What You Should Know About Social Security and Medicare

Introduction
The Medicare Program was created by the federal government in 1966 to help people over 65 pay hospital and medical costs. The Social Security Administration and the Centers for Medicare and Medicaid Services administer the program. Social Security began in 1935 under federal law and provides benefits to retired persons, disabled workers, their spouses and their dependents.

This pamphlet provides an introduction to Social Security and Medicare, including types of benefits, who qualifies for those benefits, and how to apply. Additional information and applications for both programs are available at local offices of the Social Security Administration or by calling the Social Security Administration toll free at 1-800-772-1213. Information and applications are also available at the government websites, www.medicare.gov and www.socialsecurity.gov.

Medicare Benefits
Medicare benefits are divided into Part A and Part B. Part A helps you pay for the cost of hospitalization and may cover home health care, treatment in a nursing facility or care in a hospice. Part B helps you pay the costs of doctors, therapists, ambulance services, medical equipment, and similar services. Medicare will not cover all of your health care expenses, so you should consider purchasing additional insurance from a private health insurance company.

Eligibility for Medicare Benefits
You become eligible for Part A Medicare benefit when you reach age 65 and have qualified for Social Security retirement benefits. You must be a citizen or permanent resident of the United States. With the Social Security eligibility age rising above age 65, some will not become immediately qualified until after age 65, as shown on the chart below. Those under 65 are not entitled to Medicare benefits unless they are disabled or in need of kidney dialysis. Part A coverage is free.

You are entitled to purchase Part B Medicare benefits if you are eligible for Part A benefits. If you are not eligible for Part A benefits, you may purchase Part B benefits if you are 65 or older and are a United States citizen or have lived legally in the United States for five consecutive years. You must pay for Part B benefits, which cost is deducted from your Social Security benefits if you have signed up for Part A.

How to Apply for Medicare
You will automatically receive a Medicare card when you turn 65 (or over 65 as noted above) if you elected to receive Social Security benefits prior to eligibility. Otherwise, you should apply for Medicare benefits about three months before you become eligible. You can apply for coverage at your local Social Security Office or by calling the Social Security Administration at 1-800-772-1213.

Retirement Benefits
Your Social Security retirement benefit is intended to supplement your other sources of retirement income. To maintain your standard of living after you retire, you will likely need income from savings or private retirement plans in addition to your Social Security retirement benefit.

The amount of your retirement benefit will be larger the longer you work and the greater your salary. You can start receiving your retirement benefits at age 62 (later for some), but the amount of your benefit will be larger if you wait to start receiving your benefits until you are older. Your benefit amount is increased by each year you wait, up to age 70. Your actual benefit will depend on the payments you and your employers made into the system during your working years.

Disability Benefits
Social Security provides a disability benefit to eligible workers under age 65 who are unable to work due to a disability. Eligibility depends on the nature of your disability and whether you have earned a sufficient number of Social Security work credits. A qualifying disability must prevent you from working at any job at all and the disability must be expected to last at least one year or result in death. Conditions considered to be disabling can include heart disease, blindness, severe arthritis, mental illness, and cancer.
Dependents’ Benefits
If you are retired or disabled, Social Security also pays dependents’ benefits to your children under age 18 and to your spouse age 62 or older. The payments are also extended to your unmarried children up to age 22 if they are severely disabled. Disability benefits are also available to spouses under age 62 if they are caring for your child under age 16. Further, your divorced spouse age 62 or older is entitled to a dependent benefit if the marriage lasted 10 years.

Survivors’ Benefits
Spouses, children, and sometimes parents qualify for survivors’ benefits when you die. For example, your surviving spouse is entitled to 100% of the benefit you would have received. However, your spouse cannot collect both a survivor’s benefit and his or her own benefit. If your spouse has a higher benefit based on personal work and income history, your spouse should apply for benefits in his or her own name. Your parents may also be entitled to survivor benefits if they were dependent on you for at least half of the cost of their support. Your children too may be entitled to survivors' benefits until age 18 (or age 22 if they are disabled).

Death Benefits
Social Security provides a small death benefit to help pay the cost of funeral expenses. A claim for this death benefit must be made within two years of death. It will only be paid to a surviving spouse who was living with you at the time of death.

Estimating Your Social Security Benefits
The Social Security Administration should send you a benefit statement every year, a few months before your birthday. These statements provide details on the amount of money contributed on your behalf for each year you worked and include an estimate of your retirement benefit. Be sure to check the statement for accuracy and correct any mistakes so that you will receive the maximum benefit you are entitled to.

You can also obtain an estimate of the amount of your retirement, disability, or survivor benefit by calling the Social Security Administration. In addition, the Social Security Administration website has benefit calculators.

Qualifying for Social Security Benefits
To qualify for Social Security retirement benefits, you must have earned the required number of work credits for the type of benefit you seek. The Social Security Administration keeps track of your credits. For each year you work, you receive up to four Social Security credits depending upon the amount of your salary.

When to Apply for Social Security Benefits
You should apply for your retirement benefits about three months before you want them to begin. You should apply for disability or survivor benefits as soon as you become eligible.

Where to Apply for Social Security Benefits
You can apply for Social Security benefits by visiting your local Social Security office. Representatives of the Social Security Administration will help you complete your application.

What You Will Need to Apply for Benefits
When applying for benefits, you will need your Social Security number, proof of your age (such as a birth certificate), two of your most recent W-2 forms, and proof of U.S. citizenship if you weren’t born in the United States. Certain benefits may require other documents, such as proof of military service, your marriage certificate, or your spouse’s death certificate.

Appealing a Denial of Benefits
You have a right to appeal if you believe you were improperly denied Medicare or Social Security, or that your benefits were improperly stopped or inaccurately calculated. For Social Security claims, you must request an appeal in writing within 60 days from the date you receive a notice of decision from the Social Security Administration. If you do not appeal, the decision becomes final and you cannot appeal at a later date.

The four levels in the appeal process are Reconsideration by a Social Security Worker, Hearing before an Administrative Law Judge, Consideration by the Social Security Administration’s Appeals Council in Washington, D.C., and Federal court review.

Reconsideration is an informal process that involves a review of your case by a Social Security representative other than the one who made the original decision. If you are not satisfied with the result of the Reconsideration, the next step is to request a Hearing before an Administrative Law Judge.

If you disagree with the decision of the Administrative Law Judge, you may appeal for Consideration by the Appeals Council. Although you do not get a hearing before the Appeals Council, you are entitled to submit additional information. If you disagree with the decision of the Appeals Council, you are entitled to file a lawsuit in Federal District Court.
Seeking Legal Assistance
Dealing with the government can sometimes be overwhelming. Your lawyer can help you understand your rights under the Social Security and Medicare laws and assist you to determine both your eligibility and the amount of your benefit. Your lawyer can also help you to appeal an adverse decision regarding your eligibility for benefits or the amount of your benefits. Indeed, certain lawyers specialize in appealing Social Security and Medicare decisions.

Age To Receive Full Retirement Benefits

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<th>Year of Birth</th>
<th>Full Retirement Age</th>
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<td>1937 or earlier</td>
<td>65</td>
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<td>1938</td>
<td>65 and 2 months</td>
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<td>1939</td>
<td>65 and 4 months</td>
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<td>1940</td>
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<td>1941</td>
<td>65 and 8 months</td>
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<td>1942</td>
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<td>1955</td>
<td>66 and 2 months</td>
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<td>1956</td>
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