Benefits Counseling and Discretionary Distribution Decisions

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Today's Agenda

- How does Benefits Counseling help people with disabilities?
- What types of Benefits are covered?
- Can a Benefits Counseling program benefit a Pooled Trust?
- How can Benefits Counseling help with Discretionary Distributions?
- Is there a good method to start a Benefits Counseling team?

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Benefits Counseling Supports people with disabilities.



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Whether you're dealing with financial, healthcare, or disability-related benefits, counseling can empower informed choices and plans for the future.



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Clarity and Understanding: A benefits counselor help make sense of various programs. They ensure an understanding of rights, options, and responsibilities.

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Reducing Stress and Uncertainty: Understanding how benefits interact—especially when experiencing changes in income—can ease the anxiety of making decisions.

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Maximizing Benefits: A guide to optimizing benefits by identifying all the programs qualified for and helping avoid missed opportunities.

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Problem Solving and Advocacy: Assists with benefit issues like overpayment errors, preventing costly mistakes, and advocacy on behalf of a person with a disability.

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WORK!



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Benefits Counselors Provide:

- Work Incentives Guidance: Explains "work incentives", allowing work while receiving benefits.
- Informed Decision-Making: Empowers informed decisions about employment, education, and life choices.
- Financial Stability: Helps create a plan for financial stability and independence.
- Advice on Transition to Work: Helps understand how benefits are affected when returning to work.
- In essence, benefits counseling aims to remove the barriers and anxieties that a person with a disability may face when considering employment or making financial decisions by giving the participant the tools and information to make an informed decision about employment, while highlighting the incentives and maximizing financial outcomes.
- **Employment comes with so much more than a paycheck - it comes with establishing routine, social connections and financial independence.**



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Benefits counselors can help with many different benefits.



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Benefits for People with Disabilities

- Social Security Disability Insurance (SSDI)
- Supplemental Security Income (SSI)
- Medicare
- Medicaid
- Other Federal and State Benefits



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Social Security Benefits

Supplemental Security Income

Disability Benefits

Disabled Adult Child Benefits

Survivor Benefits

Retirement Benefits



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Social Security Disability Insurance (SSDI)

- Provides benefits to those who can't work due to a medical condition.
- Must have worked long enough and paid social security taxes.
- Inability to work must last at least a year or result in death.
- Benefits are based on the amount of money earned while working.
- Spouses and children of disabled workers can receive benefits.



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Supplemental Security Income (SSI)

- Provides income to low-income individuals with disabilities.
- Must have limited income and resources.
- Aged, blind, and disabled people can qualify.
- Benefits are based on financial need.
- Work incentives may allow for continued benefits while working.

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Disabled Adult Child Benefits

- A child of a retired, disabled, or deceased parent may be eligible for benefits.
- The adult child must be unmarried and over 18.
- The child must have a disability that began before age 22.
- Benefits are based on the parent's earnings record.



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Social Security Retirement Benefits

- Provides income to retired workers and their families.
- Full retirement age varies depending on birth year.
- Benefits are based on earnings history.
- Spouses and dependents may also be eligible for benefits.



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Social Security Survivor Benefits

- Provides benefits for surviving spouses and children of deceased workers.
- One-time payment if they meet certain requirements.
- Monthly benefits based on deceased's earnings record.
- Must have worked long enough to qualify for benefits.

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Medicare and Medicaid

Medicare is a federal program primarily for the elderly and disabled with eligibility based on age (65+) or having collected Social Security Disability Income (SSDI) for at least two years.

There are no income or asset tests for Medicare itself, but there may be for assistance with premiums.

It has four parts: Part A (hospital, hospice, home health care), Part B (physician services), Medicare Advantage (managed care), and Part D (prescription drugs).

Medicaid, also known as Medical Assistance (MA), is a joint state/federal program providing healthcare coverage for low-income individuals and children.

Eligibility is based on income and asset tests, and specific categories like SSI recipients, older adults, persons with disabilities, and others.

Medicaid pays for a wide variety of services, including prescriptions and long-term care.

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Medicaid vs. Medicare

- **Medicare**: Federal program for elderly and disabled.
- **Medicaid**: Joint state/federal program for low-income individuals.

- **Medicare**: Eligibility based on age or disability.
- **Medicaid**: Eligibility based on income and assets.

- **Medicare**: No income/asset test.
- **Medicaid**: Income/asset test required.

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Other Federal Benefits for People with Disabilities



- Veterans Affairs (VA) disability benefits
- Veterans Pension
- Children's Health Insurance Program (CHIP)
- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Assistance for Needy Families (TANF)
- Housing Choice Voucher Program (HCVP)
- Earned Income Tax Credit (EITC)

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Pooled Trusts Can Benefit from Benefits Counseling programs



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How Can It Help?

- Reduced Legal Risks: ensures compliance with disability-related laws for your beneficiaries
- Enhanced Social Responsibility: provides research for advocacy and advancement of mission
- Access to a broader talent pool: more diverse and inclusive workforce (hiring people who received counseling)
- Promotion and marketing: being an expert on benefits a trust is set to protect can give you a leg up in marketing your agency



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Ways to Maximize a Benefits Counseling Program's Reach

- Partner with organizations serving people with disabilities.
- Offer educational workshops on trusts and estate planning.
- Create content that addresses benefits and trust services.
- Build relationships with relevant professionals like attorneys.
- Participate in community support events.



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Demonstrating expertise and providing valuable resources, trust companies can build credibility and attract clients who are seeking comprehensive financial solutions.

Potential Marketing Opportunities:

- **Estate Planning and Beneficiary Support:**
  - Benefits counselors often work with individuals and families facing complex financial situations.
    - Providing guidance on managing inherited assets by the use of trusts.
    - Assisting with financial planning and budgeting.
    - Helping beneficiaries understand their rights and responsibilities.
- **Financial Wellness Programs:**
  - By incorporating information on government benefits and how they interact with financial planning, trust companies can attract clients who are seeking comprehensive financial guidance.
- **Building Relationships with Professionals:**
  - Benefits counselors often work closely with other professionals, such as attorneys, social workers, and financial planners.
    - Attending industry conferences and events.
    - Offering continuing education courses.
    - Providing resources and support.

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Web Content including Videos



Print Media/Advertising

Seminars and Speaking Engagements



How We Market Our Program

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Benefits Counseling Overview

- Benefits counseling helps individuals and trustees navigate complex benefit programs.
- Counselors help with benefit understanding, maximizing, and work incentive guidance for Social Security, Medicaid, Medicare and other benefits programs.
- For Trustees, it provides marketing opportunities and reduces legal risks.

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Benefits Counseling can aid with Discretionary Distributions



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Discretionary Distributions

- Key distinction when someone receives means-tested benefits (such as SSI or Medicaid) is between money paid directly to the beneficiary and the trust paying for something on their behalf.



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- A trustee having complete discretion over whether, when and how much to distribute to a beneficiary does not by itself make distributions irrelevant to SSI.
- Social Security expressly distinguishes the status of the trust from the treatment of individual disbursements
- The properly established Pooled Trust itself can generally be excluded from the beneficiary's SSI resources.
- Federal law specifically recognizes a pooled trust as an exception to any ordinary trust-counting rules.
- However, Distributions can still affect SSI per Social Security Administration Rules.

SSI

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Typical SSI Treatment

Distribution	Typical SSI treatment
Cash paid directly to beneficiary	Unearned income in the month received
Money loaded onto beneficiary's debit card	Generally, unearned income
Trust pays beneficiary's rent/mortgage	Can count as in-kind support and maintenance (ISM) and reduce SSI
Trust pays for food	Since Sept. 30, 2024, food is no longer included in SSI ISM calculations
Trust pays medical expenses, education, therapy, recreation, telephone, etc. directly to a third party	Generally, not income
Trust buys an item that is an excluded resource	Generally, not income
Trust buys a non-excluded asset for the beneficiary	Can potentially be treated as income

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Distributions can still affect SSI per the Social Security Administration Rules

Examples

- A pooled trust has $100,000 in the beneficiary's sub-account. The trustee has absolute discretion and decides to pay the beneficiary $500 in cash. The $100,000 may remain outside the beneficiary's countable SSI resources, **but the $500 cash distribution is generally $500 of unearned income for that month**.
- Conversely, if the trustee uses $500 to pay a therapist directly for services provided to the beneficiary, that payment generally isn't SSI income.

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Medicaid

- The federal pooled-trust exception is specifically part of the Medicaid trust statute, and states administer Medicaid under their own state rules within the federal framework.
- The pooled trust must meet statutory requirements, including separate beneficiary accounts, nonprofit management, and specified treatment of remaining funds at death.

The important questions are:

1. Is the pooled trust **first-party** (the beneficiary's own money) or **third-party**?
2. Is the person receiving **SSI, SSDI, Medicaid, or some combination**?
3. Will the distribution be **cash to the beneficiary** or will the trustee pay a vendor directly?
4. What exactly is being purchased—**rent, food, medical care, transportation, education, a vehicle, etc.**?
5. In what state is the beneficiary's Medicaid administered?

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How can a Benefits Counselor help with Discretionary Decisions?

- Benefits Counselors are experts in needs-based benefits and can assist with discretionary decisions that impact those benefits.
- Benefits Counselors can also empower people with disabilities to make informed choices and plan for the future confidently.
- Benefits counselors can use expertise to help make sense of various programs and understand rights, options, and responsibilities.
- Benefits Counselors can deal with issues like overpayment errors, preventing costly mistakes and lead to advocacy on behalf of a person with a disability.

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How To Create a Benefits Counseling Team



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Steps to Building a BC Team

Step One: **Evaluate Current Needs.** Assess the existing resources and gaps in services related to benefits counseling. Determine the size and scope of the team needed.

Step Two: **Identify Necessary Expertise.** Determine the specific skills and knowledge required for the team, such as expertise in SSDI, SSI, Medicare, Medicaid, and work incentives.

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Steps to Building a BC Team

Step Three: **Recruit and Hire Qualified Counselors.** Look for individuals with experience in benefits counseling, social work, or related fields; or

Train from Within. Provide opportunities for current employees to obtain benefits counseling certifications.

Step Four: **Provide Training and Ongoing Education.** Ensure that team members are knowledgeable about the latest regulations, policies, and best practices. Offer ongoing training opportunities to keep their skills up to date.

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Steps to Building a BC Team

Step Five: **Develop Standardized Procedures.** Create clear guidelines and protocols for how counselors will interact with clients, provide information, and document their work. This should include efforts in organized record keeping.

Step Six: **Establish Referral Networks.** Build relationships with other organizations and professionals who serve individuals with disabilities, such as Area Agencies on Aging, Social Security offices, and vocational rehabilitation agencies as well as internal departments within your own organization.

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Steps to Building a BC Team

Step Seven: **Monitor and Evaluate Program Effectiveness.** Track key metrics, such as the number of clients served and the outcomes of counseling sessions, to assess the team's performance and identify areas for improvement and areas and people not currently being served.

Step Eight: **Secure Funding and Resources.** Explore various funding sources, such as grants, contracts, and fee-for-service arrangements, to support the team's operations.

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Cornell Benefits Certification



- Cornell University offers online certificate programs for professionals in the field of benefits counseling.
- These programs provide in depth knowledge on employee benefits.
- They also explore the role of the benefits counselor and relevant laws and regulations.
- Cornell currently offers a WIP-C, YOUTH-C, VET-C, and LEADERSHIP-C.

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Virginia Commonwealth University Certification

CWIC and Community Partner Initial Training and Certification

The Community Work Incentives Coordinator (CWIC) and Community Partner Initial Training and Certification are designed for professionals who will deliver individualized work incentives counseling services to Social Security disability beneficiaries on a regular basis.

Work incentive counseling is the delivery of in-depth advisement to Social Security disability beneficiaries about the effect of an earning goal on their public benefits, including Social Security disability benefits, Medicaid, Medicare, and other public benefits.

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Benefits counseling offers significant advantages for both individuals and trustees, particularly when navigating the complexities of Social Security, disability benefits, and related programs.

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Any Questions?

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Thank you for your attention.



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