



Social Security: Yearly Updates



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Objectives

- Explain Retirement benefits
- Describe the differences between SSI & SSDI
- Review Original Medicare enrollment



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Contacting Social Security

- Online @ www.ssa.gov
- 1-800-772-1213 M-F 8am -7pm
- Local offices open M-F 9am-4pm. www.ssa.gov/locator

➔ Effective 1/6/2025 in-person service at a local field office requires an **appointment- even for Social Security number cards. Note:** Vulnerable Populations and people with dire need may still walk in for service.



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my Social Security

Social Security Benefits Medicare Card & record Search SSA.gov Español Account

Create your personal **my Social Security** account today

A free and secure **my Social Security** account provides personalized tools for everyone, whether you receive benefits or not. You can use your account to request a replacement Social Security card, check the status of an application, estimate future benefits, or manage the benefits you already receive.

Create an Account Sign In

Finish Setting Up Your Account

ssa.gov/myaccount



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www.ssa.gov

Social Security Benefits - Medicare - Card & record - Search SSA.gov - Español | Sign in

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Prepare
Check eligibility for benefits
Get a benefits estimate
Plan for retirement

Apply
Apply for benefits
Sign up for Medicare
Apply for SSI

After you apply
Check application or appeal status
Appeal a decision we made

Option: Call 1-800-772-1213 to schedule an interview.

Manage benefits & information

Documents
Get benefit verification letter
Get tax form (1099/1042S)

Number & card
Replace card
Request number for the first time

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How Retirement Benefits Work

- Social Security replaces a percentage of your pre-retirement income- based on your highest 35 years of earnings.
- The payroll tax (FICA) you pay while working pays benefits to people already retired, disabled, and survivors of workers who have died.
 - Excess money not needed to pay benefits goes into the Social Security trust fund that pays the benefits.
- Higher lifetime earnings result in higher benefits.
- Your age at retirement affects benefit amount.

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FICA- Social Security Payroll Tax

- Federal Insurance Contributions Act-
 - helps fund Social Security retirement, disability, survivor benefits and Medicare
- Total FICA tax = 15.3% of gross wages (up to \$176,100 in 2025) - split b/n you and your employer.
 - 6.2% for Social Security
 - 1.45% for Medicare Part A coverage
- Everyone pays at least the Medicare portion, but not everyone pays the full FICA tax.

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How Do You Qualify for Retirement Benefits?

- By earning “credits” when you work and pay Social Security taxes (FICA)
- You need 40 credits (earned anytime), and you must be 62 or older
- Each \$1,810 in FICA earnings gives you one credit
- You can earn a maximum of 4 credits per year (\$7,240yr)

Find out if you have 40 credits in your *my* Social Security Account.

ssa.gov/benefits/retirement/planner/credits.html

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How Social Security Calculates the Benefit

Benefits are based on earnings:

Step 1 – We adjust or “index” your FICA wages to account for changes in average wages over time.

Step 2 – We calculate your average indexed monthly earnings (AIME) during the 35 years in which you earned the most.

Step 3 – We apply a formula and arrive at your Primary Insurance Amount (PIA) aka *Full Retirement Amount*.

ssa.gov/OACT/COLA/Benefits.html

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Factor to Consider: Retirement Age

- **Reduced benefits as early as age 62.**
- **Unreduced at Full Retirement Age (FRA)**

Year of birth	Full retirement age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

FRA = Age you are entitled to 100% of your retirement benefit.

NOTE: People born on January 1 of any year, refer to the previous year.

- **Delayed Retirement Credits (DRC's)** = higher monthly benefit (8% added to benefit for each full year) by waiting to collect past your FRA, up until age 70.

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my Social Security: Retirement Calculator

Print / Save a copy of your Social Security Statement (PDF)

Replace your Social Security Card

Eligibility and Earnings

You have the 40 work credits you need to receive benefits!

You earned \$0 in 2019. Is this correct?

Plan For Retirement

Your monthly benefit at Full Retirement Age (67) is \$1,407.

Retirement Age: **67 and 0 months** | Average Future Annual Salary: **\$43,066** | Include a spouse?: **No**

Get personalized benefit estimates based on your FICA earnings.

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How Work Affects Benefits

- **Younger than FRA, earning above certain limits while collecting retirement benefit, may cause a reduction to your benefits.**
 - Only wages and net earnings from self employment count toward our earnings limits.
- **Earnings Limit applies until FRA for benefits you receive on your own record, or as a spouse/widow(er)**
- If you retire mid-year, we look at work from the point of retirement. More @ www.ssa.gov/retire .

www.ssa.gov/OACT/COLA/RTeffect.html


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Working While Receiving Benefits

If you are	In 2025, you can earn up to	If you earn more, some benefits will be withheld
Under Full Retirement Age	\$23,400/yr.	\$1 for every \$2 earned above the limit
The Year Full Retirement Age is Reached	\$62,160/yr. before month of full retirement age	\$1 for every \$3 earned above the limit
Month of Full Retirement Age and Above	No Limit	No Limit

Retirement Earnings Test Calculator:
ssa.gov/OACT/COLA/RTeffect.html



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A Note about Disability

- May apply for disability benefit until full retirement age (FRA)
 - No reduction to disability benefit amount based on age
 - If least 62 and under FRA, may file both claims at same time
- Number of credits needed for eligibility is based on age & must have earned credits recently

FYI: If still working at application, earnings limits are different for disability benefits.

- SGA = \$1,620/mo. gross

www.ssa.gov/disability



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Applications Ask About Dependents

Children	<p>May get up to 50% (75% after death) of worker's FRA benefit amount:</p> <ul style="list-style-type: none"> • Unmarried, under 18 (or 19 if still in high school). • Disabled Adult children = 18+, unmarried and disabled before age 22.
Spouse and/or Ex-Spouse	<p>May receive up to 50% of worker's FRA benefit amount:</p> <ul style="list-style-type: none"> • As early as 62 (<i>younger if caring for young or disabled child</i>) • Married at least 1 year • Ex-Spouse: must be at least 62, unmarried, marriage at least 10+ years.
Widow/er or Divorced Widow/er	<p>May receive up to 100% of deceased's benefit amount:</p> <ul style="list-style-type: none"> • As early as age 60; 50 if disabled (<i>younger if caring for young or disabled child</i>) • Married at least 9 months. • Ex-spouse: marriage must have lasted at least 10 years.

<https://www-origin.ssa.gov/benefits/retirement/planner/applying7.html>



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Key Facts: Spouse Benefits

- You receive the higher benefit amount: either your own FRA amount **or** up to 50% of your living spouse's FRA amount.
 - If your own FRA benefit amount is less than 50% of your spouses, then benefits are combined for you to get a higher benefit amount.
- If you apply for your retirement before your current spouse, we look for any additional spouse benefit when they retire.
- Benefits paid to you as a spouse do not reduce the workers benefit.
- Earnings limits apply until you reach FRA.
- Your spouse benefit is reduced if you draw it before you reach FRA.

ssa.gov/family




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Key Facts for Survivors

- If you get remarried after age 60, (or age 50 if you have a disability) you won't be prevented from getting benefit payments based on your former spouse's work.
- As a survivor, choose whether to draw benefits on your own work record or your former spouse. *(Different than living spouse)*
- Annual earnings limit applies until FRA even for widow/widowers.
- Age related reductions apply if you claim benefit before you are FRA.
- Unable to apply for survivor benefits online. Call 1-800-772-1213 for an appointment.



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Social Security Fairness Act


- The Act ends the WEP and GPO that reduced or eliminated Social Security benefits of over 3.2 million people who also receive a pension based on work not taxed by FICA.
 - Teachers, firefighters, police officers, school employees, state and county employees, etc.
- Subscribe and stay updated @ [Social Security Fairness Act: Windfall Elimination Provision \(WEP\) and Government Pension Offset \(GPO\) update | SSA](#)



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Disability Programs

Title II

SSDI
Social Security Disability Insurance
Medicare

Title XVI

SSI
Supplemental Security Income
Medicaid




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SSDI vs. SSI	
Social Security Disability Insurance	Supplemental Security Income
Benefits come from Social Security trust funds (OASDI) and are based on a person's earnings.	<ul style="list-style-type: none"> • 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.	Needs-based program where eligibility depends largely on limited income and resources.
Pays benefits to people who can no longer work due to a disability, regardless of their income and resources.	Pays people with a disability who have limited income and resources; pays aged individuals 65 and older with limited income and resources.
<ul style="list-style-type: none"> • Payments made on the 3rd or a Wed • Leads to Medicare eligibility 	<ul style="list-style-type: none"> • Payments made on the 1st • Leads to Medicaid eligibility



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Disability Defined

To meet SSA's definition of disability, an adult (18+) must be unable to engage in substantial gainful activity (SGA) because of a medically-determined physical or mental impairment(s):

- that has lasted, or is expected to last for a continuous period of at least 12 months, or
- is expected to result in death.
- SGA = term SSA uses to describe a level of work activity and earnings. Earnings averaging over \$1,620/mo demonstrate SGA (\$2,700 if blind).



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Definition of Disability for Children

- A child, under 18, must have a physical or mental impairment that results in severe and marked limitations in functioning as compared to other children of the same age w/o impairments.
 - Attending and completing tasks, interacting and relating to others, manipulating objects, caring for themselves, etc.
- The child's condition must be expected to last at least 12 months or result in death.



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Who is Eligible for SSI?

- Under Age 65 – must have a qualifying disability, **and** must qualify based on income, resource, and living situation guidelines.
 - Age 65+ - no disability determination is needed.
- Normally must be a US Citizen, residing in the US.
- Must file an application and meet other requirements.

www.ssa.gov/benefits/ssi.



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SSI Factors of Eligibility: A Three-Legged Stool



Income

Resources

Living Arrangements



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Types of Income

- **Earned**- wages, net earnings from self employment.
- **Unearned**- all income not earned such as Social Security benefits, pensions, unemployment, interest and cash from friends and relatives.
- **In-Kind**- payment of shelter expenses
- **Deemed**- the part of the income of a spouse with whom you live, parent(s) with whom you live, or sponsor (if you are a noncitizen), which we use to compute your SSI benefit.



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Resources: Things You Own

Included Resources	Excluded Resources
Bank Accounts (CDs, IRAs)	Home in which you live
Stocks, Bonds, 401Ks (Liquid Assets)	First car
Second + Car	Burial plots for self & family
Life Insurance	Some resources set aside for burial
Property other than where you live	ABLE – Up to 100,000 www.stableaccount.com

Individual Limit: \$2,000 / Couples Limit: \$3,000
www.ssa.gov/ssi/text-resources-ussi.htm



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Deeming

- **Spouse**- We count some of a spouse's income & resources to determine the SSI payment- if in same household.
- **Child**- We count some of the parents' (step-parents') income & resources to figure a child's SSI if they are under 18 living in same home
 - Does not apply if child not in home with parent (hospital, grandparent, foster home)
 - **Deeming stops when child attains 18, marries, no longer lives with parent.**



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Living Arrangements Can Reduce SSI Amounts

- We may reduce SSI because of living arrangements when someone:
 - Lives in another person's house/apartment and pays less than fair share of housing costs (rent/mortgage & utilities).
 - Lives in own home and someone else pays all or part of rent, mortgage or other things like electricity, etc.
 - Lives in a hospital or nursing home for the whole month and private insurance or Medicaid pay over one-half of the cost of care.

FYI: SSI for a homeless individual is figured the same as we do for a someone who lives in her/her own house/apartment.



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Social Security Disability Insurance (SSDI)

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SSDI is Based on FICA Employment

- Insurance that workers earn by paying FICA taxes on their wages.
- Number of credits you need for disability benefits depends on your age at time of disability.
- To be insured, a worker must have worked recently and earned enough credits during that period of time.
- Benefit amount based on a person's lifetime earnings. See your *my Social Security* Account for an estimate.
- Other income, resources, do not affect benefit amount.
- Pays benefits to some dependent family members.
- We cannot pay benefits if you don't have enough credits.**

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Waiting Period

- A five-month waiting period applies to all SSDI beneficiaries, unless they have ALS - or a prior period of disability that terminated within 60 months before the current period of disability began.**
- Payment begins the sixth full month after the date SSA finds your disability began (onset date).
 - For example, if your onset date is February 21, 2025, your waiting period is March – July. First benefit is for August, payable in September.

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Benefits for the Family

Certain family members may qualify for benefits based on your work if you are approved:

- Spouses
 - At age 62
 - At any age if caring for child who is under 16 or has a disability
 - Divorced spouses may qualify
- Children- under 18, up to 19 if still in high school or disabled adult children (disabled prior to age 22).

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Disability Determination (DDS)

- All claims (SSI/SSDI) are sent to Opportunities for Ohioans with Disabilities (OOD) – Disability Determination Service.
- The DDS contacts medical providers, obtains medical records, makes medical decision.
- Most cases decided within 6-8 months of initial contact with Social Security
- The applicant may be required you to attend a “consultative examination” if insufficient medical evidence is available.
- Right to appeal medical decision




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Continuing Disability Reviews (CDR)

- Law requires SSA to perform CDR on disability claims (SSI/SSDI) at least once every 3-years, but may be every 5-7 years if medical condition not expected to improve.
- Benefits stop if SSA determines no longer disabled.
- All children getting SSI are medically reviewed at age 18.
- Work/fraud referrals can also trigger.
- More @ ssa.gov/pubs/EN-05-10053.pdf and secure.ssa.gov/ssa455/front-end/.



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Medicare A/B Enrollment




MEDICARE HEALTH INSURANCE

Name/Nombre
JOHN L SMITH

Medicare Number/Número de Medicare
1EG4-TE5-MK72

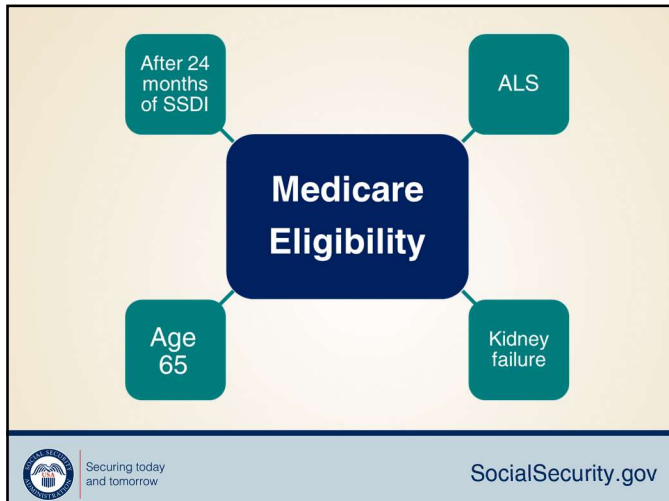
Entitled to/Con derecho a Coverage starts/Cobertura empieza
HOSPITAL (PART A) 03-01-2016
MEDICAL (PART B) 03-01-2016



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Social Security Enrolls You in Original Medicare

Part A

- Hospital Insurance
- Helps cover inpatient care in hospitals, skilled nursing facility care, hospice care and home health care.
- Automatic enrollment if you get monthly benefits and are 65+
- FREE!** No monthly premium for most-paid for by FICA tax

Part B

- Medical Insurance
- Helps cover services from doctors, outpatient care, home health care, durable medical equipment, some preventive services
- Required monthly premium**
 - \$185.00 in 2025
- Higher income=higher premium
- Must enroll during designated enrollment periods to avoid penalty.

Covers about 80% of health care costs- no prescription coverage

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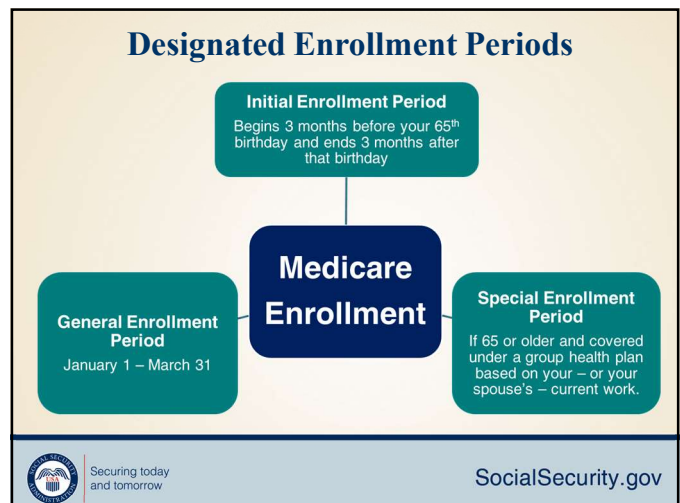
38

Automatic Enrollment at Age 65

- If you already get benefits from Social Security, you'll be automatically enrolled in both A & B starting the first day of the month you turn 65. *Note:* If your birthday is on the 1st day of the month, Part A & B will start the 1st day of the prior month.
- Part A is mandatory if 65+ getting monthly benefits- cannot decline it.
- Part B is voluntary, must pay a premium if you decide you want the coverage- so you can decline it. **Caution! You can only sign up for Part B during designated enrollment periods!**
- Welcome package and Medicare card 3 months before your coverage starts with instructions.

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Apply for Medicare @ www.ssa.gov

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Prepare

Check eligibility for benefits
Plan for retirement

Apply

Apply for benefits
Sign up for Medicare

After you apply

Check application or appeal status
Appeal a decision we made

Sign up for Medicare

If you're 65 or older, you can enroll online for Parts A and B, or Part A only. You can delay Part B if you're already covered through an employer group health plan.
The application is for retirement benefits and Medicare, or Medicare only.

[Apply online](#)

Sign up for Part B only

If you've previously declined or never signed up for Part B, you can sign up for Part B only.

[Get started](#)

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A Word About HSA's

- **You cannot contribute to a Health Savings Account once Medicare A or B coverage begins.**
 - ✓ Use money already in your HSA to help pay for deductibles, premiums, copayments, or coinsurance.
- **RETROACTIVE Part A** - coverage begins 6 months before the date you apply for Medicare or your Social Security benefits, *but no earlier than age 65.*
- **Automatically enrolled into Part A if you start your Social Security benefit.**
- Contributing to HSA after your Medicare Part A or Part B coverage starts may result in a tax penalty- talk to your employer/tax professional 6 months before you turn 65.
- Contact www.irs.gov and see pub 969 for more info.

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Higher Income= Higher Medicare Premiums

- **Higher income = additional premium for Medicare Part B and/or D called income-related monthly adjustment amount (IRMAA).**
- IRS provides your modified adjusted gross income (MAGI) from your most recent tax return (usually from two years ago).
- Your premium is recalculated annually.
- Tax filing status is material.

www.medicare.gov/your-medicare-costs

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Request to Lower Medicare B/D Premiums

Plan for Medicare

Sign up for Medicare

Request to lower IRMAA

Apply for Part D Extra Help

Manage Medicare benefits

Request to lower an Income-Related Monthly Adjustment Amount (IRMAA)

If you've had a life-changing event that reduced your household income, you can ask to lower the additional amount you'll pay for Medicare Part B and Part D.

Life-changing events include marriage, divorce, the death of a spouse, loss of income, and an employer settlement payment.

Fax or mail your request

Fill out the Medicare Income-Related Monthly Adjustment Amount-Life-Changing Event (SSA-44) (PDF) form. Fax or mail your completed form and evidence to a Social Security office.

[Find a local office](#)

Amended income tax returns

Call [1-800-772-1213](tel:1-800-772-1213) and tell the representative you want to lower your Medicare Income-Related Monthly Adjustment Amount (IRMAA) if you had an amended income tax return.

<https://www.ssa.gov/medicare/lower-irmaa>

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Extra Help with Medicare Prescription Drug Plan Costs

- Extra Help with Medicare prescription drug plan costs-monthly premiums, annual deductibles, and co-payments.
- Needs-based, for people with limited income and resources. www.ssa.gov/medicare/part-d-extra-help
- Extra Help may be worth an estimated \$6,200 per year.



ssa.gov/extrahelp



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Ohio Senior Health Insurance Information Program



OSHIIP
Answers to your
Medicare questions

Consumers 1-800-686-1526 • OSHIIP 1-800-686-1578 • Fraud & Enforcement 1-800-686-1527

- OSHIIP is funded by a federal grant and the state of Ohio.
- **OSHIIP answers questions about:**
 - Medicare prescription drug plans
 - Original Medicare
 - Medicare Supplemental Insurance
 - Part D Extra Help
 - Medicare Advantage
- Schedule **FREE** Medicare Online Counseling:
<https://insurance.ohio.gov/consumers/medicare/medicare-counseling-webinars>.



www.insurance.ohio.gov



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