Social Security & Supplemental Security Income (SSI)

Social Security Administration pays retirement and disability benefits to eligible individuals and family members. Widows, widowers and their children may also be entitled to a Survivor’s benefit. In some occasions, ex-spouses may also be eligible to receive benefits based on their former spouse’s eligibility.

Social Security Administration also administers the Supplemental Security Income (SSI) program which is a benefit paid to eligible aged persons 65 and older, blind persons, or disabled persons; and have limited income and possess limited assets; regardless of work history.

It is possible to collect both Social Security benefits and SSI. This is referred to as “concurrent benefits.”

In order to collect Social Security Benefits and/or SSI, you must be eligible and apply for benefits with the Social Security Administration. Once Social Security Administration determines you are eligible, Social Security Administration will determine the amount of your monthly benefit. You may apply in person at the Social Security office in person, by calling, by mail, or online at www.ssa.gov.

Social Security Credits for Eligibility

To qualify for social security benefits an individual must have earned a minimum amount of credits.

A credit is earned in 2013 by earning $1,160 in covered earnings. Covered earnings are earnings where you have paid Social Security tax. Military Base pay is a covered earning since you pay Social Security Tax on this pay. A maximum of four credits may be earned each year. All four credits are earned by earning $4,640 in covered earnings at any time in a year.

Social Security Disability Insurance (SSDI)

The number of credits required to collect disability benefits depends on your age when you become disabled. (see adjacent table)

Social Security Disability Insurance (SSDI) Benefits are paid to eligible individuals who are unable to work for pay or profit due to disability that is expected to continue for more than 12 months or end in death. The benefit amount is based on your average lifetime earnings. Family members may also be able eligible to receive benefits based on the disabled person’s eligibility and average earnings.

Do not delay in applying for disability benefits even if you are still on active duty. SSDI is determined by being unable to work for pay or profit – not whether or not you are collecting a pay check.

<table>
<thead>
<tr>
<th>Age to Receive Social Security Disability Insurance (SSDI)</th>
<th>Became Disabled at Age</th>
<th>Number of Credits You Need to be Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Before age 24</td>
<td></td>
<td>You may qualify if you have 6 credits earned in the 3-year period ending when your disability starts</td>
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<tr>
<td>24 to 30</td>
<td></td>
<td>You may qualify if you have credit for working half the time between age 21 and the time you become disabled. For example, if you become disabled at age 27, you would need credit for 3 years of work (12 credits) out of the past 6 years (between ages 21 and 27).</td>
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<tr>
<td>31 to 42</td>
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<td>20</td>
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<td>44</td>
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<td>22</td>
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<td>60</td>
<td></td>
<td>38</td>
</tr>
<tr>
<td>62 or older</td>
<td></td>
<td>40</td>
</tr>
</tbody>
</table>

http://www.ssa.gov/retire2/credits3.htm

Unless you are blind, you must have earned 20 of the credits in the 10 years immediately before you became disabled.
Social Security Retirement Benefits

For retirement benefits, the minimum credits required for eligibility is 40. The minimum time required to earn 40 credits is 10 years.

You and your Veteran may have more than 40 credits at retirement, depending on your work histories. However, excess credits at retirement do not count towards to the amount of your retirement benefit. Your retirement benefit is calculated from your highest 35 years of earned income where you paid social Security taxes. If you have years in which you did not earn income, a zero will be used for that year.

In simple terms, the more you pay in Social Security taxes, the more your Social Security Retirement benefit will be at Full Retirement Age (FRA).

FRA is determined by your year of birth. (see adjacent table)

### Age to Receive Full Social Security Benefits
(Called “full retirement age” or normal retirement age.”)

<table>
<thead>
<tr>
<th>Year of Birth</th>
<th>Full Retirement Age (FRA)</th>
</tr>
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<tbody>
<tr>
<td>1943-1954</td>
<td>66</td>
</tr>
<tr>
<td>1955</td>
<td>66 and 2 months</td>
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<tr>
<td>1956</td>
<td>66 and 4 months</td>
</tr>
<tr>
<td>1957</td>
<td>66 and 6 months</td>
</tr>
<tr>
<td>1958</td>
<td>66 and 8 months</td>
</tr>
<tr>
<td>1959</td>
<td>65 and 10 months</td>
</tr>
<tr>
<td>1960 and later</td>
<td>67</td>
</tr>
</tbody>
</table>

Social Security Administration

No matter what your full retirement age is, you and your Veteran have the option to collect Social Security retirement benefits any time before after age 62. But electing to receive retirement benefits before your full retirement age (FRA in the adjacent table), you will incur permanent and substantial penalties in terms of a reduction of your retirement benefit by up to 30%.

In addition, if you elect to receive early Social Security retirement benefits, and if you continue to work and earn income, prior to your FRA, your early social security retirement benefits will be further reduced.

On the other hand, if you delay collecting Social Security retirement benefits after FRA, your retirement benefit will increase 8% each year you delay, up to age 70. There is no additional benefit to delaying after age 70. Many experienced financial planners counsel that the decision to delay receiving Social Security retirement benefits after full retirement age (FRA) should be guided by your health history, your immediate family’s health history and your financial needs. Specifically, if you are experiencing good health as you approach FRA, do not have urgent need for the money and your immediate family’s medical history is free of chronic disease concerns, then you can significantly increase your lifetime Social Security benefits by delaying receipt of Social Security benefits until at or near age 70.

Supplemental Security Income

If you do not have a work history that qualifies you for Social Security Benefits, or you have a small Social Security benefit, you may still be eligible for Supplemental Security Income if you are age 65 or older, blind, or disabled and you are able to pass the means test – that is you have limited income and possess limited assets.

Maximum monthly federal SSI benefit for 2013 is $710 for eligible individuals and $1,066 for eligible couples. State SSI benefits vary and may be in addition to the federal benefit.
In general, assets over $2,000 ($3,000 for couples) preclude SSI eligibility. Assets that may be excluded for purposes of determining SSI eligibility are generally the home you live in and one car if it is used for transportation purposes.

SSI Income limits vary by state and type of income received. Small income exclusions may apply - but for the most part - SSI is reduced by subtracting countable income.

Countable Income includes wages, interest and investment income, pensions and retirement benefits, Social Security benefits, Veteran’s Administration benefits, disability payments, unemployment benefits, and in-kind income. In-kind income is food and shelter received, or something received that is used to provide food and shelter.

**Family Social Security Benefits – Disability & Retirement**

If you, or your Veteran, are eligible for SSDI or Social Security retirement benefit, each family member may be eligible to collect Social Security benefits up to 50% of your benefit rate - up to a total family maximum of 150%-180% of your benefit.

- **Spouse**
  - caring for children under age 16 50%
  - age FRA or greater 50%
  - age 62 35%

- **Child**
  - under 18, (or under 19 & high school) 50%
  - any age, if disabled before age 22 50%

**Family Social Security Benefits – Survivorship**

If you, or your Veteran die, each family member may be eligible to collect Social Security benefits up to your projected retirement benefit rate – subject to a family maximum of 150%-180% of your benefit.

- **Spouse**
  - caring for children under age 16 75%
  - age FRA or greater 100%
  - age 62 83%
  - age 60 71.5%
  - age 50 (if disabled) 71.5%

- **Child**
  - under 18, (or under 19 & high school) 75%
  - any age, if disabled before age 22 50%
Summary

To reiterate, in order for you or your Veteran to collect any of these Social Security Benefits and/or SSI, you must be eligible and apply for benefits with the Social Security Administration. Once Social Security Administration determines you are eligible, Social Security Administration will determine the amount of your monthly benefit. You may apply in person at the Social Security office in person, by calling, by mail, or online at www.ssa.gov.

Questions:

What is the Wounded Warrior Social Security Program?

Eligible military members (see SSDI table above for work history eligibility) can apply to collect Social Security Disability Insurance (SSDI) if they are unable to perform “substantial gainful activity” for pay or profit due to a mental or physical disability that is expected to last at least 12 months or result in death. You may still receive military pay and qualify for SSDI. SSDI if based your inability to work – not how much pay you receive.

Military members, who became disabled while on active duty on or after 1 October, 2001, receive expedited processing when applying for Social Security benefits.

Why am I receiving Supplemental Security Income (SSI) but I am not eligible for Social Security Disability Insurance (SSDI) even though I am completely disabled?

If you have not worked long enough, or not worked recently, you will not be eligible to collect SSDI.

Your eligibility for SSDI is determined by the age when you became disable and your qualifying work history which includes both military and civilian work where you paid Social Security Taxes. (see SSDI table above for eligibility)

Qualifying domestic work, farm work, and working for a church may also make you eligible for Social Security benefits.

SSI is for age 65 or older, blind, or disabled, with very limited income and assets. Military medical retirement and/or VA disability payments are likely to disqualify you for SSI.

I am disabled and collecting Social Security Disability Insurance (SSDI), what happens when I get to retirement?

Upon reaching your Full Retirement Age (FRA) – which is based on your year of birth (see above retirement table) - your ‘social security disability payments’ will change to ‘social security retirement payments’, as Social Security no longer considers you as a “disabled” person, but as a “retired” person.
I was disabled and have returned to work, what happens when I get to retirement age?

If you have returned to work, it is very important to do two things immediately.

First – Tell Social Security Administration that you have returned to work. They will determine if you meet the requirements for a Trial Work Period (TWP) and make a determination of when to end Social Security Disability Insurance payments.

Second - Apply for a “Disability Freeze.” A Disability Freeze covers a period of low and no earnings due to a disability. This protects your retirement and survivors benefit from being eroded by low and no income due to disability.

Your retirement benefits are based by averaging the work history of your highest 35 years of earning income on which you paid Social Security tax. If you do not have 35 years of qualified work history, a zero will be entered for any year in which you did not work and pay Social Security taxes. A lower average will result in a lower retirement benefit.

However, any qualifying periods of a Disability Freeze are not counted against your work history. A qualifying period is generally considered a period where you receive disability payments without substantial outside income. Additional considerations are allowed for the working blind.

I am a caregiver and my responsibilities prevent me from meaningful employment, what happens when I get to retirement age?

Your retirement benefits are based by averaging the work history of your highest 35 years of earning income on which you paid Social Security tax. If you do not have 35 years of qualified work history, a zero will be entered for any year in which you did not work and pay Social Security taxes.

A lower average will result in a lower retirement benefit.

Although, analysts, policymakers, and non-profits have raised attention to the possible introduction of allowing caregivers to earn social security credits, under current rules, only spouse caregivers are covered, and only indirectly, through Social Security spousal and survivor benefits (see above Family Social Security benefits).

Surviving spouse caregivers may also be eligible for Veteran’s Administration Dependency Indemnity Compensation (DIC) if caring for a veteran rated by VA as totally disabled for a qualifying period or veteran’s death is due to a service connected rated injury or disability.

Caregivers with the means to hire third-party caregiving, but would prefer to provide caregiving themselves, should carefully evaluate what the impact of not working will have on their own future Social Security benefits. This emotional decision weighs even harder for non-spouse caregivers - as non-spouse caregivers are not indirectly covered through Social Security or VA.