

2010 Social Security/SSI/Medicare Information

Social Security Program:

- Tax Rate*: Employee and employer each -- 7.65% (6.20% - OASDI, 1.45% - HI)
Self-employed ----- 15.30% (12.40% - 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-- \$106,800; HI-- No limit
- Maximum FICA/SECA Taxes:

	<u>OASDI</u>	<u>HI</u>
Employee/employer (each):	\$ 6,621.60	No limit
Self-employed:	13,243.20	No limit
- OASDI Covered Workers (est. -- in millions, CY 2010):

<u>Wages</u>	<u>Self-employed</u>	<u>Combined</u>
	146.5	17.4
		156.3
- Percent of workers in paid employment or self employment who are covered: 93%
- Estimated Worker/Beneficiary Ratio: 2010: 3.0 to 1 2040: 2.1 to 1
- Earnings Required for a Quarter of Coverage: \$1,120; (\$4,480 for four)
- Coverage Thresholds for 2010: Self Employment: \$400; Domestic Employment: \$1,700; 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 2010
--For pre-FRA months in year attaining FRA: -- \$37,680 annually, \$3,140 monthly (\$1 for \$3 withholding rate)
--Under FRA --\$14,160 annually, \$1,180 monthly (\$1 for \$2 withholding rate)
- Substantial Gainful Activity: \$1000/mo. non-blind, disabled; \$1,640/mo. blind;
- Trial Work Period Service Month: \$720/mo.
- Formulae Bend Points: (Applicable to workers who reach age 62, become disabled, or die in 2010)

<u>Primary Insurance Amount (PIA)</u>	<u>OASI Maximum Family Benefit (MFB)</u>
90% of first \$761 of AIME, plus	150% of first \$972 of PIA, plus
32% of AIME over \$761 thru \$4,586, +	272% of PIA over \$972 thru \$1,403 +
15% of AIME over \$4,586	134% of PIA over \$1,403 thru \$1,830 +
	175% of PIA over \$1,830

(DI MFB ranges from 100% - 150% of the PIA, depending on the PIA level)
- Average Monthly Benefits:

	<u>12/08</u>	<u>12/09</u>
Retired worker:	\$1,153	\$1,164
Retired worker and aged spouse:	1,877	1,892
Disabled worker:	1,063	1,064
Disabled worker, spouse and children:	1,795	1,803
Aged widow(er):	1,112	1,123
Widowed mother/father and 2 children:	2,372	2,392
- Benefits for 1/2010 Retirees :

	<u>Age 62 (FRA 66)</u>		<u>FRA (Age 66)</u>	
	<u>PIA</u>	<u>Benefit</u>	<u>PIA</u>	<u>Benefit</u>
Low earner	\$ 945.00	\$ 708	\$ 905.10	\$ 905
Medium earner	1,556.50	1,167	1,491.30	1,491
Maximum earner	2,432.70	1,824	2,346.80	2,346

- Long-Range Constant Pre-Retirement Earnings Replacement Rate: Retirement at Age 67 in 2030 or later
Low earner (45% of avg. wages): 55%; Medium earner: 41%; Maximum earner: 27%

- Number of OASDI Beneficiaries (as of 12/09):

--Total OASDI beneficiaries:	52.5 million
--Retired workers and family members:	36.4 million
-Retired workers:	33.5 million
-Spouses:	2.3 million
-Children:	0.6 million
--Survivors of deceased workers:	6.4 million
-Aged surviving spouses:	4.1 million
-Disabled surviving spouses:	0.2 million
-Surviving spouses w/ child-in-care:	0.2 million
-Children:	1.9 million
--DI beneficiaries:	9.7 million
-Disabled workers:	7.8 million
-Spouses:	0.2 million
-Children:	1.7 million

- Number of OASDI Children Beneficiaries (12/09):

--Total:	4,230,578
-Children under age 18:	3,158,138
-Students:	151,557
-Disabled Children:	920,883

- Special Minimum PIA (12/08; no change in 12/09):

The highest special minimum PIA = \$763.20 (30 years of coverage)

- Minimum Earnings for Year of Coverage:

	<u>2009 and 2010</u>
--Special Minimum:	\$11,880
--Windfall Elimination Provision:	\$19,800

- Full Retirement Age Schedule — by Year of Birth

1938 - 65/2 mos.		1942 - 65/10 mos.		1957 - 66/6 mos.
1939 - 65/4 mos.		1943-54 - 66		1958 - 66/8 mos.
1940 - 65/6 mos.		1955 - 66/2 mos.		1959 - 66/10 mos.
1941 - 65/8 mos.		1956 - 66/4 mos.		1960+ - 67

- Taxation of Benefits -- % of Benefits Taxed:

<u>% Taxed</u>	<u>Income Threshold</u>	<u>Filing Status</u>
up to 50%	\$25,000 - \$34,000	Individual
	\$32,000 - \$44,000	Joint
up to 85%	\$34,000 +	Individual
	\$44,000 +	Joint

- Average Wage Level: 2008: \$41,335 2009: \$41,042(est.) 2010: \$43,451 (est.)

- OASDI Benefit Payments (FY 2009)

OASI: \$544.6 billion
DI: 115.0 billion
OASDI: 659.5 billion

Numbers may not add due to rounding of individual components.

- OASDI Administrative Expenses (FY 2009):

	<u>OASI</u>	<u>DI</u>	<u>OASDI</u>
Amount (in billions)	\$ 3.4	\$2.6	\$6.0
Percent of Benefit Payments	0.6%	2.2%	0.9%

- OASI/DI Trust Funds' Operations (in billions, based on intermediate assumptions in 2009 Trustees Report):

<u>Calendar Year</u>	<u>Income</u>	<u>Outgo</u>	<u>Funds' Assets</u>	
			<u>Net Incr.</u>	<u>EOY Balance</u>
2008	\$805	\$625	\$180	\$2,419
2009 (est)	\$819	\$682	\$137	\$2,556

- Key dates from 2009 OASDI Trustees Report: (using intermediate assumptions)
 - 2016 Expenditures exceed tax income.
 - 2024 OASDI expenditures begin to exceed revenues from all sources, including interest earnings; Trust Fund reserves begin to be drawn down to help pay benefits.
 - 2037 OASDI Trust Fund assets are exhausted. Then-current Social Security taxes would support about 76% of the expected benefits.
- Estimated long-range deficit: 2.00 percent of taxable payroll.

SSI Program

- SSI Payment Standard: \$674 individual, \$1,011 couple (applicable for 2009 & 2010)

- Resource Limits:

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

- Number of SSI Beneficiaries and Average Payments (12/09):

	<u>Beneficiaries</u>	<u>Average Payments</u>
Total	7,676,686	\$ 499
Aged -----	1,185,959	\$ 399
Blind & Disabled -----	6,490,727	517
SSI Beneficiaries by Age:		
Under 18 -----	1,199,788	\$ 593
Age 18-64 -----	4,451,288	516
Age 65 and Over -----	2,025,610	404

- SSI Expenditures FY 2009

Federal SSI payments -----	\$44.8 billion
Federally Administered State Supplements -----	\$4.2 billion

Social Security and SSI Information

- Number of people receiving monthly benefits from SSA (12/09):

-OASDI Benefits only -----	49.9 million
-SSI Benefits only -----	5.1 million
-OASDI and SSI Benefits Concurrently --	2.6 million
Total -----	57.6 million

- Program Accuracy

OASDI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2008
-- 99.7% of payment outlays without an overpayment
-- 99.9% of payment outlays without an underpayment
SSI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2008
-- 89.7% of payment outlays without overpayment
-- 98.3% of payment outlays without underpayment
DDS Accuracy Rate for Initial Disability Decisions – FY 2008
-- 97% - Overall performance accuracy rate

Medicare Program

- Number of HI/SMI Enrollees (FY 2009):
 Total HI and/or SMI enrollees-----46.1 million
 Aged-----38.5 million
 Disabled-----7.6 million
- Part A Hospital Insurance: Monthly Premium
 Fully Insured \$0
 30-39 credits \$254.00
 Fewer than 30 credits \$461.00
- Part B Supplementary Medical Insurance Premium (2010): \$110.50 to \$353.60 (depends on income), however, due to the hold harmless provision, most Medicare beneficiaries will continue to pay the same \$96.40 premium amount they paid in 2009.
- Income-Related Monthly Adjustment Amount (IRMAA) Information

Number of Beneficiaries Affected: 2.2 million in 2010 (about 5% of Part B beneficiaries)

<u>*Modified Adjusted Gross Income (MAGI)</u>		IRMAA Increase	Total Monthly Premium
<u>Single</u>	<u>Married Couple</u>		
\$85,000 or less	\$170,000 or less	\$0.00	\$110.50 (base premium)
\$85,000.01-107,000.00	\$170,000.01-214,000.00	\$44.20	\$154.70
\$107,000.01-160,000.00	\$214,000.01-320,000.00	\$110.50	\$221.00
\$160,000.01-214,000.00	\$320,000.01-428,000.00	\$176.80	\$287.30
\$214,000.01 or more	\$428,000.01 or more	\$243.10	\$353.60
<u>Married, Filing Separately</u>			
\$85,000 or less		\$0.00	\$110.50 (base premium)
\$85,000.01-129,000.00		\$176.80	\$287.30
\$129,000.01 or more		\$243.10	\$353.60

- 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.
 - 2009* Income Limits
 --Full Subsidy – Below 135% of poverty guidelines (below \$14,620 for an individual in continental U.S.)
 --Partial Subsidy – Between 135%-150% of poverty guidelines (between \$14,620 and \$16,245 for an individual in continental U.S.) **Income limits may be adjusted after 3/01/2010, based on release of HHS 2010 Federal poverty levels (FPL).*
 --Amounts adjusted annually based on Federal poverty levels
 - 2010 Resource Limits
 --\$12,510 individual/\$25,010 married couple living together (includes \$1,500 per person burial exclusion)
 --Amount adjusted annually based on CPI

Resources/Contacts

Social Security Information: 1-800-SSA-1213 TTY: 1-800-325-0778 (85.8 million calls handled in FY 2009)

SSA Online: <http://www.socialsecurity.gov> (118 million visits to this website in FY 2009)

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>