## 2012 Social Security/SSI/Medicare Information

## Social Security Program

- Tax Rate: Employee ----------- 5.65\% (4.20\% -OASDI, 1.45\% - HI)

Employer ------------ 7.65\% (6.20\% - OASDI, $1.45 \%$ - HI)
Self-employed ----- $13.30 \%$ (10.40\%-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-- $\$ 110,100$; HI-- No limit
- Maximum FICA/SECA Taxes:

| OASDI | HI |
| ---: | ---: |
| $\$ 4,624.20$ | No limit |
| $\$ 6,826.20$ | No limit |
| $\$ 11,450.40$ | No limit |

- OASDI Covered Workers (est. -- in millions, CY 2012): Wages $\frac{\text { Self-employed }}{149.6} \frac{\text { Combined }}{17.1}$
- 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

- Earnings Required for a Quarter of Coverage in 2012: $\$ 1,130 ;(\$ 4,520$ for four)
- Coverage Thresholds for 2012: Self Employment: \$400; Domestic Employment: \$1,800;

Election Workers: \$1,500

- Retirement Test Exempt Amounts:
--No test beginning with month of attaining full retirement age (FRA)—i.e. age 66 FRA in 2012
--For pre-FRA months in year attaining FRA: -- $\$ 38,880$ annually, $\$ 3,240$ monthly ( $\$ 1$ for $\$ 3$ withholding rate)
--Under FRA: --\$14,640 annually, $\$ 1,220$ monthly ( $\$ 1$ for $\$ 2$ withholding rate)
- Substantial Gainful Activity: $\$ 1,010 / \mathrm{mo}$. for non-blind, disabled; $\$ 1,690 / \mathrm{mo}$. for blind.
- Trial Work Period Service Month: $\$ 720 /$ mo.
- Minimum Earnings for "Year of Coverage: 2012
--Special Minimum: \$12,285
--Windfall Elimination Provision:
\$20,475
- Formulae Bend Points: (Applicable to workers who reach age 62, become disabled, or die in 2012)

Primary Insurance Amount (PIA) OASI Maximum Family Benefit (MFB)
$90 \%$ of first $\$ 767$ of AIME, plus $\quad 150 \%$ of first $\$ 980$ of PIA, plus
$32 \%$ of AIME over $\$ 767$ thru $\$ 4,624,+\quad 272 \%$ of PIA over $\$ 980$ thru $\$ 1,415+$
$15 \%$ of AIME over $\$ 4,624$
$134 \%$ of PIA over $\$ 1,415$ thru $\$ 1,845+$ $175 \%$ of PIA over $\$ 1,845$
(DI MFB ranges from $100 \%-150 \%$ of the PIA, depending on the PIA level)

- Average Monthly Benefits:

12/11
Retired worker: $\quad \overline{\$ 1,229}$
Retired worker and aged spouse: $\quad 1,995$
Disabled worker: $\quad 1,111$
Disabled worker, spouse, and children: 1,885
Aged widow(er): $\quad 1,184$
Widowed mother/father and 2 children: 2,505

- Benefits for $1 / 2012$ Retirees:

| Benefits for 1/2012 Retirees: | Age 62 (FRA 66) |  | FRA (Age 66) |  |
| :--- | :---: | :---: | :---: | :---: |
|  | $\underline{\text { PIA }}$ | $\underline{\text { Benefit }}$ | $\underline{\text { PIA }}$ | $\underline{\text { Benefit }}$ |
| Scaled low earner | $\$ 945.00$ | $\$ 708$ | $\$ 961.50$ | $\$ 961$ |
| Scaled medium earner | $1,556.80$ | 1,167 | $1,584.40$ | 1,584 |
| Maximum earner | $2,460.70$ | 1,845 | $2,513.60$ | 2,513 |

FRA (Age 66)

- 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 12/11):
--Total OASDI beneficiaries: 55.4 million
--Retired workers and family members: 38.5 million
-Retired workers: $\quad 35.6$ million
-Spouses: 2.3 million
-Children: 0.6 million
--Survivors of deceased workers: 6.3 million
-Aged surviving spouses: $\quad 4.0$ million
-Disabled surviving spouses: 0.2 million
-Surviving spouses w/ child-in-care: 0.2 million
-Children:
--DI beneficiaries: 1.9 million
-Disabled workers: 10.6 million
8.6 million
-Spouses:
0.2 million
-Children: $\quad 1.9$ million
- Number of OASDI Children Beneficiaries (12/11):
-Total: 4,375,451
-Children under age 18: 3,245,266
-Students: 153,169
-Disabled Children: 977,016
- Special Minimum PIA:

The highest special minimum PIA $=\$ 790.60$ (30 years of coverage)

- Full Retirement Age Schedule - by Year of Birth:

| $1938-65 / 2$ mos. | $1942-65 / 10 \mathrm{mos}$. | $1957-66 / 6 \mathrm{mos}$. |
| :--- | :--- | :--- |
| $1939-65 / 4$ 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 $50 \%$ | $\$ 25,000-\$ 34,000$ | Filing Status |
|  | $\$ 32,000-\$ 44,000$ | Individual |
| up to $85 \%$ | $\$ 34,000+$ | Joint |
|  | $\$ 44,000+$ | Individual |
|  |  | Joint |

- Average Wage Level: 2010: \$41,674 2011: \$43,009
- Maximum Amount of Windfall Elimination Provision (WEP) reduction: 2012: $\$ 384$
- OASDI Benefit Payments (FY 2011):

OASI: $\$ 591.5$ billion
DI: $\quad 128.0$ billion
OASDI: 719.5 billion

- OASDI Administrative Expenses (FY 2011):

Amount (in billions)
Percent of Benefit Payments

| OASI | $\underline{D I}$ | $\underline{\text { OASDI }}$ |
| :---: | :---: | :---: |
| $\$ 3.6$ | $\$ 3.0$ | $\$ 6.7$ |
| $0.6 \%$ | $2.4 \%$ | $0.9 \%$ |

- 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):

2010 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: 2.22 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: $\$ 698$ individual, $\$ 1,048$ couple (Federal Maximum)

- Resource Limits:

Individual-------------------- \$2,000
Couple----------------------- \$3,000

- Number of SSI Recipients and Average Payments (as of 12/11):

|  | Recipients | Average Payments |
| :---: | :---: | :---: |
| Total | 8,112,773 | \$ 502 |
| Aged | 1,182,106 | 398 |
| Blind and Disabled | 6,930,667 | 519 |
| SSI Beneficiaries by Age: |  |  |
| Under 18 | 1,277,122 | \$ 601 |
| Age 18-64 | 4,777,010 | 517 |
| Age 65 and Over -------- | 2,058,641 | 403 |

- SSI Expenditures FY 2011 (includes 13 payments - Oct. 1, 2011 benefit paid on Sept. 30, 2011):

Federal SSI payments ----------------- $\$ 52.4$ billion
Federally Administered State Supplements ------- $\$ 3.8$ billion

## Social Security and SSI Information

- Number of people receiving monthly benefits from SSA (as of 12/11):
-OASDI Benefits only ------------------------- 52.7 million
-SSI Benefits only ------------------------------- 5.4 million
-OASDI and SSI Benefits Concurrently --- $\quad 2.8$ million
Total-------------- 60.8 million
- Program Accuracy:

OASDI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2010
-- $99.6 \%$ of payment outlays without an overpayment
-- 99.8 \% of payment outlays without an underpayment
SSI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2010
-- $93.3 \%$ of payment outlays without overpayment
-- $97.6 \%$ of payment outlays without underpayment
DDS Accuracy Rate for Initial Disability Decisions - FY 2010
-- 98\% - Overall performance accuracy rate

## Medicare Program

- Number of HI/SMI Enrollees (FY 2011):

- Part A Hospital Insurance: Monthly Premium (2012)

Fully Insured
30+ credits
Fewer than 30 credits $\$ 451.00$

- Part B Supplementary Medical Insurance Premium (2012): $\$ 99.90$ to $\$ 319.70$ (Depends on income). Annual deductible is $\$ 140$.
- Income-Related Monthly Adjustment Amount (IRMAA) Information:

Number of Beneficiaries Affected: IRMAA/Part B -- 1.9 million in 2012 (4.2\% of Part B beneficiaries) IRMAA/Part D -- 1.0 million in 2012 ( $3.2 \%$ of Part D beneficiaries)

| *Modified Adjusted Gross Income (MAGI) |  | Total Monthly Part B Premium | Additional Part D Premium |
| :---: | :---: | :---: | :---: |
| Single | Married Couple |  |  |
| \$85,000 or less | \$170,000 or less | \$99.90 (base premium) | \$ 0.00 |
| \$85,000.01-107,000.00 | \$170,000.01-214,000.00 | \$139.90 | \$11.60 |
| \$107,000.01-160,000.00 | \$214,000.01-320,000.00 | \$199.80 | \$29.90 |
| \$160,000.01-214,000.00 | \$320,000.01-428,000.00 | \$259.70 | \$48.10 |
| \$214,000.01 or more | \$428,000.01 or more | \$319.70 | \$66.40 |
| Married, Filing Separately |  |  |  |
| \$85,000 or less |  | \$99.90 (base premium) | \$ 0.00 |
| \$85,000.01-129,000.00 |  | \$259.70 | \$48.10 |
| \$129,000.01 or more |  | \$319.70 | \$66.40 |

- 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 - \$8,440 individual/\$13,410 married couple living together
--Partial Subsidy - \$13,070 individual/\$26,120 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 (76.8 million calls received in FY 2011)
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

