

Elder Law Advisor



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To Work or Not to Work: The Question of Balancing a Job with Social Security Disability Insurance Benefits

By: Attorney Michael E. Ahrens

In general, Social Security Disability Insurance (“SSDI”) is available to people who have worked in jobs covered by Social Security and who are now disabled. If a person is disabled and unable to work for a year or more, Social Security pays a monthly cash benefit based on the disabled person’s work history (e.g., the more you have earned, the greater your SSDI benefit). In addition, after receiving SSDI for two years, a disabled individual can be eligible for Medicare.

Even though SSDI can be of great assistance to disabled individuals, many SSDI recipients still want to work, but are concerned that working will cause them to lose their SSDI income or Medicare. The Social Security Administration provides incentives to encourage people with disabilities to work. These incentives include:

1. Working as long as your monthly earnings do not reach a threshold level (\$720 per month in 2011);
2. Testing your ability to work and earn amounts greater than \$720 for up to nine months (your “trial work period”);
3. Working as long as your monthly earnings are not substantial (less than \$1,000 per month in 2011) even if you have used up your trial work period; and
4. Retaining your Medicare benefits for a period of time or buying Medicare coverage even if you lose your SSDI cash benefits.

In addition, the “Ticket to Work” program through the Wisconsin Department of Vocational Rehabilitation allows SSDI beneficiaries to receive vocational rehabilitation from a number of state, local and private organizations within an employment network.

With proper coordination and planning, a disabled person can create a work schedule that gives them the best of both worlds: fulfilling employment and the necessary SSDI and Medicare benefits needed for comfort and security.

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What is the importance of Medicare Part D with respect to Medicaid coverage?

By: Attorney Mark D. Munson, CELA

Medicare Part A covers hospital inpatient care, Medicare Part B covers outpatient medical care, and Medicare Part D covers prescription drugs. Eligible individuals must select and enroll in the Part D plan of their choice; they are not automatically enrolled by turning 65 or enrolling in Part A or B. If a Medicare-eligible individual thinks he or she may need Medicaid (a/k/a Medical Assistance) benefits in the future to help pay long-term care expenses, such as assisted living facility or nursing home costs, it is very important for that person to be enrolled in a Medicare Part D plan or Medicaid will not pay for prescription drugs. This is because Medicaid is a payer of last resort. If an individual has Medicare and supplemental health insurance coverage and is also eligible for Medicaid, both Medicare and the supplemental health insurer will be required to pay the health care costs covered under their plans before Medicaid will pay anything. Because Medicare Part D is an available insurance for Medicare-eligible individuals, Medicaid requires individuals to participate in Part D if they want Medicaid to pick up any portion of prescription drug costs. To learn about Part D plans available in your zip code, go to www.medicare.gov.

Around the State

Mark Munson, Jane Lokken, and Michael Ahrens attended the 13th Annual Elder Law Workshop sponsored by the Wisconsin State Bar's Elder Law Section.

Mark Munson and **Patrick Bodden** participated in the Webinar titled, "What Every Lawyer Needs to Know About Medicare in 2011" sponsored by the American Bar Association.

Michael Ahrens attended a seminar titled "Tax and Estate Planning for Clients Relocating to Florida" sponsored by Lorman Business Services.

Mark Munson attended a number of seminars sponsored by the National Academy of Elder Law Attorneys (NAELA), including "More and Better Medical Care on Medicaid Long-Term Care: The Medical Expense Deduction," "The Ins & Out of Reverse Rule of Halves Planning," and "Tax Primer."

Services offered by Ruder Ware include:

- Nursing home and long-term care planning
- Asset protection
- Gifting and divestment planning
- Medicare and Medicaid benefits
- Social Security benefits
- Insurance analysis (including long-term care insurance)
- Residential housing and other living options Planning for individuals with special needs
- Tax planning
- Durable powers of attorney for property and finances
- Health care powers of attorney
- Wills
- Trusts
- Marital property agreements
- Real estate
- Guardianship
- Conservatorship
- Veterans' benefits

About the Authors

Attorney Michael Ahrens



Michael advises individuals and business owners in all aspects of personal estate planning and business planning, including the adoption and implementation of sophisticated succession and estate planning techniques and facilitating the formation, operation, and growth of closely held businesses. Michael's experience includes:

- Preparing wills, trusts, marital property agreements, and powers of attorney for individuals in a variety of situations requiring everything from simple to complex planning that addresses estate tax issues and unique family circumstances, including the use of irrevocable life insurance trusts (ILITs) and grantor retained annuity trusts (GRATs).
- Drafting the necessary documents for business succession planning such as buy-sell agreements and stock redemption agreements.
- Organizing new business entities, including limited liability companies, by preparing articles of incorporation and operating agreements.

Attorney Mark Munson, CELA



Licensed to practice law in Wisconsin, Illinois and South Dakota, Mark Munson principally advises clients in the areas of elder law, public benefits (including special needs trusts), estate and trust planning, and taxation. Mark regularly advises clients in the areas of asset protection and medical assistance eligibility. Mark also assists clients with probate and estate administration, trust administration and guardianship.

Mark is a Certified Elder Law Attorney (CELA) by the National Elder Law Foundation, the only organization accredited by the American Bar Association for the certification of elder law attorneys in the United States. In order to become a CELA, Mark was required to have sufficient experience in various practice areas with the field of elder law, pass an all-day comprehensive examination that tests various issues and disciplines within elder law, and receive the recommendation of other elder law attorneys in Wisconsin and the United States.

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