

Advantage 2000 Consultants, Inc.

SSA Continuing Disability Reviews

The management of any disability claim will always include review for continuing benefits. Please read further for an explanation of the Social Security process on Continuing Disability Reviews.

When SSA Performs Continuing Disability Reviews

The Social Security Administration (SSA) has specific rules about when a Continuing Disability Review (CDR) will be conducted. There are two main types of CDRs:

1. "Work" CDRs, in which SSA examines a beneficiary's earnings.
2. "Medical" CDRs, in which SSA examines a beneficiary's medical improvement and ability to function.

Several of those rules relate to the type of diary placed on a favorable disability claim. On every disability claim SSA approves, one of three future review diaries is established. One of the diaries is "Medical Improvement Expected (MIE)". This diary may be for a period of 6 to 18

months. It reflects a medical impairment that has a high probability for improvement and a vocational profile permitting reentry into the work force. The most common diary type is "Medical Improvement Possible (MIP)". This diary date is set for 3 years after the decision. There is also a diary date of "Medical Improvement Not Expected (MINE)". These diary dates are set for 7 years from the date of decision and reflect medical impairments that are not expected to remit or improve and medical vocational profiles that would continue to meet medical vocational disability requirements even with functional improvement.

If a beneficiary has an MIE diary on their claim, reported earnings will trigger a medical CDR. Because medical improvement is expected, work activity is considered indicative of that improvement. Work activity on claims with an MIP or an MINE diary will be evaluated first for entitlement to a Trial Work Period (TWP). Following completion of a TWP, a medical review will be per-

formed to determine if the beneficiary has experienced medical improvement related to their ability to work or if their work activity is taking place despite their impairment. If they are working despite their impairment, their claim will be placed in an Extended Period of Eligibility (EPE).

Other reasons for a Medical CDR

A diaried review is scheduled without the posting of any earnings.

1. The beneficiary advised SSA they have recovered and have returned to work.
2. Vocational Rehabilitation advised SSA the beneficiary is able to return to the work force after completing the program.
3. A current medical report is needed to see if disability continues. This could be needed to assess the effects of a new treatment technology or therapy on the individual's ability to work.

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Bonita Combs
 Director of Medical Development /
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CDR Continued.....

How SSA Evaluates Medical Improvement

In general, SSA rules provide that a determination be made assessing whether any medical improvement in a beneficiary's impairment(s) has occurred and if so, whether this medical improvement is related to their ability to work. This determination is made utilizing an eight-step process, the Medical Improvement Review Standard (MIRS). However, SSA may also find that disability has ended because of one of several exceptions to the Medical Improvement Review Standard.

The eight steps of MIRS are as follows:

1. Is the beneficiary engaging in substantial gainful activity? If so, and if any applicable Trial Work Period has been completed, SSA will find that disability has ended. A medical review will be performed to determine if the beneficiary is working despite their impairment(s) and is eligible for an Extended Period of Disability.
2. Does the beneficiary have an impairment or combination of impairments that meets or equals the severity set forth in the Listing of Impairments? If yes, SSA will generally find that disability continues.
3. If not, has there been medical improvement? Medical improvement is shown by a decrease in the medical severity of the impairment(s).
4. If there has been medical improvement, is the improvement related to the ability to perform work activity?
5. If there has been no medical improvement, or the medical improvement is not related to the

ability to work, do expectations to the Medical Improvement Review Standard (MIRS) exist on the claim? Exceptions to the use of the MIRS are:

- Improvement in medical technology related to the impairment was received.
 - Vocational training that allows work activity despite impairments was received
 - New diagnostic testing shows the impairment is not as severe as originally considered.
 - The original determination was made in error on the face of the record or was fraudulently obtained.
 - The beneficiary has failed to follow prescribed therapy or has not cooperated with Social Security
6. If medical improvement is related to the ability to do work, or if any exception to medical improvement applies, a determination of whether all the current combined impairments is "severe" will be performed.
 7. If the impairment(s) is "severe", a Residual Functional Capacity (RFC) based on all current impairment(s) will be assessed. This RFC will be compared to Past Relevant Work (PRW).
 8. If unable to do PRW, given the assessed RFC, beneficiary age, education and past work experience, would there be any work the beneficiary would be capable of performing?

In Summary

After Social Security finds an individual is disabled, they are required by the Social Security Act and regulations to periodically reevaluate whether a beneficiary continues to

meet the disability requirements of this Act. The medical Improvement Review Standard requires that all medical findings used in the determination of the disability be compared, finding to finding, with the current medical assessment. There should be very distinct and objective evidence of medical improvement for disability to be medically ceased. Medical improvement must reflect an increase in the ability to perform work related activity. For example; an improved RA factor may demonstrate control of active Rheumatoid Arthritis, but joint destruction will still prevent a beneficiary from performing fine finger manipulation necessary for sedentary work activity. Medical improvement in this case is not related to the beneficiary's ability to work. The exceptions to the medical review process are rare, but an explanation of the assessment of those exceptions must be addressed by Social Security on every claim that is found to have continuing disability. If you have any further questions regarding SSA's CDR process or would like to discuss medical issues, please contact Bonita Combs, Director of Medical Development.

DID YOU KNOW?

Social Security Numbers (SSNs) are composed of nine digits divided into three segments as follows: xxx-xx-xxxx.

The first three digits indicate the Area Number, the second two digits indicate the Group Number and the last four digits indicate the Serial Number.

No SSNs with an Area Number in the 800 or 900 series or "000" have been assigned to date.

No SSNs with a "00" Group Number have been assigned to date.

No SSNs with a "0000" Serial Number have been assigned to date.

No SSNs with an area number of "666" have been or will be assigned.

Mary L. Garrett
Director of Program
Management



Social Security Press Release
New SSA Commissioner

Optometrist As Acceptable Medical Source

Michael J. Astrue was sworn in as Commissioner of Social Security on February 12, 2007. He will serve a six-year term that expires on January 19, 2013.

As head of the Social Security Administration, Astrue has responsibility for administering the Social Security programs (retirement, survivors and disability), as well as the Supplemental Security Income (SSI) program.

Social Security provides financial protection to more than 160 million workers and their families, and pays approximately \$580 billion annually in benefits to more than 49 million Americans who receive monthly Social Security retirement, disability or survivors benefits. The SSI program pays monthly benefits to more than 7 million Americans who have little or no resources and who are aged, blind or disabled.

The Social Security Administration is an independent federal agency headquartered in suburban Baltimore with a national workforce of about 62,000 employees and 1,500 facilities nationwide.

Astrue was nominated by President George W. Bush on September 14, 2006, and confirmed by the United States Senate on February 2, 2007.

Commissioner Astrue has a distinguished history of public service. He is a former employee of the Social Security Administration, having served as Counselor to the Commissioner. He served as General Counsel of the U.S. Department of Health and Human Services and as the Acting Deputy Assistant Secretary of Legislation. Astrue also served briefly as Associate Counsel to the President of the United States during parts of both the Reagan and Bush administrations. Before becoming Commissioner, he also served as a senior executive of several biotechnology companies.

Born in Fort Dix, New Jersey, and a resident of Belmont, Massachusetts, Commissioner Astrue received his bachelor's degree from Yale University and his J.D. from Harvard University. He and his wife Laura have two children.

The Social Security Administration (SSA) recently announced a final ruling changing the regulations regarding acceptable medical sources for adjudication of vision-related disability claims.

Effective April 2, 2007, SSA will consider a licensed optometrist to be an acceptable medical source for visual impairments. Prior to this ruling, SSA only considered licensed ophthalmologists as acceptable medical sources to opine on vision-related disabilities.

An optometrist completes four years of undergraduate study and then four years postgraduate study at an accredited optometry school. A Doctor of Optometry (O.D.) degree is awarded upon completion of these studies.

An ophthalmologist is a medical doctor who has completed a residency specializing in ophthalmology.

The revision came about from SSA's recent review of the education, qualifications and State scope-of-practice requirements related to optometrists. Based on this review of accreditation and practice requirements, SSA determined that, with the exception of the U. S. Virgin Islands, the licensing requirements, scope of treatment and diagnostic protocols for licensed optometrists are sufficient to qualify all licensed optometrists as "acceptable medical sources" for visual disorders.

SSA excluded the U. S. Virgin Islands because they do not allow optometrists to administer or prescribe pharmaceuticals, including topical application of pharmaceuticals for diagnostic or treatment purposes.

The revised regulations should allow SSA to make more decisions based on medical evidence provided solely from optometrists, rather than having to purchase time-consuming and expensive Consultative Examinations with ophthalmologists. Therefore, these regulations may help some individuals with visual disorders qualify for benefits more quickly.

You may find more detail about this final ruling on this link <http://www.gpoaccess.gov/fr/index.html>

[Federal Register: March 1, 2007

20 CFR Parts 404 and 416

(Volume 72, Number 40)]

[Rules and Regulations]

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Mary L. Garrett

Director of Program Management

SSDI AND INCOME TAX

This is the time of year when we receive many questions regarding the tax implications of Social Security Disability awards on claimants' tax liability. Social Security Disability Insurance benefits (SSDI) may be subject to income tax depending upon a claimant's particular financial situation. Supplemental Security Income (SSI) benefits are not subject to income tax.

Social Security is required to send each SSDI recipient an SSA-1099 by February 1st of the following year in which SSDI benefits were received. A nonresident alien who received Social Security benefits or repaid Social Security benefits will receive an SSA-1042S instead of an SSA-1099. The SSA-1099/1042S should specify the amount of the lump sum SSDI benefit for the current tax year and/or a prior year or years. Claimants should check their award notice against the SSA-1099/1042S to ensure the document is accurate.

A portion of SSDI benefits may be taxable depending if the "provisional income" of the claimant exceeds a "base amount" set by Congress. This base amount differs for single tax payers and married taxpayers filing jointly.

Congress has provided a "special election" for claimants to lower the tax impact of receiving lump sum SSDI awards. This "special election" can be found under § 86(e) of the Internal Revenue Code (I.R.). It is generally more advantageous for claimants to utilize the "special election" and it may also remove the need to amend prior tax returns.

Special tax relief is available for claimants who use all or a part of their SSDI retroactive payments to reimburse a Long Term Disability carrier. This special tax relief is

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available under I.R. §1341. Depending upon the LTD repayment amount, the claimant may be able to deduct the repayment from the current year's tax return or take a credit for the excess tax paid in the prior year. An important consideration for the claimant would be the potential for "phantom" taxable income due to separate 1099 forms issued for the same year by both SSA and the LTD carrier.

Replacement SSA 1099/1042S will be mailed only to the address on file at SSA. If an individual has moved, they must report their change of address to SSA prior to requesting a replacement form. Claimants may request a copy or replacement form through the SSA website at www.ssa.gov

The information in this article should not be used by any individual for tax guidance, but rather as a framework of questions to pose to their tax preparer. Advantage 2000 Consultants is a Social Security Representation firm and does not provide income tax advice or consultation. **Claimants should always seek guidance from a competent tax professional regarding how their Social Security Disability award affects their tax liability.**

The SSA Numbers at a Glance

To the right is a comparison chart showing the increase in Social Security Benefit amounts between the year 2006 and 2007

QUICK CHART	2007	2006
COLA	3.30%	4.10%
Quarter of Coverage	\$1,000	\$970
Retirement Test: At FRA	\$34,440	\$33,240
Retirement Test: Under FRA	\$12,960	\$12,480
SGA Test Amount: Non-Blind	\$900	\$860
SGA Test Amount: Blind	\$1,500	\$1,450
Trial Work Services	\$640	\$620
Full Retirement- Attains 62 in	66 Yrs.	66 Yrs.
Medicare Part B	\$93.50	\$88.50
Taxable Earnings	\$97,500	\$94,200
SSI Federal: Individual	\$623	\$603
SSI Federal: Couple	\$934	\$904



With: Jeff Fields Customer Relations Manager

Expedited Reinstatement and Provisional Benefits

We sometimes receive calls from our clients asking the question, "What are provisional Social Security benefits?" I thought this would be an excellent forum to discuss and clarify the issue.

Provisional benefits are tied to a program policy known as Expedited Reinstatement. When a Social Security Disability Insurance (SSDI) beneficiary's payments are terminated due to return to work or medical improvement, there is a period of eligibility in which the individual can have their benefits reinstated for a period of up to 6 months while a review of their medical condition and ability to work is completed. This is known as "Expedited Reinstatement" or "EXR" and the 6 months of benefits are referred to as "provisional benefits". Some might confuse the EXR with the Extended Period of Eligibility (EPE). EXR differs in that it follows a termination event and involves a medical review. The Claimant is not required to serve an additional 5 calendar month waiting period.

The period of eligibility for an EXR is 60 months from the time the benefits originally terminate. There are certain circumstances where the Social Security Administration (SSA) will consider a good cause and allow the period to be extended beyond the 60th month. SSA will review those on a case-by-case basis.

A terminated SSDI beneficiary may apply for an EXR as soon as they find they can no longer maintain their earnings at or above the Substantial Gainful Activity (SGA) level. If the applicant is found to be eligible for an EXR review, provisional benefits may be paid for up to 6 months while the medical review is taking place. If eligible, provisional benefits will be paid at the level the beneficiary was receiving when the record was terminated plus any intervening cost of

living adjustments. If a Workers' Compensation or Public Disability offset was in place previously, that offset is applied as before. Although some exceptions apply, in general, if an EXR is denied for medical reasons the beneficiary would not have to repay any provisional benefits received prior to receipt of the denial notice.

If the medical review determines that the individual remains disabled and is approved for ongoing payment of benefits, a 24 month Initial Reinstatement Period (IRP) is established. During this period benefits are paid in much the same fashion as they would be during an Extended Period of Eligibility (EPE). All benefits due are paid each month, except where the beneficiary's monthly earnings (if they again return to work) rise above the SGA level. At the end of the IRP, the beneficiary will be granted a new Trial Work Period and EPE with the same reporting requirements for each.

A beneficiary entitled to an EXR is also entitled to Medicare coverage as long as provisional benefits are being paid.

While we are not able to cover each program policy associated with EXR and provisional benefits in this article, these are the overall provisions and will apply in most cases. If you have a specific situation that you are unsure of, please feel free to contact us for a more in-depth review.

The LTD benefit administrator would want to be aware of these provisions in order to facilitate return to work efforts for their insured individuals. The EXR in conjunction with the Trial Work Period and the Extended Period of Eligibility assures those individuals attempting to return to the work force that their Social Security benefits are protected in various ways for a period of time.

EMPLOYEE SPOTLIGHT

Trudy Wagner contributes to the Advantage 2000 team as a Case Manager Assistant (CMA). Born in Milwaukee, WI, Trudy grew up in a professional family called the Singing Pfannerstills performing in various venues such as the VA hospital, weddings, nursing homes and other special functions. At one time she was a member of the Master Works Chorus and still enjoys participating in choirs and performing solos.

Trudy met her husband in her home town and since their marriage in 1974 she raised three girls and one son. Four grandchildren have been added to the family and all are hard to keep up with. Her children are very successful and are living all over the United States, with one who lives off & on in China.

If Trudy is not spending time with her family, you may find her in the kitchen or the garden. As she enjoys helping others, she has actively participated in several missions through her



Trudy Wagner
Case Manager Assistant

church. Trudy has traveled to places such as Mexico and Brazil working on construction projects. She was involved in revamping electrical systems, putting up retaining walls and constructing a cabin that can house up to 12 people complete with a shower and toilet.

Before coming to Advantage 2000, Trudy ran an in-home day care business for about 20 years, worked as a receptionist and held various sales positions.

As a CMA, Trudy and her Case Manager tackle their claims effectively and efficiently. She is a real bulldog in obtaining medical evidence. Advantage 2000 is grateful for her hard work and the personal touch she displays with each claimant. We are proud to have Ms. Wagner as part of the A2K team.

A HELPING HAND...

Once again, Advantage 2000 Consultants participated in the annual National Multiple Sclerosis (MS) Society - Gateway Area Chapter Legal and Tax Clinic. On February 10, 2007, the National MS Society provided a free legal and tax clinic to individuals with Multiple Sclerosis in the St. Louis metro area. During this event, people with MS and their immediate family had the opportunity to consult with professionals such as attorneys, CPAs and Certified Financial Planners for 20-30 minute consultations.

Mary Garrett, Director of Program Management served as the Social Security Disability Specialist for the clinic this year. Many individuals are still working, but were interested in exploring their options should their condition prevent them from continuing to work in the future. Others requested information regarding potential Medicare benefits.

Advantage 2000 Consultants was pleased to provide their services to those individuals who otherwise may not have had the opportunity. If you should have any questions regarding Return to Work options within the Social Security Disability Program or questions related to Medicare, then please contact Jeff Fields, Customer Relations Manager.

