> <ul style="list-style-type: none"><li>- CDB, SSDI, and/or DWB require 5-month waiting period for the Title 2 check after eligibility is determined.</li><li>- Monthly payment is based on what is <u>paid into the system</u>, through payroll tax, by the parent, the person with the disability, or deceased spouse.</li></ul>	<b>Payment:</b> <ul style="list-style-type: none"><li>- Supplemental Security Income – SSI check starts when person is found eligible.</li><li>- 2025* Monthly Payment: \$967/person or \$1,450/married couple</li><li>- SSI is funded through <u>general tax revenues</u>.</li></ul>
<b>Health Insurance:</b> <b>Medicare</b> requires a 24-month qualifying period, after Title 2 five-month waiting period.	<b>Health Insurance:</b> <b>Medicaid</b> starts when the person is found SSI eligible.
No deeming test for eligibility	Deeming test on financial status
No resource limit	\$2,000 resource limit / \$3,000 couple

\* SSA payments and threshold amounts are established annually.  
Check <https://www.SSA.gov> for the most up to date information.

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**Table II: Automatic Work Incentives by Title**

Before reducing the SSA cash payments or impacting the health benefit, automatic work incentives provide time for trial and error, episodic employment, or other limitations. In general, SSA has a lag period of about 60-days to work calculations. Here are the standard rules that always apply:

Title 2 – Automatic Work Incentives	SSI/Medicaid – Automatic Work Incentives
<p><i>*Trial Work Period (TWP)</i> – 9 months within a 60-month period when gross wages &gt; \$1,160/mo. (2025: \$1,160/month is a little less than 37hrs/wk at \$7.25 per hr.) Then move into the Extended Period of Eligibility.</p>	<p><i>Exclusions gradually reduce the SSI payment based on wages &amp; other income:</i> \$20 unearned income (i.e., SSDI payment) \$65 from earned income (i.e., wages) THEN – SSI check reduced \$1 for every \$2 earned</p>
<p><i>Extended Period of Eligibility</i> – 36-month period <i>*Substantial Gainful Activity (SGA)</i> = \$1,620/mo. (2025: \$1,620 is a little less than 40 hrs./wk. at \$9.60/hr.) (2025: Stat Blind: \$2,700 is a little less than 40 hrs./wk. at \$15.60/hr.) <i>Countable Wages</i> = gross wages <i>minus</i> work incentives (described below) <i>Countable Wages</i> &lt; SGA, <b>YES</b> SSA check that mo. <i>Countable Wages</i> &gt; SGA, <b>NO</b> SSA check that mo.</p>	<p><i>Break-even Point - 1619(a):</i> SSA calculates your <i>countable</i> income, and the cash benefit goes down to \$0. SSI ONLY (Individuals earn wages of \$2,019/month working a little more than 40 hrs./wk. at \$11.50 per hour -or - \$23,901.60/year. He/she does not use a work incentive as listed below. The break-even point is reached, resulting in a cash benefit of \$0.</p>
<p><i>Cessation/Grace Period</i> – determined by SSA. after the TWP the first month wages go over the SGA level and that level of earnings is maintained for a period of time. This determination may happen during the EPE or years later.</p>	<p><i>Medicaid Health Insurance - 1619 (b):</i> Medicaid health insurance continues at no cost, even if earnings become too high for the monthly SSI payment, up to the State Threshold. <b>*State of Texas 2025 Threshold = \$53,501</b> (Consumer receives \$0 cash benefit and is still eligible for Medicaid.)</p>

**Table III: Work Incentives That Reduce Countable Wages**

Work incentives assist the beneficiary to retain their Title 2 or SSI benefit by reducing the **countable wages** used in the SSA calculations. **Countable wages** are the gross wages minus the value of the work incentive. In addition, Expedited Reinstatement (EXR), allows benefits to restart without a new application *and* temporary benefits for 6 months while in redetermination. Find the details and complete list of work incentives on-line at <https://www.SSA.gov>, talk to a VR Counselor or find your local Work Incentive Planning and Assistance benefits advisor.

Title 2 – Work Incentives	SSI/Medicaid – Work Incentives
Impairment-Related Work Expenses (IRWE)	Impairment Related Work Expense (IRWE)
Special conditions / Employer Subsidies	Student Earned income Exclusion
Plan for Achieving Self Support - circumstances apply	Plan for Achieving Self Support (PASS)
Medicare Continuation	Blind Work Expenses

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