2017 Social Security/SSI/Medicare Information

Social Security Program (Old Age, Survivors and Disability Insurance – OASDI)

- **Tax Rate:** Employee ----------- 7.65% (6.20% - OASDI, 1.45% - HI)\(^1\)
  Employer ------------7.65% (6.20% - OASDI, 1.45% - HI)
  Self-employed ----- 15.30% (12.40% - OASDI, 2.90% - HI)
- **Maximum Taxable Earnings Base:** OASDI-- $127,200; HI (Hospital Insurance)-- No limit
- **Maximum Federal Insurance Contributions Act (FICA) /Self Employed Contributions Act (SECA) Taxes:**

<table>
<thead>
<tr>
<th></th>
<th>OASDI</th>
<th>HI (Medicare)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee</td>
<td>$7,886.40</td>
<td>No limit</td>
</tr>
<tr>
<td>Employer</td>
<td>$7,886.40</td>
<td>No limit</td>
</tr>
<tr>
<td>Self-employed</td>
<td>$15,772.80</td>
<td>No limit</td>
</tr>
</tbody>
</table>

- **OASDI Covered Workers (est. -- in millions, CY 2016):**
  Wages  Self-employed  Combined
  159.4            19.4          170.8
- **Percent of workers in paid employment or self-employment who are covered:** 94%
- **Estimated Worker/Beneficiary Ratio:** 2016: 2.8 to 1  2040: 2.1 to 1
- **Earnings Required for a Quarter of Coverage in 2017:** $1,300 ($5,200 for four)
- **Coverage Thresholds for 2017:**
  - Self Employment: $400
  - Domestic Employment: $2,000
  - Election Workers: $1,800
- **Retirement Test Exempt Amounts:**
  - No test beginning with month of attaining full retirement age (FRA)
  - For pre-FRA months in year attaining FRA: -- $44,880 annually, $3,740 monthly ($1 for $3 withholding rate)
  - Under FRA: --$16,920 annually, $1,410 monthly ($1 for $2 withholding rate)
- **Substantial Gainful Activity:** $1,170/mo. for non-blind, disabled; $1,950/mo. for blind.
- **Trial Work Period Service Month:** $840/mo.
- **Minimum Earnings for “Year of Coverage” (WEP):**
  - Special Minimum: $14,175
  - Windfall Elimination Provision (WEP): $23,625
- **Formulae Bend Points:** (Applicable to workers who reach age 62, become disabled, or die in 2017)

  - **Primary Insurance Amount (PIA):**
    - 90% of first $885 of AIME, plus
    - 32% of AIME over $885 through $5,336 +
    - 15% of AIME over $5,336
  - **OASI Maximum Family Benefit (MFB):**
    - 150% of first $1,131 of PIA, plus
    - 272% of PIA over $1,131 through $1,633 +
    - 134% of PIA over $1,633 through $2,130 +
    - 175% of PIA over $2,130

  (DI MFB ranges from 100% - 150% of the PIA, depending on the PIA level)
- **Average Monthly Benefits:**
  - Retired worker: $1,355
  - Retired worker and aged spouse: 2,248
  - Disabled worker: 1,168
  - Disabled worker, spouse, and children: 1,992
  - Aged widow(er): 1,296
  - Widowed mother/father and 2 children: 2,654

\(^1\) The Affordable Care Act increased the HI tax by 0.9 percent for single filers with wages above $200,000 and joint filers with wages above $250,000, beginning in January, 2013.

\(^2\) Average Monthly benefit changes based on the number of beneficiaries awarded benefits as well as the number of beneficiaries who come off of the Social Security rolls monthly.

SSA/OLCA
1/26/2017
• Benefits for 1/2017 Retirees:

<table>
<thead>
<tr>
<th>PIA</th>
<th>Benefit</th>
<th>PIA</th>
<th>Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scaled low earner</td>
<td>$1,089.90</td>
<td>$808</td>
<td>$1,009.60</td>
</tr>
<tr>
<td>Scaled medium earner</td>
<td>1,795.20</td>
<td>1,331</td>
<td>1,663.90</td>
</tr>
<tr>
<td>Maximum earner</td>
<td>2,888.00</td>
<td>2,141</td>
<td>2,687.30</td>
</tr>
</tbody>
</table>

• Long-Range Constant Pre-Retirement Earnings Replacement Rate: Retirement at Age 67 in 2030 or later. Scaled low earner: 55%  Scaled medium earner: 41%  Maximum earner: 27%

• Number of OASDI Beneficiaries (as of 11/16):
  --Total OASDI beneficiaries: 60.9 million
  --Retired workers and family members: 44.2 million
    -Retired workers: 41.2 million
    -Spouses: 2.4 million
    -Children: 0.7 million
  --Survivors of deceased workers: 6.0 million
    -Aged surviving spouses: 3.8 million
    -Disabled surviving spouses: 0.3 million
    -Surviving spouses w/ child-in-care: 0.1 million
    -Children: 1.9 million
  --DI beneficiaries: 10.6 million
    -Disabled workers: 8.8 million
    -Spouses: 0.1 million
    -Children: 1.7 million

• Number of OASDI Children Beneficiaries (11/16):
  -Total: 4,209,664
  -Children under age 18: 3,017,656
  -Students: 107,204
  -Disabled Children: 1,084,804

• Special Minimum PIA (effective 12/2016):
The highest special minimum PIA = $832.20 (30 years of coverage)

• Full Retirement Age Schedule — by Year of Birth:
  1938 - 65/2 mos. | 1942 - 65/10 mos. | 1957 - 66/6 mos.

• Other Revenue -- % of Benefits Taxed:

<table>
<thead>
<tr>
<th>% Taxed</th>
<th>Income Threshold</th>
<th>Filing Status</th>
<th>Where Revenue Goes</th>
</tr>
</thead>
<tbody>
<tr>
<td>up to 50%</td>
<td>$25,000 - $34,000</td>
<td>Individual</td>
<td>OASDI</td>
</tr>
<tr>
<td></td>
<td>$32,000 - $44,000</td>
<td>Joint</td>
<td>OASDI</td>
</tr>
<tr>
<td>up to 85%</td>
<td>$34,000 +</td>
<td>Individual</td>
<td>HI</td>
</tr>
<tr>
<td></td>
<td>$44,000 +</td>
<td>Joint</td>
<td>HI</td>
</tr>
</tbody>
</table>

• Average Wage Level: 2015: $48,098.63  2014: $46,481.52

• Maximum Amount of Windfall Elimination Provision (WEP) reduction: 2016 (latest figure): $428

• OASDI Administrative Expenses (excluding Treasury administrative costs) FY 2016:

<table>
<thead>
<tr>
<th>OASI</th>
<th>DI</th>
<th>OASDI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount (in billions)</td>
<td>$ 3.0</td>
<td>$2.7</td>
</tr>
<tr>
<td>Percent of Benefit Payments</td>
<td>0.4%</td>
<td>1.9%</td>
</tr>
</tbody>
</table>

• OASDI Benefit Payments FY 2016:*
  OASI: $762.1 billion
  DI: $143.0 billion
  OASDI: $905.1 billion
• OASI/DI Trust Funds’ Operations (in billions based on intermediate assumptions in 2016 Trustees Report)

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Income</th>
<th>Outgo</th>
<th>Net Incr.</th>
<th>End Of Year (EOY) Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$920</td>
<td>$897</td>
<td>$23</td>
<td>$2,813</td>
</tr>
<tr>
<td>2016 (estimated)</td>
<td>945</td>
<td>929</td>
<td>16</td>
<td>2,828</td>
</tr>
</tbody>
</table>

Key from 2016 OASDI Trustees Report (using intermediate assumptions):
2010 OASDI expenditures exceeded tax income and remained in excess thereafter.
2020 OASDI expenditures exceed total income and remain in excess thereafter.
2023 DI Trust Fund asset reserves are scheduled to be depleted. (At that time, current Social Security taxes would support about 81% of the expected DI benefits.)
2034 OASDI Trust Fund asset reserves are scheduled to be depleted. (At that time, current Social Security taxes would support about 79% of the expected OASDI benefits.)

• Estimated long-range deficit: 2.66 percent of taxable payroll.

• Percent of Beneficiaries (by Sex) Receiving Social Security benefits in 2015 (latest data available):
  55% Women
  45% Men

• Social Security income as a percent of total income of beneficiaries in 2014 (latest data available):
  48% of aged couples and 71% of unmarried aged individuals depend on Social Security for 50% or more of income
  21% of aged couples and 43% of unmarried aged individuals depend on Social Security for 90% or more of income

Supplemental Security Income (SSI) means-tested Program
SSI Payment Standard (in calendar year 2017): (Federal Maximum) $735 individual, $1,103 couple

• Resource Limits:
  Individual------------------- $2,000
  Couple----------------------- $3,000

• Number of SSI Recipients and Average Federally Administered Payment—All Sources (as of 11/16):

<table>
<thead>
<tr>
<th>Recipients</th>
<th>Average Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total------</td>
<td>------------------</td>
</tr>
<tr>
<td>8,290,184</td>
<td>$ 539</td>
</tr>
<tr>
<td>Aged-------</td>
<td>1,170,911</td>
</tr>
<tr>
<td>428</td>
<td></td>
</tr>
<tr>
<td>Blind and Disabled</td>
<td>7,119,273</td>
</tr>
<tr>
<td>557</td>
<td></td>
</tr>
</tbody>
</table>

SSI Recipients by Age:
Under 18 --------------- 1,222,700 $ 639
Age 18-64 --------------- 4,869,395 561
Age 65 and Over ---------- 2,198,089 436

• SSI Expenditures FY 2016:
  Federal SSI payments -------- $54.8 billion
  Federally Administered State Supplements ------- $2.6 billion

Social Security and SSI Information

• Number of people receiving monthly benefits from SSA (as of 11/16):
  -OASDI Benefits only ----------- 58.1 million
  -SSI Benefits only ------------- 5.5 million
  -OASDI and SSI Benefits Concurrently --- 2.8 million
  Total-------------------------- 66.4 million

• Program Accuracy (latest data):
  OASDI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2015 (latest data)
  -- 99.6% of payment outlays without an overpayment
  -- 99.9% of payment outlays without an underpayment
  SSI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2015 (latest data)
  -- 93.9% of payment outlays without an overpayment
  -- 98.6% of payment outlays without an underpayment
  Disability Determination Services (DDS) Accuracy Rate for Initial Disability Decisions – FY 2015 (latest data)
  -- 97.7% - Overall performance accuracy rate
Medicare Program (Hospital Insurance and Supplemental Medical Insurance)

- **Number of HI/SMI Enrollees (FY 2016):**
  - Total HI and/or SMI enrollees: 56.6 million
  - Aged: 47.6 million
  - Disabled: 9.0 million
  - Total SMI enrollees: 51.7 million
  - Aged: 43.5 million
  - Disabled: 8.2 million

- **Part A Hospital Insurance:** Monthly Premium (2017)
  - Fully Insured: $0
  - 30+ credits: $227
  - Fewer than 30 credits: $413

- **Part B Supplementary Medical Insurance Premium (2017): $134 to $428.60 (Depends on income). Annual deductible is $183.**

- **Income-Related Monthly Adjustment Amount (IRMAA) Information:**
  - Number of Beneficiaries Affected:
    - IRMAA/Part B – 3.54 million in 2017
    - IRMAA/Part D – 2.63 million in 2017
  - **Modified Adjusted Gross Income (MAGI) Adjusted Gross Income (MAGI) Total Monthly Part B Premium IRMAA Part D**
  - **Single**
    - $85,000 or less: $170,000 or less $134.00 (standard premium) $ 0.00
    - $85,000.01-107,000.00: $170,000.01-214,000.00 $187.50 $13.30
    - $107,000.01-160,000.00: $214,000.01-320,000.00 $267.90 $34.20
    - $160,000.01-214,000.00: $320,000.01-428,000.00 $348.30 $55.20
    - $214,000.01 or more: $428,000.01 or more $428.60 $76.20
  - **Married, Filing Separately**
    - $85,000 or less: $134.00 (standard premium) $ 0.00
    - $85,000.01-129,000.00: $348.30 $55.20
    - $129,000.01 or more: $428.60 $76.20

- **Medicare Part D Subsidy Eligibility Requirements (pharmaceuticals coverage):**
  - GENERAL – Individual must:
    - Be entitled to Part A or enrolled in Part B (or both);
    - Be enrolled in prescription drug plan and live in a service area (excludes the incarcerated);
    - Reside in 50 States or D.C.;
    - File an application, and;
    - Have income and resources within specified limits.
  - **2016 Income Limits (latest numbers)**
    - Full Subsidy – Below 135% of poverty guidelines (below $16,038 for an individual and $21,627 for 2 person family in contiguous States and D.C. of the U.S.)
    - Partial Subsidy – Between 135%-150% of poverty guidelines (between $16,038 and $17,820 for an individual; between $21,627 and $24,030 for 2 person family in contiguous States and D.C. in the U.S.)
    - Amounts adjusted annually based on federal poverty levels (FPL)
  - **2017 Resource Limits**
    - Full Subsidy – $8,890 individual/$14,090 married couple living together
    - Partial Subsidy – $13,820 individual/$27,600 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
- Number of calls to the 800 # FY 2016: 77,398,759
- SSA Online: [https://www.socialsecurity.gov](https://www.socialsecurity.gov)
- Constituent Relations Staff: (410) 965-3929
- Congressional Affairs Staff: (202) 358-6030
- Medicare Online: [https://www.medicare.gov](https://www.medicare.gov)

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3 Part D premium depends on each individual’s plan. The amounts shown in the column are added to the plan’s premium.