



Social Security

How Workers'
Compensation And Other
Disability Payments May
Affect Your Benefits

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Disability payments from private sources, such as private pension or insurance benefits, do not affect your Social Security disability benefits.

However, workers' compensation and other public disability benefits may reduce your Social Security benefits.

Workers' compensation benefits are paid to a worker because of a job-related injury or illness. They may be paid by federal or state workers' compensation agencies, employers or by insurance companies on behalf of employers.

Other public disability payments that may affect your Social Security benefit are those paid by a federal, state or local government and are for disabling medical conditions that are not job-related. Examples are civil service disability benefits, state temporary disability benefits and state or local government retirement benefits that are based on disability.

If you receive workers' compensation or other public disability benefits and Social Security disability benefits, the total amount of these benefits cannot exceed 80 percent of your average current earnings before you became disabled.

Some public benefits do not affect your Social Security disability benefits

If you receive Social Security disability benefits and one of the following types of public benefits, your Social Security benefit will **not** be reduced:

- Veterans Administration benefits;
- State and local government benefits, if Social Security taxes were deducted from your earnings; or
- Supplemental Security Income (SSI).

Figuring the reduction

Your monthly Social Security disability benefits, including benefits payable to your family members, are added together with your workers' compensation or other public disability payment.

If the total amount of these benefits exceeds 80 percent of your **average current earnings**, the excess amount is deducted from your Social Security benefit.

Example: Before you became disabled your average current earnings were \$4,000 a month. You, your spouse and your two children would be eligible to receive a total of \$2,200 a month in Social Security disability benefits.

However, you also receive \$2,000 a month from workers' compensation. Because the total amount of benefits you would receive (\$4,200) is more than \$3,200 (80 percent of your average current earnings), your family's Social Security benefits will be reduced by \$1,000.

Your Social Security benefit will be reduced until the month you reach age 65 or the month your other benefits stop, whichever comes first.

How we determine your average current earnings

We use different formulas to calculate your average current earnings. Which formula we use depends on your specific circumstances. Contact us for information about how your average current earnings were calculated.

Be sure to report changes

If there is a change in the amount of your other disability payment or those benefits stop, let us know.

It is very important that you tell us if the amount of your workers' compensation or other public disability payment increases or decreases. Any change in the amount of these benefits

is likely to affect the amount of your Social Security benefits.

If you get a lump-sum disability payment

If you get a lump-sum workers' compensation or other disability payment in addition to or instead of a monthly benefit, the amount of the Social Security benefits you and your family receive may be affected. Let us know right away if you receive a lump-sum disability payment.

Contacting Social Security

For more information and to find copies of our publications, visit our website at www.socialsecurity.gov or call toll-free, **1-800-772-1213** (for the deaf or hard of hearing, call our TTY number, **1-800-325-0778**). We treat all calls confidentially. We can answer specific questions from 7 a.m. to 7 p.m., Monday through Friday. We can provide information by automated phone service 24 hours a day.

We also want to make sure you receive accurate and courteous service. That is why we have a second Social Security representative monitor some telephone calls.



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