

103<sup>D</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 3009

To amend titles XVI and XIX of the Social Security Act to improve work incentives for people with disabilities.

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 6, 1993

Mr. STARK (for himself and Mr. RAMSTAD) introduced the following bill; which was referred jointly to the Committees on Ways and Means and Energy and Commerce

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## A BILL

To amend titles XVI and XIX of the Social Security Act to improve work incentives for people with disabilities.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Work Incentives  
5 Amendments of 1993”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

### TITLE I—ACCESS TO SSI WORK INCENTIVES

- Sec. 101. Access to work incentives under SSI for SSDI-only recipients who lose eligibility for SSDI benefits because of working.

## TITLE II—WORK INCENTIVES WAIVER AUTHORITY

- Sec. 201. Eligibility of certain individuals with disabilities for coverage under Medicaid home and community-based care waivers.
- Sec. 202. Waiver authority.

## TITLE III—AMENDMENTS TO WORK INCENTIVES PROVISIONS

- Sec. 301. Disregard deemed income of eligible spouse when determining continued Medicaid eligibility under section 1619(b).
- Sec. 302. Continuation of Medicaid for the aged who lose SSI due to excessive earnings.
- Sec. 303. Self-support plans not disapproved within 30 days to be deemed approved.
- Sec. 304. Regulations regarding completion of self-support plans.
- Sec. 305. Exclusion of income and resources under self-support plans in determining Medicaid eligibility in “section 209(b)” States.
- Sec. 306. Expansion of self-support plans to include housing goals.
- Sec. 307. Self-support plans for the aged.
- Sec. 308. Additional State supplementation requirement.
- Sec. 309. Treatment of unemployment compensation, worker’s compensation, and sick pay as earned income for SSI purposes.
- Sec. 310. Treatment of certain grant, scholarship, or fellowship income as earned income for SSI purposes.
- Sec. 311. SSI eligibility for students temporarily abroad.

## TITLE IV—EFFECTIVE DATE

- Sec. 401. Effective date.

1     **TITLE I—ACCESS TO SSI WORK**  
 2                                     **INCENTIVES**

3     **SEC. 101. ACCESS TO WORK INCENTIVES UNDER SSI FOR**  
 4                                     **SSDI-ONLY RECIPIENTS WHO LOSE ELIGI-**  
 5                                     **BILITY FOR SSDI BENEFITS BECAUSE OF**  
 6                                     **WORKING.**

7             (a) IN GENERAL.—Section 1619 of the Social Secu-  
 8 rity Act (42 U.S.C. 1382h) is amended—

9                     (1) in subsection (a), by adding at the end the  
 10 following:

11             “(3) Notwithstanding paragraph (1) of this sub-  
 12 section, a qualified individual shall not be required to have

1 been eligible to receive benefits under section 1611 (or a  
2 State supplementary payment) for a month in order to  
3 qualify for a monthly benefit under this subsection.”;

4 (2) in subsection (b)—

5 (A) in paragraph (1), by inserting “(or, in  
6 the case of a qualified individual, because of his  
7 or her resources)”;

8 (B) by adding at the end the following:

9 “(4)(A) The requirement in paragraph (1) of this  
10 subsection, that an individual have been eligible to receive  
11 a benefit under section 1611 or any federally administered  
12 State supplementary payment for a month, shall not apply  
13 to any qualified individual.

14 “(B) In applying paragraph (1) of this subsection to  
15 a qualified individual, the Secretary shall, for 12-month  
16 period beginning 3 months after the end of the individual’s  
17 period of trial work (as defined in section 222(c)), dis-  
18 regard that portion of the resources of the individual, as  
19 of the beginning of such 12-month period, that exceeds  
20 the amount which would otherwise result in the ineligibil-  
21 ity of the individual for benefits under this title.”; and

22 (3) by adding at the end the following:

23 “(e) As used in this section, the term ‘qualified indi-  
24 vidual’ means an individual—

1 “(1) who has been entitled to benefits under  
2 subsection (d), (e), or (f) of section 202 based on  
3 disability, or disability insurance benefits under sec-  
4 tion 223;

5 “(2) whose termination month (as defined in  
6 section 223(a)(1)) has not commenced; and

7 “(3) who files an application for benefits under  
8 this title during the 3-month period immediately fol-  
9 lowing the individual’s period of trial work (as de-  
10 fined in 222(c)).”.

11 (b) EFFECTIVE DATE.—The amendments made by  
12 subsection (a) shall take effect on the date of the enact-  
13 ment of this Act, and shall apply with respect to periods  
14 of trial work (as defined in 222(c) of the Social Security  
15 Act) ending on or after the date that is 3 months before  
16 such date of enactment.

17 **TITLE II—WORK INCENTIVES**  
18 **WAIVER AUTHORITY**

19 **SEC. 201. ELIGIBILITY OF CERTAIN INDIVIDUALS WITH DIS-**  
20 **ABILITIES FOR COVERAGE UNDER MEDICAID**  
21 **HOME AND COMMUNITY-BASED CARE WAIV-**  
22 **ERS.**

23 (a) IN GENERAL.—Section 1915(c) of the Social Se-  
24 curity Act (42 U.S.C. 1396n(c)) is amended by adding at  
25 the end the following new paragraph:

1       “(11)(A) At the request of a State, the State plan  
2 may provide services under a waiver under this subsection  
3 to any individual described as follows (but only if such  
4 individual would otherwise be entitled to services under the  
5 waiver):

6           “(i) An individual who receives benefits under  
7 subsection (d), (e), or (f) of section 202 based on  
8 disability, or disability insurance benefits under sec-  
9 tion 223.

10          “(ii) An individual who would be entitled to  
11 benefits under subsection (d), (e), or (f) of section  
12 202 based on disability, disability insurance benefits  
13 under section 223, or benefits under section 1611  
14 through the application of section 1619, if the indi-  
15 vidual’s earnings did not exceed the applicable cri-  
16 teria used by the Secretary to determine whether an  
17 individual has demonstrated an ability to engage in  
18 substantial gainful activity.

19          “(B) In the case of an individual described in sub-  
20 paragraph (A)(ii), a waiver under this subsection may also  
21 include a waiver of the provisions of section 1903(f)(4)(C)  
22 requiring the Secretary to disregard subsection (b) of sec-  
23 tion 1612 in determining whether the individual’s income  
24 exceeds 300 percent of the supplemental security income  
25 benefit rate established by section 1611(b)(1).”.

1 (b) EFFECTIVE DATE.—The amendment made by  
2 subsection (a) shall apply to waivers under section 1915(c)  
3 of the Social Security Act for quarters beginning 90 or  
4 more days after the date of the enactment of this Act.

5 **SEC. 202. WAIVER AUTHORITY.**

6 Part A of title XVI of the Social Security Act (42  
7 U.S.C. 1381–1382j)) is amended by adding at the end the  
8 following:

9 **“SEC. 1622. WORK INCENTIVES.**

10 “(a) REQUEST.—For the purpose of enabling individ-  
11 uals who are aged, blind, or disabled individuals to work,  
12 any State may request the Secretary to apply subsection  
13 (c) with respect to the residents of the State.

14 “(b) PROVISION OF WORK INCENTIVES.—The Sec-  
15 retary shall apply subsection (c) with respect to the resi-  
16 dents of a State that has submitted a request under sub-  
17 section (a) if the Secretary finds that doing so would be  
18 cost-effective and efficient and not inconsistent with the  
19 purposes of this title, and would encourage work by indi-  
20 viduals with severe disabilities.

21 “(c) NATURE OF WORK INCENTIVES.—In determin-  
22 ing whether any resident of the State is eligible for bene-  
23 fits under this title and, if so, the amount of such bene-  
24 fits—

25 “(1) section 1612(b)(4) shall be applied—

1           “(A) by substituting ‘not more than  
2           \$2,400 (as agreed upon by the Secretary and  
3           the State in which the individual resides)’ for  
4           ‘\$780’ each place such term appears; and

5           “(B) by substituting ‘one-third’ for ‘one-  
6           half’ each place such term appears; and

7           “(2) earned income shall be excluded under sec-  
8           tion 1612(b) only pursuant to paragraphs (1),  
9           (2)(A), and (4) of such section.”.

## 10           **TITLE III—AMENDMENTS TO** 11           **WORK INCENTIVES PROVISIONS**

### 12           **SEC. 301. DISREGARD DEEMED INCOME OF INELIGIBLE** 13                           **SPOUSE WHEN DETERMINING CONTINUED** 14                           **MEDICAID ELIGIBILITY UNDER SECTION** 15                           **1619(b).**

16           Section 1614(f)(1) of the Social Security Act (42  
17 U.S.C. 1382c(f)(1)) is amended by inserting “(other than  
18 under section 1619(b))” after “benefits”.

### 19           **SEC. 302. CONTINUATION OF MEDICAID FOR THE AGED** 20                           **WHO LOSE SSI DUE TO EXCESSIVE EARNINGS.**

21           Section 1619 of the Social Security Act (42 U.S.C.  
22 1382h) is amended by adding at the end the following:

23           “(e) For purposes of title XIX, any individual who  
24 was determined to be an eligible individual (or eligible  
25 spouse) by reason of age and was eligible to receive bene-

1 fits under section 1611 (or a federally administered State  
2 supplementary payment) for a month, and who becomes  
3 ineligible to receive such benefits for a subsequent month  
4 solely due to excessive income shall, nevertheless, be con-  
5 sidered to be receiving supplemental security income bene-  
6 fits for so long as the individual continues to be otherwise  
7 eligible for benefits under this title.”.

8 **SEC. 303. SELF-SUPPORT PLANS NOT DISAPPROVED WITH-**  
9 **IN 30 DAYS TO BE DEEMED APPROVED.**

10 (a) AMENDMENTS TO INCOME EXCLUSION RULES.—  
11 Section 1612(b)(4) of the Social Security Act (42 U.S.C.  
12 1382a(b)(4)(A)) is amended in each of subparagraphs (A)  
13 and (B) by inserting “and, for purposes of this clause,  
14 a plan for self-support which is not disapproved by the  
15 Secretary within 30 days after the date of submission shall  
16 be deemed to be approved by the Secretary until subse-  
17 quently disapproved by the Secretary,” after “plan,”.

18 (b) AMENDMENT TO RESOURCE EXCLUSION  
19 RULE.—Section 1613(a)(4) of such Act (42 U.S.C.  
20 1382b(a)(4)) is amended by inserting “and, for purposes  
21 of this paragraph, a plan for self-support which is not dis-  
22 approved by the Secretary within 30 days after the date  
23 of submission shall be deemed to be approved by the Sec-  
24 retary until subsequently disapproved by the Secretary,”  
25 after “such plan”.

1 **SEC. 304. REGULATIONS REGARDING COMPLETION OF**  
2 **SELF-SUPPORT PLANS.**

3 Section 1633 of the Social Security Act (42 U.S.C.  
4 1383b) is amended by adding at the end the following:

5 “(d) The Secretary shall establish a time limit by  
6 which activities under a plan for achieving self-support  
7 must be completed, using criteria that take into account  
8 the difficulty of achieving self-support based on the needs  
9 of the individual and the goals of the plan.”.

10 **SEC. 305. EXCLUSION OF INCOME AND RESOURCES UNDER**  
11 **SELF-SUPPORT PLANS IN DETERMINING**  
12 **MEDICAID ELIGIBILITY IN “SECTION 209(b)”**  
13 **STATES.**

14 (a) IN GENERAL.—

15 (1) DETERMINATION OF INCOME.—The first  
16 sentence of section 1902(f) of the Social Security  
17 Act (42 U.S.C. 1396a(f)) is amended—

18 (A) by striking “and incurred expenses”  
19 and inserting “incurred expenses”; and

20 (B) by striking “thereof)” and inserting  
21 the following: “thereof, and any income of an  
22 individual with a plan for achieving self-support  
23 approved by the Secretary under section  
24 1612(b)(4))”.

25 (2) DETERMINATION OF RESOURCES.—The  
26 first sentence of such section is amended by striking

1 “is not” and inserting the following: “and the re-  
2 sources of any such individual (excluding any re-  
3 sources excluded under a plan for achieving self-sup-  
4 port approved by the Secretary under section  
5 1613(a)(4)) are not”.

6 (b) EFFECTIVE DATE.—The amendments made by  
7 subsection (a) shall apply to quarters beginning on or  
8 after the expiration of the 90-day period that begins on  
9 the date of the enactment of this Act.

10 **SEC. 306. EXPANSION OF SELF-SUPPORT PLANS TO IN-**  
11 **CLUDE HOUSING GOALS.**

12 Section 1612(b)(4) of the Social Security Act (42  
13 U.S.C. 1382a(b)(4)) is amended in each of subparagraphs  
14 (A)(iii) and (B)(iv), by inserting “, containing a career  
15 or housing goal, that has been” before “approved” and  
16 Section 1613(a)(4) of the Social Security Act (42 U.S.C.  
17 1382b(a)(4)) is amended by inserting “, containing a ca-  
18 reer or housing goal, that has been” before “approved”.

19 **SEC. 307. SELF-SUPPORT PLANS FOR THE AGED.**

20 (a) INCOME EXCLUSION.—Section 1612(b)(4) of the  
21 Social Security Act (42 U.S.C. 1382a(b)(4)) is amended—

22 (1) in subparagraph (A), by striking the comma  
23 at the end and inserting “; or”

24 (2) in subparagraph (B)—

1 (A) by striking “(and has not” and all that  
2 follows through “age 65),” and inserting “, or  
3 has attained age 65”;

4 (B) in clause (ii), by inserting “in the case  
5 of such a disabled individual (or spouse),” after  
6 “(ii)”;

7 (C) in clause (iv), by striking “, or” and  
8 inserting a semicolon; and

9 (3) by striking subparagraph (C).

10 (b) RESOURCE EXCLUSION.—Section 1613(a)(4) of  
11 such Act (42 U.S.C. 1382b(a)(4)) is amended by striking  
12 “who is blind or disabled and”.

13 **SEC. 308. ADDITIONAL STATE SUPPLEMENTATION RE-**  
14 **QUIREMENT.**

15 Section 1616 of the Social Security Act (42 U.S.C.  
16 1382e) is amended—

17 (1) in subsection (b)(1), by inserting “(or, by  
18 reason of section 1619, are considered to be)” before  
19 “receiving”;

20 (2) in subsection (c), by striking paragraph (3).

21 **SEC. 309. TREATMENT OF UNEMPLOYMENT COMPENSA-**  
22 **TION, WORKER’S COMPENSATION, AND SICK**  
23 **PAY AS EARNED INCOME FOR SSI PURPOSES.**

24 Section 1612(a)(1) of the Social Security Act (42  
25 U.S.C. 1382a(a)(1)) is amended—

1 (1) by striking “and” at the end of subpara-  
2 graph (D); and

3 (2) by adding at the end the following:

4 “(F) unemployment compensation benefits  
5 and worker’s compensation benefits paid under  
6 any Federal or State law, and benefits paid to  
7 an individual as compensation for sick leave not  
8 taken by the individual; and”.

9 **SEC. 310. TREATMENT OF CERTAIN GRANT, SCHOLARSHIP,**  
10 **OR FELLOWSHIP INCOME AS EARNED IN-**  
11 **COME FOR SSI PURPOSES.**

12 Section 1612(a)(1) of the Social Security Act (42  
13 U.S.C. 1382a(a)(1)), as amended by section 309 of this  
14 Act, is amended—

15 (1) by striking “and” at the end of subpara-  
16 graph (E); and

17 (2) by adding at the end the following:

18 “(G) any grant, scholarship, or fellowship  
19 described in section 1612(b)(7) to the extent  
20 not excluded from income pursuant to such sec-  
21 tion.”.

22 **SEC. 311. SSI ELIGIBILITY FOR STUDENTS TEMPORARILY**  
23 **ABROAD.**

24 Section 1611(f) of the Social Security Act (42 U.S.C.  
25 1382(f)) is amended by adding at the end the following:

1 “The 1st sentence of this subsection shall not apply to  
2 any individual who demonstrates to the satisfaction of the  
3 Secretary that the absence of the individual from the Unit-  
4 ed States will be temporary and for the purpose of con-  
5 ducting studies as part of an educational program related  
6 to an educational institution in the United States.”.

## 7 **TITLE IV—EFFECTIVE DATE**

### 8 **SEC. 401. EFFECTIVE DATE.**

9 Except as otherwise provided in this Act, the amend-  
10 ments made by this Act shall take effect on the 1st day  
11 of the 1st calendar month that begins 90 or more days  
12 after the date of the enactment of this Act.

○