## Social Security Program

- Tax Rate*: Employee ---------- 7.65\% (6.20\% -OASDI, $1.45 \%-\mathrm{HI})^{1}$

Employer ----------- 7.65\% (6.20\% - OASDI, 1.45\% - HI)
Self-employed ----- $15.30 \%$ ( $12.40 \%$-OASDI, $2.90 \%$ - HI)
*Social Security 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:

OASDI
\$7,049.40
\$7,049.40
\$14,098.80

HI
No limit
No limit
No limit

- OASDI Covered Workers (est. -- in millions, CY 2013): Wages Self-employed Combined $150.2 \quad 17.4 \quad 160.6$
- Percent of workers in paid employment or self employment who are covered: $94 \%$
- Estimated Worker/Beneficiary Ratio: 2012: 2.8 to $1 \quad$ 2040: 2.0 to 1
- Earnings Required for a Quarter of Coverage in 2013: $\$ 1,160$; ( $\$ 4,640$ for four $)$
- Coverage Thresholds for 2013: Self Employment: \$400; Domestic Employment: \$1,800;

Election Workers: \$1,600

- Retirement Test Exempt Amounts:
--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)
- Substantial Gainful Activity: $\$ 1,040 / \mathrm{mo}$. for non-blind, disabled; $\$ 1,740 / \mathrm{mo}$. for blind.
- Trial Work Period Service Month: $\$ 750 / \mathrm{mo}$.
- Minimum Earnings for "Year of Coverage:
--Special Minimum:
2013
--Windfall Elimination Provision: \$21,075
- Formulae Bend Points: (Applicable to workers who reach age 62, become disabled, or die in 2013)

Primary Insurance Amount (PIA)
$90 \%$ of first $\$ 791$ of AIME, plus
$32 \%$ of AIME over $\$ 791$ through $\$ 4,768$, + $15 \%$ of AIME over $\$ 4,768$

OASI Maximum Family Benefit (MFB)
$150 \%$ of first $\$ 1,011$ of PIA, plus
$272 \%$ of PIA over $\$ 1,011$ through $\$ 1,459+$
$134 \%$ 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: $\underline{12 / 12}$

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

[^0]SSA/OLCA
1/14/2013

- Benefits for $1 / 2013$ Retirees:

| Age 62 (FRA 66) |  |  | FRA (Age 66) |  |
| :---: | ---: | :--- | ---: | ---: |
| $\underline{\text { PIA }}$ | $\underline{\text { Benefit }}$ |  | $\underline{\text { PIA }}$ | $\underline{\text { Benefit }}$ |
| $\$ 974.60$ | $\$ 730$ |  | $\$ 965.60$ | $\$ 965$ |
| $1,605.30$ | 1,203 |  | $1,590.40$ | 1,590 |
| $2,550.10$ | 1,912 |  | $2,533.50$ | 2,533 |

- Long-Range Constant Pre-Retirement Earnings Replacement Rate: Retirement at Age 67 in 2030 or later Scaled low earner ( $45 \%$ of avg. wages): 55\%; Scaled medium earner: 41\%; Maximum earner: $27 \%$
- Number of OASDI Beneficiaries (as of 12/12):

| --Total OASDI beneficiaries: | 56.8 million |
| :--- | ---: |
| --Retired workers and family members: | 39.6 million |
| -Retired workers: | 36.7 million |
| -Spouses: | 2.3 million |
| -Children: | 0.6 million |
| --Survivors of deceased workers: | 6.3 million |
| -Aged surviving spouses: | 3.9 million |
| -Disabled surviving spouses: | 0.3 million |
| -Surviving spouses w/ child-in-care: | 0.2 million |
| -Children: | 1.9 million |
| --DI beneficiaries: | 10.9 million |
| -Disabled workers: | 8.8 million |
| -Spouses: | 0.2 million |
| -Children: | 1.9 million |

- Number of OASDI Children Beneficiaries (12/12):

| -Total: | $4,419,404$ |
| :--- | ---: |
| -Children under age 18: | $3,258,458$ |
| -Students: | 154,278 |
| -Disabled Children: | $1,006,668$ |

- Special Minimum PIA:

The highest special minimum PIA $=\$ 804$ (30 years of coverage)

- Full Retirement Age Schedule - by Year of Birth:

| $1938-65 / 2$ mos. | $1942-65 / 10$ mos. | $1957-66 / 6 \mathrm{mos}$. |
| :--- | :--- | :--- |
| $1939-65 / 4$ mos. | $1943-54-66$ | $1958-66 / 8 \mathrm{mos}$. |
| $1940-65 / 6$ mos. | $1955-66 / 2 \mathrm{mos}$. | $1959-66 / 10 \mathrm{mos}$. |
| $1941-65 / 8$ mos. | $1956-66 / 4$ mos. | $1960+-67$ |

- Taxation of Benefits -- \% of Benefits Taxed:

| \% Taxed | Income Threshold |  |
| :--- | :--- | :--- |
| up to $50 \%$ | Filing Status |  |
|  | $\$ 32,000-\$ 34,000$ | Individual |
| up to $85 \%$ | $\$ 34,000+$ | Joint |
|  | $\$ 44,000+$ | Individual |
| Average Wage Level: | $2011: \$ 42,979$ | 2012: $\$ 44,644$ (est) |

- Maximum Amount of Windfall Elimination Provision (WEP) reduction: 2013: $\$ 396$
- OASDI Benefit Payments (FY 2012):

OASI: $\$ 627.2$ billion
DI: $\quad 135.1$ billion
OASDI: 762.3 billion

- OASDI Administrative Expenses (FY 2012):

Amount (in billions)

| OASI | $\underline{\text { DI }}$ | $\underline{\text { OASDI }}$ |
| :---: | :---: | :---: |
| $\$ 2.8$ | $\$ 2.8$ | $\$ 5.5$ |
| $0.4 \%$ | $2.1 \%$ | $0.7 \%$ |

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

| Calendar Year | Income | Outgo | Funds' Assets |  |
| :---: | :---: | :---: | :---: | :---: |
|  |  |  | 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
- Percent of Social Security Income that Accounts for Beneficiaries’ Total Income in 2010 (latest data available): $50 \%$ 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

- Resource Limits:
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 |

- SSI Expenditures FY $2012^{2}$
- Federal SSI payments $\qquad$ $\$ 47.1$ 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 --- $\quad 2.8$ million
Total-------------- 61.9 million
- Program Accuracy:

OASDI 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

[^1]DDS Accuracy Rate for Initial Disability Decisions - FY 2011
-- 98\% - Overall performance accuracy rate

## Medicare Program

- Number of HI/SMI Enrollees (FY 2012):

- Part A Hospital Insurance: Monthly Premium (2013)

Fully Insured
30+ credits
Fewer than 30 credits
\$0
$\$ 243.00$
\$441.00

- Part B Supplementary Medical Insurance Premium (2012): $\$ 104.90$ 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 Gro | ncome (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 |

- Medicare Part D Subsidy Eligibility Requirements:

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.

- 2012 Income Limits*
--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)
- 2012 Resource Limits*
--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

Social Security Information: 1-800-SSA-1213 TTY: 1-800-325-0778
SSA Online:http://www.socialsecurity.gov
Constituent Relations Staff: (410) 965-3929
Legislative Affairs Staff (202) 358-6030
Medicare Info: 1-800-633-4227 TTY: 1-877-486-2048
Medicare online: http://www.medicare.gov


[^0]:    ${ }^{1}$ 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.

[^1]:    2 FY 2012 expenditures include only 11 months of payments - Oct. 1, 2011 benefit paid on Sept. 30, 2011.

