# PART C, CHAPTER 11.2: BENEFITS AND WORK INCENTIVES COUNSELING CONTRACTED SERVICES

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| **Policy Number** | **Authority** | **Scope** | **Effective Date** |
| Part C, Chapter 11.2 | 34 CFR [§361.45(c)(3)](https://www.ecfr.gov/current/title-34/part-361#p-361.45(c)(3)) | All TWC-VR staff | 9/3/2024 |

## PURPOSE

In accordance with the authority (Federal and State) listed above, this policy is issued by the Texas Workforce Commission Vocational Rehabilitation Division (TWC-VR). Adherence to these rules and regulations issued under the Rehabilitation Act of 1973, as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), supports Texans with disabilities in gaining, maintaining, and advancing in competitive integrated employment (CIE).

Specifically, the purpose of this policy and these procedures is to ensure adherence to the provision of Benefits and Work Incentives Counseling (BWIC) Contracted Services.

## DEFINITIONS

Benefits Planning Query (BPQY): A report generated by the Social Security Administration (SSA) that provides detailed information about a customer’s Social Security disability benefit.

Benefits Summary and Analysis/Work Incentive Plan (BSA/WIP): An evaluation of how desired or actual monthly gross earned income impacts Federal and State benefits.

Bilateral Contractor: A service contractor that agrees to specific duties or deliverables under the terms of a contract with TWC-VR.

Informed Choice: The means by which a customer chooses their rehabilitation path, from options based on their needs and circumstances and the TWC-VR rules, as it relates to choosing to participate in BWIC Services and the providers of those services.

Medicaid: Free, comprehensive health insurance provided through Texas Health and Human Services for those receiving Title XVI benefits, also known as Supplemental Security Income (SSI); Medicaid coverage begins the date SSI is approved by SSA.

Medicaid Buy-In (MBI): A program that offers customers with disabilities who are working the opportunity to purchase Medicaid coverage; refer to [Texas Health and Human Services’ website](https://www.hhs.texas.gov/services/health/medicaid-chip/medicaid-chip-programs-services/programs-children-adults-disabilities/medicaid-buy-adults) for more information on MBI.

Medicare: Health insurance coverage that comes with a Title II disability cash benefit. Coverage begins 24 months from the date the first Title II cash benefit is due; Medicare is not free, but customers can apply for Texas Health and Human Services’ Medicare Savings Program to see if they qualify for assistance with Medicare costs.

SSA Work Incentives: Special rules for customers receiving SSI or a Title II benefit based on disability that may allow continuation of the monthly cash benefit and/or Medicare and/or Medicaid.

Supplemental Security Income (SSI): Needs-based disability benefits paid to disabled individuals who have limited income and resources. Disability benefits under SSI include 1) Childhood SSI (for those under age 18) and 2) SSI Adult Disabled/Blind (for those age 18 to 65).

Title II Disability Benefits: Benefits paid to disabled individuals who are insured under the Social Security Act by virtue of their contributions to the Federal Old-Age and Survivors Insurance Trust Fund and Federal Disability Insurance Trust Fund through the Social Security tax on their earnings, as well as to certain disabled dependents of insured individuals. Disability benefits under Title II include 1) Social Security Disability Insurance (SSDI), 2) Childhood Disability Benefits, also known as Disabled Adult Child (CDB/DAC), and 3) Disabled Widow/Widower Benefits (DWB).

## POLICY

### General Overview

BWIC services consist of individualized services that provide detailed information on the impact of employment and other income on SSA disability cash benefits, Medicaid, and/or Medicare coverage, and other publicly and privately funded services.

Information provided through BWIC services supports customers’ abilities to make informed decisions about earning a living wage. An important component to such services is identification and explanation of SSA work incentives for which the customer may qualify when employed.

Customers are eligible for BWIC services if they are actively looking for work or already working and have an Individualized Plan for Employment (IPE) and one or more of the following SSA benefits:

* Title XVI SSI Childhood Disability (ages 0 to 18);
* Title XVI SSI Adult Disabled/Blind (ages 18 to 65);
* Title II SSDI (age 18 up to Full Retirement Age);
* Title II Childhood Disability Beneficiary/Disabled Adult Child (CDB/DAC) (age 18 through end of life); and/or
* Title II Disabled Widow/Widower Beneficiary (DWB) (age 50 to Full Retirement Age).

The VR Counselor can purchase multiple BSA/WIPs for one customer in the following situations:

* If the customer's job pays a different amount than the earnings analyzed in the original BSA/WIP, a revised BSA/WIP must be purchased.
* If the customer loses the job on which the BSA/WIP was based and determines a different earnings goal or obtains new employment, a revised BSA/WIP must be purchased.
* If the customer is returning to TWC-VR after a case closure, a new BSA/WIP must be purchased.

Successful case closure can be attained if the only TWC-VR services provided are VR counseling and guidance and BWIC services.

BWIC services consist of the following four major categories:

1. Supplemental Security Income and/or Title II Disability Benefits
   * Information and Referral—
     + Provides the customer with a high-level overview of SSA Title XVI, Title II, and/or concurrent cash benefits and health care programs and with general information regarding the impact of earned and unearned income on the programs; and
     + May contain a proposal for more detailed BWIC services via a BSA/WIP if there is supporting evidence for this recommendation.
   * Benefits Summary and Analysis/Work Incentive Plan (BSA/WIP)—
     + Provides both general and individualized information about a customer's verified Title II and/or Title XVI benefits based on disability, including the cash benefit, health care, and other benefits and how working will affect all publicly and privately funded benefits;
     + Includes verification of all benefits and programs, including the source of the verification which must come from the SSA, Health and Human Services (HHSC), or another public funding entity;
     + Details current and future actions, including timelines, that must be taken by the customer and others involved in the customer’s case in relation to SSA disability benefits and other publicly or privately funded benefits;
     + Includes recommendations for any work incentives under Title XVI or Title II for which the customer may qualify;
     + Does not include assistance with completion of the application process for specific work incentives which is purchased separately from the BSA/WIP.
   * Veteran’s Supplemental Security Income and/or Title II Benefits Summary and Analysis/Work Incentive Plan (Veteran’s BSA/WIP)—
     + Provides both general and individualized information about a customer’s (Veteran's) verified SSI and/or Title II benefits based on disability including the cash benefit, health care, and other benefits and how working will affect all publicly and privately funded benefits;
     + Includes detailed information on the impact of employment on a Veteran’s cash benefits, health care, housing, and participation in other veterans’ programs;
     + Includes verification of all benefits and programs, including the source of the verification which must come from the United States Department of Veterans Affairs (VA), SSA, HHSC, or another public funding entity;
     + Contains details current and future actions, with timelines, that must be taken by the customer and others involved in the customer’s case in relation to SSA, VA, and other publicly funded benefits;
     + Does not include assistance with completion of the application process for specific work incentives which is purchased separately from the Veteran’s BSA/WIP.
   * Revised Supplemental Security Income, Title II or Veteran’s Benefits Summary and Analysis/Work Incentive Plan—
     + Revisions to a BSA/WIP or Veteran’s BSA/WIP must be employment related and can occur when a customer with an open VR case has a change in the earned income documented in Section 2 of the original BSA/WIP or Veteran’s BSA/WIP.
2. Supplemental Security Income Work Incentives
   * SSI Student Earned Income Exclusion (SEIE) is an in-depth written explanation and application for this work incentive, which allows certain students under age 22 to retain more of their monthly SSI cash benefit when working.

The SEIE packet consists of—

* + - A completed application for SEIE on *SSA Form 1372* or an SEIE request letter; and
    - Instructions on reporting income to the SSA.
  + SSI Impairment-Related Work Expense (IRWE) is a completed application with an in-depth written explanation for this work incentive, which allows customers to retain more of their SSI monthly cash benefit for items and/or services related to the customer’s disability if needed to maintain or advance in employment.
    - The IRWE packet consists of a completed application for IRWE and a copy of *SSA Form 795* with instructions on reporting income to the SSA. Generic fact sheets about the customer’s SSA disability program and IRWE may be offered for additional information.
  + SSI Blind Work Expense (BWE) is a written or electronic in-depth explanation and application for this work incentive, which allows customers who are statutorily blind, by SSA’s definition, to retain more of their SSI monthly cash benefit when working.
    - The BWE packet consists of a completed application for BWE and a copy of *SSA Form 795*, with instructions on reporting income to the SSA.
  + SSI Plan to Achieve Self-Support (PASS) is a completed application on *SSA Form 545* with budgets and an in-depth written explanation for this SSI work incentive, which allows customers to set aside money to pay for items and/or services needed to achieve a work goal.
    - Money deposited in the customer’s PASS account will increase the amount of the monthly SSI cash benefit and not be counted towards the SSI $2,000/$3,000 monthly resource limit; and
    - Customers are not required to be working to have a PASS but must have a work goal that will result in a living wage.
  + SSI Property Essential to Self-Support (PESS) is an in-depth written explanation and application on *SSA Form 795* and accompanying documents, such as a tax return, a deed, or documents proving the base value of livestock or tools.
    - This work incentive allows customers receiving SSI who own property, livestock, or tools used in a trade or business or as an employee to exclude all or a portion of those items from resources; and
    - PESS only applies to unincorporated for-profit businesses that produce net earnings from self-employment in the trade or business exclusion, such as sole proprietorships, partnerships, and limited liability companies.

1. Title II Work Incentives
   * Title II PASS is a completed application on *SSA Form 545* with budgets and an in-depth written explanation for this Title II work incentive, which allows customers to set aside money to pay for items and/or services needed to achieve a work goal.
     + Customers on Title II disability benefits who have an approved PASS will always get some amount of SSI disability monthly cash benefit and Medicaid while the PASS is active; and
     + Customers are not required to be working to have a PASS but must have a work goal that will result in a living wage.
   * Title II Impairment-Related Work Expense (IRWE) is a completed application with an in-depth written explanation for this work incentive, which allows customers to retain their Title II monthly cash benefit if expenses for items and/or services related to the customer’s disability are needed to maintain employment.
     + Title II IRWEs can only be ordered if the customer has finished a trial work period and is earning above [substantial gainful activity](https://www.ssa.gov/oact/cola/sga.html).
   * Title II Subsidy or Special Condition consists of a completed application on *SSA Form 3033* signed by the customer’s employer and an in-depth written explanation.
     + This work incentive allows customers to keep their monthly Title II cash benefit after completion of the trial work period when working above [substantial gainful activity](https://www.ssa.gov/oact/cola/sga.html) and receiving natural or paid on-the-job supports.
2. Medicaid Buy-In (MBI)
   * This is the only benefits counseling service that can be purchased for any customer regardless of receipt of an SSA disability cash benefit. MBI consists of a completed application on *HHSC Form 1200/MBI*, pay stubs, and other required documentation, and an in-depth written explanation for this work incentive, which allows any qualifying customer who is working and needs health insurance to purchase Medicaid and earn a living wage.
     + If the customer also receives Title II disability benefits, a BSA/WIP must be purchased simultaneously or before purchasing the MBI service; and
     + Customers who receive SSI are not eligible for MBI as they already receive Medicaid.

### Standards for Providers Manual (SFP)

The SFP manual focuses on the business practices, processes, and policies that TWC-VR and the contracted provider must follow. This VRSM chapter includes services that are provided by a contractor. For additional information regarding contractor responsibilities, service descriptions and costs, please refer to the SFP Chapter 26 Benefits and Work Incentives Counseling Services.

### Additional Policy Considerations

* Comparable Services and Benefits: Benefits and Work Incentives Counseling Services are exempt from the requirement to secure comparable services and benefits prior to TWC-VR expending funds.
* Customer Participation in the Cost of Services: Benefits and Work Incentives Counseling Services are exempt from applying Basic Living Requirements (BLR) and, therefore, the customer is not required to participate in the cost of services.
* Recipients of Social Security Disability Benefits: Recipients of Supplemental Security Income (SSI) or a Title II benefits based on disability, are exempt from the requirement to participate in the cost of TWC-VR services regardless of income.
* Exceptions to Policy: When necessary to meet the VR needs of a customer, TWC-VR staff members may request exceptions to policies and procedures through their chain of management up to the Deputy Division Director of Field Services Delivery, or designee. However, exceptions to policies and procedures based on Federal and State laws, statutes, and rules or regulations are not allowable.

## PROCEDURES

### Determining the Need for Benefits and Work Incentives Counseling Services

TWC-VR staff must first determine if a customer is eligible for SSI or a Title II benefit based on disability. Only customers eligible for SSI or a Title II benefit based on disability can receive BWIC services with the following one exception: Assistance with applying for Texas MBI can be purchased for any customer regardless of whether they receive a benefit from SSA. TWC-VR customers receiving SSI or a Title II benefit based on disability are assumed to have the goal of an employment outcome and the need for benefits counseling services.

The VR Counselor must discuss options for accessing BWIC services, when best for the customer to receive the service, and how the service can promote their ability to make informed choices about employment and their benefits. These discussions must be documented in a VR counseling and guidance case note, including that the service has been offered and whether it has been provided, purchased, arranged, or refused.

### Benefits and Work Incentives Counseling Services Referral and Service Provision

When the VR Counselor and customer agree to the receipt of BWIC services, it must be included in the IPE or IPE amendment.

The VR Counselor must—

* Obtain a BPQY from SSA that is no more than six months old by sending a fax coversheet and the *Consent for Release of Information (SSA-3288)* with the customer’s handwritten signature to an SSA Work Incentive Liaison (WIL) at the customer’s local SSA office ([SS Office Locator](https://teams.microsoft.com/l/message/19:meeting_YjA0ZTlkZjItM2U1Ni00OTQ5LTk0ZGItMmFjY2UxNzFkNTUy@thread.v2/1721077459340?context=%7B%22contextType%22%3A%22chat%22%7D)); electronic signatures are not accepted;
* Complete the *Benefits and Work Incentives Planning Referral form (VR1512)*, specifying which service is being purchased with an BBQY and SA sending to the provider;
* Document in a VR counseling and guidance case note that benefits counseling has been offered, provided, purchased, and/or arranged;
* Monitor the customer's progress and, when appropriate, send the customer for additional benefits counseling services;
* Provide any needed instruction or intervention necessary to foster the customer's success;
* Review required documentation, ensuring that all outcomes required for payment are achieved and that the staff qualifications were held by the individual providing the service to the customer;
* Ensure that the invoice is paid; and
* Before case closure, review the information in the BSA/WIP with the customer, paying particular attention to income reporting requirements.

The contractor must—

* For all BWIC services, the Benefits Planner documents all information required in the report, providing evidence that all outcomes required for payment and directions on the SA have been achieved, including—
  + Services were delivered as indicated on *VR1512* with all questions on *VR1512* answered;
  + General information regarding the impact of earned and unearned income on the programs; and
  + Documented proof that the customer and the benefits counselor have reviewed the packet, as evidenced by the benefits counselor’s signature and date of review.

### Customer's Satisfaction

The customer's satisfaction and service delivery is verified by the customer's signature on the required form, as applicable, or by a TWC-VR staff member’s contact with the customer, documented in a case note.

### Benefits and Work Incentives Counseling Services

Payment for each service is made to the contractor when the VR Counselor approves a complete, accurate, signed, and dated report for the appropriate BWIC services with an invoice—

1. SSI and/or Title II Benefits
   * SSI and/or Title II benefits information and referral packet
   * SSI and/or Title II BSA/WIP
   * Veteran’s SSI and/or Title II benefits summary and analysis/work incentive plan packet
   * Revision to SSI and/or Title II BSA/WIP or Veteran’s BSA-WIP packet
2. SSI Work Incentives
   * SSI SEIE packet
   * Supplemental Security IRWE packet
   * SSI BWE SSI PASS packet
   * SSI PASS packet
   * SSI PESS packet
3. Title II Work Incentives
   * Title II PASS packet
   * Title II IRWE packet
   * Title II subsidy or special condition packet
4. MBI Service
   * MBI packet.

## APPROVALS & CONSULTATIONS

TWC-VR staff must follow the following approvals and consultations:

* *VR Director approval is required for any request to change a Benefits and Work Incentives Counseling Services policy and procedures, using the Contracted Service Modification Request form (VR3472) prior to changes being implemented.*

## REVIEW

The Policy Planning and Statewide Initiatives Team, or designee, is responsible for reviewing this policy and these procedures and will update the Document History log if necessary.

| Date | Type | Change Description |
| --- | --- | --- |
| 9/3/2024 | New | VRSM Policy and Procedure Rewrite |