

# Social Security Administration

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## Monthly Information Package

August 2013

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## Social Security Column

IT'S BASEBALL SEASON! WHO'S ON FIRST? YOU ARE, WITH SOCIAL SECURITY

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

Who's on first base? You are, when the time comes to do business with Social Security. We always place customer service first and strive to hit a home run with every person we serve.

What's on second? Our heavy-hitting team of top-rated online services, that's what! For example, you can use *my Social Security* to set up an account and get access to your *Social Security Statement* to see estimates of your future benefits. If you know your bases are loaded and you are ready to retire, you can hit the ball out of the park with our online retirement application. You'll find it all at [www.socialsecurity.gov](http://www.socialsecurity.gov).

And third base? I don't know. It's hard to know when the right time to retire may be. Or, whether retirement planning will even be your first play with Social Security, given that we also pitch disability and survivors benefits. The future may be as unpredictable as a World Series winner on opening day. But what we do know is that our online tools and services can help you plan for whatever your Social Security needs may be throughout your lifetime.

The tried and true "Who's On First" comedy routine made famous by Abbott and Costello is as American as baseball, apple pie, and Social Security.

Baseball is an annual rite of summer and a game known for its numbers. Cal Ripken's record 2,632 consecutive games played. Joe DiMaggio's 56-game hitting streak. These and countless other baseball statistics tell stories greater than the numbers themselves. Mention any one of these to a baseball fan and you're sure to call to mind memories and stories.

Social Security's numbers tell stories too. The first lump sum Social Security payment of 17 cents was made to Ernest Ackerman in 1937. The first monthly Social Security check of \$22.54

went to Ida May Fuller in January of 1940. This year, about 58 million Americans will receive \$821 billion in Social Security benefits. The average monthly benefit for a retired worker in 2013 is \$1,262.

An estimated 161 million workers are covered under Social Security — that's 94 percent of the workforce. Of those, 51 percent of workers have no private pension coverage and 34 percent have no savings set aside specifically for retirement. These and other numbers make it easy to appreciate the value of Social Security.

Nine out of 10 Americans age 65 and older receive Social Security benefits. And among the unmarried, 46 percent rely on Social Security benefits for 90 percent or more of their income. Retirement benefits are just one of the many benefits Social Security provides. Disabled workers and their dependents account for 19 percent of the total benefits paid, while survivors benefits account for 11 percent. One in four of today's 20-year olds will become disabled before reaching age 67, and the majority of these workers have no long-term disability insurance besides their Social Security coverage. About one in eight of today's 20-year olds will die before reaching age 67. The dependent families of these deceased workers are often eligible for survivors benefits.

Who's on first is you. What's on second is our suite of useful tools and information on all of our benefits, which you can find at [www.socialsecurity.gov](http://www.socialsecurity.gov). And third? We may not know, but in baseball and life, statistics can tell us the odds. Knowing these numbers and visiting Social Security's website for a little retirement and financial planning can help you know when to swing away at retirement.

Learn more about Social Security by visiting [www.socialsecurity.gov](http://www.socialsecurity.gov).

## Social Security Column

### ALLOW SOCIAL SECURITY'S LIGHTHOUSE TO GUIDE YOU INTO A SMOOTH RETIREMENT

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

August 7 is National Lighthouse Day. The day honors and commemorates lighthouses, which for centuries have served as beacons of light to guide ships safely through dark and uncertain waters.

August 21 is National Senior Citizen Day, which recognizes the contributions senior citizens make in communities across the nation.

Social Security offers a bright beacon of light for seniors and younger captains who navigate the waters of retirement planning. In fact, we have a few lighthouses that can illuminate the way to a happy retirement.

Lighthouse One: The *Retirement Estimator* is an easy way to get an instant, personalized estimate of your future Social Security benefits. Just enter some basic information and the *Estimator* will use information on your Social Security record, along with what you input, to give you a benefit estimate on the spot. You also can experiment with different scenarios, such as changing your future earnings and retirement date. Check it out in English at [www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator) or in Spanish at [www.segurosocial.gov/calculador](http://www.segurosocial.gov/calculador).

Lighthouse Two: *my Social Security* is an online account that allows you quick access to your personal Social Security information. During your working years, once you create your online account, you can use *my Social Security* to view your *Social Security Statement* to check your earnings record and see estimates of the future retirement, disability, and survivor benefits you and your family may receive. If you already receive Social Security benefits, you can sign into your account to view, save, and print your benefit verification letter, check your benefit payment information, and when necessary, change your address and phone number in our records. You

also can start or change your direct deposit information. Check it out at [www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount).

Lighthouse Three: The **online *Benefit Application*** is the most convenient way to apply for Social Security retirement and spouse's benefits. You can apply from the comfort of your home — it's fast, easy, and secure. It's so easy, in fact, it can take you as little as 15 minutes to apply online. 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 any further information is needed. Join the millions that have already applied online. Try it out when you're ready to retire or just want to learn more at [www.socialsecurity.gov/pgm/retirement.htm](http://www.socialsecurity.gov/pgm/retirement.htm).

You'll find a host of other lighthouses at [www.socialsecurity.gov](http://www.socialsecurity.gov) to ensure your retirement plans don't go off course. For example, we offer an online library of topical publications you can read or listen to, and hundreds of frequently asked questions.

Whether you're a new captain learning how to navigate the waters of financial planning, or a salty seadog ready for retirement, Social Security's online lighthouses are here to make sure you don't crash on the jagged sea rocks of procrastination or shallow straights of poor planning. The beacon is guiding you to [www.socialsecurity.gov](http://www.socialsecurity.gov).

## **Social Security Column**

### **SPOUSES HAVE A SIGNIFICANT BENEFIT**

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

Social Security can be an important financial asset for married couples when the time comes to apply for retirement benefits. In many cases, one spouse may have earned significantly more than the other, or have worked for a longer span of years. Or it could be that one spouse stayed home to do the work of raising the children or caring for elderly family members while the other focused on a career.

Regardless of your situation, Social Security will look at all possibilities to make sure both spouses receive the maximum benefit possible.

Even if you have not paid Social Security taxes, it's likely you'll be eligible to receive benefits on your spouse's record. If you did work and pay into Social Security, we will check eligibility based on your work record and your spouse's to see which amount is higher.

You can apply for spouses benefits the same way that you apply for benefits on your own record. You can apply for reduced benefits as early as age 62, or for 100 percent of your full retirement benefits at your "full retirement age." You can find your full retirement age, based on your birth year, at [www.socialsecurity.gov/pubs/ageincrease.htm](http://www.socialsecurity.gov/pubs/ageincrease.htm).

The benefit amount you can receive as a spouse, if you have reached your full retirement age, can be as much as one half of your spouse's full benefit. If you opt for early retirement, your benefit may be as little as a third of your spouse's full benefit amount.

If your spouse has already reached full retirement age but continues to work, your spouse can apply for retirement benefits and request to have the payments suspended until as late as age 70.

This would allow the worker to earn delayed retirement credits that will mean higher payments later, but would allow you to receive your spouse's benefit.

You can also apply for spouse benefits based on the earnings record of an ex-spouse or deceased spouse if you were married for at least 10 years. Spouses can consider a number of options and variables. We make it easier to navigate them. A good place to start is by visiting our benefits planner at [www.socialsecurity.gov/planners](http://www.socialsecurity.gov/planners). Take note of the "Benefits As A Spouse" section.

If you are ready to apply for benefits, the fastest, easiest, and most convenient way is to apply online! You can do so at [www.socialsecurity.gov/applyonline](http://www.socialsecurity.gov/applyonline).

Whether you receive benefits on a spouse's record or your own, rest assured we will make sure you get the highest benefit we can pay you. Learn more at [www.socialsecurity.gov](http://www.socialsecurity.gov).

## **Social Security Column**

### IN THE AFTERMATH OF DISASTER, SOCIAL SECURITY CAN HELP

**By Bob Simpson**

**Social Security District Manager in Traverse City**

For some, recent years have been made difficult by natural disasters. Fatal tornadoes in Oklahoma. Massive wildfires and strong earthquakes in Colorado and California. Landslides in Washington. Flooding in Texas, North Carolina and Florida. Hail storms in Tennessee. Hurricane Sandy along the Eastern seaboard. And now, we brace ourselves for yet another hurricane season.

In addition to the catastrophes caused by Mother Nature, there are man-made tragedies, such as the theater shooting in Aurora, Colorado that killed 12 and injured 58; the Sandy Hook Elementary School massacre in Newtown, Connecticut , which left 26 children and staff members dead; and the Boston Marathon explosions, killing three and injuring more than 260.

When disasters strike, despite the immediate response by so many well-intentioned people and organizations, it's often hard to know where to turn. But when it comes to the need for disability and survivors benefits, Social Security is always here to serve those who require our services.

Dependent survivors of wage earners, such as spouses, minor children, and in some cases parents or grandchildren, may be eligible for survivor benefits when the family's provider dies. The sad fact is that about one in eight of today's 20 year-old workers will die before reaching age 67. The good news is about 96 percent of people age 20 to 49 who work have survivors insurance protection if they die and leave behind young children and surviving spouses.

Social Security is here to help people inflicted with disabling conditions as well. In fact, disabled workers account for about 19 percent of all Social Security benefits paid. One in four of today's 20 year-old workers will become disabled before reaching age 67.

Our emergency services reach more than the limited numbers of people who die or become disabled as a result of a tragedy. For example, if you are still receiving a paper check and the delivery of mail is interrupted due to severe weather, in many cases any Social Security office can issue an immediate replacement payment. To avoid this situation, however, switch to electronic payments as required by law. Even if your mailbox — or home — is destroyed due to an emergency, or you are evacuated or displaced, your payment will always arrive on time every time if you receive it electronically.

Sometimes, emergencies cause Social Security offices to close. If you want to check whether your local office is open, the best place to go is to Social Security's *Office Closings And Emergency Information* page at [www.socialsecurity.gov/emergency](http://www.socialsecurity.gov/emergency). This site is a great place to visit before you try to go to an office, especially when severe weather is affecting your area.

The emergency page also offers valuable FEMA advice that can help you prepare for or cope with emergency situations.

While we all hope and pray to avoid disasters, unfortunately, they are bound to occur. The best we can do is to be as prepared as possible to deal with them if they happen. And know that Social Security will be here for you when you need it.

Be prepared. Visit [www.socialsecurity.gov/emergency](http://www.socialsecurity.gov/emergency).

## **Social Security Column**

### REFLECTING ON 78 YEARS OF SOCIAL SECURITY

**By Carolyn W. Colvin**  
**Acting Commissioner of Social Security**

There are special moments when people look back and evaluate a life or an era: birthdays, class reunions, holidays, anniversaries. Time is, after all, simply the stringing together of a number of events, some small, others significant. These events can speed by quickly, but each one can have an effect on the greater whole. A lifetime of seemingly mundane events can pass in what seems like the blink of an eye ... until one looks back to examine them and realizes just how much has filled the space.

When I think about Social Security on the eve of the program's 78th anniversary, I am amazed by what a significant difference it has made, one event at a time, one person at a time. Over Social Security's long history, every single monthly payment has made a difference to an American somewhere. But when you string those payments together, it's remarkable what a huge and positive effect Social Security has had on the people and economy of our nation.

Social Security has been a cornerstone of our nation, touching the lives of almost every American at one time or another, for 78 years. It's the most successful domestic program in our nation and, arguably, the world.

When President Franklin D. Roosevelt signed the Social Security Act into law on August 14, 1935, he said, "The civilization of the past hundred years, with its startling industrial changes, has tended more and more to make life insecure. Young people have come to wonder what would be their lot when they came to old age. The man with a job has wondered how long the job would last." The same can be said of the current information age, with our rapidly evolving digital revolution and periods of economic instability. Social Security is a safety net cast to help those who need it.

President Roosevelt knew that the cornerstone of his administration would offer security, but he also understood that Social Security would need to evolve as new changes challenged the nation. “This law, too, represents a *cornerstone* in a structure which is being built but is by no means complete,” he admitted. “It is, in short, a law that will take care of human needs and at the same time provide the United States an economic structure of vastly greater soundness.”

Today, Social Security is much more than just a retirement program. We provide benefits to disabled individuals and their families. We provide survivors benefits to widows, widowers and the minor children of deceased workers. We provide Supplemental Security Income (SSI) to aged and disabled people who have low income and resources. We provide work incentives to help people work. We even provide *Extra Help* with Medicare prescription drug costs. In so many ways, Social Security benefits America.

Milestones come and milestones go. But looking back over the past 78 years of the nation’s most important program, it is those millions of individual moments — the monthly benefit payments — that have made a tremendous difference. In good times and bad, in sickness and health, Social Security has helped Americans. Each payment has helped someone, somewhere. But place them side by side and the difference Social Security has made in the lives of Americans is certainly something to celebrate.

Learn more about Social Security’s rich history at [www.socialsecurity.gov/history](http://www.socialsecurity.gov/history). Become a part of Social Security’s history by doing business with us online at [www.socialsecurity.gov/onlineservices](http://www.socialsecurity.gov/onlineservices).

## 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 need to apply for a replacement Social Security card only if you don't know your Social Security number or, if you need to show your card to a new employer. Even then, you may only need a Social Security number printout to verify your number. If you decide that you do need a card, you can replace it for free in three easy steps.

Step 1: Gather documents proving your identity and citizenship or immigration status.

Step 2: Complete an *Application For a Social Security Card* (Form SS-5)

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 about 10 to 15 days. The types of documents you need to provide depends on your specific situation. Find out what you need by visiting our "decision tree" at [www.socialsecurity.gov/ssnumber](http://www.socialsecurity.gov/ssnumber).

If you don't need a new card and the printout will do, you still need to show us documents to prove your identity and U.S. citizenship or immigration status. However, you can get your printout during your office visit. Learn more about the Social Security number printout by visiting [www.socialsecurity.gov/pubs](http://www.socialsecurity.gov/pubs) and typing "printout" in the publication search box on the left side of the screen.

**Question:**

I worked for the last 10 years and I now have my 40 credits. Does this mean that I get the maximum Social Security retirement benefit?

**Answer:**

Probably not. The 40 credits are the minimum number you need to qualify for retirement benefits. However, we do not base your benefit amount on those credits; it's based on your earnings over a lifetime of work. To learn more about how you earn Social Security credits and how they work, read or listen to our publication *How You Earn Credits*, available at [www.socialsecurity.gov/pubs](http://www.socialsecurity.gov/pubs).

*RETIREMENT***Question:**

I'm trying to figure out the best time to retire based on my future earnings. How can I calculate my own retirement benefit estimate?

**Answer:**

We suggest you use our *Retirement Estimator* at [www.socialsecurity.gov/estimator](http://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 any age in between. Try it out now at [www.socialsecurity.gov/estimator](http://www.socialsecurity.gov/estimator).

**Question:**

I've been working for about ten years and haven't given much thought to the Social Security taxes I've been paying. How do I earn Social Security credits?

**Answer:**

A "Social Security credit" (sometimes referred to as a "quarter of coverage") is the basic unit for determining whether a worker is insured under the Social Security program. The amount needed for a credit increases automatically each year as average wages increase. For 2013, workers receive one credit for each \$1,160 of earnings. A worker can receive a maximum of four credits for any year. Generally, you need 40 credits to be eligible for retirement benefits. Learn more at [www.socialsecurity.gov/OACT/COLA/QC.html](http://www.socialsecurity.gov/OACT/COLA/QC.html)

*DISABILITY***Question:**

I'm applying online for disability benefits. 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 to release medical records to file a claim for disability benefits. To learn more, and to apply online, visit [www.socialsecurity.gov/applyfordisability](http://www.socialsecurity.gov/applyfordisability).

**Question:**

How do I know if I have worked long enough - to qualify for Social Security disability benefits?

**Answer:**

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 2013, 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, 20 of which you 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/dqualify3.htm](http://www.socialsecurity.gov/dibplan/dqualify3.htm).

### *SUPPLEMENTAL SECURITY INCOME*

**Question:**

My grandmother recently died and left me about \$5,000 in cash. Will this affect my SSI?

**Answer:**

Yes, it most likely will. We count the money as income in the month you receive it, which means you will not be eligible for an SSI payment the month that you receive the \$5,000. Because there is a resource limit of \$2,000 for an individual (or \$3,000 for a couple), the amount you keep after the month you received it will count as a resource and may make you ineligible for a payment. As long as you have more than the resource limit, you will not be eligible for an SSI payment. It is important that you report to us the amount you receive and then let us know when your resources fall below the limit. Learn more about SSI by reading or listening to our online publication, *Supplemental Security Income (SSI)*, available at [www.socialsecurity.gov/pubs](http://www.socialsecurity.gov/pubs).

**Question:**

Social Security recently denied my application for Supplemental Security Income (SSI). Can I appeal the decision?

**Answer:**

Yes. If you disagree with a 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](http://www.socialsecurity.gov/pubs). If you do not agree with the decision, you can file an appeal online. Simply visit the online services page at [www.socialsecurity.gov/onlineservices](http://www.socialsecurity.gov/onlineservices). Then select the “Appeal a decision” link and follow the instructions. You also have the right to be represented by an attorney or other qualified person of your choice. If you would like to learn more about obtaining representation, read our online publication *Your Right To Representation* at the same online publication library.

## *MEDICARE*

### **Question:**

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

### **Answer:**

Yes. When you file your application for *Extra Help* with Medicare prescription drug costs, you also 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](http://www.socialsecurity.gov/prescriptionhelp).