

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:

	<u>OASDI</u>	<u>HI (Medicare)</u>
Employee:	\$7,886.40	No limit
Employer:	\$7,886.40	No limit
Self-employed:	\$15,772.80	No limit
- 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
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- 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):

	<u>2017</u>
--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)

<u>Primary Insurance Amount (PIA)</u>	<u>OASI Maximum Family Benefit (MFB)</u>
90% of first \$885 of AIME, plus	150% of first \$1,131 of PIA, plus
32% of AIME over \$885 through \$5,336 +	272% of PIA over \$1,131 through \$1,633+
15% of AIME over \$5,336	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:²

	<u>11/16</u>
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.

- | | <u>Age 62 (FRA 66 & 2 months)</u> | | <u>FRA (Age 66)</u> | |
|----------------------|---------------------------------------|----------------|---------------------|----------------|
| | <u>PIA</u> | <u>Benefit</u> | <u>PIA</u> | <u>Benefit</u> |
| Scaled low earner | \$1,089.90 | \$808 | \$1,009.60 | \$1,009 |
| Scaled medium earner | 1,795.20 | 1,331 | 1,663.90 | 1,663 |
| Maximum earner | 2,888.00 | 2,141 | 2,687.30 | 2,687 |
- 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.
1939 - 65/4 mos.		1943 - 64 - 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
- Other Revenue -- % of Benefits Taxed:

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

	OASI	DI	OASDI
Amount (in billions)	\$ 3.0	\$2.7	\$5.7
Percent of Benefit Payments	0.4%	1.9%	0.6%
- OASDI Benefit Payments FY 2016:*
 OASI: \$762.1 billion
 DI: \$143.0 billion
 OASDI: \$905.1 billion

- OASDI/DI Trust Funds' Operations (in billions based on intermediate assumptions in 2016 Trustees Report)

<u>Calendar Year</u>	<u>Income</u>	<u>Outgo</u>	<u>Funds' Assets</u>	
			<u>Net Incr.</u>	<u>End Of Year (EOY) Balance</u>
2015	\$920	\$897	\$23	\$2,813
2016 (estimated)	945	929	16	2,828

- 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):

	<u>Recipients</u>	<u>Average Payments</u>
Total-----	8,290,184	\$ 539
Aged -----	1,170,911	428
Blind and Disabled -----	7,119,273	557
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

<u>Modified Adjusted Gross Income (MAGI)</u>		<u>Total Monthly Part B Premium</u>	<u>IRMAA Part D ³</u>
<u>Single</u>	<u>Married Couple</u>		
\$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
<u>Married, Filing Separately</u>			
\$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>

Constituent Relations Staff: (410) 965-3929

Congressional Affairs Staff : (202) 358-6030

Medicare Info: 1-800-633-4227 TTY: 1-877-486-2048

Medicare Online: <https://www.medicare.gov>

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