

Social Security Seminar for Public Employees

Barbara Duckett
Public Affairs Specialist

Social Security Administration

Local SSA Offices

North Las Vegas District Office

4340 Simmons

North Las Vegas, NV 89032

Henderson District Office

10416 S Eastern Ave

Henderson, NV 89052

Las Vegas District Office

1250 S Buffalo Dr, Ste 150

Las Vegas, NV 89117

Hours: 9:00 – 4:00; Wednesday, 9:00 – 12:00

All requests for Social Security Cards must be processed thru:

Las Vegas Social Security Card Center
1250 S Buffalo Dr, Ste 100
Las Vegas, NV 89117

Hours: 9:00 – 4:00 Monday thru Friday

30 minutes from now, you'll know the answers



- Will it even be there?
- How do I qualify for Social Security?
- How are benefits figured?
- What about Medicare?

And those darn offsets!!!!



- One reduces your own benefit
- The other offsets any benefits you might be due on your spouse's Social Security record
- And I know you won't believe this, but I'm going to try to convince you they are **fair!!**

Social Security's Impact on America

- It has made an enormous difference in the lives of millions of Americans
- It has allowed families to stay together after times of crisis
- It has raised the standard of living for lower income Americans

Social Security is More than a Retirement Program

- Disability Insurance
- Survivors Insurance
- Philosophy 101:
Sometimes life doesn't
turn out as planned!

Will it even be there?

- Of course! A better question to ask: How will Social Security change?
- Major Social Security reforms will be long-range and phased in over decades (i.e. affect young rather than old)

Low Income Americans Get a Higher Replacement Rate

- Rich people will collect Social Security too, but only about 24% of taxed earnings
- Very low earners will get a benefit that's closer to 90% of taxed earnings
- The average American will get about 40% of taxed earnings

Will you get something?

- Must have 40 credits (formerly called "quarters")
- That means roughly 10 years of Social Security taxed work (not consecutive)
- In 2017 earn 1 credit for each \$1,300 earned, but no more than 4/year



How Your Retirement Benefit is Computed

- Step 1

- Wages are adjusted for inflation

- Step 2

- Your highest 35 years of earnings are added together and divided by 420 months.
 - The result is the "Average Indexed Monthly Earnings" (AIME)

How Your Retirement Benefit is Computed *(cont.)*

- Step 3
 - The benefit is computed by applying a three tier computation to the "AIME"—EFFECTIVE 01/201
 - 90% of first \$885
 - 32% of next \$5336
 - 15% of remainder

Example:

AIME = \$1500



■ 90%	X	885	=	796.50
■ 32%	X	5336	=	196.80
■ 15%	X	0	=	0
■ Primary Insurance Amount				993.30

Replacement Rates



Low Income Worker: 55 - 90%



Upper Income Worker: 25%



Public employees look “poor”

- The addition of all those “zero” years gives us an artificially low average wage
- So our computer thinks we’re poor and gives us the 90% rate of return



But we're not "poor"



- A public employee is not the kind of low-income worker the weighted benefit formula is trying to compensate
- We're an average paid worker and should get rate of return for average Americans

Windfall Elimination Provision

Standard Computation

- 90% of first \$885
- 32% of next \$5336
- 15% of remainder

WEP Computation

- 40% of first \$885
- 32% of next \$5336
- 15% of remainder

Example:

AIME = \$1500



■ 90% 40%	X	885	=	796.50 354.00
■ 32%	X	615	=	196.80
■ 15%	X	0	=	0
■ Primary Insurance Amount				993.30 550.80

Exception To The Windfall Formula

Years of Coverage	% Formula
30 or more	90
29	85
28	80
27	75
26	70
25	65
24	60
23	55
22	50
21	45

Substantial Social Security Wages for Exception

Year	Substantial earnings
1937–1954	\$900
1955–1958	\$1,050
1959–1965	\$1,200
1966–1967	\$1,650
1968–1971	\$1,950
1972	\$2,250
1973	\$2,700
1974	\$3,300
1975	\$3,525
1976	\$3,825
1977	\$4,125
1978	\$4,425
1979	\$4,725
1980	\$5,100
1981	\$5,550
1982	\$6,075
1983	\$6,675
1984	\$7,050
1985	\$7,425
1986	\$7,875
1987	\$8,175
1988	\$8,400
1989	\$8,925
1990	\$9,525

Year	Substantial earnings
1991	\$9,900
1992	\$10,350
1993	\$10,725
1994	\$11,250
1995	\$11,325
1996	\$11,625
1997	\$12,150
1998	\$12,675
1999	\$13,425
2000	\$14,175
2001	\$14,925
2002	\$15,750
2003	\$16,125
2004	\$16,275
2005	\$16,725
2006	\$17,475
2007	\$18,150
2008	\$18,975
2009–2011	\$19,800
2012	\$20,475
2013	\$21,075
2014	\$21,750
2015	\$22,050

WEP Guarantee:
Amount of reduction can never
exceed
one half of the public pension
amount



Social Security

Official Social Security Website

[Home](#)[Numbers & Cards](#)[Benefits](#)[Information for...](#)[Business & Government](#)[Our Agency](#)

How much could I get from Social Security?
Create a my Social Security account today and find out



Apply for Retirement



Employers:
File W-2s online



Get Benefit Verification Letter



Change of Address



Who Can Get a *Statement* Online?

You must be at least 18 years old and have:

- **A valid E-mail address;**
- **A Social Security number; and**
- **A U.S. mailing address.**

How Do I Get My *Statement* Online?

To get your *Statement* online, you must first create a *my* Social Security account with us. Once you have an account, you can view your *Social Security Statement* at any time.


Sign In or Create an Account

OMB No. 0960-0789
Paperwork Reduction Act

New Users

You must be able to verify some information about yourself and:

- have a valid email address,
- have a Social Security Number,
- have a U.S. mailing address, and
- be at least 18 years of age.



[Create An Account](#) [? Learn More](#)

Existing Users

Username:

 [▶ Forgot Username](#)

Password:

 [▶ Forgot Password](#)

[Sign In](#)



Social Security

Official Social Security Website

Search...

[Home](#)

[Numbers & Cards](#)

[Benefits](#)

[Information for...](#)

[Business & Government](#)

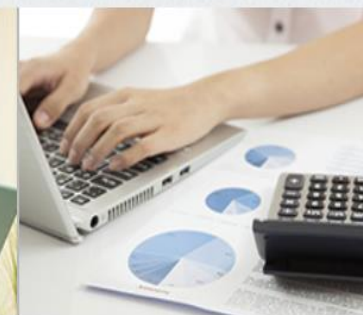
[Our Agency](#)



How much could I get from Social Security?
Create a my Social Security account today and find out



[Apply for Retirement](#)



[Employers:
File W-2s online](#)



[Get Benefit Verification Letter](#)



[Change of Address](#)



Retirement Estimator

How The Retirement Estimator Works


The Retirement Estimator gives estimates based on your actual Social Security earnings record. Please keep in mind that these are **just** estimates. We can't provide your actual benefit amount until you apply for benefits. **And that amount may differ from the estimates provided because:**

- Your earnings may increase or decrease in the future.
- After you start receiving benefits, they will be adjusted for cost-of-living increases.
- Your estimated benefits are based on current law. The law governing benefit amounts may change because, by 2033, the payroll taxes collected will be enough to pay only about 77 cents for each dollar of scheduled benefits.
- 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.

Who Can Use The Retirement Estimator

You can use the Retirement Estimator if:

- You have enough [Social Security credits](#) at this time to qualify for benefits **and**
- You are **not**:
 - Currently receiving benefits on your own Social Security record;
 - Waiting for a decision about your application for benefits or Medicare;
 - Age 62 or older and receiving benefits on another Social Security record; **or**
 - Eligible for a [Pension Based on Work Not Covered By Social Security](#).


If you are currently receiving only Medicare benefits, you can still get an estimate and [Retirement Information For Medicare Beneficiaries](#) .

If you cannot use the Retirement Estimator **or** you want a survivors or disability benefit estimate, please use one of our other benefit [Calculators](#).



Related Information

[Estimate Your Life Expectancy](#)

[What is the best age to start receiving retirement benefits?](#) 

[Benefits For Your Spouse](#)

[Other Things To Consider](#)

Online Applications

[Apply Online For Retirement Benefits](#)

[Apply Online For Spouse's Benefits](#)

Note:

If you need information about how to move around in the Retirement Estimator, please read "[How To Move Around In This Application](#)."

[Home](#)[my Social Security](#)[Retirement](#)[Disability](#)[Survivors](#)[SSI](#)[Medicare](#)[Business Services](#)

Information For Government Employees

Some Federal employees and employees of State or local government agencies may be eligible for pensions that are based on earnings **not** covered by Social Security.

If you didn't pay Social Security taxes on your government earnings **and** you are eligible for Social Security benefits, the formula used to figure your benefit amount may be modified, giving you a lower Social Security benefit.

If You Are Eligible For Social Security Benefits On Your Own Record

- The "How It Works" section of the [Windfall Elimination Provision](#) (WEP) fact sheet explains the formula Social Security may use to modify your benefit amount.

Note: Some government pensions do not affect your benefit amount when you apply on your own record.

- [How the Windfall Elimination Provision Can Affect Your Social Security Benefit](#) provides a chart to show how your benefit amount changes based on your years of substantial earnings and the year you became eligible for benefits.

Note: You can find a table that lists the amount of substantial earnings for each year at the bottom of the second page of our [Windfall Elimination Provision](#) fact sheet.

- Use the [WEP Online Calculator](#) to calculate your estimated retirement or disability benefits if you are affected by the WEP.

Related Information

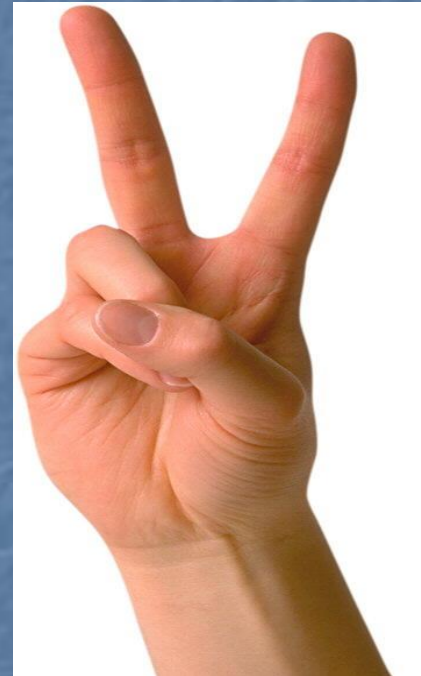
[Plan Your Retirement](#)[Federal Government Employment](#)[State And Local Government Employment](#)[Examples: How The Windfall Elimination Provision Can Affect Your Social Security Benefit](#)[Re-employment in Federal Service](#)

Publications

[Special Payments After Retirement](#) [How Work Affects Your Benefits](#)

Two Important Points

- If you have 40/more credits (“quarters”) you will definitely get a SS check
- But if you have paid SS taxes for fewer than 30 years, your benefit will be adjusted (and your Social Security statement is wrong)



Government Pension Offset

- Applies to Spouses and Widow(er) benefits only
- Two thirds of the amount of the government pension will be used to reduce the Social Security Spouses/Widow(er) benefit

- Example

2/3 of a \$900 government pension = \$600

If spouses benefit = \$900

Spouses benefit = \$300

Key to understanding GPO



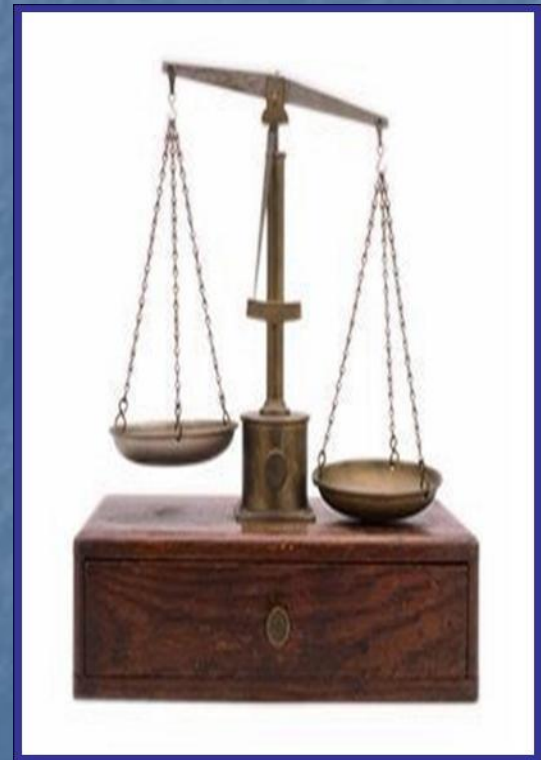
- Understanding that “dependents” benefits should be paid to someone who is “dependent”
- Consider history of spouse’s benefits under Social Security

Before GPO...

- Tom & Sue paid SS
- Tom gets \$1000 SS
- Sue gets \$1000 SS
- Sue can't get wife's benefit because her own SS "offsets" it
- Law recognizes that Sue was not dependent on Tom
- Al paid SS & Ann was a teacher
- Al gets \$1000 SS
- Ann gets \$1000 PERS
- We also paid Ann \$500 in SS wife's benefits!
- Old law didn't see Ann not dependent

GPO ensures fairness...

- It treats Ann, the teacher, the same way we treat Sue, the non-teacher
- It says you can't get a dependent's benefit unless you truly are dependent



Medicare & Public Employees

- Even if not paying Social Security tax, some of you are paying Medicare tax
- If SS reduced (WEP), Medicare is not
- Those who don't pay Medicare tax may get it on a spouse's SS record
- You will get Medicare on spouse's record even if your cash benefit is offset (GPO)

What is Medicare?

- Hospital Insurance
(Part A)
- Medical Insurance
(Part B)
- Medicare Advantage Plans
(Part C)
- Prescription Drug Insurance
(Part D)

Part A

- **In general Part A covers:**
 - **Hospital care**
 - **Skilled nursing facility care**
 - **Nursing home care (as long as custodial care isn't the only care you need)**
 - **Hospice**
 - **Home health service**

Part B

- **Medically necessary services:** Services or supplies that are needed to diagnose or treat your medical condition and that meets accepted standards of medical practice
- **Preventive services:** Health care to prevent illness (like the flu) or detect it at an early stage, when treatment is most likely to work best

2017 Costs at a Glance

- Part B premium: Most people pay \$134.00 each month
- Hold Harmless Provision \$109.00 (on average)

Medicare Enrollment Periods

- IEP - Initial Enrollment Period
- GEP - General Enrollment Period
- SEP - Special Enrollment Period

Wealthier Seniors will Pay More for their Part B in 2017

Beneficiaries who file an individual tax return with income:	Beneficiaries who file a Joint tax return with income:	Income Related Monthly Adjustment amount	Total Monthly Premium amount
Less than or equal to \$85,000	Less than or equal to \$170,000	\$0.00	\$134.00
Greater than \$85,000 and less than or equal to \$107,000	Greater than \$170,000 and less than or equal to \$214,000	\$53.50	\$187.50
Greater than \$107,000 and less than or equal to \$160,000	Greater than \$214,000 and less than or equal to \$320,000	\$133.80	\$267.80
Greater than \$160,000 and less than or equal to \$214,000	Greater than \$320,000 and less than or equal to \$428,000	\$214.30	\$348.30
Greater than \$214,000	Greater than \$428,000	\$294.60	\$428.60

And Now There's Part D!

- When you become eligible for Medicare, you can purchase Part D Prescription Drug Plans
- You want to sign up when first eligible, or you will pay more
- Program is voluntary
- www.medicare.gov “compare prescription drug plans”

Home

Manage Your Health

Medicare Basics

Resource Locator

Help & Support

New to Medicare?

Health & Drug Plans

Facilities & Doctors

MyMedicare.gov

Getting Started

[Are You a New Beneficiary?](#)

[Find Out if You're Eligible](#)

[Choosing or Changing Your Coverage?](#)

[Medicare & You 2010 Handbook](#)

[Apply Online for Medicare Now](#)



Stay Healthy



Benefits of Quitting Smoking

Talk with Your Doctor



What's New?

[Hear Medicare's official message about the \\$250 Part D rebate check](#)

[Information on the \\$250 Rebate](#)

[Medicare and the New Health Law - What It Means for You](#)

[Watch Video: Secretary Sebelius Introduces the New Medicare.gov Website](#)

[Stop Medicare Fraud](#)



On Tuesday, June 8 at 11:15am EDT, President Obama and Secretary Sebelius participated in a national town hall with senior citizens to discuss the Affordable Care Act. Watch the video of this

[Home](#)

[Manage Your Health](#)

[Medicare Basics](#)

[Resource Locator](#)

[Help & Support](#)

[New to Medicare?](#)

[Health & Drug Plans](#)

[Facilities & Doctors](#)

[MyMedicare.gov](#)

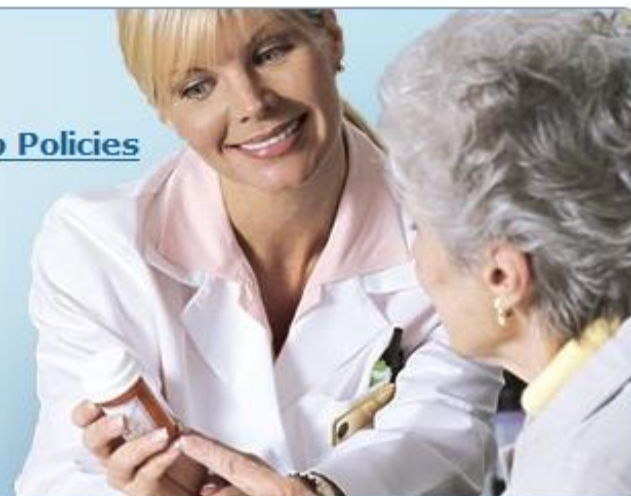
Finding Plans

[Compare Drug and Health Plans & Medigap Policies](#)

[Join a Plan Now](#)

[Coverage Gap Information](#)

[Formulary Finder - 2010 Plan Data](#)



Stay Healthy



[Benefits of Quitting Smoking](#)

Talk with Your Doctor



What's New?

[Hear Medicare's official message about the \\$250 Part D rebate check](#)

[Information on the \\$250 Rebate](#)

[Medicare and the New Health Law - What It Means for You](#)

[Watch Video: Secretary Sebelius Introduces the New Medicare.gov Website](#)

[Stop Medicare Fraud](#)



On Tuesday, June 8 at 11:15am EDT, President Obama and Secretary Sebelius participated in a national town hall with senior citizens to discuss the Affordable Care Act. Watch the video of this

Home

Manage Your Health

Medicare Basics

Resource Locator

Help & Support

[Learn More About Plans](#) [? Help](#) [A-Z Glossary](#)

[Home](#) → Medicare Plan Finder

Medicare Plan Finder

Use this tool to search for and compare coverage options available in your area.

Find Your Medicare Plan!

Enter Your ZIP Code:

For a Personalized Search, Enter Your Medicare Information:

Enter Medicare Number:

Example: 123456789A

Where can I find this?



Last Name:

Effective Date for Part B:

Not Part B? [Click here.](#)

Date of Birth:

Do you have Medicare Supplement Health Insurance (Medigap)? [What is This?](#)



Additional Tools

[How to Use the Medicare Plan Finder](#)

Learn how to use this tool.

- ♦ [Find and Compare Medigap Policies](#)
- ♦ [End Stage Renal Disease](#)
- ♦ [Military retiree benefits \(TRICARE\)](#)
- ♦ [Veteran benefits \(VA\)](#)
- ♦ [Federal Employee Retirement Benefits](#)
- ♦ [Helpful Contacts](#)
- ♦ [Download the Medicare Health Plan Compare and Medigap Compare Database](#)
- ♦ [Check for Plans and formularies in your area](#)
- ♦ [Find plans and formularies](#)



Social Security

The Official Website of the U.S. Social Security Administration

Sign In to **my** Social Security | [FAQs](#) | [Contact Us](#) |



Search...

[Home](#) | [my Social Security](#) | [Retirement](#) | [Disability](#) | [Survivors](#) | [SSI](#) | [Medicare](#) | [Business Services](#)

POPULAR SERVICES

NEW Get your benefit verification letter online

NEW Get your *Social Security Statement* online

Get or replace a Social Security card

Apply online for retirement, disability or Medicare benefits

Appeal a disability decision online

File W-2s for your employees online

Get Extra Help with Medicare prescription drug costs

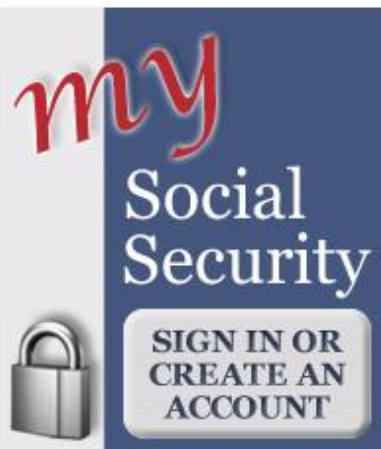
Apply for SSI, survivors or family benefits

Estimate your retirement benefits

Complete a Representative Payee Report

Check your application status

Services for people currently receiving benefits



INFORMATION FOR

[Attorneys & Representatives](#)
[Congress](#)
[Press](#)
[Wounded Warriors](#)

-- More --



USEFUL LINKS

[Name Changes](#)
[Office Closings/Emergencies](#)
[Report Fraud or ID Theft](#)
[Work & Disability Benefits](#)

-- More --



ABOUT OUR AGENCY

[Budget & Performance](#)
[Careers With Social Security](#)
[History Of Social Security](#)
[Reducing Improper Payments](#)

-- More --



NEWS

[Social Media Hub](#)

The Affordable Care Act and You

- President Obama signed the Affordable Care Act into law March 23, 2010.
- Key parts of the Affordable Care Act took effect January 1, 2014.
- Every plan will offer comprehensive coverage – from doctors' visits to medications to hospital visits.
- If your employer doesn't offer health insurance, you can buy insurance directly at the "Marketplace," available at www.healthcare.gov.

The Affordable Care Act

- Open enrollment period for 2015 is November 15, 2014 through February 15, 2015.
- If you have 2014 Marketplace coverage and don't do anything, you will automatically be enrolled in the same plan you had in 2014 or a similar plan, and your coverage will start on January 1, 2015.
- Visit the Health Insurance Marketplace at *www.HealthCare.gov* now to get information about how the Affordable Care Act can help you.
- You may call the following toll free number to get your Marketplace questions answered by a customer service representative available 24/7:
1-800-318-2596 (TTY:1-855-889-4325).

www.healthcare.gov

HealthCare.gov Individuals & Families Small Businesses [LOG IN](#) [ESPAÑOL](#)


Get Coverage Keep or Change Your Plan Get Answers -


Get 2015 health coverage now!


Enroll by December 15 to get high-quality coverage that meets your needs starting January 1


[SEE PLANS & PRICES](#) [GET STARTED](#)


Still need 2014 coverage? [See if you qualify.](#)

 **HAVE 2014 COVERAGE? STAY COVERED FOR 2015.** [LEARN HOW](#)


1-PAGE GUIDE
[GO](#)


FIND LOCAL HELP
[SEARCH](#)


MEDICAID & CHIP
[LEARN MORE](#)


DATES & DEADLINES
[GO](#)

SIGN UP FOR IMPORTANT NEWS & UPDATES

Get ready to join the millions already enrolled in Marketplace coverage. Sign up for email and text updates to get deadline reminders and other important information.

[SIGN UP](#)


[PRIVACY POLICY](#)

HEALTHCARE.GOV BLOG

November 19
Tips for resetting your password and unlocking your account

November 15
Get Marketplace coverage for 2015!

[SEE MORE](#)


 **87** DAYS LEFT TO ENROLL


RESOURCES


About the Affordable Care Act
Regulatory and Policy Information
For Partners
For the Media




For Researchers
For States
Information in other languages

CONNECT WITH US

 Questions? Give us a call

 Get text or email updates

 Visit the HealthCare.gov blog

Thank you.