

SSA Update 2009/2010¹

Current Workers

Social Security and Medicare Taxes

<i>Social Security taxes</i>	2009
Employee/Employer (each)	6.2% on earnings up to \$102,000
Self-employed	12.4%* up to a maximum of \$102,000 12.4%* up to a maximum of \$106,800

*Can be offset by income tax provisions

<i>Medicare taxes</i>	2009
Employee/employer (each)	1.45% on all earnings
Self-employed	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.

2008	2009	2010
\$1,050 earns one credit (\$4,360)	\$1,090 earns one credit (\$4,480)	
	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.

	2009	2010
At full retirement age	No limit on earnings	No limit on earnings
Under age 65	\$14,160 (\$1,180/mo.) For every \$2 over the limit \$1 is withheld from benefits	\$14,160 (\$1,180/mo.) For every \$2 over the limit, \$1 is withheld from benefits

In the year you reach full retirement age limit,	\$37,680(\$3,140/mo.) For every \$3 over the limit, For every \$3 over the limit,
2010	\$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	2009
Non-Blind	\$ 980 per month
Blind	1.45% on all earnings \$1,640 per month
	2.9% on all earnings

¹ Based on SSA Publication No. 05-10003

Trial Work Period (TWP)

Working during trial period
2009 \$ 700/mo.

SSA updates:

<http://www.socialsecurity.gov/pressoffice/factsheets/colafacts2010.htm>
2010 \$ 720/mo.

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

2009 \$2,323/mo.

Medicare updates:

http://www.cms.hhs.gov/apps/media/fact_sheets.asp
(October 16, 2009)

2010 \$2,346/mo.

Supplemental Security Income

2009 2010
Monthly Federal SSI Payment (Maximum)

Individual \$ 674 \$ 674

Couple \$ 1,011 \$ 1,011

Medicare

Hospital Insurance (Part A)

2009 2010

For first 60 days in a hospital, patient pays \$ 1,068 \$ 1,100

For 61st through 90th days in a hospital, patient pays \$ 267/day \$ 275/day

For 91 – 150 days in a hospital, patient pays (for 60 Lifetime Reserve Days) \$ 534/day \$ 550/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 \$ 133.50/day \$ 137.50

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 \$ 244/mo. \$ 254/mo.
less than 30 credits \$ 443/mo. \$ 461/mo.

Medical Insurance (Part B)

Premium \$96.40/mo. \$96.40 - \$110.50/mo.**
Deductible \$135/yr. \$155/yr.

**Based on annual income; can be as high as \$353.60. After the patient has paid the deductible, Part B pays for 80% of covered services.