

# Social Security & Medicare

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## Common Questions about Social Security:

- How soon can I start taking benefits?
- How much will my benefit be?
- What is the optimal age to collect Social Security benefits?
- Is there any reason for me to delay taking my benefits after full retirement age?
- Can I collect benefits while I'm still working?
- What if I have a non-covered pension? (i.e. STRS, SERS, OPERS, etc.)
- What happens to my benefit when my spouse passes away?
- When and how do I apply for benefits?
- Will I pay taxes on my SS benefit?
- Will SS benefits still be around in 10+ years?

## Types of benefits one may be eligible for:

- **Retirement Benefits** are based on average earnings over your highest 35 years of income, with earnings through age 60 indexed for inflation.
- **Spousal Benefits** paid to the spouse of an eligible worker. You must be at least age 62 to claim spousal benefits.
- **Survivor Benefits** paid to the surviving spouse of a deceased eligible worker.

## Key Terms:

- **Primary Insurance Amount:** The monthly benefit amount based on your earnings record if you start benefits at your full retirement age.

Year of Birth	Full Retirement Age
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

- **Delayed Retirement Credits:** An increase in your benefit for every month you delay filing for benefits between your Full Retirement age to age 70, a total of 8% increase for each year you wait.
- **Non-Covered Pension:** A pension received from employment where Social Security taxes were not withheld from earnings. (Teachers, School Employees, Government Employees)

- **Windfall Elimination Provision:** A provision that may reduce Social Security benefits based on your earnings record if you are eligible to receive a pension from work not covered by Social Security taxes.
- **Government Pension Offset:** A provision that reduces and may eliminate the amount of spousal and survivor benefits paid to an individual who is eligible for a pension from work not covered by Social Security taxes.

**COLA (Cost-of-Living Adjustment) for 2024:** 3.2%

Earnings Limit for 2024 if collecting Social Security benefits prior to Full Retirement Age: \$22,320.

More Information can be found at: [www.ssa.gov](http://www.ssa.gov)

### Common Questions about Medicare:

- When and how do I apply for Medicare?
- Do I need an advantage or supplement plan?
- Do I need a Part D plan?
- If I retire before age 65, what are my health care options?

Medicare Initial Enrollment, 3 months prior to the month you turn 65, the month of your 65<sup>th</sup> birthday and 3 months after you turn 65. (If you or your spouse are still working and covered by an employer-sponsored healthcare plan with a company of 20 or more employees, you may delay enrolling in Medicare during your initial enrollment.)

**Medicare Part A:** “Hospital insurance” is paid by most while working through Medicare taxes.

**Medicare Part B:** “Medical insurance” will be \$174.40/month in 2024, with premium adjusted based on income thresholds.

**Medicare Part C:** Combines Part A, Part B and sometimes Part D, called Medicare Advantage Plans. Managed by private insurance companies.

**Medicare Part D:** Provides coverage for prescription drug benefits.

**Medicare Supplement Insurance:** Extra insurance you can buy from a private company that helps pay your share of costs not covered by Part A, Part B or Part D.

More Information can be found at: [www.medicare.gov](http://www.medicare.gov)

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