

# Bulletin

## Understanding Social Security Disability Insurance (SSDI)

Providing valuable benefits to employees who may not be able to return to work

Disability insurance helps protect people's financial security when they can't work due to an illness or injury. CIGNA helps ensure that people covered by our long-term disability (LTD) insurance promptly receive all the benefits to which they are entitled. We also encourage people to apply for other benefits they may be qualified to receive. These benefits may include workers' compensation, state disability programs, vocational rehabilitation programs, and Social Security Disability Insurance (SSDI).

Private disability insurance is intended to coordinate with SSDI benefits, not replace them. Not only does this insurance provide additional income protection for disabled employees, private disability insurance typically includes robust services that help those employees get back to work.

SSDI can help qualified employees with disabilities get important benefits. These benefits include health care coverage through Medicare and the ability to continue disability benefits if their private coverage ends. SSDI guarantees income until retirement age – 65 or older – when employees qualify for Social Security retirement income.

Medicare benefits (available after 24 months of SSDI entitlement) are especially important to people with long illnesses or injuries. "Adding Medicare to other health insurance coverages can increase disabled employees' overall health insurance protection," says Steven Ostrega, CIGNA's financial analysis manager. "When employees are disabled for a long time, their jobs may terminate along with the medical coverage they get from their employer. Individual disability coverage may be available but it's often too expensive or restrictive. That's why Medicare often provides the only viable medical care protection available to them."

In addition to Medicare, SSDI may provide:

- **dependent benefits** for children under 18 (19 if they are in school)
- **benefits for spouses** who need to be at home to care for a child 16 or younger
- **vocational assistance and financial support** through return-to-work programs, such as "Ticket to Work"
- **future income protection** (even after private LTD benefits end), because SSDI provides benefits equivalent to full retirement age (65-67), regardless of actual age when they apply for SSDI
- **cost of living** adjustments (COLA)
- **disability work incentives** with a nine-month trial work period



Two thirds of people receiving private LTD income benefits also qualify for SSDI benefits.<sup>1</sup>

1. Council for Disability Awareness, 2006 Long-Term Disability Claims Review



“The incentive benefit allows people to work up to at least nine months and still receive full Social Security benefits, no matter how much they earn,” explains Ostrega. “This encourages people to try to return to work if they can, without losing Social Security benefits. If they can continue working, SSDI benefits eventually end. An extended period – 36 months – of eligibility, prolonged Medicare eligibility and other work incentives may be available too.”

### Simplifying a complex process

CIGNA’s LTD claim managers refer eligible claimants to outside Social Security Advocates. These independent consultants manage the SSDI application process for employees and can even represent them at claim hearings, if necessary. Social Security Advocates help employees:

- understand the SSDI process and requirements
- complete and file initial application for Social Security benefits
- manage correspondence and phone calls with the Social Security Administration
- work with CIGNA to identify medical evidence needed to support the claim
- file appeals, when necessary

“These consultants are recognized as leaders in Social Security Disability representation,” says Ostrega. “They include lawyers, legal aides and trained client representatives, as well as many former Social Security Administration employees with extensive hands-on knowledge of how to apply for and get SSDI benefits.”

Once claimants begin receiving SSDI benefit payments, insurers offset employees’ LTD payments by the amount they receive from the government. Coordinating and offsetting LTD benefits with SSDI benefits is a practice that private industry, state governments and the federal government have followed for many years.

Like vocational rehabilitation and employee assistance programs, CIGNA’s Social Security Advocacy program helps disabled individuals protect their health, well-being and security. When employees can’t return to work and full income following a disability, we work hard to make sure they receive the financial protection to which they are entitled.

### Did you know?

The Social Security Administration (SSA) introduced a new program that helps simplify the approval process for disabled individuals with serious health conditions. Learn more about the **SSA Compassionate Allowances** program and the list of covered conditions at [www.socialsecurity.gov/compassionateallowances/](http://www.socialsecurity.gov/compassionateallowances/)

## Social Security Disability Insurance Resources

- Social Security Administration’s Disability Insurance program information: [www.ssa.gov/disability/](http://www.ssa.gov/disability/)
- DisabilityInfo.gov’s overview: [www.disabilityinfo.gov/digov-public/public/DisplayPage.do?parentFolderId=167](http://www.disabilityinfo.gov/digov-public/public/DisplayPage.do?parentFolderId=167)
- AARP’s SSDI Facts: [www.aarp.org/research/socialsecurity/ssdi/aresearch-import-364-FS92.html](http://www.aarp.org/research/socialsecurity/ssdi/aresearch-import-364-FS92.html)

Contact your CIGNA representative for more information on this and other disability programs.