Social Security:
With You Through Life’s Journey...
We’re With You Through Life’s Journey
We’re With You From Day One
A fun by-product of assigning Social Security numbers at birth is that we know the most popular baby names, which we announce each year.

Visit our website to find the top baby names for the last 100 years.

SocialSecurity.gov/babynames
We’re with you when you start work…
What’s FICA?

- A U.S. federal payroll tax deducted from each paycheck
- Stands for the Federal Insurance Contributions Act
- Total deducted is 7.65%, your employer matches this for a total of 15.3%
- Helps fund both Social Security and Medicare programs, which provide benefits for:
  - Retirees
  - The Disabled
  - Children
About **173 million workers** will pay Social Security taxes in 2017.

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

Social Security 57.7 million

SSI 5.5 million

Both 2.7 million

November 2016
Who Pays for Social Security?
We’ll Be Here For Your Family In The Future
Birth Rates

Life Expectancy Statistics

• A man reaching age 65 today can expect to live, on average, until age 84.3.

• A woman turning age 65 today can expect to live, on average, until age 86.6.

• And those are just averages. About one out of every four 65-year-olds today will live past age 90, and one out of 10 will live past age 95.
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 77 percent of each benefit due.
We Wouldn’t Miss Your Retirement Party
As of December 2016, 41 million retired workers were receiving 56.1 billion dollars in Social Security benefits per month.

At the same time, 3 million dependents of retired workers were receiving 2.1 billion dollars in monthly Social Security benefits.
How 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 $5,280.00.
How 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”
2018 Retirement Benefit Formula

If your average monthly earnings are = $5,500
Then your monthly benefit would be = $2,245

Average Monthly Earnings = $5,500

90% of First................................................................. $885 = $796

32% of Earnings over $885 through $5,336... $4,451 = $1,424
($5,336 - $885 = $4,451)

15% of Earnings over $5,336...................... $164 = $24

$5,500  $2,245

*Payments rounded to whole dollar amounts
What Is the Best Age to Retire?

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
<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full Retirement Age</th>
<th>A $1000 retirement benefit taken at age 62 would be reduced by</th>
<th>A $500 spouse benefit taken at age 62 would be reduced by</th>
</tr>
</thead>
<tbody>
<tr>
<td>1943-1954</td>
<td>66</td>
<td>25%</td>
<td>30%</td>
</tr>
<tr>
<td>1955</td>
<td>66 and 2 months</td>
<td>25.83%</td>
<td>30.83%</td>
</tr>
<tr>
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</tr>
<tr>
<td>1958</td>
<td>66 and 8 months</td>
<td>28.33%</td>
<td>33.33%</td>
</tr>
<tr>
<td>1959</td>
<td>66 and 10 months</td>
<td>29.17%</td>
<td>34.17%</td>
</tr>
<tr>
<td>1960 +</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.

socialsecurity.gov/estimator
## 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>Under Full Retirement Age</td>
<td>$17,040/yr.</td>
<td>$1 for every $2</td>
</tr>
<tr>
<td>The Year Full Retirement Age is Reached</td>
<td>$45,360/yr. before month of full retirement age</td>
<td>$1 for every $3</td>
</tr>
<tr>
<td>Month of Full Retirement Age and 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.
We’re There For Your Wedding
Dependent Benefit Statistics

As of December 2016, 3 million dependents of retired workers were receiving 2.1 billion dollars in Social Security benefits each month.

At the same time, 1.8 million dependents of disabled workers were receiving 640 million dollars in monthly Social Security benefits.
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
<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full Retirement Age</th>
<th>A $1000 retirement benefit taken at age 62 would be reduced by</th>
<th>A $500 spouse benefit taken at age 62 would be reduced by</th>
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<td>1960 +</td>
<td>67</td>
<td>30%</td>
<td>35%</td>
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</table>
Benefits for Divorced Spouses

If you are divorced, and your marriage lasted 10 years or longer, you can receive benefits on your ex-spouse's record (even if he 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.
Due to a change in the law, deemed filing now applies to anyone whose 62\textsuperscript{nd} birthday is after January 1, 2016.

Note: There are two exceptions.
Voluntary Suspension

If you take your retirement benefit and then ask to suspend it to earn delayed retirement credits, your spouse or dependents (excluding divorced spouses) generally will not be able to receive benefits on your Social Security record while your own benefits are suspended.

socialsecurity.gov/planners/retire/suspendfaq.html
We’re There If You Lose Your Soulmate
## Survivor Eligibility Factors

<table>
<thead>
<tr>
<th>Category</th>
<th>Eligibility</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Child</strong></td>
<td>Can receive benefit if not married and is under age 18 (or under age 19 if still in high school)</td>
</tr>
<tr>
<td><strong>Disabled Child</strong></td>
<td>Can receive benefits beyond age 18 if not married and was disabled before age 22</td>
</tr>
<tr>
<td><strong>Widow / Widower</strong></td>
<td>Can 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

When you pass away, your surviving spouse can:

- Receive 100% of your full benefit if full retirement age; 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
- Lump Sum Death Payment

socialsecurity.gov/survivors
<table>
<thead>
<tr>
<th>Spouse (living) benefits</th>
<th>Survivor (death) benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Can start from age 62 to Full Retirement Age (FRA)</td>
<td>Can start from age 60 to Full Retirement Age (FRA)</td>
</tr>
<tr>
<td>50% at FRA or less if you start prior to FRA (reduction for each month you take it early)</td>
<td>71.5% at age 60 and increases each month you wait, up to 100% if you start at FRA</td>
</tr>
<tr>
<td>Divorced spouses qualify if marriage lasted at least 10 years and other conditions are met</td>
<td>Divorced spouses qualify if marriage lasted at least 10 years and other conditions are met</td>
</tr>
</tbody>
</table>
You can switch to retirement as early as age 62 if that benefit is higher than your widows benefit.
We’re With You If The Unexpected Happens
As of December 2016, Social Security paid an average monthly disability benefit of $1,171.15. That’s barely enough to keep a beneficiary above the poverty level ($12,060 annually).

56 million Americans, or 1-in-5 people in this country, live with disabilities.

48 million disabled Americans, or 1-in-10 people here, live with severe disabilities.
Social Security Disability Insurance (SSDI)

The SSDI program pays monthly benefits to you and to certain members of your family if:

- You have worked long enough, recently enough, and

- You have a medical condition that has prevented you from working – or is expected to prevent you from working – at a substantial level for at least 12 months, or your medical condition is expected to end in death.
Supplemental Security Income (SSI)

Social Security administers the Supplemental Security Income program, which pays benefits to disabled adults and children who have limited income and resources.

SSI benefits also are payable to adults age 65 and older who do not have disabilities, if these individuals meet the financial limits.

People who have worked long enough, recently enough, may be able to receive Social Security benefits – such as disability or retirement – as well as SSI.
Wounded Warriors & Veterans

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

socialsecurity.gov/veterans
Work Incentive Programs

Explains our work incentives, which are employment-support provisions intended to assist you in your efforts to become self-sufficient through work.

Employment supports can help you find a job or start a business, protect your cash and medical benefits while you work, or help you save money to go to school.

socialsecurity.gov/redbook
Taxation of Social Security Benefits

Your adjusted gross income
+ Nontaxable interest
+ ½ of your Social Security benefits
= Your "combined income"
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

Part A = Hospital Insurance

Part B = Medical Insurance

Part C = Medicare Advantage Plans

Part D = Prescription Drug Plans

Visit Medicare.gov for details
Medicare Eligibility

- Age 65
- ALS
- Kidney failure
- Environmental health hazard exposure
- After 24 months of SSDI
Medicare Enrollment

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

General Enrollment Period
January 1 – March 31

Special Enrollment Period
If 65 or older and covered under a group health plan based on your – or your spouse’s – current work.
<table>
<thead>
<tr>
<th>If you enroll in this month of your initial enrollment period:</th>
<th>Then your Part B Medicare coverage starts:</th>
</tr>
</thead>
<tbody>
<tr>
<td>One to three months before you reach age 65</td>
<td>The month you reach age 65</td>
</tr>
<tr>
<td>The month you reach age 65</td>
<td>One month after the month you reach age 65</td>
</tr>
<tr>
<td>One month after you reach age 65</td>
<td>Two months after the month of enrollment</td>
</tr>
<tr>
<td>Two or three months after you reach age 65</td>
<td>Three months after the month of enrollment</td>
</tr>
</tbody>
</table>
The standard Part B premium for 2017 is $134.00. If you’re single and file an individual tax return, or married and file a joint tax return:

<table>
<thead>
<tr>
<th>Modified Adjusted Gross Income</th>
<th>Part B monthly premium amount</th>
<th>Prescription drug coverage monthly premium amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Individuals with a MAGI of $85,000 or less</td>
<td>2017 standard premium $134.00</td>
<td>Your plan premium</td>
</tr>
<tr>
<td>Married couples with a MAGI of $170,000 or less</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individuals with a MAGI above $85,000 up to $107,000</td>
<td>Standard premium + $53.50</td>
<td>Your plan premium + $13.30</td>
</tr>
<tr>
<td>Married couples with a MAGI above $170,000 up to $214,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individuals with a MAGI above $107,000 up to $160,000</td>
<td>Standard premium + $133.90</td>
<td>Your plan premium + $34.20</td>
</tr>
<tr>
<td>Married couples with a MAGI above $214,000 up to $320,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individuals with a MAGI above $160,000 up to $214,000</td>
<td>Standard premium + $214.30</td>
<td>Your plan premium + $55.20</td>
</tr>
<tr>
<td>Married couples with a MAGI above $320,000 up to $428,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individuals with a MAGI above $214,000</td>
<td>Standard premium + $294.60</td>
<td>Your plan premium + $76.20</td>
</tr>
<tr>
<td>Married couples with a MAGI above $428,000</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Extra Help Program

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

Find out if you qualify at socialsecurity.gov/extrahelp

SocialSecurity.gov
Medicare Applications

If you already have Medicare Part A and wish to add Medicare Part B, simply take or mail forms CMS 40-B and CMS-L564 to your local Social Security office.

socialsecurity.gov/medicare/apply.html
Getting Started

Welcome to Medicare’s free, secure online service for accessing personalized information about your Medicare benefits and services. After you sign in, you can fill out the Initial Enrollment Questionnaire (IEQ), view claims information, get quality information about your providers, and more.

New to MyMedicare.gov? Create an account

MyMedicare.gov  Claims  Plans & Coverage  My Health  Online Tour

MyMedicare.gov
Applying for Benefits

3 options available to apply:

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

You choose the most convenient option for you!

Note: Child and survivor claims can only be done by phone or in a field office (not online) at this time.
What Will You Need When Applying for Your Social Security Benefits?

- Social Security number for each applicant
- Proof of age (only if date of birth allegation doesn't match Social Security records)
- Latest W-2 or self-employment tax return
- Earnings estimate
- Bank information for direct deposit
- Information about marriages/divorces
- Information about military or railroad service
my Social Security

Set yourself free. Open a my Social Security account today and rest easy knowing that you’re in control of your future.

Sign In or Create an Account

HAVE AN ACTIVATION CODE?

Finish Setting Up Your Account

Received assistance from Social Security to create your account? Finish the process by entering your activation code now.

socialsecurity.gov/myaccount

Posted June 10, 2017: An Important Message for my Social Security Users: Please read this important notice about changes to your account.

HAVE AN ACTIVATION CODE?

Finish Setting Up Your Account

SocialSecurity.gov
If you receive benefits or have Medicare, you can:

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

If you 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 cont.

Each time you sign in to your account, you will complete two steps:

- **Step 1**: Enter your username and password.
- **Step 2**: Enter the security code we send by text message or email, depending on your choice (cell phone provider text message and data rates may apply).

*If a user does not have a text-enabled cell phone, or does not wish to provide their cell phone number, they will need to use their email address as a second identification method instead.*
Securing today and tomorrow
Q&A session