What many people commonly refer to as “my Medicaid” is actually made up of two distinct components:

1. Medicaid Health Insurance and 2. Supplemental Security Income (SSI)

**Medicaid Health Insurance** IS NOT effected by an individual’s earnings UNLESS they reach an income of $31,250.00 or more per year, which would be an average of $2604.17 per month. An individual would have to work 40 hours per week for 52 weeks at an hourly rate of more than $15.04 to lose their Medicaid Health Insurance.

**Supplemental Security Income (SSI)** can be effected by an individual’s monthly earnings.

**NO REDUCTION**
Current Medicaid rules allow up to $85.00 per month without any reduction in the individual’s SSI benefits. The current full monthly SSI benefit amount is $733.00. An individual can earn up to $85.00 per month without any reduction to their check.

**SOME REDUCTION**
Once an individual has earnings equal to or more than $648.00 per month ($733.00 - $ 85.00) they begin to have a reduction in their monthly SSI check. The reduction will be one half of their monthly earnings equal to or over $648.00.

*An EXAMPLE would be:*
Someone receives a monthly check for the current full benefit amount of $733.00. Assuming they have a part time job 20 hours a week at $7.25 per hour they would earn $580.00 per month. Their monthly check for the month following reporting would be reduced 50% for earnings more than $85.00. In this example the reduction would equal 50% (one half) of $495.00 ($580.00 - $85.00) = $247.50. So their next month’s SSI benefit check would be $485.50 ($733.00 - $247.50). A comparison of that person’s total income with and without their part time job would be:

**Without Part Time Job:** total monthly SSI benefits = $733.00
**With Part Time Job:** total earnings from job $580.00 + reduced SSI benefits $485.50 = $1065.50, which is $332.50 MORE for the month than without working their part time job.

**MAXIMUM REDUCTION**
The upper limit a person can earn per month is two times the adjusted full benefit of $648.00 ($733.00 – $85.00) which is equal to $1296.00 per month. Monthly earnings of $1296.00 would result in the following reduction to a person’s SSI check; one half (50%) of $1296 = $648.00 which equal to the adjusted full benefit.

A person will continue to be eligible for Medicaid Health Insurance regardless of the amount of a reduction, if any, in their SSI check until they have monthly earnings of:
- $31,250.00 or
- $26,388.00 if they receive Medicaid Waiver Services

Note: Some people may have had and may continue to have an Impairment Related Work Expense (IRWE) that reduces their “countable income’. For individuals with intellectual disabilities the cost of transportation to and from work, assuming they pay for it, is an example of an IRWE. A benefits counselor should be consulted about IRWE earnings credits.

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