

Using PASS and PESS to Achieve your Career Goal

What you need to know before
making an employment decision...

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SSI and Plan for Achieving Self-Support (PASS)

- PASS is an SSI work incentive which allows a person with a disability to set aside income and/or resources for a specified period of time in order to pay for items or services needed to achieve a work goal.

PASS Advantages

- Reflects individual choice
- Self-financed
- Largely self-directed
- Highly individualized
- May entitle some to Medicaid

Types of PASS Expenses

- Set aside income and/or resources to pay for
 - Education or training,
 - job coaching or other support services,
 - transportation,
 - job-related items,
 - equipment needed to start a business, or
 - just about anything else needed to achieve an occupational goal.

Likely PASS Candidates

- Seeking employment or self-employment
- Interested in reducing dependency on public benefits and becoming more self-supporting
- In need of services or items in order to achieve a desired employment goal
- Would otherwise have initial eligibility denied or eligibility suspended due to excess income or resources, or would have SSI benefits reduced due to income

Self-Employment and PASS

- Individual or group business ventures and must include a business plan.
- Secure concurrence by knowledgeable third parties as to the feasibility and viability of the business in terms of the person's ability to conduct the business and ability of the business to be successful. Some possible third party reviewers may include:
 - personnel like a VR counselor, or business planner
 - small business administration
 - local departments of employment
 - local chambers of commerce or banks

PASS and Title 2

- Using a PASS allows individuals with disabilities who receive a Social Security Title 2 disability payment to use their own SSA benefits to pay for the items or services they need to become successfully employed or self-employed.

Developing a PASS

- A PASS may be developed at any time.
- Plans must be submitted in writing on the SSA-545.
- If individuals are currently not receiving SSI, they must have a goal of SGA-level work and go through the regular SSI application procedure before a PASS can result in an SSI check being issued.
- PASS Specialists play a vital role in the application and review process.

Basic PASS Requirements

1. Feasible occupational goal
2. Interval steps/milestones
3. Definable timeframe
4. Countable income to be set aside
5. Expenses necessary to achieve goal

PASS Progress Checks

- Regular progress reviews are scheduled on the basis of various factors including:
 - Critical milestones;
 - 6-month intervals during which funds will be accumulated for PASS expenses but not disbursed;
 - When the individual files a self-employment tax return;
 - When achievement of the occupational goal is expected; and
 - Any other factor the PASS Specialist considers appropriate.

PASS Calculations - Unearned and Earned Income

STEP ONE:

Unearned Income	\$ 250.00
- General Income Exclusion (GIE)	<u>\$ 20.00</u>
= Countable Unearned Income	\$ 230.00

STEP TWO:

Gross Earned Income	\$ 865.00
- SEIE	<u>\$ 0</u>
= Remainder	\$ 0
- GIE if not used above	<u>\$ 0</u>
= Remainder	\$ 0
- Earned Income Exclusion	<u>\$ 65.00</u>
= Remainder	\$ 800.00
- IRWE	<u>\$ 0</u>
= Remainder	\$ 0
Divide by 2	
= Remainder	\$ 400.00
- BWE	<u>\$ 000.00</u>
= Total Countable Earned Income	\$ 400.00

STEP THREE:

Countable Unearned Income	\$ 230.00
+ Countable Earned Income	<u>\$ 400.00</u>
= Countable Income	\$ 630.00
- PASS	<u>\$ 630.00</u>
= Total Countable Income	\$ 000.00

STEP FOUR:

Base SSI Rate:	\$ 698.00
- Total Countable Income	<u>\$ 000.00</u>
= SSI Payment	\$ 698.00

Property Essential to Self-Support (PESS)

- Excludes certain resources or property that an individual or eligible couple needs for self-support.
- May include:
 - Property used in a trade or business
 - Non-business income-producing property
 - Property used to produce goods or services essential to an individual's daily activities

Property Essential to Self-Support (PESS)

- Resources excluded under this provision **must be in current use**. If not in current use, there must be a reasonable expectation that the required use will resume.
- Liquid resources are not considered PESS **unless** they are used as a part of a trade or business.
Example: Money in a self-employed individual's business account as long as the business is a sole-proprietorship or partnership