

ify for retirement benefits, you must be "fully insured." ans you must have 40 credits (about 10 years of work). benefit amount is based on your career average earnings by Social Security and your age when you start your . A full benefit is payable if you begin entitlement at **1 retirement age (FRA)**. Permanently reduced benefits able as early as age 62. Your FRA is 66 if born in 1943- **actually reaching 67 if born in 1960 or later.** This table s a typical past earnings progression and level future s. It shows the value of your benefits in today's dollars.

Age in 2013	Your Present Annual Earnings			
	\$20,000	\$40,000	\$60,000	\$80,000
65	\$946	\$1,438	\$1,929	\$2,179
66	968	1,471	1,975	2,229
67	956	1,454	1,953	2,201
68	944	1,437	1,930	2,175
69	957	1,455	1,953	2,203
70	965	1,471	1,977	2,218
71	972	1,485	1,991	2,231
72	983	1,508	2,007	2,253
73	991	1,525	2,019	2,269

FRA	Percent of full benefit payable at age			
	62	63	64	65
66	75.0	80.0	86.6	93.3
67	70.0	75.0	80.0	86.6

Benefits

nal benefits may be paid to your: married children under age 18, or up to 19 if in high school, or any age if disabled before 22; spouse at age 62 or over, or any age if caring for your child who is under age 16 or who is disabled before age 22; divorced spouse, at age 62 or over, if married for at least 10 years

ic benefit for each family member is 50% of your FRA except for spouses under the FRA with no eligible child, who at age 62 can receive from 32½ - 35%. The total amount payable to your family on your Social Security work is subject to a family maximum.

re under FRA, the earned income that you can have and receive all benefits is limited. In 2013, the exempt amount is \$15,120 if you are under FRA throughout the year. If you attain FRA in 2013, the limit is \$40,080 for the period starting the month you attain FRA. Your benefits are not reduced because of earnings at FRA or over.

can see, Social Security is not intended to be your only source of retirement income. You may want to supplement your income from professionally designed insurance or investments.

if you become disabled in 2013, this table shows the approximate monthly benefit for people with typical earnings histories.

- Your benefit
- Child or spouse at full retirement age (FRA) or above (reduced benefits if first claimed before FRA, as early as 62)
- Your family's maximum benefit

Your Age in 2013	Your Present Annual Earnings			
	\$20,000	\$40,000	\$60,000	\$80,000
65	\$ 966	\$1,468	\$1,970	\$2,226
66	366	734	985	1,113
67	1,332	2,202	2,955	3,339
68	952	1,446	1,940	2,195
69	359	723	970	1,097
70	1,311	2,169	2,910	3,292
71	952	1,446	1,940	2,195
72	359	723	970	1,097
73	1,311	2,169	2,910	3,292
74	952	1,446	1,940	2,195
75	360	723	970	1,097
76	1,312	2,169	2,911	3,292
77	953	1,447	1,942	2,196
78	360	723	971	1,098
79	1,313	2,170	2,913	3,294
80	954	1,450	1,946	2,199
81	363	725	973	1,099
82	1,317	2,175	2,919	3,298

To qualify for disabled-worker benefits, you must meet two requirements:

- You must have worked the required length of time in employment covered by Social Security. Young workers can qualify with as few as 6 credits (about 1½ years of work); older workers may require as many as 40 credits (about 10 years). Also, you must have earned some of these credits in recent years.
- Your disability must prevent you from being able to perform any substantial gainful work and be expected to last for at least twelve months or result in death.

Thirty percent of younger workers will become disabled before reaching retirement age. However, qualifying for Social Security disability benefits is difficult because the rules for determining disability are very strict. For this reason, you may want to consider a disability-income-protection plan in your insurance program. Even if you do qualify for Social Security benefits, you may need to supplement this income with insurance or investments to provide income during the waiting period of five full calendar months when no Social Security benefits are paid. Also, Social Security disability benefits are not intended to be your only source of income when disabled.

For deaths that occur in 2013, this table shows the approximate monthly benefits payable to the family if the worker had a typical earnings history.

- Widow(er) at full retirement age (FRA) - 65 for people born before 1940 but rises to 67 for people born in 1962 or later (71½% of this amount is payable at age 60)
- Child or widow(er) caring for a child who is under age 16 or disabled before age 22
- Your family's maximum benefit

Your Age in 2013	Your Present Annual Earnings			
	\$20,000	\$40,000	\$60,000	\$80,000
66	\$ 946	\$1,438	\$1,929	\$2,179
67	709	1,078	1,447	1,634
68	1,419	2,690	3,378	3,814
69	952	1,446	1,940	2,195
70	714	1,084	1,455	1,646
71	1,428	2,700	3,395	3,841
72	952	1,446	1,940	2,195
73	714	1,084	1,455	1,646
74	1,428	2,701	3,395	3,841
75	952	1,446	1,941	2,195
76	714	1,085	1,455	1,646
77	1,429	2,702	3,396	3,842
78	953	1,448	1,942	2,196
79	715	1,086	1,457	1,647
80	1,430	2,705	3,399	3,844
81	958	1,457	1,957	2,205
82	718	1,093	1,467	1,654
83	1,437	2,731	3,425	3,860

Monthly benefits may be paid to family members after your death if you have worked under Social Security long enough, generally 6 to 40 credits (1½ to 10 years of work), depending on your age. Eligible family members include:

- unmarried children under age 18, or up to 19 if in high school, or any age if disabled before 22
- spouse (or divorced spouse) caring for your child under age 16 or who is disabled before age 22
- disabled spouse (or disabled divorced spouse) age 50
- spouse (or divorced spouse) age 60

If a family member has substantial earnings, that person's benefit may be reduced without causing a reduction in total family benefits if several members are eligible.

Your spouse or eligible children may also receive a \$255 lump-sum death payment. This funeral benefit has not been increased since 1952.

Statistics show 1 in 8 of 20-year-olds will die before reaching age 67. The benefits for a widow(er) caring for a non-disabled child stop when the child turns 16. The benefits do not start again until the widow(er) reaches age 60 (50 if disabled). During this "black-out" period, the need for additional income protection is very great.

2013 Social Security and Medicare



A simple explanation with easy-reference benefit tables.

coverage can begin when you reach **age 65**. Your age 65 based on your date of birth. You are eligible for monthly Social Security benefits if you are not yet age 65. You also may qualify for Social Security disability benefits if you have been entitled to Social Security disability benefits for two years or if you have end-stage renal disease (kidney failure).

You can stay in Original Medicare or receive healthcare through **Part C, Medicare Advantage (MA)** plans. MA plans are offered through private health insurance companies, Preferred Provider Organizations, and Private Fee-for-Service plans. Most MA plans are in the Original Medicare Plan described below.

Capital Insurance is the FICA tax withheld from wages is for Medicare insurance. This FICA tax increases to 2.35% for wages over \$128,400 (\$250,000 for married filing jointly) in 2013. This tax is used to pay for home health services, hospice care, and for:

benefits. When you are admitted to a hospital, you pay a copayment of **\$1,184**. After the first 60 days, you pay \$5 per day. After 90 days, you can choose to pay \$592 for up to 60 "lifetime reserve" days (or else you pay charges and "save" the 60 days for possible use later).

Nursing facility (SNF) benefits are available only after a 30-day stay of at least three days. You pay nothing for the first 30 days except for any charges that Medicare does not cover. After the next 80 days, you pay charges up to **\$148 per day**. **SNF benefits are available after 100 days in an SNF.**

Medical Insurance is a standard monthly premium is generally **\$104.90** for most people. Premiums for high-income beneficiaries. Coverage is based on your income. After you pay **\$147** of charges from doctors and other providers that are allowed by Medicare in any year, you pay 80% of additional allowed charges. For physician services, you pay more than those allowed by Medicare. The payment is based on the allowed charge, and you cannot be charged more than an additional 15%. Special rules apply to hospital services.

Prescription Drug Benefits help pay for insurance coverage for outpatient drugs under **Part D** (and through some MA plans). Part D is sold by private companies and other private businesses are approved to sell this coverage, and only beneficiaries covered under Part B can enroll. In 2013, the average monthly premium for Part D is about **\$30** (with an added amount for the Part D premium for high-income beneficiaries) and the deductible is **\$325**.

Items not covered by the Original Medicare Plan: prescription drugs and medicines taken at home, durable medical equipment, nursing home care and custodial care, vision, glasses, hearing aids, and dental care, foot care and orthopedic shoes, except for diabetic shoes, immunizations (pneumococcal vaccine, Hepatitis B, and flu shots are generally covered) that are not reasonable, medically necessary, or outside the US.

Cost-sharing payments shown above are estimates. These costs, and other Medicare limitations, may vary. For more information, see the Medicare handbook or visit us in the Original Medicare Plan.