

IMPAIRMENT RELATED WORK EXPENSES AND SSDI

IMPAIRMENT RELATED WORK EXPENSES (IRWE) can be used by workers who receive SSDI, or other Title II benefits, in order to reduce gross wages to “countable income”. This reduces the amount of wages that SSA will consider when it determines whether or not the worker is working at substantial and gainful levels (or is performing **SGA**).

There is a three-part test to determine if an expense or service can be used as an **IRWE**. It requires:

- That the worker with a disability pay for the expense, without reimbursement,
- The item or service must be related to a disability, and
- The item or service must be necessary to work.

Examples of **IRWEs** are:

- Medication co-pays and the cost of over-the-counter medications used by the worker,
- Residential modifications that will allow the worker to leave and re-enter their home in order to
- Wheel chairs, walkers, prosthetic devices and other equipment needed by the worker, and
- Transportation costs related to a modified vehicle or paying for a driver to and from work.

IRWEs are almost unlimited as co-pays, OTC meds, electricity used for medical appliances, etc, can be included. The worker must determine every expense involved with a specific **IRWE**. For example, if the worker uses an electric wheelchair, the cost of wheels, breaks, seat pads and electricity can also be claimed and will increase the value of the **IRWE** income deduction.

How do **IRWEs** reduce countable income? In 2019, **SGA** is set at \$1220. If countable earned income is above \$1220, the worker will no longer be considered disabled by SSA. Monthly **IRWE** deductions are applied to gross wages before SSA applies the **SGA** test. So, if the worker earns \$1350 in a month, but has electric wheel chair expenses of \$100 per month, and medical co-pays and over-the-counter expenses of \$40 per month, countable income for this month will be \$1210, and eligibility for SSDI cash and healthcare will continue. The worker must provide SSA with a list of potential **IRWEs**, their cost and receipts for the expenses.

The worker must report **IRWEs** on a monthly basis, to their SSA Claims Representative, unless the expenses will be the same each month. This is best done in writing and hand delivered to SSA. If the expenses differ for any reason, the worker may want to consider averaging the expenses over the year in order to have their financial situation remain as stable as possible. Expensive items that will meet the **IRWE** test can also be prorated over the course of 12 months. In this way a \$3000 wheelchair can be a \$500 **IRWE** for 12 consecutive months rather than a \$3000 **IRWE** in the month of January.



Working with a trained benefits planner can ensure that **IRWEs** are being used to the maximum potential to allow for a worker to feel safe and comfortable working during the transition for benefits receipt to financial independence.

For More Information Please Visit:

www.mdtransitions.org

Did You Know?

You can receive benefits/work incentive counseling as part of PreETS from DORS? For more info on DORS and PreETS from DORS [CLICK HERE](#)

Not eligible for DORS? Try Ticket to Work Helpline: [TICKET](#)

For individuals not eligible/able to access benefits counseling through DORS, contact Ticket to Work Helpline at

1-866-968-7842 DMitchell@innow.org or
visit <http://www.innow.org/md-win/ssi.html>

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