



# Social Security: With You Through Life's Journey...



Securing today  
and tomorrow



Produced at U.S. taxpayer expense



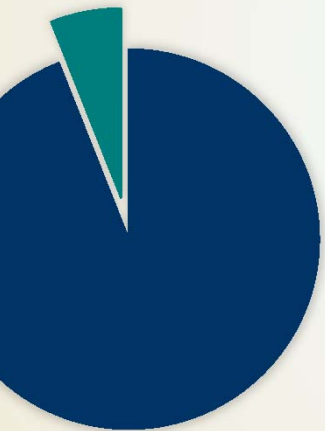
We're With You When  
You Start Work...

## Did You Know?

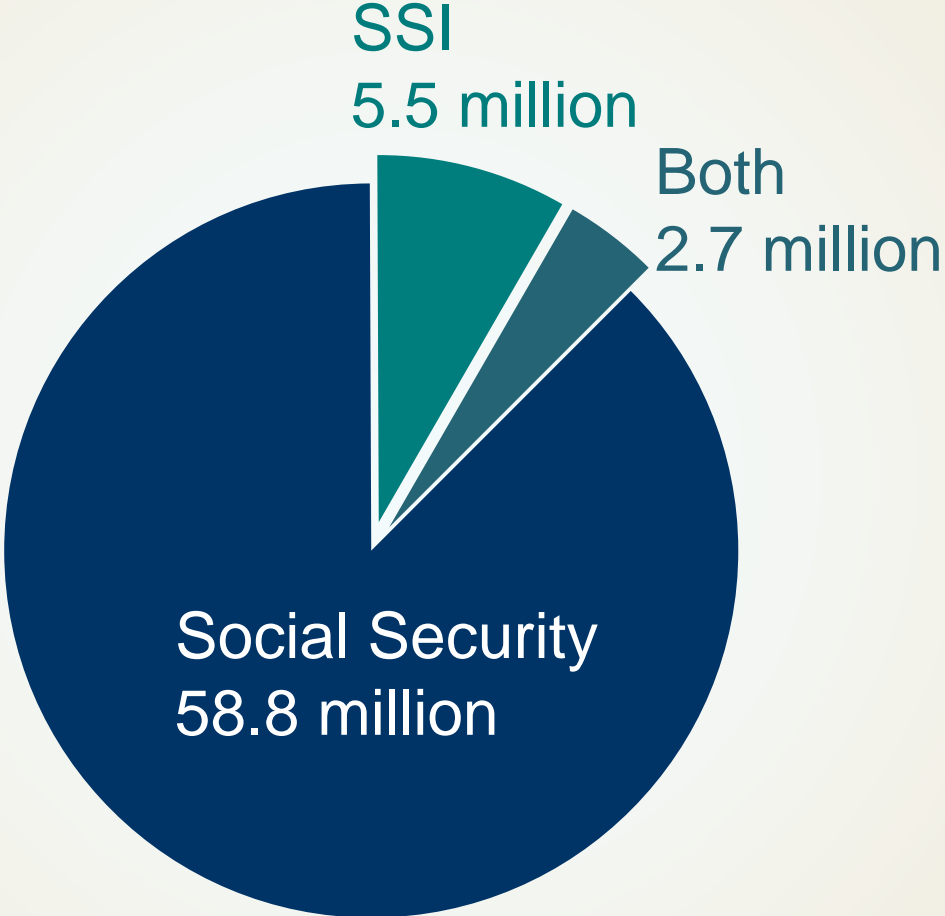
About **174 million workers** will pay Social Security taxes in 2018.



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



# Social Security Beneficiaries



December 2017

# Who Pays for Social Security?



# e'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](https://www.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

you may receive benefits on your ex-spouse's record (even if you 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

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  
widow(er)'s benefits may be  
reduced.



[socialsecurity.gov/gpo](https://www.socialsecurity.gov/gpo)



# Government Pension Offset

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

Examples:

1000 Non-covered Pension  
= \$800

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,  
0 would be payable after offset

[socialsecurity.gov/gpo](https://www.socialsecurity.gov/gpo)

# Be With You If The Unexpected Happens



# Disability Benefit Statistics



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?

SSI is 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

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





# 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](https://socialsecurity.gov/compassionateallowances)

# Wounded Warriors & Veterans

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



[socialsecurity.gov/veterans](https://www.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 Red Book – “A Guide to Work Incentives”

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](https://socialsecurity.gov/redbook)

A close-up photograph of two hands clasped together. The hand on the left is older, with visible wrinkles and veins, while the hand on the right is younger and smoother. The hands are positioned in a way that suggests support and care. The background is a soft, out-of-focus light blue and white.

# We're There If You Lose Your Soulmate

# Survivor Eligibility Factors

Child	May receive benefits if not married and is under age 18 (or under age 19 if still in high school)
Disabled Child	May receive benefits beyond age 18 if not married and was disabled before age 22
Widow / Widower or Divorced Widow/Widower	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



# Survivor Benefits

When 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.)





# Other Survivor Benefits

**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.

[socialsecurity.gov/survivors](https://www.socialsecurity.gov/survivors)



## Spouse (living) benefits

## Survivor (death) benefits

Can start from age 62 to Full Retirement Age (FRA)

Can start from age 60 to Full Retirement Age (FRA)

Can start at FRA or less if you start before FRA (reduction for each month you take it early)

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*

*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 widows 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.



## How Do You Qualify for Retirement Benefits?

You are 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.*



# Why Social Security Determines Your Benefit

Benefits are based on earnings

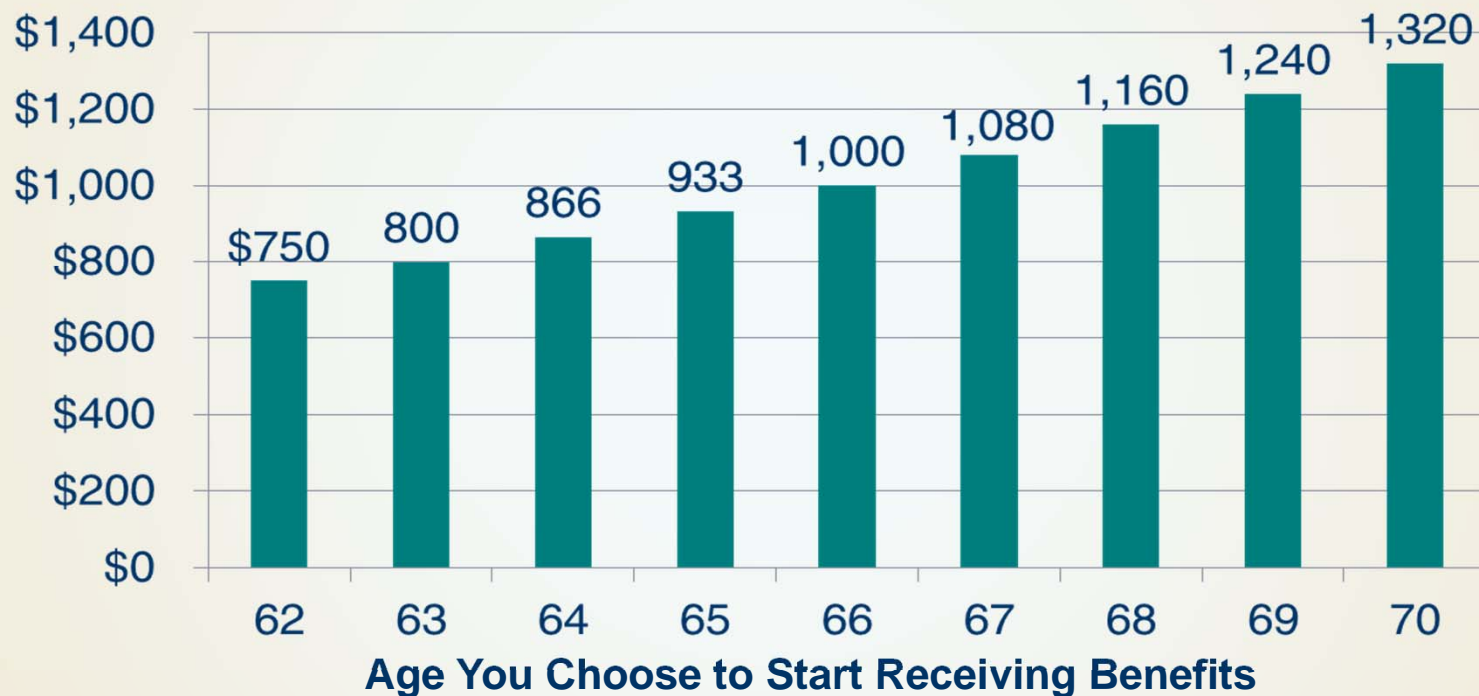
Step 1 -Your wages are adjusted for changes in wage levels over time

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



*Note: This example assumes a benefit of \$1,000 at a full retirement age of 66*



Year of Birth	Full Retirement Age	A \$1000 retirement benefit taken at age 62 would be reduced by	A \$500 spouse benefit taken at age 62 would be reduced by
1954	66	25%	30%
	66 and 2 months	25.83%	30.83%
	66 and 4 months	26.67%	31.67%
	66 and 6 months	27.5%	32.5%
	66 and 8 months	28.33%	33.33%
	66 and 10 months	29.17%	34.17%
1960+	67	30%	35%

Other Income

Savings & Investments

Pension

Social Security



# 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.

[socialsecurity.gov/estimator](https://socialsecurity.gov/estimator)

# Online Calculators

WEP

Online

Life Expectancy

Calculator

Retirement

Earnings Test

Early or Late Benefits for Spouses

GPO

Quick

Estimator

Detailed

Age



## Windfall Elimination Provision (WEP)

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

Who 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](https://socialsecurity.gov/planners/retire/wep.html)

# Windfall Elimination Provision (WEP)

Normal Computation	WEP Computation
0% of the <u>first</u> \$895	40% of the <u>first</u> \$895
2% of the next \$4,502	32% of the next \$4,502
5% of the remainder	15% of the remainder

WEP loss for someone who turns 62 in 2018 is \$448/month

# Exception to the WEP

Years of Substantial Earnings	% of First Factor in Benefit Formula
30 or more	90
29	85
28	80
27	75
26	70
25	65
24	60
23	55
22	50
21	45
20 or fewer	40

# Working While Receiving Benefits

If you are	You can make up to	If you earn more, some benefits will be withheld
At or Full Retirement Age	\$17,040/yr.	\$1 for every \$2
One Year Full Retirement Age is Reached	\$45,360/yr. before month of full retirement age	\$1 for every \$3
Two Years Full Retirement Age Above	No Limit	No Limit

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.

at [IRS.gov](https://www.irs.gov) and search for Publication 554, *Tax Guide for Seniors*, and Publication 915, *Social Security And Equivalent Railroad Retirement Benefits*



# Medicare

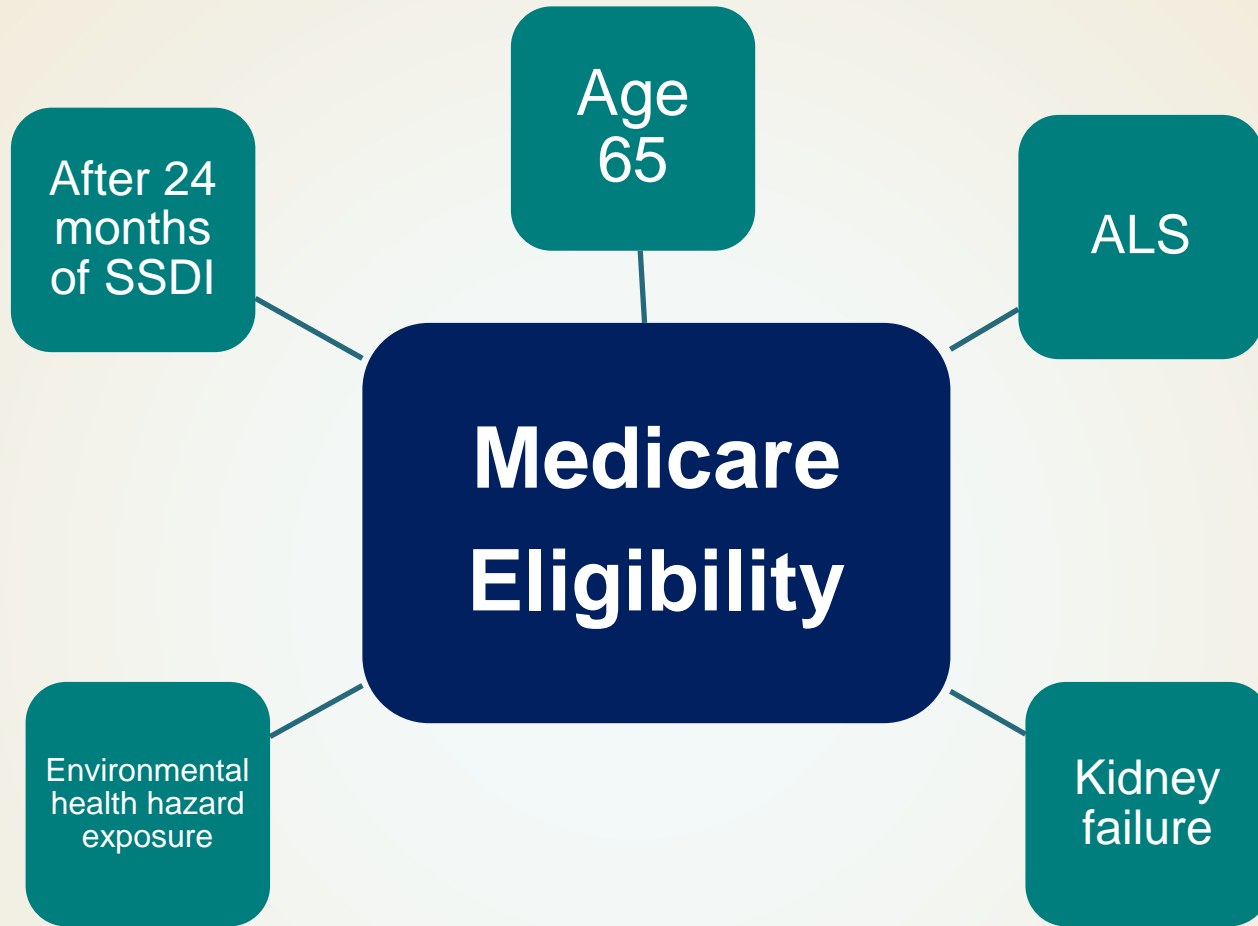
**Part A** = Hospital Insurance

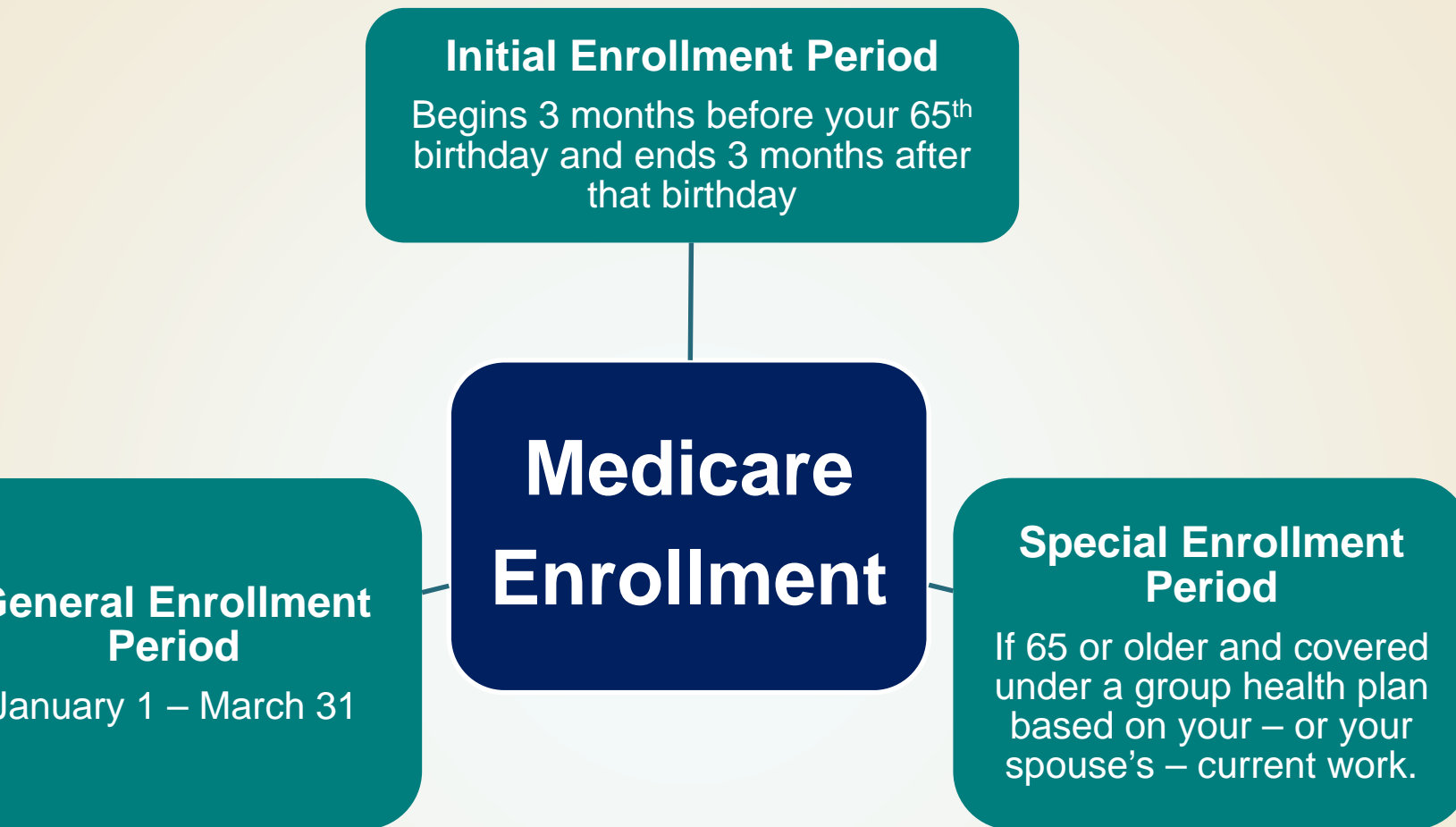
**Part B** = Medical Insurance

**Part C** = Medicare Advantage Plans

**Part D** = Prescription Drug Plans

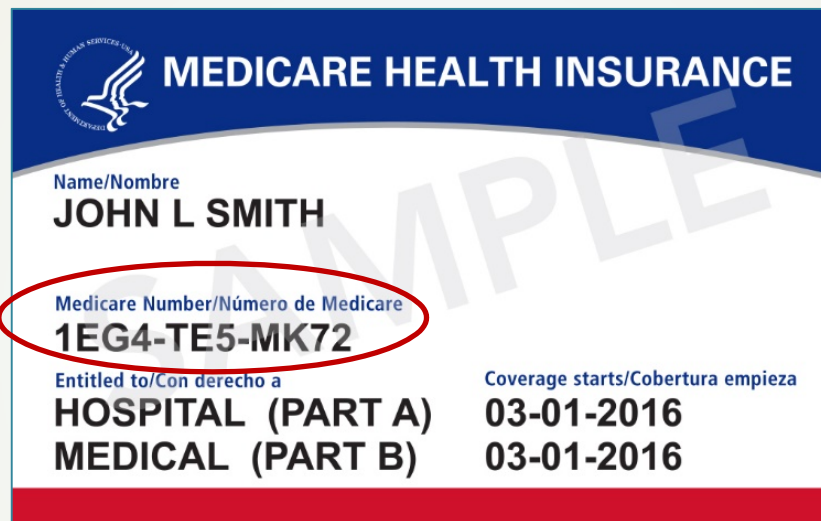
Visit [Medicare.gov](https://www.Medicare.gov) for details







# Medicare Card



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.

type search term here

Search

- Plans
- Your Medicare Costs
- What Medicare Covers
- Drug Coverage (Part D)
- Supplements & Other Insurance
- Claims & Appeals
- Manage Your Health
- Forms, Help, & Resources

# Test, item, or service covered?

Test, item, or service here

Go

and health  
drug plans

Apply for  
Medicare

Get started  
with Medicare



Requirements for home health services

Learn more

How to receive Medicare Summary Notices (MSNs) electronically

Go paperless

How to request a Medicare card

Information for my situation

Select your situation...



Go

Find someone to talk to

Select your state...



Go

1-800-MEDICARE or Medicare.gov

# Extra Help Program

Medicare beneficiaries  
may qualify for Extra Help  
on their Medicare  
prescription drug plan  
costs.



Find out if you qualify at [socialsecurity.gov/extrahelp](https://socialsecurity.gov/extrahelp)

All 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 full 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:

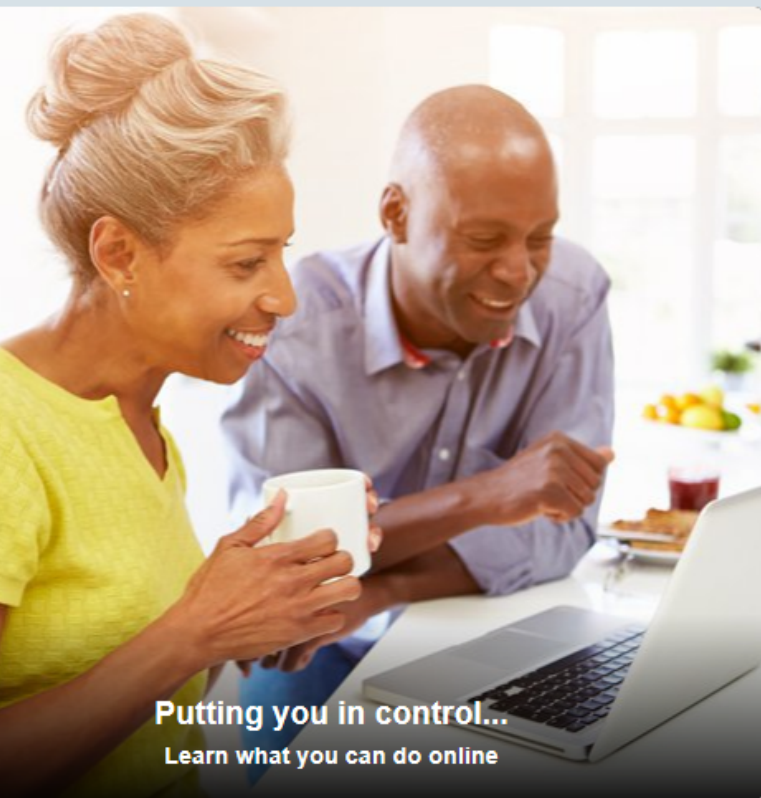
 Online

 By phone 1-800-772-1213

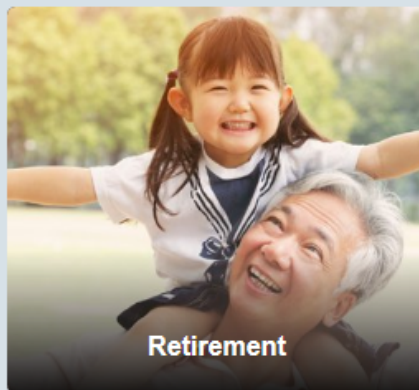
 At our office

*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.



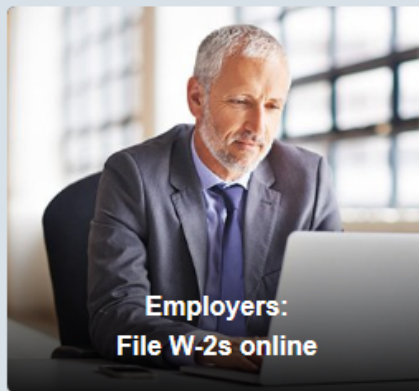
Putting you in control...  
Learn what you can do online



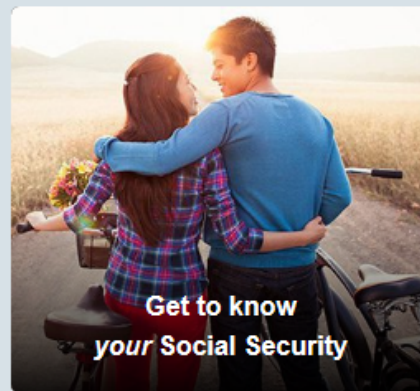
Retirement



Disability



Employers:  
File W-2s online



Get to know  
your Social Security



Social Security  
Put your Social Security



Social Security Number  
Your Social Security number remains

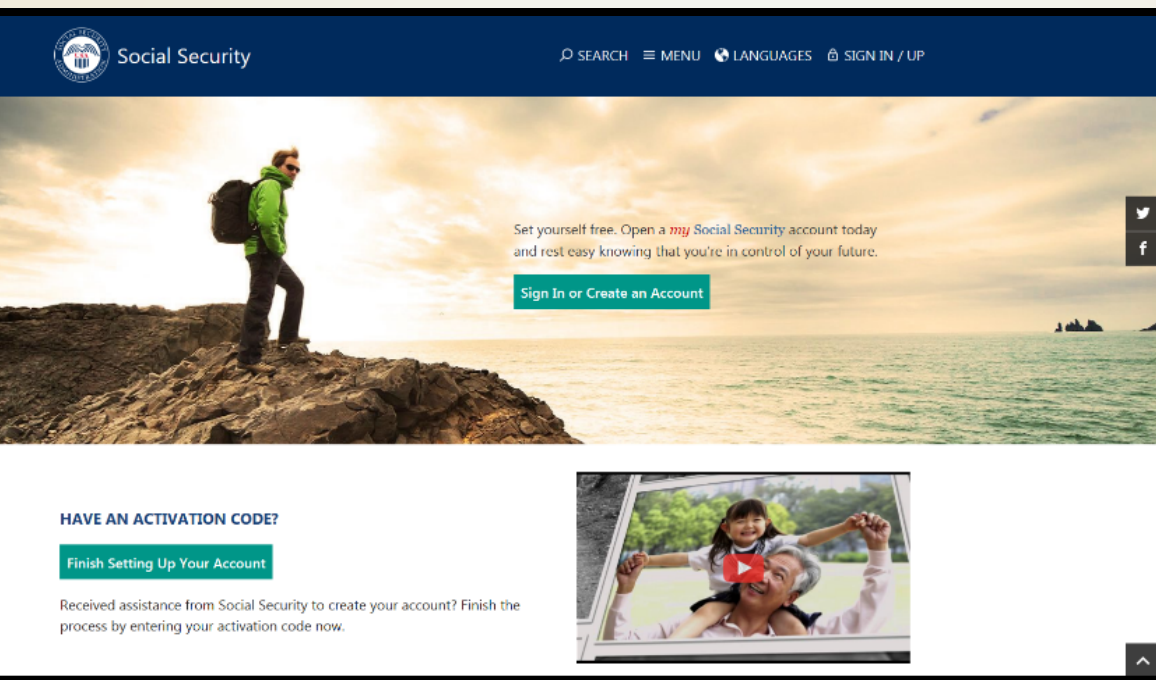


Retirement Estimator  
Calculate your benefits based on your

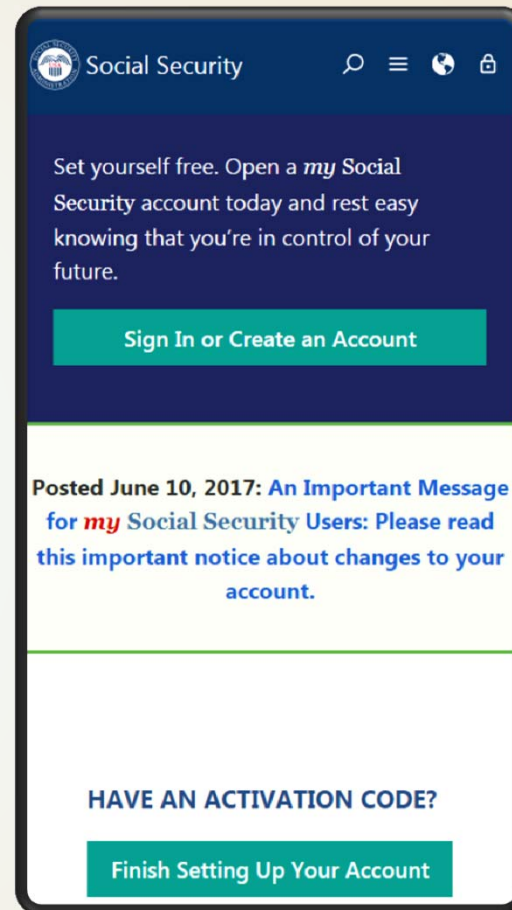


FAQs  
Get answers to frequently asked

# my Social Security



The desktop view of the my Social Security website features a dark blue header with the Social Security logo, search, menu, language, and sign-in options. The main content area has a large background image of a hiker on a rocky shore. A central text block reads: "Set yourself free. Open a my Social Security account today and rest easy knowing that you're in control of your future." Below this is a teal button labeled "Sign In or Create an Account". To the right are social media icons for Twitter and Facebook. Below the main image is a section titled "HAVE AN ACTIVATION CODE?" with a teal button "Finish Setting Up Your Account" and a video thumbnail showing a man and a child.



The mobile view of the my Social Security website features a dark blue header with the Social Security logo and navigation icons. The main content area has a dark blue background with white text: "Set yourself free. Open a my Social Security account today and rest easy knowing that you're in control of your future." Below this is a teal button labeled "Sign In or Create an Account". A white box contains a notice: "Posted June 10, 2017: An Important Message for my Social Security Users: Please read this important notice about changes to your account." Below the notice is a teal button labeled "Finish Setting Up Your Account".

socialsecurity.gov/myaccount

# *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:

- Estimates of your future retirement, disability, and survivor benefits;
- Your earnings once a year to verify the amounts that we posted are correct; and
- 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](https://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 the person's written permission.

For 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!

