

## 2013 Social Security/SSI/Medicare Information

### Social Security Program

- Tax Rate\*: Employee ----- 7.65% (6.20% -OASDI, 1.45% - HI)<sup>1</sup>  
                   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:
 

	<u>OASDI</u>	<u>HI</u>
Employee:	\$7,049.40	No limit
Employer:	\$7,049.40	No limit
Self-employed:	\$14,098.80	No limit
  
- OASDI Covered Workers (est. -- in millions, CY 2013):
 

<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
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- 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/mo. for non-blind, disabled; \$1,740/mo. for blind.
- Trial Work Period Service Month: \$750/mo.
- Minimum Earnings for "Year of Coverage":
 

	<u>2013</u>
--Special Minimum:	\$12,645
--Windfall Elimination Provision:	\$21,075
- Formulae Bend Points: (Applicable to workers who reach age 62, become disabled, or die in 2013)
 

<u>Primary Insurance Amount (PIA)</u>	<u>OASI Maximum Family Benefit (MFB)</u>
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:
 

	<u>12/12</u>
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

<sup>1</sup> 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 Retirees :

	<u>Age 62 (FRA 66)</u>		<u>FRA (Age 66)</u>	
	<u>PIA</u>	<u>Benefit</u>	<u>PIA</u>	<u>Benefit</u>
Scaled low earner	\$974.60	\$730	\$965.60	\$965
Scaled medium earner	1,605.30	1,203	1,590.40	1,590
Maximum earner	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 mos.
1939 - 65/4 mos.		1943 - 54 – 66		1958 - 66/8 mos.
1940 - 65/6 mos.		1955 - 66/2 mos.		1959 - 66/10 mos.
1941 - 65/8 mos.		1956 - 66/4 mos.		1960+ - 67
- Taxation of Benefits -- % of Benefits Taxed:

<u>% Taxed</u>	<u>Income Threshold</u>	<u>Filing Status</u>
up to 50%	\$25,000 - \$34,000	Individual
	\$32,000 - \$44,000	Joint
up to 85%	\$34,000 +	Individual
	\$44,000 +	Joint
- 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: 135.1 billion  
 OASDI: 762.3 billion
- OASDI Administrative Expenses (FY 2012):

	<u>OASI</u>	<u>DI</u>	<u>OASDI</u>
Amount (in billions)	\$ 2.8	\$2.8	\$5.5
Percent of Benefit Payments	0.4%	2.1%	0.7%

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

<u>Calendar Year</u>	<u>Income</u>	<u>Outgo</u>	<u>Funds' Assets</u>	
			<u>Net Incr.</u>	<u>EOY Balance</u>
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 Federally Administered Payment—All Sources (as of 12/12):

	<u>Recipients</u>	<u>Average Payments</u>
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 -----	4,869,484	536
Age 65 and Over -----	2,081,532	417

- SSI Expenditures FY 2012<sup>2</sup>
- 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 (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	

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

**Medicare Program**

- Number of HI/SMI Enrollees (FY 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: Monthly Premium (2013)

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

<u>*Modified Adjusted Gross Income (MAGI)</u>		<u>Total Monthly Part B Premium</u>	<u>Additional Part D Premium</u>
<u>Single</u>	<u>Married Couple</u>		
\$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
<u>Married, Filing Separately</u>			
\$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.

- o 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)

- o 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

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Medicare Info: 1-800-633-4227 TTY: 1-877-486-2048

Medicare online: <http://www.medicare.gov>