



Season's Greetings

B'ham PAAAC 2016



Pacific Asian American Advisory Council

Social Security

www.socialsecurity.gov

Public Affairs Specialist

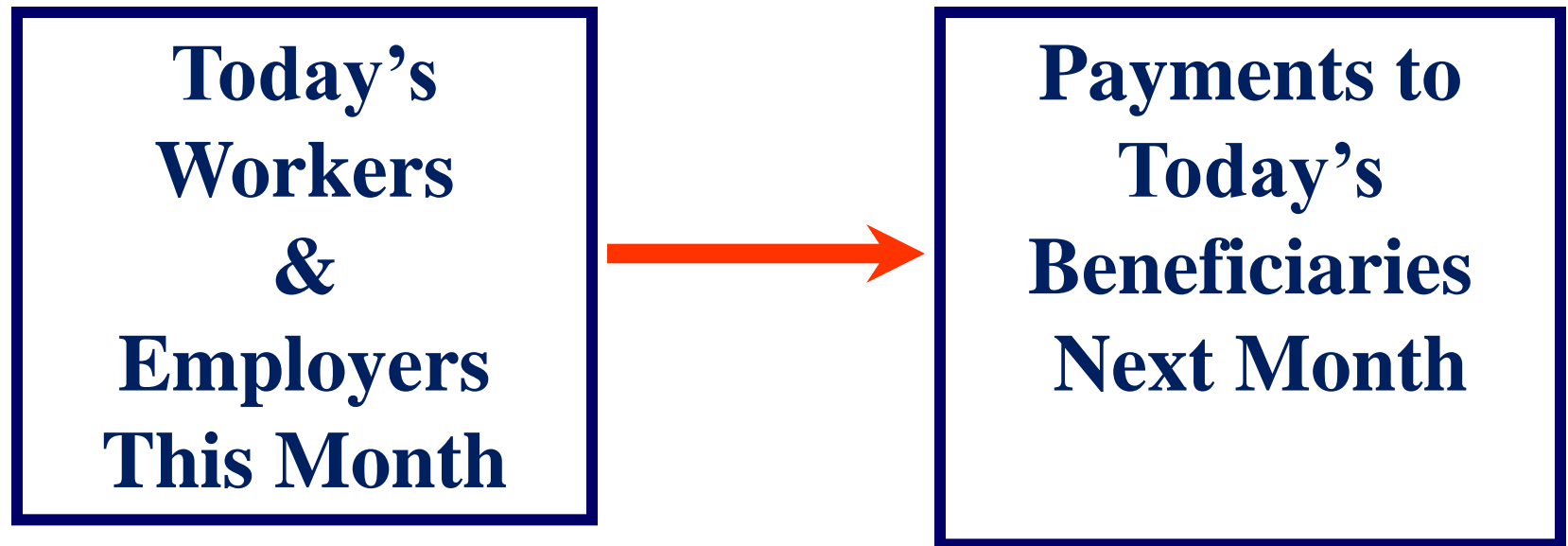
Briana Collins

History of Social Security

- **Created during the Great Depression**
- **Gave income to older generation**
- **Helped younger generations to get jobs**
- **Income transfer program**



Income Transfer Program Between Generations



A Great System in 1930's

- Paid only the Retired worker
- Paid at age 65
- Life expectancy

63



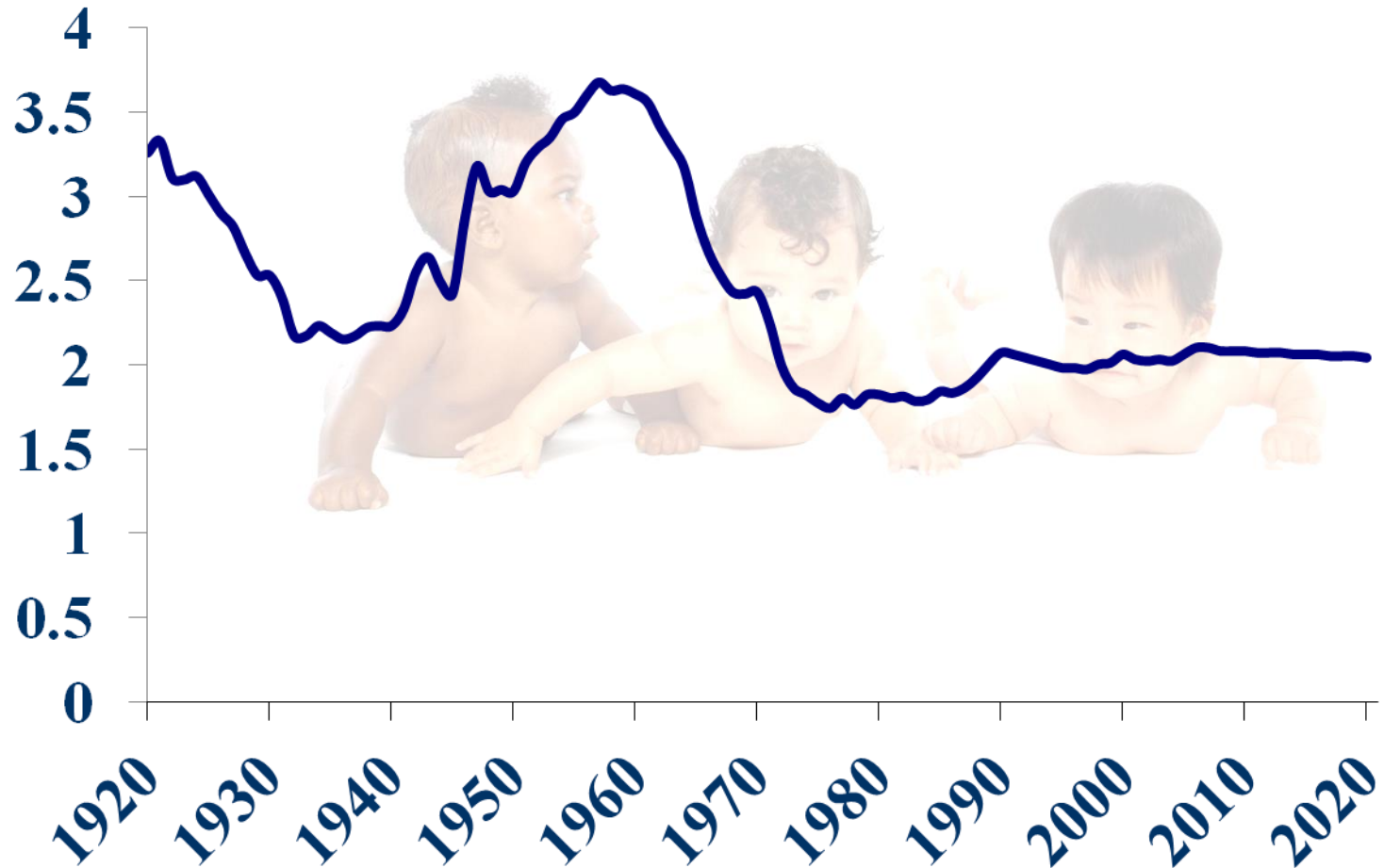
What Happened?

- **Most Baby Boomers did not have enough children**
- **Parents of Baby Boomers are living longer**



U.S. Birth Rate 1920-2020

Children Per Woman

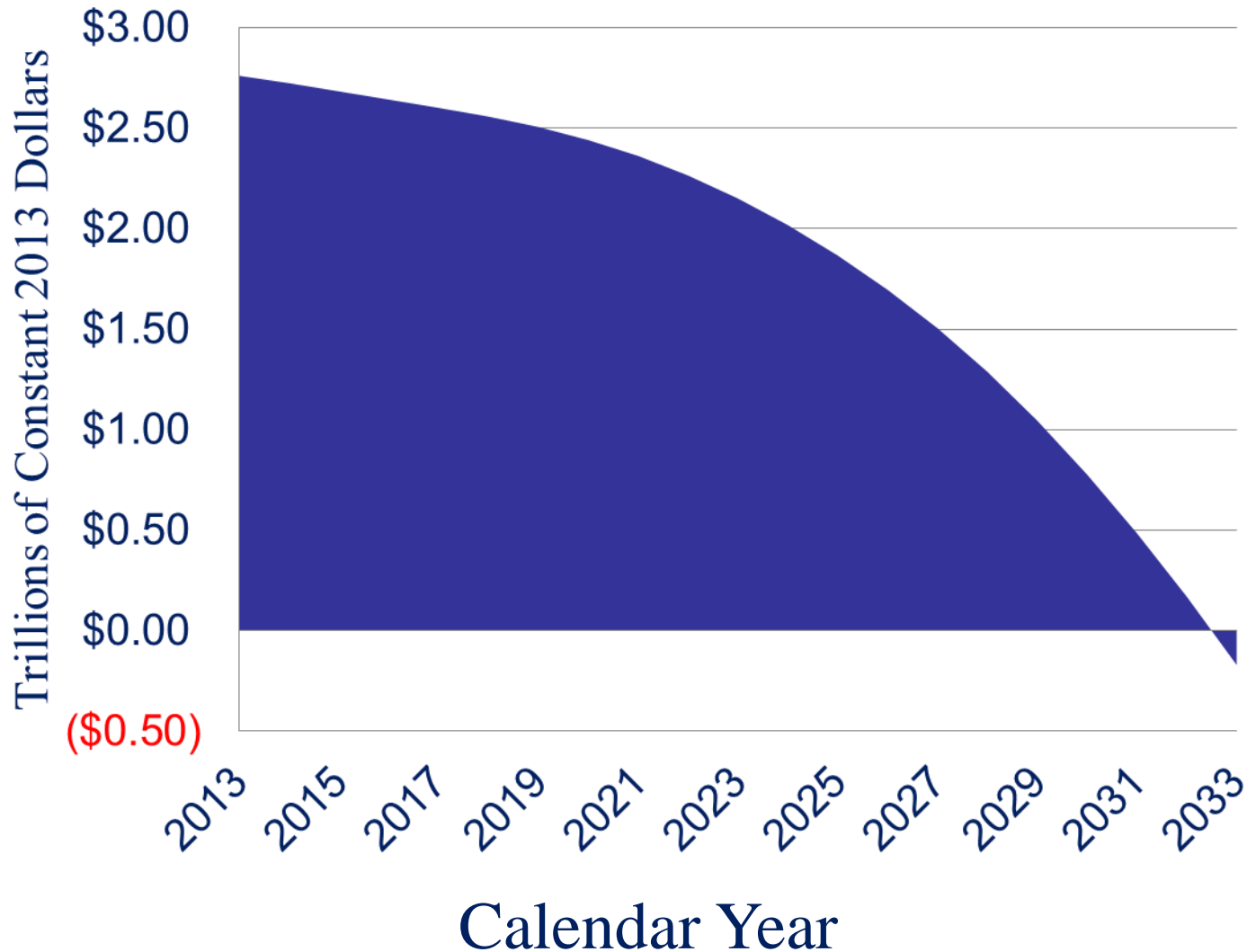


est.

In 2010, Social Security Began Paying More in Benefits than is Collected in Taxes



Social Security Trust Funds Will Be Able to Pay Only About 79 Cents for Each Dollar of Scheduled Benefits after 2034



A Foundation for Planning Your Future



How Do You Qualify for Retirement Benefits?

- You need to work to earn Social Security “credits”
- Each \$1,260 in earnings gives you one credit
- You can earn a maximum of 4 credits per year



Example: To earn 4 credits in 2016, you must earn at least \$5,040. Earning 40 credits (10 years of work) throughout your working life will qualify you for a retirement benefit.

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**



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


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”



The Social Security Statement



Prevent identity theft—protect your Social Security number
Your Social Security Statement www.socialsecurity.gov
Prepared especially for Wanda Worker

January 4, 2010
See inside for your personal information →

WANDA WORKER
456 ANYWHERE AVENUE
MAINTOWN, USA 11111-1111

What's inside...

Your Estimated Benefits	2
Your Earnings Record	3
Some Facts About Social Security	4
If You Need More Information	4
To Request This Statement In Spanish (Para Solicitar Una Declaración en Español)	4

What Social Security Means To You

This *Social Security Statement* can help you plan for your financial future. It provides estimates of your Social Security benefits under current law and updates your latest reported earnings. Please read this *Statement* carefully. If you see a mistake, please let us know. That's important because your benefits will be based on our record of your lifetime earnings. We recommend you keep a copy of your *Statement* with your financial records.


Social Security is for people of all ages...
We're more than a retirement program. Social Security also can provide benefits if you become disabled and help support your family after you die.

Work to build a secure future...
Social Security is the largest source of income for most elderly Americans today, but Social Security was never intended to be your only source of income when you retire. You also will need other savings, investments, pensions or retirement accounts to make sure you have enough money to live comfortably when you retire. Saving and investing wisely are important not only for you and your family, but for the entire country. If you want to learn more about how and why to save, you should visit www.mymoney.gov, a federal government website dedicated to teaching all Americans the basics of financial management.

About Social Security's future...
Social Security is a compact between generations. Since 1935, America has kept the promise of security for its workers and their families. Now,

however, the Social Security system is facing serious financial problems, and action is needed soon to make sure the system will be sound when today's younger workers are ready for retirement. In 2016 we will begin paying more in benefits than we collect in taxes. Without changes, by 2037 the Social Security Trust Fund will be exhausted* and there will be enough money to pay only about 76 cents for each dollar of scheduled benefits. We need to resolve these issues soon to make sure Social Security continues to provide a foundation of protection for future generations.

Social Security on the Net...
Visit www.socialsecurity.gov on the Internet to learn more about Social Security. You can read publications, including *When To Start Receiving Retirement Benefits*; use our Retirement Estimator to obtain immediate and personalized estimates of future benefits; and when you're ready to apply for benefits, use our improved online application—It's so easy!


Michael J. Astrue
Commissioner

* These estimates are based on the intermediate assumptions from the Social Security Trustees' Annual Report to the Congress.

my Social Security

Your Online Account ... Your Control ...
socialsecurity.gov/myaccount



**Someday
is here.**

Discover your benefits.
Open a *my* Social Security account.

SocialSecurity.gov



my Social Security is an easy-to-access, easy-to-use portal to view and update some of your own Social Security information. 16

my Social Security Services

If you don't get benefits, you can—

- **View, save, and print your online *Social Security Statement*.**

If you do get benefits you can—

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

How Do I Apply for Retirement Benefits?

- Apply online at 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.



**I just joined the millions
retiring online.**

*Estimate your benefits.
Apply for retirement.
Manage your account.*

www.socialsecurity.gov

SOCIAL SECURITY
ADMINISTRATION
USA

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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**

You Can Work & Still Receive Benefits

<u>If You Are</u>	<u>You Can Make Up To</u>	<u>If You Make More, Some Benefits Will Be Withheld</u>
Under Full Retirement Age	\$15,720/yr. (\$1,310/mo.)	\$1 for every \$2
The Year Full Retirement Age is Reached	\$41,880/yr. (\$3,490/mo.)	\$1 for every \$3
Month of Full Retirement Age and 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.

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**



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**

Who Can Get Survivors Benefits?

Your Child if:

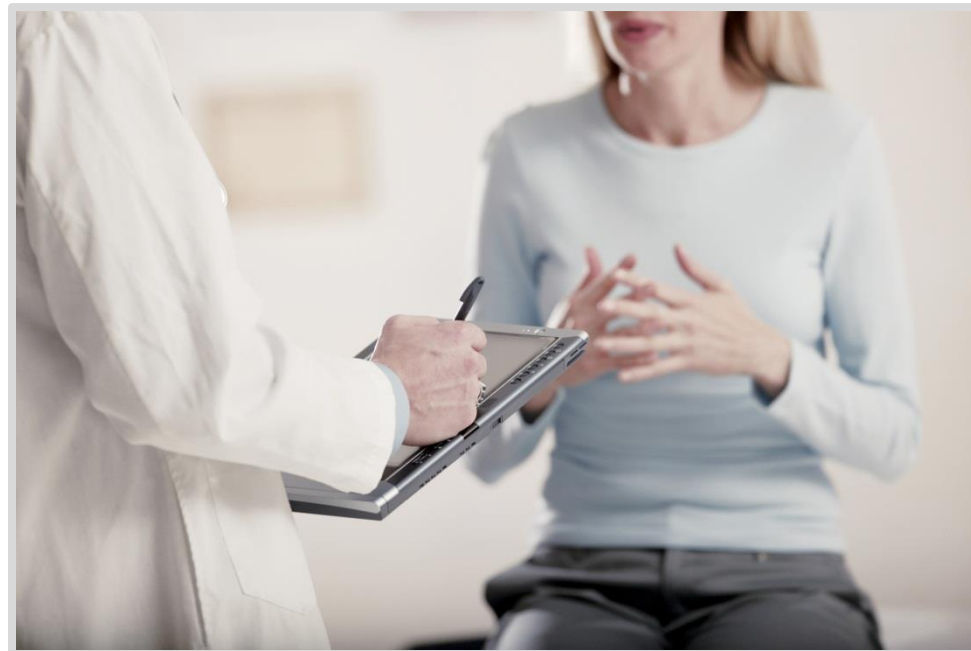
- **Not married under age 18** (under 19 if still in high school)
- **Not married and disabled before age 22**

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**

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.



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**



Who Can Get Medicare ?

65 & older

-or-

**24 months after entitlement to Social Security
disability benefits**

-or-

Amyotrophic Lateral Sclerosis

-or-

**Permanent kidney failure and receive maintenance dialysis
or a kidney transplant**

-or-

Exposure to Environmental Health Hazards

Medicare Has Four Parts

Part A - Hospital Insurance

- Covers most inpatient hospital expenses
- 2016 deductible \$1,288

Part B - Medical Insurance

- Covers 80% doctor bills & other outpatient medical expenses after 1st \$166 in approved charges
- 2016 standard monthly premium \$121.80

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

Extra Help Could Further Reduce Medicare Prescription Drug Costs

Extra Help is available for beneficiaries with limited resources and income to help pay for the costs—monthly premiums, annual deductibles, and prescription co-payments—related to a Medicare prescription drug plan.

The Extra Help is estimated to be worth about \$4,000 per year.

For More Medicare Information

1-800-MEDICARE

(1-800-633-4227)

TTY 1-877-486-2048

www.medicare.gov

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



Importance of Social Security to Asians & Pacific Islanders



Importance of Social Security to Asians & Pacific Islanders



- **Longer life expectancy**
- **Benefits continue for life**
- **Benefits tied to inflation**

Life Expectancy for Those Age 65 Today

	<u>Men</u>	<u>Women</u>
U.S. Population	82	85
White	82	85
African American	79	83
Hispanic	85	89
Asian	85	88
American Indian	78	81

Questions?





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