

We are exploring several areas that would encourage disability beneficiaries to work and become self-sufficient. Our work incentive simplification pilot (WISP) would encourage beneficiaries to work since their disability and Medicare benefits would not be terminated because of work and earnings. Under WISP, benefits only would be suspended for months in which a beneficiary works above the substantial gainful activity level (\$1,000 in 2011). The FY 2012 President's Budget includes legislative proposals that would allow us to conduct WISP. Additionally, we think the Benefit Offset National Demonstration project that is testing a \$1-for-\$2 benefit offset will encourage beneficiaries who want to work despite their disability by providing a gradual reduction in benefits if they choose to earn above SGA.