

# **Can I Obtain Workers' Comp And Social Security Disability Benefits?**

*Injured workers can receive Workers' comp and SSDI at the same time, but benefit amounts may be reduced.* If you have been permanently disabled in a work-related accident, you may wonder if you can obtain Social Security Disability Insurance (SSDI) benefits in addition to your workers' compensation benefits.

In many cases, you can. Workers who are permanently disabled by workplace injuries or illnesses often can obtain both SSDI and workers' compensation benefits. However, you will need to apply and obtain approval for SSDI benefits separately, and those benefits may be reduced if your total benefits exceed a certain amount.

## **Differences Between SSDI And Workers' Comp**

SSDI is a federal insurance benefit that workers earn by having paid into the tax system for a long enough time. To be eligible, workers must have a medical impairment that prevents them from doing substantial work and is expected to last a year or more or result in their death. It's not available right at the time of an accident. Instead, benefits are available five months after the date of disability. SSDI is available for eligible workers regardless of whether their injury is work-related.

Workers' compensation is operated by individual states. Employers generally either maintain workers' comp insurance or prove to the Pennsylvania Department of Labor & Industry that they have the financial ability to self-insure their business.

Workers' compensation benefits typically start within a few days of a work-related injury or illness. They include immediate medical coverage for work-related injuries and wage replacement that begins after the eighth day of missed work. You may receive specific loss benefits if you lose a body part or have a permanent loss of function.

If you are eligible for both SSDI and workers' compensation, you should be aware that you may not receive the full amount of your SSDI benefits. Social Security reduces or offsets excess income in some cases.

## **Social Security Offset**

Social Security law allows SSDI recipients who also receive workers' compensation to receive up to 80 percent of their previous earnings in combined benefits. The purpose is to prevent workers from receiving what Social Security calls "excessive" benefits from SSDI and workers' comp. The agency reduces, or offsets, benefits for workers who would otherwise receive more than 80 percent of their previous income.

Social Security has had some form of offset for most of the time its disability programs have existed. An offset was contained in the original disability program enacted in 1956. The offset was eliminated in 1958 and brought back in 1965.

In the offset's current form, Social Security allows recipients to receive up to 80 percent of their average current earnings. Average current earnings are typically the highest of:

- The average monthly wage on which the disability benefit is based
- The average monthly earnings during your five highest paid years
- The average earnings during your single highest paid year from the past five years

The offset seems fairly straightforward – unless you receive a lump sum settlement from your workers' compensation claim. What then? According to Social Security, lump sum payments are subject to the offset. However, the agency can prorate the lump sum to show the monthly rate that the worker would have been paid without a lump sum settlement.

## **Other Benefits And SSDI**

People who qualify for SSDI often qualify for other benefits. If you qualify for Supplemental Security Income (SSI), Veterans Affairs (VA) benefits, or state and local benefits in some situations, your SSDI benefits will not be affected.

SSDI, workers' compensation and other benefits can be challenging to apply for. For more information about your rights to these benefits and how they affect one another, contact an experienced workers' comp and disability benefits attorney.

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