

Social Security Basics

Colleen Daly, Attorney

Gordon Solo, Attorney

Mid-Minnesota Legal Aid, Senior Law Project



Today's Roadmap

- Social Security Retirement (RSDI)
Enrollment and Eligibility
- Supplemental Security Income (SSI)
Eligibility
- Related Scams and Fraud



Social Security Retirement (RSDI) Title II

RSDI: Retirement, Survivors, Disability Insurance

Who Is Eligible

- RSDI provides benefits to retired workers. You must have enough earnings during your lifetime to be eligible. Depend on when you apply and what you are applying for, but you never need more than 40 credits.
- As you work and pay taxes, you earn Social Security “credits.” In 2023, you earn 1 credit for each \$1,730 in earnings — up to a maximum of 4 credits per year.
- The amount of money needed to earn 1 credit usually goes up every year.



RSDI: How Social Security Determines Your Benefit Amount

Your benefit amount is based on a worker's pre-retirement earnings.

The amount you get when you retire depends on:

1. Your earnings, and
2. When you choose to start benefits.

Full retirement age is currently 67 (for people born after 1960)

You can retire earlier than 67 but your benefit amount will be less. The earliest age you can collect Social Security retirement is 62.

Most financial advisers say you will need about 70% of pre-retirement income to live comfortably in retirement, including your Social Security benefits, investments, and personal savings.



RSDI cont.

The amount you get in monthly Social Security benefits depends on how much you earned during your working career.

Higher lifetime earnings result in higher retirement benefits.

If there were some years when you didn't work, or had low earnings, your benefit amount may be lower than if you worked steadily.



RSDI: What Is Full Retirement Age

If you were born from 1943 to 1960, the age at which full retirement benefits are payable increases gradually to age 67. (Next page)

In 2024, if your birth year is 1956 or earlier, you're already eligible for your full Social Security benefit.



RSDI Full Age Retirement, cont.

Year of birth	Full retirement age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 or later	67



RSDI Full Retirement, Cont.

BE AWARE!

Although the full retirement age is rising, you should still apply for **Medicare** benefits 3 months before your 65th birthday. If you wait longer, your Medicare medical insurance (Part B) and prescription drug coverage (Part D) may cost you more money.



RSDI: When to apply for benefits

You should apply for benefits about 4 months before the date you want your benefits to start.

If you aren't ready to apply for retirement benefits yet but are thinking about it, you can go to SSA's website to look at their retirement planner.

You can find SSA's retirement planner at:
www.ssa.gov/retirement.



RSDI: HOW TO APPLY

You can apply online at: www.ssa.gov/apply

Or by calling [+1 800-772-1213](tel:+18007721213)

Or by walking into your local social Security office.



Can I Work While Getting RSDI-YES

You can continue to work and still receive retirement benefits if you are full retirement age. Your earnings in (or after) the month you reach full retirement age won't reduce your Social Security benefits.

And working beyond full retirement age can increase your benefits.



Can I Work While Getting RSDI, Cont.-Yes

BUT BE CAREFUL IF YOU WORK BEFORE FULL RETIREMENT AGE!

If you are collecting early retirement, you can only earn a certain amount. If you earn more, your retirement benefits will be reduced based on how much you earn.

If you work, but start receiving benefits before full retirement age, SSA will deduct \$1 in benefits for every \$2 in earnings you have above the annual limit you are allowed to work. Report income to SSA and avoid overpayments!

In 2024, the limit is \$22,320 per year.



Social Security Disability Insurance

SSDI

- You become eligible for SS Disability Insurance in the same way you become eligible for SS Retirement – by working and earning credits.
- If you have earned enough credits to be eligible, and meet the criteria for having a disability, then you can receive SSDI.
- If you receive SSDI, then there is a strict limit on how much you can earn from work and continue to collect SS disability payments. Generally that amount for 2024 is \$1550 (\$2590 if you are blind).
- If you earn more than this amount, you will no longer be considered disabled and you will not be eligible for SS disability payments.
- You also risk having an overpayment and needing to pay back money you received.



Supplemental Security Income. (SSI) Title XVI



What is Supplemental Security Income (SSI)

SSI is a need-based version of Social Security-like public assistance.

- SSI is a federal program that provides monthly payments to adults and children with a disability or Blindness, who have no income or limited income and resources and who are not eligible for SSDI/RSDI.
- People 65 and older without disabilities who are not eligible for RSDI and meet the asset and income restrictions are also eligible for SSI.



Who is eligible for SSI

- You do not need to have worked or paid Social Security taxes to qualify for SSI.
- There are rules on how much you can earn each month and how much money, property or other assets you can have.



Who is eligible for SSI, cont.

- Your income includes the money you earn, any Social Security benefits, pensions, and the value of items you get from someone else, such as shelter. This affects how much you get from SSI.
- You may be able to get SSI if your resources (the things you own) are worth no more than **\$2,000 for a person or \$3,000 for a married couple living together** even if only one person gets SSI.



Who Is Eligible for SSI, cont.

- SSA will not count everything you own to determine your eligibility for SSI.
- They do not count your home if you live in it.
- They do not count your car. They will count a second car.



SSI, Direct Deposit

- With SSI you are required to sign up to receive your payments electronically when you apply for SSI.
- If you do not have a bank account, you can also sign up for the Direct Express® card program.
- Sign up for direct deposit by contacting your bank or by contacting Social Security.
- You can sign up for the Direct Express® card by calling the Treasury Electronic Payment Solution Contact Center at 1-800-333-1795. Or sign up online at www.godirect.gov.



SSI, Direct Deposit, cont.

- Direct deposit is a simple, safe, and secure way to receive your payments.
- It will also make your payments automatically exempt from garnishment for consumer debt judgements.

Note: Direct deposit also protects RSDI from garnishment for consumer debt judgements.



SSI: Income

Income you receive affects how much SSI you will get. Under SSI, income includes cash, checks, and other things you get that can be used for food or shelter. Examples of income include:

- Wages from your job, whether in cash or another form.
- Net earnings from your business if you're self-employed.
- The value of food or shelter that someone gives you, or the amount of money someone gives you to help pay for them.
- Department of Veterans Affairs benefits.
- Railroad retirement and railroad unemployment benefits.



SSI: Income, cont.

- Annuities, pensions from any government or private source, workers' compensation, unemployment insurance benefits, black lung benefits and Social Security benefits.
- Prizes, settlements, and awards, including court-ordered awards.
- Proceeds of life insurance policies.
- Gifts and contributions.
- Support and alimony payments.
- Inheritances in cash or property.
- Rental income.
- Strike pay and other benefits from unions.



SSI: Items that do not count as income

Examples of items that are **not income** include:

- Medical care and services.
- Social services.
- Money from the sale, exchange, or replacement of things you own (though the money may count as a resource if you retain it until the next month).
- Income tax refunds.
- Earned Income Tax Credit and Child Tax Credit payments.



SSI and Assets (Resources)

A single person can have resources up to **\$2,000** and still get SSI. A couple can have resources up to **\$3,000**.

SSI **counts the following resources** in determining your eligibility for benefits:

- Cash.
- Checking and savings accounts.
- Certificates of deposit.
- Stocks and U.S. Savings Bonds.

Any payments that you get from SSI or Social Security for past months won't be counted as a resource for **9 months** after the month you get them. If there are any past payments left over after the 9-month period, they'll count as resources.



SSI and Assets (Resources), cont.

Resources **SSI does not count** include:

- Your **home** and the land that it's on don't count if it's your primary residence.
- Depending on how they are used, **household goods, personal property, and a car** may not count.
- **Life insurance** with a face value of **\$1,500 or less** per person usually doesn't count.
- Up to \$1,500 in **burial funds** for you and up to \$1,500 in burial funds for your spouse don't count.
- **Burial plots** for you and your immediate family also don't count.



SSI, Reporting Requirements

Some things **you must report** if you get SSI:

If you move or change your address

If you change direct deposit accounts

If someone moves into or out of your home

If you start or stop work

If there's a change in your income or the income of family members

If there's a change in your resources (you inherit money or win the lottery)

If you get help with living expenses

If you enter or leave an institution (hospital, nursing home or prison)

If you leave the United States (Usually, if you leave the United States for 30 days or more, you can no longer get SSI.)

If your immigration status changes



Social Security Related Scams



Social Security Related Scams

Most common scams related to Social Security are telephone scams.

- Typically, they will claim they are calling from SSA.
- Will say they need to get your personal information or money.
- Often, they try to manipulate the victim with threats. If you don't give them information they request or do what they want, you will be arrested, sued or your benefits will stop.



Social Security Scams, cont.

Four Basic Signs of a Scam

Recognizing the signs of a scam gives you the power to ignore criminals and report the scam.

Scams come in many varieties, but they all work the same way:

1. Scammers **pretend** to be from an agency or organization you know to gain your trust.
2. Scammers say there is a **problem or a prize**.
3. Scammers **pressure** you to act **immediately**.
4. Scammers tell you to **pay** in a specific way.



Social Security Scams, cont.

- Scammers might call, email, text, write, or message you on social media claiming to be from the Social Security Administration or the Office of the Inspector General.
- They might use the name of a person who really works there and might send a picture or attachment as “proof.”



Social Security Scams, cont.

Social Security will **never**

- **Threaten** you with arrest or legal action because you don't agree to pay money immediately.
- **Suspend** your Social Security number.
- Claim to need **personal information or payment** to activate a cost-of-living adjustment (COLA) or other benefit increase.
- **Pressure** you to take immediate action, including sharing personal information.
- Ask you to **pay with** gift cards, prepaid debit cards, wire transfers, cryptocurrency, or by mailing cash.
- **Threaten** to seize your bank account.
- Offer to **move your money** to a “protected” bank account.
- **Demand** secrecy.
- **Direct message** you on social media.



Social Security Scams, cont.

How to **Avoid a Scam**

Protect yourself, friends, and family — If you receive a suspicious call, text, email, social media message, or letter from someone claiming to be from Social Security:

1. **Remain calm.** If you receive a communication that causes a strong emotional response, take a deep breath. Talk to someone you trust.
2. **Hang up or ignore the message.** Do not click on links or attachments.
3. **Protect your money.** Scammers will insist that you pay with a gift card, prepaid debit card, cryptocurrency, wire transfer, money transfer, or by mailing cash. Scammers use these forms of payment because they are hard to trace.
4. **Protect your personal information.** Be cautious of any contact claiming to be from a government agency or law enforcement telling you about a problem you don't recognize, even if the caller has some of your personal information.
5. **Spread the word** to protect your community from scammers.
6. **Report the scam** to the Office of the Inspector General at oig.ssa.gov/report.



Social Security Scams, cont.

What to Do if You Were Scammed

Recovering from a scam can be a long and difficult process. Here are some reminders:

- Do not blame yourself. Criminal behavior is not your fault.
- Stop contact with the scammer. Do not talk to them or respond to their messages.
- Notify the three major credit bureaus: [Equifax](#), [Experian](#), and [TransUnion](#) to add a fraud alert to your credit report.
- Call your local Police Department and your financial institution affected by the fraud (call them IMMEDIATELY)
- Call the Social Security **Office of Inspector General (800) 269-0271**

We don't take such cases as they are crimes and we do not prosecute. The government does that.



Important Numbers

You can report changes by calling SSA to their toll-free at **1-800-772-1213**. (If you're deaf or hard-of-hearing, you may call our TTY number, 1-800-325-0778.)

If you suspect a scam or are a victim of one, call Office of the **Inspector General at 1-800-269-0271** or online at **oig.ssa.gov/report**.



Mid-Minnesota Legal Aid (MMLA)

- Free civil legal services (not criminal)
- Help vulnerable Minnesotans gain access to:
 - safety,
 - shelter,
 - food,
 - health care and
 - education



MMLA Minneapolis Office's Senior Law Project

Who does Senior Law Project serve?

- Residents of Hennepin and Anoka counties
- Clients are 60 years of age or older
- Income does not matter but we focus on clients with the greatest need.

CAVEAT:

- Limited resources



MMLA Minneapolis Office's Senior Law Project

Types of legal issues:

- Landlord-Tenant / Housing
- Public Benefits
- Medical Assistance
- SSI / Social Security
- Assisted Living Questions
- Nursing Home Questions
- Debtor rights / Consumer
- Grandparent Rights
- Powers of attorney / Health care directives
- Probate advice and referrals
- Immigration



MMLA Minneapolis Office's Senior Law Project

Our free legal services include:

- Referrals
- Advice
- Brief services
- Direct representation



MMLA Minneapolis Office's Senior Law Project

Need help?

Call our intake line at 612-334-5970 or 612-332-1441

- Monday through Friday
 - 9:30 am-11:30 am
 - 1:30 pm-3:30 pm



Statewide Telephone Intake Line:

1-877-696-6529

(1-877-MY-MN-LAW)

Statewide Online Intake:

Lawhelpmn.org



Your questions and your experiences

Questions?

