

Social Security

Social Security is a federal insurance program which provides benefits for eligible workers and their families regardless of income.

Social Security covers both employees and the self-employed, if the worker has earned enough quarters of credit. A quarter is credited to your account for each \$920 earned. You cannot earn more than 4 quarters in a year.

The amount you get depends on how much money you have earned and how many years you worked in a job covered by Social Security.

Covered workers pay for Social Security (FICA) by being taxed on the money they earn, and employers must match this amount. In 2005, the rate of this tax is 6.2% on the first \$90,000 you earn, plus an extra 1.45% for Medicare.

Social Security provides four main kinds of benefits: retirement, disability, survivor, and health (called Medicare). (see page 53 Medicare). There are no resource limits to these programs.

The total benefits for all family members drawing on one worker's account cannot be more than one and a half times the worker's benefit rate. Persons over 65 receiving retirement benefits, and persons who have received disability-based benefits (such as disability, disabled widow, or disabled adult child) for 24 months also get Medicare benefits.

Present law prevents Social Security benefits going to any non-citizen who is not "lawfully present" in the U.S. (see page 58 Guide for Non-Citizens). To get full retirement benefits you must be at least 65 years old. (This will gradually increase to age 67 by the year 2022). To receive reduced benefits, you must be at least 62.

Monthly payments are made to workers and their eligible dependents, which include:

- children under 18
- children age 18 to 19 who are full time students
- children age 18 or over with a disability which began before age 22

- spouses and unremarried ex-spouses who are 62 or over
- spouses and unmarried ex-spouses caring for the worker's children who are under 16, or for children who are disabled and entitled to benefits on the worker's account.

You will receive a percentage of what you earned as a worker and what you contributed to Social Security. There are still minimum benefits for people who had low earnings and were already getting minimum benefits before 1982.

You can earn money and still get retirement benefits. If you are over 65, there is no earnings limit. If you are between 62 and 65, the limit is \$12,000 per year or \$1,000 monthly. The limit increases every year. If your earnings are over the limit, your retirement benefits are reduced (by \$1 for every \$2 earned above the limit). These limits apply only to what you earn, not to money you get from investments, pensions, and other "unearned income."

DISABILITY BENEFITS

Monthly Social Security Disability Insurance (SSDI) payments are made to you and to eligible family members (such as a spouse, unmarried ex-spouse, child, or adult disabled child) if you are a covered employee who is unable to work because of severe, medically-certified illness or other disability that has lasted or is expected to last at least 12 months or to end in death.

Benefits are available to family members on the same terms as for Retirement benefits.

For these additional family members, the amount is in addition to the worker's benefit and there is a maximum amount that can be paid to any one family.

Although you may be entitled to State Disability Insurance [see pg. 19, Workers Rights and Unemployment

under "Are You Disabled"] you should also apply immediately for disability benefits under Social Security.

You may also want to apply for SSI (page 26 "SSI and CAPI"). SSDI does not require low family income, but SSI does. Also, SSDI provides Medicare eligibility, while SSI provides Medi-Cal. SSDI requires that the applicant have a record of at least some wages earned during each of 20 quarters (three-month periods) of covered employment in the last 10 years before becoming disabled

SSI has no work history requirement. Because both SSI and SSDI can take several months from application to approval, while waiting you can also apply for "Medi-Cal Only" at the welfare office. It is important not to wait until your state disability benefits have run out before applying for federal disability benefits. If you have not yet received your SSI or SSDI and your state disability benefits have run out, you should apply for General Relief (see pg. 29).

SURVIVOR BENEFITS

When a covered worker dies, monthly payments are made to eligible family:

- A spouse over age 60 or disabled over age 50 or caring for the worker's child who is under 16 or disabled
- The spouse above can be divorced from the worker only if the marriage lasted at least a decade
- A disabled adult unmarried child A parent of the worker over age 62 if at least 50% dependent on the worker.