

Social Security Administration

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Social Security Column

SIGN UP FOR MEDICARE AND ESTIMATE MEDICARE COSTS

By Bob Simpson

Social Security District Manager in Traverse City



Affordable medical coverage is something everyone wants, especially as people age. Luckily, our nation has safeguards for workers as they get older. Millions of people rely on Medicare, and it can be part of your health insurance plan when you retire.

Medicare is available for people age 65 or older, as well as younger people who have received Social Security disability benefits for 24 months, and people with certain specific diseases. Two parts of Medicare are Part A (Hospital Insurance) and Part B (Medicare Insurance). You are eligible for premium-free Part A if you are age 65 or older and you or your spouse worked and paid Medicare taxes for at least 10 years. Part B usually requires a monthly premium payment.

You can apply online for Medicare even if you are not ready to retire. Use our online application to sign up. 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.

You can sign up for Medicare at www.socialsecurity.gov/benefits/medicare.

If you don't sign up for Medicare during your initial enrollment window that begins three months before the birthday that you reach age 65 and ends three months after that birthday, you'll face a 10 percent increase in your Part B premiums for every year-long period you're eligible for coverage but don't enroll. You may not have to pay the penalty if you qualify for a special enrollment period (SEP). If you are 65 or older and covered under a group health plan, either from your own or your spouse's current employment, you may have a special enrollment period during which you can sign up for Medicare Part B. This means that you may delay enrolling in Part B without having to wait for a general enrollment period and without paying the lifetime penalty for late enrollment. Additional rules and limits apply, so if you think a special enrollment period may apply to you, read our *Medicare* publication at www.socialsecurity.gov/pubs/, and visit the Centers for Medicare and Medicaid Services at Medicare.gov for more information.

Health and drug costs not covered by Medicare can have a big impact on how much you spend each year. You can also estimate Medicare costs using an online tool at <https://www.medicare.gov/oopc/>.

Keeping your healthcare costs down allows you to use your retirement income on other things that you can enjoy. Social Security is here to help you plan a long and happy retirement at www.socialsecurity.gov.

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Social Security Column

SELF EMPLOYMENT AND SOCIAL SECURITY

By Bob Simpson

Social Security District Manager in Traverse City



Many people enjoy the independence of owning and operating their own small business. If you're a small business owner, you know that you have additional financial responsibilities when reporting your taxes. A part of this is paying into Social Security.

Most people who pay into Social Security work for an employer. Their employer deducts Social Security taxes from their paycheck, adds a matching contribution, then sends those taxes to the Internal Revenue Service (IRS) and reports the wages to Social Security. Self-employed people must do all these actions and pay their taxes directly to the IRS.

You're self-employed if you operate a trade, business or profession, either by yourself or as a partner. You report your earnings for Social Security when you file your federal income tax return. If your net earnings are \$400 or more in a year, you must report your earnings on Schedule SE, in addition to the other tax forms you must file.

You must have worked and paid Social Security taxes for a certain length of time to get Social Security benefits. The amount of time you need to work depends on your date of birth, but no one needs more than 10 years of work (40 credits).

In 2019, if your net earnings are \$5,440 or more, you earn the yearly maximum of four credits — one credit for each \$1,360 of earnings during the year. If your net earnings are less than \$5,440, you still may earn credit by using an optional method described below.

We use all your earnings covered by Social Security to figure your Social Security benefit, so, report all earnings up to the maximum, as required by law.

Family members may operate a business together. For example, a husband and a wife may be partners or run a joint venture. If you operate a business together as partners, you should each report your share of the business profits as net earnings on separate self-employment returns (Schedule SE), even if you file a joint income tax return. The partners must decide the amount of net earnings each should report (for example 50 percent and 50 percent).

You can read more about being self-employed and how that affects your Social Security benefits including optional methods of reporting at www.socialsecurity.gov/pubs/EN-05-10022.pdf.

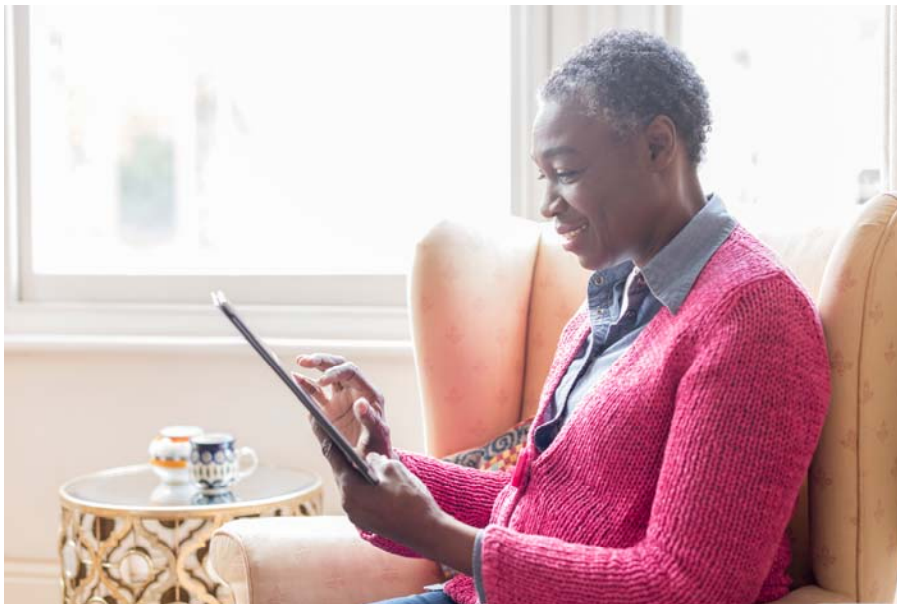
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Social Security Column

UNDERSTANDING SOCIAL SECURITY BENEFITS

By Bob Simpson

Social Security District Manager in Traverse City



Social Security touches the lives of nearly every American, whether at the birth of a child, the loss of a loved one, the onset of a disability, or the transition from work to retirement. For more than 80 years, our programs have contributed to the financial security of the elderly and the disabled. Social Security replaces a percentage of a worker's pre-retirement income based on their lifetime earnings. The amount of your average wages that Social Security retirement benefits replaces varies depending on your earnings and when you choose to start benefits. If you start benefits after full retirement age, these percentages are higher. If you start benefits earlier, these percentages are lower. Most financial advisers say you will need about 70 percent of pre-retirement income to live comfortably in retirement, including your Social Security benefits, investments, and personal savings.

You can learn more about retirement benefits at www.socialsecurity.gov/benefits/retirement. Our resources and publications are easy to share with people you think might need the information.

Many people think of Social Security as just a retirement program. And it's true that most of the people receiving benefits are retired, but others receive benefits because they're:

- Individuals with disabilities;
- A spouse or child of someone who receives benefits;
- A divorced spouse of someone getting or eligible for Social Security;
- The spouse or child of a worker who died;
- A divorced spouse of a worker who died; or
- The dependent parent of a worker who died.

If you can't work because of a physical or mental condition that's expected to last at least one year or result in death, you may be eligible for Social Security disability benefits.

Our disability rules are different from private or other government agency programs. Qualifying for disability from another agency or program doesn't mean you will be eligible for disability benefits from us. Having a statement from your doctor saying you're disabled doesn't mean you'll automatically be eligible for Social Security disability benefits.

. We've made learning about our disability programs very easy at www.socialsecurity.gov/benefits/disability.

Please share these resources with friends and family who might need them.

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Social Security Column

BEWARE OF PEOPLE PRETENDING TO BE FROM SOCIAL SECURITY

By Bob Simpson

Social Security District Manager in Traverse City



Social Security is committed to protecting your personal information. We urge you to always be cautious and to avoid providing sensitive information such as your Social Security number (SSN) or bank account information to unknown people over the phone or internet. If you receive a call and aren't expecting one, you must be extra careful. You can always get the caller's information, hang up, and — if you do need more clarification — contact the official phone number of the business or agency that the caller claims to represent. Never reveal personal data to a stranger who called you.

There's a scam going around right now. You might receive a call from someone claiming to be from Social Security or another agency. Calls can even display 1-800-772-1213, Social Security's national customer service number, as the incoming number on your caller ID. In some cases, the caller states that Social Security does not have all of your personal information, such as your SSN, on file. Other callers claim Social Security needs additional information so the agency can increase your benefit payment, or that Social Security will terminate your benefits if

they do not confirm your information. This appears to be a widespread issue, as reports have come from people across the country. These calls are not from Social Security.

Callers sometimes state that your SSN is at risk of being deactivated or deleted. The caller then asks you to call a phone number to resolve the issue. People should be aware that the scheme's details may vary; however, you should avoid engaging with the caller or calling the number provided, as the caller might attempt to acquire personal information.

Social Security employees occasionally contact people by telephone for customer-service purposes. In only a very few special situations, such as when you have business pending with us, will a Social Security employee request that the person confirm personal information over the phone.

Social Security employees will never threaten you or promise a Social Security benefit approval or increase in exchange for information. In those cases, the call is fraudulent, and you should just hang up. If you receive these calls, please report the information to the Office of the Inspector General at 1-800-269-0271 or online at oig.ssa.gov/report.

You can also share our new "SSA Phone Scam Alert" video at <http://bit.ly/2VKJ8SG>

Protecting your information is an important part of Social Security's mission. You work hard and make a conscious effort to save and plan for retirement. Scammers try to stay a step ahead of us, but with an informed public and your help, we can stop these criminals before they cause serious financial damage.

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Social Security Column

SOCIAL SECURITY'S RECENT TOP FIVE BLOG POSTS

By **Bob Simpson**

Social Security District Manager in Traverse City



Social Security matters to millions of people and that's why we aptly named our blog *Social Security Matters*. Over the past several years, more and more people have realized that our blog is a trusted source for information and easy-to-share articles. Here are five recent popular blog posts:

1. Three Common Ways Your Social Security Payment Can Grow After Retirement

You made the choice and now you are happily retired. You filed online for your Social Security benefits. They arrive each month in the correct amount exactly as expected. But, did you ever wonder if your Social Security check could increase? You can see all three ways at blog.ssa.gov/three-common-ways-your-social-security-payment-can-grow-after-retirement.

2. So You've Lost Your Social Security Card

Losing important documents is frustrating, especially something as important as your Social Security card. You'll want to consider whether you really need to get a replacement card. Knowing your number is what's important, after all. You'll rarely need the card itself — perhaps only when you get a new job and have to show it to your employer. Learn how to replace your card at blog.ssa.gov/so-youve-lost-your-social-security-card/

3. Is that Phone Call From Us?

It's the morning of a busy day at home and you get a call from an unknown number. You answer only to find yourself on the receiving end of a threatening message saying your Social Security benefits will stop immediately unless you provide your personal information. It happens every day to thousands of Americans. And it's not Social Security calling. Read more about this scam at blog.ssa.gov/is-that-phone-call-from-us/

4. Need to Change Your Name on Your Social Security Card?

Are you changing your name? If so, let Social Security know so we can update your information, send you an updated card, and make sure you get the benefits you've earned. Updating your card is easy at blog.ssa.gov/need-to-change-your-name-on-your-social-security-card/.

5. Spruce Up Your Financial Plan with Social Security

Now that tax season is over, it's probably a good time to evaluate some financial “best practices” for the rest of the year. A good spring-cleaning can clear out the clutter to let you see a clear path for your future. Social Security is always here to help. Even if you just started working, now is the time to start preparing for retirement. Achieving the dream of a secure, comfortable retirement is much easier with a strong financial plan. Read more at blog.ssa.gov/spruce-up-your-financial-plan-with-social-security.

These aren't the only topics that might matter to you on Social Security Matters. You can always subscribe and get alerts for new policies, COLA information, and more. Remember, you can

easily share these blog posts with friends and family both on social media and via email. Sharing what matters to you can change someone's life for the better.

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