Unemployment Compensation. You should always think about unemployment compensation when you have lost your job for any reason or when your hours have been significantly reduced. You should apply as quickly as possible after your employment is terminated or reduced.

Unemployment benefits are most commonly available after a layoff. You may not be eligible for benefits if you have been fired for cause or if you voluntarily quit. However, in some cases, you may still qualify for benefits even if your employer told you that you were fired rather than laid off. Similarly, you may qualify in some circumstances even if you quit your job. In general, it can’t hurt to apply, although if you were fired or if you quit, you may first want to learn more about your state’s benefit program.

Each state administers its own program with guidelines established by the federal government. You should check with your state about extended benefits programs available during times of high unemployment.

Some free legal services and also private lawyers and other professionals specialize in this area. (See Chapter 1 about finding a lawyer.) In addition, there are several books and pamphlets available which discuss unemployment compensation. Call the personnel office of your former company, the state labor department, or your state’s unemployment office. If you are a union member, ask the union if it provides help with unemployment compensation applications. The National Employment Law Project (NELP) has a number of useful publications on unemployment compensation. Visit www.nelp.org.

Workers’ Compensation. If you were seriously injured on the job, or if you suffer from serious job-related medical conditions, you probably are entitled to workers’ compensation benefits. These may include medical benefits and monthly income payments until you are able to go back to work. If you are a union member, the union may help you qualify. Otherwise, contact the workers’ compensation board in your state directly. Your doctor’s assistance in this process will be helpful. If you are having difficulties qualifying, you may wish to contact a lawyer specializing in workers’ compensation cases.

Child Support. If you are a custodial parent, you may be owed current or back child support. If you apply for your state’s version of TANF (described below), the TANF state agency will usually take on child support enforcement activities for you to establish a child support order and collect support.

If you are not receiving TANF and cannot obtain an attorney to press your claim for child support, most states have state agencies tasked with child support enforcement who should help you to collect. Contact the local department of revenue or public assistance office to see which state agency assists families in the collection of child support and what type of assistance they can offer.

If you owe child support but have lost a job or lost wages, you can find out how to modify a child support order in light of lost income from the same agencies.

Cash Assistance for Families with Children. All states administer some form of cash and other assistance to families with children through the Temporary Assistance for Needy Families (TANF) block grant program. States have great flexibility in setting eligibility requirements and benefit levels. Most states require you have assets below a certain level. Many states require that the family include a minor child or a pregnant woman.

Applications for this assistance can be made at a local public assistance office, sometimes called a department of public assistance, department of social services, or department of human services. You will need to provide proof that you are eligible.

If you qualify for the program, the amount of your benefits will be based on your other income and family size as well as other factors. Some states require at least in some cases job training, work requirements, time limits, and/or cooperation with paternity identification and child support enforcement. All children who receive or live with a child who receives TANF are automatically eligible for free school meals (see below) and most states automatically provide Medicaid with TANF.

Local legal services offices can provide more information about these programs and/or represent you if benefits are denied or cut. Go to www.lawhelp.org for more information.

General Assistance for Individuals. Some states have other emergency assistance or have state and/or locally funded programs often called “general assistance,” “general relief,” or “home relief.” These programs are typically for seniors and persons with disabilities pending approval of SSI, Social Security, workers’ comp or other disability-based benefits. The state will usually require individuals to reimburse the state for “interim assistance” paid from the first SSI or other benefit check.
Benefits and eligibility requirements vary tremendously among states, but the programs are usually available only to people who don’t qualify for any other form of assistance and who have few or no resources.

Some general assistance programs are available only to certain groups, such as children not living with relatives, homeless individuals, or persons with disabilities. Some programs provide benefits for only a limited number of months each year. Most programs require that employable people participate in a work or job search program. Local legal services offices can provide more information about these programs and/or represent you if benefits are denied or cut. Go to www.lawhelp.org [3] for more information.

Social Security Based on Age. If you have sufficient work history, at retirement age you are eligible for Social Security. The retirement age to qualify for your full amount of Social Security retirement benefits for people born in 1955 is 66.2 years. For people born after that, it gradually increases until it reaches 67 for people born after 1959.

If you are not yet 66, but are 62 or over and in financial distress now, it is a good idea to opt for “early retirement” Social Security benefits, instead of waiting until you are over 66 years old. You will receive benefits now, but they will not be as high as if you waited until you were 66 or 67. Nevertheless, you will have years of extra income you would not have if you waited until you were 66 or 67. Considering the high interest charges you may incur now to borrow money and some of the consequences of non-payment of your debt, you are almost always better off receiving your Social Security benefits early if you are having financial problems now.

Social Security Based on Disability. You may be eligible for Social Security Disability Insurance benefits (SSDI) if you are severely disabled and have sufficient work history. Covered disabilities take many forms. Illnesses, physical and mental limitations, extreme pain, and depression or anxiety all qualify as disabilities. To qualify, the impairment or combination of impairments has to have lasted or be expected to last a year or more or result in death, and also prevent you from engaging in substantial gainful activity in light of your age, education, and work experience.

Many applicants who are initially denied disability benefits succeed on appeal. Make sure to file an appeal at each stage and consider contacting a lawyer or other advocate who specializes in disability benefit cases. Many private attorneys and some legal services offices provide legal representation to individuals having difficulty getting these benefits. In addition, many U.S. Congressional and Senate Offices have constituent staff who are able to problem-solve for constituents.

Sufficient Work History to Qualify for Social Security. Both retirement and disability Social Security benefits are available only for those who have been employed a sufficient number of years (40 quarters of work credits—roughly 10 years’ worth of work) in covered jobs. That means jobs that provided contributions to the Social Security fund (your FICA). To learn about how Social Security calculates the 40 credits of work and how many work credits you have, visit https://www.ssa.gov/planners/credits.html [4].

Social Security and Dependents and Survivors. The dependents or survivors of an insured worker may also be eligible for Social Security benefits upon the worker’s death, disability, or retirement. Dependents typically receive Social Security at 50% of the beneficiary’s benefit rate, also known as “auxiliary benefits.”

For More Information and to Apply for Social Security. To learn more about Social Security benefits and how to apply, call 800-772-1213, visit Social Security’s website at www.ssa.gov [5], or go to your local Social Security district office.

SSI Benefits Based on Age or Disability. If you do not have sufficient work history to receive Social Security retirement or disability benefits, or if you Social Security retirement benefits are low, you may still be eligible for Supplemental Security Income (SSI). To qualify for SSI based on age, you must be 65 or older and either do not qualify for Social Security or your Social Security benefits are low, and your income and assets fall below established guidelines.

SSI disability benefits are based on the same disability criteria as Social Security disability benefits described above. Many applicants who are initially denied disability benefits succeed on appeal. Make sure to file an appeal at each stage and consider contacting a lawyer or legal services advocate who specializes in disability benefit cases. Go to www.lawhelp.org [3] for more information.
Source: National Consumer Law Center, Surviving Debt [50th NCLC Anniversary Edition], updated at www.nclc.org/library
Source URL: https://library.nclc.org/sd/0903

Links
[1] https://library.nclc.org/nclc/link/SD.01