

# Social Security Disability Guide

Understanding SSDI, SSI, Work  
Incentives, and More



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2025 [www.drmich.org](http://www.drmich.org)

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# Abbreviations

## **SSA**

Social Security Administration

## **SGA**

Substantial Gainful  
Activity

## **SSDI**

Social Security  
Disability Insurance

## **SSI**

Supplemental Security Income



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# 1 Social Security's Definition of Disability



A medical condition or combination of impairments preventing substantial gainful activity for at least 12 months or expected to result in death. The determination also considers age, education & work experience.

The definition of **disability** under Social Security is different than other programs. We pay benefits only for total disability, not for partial or short-term disability.

Disability under Social Security is based on your inability to work.

## SSA Considers You Disabled If:

- ❖ You cannot do work that you did before;
- ❖ SSA decides you cannot adjust to other work because of your medical condition(s); and
- ❖ Your disability has lasted or is expected to last for a least one year or to result in death.

**More Information:** [ssa.gov/disability](https://ssa.gov/disability)

# 2 Substantial Gainful Activity (SGA)



SGA is a term used by Social Security Administration (SSA) to describe a level of work activity and earnings.

## SSA Definition of SGA:

- Work is considered “substantial” if it involves doing significant physical or mental activities or a combination of both.
- SSA uses SGA to evaluate whether your disability prevents you from working. If your monthly earnings exceed a certain limit, SSA may decide that you are engaging in SGA and therefore not eligible for disability benefits.
- For impairments other than blindness, earning more than \$1,620 for 2025 a month generally indicates substantial gainful activity (SGA).
- For individuals who are legally blind, the SGA limit for 2025 is \$2,700 per month.
- The SGA amount changes every year. You can find [each year's SGA amount in the table here](#).

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# Overview of Disability Programs



## 3.1 SSDI: Social Security Disability Insurance

SSDI is a federal program that provides monthly cash benefits to people who have a disability that meets Social Security's definition or people who are legally blind who are "insured" by workers' contributions to the Social Security trust fund. These contributions are based on your earnings (or those of your spouse or parents) as required by the Federal Insurance Contributions Act (FICA). Your dependents may also be eligible for benefits from your earnings record.

- ◊ A five-month waiting period applies to almost all SSDI beneficiaries, regardless of the disabling condition. (Exception: ALS).
- ◊ Payment begins the sixth full month after the date we find your disability began (onset date). For example, if your onset date is June 15, 2024, your first benefit would be paid for the month of December 2024, the sixth full month of disability.
- ◊ Benefits are paid a month behind. So, the December, 2024 benefit would be paid in January 2025.
- ◊ For individuals who are legally blind, the SGA limit for 2025 is \$2,700 per month.
- ◊ You may qualify for Medicare after a 24-month waiting period (there are exceptions to this, including diagnoses of ALS and end stage renal disease).



## 3.2 SSI: Supplemental Security Income

The SSI program makes cash assistance payments to aged, legally blind, people with disability (including children) who have limited income and resources. The Federal Government funds SSI from general tax revenues. SSI pays monthly benefits to individuals with limited income and resources.

- ◀ Aged - 65 or older.
- ◀ Blind - any age.
- ◀ Disabled - any age.
- ◀ 2025 Monthly Benefit Amount = \$967. This amount changes every year with a Cost of Living Allowance adjustment. Find [each year's maximum SSI benefit amount in the table here](#).
- ◀ It provides cash to meet basic needs for food, clothing, and shelter. ([ssa.gov/benefits/SSI](https://ssa.gov/benefits/SSI)).
- ◀ When you get SSI, you may be eligible for Medicaid immediately.

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# Receiving Both SSDI and SSI



You can receive both SSDI and SSI at the same time, a situation referred to as "concurrent benefits." This happens when your SSDI payment is less than the maximum SSI monthly benefit, and you meet the income and asset requirements for SSI. Your combined benefits will not exceed the maximum SSI payment amount.

## How it Works:

- ◊ You must meet the disability standard for both programs.
- ◊ Your income and resources must be below SSI limits. Find [what counts as a "resource" here](#).
- ◊ SSI counts SSDI as unearned income and will reduce your SSI payment accordingly.
- ◊ You must have less than \$2,000 in your bank account (\$3,000 for a couple).

## Example:



If your SSDI benefit is **\$500** per month

+



SSI might pay you up to **\$466** more (in 2025)

=



to reach the full SSI federal benefit rate of **\$967** per month.



## Medicare and Medicaid

You can still work while receiving SSDI and SSI through the above mentioned work incentives:

## Work and Benefits:

You can still work while receiving SSDI and SSI through the above mentioned work incentives:

- 🔸 Trial Work Period (SSDI)
- 🔸 Impairment/Blind-Related Work Expenses (SSI & SSDI)
- 🔸 Work Subsidy (SSDI)
- 🔸 Ticket to Work (SSI & SSDI)
- 🔸 Earned Income Exclusion (SSI)

It's important to **report all income and work activity** to Social Security to avoid overpayments.

If you receive SSDI or SSI, there are **work incentives** that allow you to test working while keeping benefits.

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# SSDI & SSI Work Incentives



Programs that allow recipients to continue receiving cash and/or medical benefits while working.

## SSDI Work Incentives:

- ▶ **Trial Work Period (SSDI)** – You can work for up to 9 total months without losing benefits, regardless of how much you earn. These 9 months are not necessarily consecutive.
- ▶ **Extended Period of Eligibility (SSDI)** – After the trial work period, you get 36 months where benefits may continue if earnings are below the “Substantial Gainful Activity” (SGA) limit.
- ▶ **Work Subsidy** – Social Security may allow you to earn more money without impacting your benefits if you have special accommodations at work.
- ▶ **Impairment-Related Work Expenses (IRWE)** – Social Security may allow you to earn more money without impacting your benefits if you have out-of-pocket costs related to your disability that you pay in order to work.
- ▶ **Ticket to Work Program (SSDI & SSI)** – This free program helps people with disabilities find jobs while keeping benefits during a transition period. Is NOT an actual “Ticket” – it is a program. The Ticket program.



Note: Always report your work and earnings to SSA to avoid overpayments. Learn about how to [report your wages here](#).



## SSI Work Incentives

SSI has different work incentives that beneficiaries may use to keep some of their benefits.

- ❖ **Earned Income Exclusion** – You may be able to earn some money without impacting your benefits.
- ❖ **Impairment-Related Work Expenses (IRWE)/Blind Work Incentives (BWE)** – You may be able to earn more money without impacting your benefits if you have out-of-pocket costs related to your disability in order to work.



Note: Always report your work and earnings to SSA to avoid overpayments. [Learn how to report your wages here.](#)

# 6 Social Security Overpayments



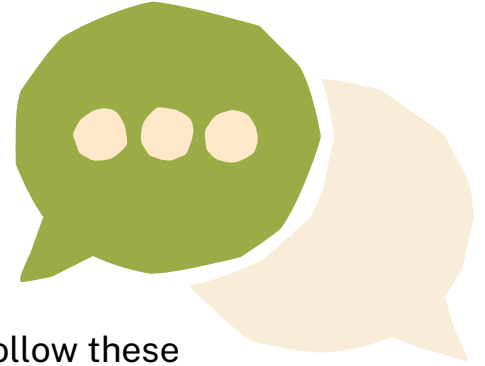
An overpayment is when you receive more money for a month than the amount you should have been paid. The amount of your overpayment is the difference between the amount you received and the amount due. Social Security Administration (SSA) will send you a notice explaining the overpayment. This notice will include the reason for your overpayment, your repayment options, and your rights to appeal SSA's decision.

## 6.1 How to Respond to an Overpayment Notice

If Social Security says you were paid too much, you will receive an Overpayment Notice. Here's what to do:

- ◊ **Read the letter carefully** – It explains why SS believes you were overpaid and the amount.
- ◊ **Check for errors** – Compare the letter to your records. SS sometimes makes mistakes.
- ◊ **Respond quickly** – You have 60 days to appeal by submitting form SSA-561(Reconsideration).
- ◊ **Request reconsideration** - If you disagree that the overpayment is valid (you do not think that you were actually overpaid and you were indeed entitled to the benefits you received).
- ◊ **Request a waiver** – If you agree that you were not entitled to the benefit amount you received, but the overpayment wasn't your fault and paying it back would cause hardship, file Form SSA-632 to ask SS to forgive the debt.
- ◊ **Set up a payment plan** – If you agree you owe the money but can't pay it all at once, call SS to arrange small monthly payments or submit form SSA-634 Change in Overpayment Recovery Rate.

# 7 Communicating with Social Security



Navigating Social Security can be smoother if you follow these communication tips:

- ✦ **Write down names & keep records** – Always note the name of the Social Security claims representative you speak with and the date of your visit or call. Keep a log of all interactions.
- ✦ **Make copies of documents** – Keep a copy of any paperwork you submit to SS for your own records.
- ✦ **Request a manager if needed** – If you run into problems or misunderstandings, ask to speak with a supervisor.
- ✦ **Don't ignore SSA letters** – Always open and read letters from SSA right away. They may contain important deadlines or requests for information.
- ✦ **Call ahead for appointments** – Contact your local SS office to schedule an appointment instead of walking in, which can save time and frustration.
- ✦ **mySocialSecurity account** - There are several things that you can do online without having to call or visit a SSA office. Making a [mySocialSecurity account](#) is the easiest way to do this.

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# Resources

For more information and help, use these resources:



- **RED BOOK**
  - The Red Book - A Guide to Work Incentives | SSA
  - PDF version: Red Book 2023 (ssa.gov)
- **Social Security Website** – [www.ssa.gov](http://www.ssa.gov)
- **Find a Local Office** – [www.ssa.gov/locator](http://www.ssa.gov/locator)
- **SSDI & SSI Work Incentives** – [www.ssa.gov/work](http://www.ssa.gov/work)
- **Appeals & Overpayment Help** – [www.ssa.gov/benefits/disability/appeal.html](http://www.ssa.gov/benefits/disability/appeal.html)
- **Legal Aid & Advocacy** – Check with disability rights organizations or local legal aid offices for free assistance.
- **Disability Rights Michigan** – [www.drmich.org](http://www.drmich.org)
- **National Center on Law and Elder Rights** - [ncler.acl.gov](http://ncler.acl.gov)
- **Disability Law Group**- <https://disabilitylawgroup.com/>
- If you have questions, always reach out to SS or a benefits counselor for guidance. Work Incentives Planning WIPA - <https://arcmi.org/miwipa/>