

# Social Security Administration

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## **Monthly Information Package**

**January 2013**

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## Social Security Column

### A “RAISE” FOR PEOPLE WHO GET SOCIAL SECURITY

**By Bob Simpson**

**Social Security District Manager in Traverse City**

As we ring in a new year, we can expect to see a number of changes. Social Security is no exception: in 2013, people who receive Social Security or Supplemental Security Income (SSI) payments will see their benefits increase.

Beginning in 2013, a 1.7 percent cost-of-living adjustment (COLA) was applied to all Social Security and SSI payments. The average monthly Social Security benefit for a retired worker in 2013 is \$1,261 (up from \$1,240 in 2012) and the average monthly Social Security benefit for a disabled worker in 2013 is \$1,132 (up from \$1,113 in 2012). These changes were reflected in SSI payments dated December 31, 2012 and Social Security payments dated in January 2013.

For people who receive SSI, the maximum federal payment amount has risen to \$710 (up from \$698).

Other Social Security changes in 2013 are worth noting. For example, a worker now pays Social Security tax on up to \$113,700 of annual income (up from \$110,100 in 2012). A worker earns one credit after paying taxes on \$1,160 in earnings in 2013 (up from \$1,130). As always, a worker may earn a maximum of four credits each year and a person generally needs forty credits (or ten years of work) to be eligible for retirement benefits.

To learn more about these and other changes for 2013, visit the Social Security website at [www.socialsecurity.gov](http://www.socialsecurity.gov), and read our fact sheet about the changes at [www.socialsecurity.gov/pressoffice/factsheets/colafacts2013.htm](http://www.socialsecurity.gov/pressoffice/factsheets/colafacts2013.htm).

## Social Security Column

### FINANCIAL WELLNESS CAN BE YOURS IN 2013

**By Bob Simpson**

**Social Security District Manager in Traverse City**

January is Financial Wellness Month — a great time to think about your own financial future. It also happens to be at this time that many people make resolutions for the New Year. Why not combine the two and make your own financial wellness a resolution for 2013?

Here are our suggested resolutions for your financial wellness.

**Start your financial plan with your *Social Security Statement*.** The online *Statement* is simple, easy to use, and provides estimates you should consider in planning for your retirement. It provides estimates for disability and survivors benefits, making the *Statement* an important financial planning tool. Your *Statement* allows you to review and ensure that your earnings are accurately posted to your Social Security record. This feature is important because Social Security benefits are based on average earnings over your lifetime. If the information is incorrect, or you have earnings missing from your record, you may not receive all the benefits to which you are entitled in the future. [www.socialsecurity.gov/mystatement](http://www.socialsecurity.gov/mystatement)

**Work the numbers.** Once you get your online *Statement*, you can use the other free resources provided by Social Security. Use our *Retirement Estimator*, where you can get a personalized, instant estimate of your future retirement benefits using different retirement ages and scenarios. Visit the *Retirement Estimator* at [www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator)

**Once you are in the know, choose to save.** The earlier you begin your financial planning, the better off you will be. Social Security replaces about 40 percent of the average worker's pre-retirement earnings. Most financial advisors say that you will need 70 percent or more of pre-retirement earnings to live comfortably. You also will need other savings, investments,

pensions or retirement accounts to make sure you have enough money to live comfortably when you retire. Visit the Ballpark Estimator for tips to help you save. [www.choosetosave.org/ballpark](http://www.choosetosave.org/ballpark)

**Do some light reading.** Learn more about Social Security, the benefit programs, and what they mean to you and your family, by browsing through our online library of publications. In particular, our publication entitled “When To Start Receiving Retirement Benefits” provides helpful information regarding the things you should consider when making a decision on when to collect retirement benefits. Many of our publications also are available in audio format and other formats. Our library at [www.socialsecurity.gov/pubs](http://www.socialsecurity.gov/pubs) is always open.

**Help someone you love.** Sometimes we get the most satisfaction out of helping someone else. If you have a grandparent, parent, relative, or friend who could benefit from Social Security, share our website and the features of our online services with them. You can even help a loved one apply for Social Security benefits in as little as 15 minutes — or for *Extra Help* with Medicare prescription drug costs. Whether you forward a publication or sit down to help someone apply for Social Security, the place to go is [www.socialsecurity.gov](http://www.socialsecurity.gov).

There are a number of ways you can celebrate Financial Wellness Month, so start off the New Year by looking out for your own financial wellness at [www.socialsecurity.gov](http://www.socialsecurity.gov).

## Social Security Column

### SOCIAL SECURITY CARDS AND NUMBERS

**By Bob Simpson  
Social Security District Manager in Traverse City**

Do you know where your Social Security card is located? Hopefully, it's in a safe place, tucked away securely with your other important papers. It certainly should not be in your purse or wallet and should not be carried with you every day since it can be more valuable than cash to an identity thief.

Do you know your Social Security number? Chances are you have it memorized. If you know your number, you may never need your card again. It is the number, not the card, that is most important.

In the event that you lose your Social Security card and really need a replacement, you can find out all the details on how to obtain a replacement card and what specific documents you need to provide at [www.socialsecurity.gov/ssnumber](http://www.socialsecurity.gov/ssnumber). Each situation is unique, but in most cases you simply need to print, complete, and either mail or bring the application to Social Security with the appropriate documentation (originals or certified copies only).

If you need to apply for a Social Security card and number for your child, you can do that the same way, and get the specific information at the same website. In almost all cases, though, an application for your infant's Social Security card and number is taken in the hospital at the same time that you apply for your baby's birth certificate.

Why does a baby need a Social Security number? There are a number of reasons, but the main one is so that you can claim your child as a dependent on your tax return. Social Security numbers are also needed for children to apply for certain government and social service benefits.

As you prepare for tax season, just around the corner, make sure the kids (and all the dependents) that you list on your annual tax return have Social Security numbers. If you want to claim your child as a dependent on your tax return (and who doesn't?) your child will need a Social Security number. Note that all dependents listed on your federal tax return will need Social Security numbers, including a dependent parent who lives with you and receives support from you.

Learn more about Social Security at [www.socialsecurity.gov](http://www.socialsecurity.gov). And learn more about your Social Security card and number at [www.socialsecurity.gov/ssnumber](http://www.socialsecurity.gov/ssnumber), where you can print out an application and find out everything you need for your specific situation.

## MYTHS ABOUT SOCIAL SECURITY

**By Bob Simpson**

**Social Security District Manager in Traverse City**

Like any other successful and long-standing program or organization, there are a number of myths surrounding Social Security. Some of them are grounded in truth but just slightly misconstrued. Others are completely out of line with the truth. Let's take a look at a few.

### **Myth 1: Social Security is just a retirement program.**

Social Security is more than a retirement program. It provides benefits to retirees, survivors, and people with disabilities who can no longer work. In fact, almost seven million disabled workers and nearly two million of their dependents get Social Security *disability* benefits. Six and a half million dependents of deceased workers (including two million children) get Social Security *survivors* benefits. Social Security is more than just retirement.

### **Myth 2: I don't need to save because Social Security will take care of me when I'm retired.**

Social Security was never intended to be a person's sole income in retirement; it should be combined with pension income and personal savings and investments. Your *Social Security Statement*, available at [www.socialsecurity.gov.mystatement](http://www.socialsecurity.gov.mystatement), is a great place to get an idea of what to expect during retirement. You can also visit our *Retirement Estimator* at [www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator).

### **Myth 3: If I work after I retire, I'll be penalized.**

Once you reach your full retirement age, there is no penalty and no limit on the amount you can earn. You can determine your full retirement age by visiting

[www.socialsecurity.gov/retirecharted.htm](http://www.socialsecurity.gov/retirecharted.htm). The earnings limit for workers who are younger than "full" retirement age (age 66 for people born in 1943 through 1954) is \$15,120 in 2013. (We deduct \$1 from benefits for each \$2 earned over \$15,120.) The earnings limit for people turning 66 in 2013 is \$40,080. (We deduct \$1 from benefits for each \$3 earned over \$40,080 until the month the worker turns age 66.) Keep in mind that if we withhold some of your benefits due to work, we will re-compute your monthly benefit amount when you reach full retirement age to account for those months that we withheld your benefit. There is no limit on earnings for workers who are full retirement age or older for the entire year.

**Myth 4: To apply for benefits or do business with Social Security, I need to go to an office.**

Not only is this false, but we *encourage* you to do business with us the most convenient and fastest way: at [www.socialsecurity.gov](http://www.socialsecurity.gov). At our website, you can apply for benefits, use our *Retirement Planner*, get an estimate of your benefits, request a replacement Medicare card, and much more. You'll find it all — along with answers to your questions — at [www.socialsecurity.gov](http://www.socialsecurity.gov).

## QUESTIONS AND ANSWERS

### *GENERAL*

**Question:**

I applied for my child's Social Security card in the hospital but have not received it. How long must I wait?

**Answer:**

On average, it takes about 4-5 weeks from the time you apply in the hospital until you receive your child's Social Security card in the mail. However, it can vary depending on the State where you live. If you have not received your child's card within six weeks, please visit your local Social Security office. Be sure to take with you proof of your child's citizenship, age and identity as well as proof of your own identity. And remember, we cannot divulge your child's Social Security number over the phone.

**Question:**

Is it illegal to laminate your Social Security card?

**Answer:**

No it is not illegal, but it's best not to laminate your card. Laminated cards make it difficult, if not impossible, to detect important security features. Also, your employer may refuse to accept it. The Social Security Act requires Social Security to issue cards that cannot be counterfeited. We incorporate many features to protect the card's integrity. That includes highly specialized paper and printing techniques — some visible to the naked eye and some not. Further, we continue to explore and adopt new technologies that hamper duplication. Keep your Social Security card in a safe place with your other important papers. Do not carry it with you. Learn more at [www.socialsecurity.gov/ssnumber](http://www.socialsecurity.gov/ssnumber).

## *RETIREMENT*

**Question:**

I'm planning to retire next year. I served in the Navy back in the 1960s and need to make sure I get credit for my military service. What do I need to do?

**Answer:**

You don't need to do anything to apply for the special credit for your military service—it is added automatically. For service between 1957 and 1967, we will add the extra credits to your record at the time you apply for Social Security benefits. For service between 1968 and 2001, those extra military service credits have already been added to your record. So you can rest assured that we have you covered. Read our online publication, *Military Service and Social Security*, at <http://www.socialsecurity.gov/pubs/10017.html>. And when the time comes to apply for retirement, you can do it conveniently and easily at [www.socialsecurity.gov/retireonline](http://www.socialsecurity.gov/retireonline).

**Question:**

I have young children at home and I plan to retire next fall. Will my children be eligible for monthly Social Security checks after I retire?

**Answer:**

Monthly Social Security payments may be made to your children if they are:

- Unmarried and under age 18;
- Age 19 if still in high school; or
- Age 18 or over, who became severely disabled before age 22 and continue to be disabled.

In addition to biological children, legally adopted children, dependent stepchildren, and grandchildren could be eligible. For more information, please read our publication *Benefits for Children* at [www.socialsecurity.gov/pubs/10085.html](http://www.socialsecurity.gov/pubs/10085.html).

## *SUPPLEMENTAL SECURITY INCOME*

**Question:**

I thought I'd be eligible for Supplemental Security Income (SSI) and I was going to apply until I talked to my neighbor. She said I would be turned down because I have children who could help support me. Is this true?

**Answer:**

Whether you can get SSI depends on your own income and the things you own. If you have limited income and few resources, you may be able to get SSI. However, if you are receiving support from your children or from anyone else, it could affect your monthly benefit amount. Support includes any food or shelter that is given to you, or is received by you, because someone else pays for it. For more information, visit our website about SSI at [www.socialsecurity.gov/ssi](http://www.socialsecurity.gov/ssi).

**Question:**

I got a notice from Social Security that said my Supplemental Security Income (SSI) case is being reviewed. What does this mean?

**Answer:**

Social Security reviews every SSI case from time to time to make sure the individuals who are receiving payments are still eligible and should continue to receive those payments. The review also will make sure you are receiving the correct amount in benefits. We could be paying you too much or too little. To learn more about SSI, visit [www.socialsecurity.gov/ssi](http://www.socialsecurity.gov/ssi).

## *DISABILITY*

**Question:**

What is the difference between the disability application and the disability report? Do I have to complete both?

**Answer:**

The Disability Application is an application for Social Security disability benefits. To receive Social Security disability or Supplemental Security Income disability benefits, you must file an application. The Disability Report, meanwhile, is a form that provides Social Security with information about your current medical condition. We need this information to process your disability application. To start a claim for disability benefits, you need to complete a disability application, a disability report, and an authorization release form that allows us to obtain your medical records. You can get the disability application process started at [www.socialsecurity.gov/applyfordisability](http://www.socialsecurity.gov/applyfordisability).

**Question:**

I've been turned down for disability benefits. How do I appeal?

**Answer:**

Visit [www.socialsecurity.gov](http://www.socialsecurity.gov) and click on the "Appeal a disability decision online" link in the left-hand column. This is the starting point. There you can ask us to review our medical decision. There are two parts to the Internet appeal process:

- 1) An Appeal Request Internet form; and
- 2) An Appeal Disability Report, which gives us more information about your condition.

You can complete both forms online. To appeal online, the only form you are required to submit is an appeal request (Part 1). However, we encourage you to submit an Appeal Disability Report (Part 2) because it will give us more information about you and help us process your appeal more quickly. The place to start is [www.socialsecurity.gov](http://www.socialsecurity.gov).

**MEDICARE****Question:**

In talking with my son, I found out that he submitted incorrect information about my resources when he completed my *Application for Help with Medicare Prescription Drug Plan Costs*. How can I get my application changed now to show the correct amount?

**Answer:**

You can call 1-800-772-1213 and let us know. Or, you can contact your local Social Security office. (Find it by going to [www.socialsecurity/locator/](http://www.socialsecurity/locator/).) Data on your application will be matched with data from other federal agencies. If there is a discrepancy that requires verification, we will contact you. Learn more at [www.socialsecurity.gov/extrahelp](http://www.socialsecurity.gov/extrahelp).