

SSA Update 2012/2013⁷⁹

Current Workers

Social Security and Medicare Taxes

<i>Social Security taxes</i>	2012	2013
Employee/Employer (each)	7.65% on earnings up to \$110,100	7.65% on earnings up to \$113,700
Self-employed	15.30%* up to a max of \$106,800	15.30%* up to a maximum of \$106,800

*Can be offset by income tax provisions

<i>Medicare taxes</i>	2012	2013
Employee/employer (each)	1.45% on all earnings	1.45% on all earnings
Self-employed	2.9% on all earnings	2.9% on all earnings

Work Credits Workers need a certain number of credits to be eligible for Social Security benefits. The required number depends on age and the type of benefit applied for. Workers can earn a maximum of four credits each year. Most people need 40 credits to qualify for retirement benefits.

2011	2012	2013
\$1,120 earns one credit (\$4,480)	\$1,130 earns one credit (\$4,520)	\$1,160 earns one credit (\$4,640)
Maximum of 4 credits per year	Maximum of 4 credits per year	Maximum of 4 credits per year

Social Security Beneficiaries

Earnings Limits Under federal law, people who receive SSA benefits who have not reached full retirement age are entitled to receive all of their benefits as long as their earnings are under the limits indicated below. The full retirement age is 65 and 2 months for retirees born in 1938; 65 and 4 months for those born in 1939. The full retirement age will increase gradually each year until it reaches age 67 for people born in 1960 or later.

	2012	2013
At full retirement age	No limit on earnings	No limit on earnings
Under age 65	\$14,640 (\$1,220/mo.) For every \$2 over the limit \$1 is withheld from benefits	\$15,120 (\$1,260/mo.) For every \$2 over the limit, \$1 is withheld from benefits
In the year reaches full retirement age	\$38,880 (\$3,240/mo.) For every \$3 over the limit, \$1 is withheld from benefits until the month you reach full retirement age	\$40,080(\$3,340/mo.) For every \$3 over the limit, \$1 is withheld from benefits until the month you reach full retirement age

Disability beneficiaries' earnings limits: Recipients can continue to receive benefits if they earn less than the amount that SSA has determined is "substantial gainful activity" (SGA). Workers also may be eligible for a "trial work period" and can continue receiving benefits for up to nine months.

SGA	2012	2013
Non-Blind	\$1,010 per month	\$1,040
Blind	\$1,690 per month	\$1,740 per month

⁷⁹ Based on SSA Publication No. 05-10003

Trial Work Period (TWP)

	2012	2013
Working during trial period	\$ 720/mo.	\$ 750/mo.

Maximum Social Security Benefit: Worker Retiring at Full Retirement Age in:

	2012	2013
	\$2,513/mo.	\$2,533/mo.

Supplemental Security Income**Monthly Federal SSI Payment (Maximum)**

	2012	2013
Individual	\$ 698	\$ 710
Couple	\$ 1,048	\$ 1,066

Medicare**Hospital Insurance (Part A)**

	2012	2013
For first 60 days in a hospital, patient pays	\$ 1,156	1, 184
For 61st through 90th days in a hospital, patient pays	\$ 283/day	289/day
For 91 – 150 days in a hospital, patient pays (for 60 Lifetime Reserve Days)	\$ 578/day	592/day

All costs for each day beyond 150 days

For first 20 days in a skilled nursing facility, patient pays	\$0	\$0
For 21st through 100th days in a skilled per day nursing facility, patient pays	\$ 144.50	\$148.00

Part A Premium Buy-In

The amount of the premium you pay to buy Medicare Part A depends on the number of Social Security credits you have earned. If you have:

40 credits	\$0	\$0
30-39 credits	\$ 248/mo.	\$248
less than 30 credits	\$ 450/mo.	\$441

Medical Insurance (Part B)

Premium	\$99/mo **	\$104.90/mo
Deductible	\$140/yr.	\$147/yr.

**Based on annual income; can be as high as \$335.70. After the patient has paid the deductible, Part B pays for 80% of covered services.

SSA updates: <http://www.socialsecurity.gov/pressoffice/factsheets/colafacts2013.htm>

Medicare updates: <http://blog.medicare.gov/2012/11/16/2013-medicare-update/>