

Social Security Administration

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Monthly Information Package July 2014

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Social Security Column

IS A NEW SOCIAL SECURITY CARD IN YOUR CARDS?

By Bob Simpson

Social Security District Manager in Traverse City

To help combat the rising threat of fraud and identity theft, Social Security will no longer issue Social Security number printouts beginning in August 2014. If you need written confirmation of your Social Security number—perhaps your new employer needs verification—and you can't find your Social Security card, you can apply for a replacement.

But do you really need a replacement? In most cases, you don't need your card as long as you know your number. For all intents and purposes, your number *is* your card. Usually providing your number and identifying information is enough.

In the event you really do want or need a replacement card, either for yourself or for a child, you can find all of the details you need at www.socialsecurity.gov/ssnumber. The “Social Security Number and Card” page provides information on how to obtain a replacement card and what specific documents you need to provide.

Need a Social Security card for your new baby to claim him or her as a dependent on your tax return or to apply for government or social service benefits? In most cases, an application for your newborn's Social Security card and number is taken in the hospital when you apply for your baby's birth certificate. If not, you can request one for your child the same way you do for yourself.

Whether you need a Social Security card for yourself or your child, it's easy—and free—to apply for one. But consider whether a new Social Security card is really in the cards for you. It may be that your “card” is already with you—in your head.

While you're at our website, open your free *my Social Security* account at www.socialsecurity.gov/myaccount. It can help you plan for retirement, check your earnings history, request your *Social Security Statement*, and more.

Learn more about your Social Security card and number at www.socialsecurity.gov/ssnumber.

Social Security Column

RETIREMENT IS A BIG DECISION

By Bob Simpson
Social Security District Manager in Traverse City

If you believe in going all the way or not going at all, there's a day to celebrate your extreme ways. July 26 is All or Nothing Day. Not a day for the undecided, All or Nothing Day is dedicated to the idea of making decisions and plunging in. Whether it's overcoming an agonizing fear, trying something you've always wanted to try, or making a big decision and seeing it through, All or Nothing Day is your chance to make it happen.

All or Nothing Day is a great day to think about your retirement—whether it's right in front of you or looming on the horizon. When is the right time for you to retire? Choosing when to retire is an important decision, but it's also a personal choice and one you should carefully consider. There is no one-size-fits-all answer. Social Security offers a list of factors to consider in the publication, *When to Start Receiving Retirement Benefits*, available at www.socialsecurity.gov/pubs.

If you're a young or middle-aged worker, you still have time to ponder that decision. But don't wait to begin saving for your retirement. Start saving now and go in all the way. The more you save, the more comfortable your retirement can be. And remember, Social Security retirement benefits were not intended to be your sole source of retirement income and planning early will make for a comfortable retirement.

Social Security provides two top-rated online tools to help you plan for your retirement. First is the *Retirement Estimator*, which gives you immediate and personalized retirement benefit estimates. The *Retirement Estimator* is convenient and secure, and lets you create “what if” scenarios. For instance, you can change your “stop work” dates or expected future earnings to

create and compare different retirement options. If you have a few minutes, you have time to check it out at www.socialsecurity.gov/estimator.

Another great tool is your own *my Social Security* account. Here you can get instant estimates of your future benefits and verify that your earnings history is correct with your own, free *my Social Security* account. Visit www.socialsecurity.gov/myaccount and join the millions of people who have already created their accounts to help plan for retirement.

You can get Social Security retirement benefits as early as age 62, but if you retire before your full retirement age (currently age 66, but gradually increasing to age 67), your benefits will be reduced, based on your age. If you retire at age 62, your benefit would be about 25 percent lower than what it would be if you waited until you reach full retirement age. Find out your full retirement age by using our *Retirement Age Calculator* at www.socialsecurity.gov/pubs/ageincrease.htm. You may choose to keep working even beyond your full retirement age. If you do, you can increase your future Social Security benefits—up until age 70.

There is one more way that choosing to keep working can increase your benefits. If you receive benefits, and if your latest year of earnings turns out to be one of your highest years, we refigure your benefit and pay you any increase due. For example, in December 2014, you should get an increase for your 2013 earnings if those earnings raised your benefit. The increase would be retroactive to January 2014.

Applying for Social Security retirement doesn't have to be an "all or nothing" decision. Whether you want to retire at age 62, your full retirement age, or even later, you can apply when you feel like it. When you're ready to take that plunge, you can apply online for retirement benefits at www.socialsecurity.gov.

Social Security Column

MEDICARE IS HERE TO STAY

By Bob Simpson

Social Security District Manager in Traverse City

Medicare went into effect 48 years ago on July 1, 1966. Earlier that same year, Medicare workers went door to door trying to get seniors to sign up. Medicare was not the cornerstone then that it is today and people did not know whether it was going to work for the long haul.

Now, nearly half a century later, Medicare remains one of the most popular government programs in the nation.

We can't see the future, but one thing's for sure: Medicare is here to stay. Medicare provides health insurance to more than 50 million Americans. Forty-two million are people age 65 and older and the other 8 million are younger and have disabilities.

Most people first become eligible for Medicare at age 65.

The four parts of Medicare are parts A, B, C, and D.

- **Part A** (Hospital Insurance) helps cover inpatient hospital care, skilled nursing care, hospice care, and home health care. Most people get Medicare Part A premium-free since it is earned by working and paying Social Security taxes.
- **Part B** (Medical Insurance) helps cover services from doctors and other outpatient health care providers, outpatient care, home health care, durable medical equipment, and some preventive services. Most people pay a monthly premium for Part B. In 2014, the premium for most people is \$104.90, the same as it was in 2013. Some high-income individuals pay more than the standard premium. Your Medicare Part B premium also can be higher if you do not enroll when you are first eligible, also known as your initial enrollment period. There also is a Medicare Part B deductible of \$147 in 2014.

- **Part C** (Medicare Advantage) allows you to choose to receive all of your health care services through a provider organization. This plan includes all benefits and services covered under Part A and Part B, usually includes Medicare prescription drug coverage, and may include extra benefits and services at an extra cost. You must have Part A *and* Part B to enroll in Part C. Monthly premiums vary depending on your state, private insurer, and whether you select a health maintenance organization or a preferred provider organization.
- **Part D** (Medicare prescription drug coverage) helps cover the cost of prescription drugs. Many people pay a premium for Part D. However, people with low income and resources may qualify for *extra help* from Social Security to pay the premium and deductible. To see if you qualify for extra help visit www.socialsecurity.gov/prescriptionhelp.

Will you be age 65 soon? Even if you decide not to retire, you should consider applying for Medicare. You can apply in less than 10 minutes using our online Medicare application. Do it today at www.socialsecurity.gov/medicareonly.

To learn more about applying for Medicare when you plan to delay retirement, read our publication *Applying For Medicare Only—Before You Decide*, available at www.socialsecurity.gov/pubs.

Social Security Column

SOCIAL SECURITY BENEFITS OF DIFFERENT FLAVORS

By Bob Simpson
Social Security District Manager in Traverse City

Do you scream for ice cream? If so, July's the month for you. (If not, read on just the same—we have a surprise for you at the end.)

July is National Ice Cream Month and July 20 is National Ice Cream Day. Take your family to get ice cream and you'll find a variety of flavors. Same with Social Security. Most people think of retirement, but that's like limiting yourself to vanilla. At Social Security, we offer a variety of benefits.

Retirement—by far our most popular flavor. Most people need about 10 years of work (40 credits) to qualify for retirement benefits. You can retire as early as age 62 (generally, benefits are permanently reduced) or wait until full retirement age (currently age 66, but gradually increasing to age 67) for a larger benefit payment. Put off retirement and earn even more. To learn more, read *When To Start Receiving Retirement Benefits*, available at www.socialsecurity.gov/pubs.

Disability—if you become disabled and unable to work, you may qualify for Social Security disability benefits. The number of credits needed depends on how old you are when you become disabled. Learn more at www.socialsecurity.gov/disability.

Survivors—in the unfortunate event of your early demise, your family may be eligible for Social Security survivors benefits. In most cases, you need to have worked about 10 years for your surviving family members to qualify for survivors benefits. Learn more at www.socialsecurity.gov/survivorplan.

Supplemental Security Income (SSI)—this needs-based program pays benefits to aged, blind, and disabled people with low income and few resources. Find out more at www.socialsecurity.gov/ssi.

Your family may be more excited about a trip to the ice cream parlor than a discussion about benefits, but it's good to know that Social Security offers a variety of benefits when you need them.

Don't like ice cream? July 20 is National Lollipop Day, too! So grab a lollipop and visit www.socialsecurity.gov. There is so much you can do online, you'll feel like a kid in a candy store. Chances are you'll complete your business before your lollipop.

Social Security Column

SOCIAL SECURITY HONORS VETERANS

By Bob Simpson

Social Security District Manager in Traverse City

In the United States, people do a lot to recognize and honor the heroes who serve in the Armed Forces and those who paid the ultimate sacrifice. July is an appropriate month to recognize veterans and wounded warriors, as we celebrate our nation's independence.

On July 12, 1862, President Abraham Lincoln signed into law a measure to award the U.S. Medal of Honor "to such noncommissioned officers and privates as shall most distinguish themselves by their gallantry in action, and other soldier-like qualities during the present insurrection." The first Medal of Honor went to Private Jacob Parrott during the Civil War for his role in the Great Locomotive Chase. According to the Congressional Medal of Honor Society, a total of 3,487 medals have been awarded.

Such recognition is important, but perhaps just as important is awarding Social Security benefits to veterans as well. Earnings for active duty military service or active duty training have been covered under Social Security since 1957. Social Security also has covered inactive duty service in the Armed Forces reserves (such as weekend drills) since 1988.

In fact, more than one out of five adult Social Security beneficiaries has served in the military. Veterans and their families make up 35 percent of those receiving Social Security.

If you served in the military before 1957, you did not pay Social Security taxes, but you received special credit for some of your service.

You can get both Social Security benefits and military retirement. Generally, there is no reduction of Social Security benefits because of your military retirement benefits. You'll get your full Social Security benefit based on your earnings.

If you served in the Armed Forces and you're planning your retirement, you'll want to read our publication, *Military Service And Social Security* at www.socialsecurity.gov/pubs. If you are disabled and can no longer work, you may also want to read our publication, *Disability Benefits For Wounded Warriors*, available at the same web address. Note that Social Security offers veterans expedited processing on their applications for disability benefits.

Another reason July is significant to veterans: on July 3, 1930, Congress signed a bill to authorize the President to issue an executive order establishing the Veterans Administration, or VA. President Herbert Hoover signed Executive Order 5398 to create the VA on July 21 of that same year, 84 years ago. Learn more about the VA and types of benefits it provides at www.va.gov.

Also, you can learn more about military service and Social Security benefits by visiting the *Military Service* page for wounded warriors and veterans at www.socialsecurity.gov/retire2/veterans.htm. Social Security thanks you for your service, and we hope we can now be of service to you.

QUESTIONS AND ANSWERS

GENERAL

Question:

I can't find my Social Security card. How can I get a new one?

Answer:

First, consider whether you really need a new card. You only need to apply for a replacement Social Security card if you don't know your Social Security number or if you need to show your card to a new employer or other entity. If you decide that you do need a card, you can replace it for free in three easy steps.

Step 1: Complete an *Application For a Social Security Card* (Form SS-5).

Step 2: Show us documents proving your:

- Identity; and
- U.S. citizenship or immigration status.

Step 3: Take your completed application and original documents to your local Social Security office or your local Social Security Card Center. You'll receive your replacement card in the mail in about 10 to 15 days.

You can find all the information you need, including what documents you will need to submit at www.socialsecurity.gov/ssnumber.

RETIREMENT

Question:

How can I calculate my own retirement benefit estimate?

Answer:

We suggest you use our *Retirement Estimator* at www.socialsecurity.gov/estimator. Our *Retirement Estimator* produces estimates based on your actual Social Security earnings record, so it's a personalized, instant picture of your future estimated benefit. Also, you can use it to test different retirement scenarios based on what age you decide to start benefits. For example, you can find out your estimated monthly payments if you retire at age 62, 70, or anytime in between. Visit www.socialsecurity.gov/estimator.

Question:

How do I earn Social Security credits?

Answer:

"Social Security credit" (sometimes referred to as a "quarter of coverage") is the measure of your work under the Social Security program. We use your total covered yearly earnings from both wages and/or net earnings from self-employment to compute Social Security credits. The amount needed for a credit increases automatically each year as average wages increase. For example, in 2014, you earn one credit for each \$1,200 of wages or self-employment income. You can receive a maximum of four credits for any year. Generally, you need 40 credits to be eligible for retirement benefits. Learn more by reading our publication, *How You Earn Credits*, available at www.socialsecurity.gov/pubs.

SUPPLEMENTAL SECURITY INCOME

Question:

What information do I need to apply for Supplemental Security Income (SSI)?

Answer:

Here are some of the things we will ask for when you apply for SSI. Even if you do not have all of the things listed below, apply anyway. The people in the Social Security office can help you. But keep in mind that the more information you can provide, the faster the decision process will be. You will need:

- Your Social Security number;
- Your birth certificate or other proof of your age;
- Information about the home where you live, such as your mortgage or your lease and landlord's name;
- Payroll slips, bank statements, insurance policies, burial fund records, and other information about your income and the things you own;
- The names, addresses and telephone numbers of doctors, hospitals, and clinics that you have been to, if you are applying for SSI because you are disabled or blind; and
- Proof of U.S. citizenship or eligible noncitizen status.

If you have a bank or financial institution account, you should have the account number available so we can deposit your benefits directly into your account. Learn more about SSI by reading our online publication, *Supplemental Security Income (SSI)*, available at www.socialsecurity.gov/pubs.

Question:

My application for Supplemental Security Income (SSI) based on my disability was recently denied. Can I appeal the decision?

Answer:

Yes, if you disagree with a disability decision made on your claim, you can appeal it. The steps you can take are explained in our online publication, *Your Right To Question A Decision Made On Your Supplemental Security Income (SSI) Claim*, available at www.socialsecurity.gov/pubs. Also, you have the right to be represented by an attorney or other qualified person of your choice. You can request your appeal online. Simply visit the online services page at www.socialsecurity.gov/onlineservices. Then select the “Appeal a decision” link and follow the simple instructions. To learn more, read our online publication, *Your Right To Representation*, available at www.socialsecurity.gov/pubs.

DISABILITY

Question:

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

Answer:

Yes, you will need to complete both when you apply for disability benefits. To receive Social Security disability benefits, you must file a disability application. A disability report provides information about your current physical or mental condition, and we need this to process your disability application. You should complete a disability application, a disability report, and an authorization for release of your medical records to file a claim for disability benefits. You can do all of this online. To learn more, and to apply online, visit www.socialsecurity.gov/applyfordisability.

Question:

How do I know if I have enough work to get Social Security disability benefits?

Answer:

The easiest way to find out is by reviewing *my Social Security* to see how many credits you already have. If you don't have a *my Social Security* account, you may create one at www.socialsecurity.gov/myaccount. To get benefits, you must have worked long enough—and recently enough—under Social Security to qualify for disability benefits. Social Security work credits are based on your total yearly wages or self-employment income. You can earn up to four credits each year. The amount needed for a credit changes from year to year. In 2014, for example, you earn one credit for each \$1,160 of wages or self-employment income. When you have earned \$4,640, you've earned your four credits for the year. The number of work credits you need to qualify for disability benefits depends on your age when you become disabled. Generally, you need 40 credits. Twenty of the 40 must have been earned in the last 10 years, ending with the year you become disabled. However, younger workers may qualify with fewer credits. To learn more, see our *Disability Planner* at www.socialsecurity.gov/dibplan.

MEDICARE

Question:

I am applying for *Extra Help* with Medicare prescription drug costs. Can state agencies help with my Medicare costs?

Answer:

When you file your application for *Extra Help* with Medicare prescription drug costs, you can start your application process for the Medicare Savings Programs — state programs that provide help with other Medicare costs. When you apply for *Extra Help*, Social Security will send information to your state unless you tell us not to on the application. Your state will contact you to help you apply for a Medicare Savings Program. Learn more about how Social Security can provide *Extra Help* with your Medicare prescription drug costs by visiting www.socialsecurity.gov/prescriptionhelp.