

Question: What is the relation between the 12-month suspension period under the SSI program and 1619(B) Medicaid?

CWICs sometimes get confused about the relationship between the 12-month suspension period for SSI and 1619(B) Medicaid. It is important to have a clear understanding of these concepts when counseling beneficiaries who are considering going to work, in order to alleviate their fears about losing cash benefits as well as medical benefits. Here are some relevant points about each concept.

First, some information about the 12-month suspension period:

When an SSI recipient loses eligibility for cash payments due to reasons other than medical improvement or excess earnings, ineligibility for SSI results. Ineligibility will begin as of the first day of the month in which income or resources exceeds statutory limits or another eligibility factor ceases to be met (i.e. person is incarcerated). While beneficiaries are ineligible for SSI at this time, they are not “terminated” from the SSI program. Beginning with the first month of ineligibility, individuals begin a suspension period of up to 12 months. The 12-month suspension period is a critically important safety net for SSI beneficiaries, which unfortunately, is little known or understood.

A suspension is a loss of SSI benefits or 1619(b) extended Medicaid coverage. It is always effective the first day of a month in which an individual no longer meets all SSI eligibility requirements. This may be due to excess resources or income (earned or unearned), being incarcerated in a penal institution, no longer meeting the citizenship requirements or any other non-disability related reason for ineligibility. The 12 month suspension period generally allows an individual 12 consecutive months after the effective date of a suspension to regain eligibility and have benefits reinstated without having to file a new application. Before benefits may be reinstated, the individual must notify SSA that they are now meeting eligibility requirements, for example: resources are below the statutory limits, and reestablish eligibility for non-pay month(s). There is NO limit to the number of times a recipient may move into and out of suspension status.

It is important to understand that in the SSI program, suspension is NOT the same as termination. Termination means the individual’s record has been completely closed. A person in suspension status is not getting benefits, but is still in the SSA computer system. The SSA computer system automatically terminates certain SSI records after 12 consecutive suspension months are posted.

Some relevant citations in POMS that cover the 12-month suspension period are:

[SI 02301.201 Description of SSI Posteligibility \(PE\) Events](#)

[SI 02301.205 Suspension and Reestablishing Eligibility](#)

In contrast, Section 1619(b) of the Social Security Act provides continued Medicaid eligibility for working individuals whose earned income is too high to qualify for SSI cash payments, but not high enough to offset the loss of Medicaid.

Section 1619(b) allows eligible disabled or blind individuals to continue to be considered SSI recipients for the purposes of Title 19 or Medicaid eligibility, even though cash benefits actually ceased due to earned income. Individuals who are utilizing the Section 1619(b) work incentive provision do not receive SSI payments because their income is over the Break-Even Point (BEP) after all exclusions and deductions have been applied. To continue Medicaid eligibility, Section 1619(b) participants are legally considered to be receiving an SSI payment for Medicaid purposes, although no actual payment is received.

The SSA POMS Citation, [SI 02302.010 1619 Policy Principles](#) outlines the following reinstatement rights of 1619(B):

3. Reinstatement Rights

- a. 1619(b) is a stop payment status and not a suspension status ([SI 02301.201B.2.](#)).
- b. Recipient status under 1619(b) protects reinstatement rights under all SSI provisions (i.e., regular 1611 or 1619(a) cash benefits, or 1619(b) benefits).
- c. Individuals eligible under section 1619(b) are reinstated to cash benefit status if countable income drops below the applicable breakeven point (as explained in [SI 00810.350](#)) and all other eligibility criteria are met.
- d. Reinstatement is possible at all times in all States, unless the individual's eligibility is terminated. Therefore, 1619(b) eligibility development is required in all States.

The key distinction here is that SSI recipients who are in 1619(B) status are eligible for SSI, whereas SSI recipients in suspension status are ineligible for SSI. Therefore, SSI recipients who are in 1619(B) are not in the 12-month suspension status, and there is no limit to the amount of time that a beneficiary can be in 1619(B). SSA continues to perform annual eligibility reviews for this group of recipients, as well as quarterly verifications of earnings.