2013 Social Security/SSI/Medicare Information

Social Security Program

٠	Tax Rate*:	Employee 7.65% (6.20% -OASDI, 1.45% - HI) ¹
		Employer 7.65% (6.20% - OASDI, 1.45% - HI)
		Self-employed 15.30% (12.40%-OASDI, 2.90% - HI)
	*Social Secu	rity tax for employers and self-employed can be partially offset under income tax rules.

Maximum Taxable Earnings Base: OASDI-- \$113,700; HI-- No limit

•	Maximum FICA/SECA Taxes:	<u>OASDI</u>	HI
	Employee:	\$7,049.40	No limit
	Employer:	\$7,049.40	No limit
	Self-employed:	\$14,098.80	No limit

• <u>OASDI Covered Workers (est. -- in millions, CY 2013)</u>: <u>Wages</u> <u>Self-employed</u> <u>Combined</u> 150.2 17.4 160.6

- Percent of workers in paid employment or self employment who are covered: 94%
- Estimated Worker/Beneficiary Ratio: 2012: 2.8 to 1 2040: 2.0 to 1
- Earnings Required for a Quarter of Coverage in 2013: \$1,160; (\$4,640 for four)
- <u>Coverage Thresholds for 2013</u>: Self Employment: \$400; Domestic Employment: \$1,800; Election Workers: \$1,600
- <u>Retirement Test Exempt Amounts</u>:

 --No test beginning with month of attaining full retirement age (FRA)
 --For pre-FRA months in year attaining FRA: -- \$40,080 annually, \$3,340 monthly (\$1 for \$3 withholding rate)
 --Under FRA: --\$15,120 annually, \$1,260 monthly (\$1 for \$2 withholding rate)
- <u>Substantial Gainful Activity</u>: \$1,040/mo. for non-blind, disabled; \$1,740/mo. for blind.
- Trial Work Period Service Month: \$750/mo.

•	Minimum Earnings for "Year of Coverage:	2013
	Special Minimum:	\$12,645
	Windfall Elimination Provision:	\$21,075

• <u>Formulae Bend Points</u>: (Applicable to workers who reach age 62, become disabled, or die in 2013)

Primary Insurance Amount (PIA)	OASI Maximum Family Benefit (MFB)
90% of first \$791 of AIME, plus	150% of first \$1,011 of PIA, plus
32% of AIME over \$791 through \$4,768, +	272% of PIA over \$1,011 through \$1,459 +
15% of AIME over \$4,768	134% of PIA over \$1,459 through \$1,903 +
	175% of PIA over \$1,903

(DI MFB ranges from 100% - 150% of the PIA, depending on the PIA level)

•	Average Monthly Benefits:	12/12
	Retired worker:	\$1,262
	Retired worker and aged spouse:	2,051
	Disabled worker:	1,130
	Disabled worker, spouse, and children:	1,915
	Aged widow(er):	1,215
	Widowed mother/father and 2 children:	2,551

¹ The *Affordable Care Act* increases the HI tax by 0.9 percent for single filers with wages above \$200,000 and joint filers with wages above \$250,000 beginning in 2013.

•	Benefits for 1/2013 Retir	ees :	Age 62 (1	FRA 66)	FRA (Ag	ge 66)
			PIA	Benefit	PIA	Benefit
	Scaled low earner		\$ 974 .60	\$730	\$965.60	\$965
	Scaled medium earner	r	1,605.30	1,203	1,590.40	1,590
	Maximum earner	L	2,550.10	1,203	2,533.50	2,533
	Maximum earner		2,330.10	1,912	2,355.50	2,355
•	Long Dongo Constant Dr	a Datiromant Forning	Danlagaman	Doto: Doti	romant at Aga 6	7 in 2020 or later
•	Long-Range Constant Pr Scaled low earner (45% of		Scaled med			num earner: 27%
	Scaled IOW earlier (45%)	51 avg. wages). 55%,	Scaled filed	ium earner.	41%, Maxin	num earner. 27%
•	Number of OASDI Bene	ficiarias (as of 12/12).				
•	Total OASDI beneficia			56.8 milli	on	
	Retired workers and fai			39.6 milli		
	-Retired worker			39.0 milli 36.7 milli		
		5.		2.3 milli		
	-Spouses: -Children:			0.6 milli		
	Survivors of deceased					
				6.3 milli		
	-Aged surviving			3.9 milli		
	-Disabled surviv			0.3 milli		
		ses w/ child-in-care:		0.2 milli		
	-Children:			1.9 milli		
	DI beneficiaries:			10.9 milli		
	-Disabled worke	ers:		8.8 milli		
	-Spouses:			0.2 milli		
	-Children:			1.9 milli	ion	
•	Number of OASDI Child	lren Beneficiaries (12/	12).			
•	-Total:	iren Denemeraries (12/	<u>12)</u> .	4,419,40	4	
	-Children under age 18:			3,258,45		
	-Students:			154,27		
	-Disabled Children:			1,006,66		
	Disubled Children.			1,000,00	0	
•	Special Minimum PIA:					
	The highest special minin	mum PIA = \$804 (30 y	years of cover	age)		
		· · · ·		0 /		
•	Full Retirement Age Sch	edule — by Year of B	irth:			
	1938 - 65/2 mos.	1942 - 65			1957 - 66/6 mos	3.
	1939 - 65/4 mos.	1943 - 54	- 66	i i	1958 - 66/8 mos	3.
	1940 - 65/6 mos.	1955 - 66	/2 mos.		1959 - 66/10 mo	os.
	1941 - 65/8 mos.	1956 - 66			1960+ - 67	
		·		'		
٠	Taxation of Benefits %	of Benefits Taxed:				
	<u>% Taxed</u>	Income Threshold		ng Status		
	up to 50%	\$25,000 - \$34,000	Ind	ividual		
		\$32,000 - \$44,000	Joir	nt		
	up to 85%	\$34,000 +		ividual		
		\$44,000 +	Joir	nt		
٠	Average Wage Level:	2011: \$42,979	2012: \$44	4,644 (est)		
٠	Maximum Amount of W	Vindfall Elimination Pr	ovision (WE	P) reduction	<u>:</u> 2013: \$396	
٠	OASDI Benefit Payment	<u>s (FY 2012):</u>				
	OASI: \$627.2 billion					
	DI: 135.1 billion					
	OASDI: 762.3 billion					
٠	OASDI Administrative E	Expenses (FY 2012):	OAS		<u>DI</u>	OASDI
	Amount (in billions)		\$ 2.8		\$2.8	\$5.5
	Percent of Benefit Payme	ents	0.4	%	2.1%	0.7%

• OASI/DI Trust Funds' Operations (in billions based on intermediate assumptions in 2012 Trustees Report):

		_	Funds' Ass	sets .
Calendar Year	Income	<u>Outgo</u>	Net Incr.	EOY Balance
2011	\$805	\$736	\$69	\$2,678
2012 (est)	\$846	\$789	\$57	\$2,735

• Key dates from 2012 OASDI Trustees Report (using intermediate assumptions):

2012 Expenditures exceed tax income and remain in excess thereafter.

2021 Expenditures exceed total income and remain in excess thereafter.

- 2033 OASDI Trust Fund assets are exhausted. Then-current Social Security taxes would support about 75% of the expected benefits.
- Estimated long-range deficit: 2.67 percent of taxable payroll.

 Percent of Beneficiaries Retired and Disabled: 	2011: 49% Women retired	48% Women disabled
	51% Men retired	52% Men disabled

• <u>Percent of Social Security Income that Accounts for Beneficiaries' Total Income in 2010 (latest data available):</u> 50% accounts for 53% of aged couples; 74% accounts for aged non-married 90% accounts for 23% of aged couples; 46% accounts for aged non-married

SSI Program

SSI Payment Standard: (Federal Maximum) \$710 individual, \$1,066 couple

- <u>Resource Limits</u>: Individual------ \$2,000 Couple----- \$3,000
- Number of SSI Recipients and Average Payments (as of 12/12):

	Recipients	Average Payments
Total	8,262,877	\$ 519
Aged	1,156,187	409
Blind and Disabled	7,106,690	537
SSI Beneficiaries by Age: Under 18	1,311,861	\$ 621
Age 18-64	4,869,4846	536
Age 65 and Over	2,081,532	417

- <u>SSI Expenditures FY 2012²</u>
- Federal SSI payments ------ \$47.1 billion
- Federally Administered State Supplements ------ \$3.1 billion

Social Security and SSI Information

•	Number of people receiving monthly benefits from SSA (as of 12/12):		
	-OASDI Benefits only	53.6 million	
	-SSI Benefits only	5.5 million	
	-OASDI and SSI Benefits Concurrently	2.8 million	
	Total	61.9 million	
•	Program Accuracy:		
	OASDI Program Dollar Accuracy Rate (Noi	medical Factors) FY 20	

UASDI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2011

-- 99.7% of payment outlays without an overpayment

-- 99.9 % of payment outlays without an underpayment

SSI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2011

- -- 92.7 % of payment outlays without overpayment
- -- 98.2% of payment outlays without underpayment

² FY 2012 expenditures include only 11 months of payments – Oct. 1, 2011 benefit paid on Sept. 30, 2011.

DDS Accuracy Rate for Initial Disability Decisions – FY 2011 -- 98% - Overall performance accuracy rate

Medicare Program

30+ credits

Fewer than 30 credits

٠	Number of HI/SMI Enrollees (F	Y 2012):	
	Total HI and/or SMI enrollees		50.2 million
	Aged		41.5 million
	Disabled		8.7 million
	Total SMI enrollees		46.1 million
	Aged		38.4 million
	Disabled		7.7 million
•	Part A Hospital Insurance: M Fully Insured	Monthly Premium (2013) \$0	

\$243.00

\$441.00

- <u>Part B Supplementary Medical Insurance Premium (2012)</u>: \$104.90 to \$335.70 (Depends on income). Annual deductible is \$147.
- Income-Related Monthly Adjustment Amount (IRMAA) Information:

Number of Beneficiaries Affected: IRMAA/Part B – 2.1 million in 2013 (4.5% of Part B beneficiaries) IRMAA/Part D -- 1.2 million in 2013 (3.8% of Part D beneficiaries)

*Modified Adjusted Gros	s Income (MAGI)	Total Monthly Part B Premium	Additional Part D Premium	
Single	Married Couple			
\$85,000 or less	\$170,000 or less	\$104.90 (base premium)	\$ 0.00	
\$85,000.01-107,000.00	\$170,000.01-214,000.00	\$146.90	\$11.60	
\$107,000.01-160,000.00	\$214,000.01-320,000.00	\$209.80	\$29.90	
\$160,000.01-214,000.00	\$320,000.01-428,000.00	\$272.70	\$48.30	
\$214,000.01 or more	\$428,000.01 or more	\$335.70	\$66.60	
Married, Filing Separately				
\$85,000 or less		\$104.90 (base premium)	\$ 0.00	
\$85,000.01-129,000.00		\$272.70	\$48.30	
\$129,000.01 or more		\$335.70	\$66.60	

- <u>Medicare Part D Subsidy Eligibility Requirements:</u>
 - GENERAL Individual Must Be:
 - --Entitled to Part A or enrolled in Part B;
 - --Enrolled in prescription drug plan;
 - --Reside in 50 States or DC;
 - --File an application, and;
 - --Have income and resources below specified limits.
 - <u>2012 Income Limits*</u>
 - --Full Subsidy Below 135% of poverty guidelines (below \$15,079.50 for an individual in continental U.S.)
 - --Partial Subsidy Between 135%-150% of poverty guidelines (between \$15,079.50 and \$16,755 for an individual in continental U.S.)
 - --Amounts adjusted annually based on federal poverty levels (FPL)
 - <u>2012 Resource Limits*</u>
 - --Full Subsidy \$8,580 individual/\$13,620 married couple living together
 - --Partial Subsidy \$13,300 individual/\$26,580 married couple living together
 - --Amount adjusted annually based on CPI
 - *Includes burial fund exclusion.

Resources/Contacts

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