Chapter One
Social Security

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Introduction

Social Security Versus Supplemental Security Income (SSI)

Both programs are administered by the Social Security Administration (SSA), an independent agency of the federal government.

Social Security is a social insurance program whose benefits are based on an individual’s work history or the work history of the individual’s spouse or parent(s). Social Security is funded by a payroll tax (FICA) paid on wages up to $137,700 per year in equal amounts by employer (6.2%) and employee (6.2%) for all persons working in a job covered by Social Security. Need is not a factor in making benefit determinations.

Social Security is also referred to as Title II and as OASDI (Old-Age, Survivors, and Disability Insurance). Social Security is linked to Medicare eligibility as is discussed in Chapter 4.

Supplemental Security Income (SSI), on the other hand, is based on need. Work history is not required, with a limited exception for some immigrants. SSI is also referred to as Title XVI.

In California, anyone receiving SSI is automatically eligible for Medi-Cal.

Social Security is the Most Important Income Source for Older Americans

Over 64 million people in the U.S. receive Social Security benefits.

- Social Security is the single largest source of income for half of married couples and over 7 in 10 unmarried Americans over age 65. Most of the rest are still working.

- For about 1 in 4 people over age 65, Social Security provides at least 90% of their income.

- Among Asian-Americans receiving Social Security, 26% of married couples and 51% of unmarried beneficiaries over age 65 rely on Social Security for at least 90% of their income.

- Among African-Americans receiving Social Security, 35% of married couples and 58% of unmarried beneficiaries over age 65 rely on Social Security for at least 90% of their income.

- Among Hispanics receiving Social Security, 40% of married couples and 61% of unmarried beneficiaries over age 65 rely on Social Security for at least 90% of their income.

- Among unmarried women over age 65 receiving Social Security, 48% rely on Social Security for at least 90% of their income.

- Without Social Security, dire poverty would be the fate of most people in retirement.
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Social Security (OASDI) - An Insurance Program Serving Several Purposes

- Retirement benefits including spousal and child benefits
  - 48 million people

- Survivor benefits serving widow(er)s and children of deceased wage earners
  - 6 million people

- Disability Insurance
  - Over 8 million disabled workers
  - 1.5 million children of disabled workers

Proposal for Changes to Social Security

Under the latest (2020) projections, which do not include the impact of any proposed legislative change or the potential impact of the COVID-19 pandemic, the Social Security Trust Fund is expected to be depleted in 2035. After that, while benefits would still be paid, SSA would only be able to pay approximately three-fourths of a beneficiary's scheduled benefit amount.

Proposed Cuts

Several different groups have seen the current political situation as an opportunity to make significant cuts to Social Security benefits.

One proposal would change the formula for calculating the annual cost of living adjustment (COLA) so that it would be slightly less each year. While this would have very little impact in the first years of retirement, it would have a major impact over time as retirees reach very advanced ages, since the reduction in the COLA would be compounded each year. An additional problem with this proposal is that it compounds the problems with the existing COLA, which does not adequately reflect the increase in cost of living for retirees and people with disabilities because they spend a much higher percentage of their income on health care, which is the sector of the economy with the highest rate of inflation.

There have also been a number of proposals to “increase the retirement age.” Advocates of increasing the retirement age often point to increases in longevity and assert the need for people to work longer. However, increasing the retirement age has no bearing on how long people actually work. The retirement age has already gradually increased from 65 to 66. That increase has not caused people to work any longer, and it is unlikely that future increases would do so.

An increase in the retirement age is nothing more than a reduction in the amount of benefits that people will receive at whatever age they choose to start collecting benefits. People who begin receiving benefits today who are subject to the full retirement age of 66 will receive approximately 6% less than they would have received if the retirement age were still age 65. This is true whether they take early retirement and begin receiving benefits at age 62, or if they wait until age 70 or anywhere in between. If the retirement age is increased to age 70, as some propose, benefits will be almost one-third less than if the retirement age had remained at age 65.
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Proposals to Strengthen Social Security

While some people advocate reductions in benefit levels, still others note that benefit levels are already below the levels of a number of other developed countries and advocate for increases in benefits to more adequate levels. They note the reduction in savings and the disappearance of defined benefit pensions, as well as longer life expectancy for some populations and point out that, as a result, Americans in the future are going to rely on Social Security for a greater, not lesser, portion of their retirement income than they do now.

Advocates for strengthening Social Security also are seeking a change in the formula for calculating the COLA, but by moving to the CPI-E or Consumer Price Index for the Elderly, which is based on the living expenses of people age 62 and over. This formula includes out-of-pocket health care expenses, which are much higher for an older population, and would result in a higher annual increase than the current formula, which is based exclusively on the living expenses of the working age population.

Other benefit enhancements that have been proposed include:

- A 5% across-the-board benefit increase
- An increase in the replacement rate for the lowest paid workers
- Increased widow(er)’s benefits
- Creating a special additional monthly benefit for specific Social Security beneficiaries, including beneficiaries age 82 and older and SSI recipients who have reached full retirement age
- Giving credits for a certain number of years out of the paid workforce for family caregiving toward benefits
- Raising the cap on the payroll tax or eliminating the cap altogether, so more wages are taxed
Sources of Law


2. Social Security Regulations - Code of Federal Regulations, Title 20, Part 404 (Social Security) and Part 416 (SSI). Social Security regulations have the force of law. However, be careful, because regulations often do not reflect the most recent changes in the Social Security Act.

3. Social Security Rulings (SSRs) and Social Security Acquiescence Rulings (SSARs). SSRs are the Social Security Administration's interpretations of regulations and policy statements on important issues, usually related to disability determinations. SSARs are SSA's statements of how it will apply a Court of Appeals decision with which it disagrees. SSRs and SSARs are published in the Federal Register and are binding at all levels within SSA, although they do not have the force of law.

4. Program Operations Manual System (POMS). The POMS is unpublished, does not have the force of law, and is written in language which is often unintelligible to the uninitiated. One would think, therefore, that it is of little importance. WRONG! This is the go-to resource for the people who work in the local Social Security office. It is the only comprehensive formulation of SSA policy with which they are most likely to have ready access. Thus, it is important for an advocate to know what the POMS has to say on a client’s issue.

5. Emergency Messages (EMs) are transmittals to SSA personnel explaining how to handle a particular issue. EMs have an expiration date.

6. Program Circulars are sometimes issued on subjects where SSA policy is thought to require clarification. Unlike the other documents previously mentioned, Program Circulars are often difficult to obtain, and an advocate often has no way of knowing of their existence. However, once you learn of them, SSA is usually willing to provide a copy.

Resources for Advocates

1. www.ssa.gov - The Social Security Administration website is a wealth of useful information for advocates as well as for beneficiaries. It contains the Social Security Act, the regulations, SSRs, SSARs, POMS, and EMs.


3. Understanding Supplemental Security Income - This is a useful booklet published by the Social Security Administration, which provides a comprehensive explanation of the SSI program in question-and-answer format. It is available on the SSA website. www.ssa.gov/ssi/text-understanding-ssi.htm
Language Assistance

SSA policy is clear that it will provide an interpreter free of charge for anyone who prefers to do business with the agency in a language other than English. The same policy applies for deaf individuals as well. However, SSA field offices vary greatly in how well they apply that policy. The SSA policy on interpreters also applies to the state agencies that make disability determinations for SSA. SSA has a multilingual gateway to its website with a large quantity of useful informational material in 12 different languages and American Sign Language: https://www.ssa.gov/site/languages/en/. While SSA is a leader among federal agencies in its policy on oral interpretation services, its implementation on the ground varies greatly from one local office to another.

SSA staff should never ask someone to bring her own interpreter or bring a family member to interpret. Of course, if an individual prefers to have a family member or friend serve as the interpreter, that is her right as long as the friend or family member is an adult, is proficient in English as well as the other language and understands the obligations of an interpreter. If the individual is applying for disability benefits, it is also important that the interpreter be familiar with medical terms in both languages.

When it comes to written notices affecting an individual’s benefits, the agency is sadly lacking. SSA notices are consistently provided only in English, and often, but not always, in Spanish. Written notices are never provided in any other language.

**Caveat** - It is almost never appropriate for a bilingual advocate to serve as an interpreter while conducting business before the agency with a client, because of the inherent conflict in the two roles.
Accommodations for People with Visual Impairments

Approximately 3,000,000 people who receive Social Security and/or SSI benefits are blind or visually impaired. Most of them are over the age of 80. Some of them rely on a sighted spouse or other household member to read important communications for them. However, many of them live alone and are unable to read printed material in a standard font.

As the result of a lawsuit, the Social Security Administration has changed its previous policy of refusing to communicate with people who are blind in an accessible format. They now offer to send letters and notices to people with visual impairments in any one of a number of formats. In each case, the selected format will be accompanied by a standard print version. The alternative formats offered are:

- Microsoft Word compact disc
- Braille
- Large print (18 point font)
- Audio CD
- Standard print notice by certified mail
- Standard print notice by first class mail with follow-up phone call within 5 days (NOT RELIABLE)

An individual can choose a preferred format at www.ssa.gov/notices.
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Insured Status

Benefits Available - Old-Age, Survivors, and Disability Insurance (OASDI) benefits include retirement benefits, disability benefits, dependents benefits, and survivors benefits.

Fully Insured Status - In general, OASDI benefits require that the wage earner be “fully insured” at the time of retirement, disability, or death. Some survivors benefits are an exception to this rule.

As a general rule, an individual is “fully insured” if she has 40 “quarters” of credit in covered employment. Lesser amounts are required for those born before 1929 or who are under 31 years of age. There are some other minor exceptions as well.

“Quarters” - The use of this term is misleading. It has nothing to do with calendar quarters, as one might think. It simply refers to a dollar amount that one must earn in a calendar year to obtain a credit for that year, with four being the maximum number of credits one can earn in a given year. The amount required to earn a “quarter” is indexed and thus normally changes from year to year. In the year 2020, wages of $1,410 are required for one “quarter” of coverage. A chart for calculating quarters of coverage is included at the end of this chapter. (See pg. 21).

EXAMPLE

Q. George works only one month in covered employment in the year 2020 and earns $4,500 before taxes. How many quarters of coverage has he earned?

A. George has earned three quarters of coverage because he earned more than $4,230 ($1,410 x 3) for the year, but less than $5,640, the amount required for four quarters.

Q. Henrietta worked all year in covered employment at $4,000 per month for a total of $48,000 for the year before taxes. How many credits?

A. The answer is four because that is the maximum one can earn in a year.
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Amount of Benefits

Social Security Statement - Until 2011, a Social Security Statement was mailed out to wage earners over age 25 about three months before their birthday. The Statement contained useful information as to potential benefits and also stated the amount of wages for which the wage earner was being given credit. In 2011, the mailing of the Statement was ceased as a cost-saving measure. It has been resumed, but only for people age 60 and over who are not yet receiving benefits and do not yet have a “my Social Security” online account. In May 2012, SSA announced the availability of the Social Security Statement online, http://ssa.gov/myaccount/statement.html. A sample statement is included at the end of this chapter. (See pg. 23-25).

Retirement Estimator - The SSA website has a retirement estimator (www.ssa.gov/benefits/retirement/estimator.html) that can be used to calculate projected benefits for individuals who have enough Social Security credits to qualify for benefits and do not have a pension for work not covered by Social Security; i.e., certain state and municipal workers. However, unlike the Social Security statement, it does not calculate disability or other benefits and does not display year by year covered wage history.

Immigrant Eligibility

Undocumented immigrants are no longer eligible for Social Security benefits unless they filed an application before December 1, 1996. Immigrants filing on or after that date must show that they are “lawfully present” in the United States.
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Retirement Benefits

A fully insured individual is entitled to collect full retirement benefits at age 66, whether still working or not. There is no longer an earnings test for receipt of retirement benefits for those over age 66.

Early Retirement

An individual can begin to receive retirement benefits at age 62 if she is fully insured on that date. However, her benefit level is reduced permanently proportional to the number of months before her full retirement age.

The age for early retirement has not been increased. However, as full retirement age increases, the reduction for early retirement will be greater. For example, when full retirement was at age 65, retirement at age 62 meant a 20% permanent reduction in the benefit level. However, for those whose full retirement age is age 66, retirement at age 62 means a 25% permanent reduction. And for those whose full retirement age is 67, retirement at age 62 means a 30% permanent reduction.

Important - The Social Security full retirement age this year is 66, but it is scheduled to increase in two month annual increments beginning with people born in 1955, until it reaches age 67 for those born in 1960. Thus, starting next year in 2021, the full retirement age will be 66 and two months, then increase in two month annual increments until 2026 when it will be age 67. (See pg. 28).

What is the age at which one begins collecting benefits in order to maximize lifetime benefits?

Earnings Test for Early Retirement - It is important to remember that the earnings test remains in effect for those who choose early retirement. Benefits are reduced $1 for every $2 of gross earnings that exceed $17,640 per year until January 1 of the year in which the beneficiary reaches full retirement age (66). In the year in which the beneficiary reaches full retirement age, benefits are reduced $1 for every $3 of gross earnings that exceed $3,910 per month in the months prior to reaching full retirement age. These exempt amounts are indexed. The earnings test no longer applies beginning with the month in which the beneficiary reaches full retirement age.

What can be done to avoid the potentially disastrous reduction in benefits that comes with early retirement?
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Spousal Benefit

A spouse age 62 or older who is at least in their twelfth month of marriage can receive benefits on their retired spouse's account in an amount equal to one-half the wage earner’s benefit, unless the benefit to which they are entitled on their own account is higher. A divorced spouse is also eligible for the spousal benefit if the following additional requirements can be met: 1) the marriage must have lasted for a minimum of ten years, 2) at least two years have elapsed since the divorce, and 3) the individual seeking spousal benefits has not remarried.

Who Qualifies as a Spouse? As a result of recent Supreme Court decisions, the same marital recognition rules apply for both same-sex and opposite-sex couples.

- **Domestic Partnership** - California Registered Domestic Partnerships, regardless of whether between same-sex or opposite-sex couples, are recognized as a marriage for purposes of the Social Security Act. However, this is not true of all domestic partnerships. It depends on the state of or nation in which the domestic partnership was entered into. For example, a New York domestic partnership is not recognized by Social Security.

- **Civil Unions** - Here too recognition of the relationship depends on the jurisdiction in which the civil union was entered into. For example, an Oregon civil union is recognized for Social Security, but a French civil union is not.

Other Dependents

The child of a Social Security beneficiary may also qualify for benefits on the retired parent’s account if they are unmarried and (1) under age 18, (2) age 18 to 19 years old and a full-time student (no higher than grade 12), or (3) an adult child with a disability that started before age 22. A spouse under age 62 can receive benefits when caring for the wage earner’s child under age 16. Unmarried stepchildren and grandchildren also may qualify if they are able to demonstrate dependency as defined by Social Security regulations.
Survivors Benefits

Spouse - Survivors benefits are payable to a surviving spouse or divorced spouse over the age of 60 of a deceased wage earner, who is not entitled to a higher benefit on her own earnings record and was married for at least 9 months (10 consecutive years in the case of a divorced spouse). There are a few specific limited exceptions to the 9-month rule, and none to the 10-year rule for a divorced spouse. The age requirement is 50 for a spouse who is able to establish disability under the Social Security disability standard.

Parents - The parent of a deceased wage earner who was dependent on the wage earner for support may be entitled to benefits if the parent is over age 62.

Children - Unmarried children of the deceased wage earner are entitled to benefits until age 18 (or up to age 19 if they are attending elementary or secondary school full-time). A surviving spouse of any age is entitled to benefits while caring for the deceased wage earner’s children under age 16.

Disabled Adult Children - Unmarried, disabled adult children of the deceased wage earner are entitled to benefits if the onset of disability occurred before age 22.

Currently Insured Status - It is possible to receive children’s benefits or disabled adult child’s benefits even if the decedent was not fully insured at the time of death, if the decedent had credits for 6 of the 13 consecutive quarters ending with the quarter of death. This is referred to as “currently insured” status. Currently insured status also is sufficient for receipt of benefits as a spouse caring for a child under age 16.
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Social Security Disability Insurance

Social Security Disability Insurance is also often referred to as SSDI or simply DI. While SSDI accounts for only about 15% of all Social Security Title II beneficiaries, it accounts for the overwhelming majority of contested claims because an individualized disability determination must be made in each case.

In addition to the disabled worker, others who can receive benefits on the disabled worker’s earnings records include:

- The disabled worker’s spouse or divorced spouse if over age 62,
- An unmarried child under age 18 (or between age 18-19 if child is a full-time student in a grade no higher than grade 12),
- An unmarried disabled adult child if the onset of disability was prior to age 22, and
- A spouse caring for a child, under age 16, who is entitled to benefits.

Eligibility for SSDI - In order to receive SSDI, the individual must be: (1) disabled; (2) fully insured; and (3) “disability insured.”

“Disability Insured” Status - A person has “disability insured” status if she has worked 20 of the last 40 quarters preceding onset of disability. A special rule exists for individuals under age 31. SSA has adopted a five step sequential evaluation process that the state agencies must use to determine if someone meets the disability standard mandated by the Social Security Act.

Increased Importance of SSDI for Older People - SSDI has assumed increased importance as an alternative to early retirement because of the increase in the full retirement age and the resultant greater reduction in benefits for early retirement. It also increased in importance because of the large number of wage earners over age 60 who lost their jobs in the recession with little prospect of finding new employment. These older individuals must still meet SSA’s disability standard to receive SSDI benefits.

Social Security Disability Standard

The adult standards for determining disability for SSDI, SSI, and Medi-Cal are all the same. However, the Social Security disability definition is different from the definitions used in other programs, such as the Americans with Disabilities Act (ADA), state disability insurance, or Veterans benefits.

The Social Security Act defines disability as:

“inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.”

The combined effect of a person’s impairments must be “of such severity that he is not only unable to do his previous work but cannot, considering age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy.”

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State Agencies Make Disability Determinations

State agencies make all initial and reconsidered disability determinations, subject to appeal to SSA. In California, it is the California Department of Social Services Disability Determination Service Division (DDSD) that makes these disability determinations.

Sequential Evaluation Process

SSA has adopted a five-step sequential evaluation process that the state agencies must use to determine if someone meets the disability standard mandated by the Social Security Act.

**Step One** - Is the claimant currently working and, if so, are they engaging in “substantial gainful activity (SGA)?” If the answer is yes and the claimant is engaging in SGA, the evaluation process comes to an end and the claim is denied. If the answer is no, then the evaluation proceeds to Step Two.

SGA is determined by reference to gross wages unless there is a subsidy or special circumstance involved and the amount paid does not fully reflect the work performed by the claimant. In that case, the subsidy is subtracted from gross wages to determine whether the claimant is engaged in SGA.

Also, if the individual has Impairment Related Work Expenses (IRWE), then those expenses are subtracted from gross wages to determine if there is SGA.

**What is SGA?** SSA uses an earnings test to determine if work activity constitutes SGA. For work done in 2020, earnings of $1,260 per month ($2,110 for blind people) indicate SGA. This amount is changed annually to reflect the change in average wages.

**Step Two** - If the claimant is not engaging in SGA, the next question is whether they have a “severe” medically determinable impairment or combination of medically determinable impairments. If the answer is no, the claim is denied. If the answer is yes, then the evaluation proceeds to Step Three.

The severity test is a relatively minimal one. It requires that the impairment or combination of impairments “significantly” limits the “physical or mental ability to do basic work activities.” Where there is a combination of impairments, it is not necessary that any single one be “severe,” only that the combination of impairments be “severe.”

**Claimants Age 72 or Over** - SSA has issued special instructions for claimants applying for SSI who are age 72 or over. For anyone age 72 or over with a medically determinable impairment, there will be no need to show that the impairment is severe. Severity will be presumed.

**Step Three** - If the claimant has a severe impairment or combination of impairments, the next step is to see if the impairment meets or equals a listing in SSA’s Listing of Impairments. If the impairment meets or equals a listing, then the claimant is disabled. If not, the evaluation proceeds to Step Four.
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What is the Listing of Impairments? The Listing of Impairments is a list of impairments with specific detailed medical criteria for each disease or impairment. If these criteria are met or equaled, it is assumed that there will be functional limitations to such a degree that a person will not be able to work regardless of age, education, or work experience.

Step Four - The question at Step Four is whether the claimant retains the residual functional capacity to return to past relevant work. If the answer is yes, then the claim is denied regardless of whether the work is available or even exists in the national economy. This step can pose a particular problem for immigrants whose previous job in another country may not exist in the United States.

Step Five - If the claimant cannot return to past work, the next and final step is to determine, taking into account the claimant's age, education, and work experience, whether there are other jobs which exist in significant numbers in the economy that the claimant can perform. This is the step at which age is an advantage. SSA assumes that the older a person is, the more difficult it will be for them to adjust to a new job. Thus, it is far more likely that a claim will be allowed for a claimant of “advanced age” (55 or over) at this step than it is for a “younger individual” (under age 45).

Continuing Disability Reviews (CDRs)

Anyone receiving SSDI or SSI Disability is likely to be subject to Continuing Disability Reviews (CDRs) to determine if she still is disabled and should continue to receive benefits. The frequency of CDRs depends on the nature of the impairment and whether improvement is expected. Unlike the initial application process where the burden is on the individual to show disability, in the CDR context the burden is on the agency to show that there has been medical improvement related to the ability to work since the initial determination was made, and that the individual no longer meets the disability standard.

CDRs are conducted by the state agency (DDSD in California). If DDSD determines that the individual is no longer disabled and that benefits should cease, a hearing can be requested before a disability hearing officer at the state agency. If the state disability hearing officer affirms the determination that the claimant is no longer disabled, the decision can be appealed to a Social Security Administration Administrative Law Judge (ALJ). In medical cessation cases the claimant has a right to continue receiving benefits through the ALJ decision, if the determination is appealed within ten days from receiving notice of the adverse determination. An additional five days are allowed for mailing.

Return to Work - If an SSDI beneficiary returns to work, earnings must be reported to SSA. However, full benefits are paid for a trial work period which continues until the beneficiary has completed nine (not necessarily consecutive) months with earnings of at least $910 per month, after deduction of impairment-related work expenses (IRWEs). After the Trial Work Period, there is a 36-month period of extended eligibility. During this period, the beneficiary can receive benefits for any month in which earnings fall below the SGA level ($1,260 in 2020).

Note - Medical cessation cases are the only Social Security Title II cases where the claimant has a right to continued benefits during a pending appeal from an adverse determination.
SSA’s Administrative Appeals Process

SSA has a four-step administrative appeals process. It applies to both Social Security and SSI.

**Step One: Initial Determination** - The initial determination is made in the SSA District Office, except disability determinations which are made in the state agency (DDSD in California). The individual should receive a written notice of that determination advising her that she has 60 days (SSA allows another five days for mailing) in which to appeal.

**Step Two: Reconsideration** - This step also takes place at the District Office (or DDSD in the case of disability determinations) or a regional program center. For all Social Security cases, except appeal of an adverse decision on a continuing disability review (CDR) or on a request for waiver of recovery of an overpayment, reconsideration comes in the form of a “case review.” Different procedural options exist for some SSI cases.

A “case review” is a review of the paper record and does not involve a personal appearance or an opportunity to present witnesses. The percentage of claimants who win at this stage is quite low.

In the case of an appeal from a CDR decision, there is a right to an oral hearing at DDSD. Continued benefits are paid pending the hearing decision if the beneficiary requests the hearing within ten days (plus five days for mailing) of the notice of an adverse CDR determination.

**Step Three: Administrative Law Judge (ALJ) Hearing** - If the claim is denied on reconsideration, the individual has 60 days (plus five days for mailing) to further appeal to the Social Security Administration's Office of Hearings Operations (OHO). This time, it will be for an evidentiary hearing before an Administrative Law Judge (ALJ). At the ALJ hearing, the claimant can present witnesses and can request the ALJ to subpoena witnesses and documents. This step is the same for all types of appeals. In medical cessation cases, benefits continue through the ALJ decision if the appeal from reconsideration is filed in time.

Unlike reconsideration, a high percentage of cases get reversed at this stage of the process. Most claimants are (and should be) represented by counsel at the ALJ hearing. It is extremely important that all relevant issues be raised at the ALJ hearing, as it may not be possible to raise additional issues later in the process.

ALJs, although employed by SSA, have a great deal of independence from the agency. Unlike the people who make initial and reconsideration decisions, they are not bound by the POMS or other subregulatory statements of agency policy. They are, however, bound by SSA regulations. The overwhelming majority of cases that reach the ALJ stage of appeal and beyond are disability determination cases. As a result, this is the area in which ALJs have the greatest degree of expertise. Their knowledge may be comparatively lacking when it comes to other issues that may reach an ALJ.

**Step Four: Appeals Council** - A claimant has 60 days (plus five days for mailing) to request the Appeals Council review of an adverse ALJ decision. Review by the Appeals Council is discretionary and in the overwhelming majority of cases they simply deny review. Although it does not happen often, the Appeals Council can also take a case on “own motion” review to review an ALJ decision that was favorable to the claimant. The Appeals Council is the last step within the SSA administrative appeal process.
Good Cause for Late Appeal

The Social Security regulations contain liberal good cause provisions for filing an appeal after the deadline has passed. These regulations apply at any stage, but most often come into play with respect to late requests for reconsideration, often because the beneficiary did not understand the notice or did not understand the importance of acting in a timely fashion.

Common reasons for good cause for a late appeal include limited facility in English and cognitive or mental impairments that prevented the individual from either understanding the content of the notice or appreciating the importance of a timely appeal. The regulation contains a useful list of possible reasons for good cause, but it should be remembered that the list is not exhaustive. While the regulation is a good one, it should never be regarded as a substitute for timely filing an appeal. A copy of the good cause regulation for Social Security is included at the end of the chapter. (See pg. 29). The SSI regulation on good cause for late filing is identical.

Note: U.S. District Court - A claimant has 60 days (plus five days for mailing) to appeal to federal court from an adverse Appeals Council decision or from a denial of review by the Appeals Council.
Overpayments

An overpayment occurs when a beneficiary receives a greater amount of benefits than the amount to which she is entitled in a given month. Overpayments are relatively rare for Social Security beneficiaries, except for those who are receiving SSDI. For SSDI beneficiaries, the most common source of overpayment results from the continued payment of benefits when a beneficiary has returned to work, has exhausted the Trial Work Period, and is engaged in Substantial Gainful Activity (SGA). Overpayments also result when a beneficiary dies and the spouse or other family member continues to receive their benefits. Similarly, excess earnings in early retirement can result in an overpayment.

If the beneficiary disputes either the existence or amount of the overpayment, the assessment of the overpayment can be appealed through SSA’s administrative appeals process. If, on the other hand, the beneficiary does not dispute the existence or amount of the overpayment and the amount of the overpayment is $1,000 or more, the best option for those who have the means to do so is simply to return the money. Unfortunately, most beneficiaries facing overpayments do not have the means to do that.

Another option is to request waiver of collection of the overpayment. There is a right to waiver if (1) the beneficiary was without fault, and (2) recovery would either (a) defeat the purpose of Title II or (b) be against equity and good conscience. Recovery is considered to defeat the purpose of Title II if the beneficiary uses substantially all of her income to meet “ordinary and necessary living expenses,” and if resources are less than $3,000 for an individual or $5,000 for a couple, plus $600 for each additional dependent.

Also, if the amount of the overpayment is less than $1,000 and a waiver is requested, SSA generally will grant the waiver as a matter of administrative convenience.

Note - SSA must wait at least 65 days from the date of the notice of overpayment before beginning efforts to recover the overpayment. If a waiver is requested, recovery efforts are further suspended until after the waiver request has been reviewed and, if not approved initially, until after a personal conference has been held to review the waiver request. If the waiver request is denied after the personal conference, the claimant can proceed with SSA’s administrative appeals process by requesting a reconsideration if they are an SSI recipient, or by requesting a hearing before an ALJ if they are a Title II beneficiary.

If it is ultimately determined that there is an overpayment and that the overpayment is not subject to the waiver, SSA will recover the overpayment through adjustment of future benefits if the individual is still receiving benefits. If the person is not receiving benefits, SSA can pursue other collection efforts including an offset of the individual’s income tax refund or administrative wage garnishment.
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Retirement Planner, Benefits by Year of Birth .....................................................................1-28

Good Cause For Missing the Deadline to Request Review ..............................................1-29
Chapter One: Social Security

If you need an interpreter

We provide free interpreter services on request to conduct your Social Security business. Please call us first so that someone who speaks your language will be available to help you.

Call 1-800-772-1213 Monday through Friday between 7 a.m. and 7 p.m.
### Quarters of Coverage Under Title II of the Social Security Act

<table>
<thead>
<tr>
<th>Year</th>
<th>Required Wages for One Quarter of Coverage</th>
<th>Required Wages for Four Quarters of Coverage</th>
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<tr>
<td>1988</td>
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# Chapter One: Social Security

<table>
<thead>
<tr>
<th>Year</th>
<th>Required Wages for One Quarter of Coverage</th>
<th>Required Wages for Four Quarters of Coverage</th>
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</thead>
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<tr>
<td>1987</td>
<td>$460</td>
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<td>1982</td>
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<td>1981</td>
<td>$310</td>
<td>$1,240</td>
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<tr>
<td>1980</td>
<td>$290</td>
<td>$1,160</td>
</tr>
</tbody>
</table>

Beginning January 1, 1978, and continuing, quarters of coverage (earning credits) are granted on the total wages for the calendar year.

<table>
<thead>
<tr>
<th>Year</th>
<th>Required Wages for One Quarter of Coverage</th>
<th>Required Wages for Four Quarters of Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977 and earlier</td>
<td>$50</td>
<td>$200</td>
</tr>
</tbody>
</table>

1 Wages had to be earned during the calendar year quarter of credit (the 3 month period ending 3/31, 6/30, 9/30, 12/31), except for farmworkers who could earn it anytime during the year.
Your payment would be about $1,986 a month at full retirement age

WANDA WORKER
456 ANYWHERE AVENUE
MAINTOWN, USA 11111-1111

May 1, 2020

Your Social Security Statement

Are you thinking about retirement? Are you ready for retirement?

We have tools that can help you!

• Estimate your future retirement benefits at socialsecurity.gov/estimator
• Apply for retirement, spouse’s, Medicare, or disability benefits at socialsecurity.gov/applyforbenefits
• And once you receive benefits, manage your benefits at myaccount.socialsecurity.gov

Your Social Security Statement tells you about how much you or your family would receive in disability, survivor, or retirement benefits. It also includes our record of your lifetime earnings. Check out your earnings history, and let us know right away if you find an error. This is important because we base your benefits on our record of your lifetime earnings.

Social Security benefits are not intended to be your only source of income when you retire. On average, Social Security will replace about 40 percent of your annual pre-retirement earnings. You will need other savings, investments, pensions, or retirement accounts to live comfortably when you retire.

To see your Statement online anytime, create a my Social Security account at myaccount.socialsecurity.gov.

To view your Social Security Statement online anytime create a my Social Security account today!

Follow the Social Security Administration at these social media sites.
Your Estimated Benefits

*Retirement  You have earned enough credits to qualify for benefits. At your current earnings rate, if you continue working until... your full retirement age (67 years), your payment would be about $1,986 a month age 70, your payment would be about $2,468 a month age 62, your payment would be about $1,376 a month

*Disability  You have earned enough credits to qualify for benefits. If you became disabled right now, your payment would be about $1,956 a month

*Family  If you get retirement or disability benefits, your spouse and children also may qualify for benefits.

*Survivors  You have earned enough credits for your family to receive survivors benefits. If you die this year, certain members of your family may qualify for the following benefits: Your child $1,467 a month Your spouse who is caring for your child $1,467 a month Your spouse, if benefits start at full retirement age $1,956 a month Total family benefits cannot be more than $3,568 a month

Medicare  You have enough credits to qualify for Medicare at age 65. Even if you do not retire at age 65, be sure to contact Social Security three months before your 65th birthday to enroll in Medicare.

* Your estimated benefits are based on current law. Congress has made changes to the law in the past and can do so at any time. The law governing benefit amounts may change because, by 2035, the payroll taxes collected will be enough to pay only about 79 percent of scheduled benefits.

We based your benefit estimates on these facts: Your date of birth (please verify your name on page 1 and this date of birth) April 5, 1960 Your estimated taxable earnings per year after 2018 $50,653 Your Social Security number (only the last four digits are shown to help prevent identity theft) XXX-XX-1234

How Your Benefits Are Estimated

To qualify for benefits, you earn “credits” through your work — up to four each year. This year, for example, you earn one credit for each $1,410 of wages or self-employment income. When you’ve earned $5,640, you’ve earned your four credits for the year. Most people need 40 credits, earned over their working lifetime, to receive retirement benefits. For disability and survivors benefits, young people need fewer credits to be eligible.

We checked your records to see whether you have earned enough credits to qualify for benefits. If you haven’t earned enough yet to qualify for any type of benefit, we can’t give you a benefit estimate now. If you continue to work, we’ll give you an estimate when you do qualify.

What we assumed — If you have enough work credits, we estimated your benefit amounts using your average earnings over your working lifetime. For 2020 and later (up to retirement age), we assumed you’ll continue to work and make about the same as you did in 2018 or 2019. We also included credits we assumed you earned last year and this year.

Generally, the older you are and the closer you are to retirement, the more accurate the retirement estimates will be because they are based on a longer work history with fewer uncertainties such as earnings fluctuations and future law changes. We encourage you to use our online Retirement Estimator at www.socialsecurity.gov/estimator to obtain immediate and personalized benefit estimates.

We can’t provide your actual benefit amount until you apply for benefits. And that amount may differ from the estimates stated above because:

(1) Your earnings may increase or decrease in the future.
(2) After you start receiving benefits, they will be adjusted for cost-of-living increases.

(3) Your estimated benefits are based on current law. The law governing benefit amounts may change.

(4) Your benefit amount may be affected by military service, railroad employment or pensions earned through work on which you did not pay Social Security tax. Visit www.socialsecurity.gov to learn more.

Windfall Elimination Provision (WEP) — In the future, if you receive a pension from employment in which you do not pay Social Security taxes, such as some federal, state or local government work, some nonprofit organizations or foreign employment, and you also qualify for your own Social Security retirement or disability benefit, your Social Security benefit may be reduced, but not eliminated, by WEP. The amount of the reduction, if any, depends on your earnings and number of years in jobs in which you paid Social Security taxes, and the year you are age 62 or become disabled. For more information, please see Windfall Elimination Provision (Publication No. 05-10045) at www.socialsecurity.gov/WEP.

Government Pension Offset (GPO) — If you receive a pension based on federal, state or local government work in which you did not pay Social Security taxes and you qualify, now or in the future, for Social Security benefits as a current or former spouse, widow or widower, you are likely to be affected by GPO. If GPO applies, your Social Security benefit will be reduced by an amount equal to two-thirds of your government pension, and could be reduced to zero. Even if your benefit is reduced to zero, you will be eligible for Medicare at age 65 on your spouse’s record. To learn more, please see Government Pension Offset (Publication No. 05-10007) at www.socialsecurity.gov/GPO.
### Your Earnings Record

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<thead>
<tr>
<th>Years You Worked</th>
<th>Your Taxed Social Security Earnings</th>
<th>Your Taxed Medicare Earnings</th>
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<td>2019</td>
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### Total Social Security and Medicare taxes paid over your working career through the last year reported on the chart above:

- **Estimated taxes paid for Social Security:**
  - You paid: $70,698
  - Your employers paid: $72,634

- **Estimated taxes paid for Medicare:**
  - You paid: $17,020
  - Your employers paid: $17,020

**Note:** Currently, you and your employer each pay a 6.2 percent Social Security tax on up to $137,700 of your earnings and a 1.45% percent Medicare tax on all your earnings. If you are self-employed, you pay the combined employee and employer amount, which is a 12.4 percent Social Security tax on up to $137,700 of your net earnings and a 2.9% percent Medicare tax on your entire net earnings.

*If you have earned income of more than $200,000 ($250,000 for married couples filing jointly), you must pay 0.9 percent more in Medicare taxes.

### Help Us Keep Your Earnings Record Accurate

You, your employer and Social Security share responsibility for the accuracy of your earnings record. Since you began working, we recorded your reported earnings under your name and Social Security number. We have updated your record each time your employer (or you, if you’re self-employed) reported your earnings.

Remember, it’s your earnings, not the amount of taxes you paid or the number of credits you’ve earned, that determine your benefit amount. When we figure that amount, we base it on your average earnings over your lifetime. If our records are wrong, you may not receive all the benefits to which you’re entitled. **Review this chart carefully** using your own records to make sure our information is correct and that we’ve recorded each year you worked. You’re the only person who can look at the earnings chart and know whether it is complete and correct.

Some or all of your earnings from last year may not be shown on your Statement. It could be that we still were processing last year’s earnings reports when your Statement was prepared. Your complete earnings for last year will be shown on next year’s Statement. **Note:** If you worked for more than one employer during any year, or if you had both earnings and self-employment income, we combined your earnings for the year.

**There’s a limit on the amount of earnings on which you pay Social Security taxes each year.** The limit increases yearly. Earnings above the limit will not appear on your earnings chart as Social Security earnings. (For Medicare taxes, the maximum earnings amount began rising in 1991. Since 1994, all of your earnings are taxed for Medicare.)

**Call us right away at 1-800-772-1213** (7 a.m.–7 p.m. your local time) if any earnings for years before last year are shown incorrectly. Please have your W-2 or tax return for those years available. (If you live outside the U.S., follow the directions at the bottom of page 4.)
Chapter One: Social Security

Some Facts About Social Security

About Social Security and Medicare...
Social Security pays retirement, disability, family and survivors benefits. Medicare, a separate program run by the Centers for Medicare & Medicaid Services, helps pay for inpatient hospital care, nursing care, doctors’ fees, drugs, and other medical services and supplies to people age 65 and older, as well as to people who have been receiving Social Security disability benefits for two years or more. Medicare does not pay for long-term care, so you may want to consider options for private insurance. Your Social Security covered earnings qualify you for both programs. For more information about Medicare, visit www.medicare.gov or call 1-800-633-4227 (TTY 1-877-486-2048 if you are deaf or hard of hearing).

Retirement — If you were born before 1938, your full retirement age is 65. Because of a 1983 change in the law, the full retirement age will increase gradually to 67 for people born in 1960 and later.

Some people retire before their full retirement age. You can retire as early as 62 and take benefits at a reduced rate. If you work after your full retirement age, you can receive higher benefits because of additional earnings and credits for delayed retirement.

Disability — If you become disabled before full retirement age, you can receive disability benefits after six months if you have:
— enough credits from earnings (depending on your age, you must have earned six to 20 of your credits in the three to 10 years before you became disabled); and
— a physical or mental impairment that’s expected to prevent you from doing “substantial” work for a year or more or result in death.

If you are filing for disability benefits, please let us know if you are on active military duty or are a recently discharged veteran, so that we can handle your claim more quickly.

Family — If you’re eligible for disability or retirement benefits, your current or divorced spouse, minor children or adult children disabled before age 22 also may receive benefits. Each may qualify for up to about 50 percent of your benefit amount.

Survivors — When you die, certain members of your family may be eligible for benefits:
— your spouse age 60 or older (50 or older if disabled, or any age if caring for your children younger than age 16); and
— your children if unmarried and younger than age 18, still in school and younger than 19 years old, or adult children disabled before age 22.

If you are divorced, your ex-spouse could be eligible for a widow’s or widower’s benefit on your record when you die.

Extra Help with Medicare — If you know someone who is on Medicare and has limited resources and income, Extra Help is available for prescription drug costs. The Extra Help can help pay the monthly premiums, annual deductibles and prescription co-payments. To learn more or to apply, visit www.socialsecurity.gov or call 1-800-772-1213 (TTY 1-800-325-0778).

Receive benefits and still work...
You can work and still get retirement or survivors benefits. If you’re younger than your full retirement age, there are limits on how much you can earn without affecting your benefit amount. When you apply for benefits, we’ll tell you what the limits are and whether work would affect your monthly benefits. When you reach full retirement age, the earnings limits no longer apply.

Before you decide to retire...
Carefully consider the advantages and disadvantages of early retirement. If you choose to receive benefits before you reach full retirement age, your monthly benefits will be reduced.

To help you decide the best time to retire, we offer a free publication, When To Start Receiving Retirement Benefits (Publication No. 05-10147), that identifies the many factors you should consider before applying. Most people can receive an estimate of their benefit based on their actual Social Security earnings record by going to www.socialsecurity.gov/estimator. You also can calculate future retirement benefits by using the Social Security Benefit Calculators at www.socialsecurity.gov.

Other helpful free publications include:
— Retirement Benefits (No. 05-10035)
— Understanding The Benefits (No. 05-10024)
— Your Retirement Benefit: How It Is Figured (No. 05-10070)
— Windfall Elimination Provision (No. 05-10045)
— Government Pension Offset (No. 05-10007)
— Identity Theft And Your Social Security Number (No. 05-10064)

We also have other leaflets and fact sheets with information about specific topics such as military service, self-employment or foreign employment. You can request Social Security publications at our website, www.socialsecurity.gov, or by calling us at 1-800-772-1213. Our website has a list of frequently asked questions that may answer questions you have. We have easy-to-use online applications for benefits that can save you a telephone call or a trip to a field office.

You also may qualify for government benefits outside of Social Security. For more information on these benefits, visit www.benefits.gov.

If you need more information — Visit www.socialsecurity.gov on the Internet, contact any Social Security office, call 1-800-772-1213 or write to Social Security Administration, Office of Earnings Operations, P.O. Box 33026, Baltimore, MD 21202-3026. If you’re deaf or hard of hearing, call TTY 1-800-325-0778. If you have questions about your personal information, you must provide your complete Social Security number. If your address is incorrect on this Statement, ask the IRS to send you a Form 8822. We don’t keep your address if you’re not receiving Social Security benefits.
Thinking of retiring?

Some things to consider

Retirement can have more than one meaning these days. It can mean that you have applied for Social Security retirement benefits or that you are no longer working. Or it can mean that you have chosen to receive Social Security while still working, either full or part-time. All of these choices are available to you. Your retirement decisions can have very real effects on your ability to maintain a comfortable retirement.

If you retire early, you may not have enough income to enjoy the years ahead of you. Likewise, if you retire late, you'll have a larger income, but fewer years to enjoy it. Everyone needs to try to find the right balance, based on his or her own circumstances.

We hope the following information will help you as you plan for your future retirement and consider your retirement options.

What is the best option for you?

Everyone's situation is different. That is why Social Security has created several retirement planners to help you decide what would be best for you and your family. Social Security has an online calculator that can provide immediate and accurate retirement benefit estimates to help you plan for your retirement.

The online Retirement Estimator is a convenient, secure, and quick financial planning tool. It uses your own earnings record information, thereby eliminating any need to manually key in years of earnings information. The estimator also will let you create “what if” scenarios. You can, for example, change your “stop work” date or expected future earnings to create and compare different retirement options. To use the Retirement Estimator, go to our website at www.socialsecurity.gov/estimator.

Avoid a Medicare Penalty

Sign Up at Age 65

Even if you don't plan to receive monthly benefits, be sure to sign up for Medicare three months before turning age 65. If you don't sign up for Medicare Part B (medical insurance) when you're first eligible, your coverage may not start right away and you may have to pay a late enrollment penalty for as long as you have it. You can apply online. Visit www.socialsecurity.gov/medicareonly for information and to apply.

There is one more thing you should remember as you crunch the numbers for your retirement. You may need your income to be sufficient for a long time, because people are living longer than ever before, and generally, women tend to live longer than men. For example:

- The typical 65-year-old today will live to age 83;
- One in four 65-year-olds will live to age 90; and
- One in ten 65-year-olds will live to age 95.

Once you decide on the best age for you to actually retire, remember to complete your application three months before the month in which you want retirement benefits to begin.

It’s so easy to apply online for benefits

The easiest way to apply for Social Security retirement benefits is to go online at www.socialsecurity.gov/applyforbenefits. If you do not have access to the Internet, you can call 1-800-772-1213 (TTY number, 1-800-325-0778) between 7 a.m. and 7 p.m., Monday through Friday, to apply by phone. You also can apply at any Social Security office. To avoid having to wait, call first to make an appointment.
Receiving benefits while you work

When you reach your full retirement age, you can work and earn as much as you want and still receive your full Social Security benefit payment. If you are younger than full retirement age and if your earnings exceed certain dollar amounts, some of your benefit payments during the year will be withheld.

This does not mean you must try to limit your earnings. If we withhold some of your benefits because you continue to work, we will pay you a higher monthly benefit amount when you reach your full retirement age.

Many people can continue to work and still receive retirement benefits. If you want more information on how earnings affect your retirement benefits, ask for How Work Affects Your Benefits (Publication No. 05-10069), which has current annual and monthly earnings limits, and is available on our website.

Here is how this works: after you reach full retirement age, we will recalculate your benefit amount to give you credit for any months in which you did not receive some benefit because of your earnings. In addition, as long as you continue to work, we will check your record every year to see whether the additional earnings will increase your monthly benefit.

Retirement age considerations

Full retirement age
For persons born during the years 1943-1954, the full retirement age is 66. If you were not born in this period, you can find your full retirement age on page 2 of your Social Security Statement.

Retiring early
If you've earned 40 credits (credits are explained on page 2 of your Statement), you can start receiving Social Security benefits at 62 or at any month between 62 and full retirement age. However, your benefits will be reduced based on the number of months you receive benefits before you reach full retirement age.

If your full retirement age is 66, benefits will be reduced:
- 25 percent at age 62;
- 20 percent at age 63;
- 13 1/3 percent at age 64; or
- 6 2/3 percent at age 65.

Delaying retirement
You may decide to wait beyond your full retirement age before choosing to receive benefits. If so, your benefit will be increased by a certain percentage for each month you don’t receive benefits between your full retirement age and age 70. This table shows the rate your benefits increase if you delay retiring.

<table>
<thead>
<tr>
<th>Year of birth</th>
<th>Yearly increase rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1941 - 1942</td>
<td>7.5%</td>
</tr>
<tr>
<td>1943 or later</td>
<td>8.0%</td>
</tr>
</tbody>
</table>

Rules that may affect your survivor
If you are married and die before your spouse, he or she may be eligible for a benefit based on your work record. If you start benefits before your full retirement age, we cannot pay your surviving spouse a full benefit from your record. Also, if you wait until after your full retirement age to begin benefits, the surviving spouse benefits based on your record will be higher.

Need more information?
You can find answers to frequently asked questions about Social Security, learn about factors that could affect your benefits, and much more by visiting Social Security online at www.socialsecurity.gov.

If you do not have access to the Internet, you can get information about Social Security by calling 1-800-772-1213 (1-800-325-0778 for the deaf or hard of hearing) or by visiting a local Social Security office.

Other useful websites

www.mymoney.gov
This website contains calculators for financial planning and information on money-related matters, such as retirement planning and starting a small business.

www.dol.gov/agencies/ebsa/workers-and-families/preparing-for-retirement
Have you determined how much money you'll need in retirement? There are many tools available to help you, such as the Taking the Mystery Out of Retirement Planning Workbook available at this link.

www.sec.gov/investor/seniors.shtml
Are you looking for information about the investment options available to you as you enter retirement? The Securities and Exchange Commission has a wealth of information on different investment products and topics available at this website.

www.usa.gov/retirement
This website has a variety of retirement-related resources for seniors including information on Social Security, saving for retirement, and protecting one’s private pension benefits.
Benefits By Year Of Birth

Full retirement age is the age at which a person may first become entitled to full or unreduced retirement benefits.

No matter what your full retirement age (also called “normal retirement age”) is, you may start receiving benefits as early as age 62 or as late as age 70.

If You Retire Early

You can retire at any time between age 62 and full retirement age. However, if you start benefits early, your benefits are reduced a fraction of a percent for each month before your full retirement age.

The chart below lists age 62 reduction amounts and includes examples based on an estimated monthly benefit of $1000 at full retirement age. Select your year of birth to find out how much your benefit will be reduced if you retire between age 62 and full retirement age.

If your birthday is on January 1st, we figure your benefit as if your birthday was in the previous year.

<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full (normal) Retirement Age</th>
<th>Months between age 62 and full retirement age</th>
<th>A $1000 retirement benefit would be reduced to</th>
<th>The retirement benefit is reduced by</th>
<th>A $500 spouse's benefit would be reduced to</th>
<th>The spouse's benefit is reduced by</th>
</tr>
</thead>
<tbody>
<tr>
<td>1937 or earlier</td>
<td>65</td>
<td>36</td>
<td>$800</td>
<td>20.00%</td>
<td>$375</td>
<td>25.00%</td>
</tr>
<tr>
<td>1938</td>
<td>65 and 2 months</td>
<td>38</td>
<td>$791</td>
<td>20.83%</td>
<td>$370</td>
<td>25.83%</td>
</tr>
<tr>
<td>1939</td>
<td>65 and 4 months</td>
<td>40</td>
<td>$783</td>
<td>21.67%</td>
<td>$366</td>
<td>26.67%</td>
</tr>
<tr>
<td>1940</td>
<td>65 and 6 months</td>
<td>42</td>
<td>$775</td>
<td>22.50%</td>
<td>$362</td>
<td>27.50%</td>
</tr>
<tr>
<td>1941</td>
<td>65 and 8 months</td>
<td>44</td>
<td>$766</td>
<td>23.33%</td>
<td>$358</td>
<td>28.33%</td>
</tr>
<tr>
<td>1942</td>
<td>65 and 10 months</td>
<td>46</td>
<td>$758</td>
<td>24.17%</td>
<td>$354</td>
<td>29.17%</td>
</tr>
<tr>
<td>1943-1954</td>
<td>66</td>
<td>48</td>
<td>$750</td>
<td>25.00%</td>
<td>$350</td>
<td>30.00%</td>
</tr>
<tr>
<td>1955</td>
<td>66 and 2 months</td>
<td>50</td>
<td>$741</td>
<td>25.83%</td>
<td>$345</td>
<td>30.83%</td>
</tr>
<tr>
<td>1956</td>
<td>66 and 4 months</td>
<td>52</td>
<td>$733</td>
<td>26.67%</td>
<td>$341</td>
<td>31.67%</td>
</tr>
<tr>
<td>1957</td>
<td>66 and 6 months</td>
<td>54</td>
<td>$725</td>
<td>27.50%</td>
<td>$337</td>
<td>32.50%</td>
</tr>
<tr>
<td>1958</td>
<td>66 and 8 months</td>
<td>56</td>
<td>$716</td>
<td>28.33%</td>
<td>$333</td>
<td>33.33%</td>
</tr>
<tr>
<td>1959</td>
<td>66 and 10 months</td>
<td>58</td>
<td>$708</td>
<td>29.17%</td>
<td>$329</td>
<td>34.17%</td>
</tr>
<tr>
<td>1960 and later</td>
<td>67</td>
<td>60</td>
<td>$700</td>
<td>30.00%</td>
<td>$325</td>
<td>35.00%</td>
</tr>
</tbody>
</table>

1. If you were born on January 1st, you should refer to the previous year.
2. If you were born on the 1st of the month, we figure your benefit (and your full retirement age) as if your birthday was in the previous month. If you were born on January 1st, we figure your benefit (and your full retirement age) as if your birthday was in December of the previous year.
3. You must be at least 62 for the entire month to receive benefits.
4. Percentages are approximate due to rounding.
5. The maximum benefit for the spouse is 50% of the benefit the worker would receive at full retirement age. The % reduction for the spouse should be applied after the automatic 50% reduction. Percentages are approximate due to rounding.
Pros And Cons

There are advantages and disadvantages to taking your benefit before your full retirement age. The advantage is that you collect benefits for a longer period of time. The disadvantage is your benefit is reduced. Each person's situation is different. It is important to remember:

- if you delay your benefits until after full retirement age, you may be eligible for delayed retirement credits that would increase your monthly benefit;
- that there are other things to consider when making the correct decision about your retirement benefits; and
- to contact Social Security before you decide when to retire.

**ALERT** - If you decide to delay your benefits until after age 65, you should still apply for Medicare benefits within three months of your 65th birthday. If you wait longer, your Medicare medical insurance (Part B) and prescription drug coverage (Part D) may cost you more money.
Chapter One: Social Security

20 CFR § 404.911. Good cause for missing the deadline to request review.

(a) In determining whether you have shown that you had good cause for missing a deadline to request review we consider—

(1) What circumstances kept you from making the request on time;

(2) Whether our action misled you;

(3) Whether you did not understand the requirements of the Act resulting from amendments to the Act, other legislation, or court decisions; and

(4) Whether you had any physical, mental, educational, or linguistic limitations (including any lack of facility with the English language) which prevented you from filing a timely request or from understanding or knowing about the need to file a timely request for review.

(b) Examples of circumstances where good cause may exist include, but are not limited to, the following situations:

(1) You were seriously ill and were prevented from contacting us in person, in writing, or through a friend, relative, or other person.

(2) There was a death or serious illness in your immediate family.

(3) Important records were destroyed or damaged by fire or other accidental cause.

(4) You were trying very hard to find necessary information to support your claim but did not find the information within the stated time periods.

(5) You asked us for additional information explaining our action within the time limit, and within 60 days of receiving the explanation you requested reconsideration or a hearing, or within 30 days of receiving the explanation you requested Appeal Council review or filed a civil suit.

(6) We gave you incorrect or incomplete information about when and how to request administrative review or to file a civil suit.

(7) You did not receive notice of the determination or decision.

(8) You sent the request to another Government agency in good faith within the time limit and the request did not reach us until after the time period had expired.

(9) Unusual or unavoidable circumstances exist, including the circumstances described in paragraph (a)(4) of this section, which show that you could not have known of the need to file timely, or which prevented you from filing timely.