

# Social Security

[www.socialsecurity.gov](http://www.socialsecurity.gov)

**Minnesota Family Support & Recovery Council**

September 30, 2014

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## Social Security MFSRC

- What's the difference between Social Security and SSI?
- Who is eligible and what is the application process?
- How do they relate to child support and collections?
- Disclosure
- my Social Security Account
- Questions

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## Who Gets Benefits from Social Security?

**58 million people**

Benefit Category	Number of People (Millions)
Retired Workers and Dependents	37.9
Disabled Workers and Dependents	8.9
Widows/Widowers	4.3
Children of Deceased Workers	1.9
<b>Total</b>	<b>58</b>

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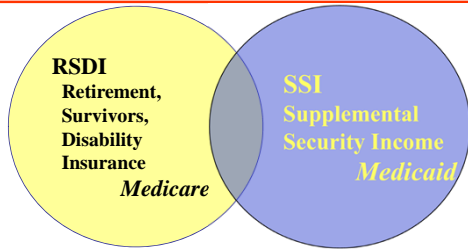
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## Social Security's Benefit Programs



- Based on Work
- Pays benefits to the worker & eligible family members
- Financed by OASDI taxes
- Can be garnished
- SSI is needs based
- Pays the individual-no family benefits
- Financed by General Revenue
- Cannot be garnished

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## Payment Amounts

### RSDI

- Varies - Based on your lifetime earnings
- Credits Earned (Insured Status)

### SSI

- \$721 max.
- Other income may reduce the benefit

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## How Do You Qualify for Retirement Benefits?

- You need to work to earn Social Security "credits"
- Each \$1,200 in earnings gives you one credit
- You can earn a maximum of 4 credits per year



Example: To earn 4 credits in 2014, you must earn at least \$4,800. Earning 40 credits (10 years of work) throughout your working life will qualify you for a retirement benefit.

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## Your Age at the Time You Elect Retirement Benefits Affects the Amount

### If You're a Worker and Retire

- At age 62, you get a lower monthly payment
- At your full retirement age, you get your full benefit
- You get an even higher monthly payment if you work past your full retirement age



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## Your Age at the Time You Elect Retirement Benefits Affects the Amount

For example, if you were born from 1943 through 1954:

- Age 62 75% of benefit
- Age 66 100% of benefit
- Age 70 132% of benefit



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## In Addition to the Retiree, Who Else Can Get Benefits?

### Your Child

- Not married under 18 (under 19 if still in high school)
- Not married and disabled before age 22

### Your Spouse

- Age 62 or older
- At any age, if caring for a child under age 16 or disabled



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## In Addition to the Retiree, Who Else Can Get Benefits?

### Your Ex-Spouse

- Marriage lasted at least 10 years
- Ex-spouse 62 or older
- Divorced at least two years and you and your ex-spouse are at least 62, he or she can get benefits even if you are not retired
- Ex-spouse's benefit amount has no effect on the amount you or your current spouse can get

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## Spouse's Benefit Computation

- 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 worker

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## Full Retirement Age

Year of Birth	Full Retirement Age
1937 or earlier	65
1938	65 & 2 months
1939	65 & 4 months
1940	65 & 6 months
1941	65 & 8 months
1942	65 & 10 months
1943 – 1954	66
1955	66 & 2 months
1956	66 & 4 months
1957	66 & 6 months
1958	66 & 8 months
1959	66 & 10 months
1960 or later	67

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## How Social Security Determines Your Benefit

Social Security 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"



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## 2014 Retirement Benefit Computation Example

If your average monthly earnings are = \$5,200  
 Then your monthly benefit would be = \$2,088

Average Monthly Earnings	\$5,200		
90% of First	\$816	=	\$734
32% of Earnings over \$816 through \$4,917 <small>(\$4,917-\$816÷\$4,101)</small>	\$4,101	=	\$1,312
15% of Earnings over \$4,917	\$283	=	\$42
	\$5,200		\$2,088

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## Use the Retirement Estimator



- Convenient, secure, and quick financial planning tool
- Immediate and accurate benefit estimates
- Lets you create "What if" scenarios based on different ages and earnings

[www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator)

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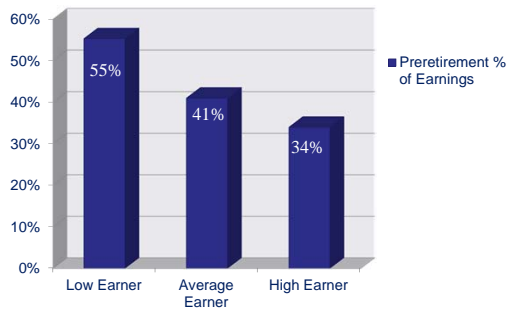
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## What You Can Expect at Full Retirement Age



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## my Social Security

Your Online Account ... Your Control ...  
[socialsecurity.gov/myaccount](https://socialsecurity.gov/myaccount)



my Social Security is an easy-to-access, easy-to-use portal to view and update some of your own Social Security information.

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## Who Can Open a my Social Security Account?

You must be at least 18 years old and have a:



- Valid E-mail address;
- Social Security number; and
- U.S. mailing address.

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## my Social Security Services

If you don't get benefits, you can—

- Review estimates of your future retirement and disability benefits;
- Review estimates of the benefits your family may get when you receive Social Security or die;
- Verify your lifetime earnings according to Social Security's records;
- Review the estimated Social Security and Medicare taxes you've paid;
- Learn about qualifying and signing up for Medicare; and
- View, save, and print your *Social Security Statement*.

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## my Social Security Services

If you do get benefits you can—

- Check your benefit and payment information and verify your earnings record;
- Change your address and phone number; and
- Start or change your direct deposit.

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## Online Benefit Verification Letter

With **my Social Security** you can get your benefit verification letter online and use it as official proof of:



- Your income when you apply for a loan or mortgage, assisted housing or other state or local benefits;
- Your current Medicare health insurance coverage;
- Your retirement or disability status; and
- Your age.

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## my Social Security

### Getting Started

#### How to open a *my* Social Security account

- 1 Visit [socialsecurity.gov/myaccount](https://socialsecurity.gov/myaccount)
- 2 Select: Create an Account



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## my Social Security

### Getting Started

#### How to open a *my* Social Security account

- 3 Provide some personal information to verify your identity.
- 4 Choose a username and password to create your account.



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## How to Get Your Online Benefit Verification Letter

### To get your benefit verification letter:



- Sign into your account; and
- Select "Get a Benefit Verification Letter."

Your letter will be displayed and you may print it or save it for later use.



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## Remember the Fastest Way to Verify Social Security and SSI Benefits—

*my* Social Security provides an online benefit verification letter immediately.



[socialsecurity.gov/myaccount](http://socialsecurity.gov/myaccount)

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## How Do I Apply for Retirement Benefits?

- Apply online at [www.socialsecurity.gov](http://www.socialsecurity.gov)  
It is the most convenient way to apply;
- Call Social Security to schedule an appointment  
1-800-772-1213 (TTY 1-800-325-0778); or
- Apply at your local Social Security office.



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## Applying for Retirement Benefits



You can apply online for Retirement Benefits by visiting [www.socialsecurity.gov](http://www.socialsecurity.gov) and clicking "Benefits"

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## Applying for Retirement Benefits

The screenshot shows the Social Security Administration's online application interface. The page title is 'Benefit Application'. Below the title are tabs for 'Identification', 'General', 'Other Benefits', 'Remarks', 'Review & Submit', and 'Next Steps'. The 'Identification' tab is active. The 'Applicant Identification' section includes a sub-section for 'Applicant's Name' with a note: 'Please provide the name as it appears on the most recent Social Security card.' There are input fields for 'First', 'Middle', and 'Last' names, and a 'Suffix' dropdown menu. Below this is the 'Social Security Number (SSN)' field. The 'Gender' section has radio buttons for 'Male' and 'Female'. The 'Date of Birth' section has dropdown menus for 'Month', 'Day', and 'Year'. A 'Next' button is located at the bottom left of the form. A small number '28' is visible in the bottom right corner of the screenshot.

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## 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**

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## Who Can Get Survivors Benefits?

### Your Child if:

- **Not married under age 18** (under 19 if still in high school)
- **Not married and disabled before age 22**

### Widow or Widower:

- **Full benefits at full retirement age**
- **Reduced benefits at age 60**
- **If disabled as early as age 50**
- **At any age if caring for child under 16 or disabled**
- **Remarriage after age 60 (50 if disabled)**
- **Divorced widows/widowers may qualify**

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## Widow or Widower Benefit Computation

- At full retirement age, 100% of deceased worker's unreduced benefit
- At age 60, 71.5% of deceased worker's unreduced benefit
- Reduced benefits on one record at age 60, reduced or unreduced benefit on other record at age 62 or older
- Full benefits to both widow or widower and divorced widow or widower

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## Other Survivors Benefits

- Parents
  - Age 62 and was receiving at least one-half support from deceased worker
- Lump Sum Death Payment (\$255)
  - Most spouses and some children



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## Social Security's Disability Definition:

A medical condition or combination of impairments preventing substantial work for at least 12 months, or expected to result in death. The determination also considers age, education & work experience.



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## Who Can Get Disability Benefits?

### Worker

- Must have paid into Social Security five out of last 10 years
- For younger workers, under age 31 less work is required



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## Who Can Get Disability Benefits?

### Child

- Not married under age 18 (under 19 if still in high school)
- Not married and disabled before age 22

### Spouse

- At age 62
- At any age if caring for child under 16 or disabled
- Divorced spouses may qualify



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## Applying Online for Disability Benefits



- Social Security offers an online application for adults to apply for disability benefits.
- It's the most convenient way to apply.

➤ [www.socialsecurity.gov/applyforbenefits](http://www.socialsecurity.gov/applyforbenefits)

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## Advantages of Applying Online for Disability

### You can:

- Apply for yourself or for someone else;
- Provide all the information at once or over several sessions, in the setting of your choice;
- Use the “more info” links if you need help answering a question;
- Print or save a copy of what you submit;
- Send the information electronically; and
- Check the status of your application online after you submit it.

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## Who Can Apply Online for Disability

### You can apply online for disability benefits if you:

- Are age 18 or older;
- Have a medical condition or combination of impairments that has prevented you from working or is expected to prevent you from working for at least 12 months or end in death; and
- Reside in the United States or one of its territories or commonwealths.

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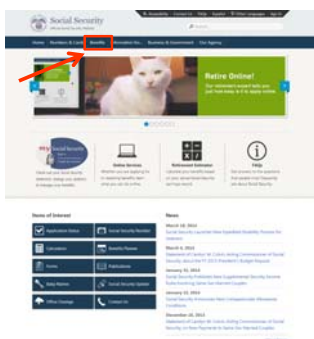
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## Applying for Disability Benefits



You can apply online for Disability Benefits by visiting [www.socialsecurity.gov](http://www.socialsecurity.gov) and clicking “Benefits”

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### Three Steps to Applying Online for Disability

- Complete the online disability benefits application
- Complete the online adult disability report
- Electronically sign and submit the Authorization to Disclose Information to SSA form (SSA-827)



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### Supplemental Security Income (SSI)

#### Who Can Get SSI?

- Age 65 or older
  - Blind—any age
  - Disabled—any age
  - Limited income
  - Limited resources
- Noncitizens must meet special requirements to qualify



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### Supplemental Security Income (SSI)

- Resource limits
  - \$2,000 individual
  - \$3,000 for couple
- Assets NOT considered:
  - Home you live in
  - Your car
  - Burial plots
  - Some resources set aside for burial
- Income of a spouse is considered
- SSI benefits cannot be garnished



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## SSI Wage Reporting Reminders

Reporting wages monthly can prevent SSI overpayments and underpayments.

- You can report wages by new mobile application, telephone, in office, mail or fax.
- You can sign up to get monthly text or email reminders about wage reporting at [www.socialsecurity.gov/ssiwagereporting](http://www.socialsecurity.gov/ssiwagereporting).
- If you want to report wages using our telephone service or smartphone app, please contact your local Social Security office and speak to one of our representatives.

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## SSI Wage Reporting

Report wages from your mobile device

 SSI Mobile Wage Reporting Smartphone App

Available now in Google Play and Apple App Stores

Ask your Social Security representative for details



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## DISCLOSURE

- ❖ For Benefit and Earnings Information – use Federal Parent Locator Service (FPLS) or BENDEX
- ❖ Exception – Imminent danger to the child
- ❖ We need a signed *Release of Information* from the numberholder

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## Garnishments - Child Support or Alimony

- ⇒ Social Security (SSDI) can be garnished – we follow the court order
- ⇒ SSI **cannot** be garnished
- ⇒ Amounts (maximum):
  - 50% if supporting a spouse and/or child
  - 60% if no supporting a spouse and/or child
  - The lesser of the State maximum or Consumer Credit Protection Act (CCPA)

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## Who Can Get Medicare ?

65 & older

-or-

24 months after entitlement to Social Security disability benefits

-or-

Anyotrophic Lateral Sclerosis

-or-

Permanent kidney failure and receive maintenance dialysis or a kidney transplant

-or-

Exposure to Environmental Health Hazards

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## When Can I Sign Up for Medicare Part B?

### Medicare Enrollment Periods:

- Initial – at age 65
- Special – if still working
- General – January-March



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## Medicare Has Four Parts

### Part A - Hospital Insurance

- Covers most inpatient hospital expenses
- 2014 deductible \$1,216

### Part B - Medical Insurance

- Covers 80% doctor bills & other outpatient medical expenses after 1<sup>st</sup> \$147 in approved charges
- 2014 standard monthly premium \$104.90

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## Medicare Has Four Parts

### Part C – Medicare Advantage Plans

- Health plan options offered by Medicare-approved private insurance companies
- When you join a Medicare advantage plan, you can get the benefits and services covered under Part A, Part B, and in most plans, Part D

### Part D – Medicare Prescription Drug Coverage

- Covers a major portion of your prescription drug costs
- Your out-of-pocket costs—monthly premiums, annual deductible and prescription co-payments—will vary by plan
- You enroll with a Medicare-approved prescription drug provider not Social Security

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## For More Medicare Information

**1-800-MEDICARE**

(1-800-633-4227)

TTY 1-877-486-2048

**[www.medicare.gov](http://www.medicare.gov)**

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## Social Security's Online Services

[www.socialsecurity.gov](http://www.socialsecurity.gov)

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**Online Services for before or after you receive benefits**

- Social Security Statement
- Change of Address and Phone Number
- Get a Benefit Verification Letter
- Start or Change Direct Deposit
- Retirement Estimator
- Retirement & Disability Applications
- Medicare Online
- Apply for Extra Help With Medicare Drug Plan Costs
- Retirement/Survivors/Disability Planner
- Medicare Card Replacements

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## Social Security Embraces Social Media

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- Discover us on Facebook, Twitter, YouTube, and Pinterest
- View popular agency webinar videos at [www.socialsecurity.gov/webinars](http://www.socialsecurity.gov/webinars)
- Sign-up to get emails and SMS/Texting when we update popular [www.socialsecurity.gov](http://www.socialsecurity.gov) web pages

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## Important Information: Changes In Certain Services

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To meet the increasing demands for our services, we need to make changes to how we provide some services to our customers.

- Effective August 1, 2014, we will discontinue providing Social Security number printouts.

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