We’re With You When You Start Work…
Did You Know?

About 174 million workers will pay Social Security taxes in 2018.

About 94 percent of all workers are covered or eligible under Social Security.
Social Security Beneficiaries

- Social Security: 58.8 million
- SSI: 5.5 million
- Both: 2.7 million

December 2017
Who Pays for Social Security?
We’re There For Your Wedding
Did You Know?

As of December 2017, 3.1 million dependents of retired workers were receiving 2.2 billion dollars in Social Security benefits each month.

At the same time, 1.7 million dependents of disabled workers were receiving 620 million dollars in monthly Social Security benefits.

socialsecurity.gov/planners
Spousal Benefits

Benefit is 50% of worker’s unreduced benefit

Reduction for early retirement

If spouse’s own benefit is less than 50% of the worker’s, the benefits are combined

Does not reduce payment to the worker

Benefit is 100% regardless of age if spouse is caring for a child under age 16 or disabled
Benefits for Divorced Spouses

may receive benefits on your ex-spouse's record (even if or she has remarried) if:
• You are unmarried;
• You are age 62 or older;
• Your ex-spouse is entitled to Social Security retirement or disability benefits; and
• The benefit you are entitled to receive based on your own work is less than the benefit you would receive based on your ex-spouse's work.

Note: Marriage must have lasted 10 years or longer
Government Pension Offset

A type of benefit reduction that may affect some spouses and widows or widowers.

If you receive a government pension based on work not covered by Social Security, your SS spouse’s or dow(er)’s benefits may be reduced.

socialsecurity.gov/gpo
Government Pension Offset

$ of amount of non-covered pension will be used to reduce the Social Security spouse’s/widow(er)’s benefits.

Examples:

$800 Non-covered Pension

Social Security spouse’s or widow(er)’s benefit = $750, benefit payable due to offset

Social Security spouse’s or widow(er)’s benefit = $1000, $100 would be payable after offset

socialsecurity.gov/gpo
You're With You If Unexpected Happens
As of December 2017, Social Security paid an average monthly disability benefit of $1,059.63. That’s barely enough to keep a beneficiary above the poverty level ($12,140 annually).

According to the U.S. Census Bureau, 56.7 million people living in the United States - 19% of the population - live with a disability.

38.3 million people - 13% of the population - live with a severe disability.
Social Security Disability Insurance (SSDI)

What is it?

SSDI is a program to provide income supplements to people who are no longer able to work because of a significant disability.

Who is it for?

People who are no longer able to perform substantial work activity may qualify if they:

- Have a medical condition that’s expected to last at least one year or result in death,
- Are younger than full retirement age (FRA) and earn less than the substantial gainful activity (SGA) limit,
- Are blind and at least age 55 for certain individuals, and have earned a certain number of work credits.
Supplemental Security Income (SSI)

What is it?
SSI is a federal program that provides monthly payments to people who have limited income and few resources.

Who is it for?
People who are 65 or older, as well as for those of any age, including children, who are blind or who have disabilities.
### SSDI vs. SSI

<table>
<thead>
<tr>
<th>Social Security Disability Insurance</th>
<th>Supplemental Security Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payments come from the Social Security trust funds and are based on person’s earnings.</td>
<td>Payments come from the general treasury fund, NOT the Social Security trust funds. SSI payments are not based on a person’s earnings.</td>
</tr>
<tr>
<td>Insurance that workers earn by paying Social Security taxes on their earnings.</td>
<td>A needs-based public assistance program that does not require a person to have work history.</td>
</tr>
<tr>
<td>Pays benefits to disabled individuals who are unable to work, regardless of their income and resources.</td>
<td>Pays disabled individuals who are unable to work AND have limited income and resources.</td>
</tr>
<tr>
<td>Benefits for workers and for adults disabled since childhood. Must meet disabled status requirements.</td>
<td>Benefits for children and adults in financial need. Must have limited income and limited resources.</td>
</tr>
</tbody>
</table>
Compassionate Allowances (CAL)

A way of quickly identifying diseases and other medical conditions that invariably qualify under the Listing of Impairments based on minimal objective medical information.

Allows Social Security to target the most obviously disabled individuals for allowances based on objective medical information that we can obtain quickly.

Is not a separate program from the Social Security Disability Insurance or Supplemental Security Income programs.

socialsecurity.gov/compassionateallowances
Wounded Warriors & Veterans

Wounded warriors and veterans with 100% permanent & Total disability ratings from VA may be able to expedited medical decisions on SSDI and applications.

socialsecurity.gov/veterans
disagree With The Medical Decision?

If you recently applied for Social Security or Supplemental Security Income disability benefits and were denied for medical reasons, you have the right to file an appeal within 60 days of the date on your decision notice.
The Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) programs include a number of employment support provisions commonly referred to as work incentives.

The Red Book is a general reference tool, updated yearly, designed to provide a working knowledge of these provisions.

Primarily for educators, advocates, rehabilitation professionals, and counselors who serve persons with disabilities.

socialsecurity.gov/redbook
We’re There If You Lose Your Soulmate
# Survivor Eligibility Factors

<table>
<thead>
<tr>
<th>Category</th>
<th>Eligibility Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Child</td>
<td>May receive benefits if not married and is under age 18 (or under age 19 if still in high school)</td>
</tr>
<tr>
<td>Disabled Child</td>
<td>May receive benefits beyond age 18 if not married and was disabled before age 22</td>
</tr>
<tr>
<td>Widow / Widower</td>
<td>May get full benefits at full retirement age – or reduced benefits at age 60 – or as early as age 50 if disabled – or at any age if caring for child under 16 or a disabled child</td>
</tr>
</tbody>
</table>
Survivor Benefits

In you pass away, your surviving spouse may:

At full retirement age, receive 100% of deceased worker's unreduced benefit; or,
At age 60, receive 71.5% of your full benefit and increases each month you wait up to 100% if you start at full retirement age; or
Claim survivor benefits at any age between 60 and full retirement age.
Auxiliary Benefits for Children

A child must have:

- A parent who’s disabled or retired and entitled to Social Security benefits; or
- A parent who died after having worked long enough in a job where they paid Social Security taxes.

The child must also be:

- Unmarried;
- Younger than age 18;
- 18-19 years old and a full-time student (no higher than grade 12); or
- 18 or older and disabled. (The disability must have started before age 22.)
Parents’ Benefits – For a parent who is age 62 and was receiving at least one-half of his or her financial support from the son or daughter who died.

Lump Sum Death Payment – A surviving spouse or child may receive a one-time lump-sum death payment of $255.00 if they meet certain requirements.
**House (living) benefits**

- Can start from age 60 to Full Retirement Age (FRA)
- At FRA or less if you start before FRA (reduction for each month you take it early)
- Divorced spouses qualify if marriage lasted at least 10 years and other conditions are met

**Survivor (death) benefits**

- Can start from age 60 to Full Retirement Age (FRA)
- 71.5% at age 60 and increases each month you wait, up to 100% if you start at FRA, or as early as age 50 if disabled
- Divorced spouses qualify if marriage lasted at least 10 years and other conditions are met
You can switch to retirement as early as age 62 if that benefit is higher than your widow's benefit.
Wouldn’t Miss Your Retirement Party
Did You Know?

As of December 2017, 42.4 million retired workers were receiving 59.6 billion dollars in Social Security benefits per month.

At the same time, 3 million dependents of retired workers were receiving 2.2 billion dollars in monthly Social Security benefits.
Do You Qualify for Retirement Benefits?

By earning “credits” when you work and pay Social Security taxes,

- You need 40 credits (10 years of work) and you must be 62 or older.
- Each $1,320 in earnings gives you one credit.
- You can earn a maximum of 4 credits per year.

*Note: To earn 4 credits in 2018, you must earn at least $5,280.*
Social Security Determines Your Benefit

Benefits are based on earnings

Step 1 - Your wages are adjusted for changes in age levels over time

Step 2 - Find the monthly average of your 35 highest earnings years

Step 3 - Result is “average indexed monthly earnings”
What Is the Best Age to Start Receiving Social Security Retirement Benefits?

Monthly Benefit Amounts Differ Based on the Age You Decide to Start Receiving Benefits

<table>
<thead>
<tr>
<th>Age You Choose to Start Receiving Benefits</th>
<th>Benefit Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>62</td>
<td>$750</td>
</tr>
<tr>
<td>63</td>
<td>$800</td>
</tr>
<tr>
<td>64</td>
<td>$866</td>
</tr>
<tr>
<td>65</td>
<td>$933</td>
</tr>
<tr>
<td>66</td>
<td>$1,000</td>
</tr>
<tr>
<td>67</td>
<td>$1,080</td>
</tr>
<tr>
<td>68</td>
<td>$1,160</td>
</tr>
<tr>
<td>69</td>
<td>$1,240</td>
</tr>
<tr>
<td>70</td>
<td>$1,320</td>
</tr>
</tbody>
</table>

Note: This example assumes a benefit of $1,000 at a full retirement age of 66
<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full Retirement Age</th>
<th>$1000 Retirement Benefit Taken at Age 62 Would Be Reduced by</th>
<th>$500 Spouse Benefit Taken at Age 62 Would Be Reduced by</th>
</tr>
</thead>
<tbody>
<tr>
<td>1954</td>
<td>66</td>
<td>25%</td>
<td>30%</td>
</tr>
<tr>
<td></td>
<td>66 and 2 months</td>
<td>25.83%</td>
<td>30.83%</td>
</tr>
<tr>
<td></td>
<td>66 and 4 months</td>
<td>26.67%</td>
<td>31.67%</td>
</tr>
<tr>
<td></td>
<td>66 and 6 months</td>
<td>27.5%</td>
<td>32.5%</td>
</tr>
<tr>
<td></td>
<td>66 and 8 months</td>
<td>28.33%</td>
<td>33.33%</td>
</tr>
<tr>
<td></td>
<td>66 and 10 months</td>
<td>29.17%</td>
<td>34.17%</td>
</tr>
<tr>
<td></td>
<td>67</td>
<td>30%</td>
<td>35%</td>
</tr>
</tbody>
</table>
Retirement Estimator

Gives estimates based on your actual Social Security earnings record

You can use the Retirement Estimator if:

- You have enough Social Security credits at this time to qualify for benefits and
- You are not:
  - Currently receiving benefits on your own Social Security record;
  - Waiting for a decision about your application for benefits or Medicare;
  - Age 62 or older and receiving benefits on another Social Security record; or
  - Eligible for a Pension Based on Work Not Covered By Social Security.
Windfall Elimination Provision (WEP)

Any part of your pension is based on work not covered by Social Security, you may be affected by the Windfall Elimination Provision.

It can apply if:

- You reached 62 after 1985; or
- You became disabled after 1985; and
- You first became eligible for a monthly pension based on work where you didn’t pay Social Security taxes after 1985.

socialsecurity.gov/planners/retire/wep.html
## Windfall Elimination Provision (WEP)

<table>
<thead>
<tr>
<th>Normal Computation</th>
<th>WEP Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% of the <strong>first</strong> $895</td>
<td>40% of the <strong>first</strong> $895</td>
</tr>
<tr>
<td>2% of the next $4,502</td>
<td>32% of the next $4,502</td>
</tr>
<tr>
<td>5% of the remainder</td>
<td>15% of the remainder</td>
</tr>
</tbody>
</table>

WEP loss for someone who turns 62 in 2018 is $448/month
## Exception to the WEP

<table>
<thead>
<tr>
<th>Years of Substantial Earnings</th>
<th>% of First Factor in Benefit Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 or more</td>
<td>90</td>
</tr>
<tr>
<td>29</td>
<td>85</td>
</tr>
<tr>
<td>28</td>
<td>80</td>
</tr>
<tr>
<td>27</td>
<td>75</td>
</tr>
<tr>
<td>26</td>
<td>70</td>
</tr>
<tr>
<td>25</td>
<td>65</td>
</tr>
<tr>
<td>24</td>
<td>60</td>
</tr>
<tr>
<td>23</td>
<td>55</td>
</tr>
<tr>
<td>22</td>
<td>50</td>
</tr>
<tr>
<td>21</td>
<td>45</td>
</tr>
<tr>
<td>20 or fewer</td>
<td>40</td>
</tr>
</tbody>
</table>
## Working While Receiving Benefits

<table>
<thead>
<tr>
<th>If you are</th>
<th>You can make up to</th>
<th>If you earn more, some benefits will be withheld</th>
</tr>
</thead>
<tbody>
<tr>
<td>Older Full Retirement Age</td>
<td>$17,040/yr.</td>
<td>$1 for every $2</td>
</tr>
<tr>
<td>Year Full Retirement Age is reached</td>
<td>$45,360/yr.</td>
<td>$1 for every $3</td>
</tr>
<tr>
<td>Full retirement age above</td>
<td>No Limit</td>
<td>No Limit</td>
</tr>
</tbody>
</table>

Note: If some of your retirement benefits are withheld because of your earnings, your benefits will be increased starting at your full retirement age to take into account those months in which benefits were withheld.
Taxation of Social Security Benefits

If you:

- **file a federal tax return as an "individual"** and your *combined income* is
  - between $25,000 and $34,000, you may have to pay income tax on up to 50 percent of your benefits.
  - more than $34,000, up to 85 percent of your benefits may be taxable.

- **file a joint return**, and you and your spouse have a *combined income* that is
  - between $32,000 and $44,000, you may have to pay income tax on up to 50 percent of your benefits
  - more than $44,000, up to 85 percent of your benefits may be taxable.

- **are married and file a separate tax return**, you probably will pay taxes on your benefits.

Medicare

rt A = Hospital Insurance

rt B = Medical Insurance

rt C = Medicare Advantage Plans

rt D = Prescription Drug Plans

Visit Medicare.gov for details
Medicare Enrollment

Initial Enrollment Period
Begins 3 months before your 65th birthday and ends 3 months after that birthday

Special Enrollment Period
If 65 or older and covered under a group health plan based on your – or your spouse’s – current work.

General Enrollment Period
January 1 – March 31
Your new card will have a new Medicare Number that's unique to you, instead of your Social Security number. This will help to protect your identity.
Extra Help Program

Medicare beneficiaries may qualify for Extra Help with their Medicare prescription drug plans.

Find out if you qualify at socialsecurity.gov/extrahelp
I'll Be Here For Your Family In The Future
Social Security in the Future

The two Social Security trust funds – Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) will be able to pay all benefits in full and on time until 2034.

The trust funds have reached the brink of asset reserve depletion in the past, but Congress made substantial modifications to avoid this.

If Congress does not act before 2034, the trust funds will still be able to pay 79 percent of each benefit due.
Applying for Benefits

Options available to apply:

- Online
- By phone 1-800-772-1213
- At our office

You choose the most convenient option for you!

Child and survivor claims can only be done by phone or in a field office (not online) at this time.
my Social Security Services

receive benefits or have Medicare, you can:

Request a replacement Social Security card if you meet certain requirements;
Report your wages if you work and receive Disability Insurance benefits;
Get a benefit verification letter as proof that you are getting benefits;
Check your benefit and payment information and your earnings record;
Change your address and phone number;
Start or change direct deposit of your benefit payment;
Request a replacement Medicare card; and
Get a replacement SSA-1099 or SSA-1042S for tax season.
my Social Security Services

do not receive benefits, you can:

Request a replacement Social Security card if you meet certain requirements;

Check the status of your application or appeal;

Get a benefit verification letter as proof that you are not getting benefits;

Get your Social Security Statement to review:
  o Estimates of your future retirement, disability, and survivor benefits;
  o Your earnings once a year to verify the amounts that we posted are correct; and
  o The estimated Social Security and Medicare taxes you’ve paid.
Enhanced Security for your *my* Social Security Account

We recently added a second method to check the identification of account holders when you register or sign in.

This is in addition to the first layer of security, your username and password.

You will be able to choose either your cell phone or your email address as your second identification method.
How to Open a my Social Security Account

1. Visit socialsecurity.gov/myaccount

2. Select: “Sign In or Create an Account.”

3. Provide some personal information to verify your identity.

4. Choose a username and password, then select how you would like to receive a one-time security code to create your account.

No matter what type of device you use, the my Social Security portal will automatically re-adjust to fit the appropriate screen size, providing you full, easy-to-use access to your personal account!
**my Social Security**

Can assist someone in creating a *my Social Security* account if they:
- are with you;
- have their own email address;
- can answer the “out of wallet” questions; and
- have been appointed a payee.

Cannot create a *my Social Security* account on behalf of another person by using another person's information or identity, even if you have that person's written permission.

Example, you cannot create an account for another person:
- with whom you have a business relationship;
- for whom you are a representative payee; or
- for whom you are an appointed representative.
Thank you!