

Social Security Administration

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Monthly Information Package February 2013

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Social Security Column

FAST-TRACKED DISABILITY PROCESS NOW HAS 200 MEDICAL CONDITIONS

By Bob Simpson

Social Security District Manager in Traverse City

With the addition of 35 new Compassionate Allowances conditions involving cancers and rare diseases, there are now a total of 200 disabling conditions that qualify for Social Security's expedited disability process. The Compassionate Allowances initiative fast-tracks disability decisions to ensure that Americans with the most serious disabilities receive their benefit decisions within days instead of months or years.

In addition to increasing the list of eligible conditions, the agency has achieved another milestone. Since October 2008, nearly 200,000 people with severe disabilities nationwide have been quickly approved using the expedited process.

Compassionate Allowances allow us to quickly identify diseases and other medical conditions that, by definition, meet Social Security's standards for disability benefits. These conditions primarily include certain cancers, adult brain disorders, and a number of rare disorders that affect children.

Compassionate Allowances permit Social Security to target the most clearly disabled individuals for medical approvals based on objective medical information that we can obtain quickly. Using the Compassionate Allowances criteria, most cases can be medically approved in less than two weeks. Compassionate Allowances conditions are added as a result of information received at public outreach hearings, comments from the Social Security and Disability Determination Service communities, input from medical and scientific experts, and research from the National

Institutes of Health. We also consider which conditions are most likely to meet our current definition of disability.

For more information about Compassionate Allowances, including a full list of qualifying conditions, please visit www.socialsecurity.gov/compassionateallowances.

Social Security Column

NEW TO ELECTRONIC PAYMENTS?

By Bob Simpson
Social Security District Manager in Traverse City

Beginning March 1, with few exceptions, all federal benefits, including Social Security and Supplemental Security Income (SSI) benefits, are to be paid electronically. That's according to a rule from the U.S. Department of the Treasury.

For years, Social Security has stressed the convenience, security, and safety of getting benefit payments electronically, offering peace of mind that your payment will arrive on time, even in the event of natural disasters or being away from home when the check is in the mail.

Electronic payments (direct deposit or Direct Express) are not only the *best* way to receive federal benefit payments — for most people, starting in March, they are the *only* way.

The truth is, for most people getting monthly benefits, this isn't really a change at all. That's because more than 9 out of ten individuals who receive benefits from Social Security already receive payments electronically.

If you get your payments the old-fashioned way and electronic payments are new to you, here are some things you may want to know about your future payments.

- Electronic payments are safer: there's no risk of checks being lost or stolen;
- Electronic payments are easy and reliable: there's no need to wait for the mail or go to the bank to cash a check;
- Electronic payments are good for the environment: they save paper and eliminate transportation costs; and finally;
- Electronic payments save taxpayers money to the tune of \$120 million per year: there are no costs for postage, paper, and printing; and

- Electronic payments could save you money on check-cashing and bank fees.

Please visit www.GoDirect.org today to learn more about getting your Social Security and SSI payments the safe, easy, inexpensive, and green way — electronically. And rest assured that on payment delivery day, you won't have to wait for your money; your money is already in the bank and ready for you to use.

Social Security Column

SOCIAL SECURITY AND TAX TIME

By Bob Simpson
Social Security District Manager in Traverse City

April's showers bring more than just May's flowers — they also bring the deadline day for filing taxes. Don't wait until the showers arrive to prepare for tax season. Whether you are a small business owner, a retiree, or a new parent, here are some Social Security tax tips that may help you.

Are Social Security benefits taxable? They are for some people. About one third of those receiving benefits must pay taxes on some of their Social Security. If your total income, including Social Security and all of your other taxable income, is \$25,000 or more and you file federal taxes as an individual, you'll need to pay federal taxes on some of your benefits. (That amount is \$32,000 for married couples filing a joint return.)

Will I get a tax form for my Social Security benefits? Yes. In fact, you should have already received it. Social Security Benefit Statements (Form SSA-1099) for tax year 2012 were mailed to beneficiaries and should have been received by January 31, 2013. If you receive Social Security and haven't received your 1099, you can request one online at www.socialsecurity.gov/1099.

We had our first child in 2012. Does our baby need a Social Security Number? Yes. Most people apply for their baby's Social Security number while they're still in the hospital at the same time they apply for the birth certificate. But if you didn't, you'll need to apply for your child's Social Security number in order to claim the child as a dependent on your tax return. You'll also need it if you ever apply for government benefits on behalf of the child or your family. Learn more about Social Security cards and numbers at www.socialsecurity.gov/ssnumber.

I changed my name when I got married last year. Do I need to report it to Social Security?

Yes. If you've legally changed your name due to marriage, divorce, court order, or for any other reason, make sure you change your name with Social Security, as well as with your employer. If you change with one source but not the other, it could cause your earnings to be improperly recorded. That could result in you not getting all the benefits you earned when you become eligible for Social Security in the future. You can learn more about your Social Security number and how to change your name at www.socialsecurity.gov/ssnumber.

I own a small business. Can I report the W-2s of my employees online to Social Security?

Yes, and we encourage you to do so at www.socialsecurity.gov/bsa. Filing your W-2s electronically is free, fast, and secure! Plus there's an added bonus: when you file electronically, you receive an extra month to file because electronically filed W-2s aren't due until March 31st. You'll also receive an electronic acknowledgement receipt. And when you file electronically, you can print out your W-2s for your employees.

Does Social Security have any advice to make tax filing and future benefit applications go smoothly?

We encourage you to carefully check your name, Social Security number and all of the data on your W-2s, your online *Social Security Statement*, and Social Security card to make sure they all match. If you don't have access to your card or *Statement* but know your Social Security number, make sure the number and information is correct on your W-2s. A mismatch could delay your tax refund and cause problems with your Social Security benefits in the future. Such errors are much easier to fix now. If you do notice an error, you should contact Social Security at 1-800-772-1213 (TTY 1-800-325-0778), or if the information on the W-2 is incorrect, notify your employer.

For more information about Social Security, visit www.socialsecurity.gov.

Social Security Column

BE IN THE KNOW ABOUT MEDICARE PART B

By **Bob Simpson**

Social Security District Manager in Traverse City

You may already know that Medicare is a medical insurance program for people who are 65 or older and for people who are disabled at any age. Some people are covered only by one type of Medicare; others opt to pay extra for more coverage. Understanding Medicare can save you money.

If you're eligible for and want to be covered by Medicare Part B medical insurance, now is the time to sign up. The general enrollment period for Medicare Part B runs from January 1 through March 31. Before you make a decision about general enrollment, here is some useful information.

There are four parts to Medicare: Parts A, B, C and D. **Part A** helps pay for inpatient hospital care, skilled nursing care, hospice care, and other services. **Part B** helps pay for doctors' fees, outpatient hospital visits, and other medical services and supplies not covered by Part A. **Part C** allows you to choose to receive all of your health care services through a managed health care organization. These plans, known as Medicare Advantage Plans, may help lower your costs of receiving medical services, or you may get extra benefits for an additional monthly fee. You must have both Parts A and B to enroll in Part C. And **Part D** is the Medicare Prescription Drug Program.

There is a monthly premium for Medicare Part B. In 2013, the standard premium is \$104.90. Some high-income individuals pay more than the standard premium. Your Part B premium also can be higher if you do not enroll during your initial enrollment period, or when you first become eligible.

There are exceptions to this rule. For example, you can delay your Medicare Part B enrollment without having to pay higher premiums if you are covered under a group health plan based on your own current employment or the current employment of any family member. If this situation applies to you, you have a “special enrollment period” in which to sign up for Medicare Part B, without paying the premium surcharge for late enrollment. This rule allows you to:

- Enroll in Medicare Part B at any time while you are covered under a group health plan based on your own current employment or the current employment of any family member; or
- Enroll in Medicare Part B during the eight month period that begins following the last month your group health coverage ends, or following the month employment ends, whichever comes first.

If you receive disability benefits and have coverage from a working family member, the same rules apply.

If you live in one of the 50 states or Washington D.C. and you’re already receiving Social Security retirement or disability benefits or railroad retirement payments, you will be enrolled in Medicare Parts A and B automatically. However, because you must pay a premium for Part B coverage, you have the option of turning it down.

If you don’t enroll in Medicare Part B when you first become eligible to apply and you don’t fall under the special enrollment period, you’ll have to wait until the general enrollment period, which is January 1 through March 31 of each year. At that time, you may have to pay a higher Medicare Part B premium.

For more information about Medicare, visit the Centers for Medicare & Medicaid Services (CMS) website at www.medicare.gov. Or read our publication on Medicare at www.socialsecurity.gov/pubs/10043.html.

QUESTIONS AND ANSWERS

GENERAL

Question:

What are the benefits of using direct deposit or electronic payments?

Answer:

It's safe;

- It's secure;
- It's convenient;
- Your checks will not get lost in the mail;
- You choose the account where your payment is deposited; and
- You will get your benefits on time, even if you're out of town or unable to get to the bank.

With few exceptions, nowadays, if you sign up for benefits, you must get your payments electronically. And if you are getting paper checks, you must switch to electronic payments by March 1, 2013. If you don't have a bank account, you can use the Direct Express prepaid debit card to get Social Security and Supplemental Security Income (SSI) payments deposited directly into your account. Go to www.godirect.org.

RETIREMENT

Question:

What's the easiest way to apply for retirement benefits?

Answer:

The easiest way to apply for retirement benefits is online at www.socialsecurity.gov/applyonline. It's easy and secure. You can complete it in as little as 15 minutes. In most cases, once your

application is submitted electronically, you're done. There are no forms to sign and usually no documentation is required. Social Security will process your application and contact you if we need more information. You also can apply by calling our toll-free number, 1-800-772-1213 (TTY 1-800-325-0778), between 7 a.m. and 7 p.m., Monday through Friday. Our representatives will make an appointment to take your application over the telephone or at a local Social Security office.

Question:

How can I get an estimate of my retirement benefits?

Answer:

Use our online *Retirement Estimator* at www.socialsecurity.gov/estimator. There, you can enter certain identifying information about yourself, including your name, date of birth, Social Security number, place of birth, and mother's maiden name. If the personal information you provide matches our records, you can enter your expected retirement age and future wages. The online application will combine your earnings data Social Security has and provide you a quick and reliable online benefit estimate. You can even enter different "what if" scenarios to find out what your benefits will be in different situations. A Spanish-language *Retirement Estimator* is available at www.segurosocial.gov/calculador. In addition, you can obtain your online *Social Security Statement*, which provides estimates of future benefits as well as a record of your earnings to make sure your past earnings are reported correctly. Find the online *Statement* at www.socialsecurity.gov/statement.

SUPPLEMENTAL SECURITY INCOME

Question:

How do I report a change of address if I'm getting Supplemental Security Income (SSI)?

Answer:

A person receiving SSI must report any change of address by calling our toll-free number, 1-800-

772-1213 (TTY 1-800-325-0778), or by visiting a local office within 10 days after the month the change occurs. You cannot complete a change of address online. You should report your new address to Social Security so you can continue to get mail from Social Security when necessary, even if you get your benefits electronically by direct deposit or Direct Express. Learn more about SSI at www.socialsecurity.gov/ssi.

Question:

Is Supplemental Security Income (SSI) taxable?

Answer:

No. SSI payments are not subject to federal taxes, so you will not get an annual form SSA-1099. To learn more about SSI, read our publication on the subject, *What You Need To Know When You Get Supplemental Security Income (SSI)* at www.socialsecurity.gov/pubs/11011.html. If you receive Social Security benefits, they may be taxed. To learn more, see our page on the subject at www.socialsecurity.gov/planners/taxes.htm.

*DISABILITY***Question:**

How does a blind or visually impaired person sign up for or change a special notice option?

Answer:

To sign up or change options, you can:

- Call us toll-free at 1-800-772-1213 (TTY 1-800-325-0778);
- Visit your local Social Security office; or
- Contact the U.S. Embassy or consulate if you live outside the United States.

For more information about your choices for receiving information from Social Security, go to www.socialsecurity.gov/notices.

Question:

What is a disability “trial work period?”

Answer:

A trial work period is a work incentive that allows Social Security disability beneficiaries to test their ability to work without losing benefits. People who receive Social Security disability benefits can work for at least nine months without losing benefits. During this trial work period, you can get full benefits no matter how much you earn, as long as you continue to have a severe disabling impairment and you report your work activity. The trial work period continues until you complete nine trial work months within a 60-month period. Find more information about this and other work incentives in our publication *Working While Disabled—How We Can Help* at www.socialsecurity.gov/pubs/10095.html.

MEDICARE

Question:

I’m 65, not ready to retire, but I want to apply for my Medicare coverage. How can I do that?

Answer:

The easiest and most convenient way is to apply online! Use our online application to sign up for Medicare. It takes less than 10 minutes. In most cases, once your application is submitted electronically, you’re done. There are no forms to sign and usually no documentation is required. Social Security will process your application and contact you if we need more information. Otherwise you’ll receive your Medicare card in the mail. It’s convenient, quick, and easy. There’s no need to drive to a local Social Security office or wait for an appointment with a Social Security representative. Get started today at www.socialsecurity.gov/medicareonly.