

# Just the Facts

Basic Information for BPA&O and PABSS

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**Title: Pre-Release Planning**  
Basic Information for BPA&O and PABSS

## Benefits Eligibility While Institutionalized

### Supplemental Security Income (SSI)

SSI benefits are generally suspended when an individual is institutionalized. This is because SSI benefits are paid in order to meet basic needs. When those basic needs (food & shelter) are being met by another entity, SSI payments will not be made. In many cases, the other entity meeting the basic needs of the individual is the state via placement in a state institution or by providing Medicaid funding for the placement.

SSI benefits can be suspended for a period of up to 12 months. After twelve months the claim is terminated. This is a very important distinction. A suspended claim can be revived by simple contact to the SSA local office and providing information concerning the individual's discharge. If the claim is terminated, the individual must reapply for SSI, creating the need for a new disability and financial determination.

Individuals who are institutionalized (including those in a private facility where Medicaid is, or would usually be, paying for more than 50% of the cost of care) receive a \$30 payment (not including any state supplement) to assist in meeting incidentals during the month.

### Social Security Disability Insurance (SSDI)

SSDI benefits are insurance benefits and, as such, are not restricted in the same ways as are SSI payments. An SSDI beneficiary has worked and paid social security taxes in order to become "insured" for disability purposes. These benefits are paid to the qualified individual regardless of financial circumstances or living arrangement.

However, there is one important exception; the prisoner's suspension. This suspension, unlike the SSI suspension mentioned above, will last as long as the individual is confined to a penal institution for at least 30 days, due to the commitment and conviction of a crime. POMS GN 02607.025.

## So, what does it mean?

How this applies to you.

For institutionalized individuals, pre-release planning will ensure that both cash and health care coverage will be available at the earliest possible point in time. Easing the financial burden of meeting rent, food and other necessary expenses can only further ease the transition from institutionalization to independence. Counselors, social workers, BPAO and PABSS staff all have a part in this critical transition process.

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The suspension may impact individuals residing in state facilities, other than prisons and jails, if the individual is being held under a “not guilty by reason of insanity” finding. As a result, the circumstances of each individual’s institutionalization must be examined to insure eligibility.

Should SSDI benefits be suspended based upon confinement auxiliary benefits (those paid to dependents) will continue to be paid as long as basic eligibility criteria are met.

As a general rule however, it is not likely that SSDI benefits will be suspended when an individual is institutionalized. SSDI benefits payments will continue to be made.

### **Discharging Planning Should Include a Pre-Release Benefits Planning Component**

Discharge planning for institutionalized individuals necessarily contains a financial component. Individuals with no family members to rely on must find their own living situation.

Pre-release will take very different routes depending upon the type of benefit being paid to the individual.

SSDI beneficiaries are not likely to have payments suspended while institutionalized. As a result, the only “planning” that needs to be completed is to assure that SSA is aware of the discharge and new address of the individual so that payments can be appropriately directed. Of course, if work is a part of the discharge plan, any work activity and earned income must be reported to SSA.

For individuals who have no source of income, appear to meet the SSA disability criteria and have a work history an SSDI application should be considered. In a pre-release situation these applications can be “expedited” in the hopes of having a decision made and benefits payable upon discharge. This application should also include any dependents that may also benefit from the disabled worker’s work history.

SSDI will bring along Medicare benefits after the first 24 month period of eligibility for cash payments. As a result, Medicaid applications, if appropriate, should also be considered during the discharge planning process.

There is no formal pre-release program for SSDI payments as the program does allow for retroactive payments for up to one year and, other than the prisoner suspension, does not impose suspensions for institutionalization.

An SSI beneficiary’s benefits will be suspended after the first full calendar month of institutionalization. If benefits are not suspended timely an overpayment situation may develop. Should the term of institutionalization last less than 12 months the suspension can be lifted immediately upon discharge in order to begin a flow of cash funding that will assist in both discharge planning and meeting basic needs upon discharge.

If the term of institutionalization has lasted more than 12 months SSI benefits will have been terminated. Should this be the case a new application will need to be filed with SSA. This application can also be “expedited” in a pre-release situation.

SSI comes with Medicaid. This will be processed automatically once SSI benefits have been approved. Should the SSI application be delayed for any reason, a separate application for Medicaid can be filed with the state’s Medicaid administering agency.

SSI also serves as a “portal” to many other state and federal benefits. The disability status associated with the SSI program can open the door to Food Stamps, Section 8 and other housing assistance programs.

Pre-release procedures were developed by SSA, at the insistence of Congress, to assist in this very task. The process was designed to promote deinstitutionalization by assuring eligible individuals timely SSI payments when they reenter the community. The distinguishing feature of the pre-release program is that it allows for the taking and processing of an SSI application for an institutionalized individual several months before anticipated discharge. It will also allow for a determination of a potential payment amount based upon the anticipated circumstances of the individual upon release. POMS SI 00520.900(A).

The process is intended to serve individuals who, because of institutionalization, are currently ineligible for SSI cash payments or are subject to the \$30 federal payment amount. POMS SI 00520.900(A).

## SSA Pre-Release Planning

Congress has emphasized the need for pre-release procedures by enacting legislation requiring SSA to provide a way for institutionalized individuals to apply for benefits before discharge from a public institution. This process can also assist those suspended individuals facilitate reinstatement of payments upon discharge. POMS SI 00520.900(A).

The pre-release procedure can be used for individuals who are:

- Not receiving SSI, or
- Are receiving the \$30 payment level.

POMS SI 00520.930.

A Pre-Release Agreement between SSA and the institution will allow for applications to be taken prior to discharge. POMS SI 00520.930. However, pre-release applications should be accepted without regard to whether an agreement exists. POMS SI 00520.900(C)(1).

A Pre-Release Agreement usually includes the following procedures:

1. The facility identifies potential pre-release claimants.
2. The local SSA office regularly contacts the institution to solicit the list of potential claimants. The facility can also contact SSA with this list. The lists should include a name, SSN, DOB, and date of admission to the institution for each claimant.
3. The SSA office and facility coordinate appointments with potential claimants to complete SSI applications and other necessary forms.
4. The facility notifies SSA of the discharge date in order to allow expediting of the SSI claim.

POMS SI 00520.930.

Agreements can also delineate responsibilities on the part of both SSA and the facility concerning the development of medical and financial files allowing for an expedited determination. Further, an SSA local office liaison can be selected in order to foster and maintain a relationship with the facility. POMS SI 00520.930

The institution is in a unique position to provide valuable information to SSA in order to allow for the expediting of the SSI determination process. Medical evidence in the possession of the institution should be provided to SSA without delay. Financial information as well is a necessary part of the determination process and should be provided immediately to assist in the facilitation of the application.

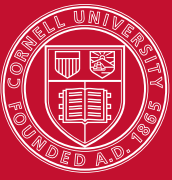
Case processing of a pre-release application is controlled by POMS SI 00520.920. Upon receipt of a referral from an institution, SSA is required to obtain all information and forms required for the initial claim or reinstatement. Releases from the individual allowing the SSA office to speak with the institution staff will also be obtained.

A “release statement” must also be obtained. This simply requires the institution to provide a written indication that the individual is scheduled for discharge or is being considered for discharge and the approximate date of the discharge.

SSA will make a determination concerning the potential payment amount based upon information concerning the individual’s anticipated living arrangement upon discharge. This information and determination must be re-verified after discharge actually occurs.

As indicated earlier, medical development is a critical part of the application process. SSA will work with the institution to ensure that all medical evidence is submitted in a timely manner for consideration during the determination process. This information will include:

- Hospital names and addresses and dates of admission;
- Findings concerning orientation, coherence, emotional status, etc.;
- Diagnosis;
- Course of hospitalization;
- Recommendations for post-institutionalization needs;
- The individual’s ability to manage funds (physician’s statement); and



- DDS forms for mental impairment development.

POMS SI 00520.930.

SSA will immediately refer the case to DDS and mark the case as a pre-release case ensuring expedited processing by the determination services.

Upon determination, SSA will notify the institution of the determination as soon as possible. If the institution filed on behalf of an individual, SSA will issue both an informal and formal notice. If the individual filed, an informal notice will be issued to the institution while the formal notice is issued to the applying individual. The informal notice to the institution will provide information as to when payments can be expected so that discharge planning can continue. POMS SI 00520.920(C).

## Conclusion

Discharge planning containing a pre-release component will ensure that both cash and health care coverage will be available at the earliest possible point in time. Easing the financial burden of meeting rent, food and other necessary expenses can only further ease the transition from institutionalization to independence.