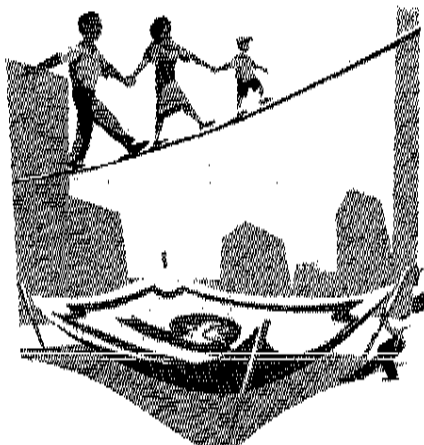



Social Security



**Developed by
the U. S. Department of Agriculture
Animal and Plant Health Inspection Service
and
Food Safety and Inspection Service
Human Resources
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If you are covered by FERS or CSRS Offset, the Social Security benefit is an important part of your retirement.

Social Security

Eligibility – 40 credits of coverage during working career (basically 10 years of Social Security taxed wages).

Benefit – based on worker's earnings, adjusted for inflation, averaged over 35 years.



Once you have earned the minimum wage amount determined each year, you will receive 4 credits. You cannot earn more than 4 credits in one year. You need at least 10 years of Social Security taxed wages to earn the 40 credits needed for minimum eligibility.

The Social Security benefit is based on your earnings, adjusted for inflation, and averaged over 35 years.

Social Security	
Full Retirement Age	
<u>Year of Birth</u>	<u>Full Retirement Age</u>
1937 or earlier	65
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67

This chart shows, based on your year of birth, at what age you will reach your full retirement age for social security benefits. Many people begin receiving a reduced social security benefit at age 62.

Social Security

Windfall Elimination Provision (WEP)

Affects CSRS annuitants who also earned a Social Security benefit from outside employment. A modified formula is used to compute the Social Security benefit if you have less than 30 years of substantial Social Security earnings.

<http://www.ssa.gov/retire2/wep-chart.htm>



There are two Social Security laws that may affect you. One is the Windfall Elimination Provision. This law affects CSRS annuitants who have also earned a Social Security benefit from outside employment. A modified formula is used to compute the Social Security benefit if you have less than 30 years of substantial Social Security earnings.

There is a chart on Social Security's website which shows the maximum amount your Social Security benefit may be reduced because of the Windfall Elimination Provision. You may also calculate the amount of the Windfall Elimination Provision using the calculator on that website.

Social Security

Government Pension Offset (GPO)

This law affects the amount of spousal or widow/widower's benefits a CSRS annuitant may receive from their non-Federal spouse's Social Security earnings. The SS spousal benefit is offset by two-thirds of the CSRS annuity.

CSRS = \$900
<u>x 2/3</u>
\$600
Spousal SS = \$500
- <u>\$600</u>
0

The second law which can affect you is the Government Pension Offset. If you are covered by CSRS and you don't expect to be eligible for your OWN Social Security benefit, and you expect to collect a Social Security benefit based on your SPOUSE's work history, the Government Pension Offset law will apply to you. This law requires the Social Security spousal benefit to be offset or reduced by 2/3 of the CSRS annuity. For example, if your CSRS annuity equals \$900 per month and your spousal benefit from Social Security equals \$500 per month, your social security benefit would be offset by two thirds of \$900 which equals \$600. This offset would completely wipe out your \$500 spousal benefit from social security.

FERS annuitants are exempt if covered by FERS for 5 years. CSRS Offset annuitants are also exempt from the Government Pension Offset.

Social Security

- Social Security mails an annual statement to 125 million people over age 25.
- Make sure your Social Security earnings are documented on this statement.
- The statement does not show reductions for WEP or GPO.



Every year, Social Security mails a statement to more than 125 million people who are over age 25. This statement is mailed 3 months before your birthday. This would be a good time to review your statement to be sure that your previous years earnings are listed, and make any corrections directly with the Social Security Administration. This statement does not show reductions for the Windfall Elimination Provision or the Government Pension Offset.

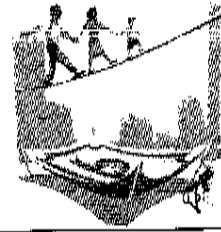
Social Security Resources

- Apply for benefits directly with the Social Security Administration (SSA)

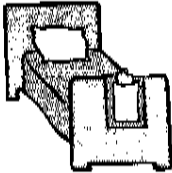
Call 1-800-772-1213 or visit the website at
www.ssa.gov

Social Security benefit calculators available at
<http://www.ssa.gov/planners/calculators.htm>


Frequently Asked Questions:
<http://www.ssa.gov/planners/faqs.htm>



You can access the Social Security web site to get answers to many of your questions.



Medicare



Part A Hospital Insurance


- ☑ Usually free – paid for by tax on worker’s wages.
- ☑ Covers inpatient hospital care, skilled nursing facility care, home health care, hospice care.

Part B Medical Insurance

- ☑ You pay a monthly premium.
- ☑ Covers doctors, outpatient hospital care, x-rays, tests, medical equipment.

Part D Drug Plan

- ☑ You pay a monthly premium.
- ☑ No need to enroll if covered under a FEHB plan.



Medicare is another benefit that is administered by the Social Security Administration. Medicare is a health insurance program, primarily for people age 65 or older.

Medicare encourages everyone to enroll for Part A at age 65. Part A is free and covers inpatient hospital care.

Part B, which covers doctors, x-rays and tests, requires you to pay a monthly premium. If you delay enrollment after you first turn 65, your Part B premium will be 10% higher for each year you delay (unless you or your spouse are still working and covered by an employer health plan).

Part D covers prescription drugs and also requires you to pay a monthly premium. If you are covered under a Federal Employee Health Benefit plan, your plan brochure includes a Medicare Part D Disclosure Notice. This notice states that OPM has determined that the prescription drug coverage offered by the Federal Health plans is, on average, comparable to Medicare Part D prescription drug coverage, thus you do **not** need to enroll in Part D and pay extra for prescription drug benefits.

Medicare Resources

Call 1-800-633-4227 or
Visit the website at
www.medicare.gov



Coordinating Medicare and FEHB:
<http://www.opm.gov/insure/health/medicare/index.asp>

You can obtain more information by calling Medicare at 1-800-633-4227 or visit their website at www.medicare.gov. The Office of Personnel Management has information on its web site, which explains how the Federal Employees Health Benefits program and Medicare work together.

Thank you for your attention!

- Contact your servicing Human Resources Benefits Specialist if you have any questions about retirement or your other Federal benefits!



Thank you for listening to this information on Social Security and Medicare. Please contact your servicing Human Resources Benefits Specialist if you have any questions about your retirement or other Federal benefits!