

# Workers with Job Success: The Expansion of MAWD Under Act 69

By Jennifer Rose, CELA  
April 2022

For many people with disabilities, the desire to work and earn a living wage competes with the risk of earning too much money and losing vital healthcare coverage through public benefit programs such as Medical Assistance in Pennsylvania. The Medical Assistance for Workers with Disabilities program in Pennsylvania, commonly known as “MAWD,” offers a solution for many individuals with disabilities by allowing them to make higher earnings and still qualify for full Medical Assistance medical coverage.

Under traditional MAWD, the income standard is 250% of the federal poverty level, or roughly \$32,000, after deductible items. When calculating income, there are a number of deductions that reduce what income is countable toward the income threshold. For example, the Department of Human Services will apply the “unearned income deduction” and not count the first \$20 of any “unearned” income such as Social Security Disability. For any “earned” income (work wages), the Department of Human Services will apply the “earned income deductions.” Earned income deductions do not count the first \$65, and then do not count half of the remainder. Impairment-related work expenses and transportation costs can also be deducted from countable income. Accordingly, an individual can earn more than \$32,000 and still meet the MAWD. They also have a \$10,000 countable resource cap (but their house and a car do not count against the cap).

MAWD recipients pay 5% of their monthly income as a premium for their healthcare coverage provided through Medical Assistance. For those who qualify, they have full medical benefits including prescriptions, rehabilitation, dental and medical transportation services.

While the higher income threshold of MAWD enabled many working disabled to retain healthcare coverage, there was still a significant portion of the population who frustratingly were not covered by healthcare benefits at work but earned too much money to qualify for coverage under MAWD. In my practice I have unfortunately seen workers who would like to take on more hours, or accept a promotion, who have been unable to do so due to the fear of a loss of Medical Assistance benefits.

Thankfully, on July 1, 2021, the lives of workers with disabilities were changed for the better when Governor Wolf signed Act 69 of 2021 into law. This Act became effective on December 28, 2021 and created a new eligibility category under MAWD called “Workers with Job Success”, which applies to workers who earn between 250% and 600% of the federal poverty level less the deductions discussed above (approximately \$75,000 countable income after deductions) for workers with disabilities in Pennsylvania. Earnings over the 250% income cap will now bump contributions into a new category rather than just eliminating eligibility all together.

Workers will pay 7.5% of their monthly income to the MAWD program to cover their healthcare under the new rules. There is an exception to this rule. If the individual's countable income is above 450% of the federal poverty level and their annual adjusted gross income reported on their federal 1040 tax form is at or more than \$75,000 compounded with Social Security cost-of-living adjustments since 2000 (\$125,944.84 in 2022), they are responsible for paying a full cost monthly premium, as determined by the Department of Human Services.

In addition to the income thresholds, to be eligible for MAWD, workers must:

- be at least age 16 and under age 65;
- earning at least the minimum wage;
- have enrolled in MAWD for the previous 12 consecutive months; and
- have countable assets of \$10,000 or less. Once you're enrolled in Workers with Job Success, you can accumulate more than \$10,000 in assets and remain eligible in the Workers with Job Success or MAWD program

DHS estimates that at least an additional 1,091 individuals would be eligible for MAWD under the new worker with job success category. This estimate is based upon the number individuals who were previously disenrolled from MAWD due to having income in excess of the current limits.

Once the Public Health Emergency ends and the Department of Human Services again begins scrutinizing continuing eligibility, many workers with disabilities may no longer qualify for Medical Assistance because their income is too high. If this is an issue for you, or someone you know, discussing MAWD with a caseworker at your local county assistance office for the Department of Human Services, might be the solution you were looking for.