



Chapter  
5

# LEARNING ABOUT BENEFITS

## **In This Chapter, Learn:**

- About Social Security Benefits
- How to Apply for Social Security
- How to Appeal Social Security Decisions
- About Veteran Benefits
- About Pensions
- What to Do if Your Pension is Denied
- About Much More

# SOCIAL SECURITY

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## What is Social Security?

Social Security provides monetary benefits to workers who have retired, workers who have become disabled, and families of workers.

## Am I eligible for Social Security retirement benefits?



To be eligible for retirement benefits, there are two qualifications. First, you must be “insured” under Social Security. As you work and pay taxes, you earn Social Security “credits” for quarters of work. Most people need 40 calendar quarters, or 10 years of work to be fully insured for benefits. If you stop working, the quarters you worked will be on record and you may continue to accumulate credits if you work again.

Second, you must be at least age 62 and a U.S. citizen residing in the U.S. or a permanent non-citizen resident lawfully present in the U.S.

# SOCIAL SECURITY RETIREMENT

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## How much will I get in Social Security retirement benefits?

The benefits you receive from Social Security depend on the amount you earn over your lifetime, your age at retirement, and other factors. The higher your income, the higher your benefits will be. To estimate your retirement benefits, ask the Social Security Administration (SSA) for a Social Security benefits statement or use the calculator on the SSA's website (see the "More Information" section on page 64).

## At what age can I start receiving Social Security retirement benefits?

You may start receiving full benefits at age 65 or above (see chart below). If you need benefits earlier, you can receive them as early as age 62. However, if you retire early, your benefits will be reduced for as long as you receive them. For example, if you retire at age 62, your benefits could be reduced up to 30%.

## At what age will I receive full Social Security retirement benefits?

The date for "full retirement" depends on your birth date. If you were born before 1938, you may take full retirement benefits at age 65. If you were born in or

after 1938, the full retirement age is raised gradually until it reaches 67. For example, if you were born in 1939 you can retire with full benefits at age 65 years and 4 months (see chart).

<b>Eligibility Year For Full Social Security</b>	
Year Born	Full Retirement Age
1937 or earlier	65 years old
1938	65 and 2 months
1939	65 and 4 months
1940	65 and 6 months
1941	65 and 8 months
1942	65 and 10 months
1943-54	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 and later	67

### Can I delay receiving Social Security retirement benefits?

Yes. If you choose to wait to receive benefits and continue to work beyond full retirement age, you will earn delayed retirement credits for the months you work. When you decide to receive your retirement benefits, your monthly benefit will be higher.

## Can I receive Social Security retirement benefits and continue to work?



If you continue to work after reaching full retirement age, you will receive full Social Security benefits. If you choose to retire before reaching full retirement age, and you continue to work part-time, Social Security will reduce your benefits.

# SOCIAL SECURITY FAMILY BENEFITS

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## What are Social Security family benefits, and am I eligible?



Family members may receive benefits based on the worker's eligibility for retirement or disability benefits. Family members eligible for these benefits include spouses, divorced spouses, and children. The discussion in this section presumes that the worker is living.

To be eligible, the worker must be entitled to receive benefits, and:

- A spouse must have been married to the worker for at least one year or be the natural parent of the worker's child, and be at least age 62 or caring for a child eligible for benefits based on the worker's account (minor under 16 or disabled).

- A divorced spouse must not be eligible for equal or higher benefits under his or her own or another's Social Security record, must be at least age 62, must have been married to the worker for at least 10 years, and must be unmarried.
- Dependent children must be unmarried and under the age of 18 (or under age 19 if attending elementary or secondary school full-time). After age 18, a dependent child may receive benefits if he or she is disabled and the disability began before age 22.

## SOCIAL SECURITY DISABILITY

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### What are Social Security disability benefits?

The SSA provides disability benefits under two major programs: the Social Security Disability Insurance (SSDI) program and the Supplemental Security Income (SSI) program. The following discussion will provide general information on both of these benefits. For specific information on your situation, you should contact your local SSA office.

### Am I eligible for Social Security Disability Insurance (SSDI) benefits?

To be eligible to collect Social Security Disability Insurance benefits, you must be “insured” under Social Security. You must also be able to prove the

severity of your disability, by showing that all of the following apply:

- You have a medically certified physical or mental disability.
- That disability prevents you from engaging in substantial gainful activity.
- The disability has lasted or is expected to last for at least 12 months or result in death.

## SUPPLEMENTAL SECURITY INCOME

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### What is Supplemental Security Income (SSI)?

The Supplemental Security Income (SSI) program is based solely on need. It provides income to people who are 65 years and older or are blind or disabled. To qualify, recipients must have very limited income and resources and meet the requirements for citizenship or residency. A work history of amounts previously paid into the system is not needed to qualify. You may receive both Social Security Retirement (or Disability) benefits and SSI.

### Am I eligible for SSI?

To be eligible for a SSI cash benefit, there are three qualifications:

1. You must be age 65 or older, blind, or disabled.

2. You must have a limited income and resources.
3. You must also be a U.S. citizen residing in the U.S. or an eligible permanent non-citizen resident lawfully present in the U.S.

The definition of resources is complicated. It includes certain types of assets and excludes others. For example, the value of your home and your car are not deemed resources in calculating SSI eligibility. For more information on which resources are included and to see whether you qualify for SSI, you should contact your local SSA office.

## APPLYING FOR SOCIAL SECURITY

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### How do I apply for Social Security benefits?



SSA allows you to apply for retirement benefits three months before you are eligible or before you want to begin receiving benefits. If you are applying for survivor or disability benefits, you should apply promptly.

You may call your local Social Security office or SSA at 800-772-1213 to schedule an appointment to apply for benefits. For some Social Security programs, you may be able to apply online. You can also locate your local Social Security office by



checking the SSA's website at [www.ssa.gov](http://www.ssa.gov). When applying, you must have the following documents:

- Your Social Security card or a record of your Social Security number.
- Your birth certificate or proof of your date of birth.
- Marriage certificate for benefits going to a spouse or children.
- Divorce decree for benefits going to your former spouse.
- Dependent child's Social Security number and birth certificate for benefits going to that child.
- Your W-2 forms and income tax return for the last year.
- Proof of U.S. citizenship or lawful residence in the U.S.
- If applying for survivor benefits, proof of worker's death.
- Name of financial institution and account number where you want to have your benefits deposited directly into your account.
- Military discharge papers if you served in the military.

## If I cannot manage my finances, what happens to my Social Security?

If you are unable to manage your financial affairs, the Social Security Administration (SSA) must be advised that you need help. If it is in your best interest, the SSA will appoint a relative or a friend of yours, or

may choose an institution, such as a nursing home, as the representative payee. A representative payee is a person or organization authorized to receive Social Security checks for someone who is unable to manage their own financial affairs. The SSA will notify you in writing if they appoint a representative payee.

## APPEALING SOCIAL SECURITY

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If I disagree with a Social Security decision, what can I do?



When a decision is made regarding your Social Security benefits or eligibility, the SSA will send you a letter explaining its decision. If you don't agree with a Social Security decision regarding your benefits, you have the right to appeal (a request to challenge the decision). You have 60 days from the date you receive the SSA letter to file your request in writing. Generally, if you don't appeal, the decision becomes final and you cannot appeal later.

What are the steps to appealing a Social Security decision?

In general, there are four steps to the appeals process, and there is a decision at each step. If you disagree with the initial decision, you typically have the right

to move to the next step within 60 days of receiving written notice.

### **Reconsideration**

You must file a written request for reconsideration of your claim within 60 days after receiving the initial decision letter. Someone at the Social Security Administration (SSA) who did not participate in the first decision will review your claim. Written notice of the reconsideration decision should be sent within 30 days (or longer if it concerns a disability claim).

### **Hearing**

If you don't agree with the reconsideration decision, you may, within 60 days after receiving the decision, request a hearing before an Administrative Law Judge. The hearing may include witnesses, and you may have a representative assist you.



### **Appeals Council and Federal Court**

For the last two levels of appeal, it is strongly recommended that you hire an attorney as these are technical levels of appeals.

## **VETERAN BENEFITS**

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### **What are veteran benefits?**

The federal government offers to veterans of the United States Armed Forces and their dependents a broad range of programs and services provided

by the Department of Veterans Affairs (VA). These benefits include health care, disability benefits, education programs, home loans, life insurance, burial, and survivor benefits.

## **Am I eligible for veteran benefits?**

General eligibility for veteran benefits is based on being discharged from active military service under conditions other than dishonorable. Certain veteran benefits depend on individual circumstances. To determine eligibility, contact your local VA office.

## **What are the health care benefits for veterans?**

The VA health care system is available to eligible veterans and includes hospitals, community clinics, nursing homes, counseling centers, and various other health care facilities.

## **What are veteran disability benefits?**

The VA offers monthly disability compensation to veterans with a service-connected disease, disability, or injury sustained or aggravated during active military service. The amount of VA disability compensation varies according to the degree of disability and the disabled veteran's number of dependents. Military retirement pay and other separation payments may also affect the amount.

## **What are VA pensions?**

Veterans with low incomes who are permanently disabled and are 65 years of age or older may be entitled to a pension benefit if they have 90 days

or more of active military service with at least one day of service during a period of war. The pension provides a monthly payment to bring the veteran's total income to a level established by law. It may be reduced by other sources of income such as retirement or Social Security. (You should report all VA income to the SSA to avoid overpayment.)

## What are veteran benefits for dependents and survivors?



The VA provides pensions to surviving spouses and unmarried children of deceased veterans. To be eligible, a spouse must not be remarried and a child must be under the age of 18 or under 23 if attending a VA-approved school, or permanently incapable of self-support because of a disability that began before age 18. This pension provides a monthly payment to bring the survivor's total income to a level established by law. The payment may be reduced by income from other sources such as Social Security.

Other benefits may be available to eligible veterans or their surviving spouses and children, including educational benefits, home loans, bereavement counseling, life insurance, medical care, and burial benefits. The burial benefits may include a grave site in a national cemetery, a headstone, a U.S. flag, and military funeral honors.

## How do I apply for veteran benefits?

To apply for disability compensation and pension benefits, survivor benefits, or other veteran benefits, contact your local VA office.

# PENSIONS

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## What are pensions?

Pensions are private employee benefit plans set up by a company or by an employee or union agreement. If you have worked for a company that offered a pension, you may be entitled to a pension upon retirement.

There are minimum standards or rules for private pension plans established by federal laws. The most important federal law, the Employee Retirement Income Security Act (ERISA), covers most pension plans sponsored by companies and unions. ERISA does not cover plans sponsored by federal, state, and local governments, or religious organizations, which have their own rules.

## How do I locate my pension plan?

If you believe that you are entitled to pension benefits and you are unable to locate the plan, or if you think the plan has been terminated, contact the Pension Benefit Guaranty Corporation (PBGC), a federal agency that insures benefit amounts to a certain limit. PBGC has a pension search directory listing people who are entitled to pension benefits but have not received them due to the funding company's inability to locate the individual. You can determine whether your benefits are insured by the PBGC by checking the company's summary plan description. To search the pension search directory, contact the

PBGC (see the “More Information” section on page 64).

## Does social security affect my pension?



Under some plans, your pension benefits are “integrated” with Social Security benefits, which means that your pension payment could be lowered if you also receive Social Security. Under Federal law, such plans must provide you with at least half of your pension. This law applies only to years worked after 1988. For earlier years, your plan rules could leave you with no benefit after considering your Social Security payments.

## What should I do if my pension is denied?



If you have been denied pension benefits, the pension plan administrator must inform you in writing and provide specific reasons for the decision. If you disagree with that decision and think you have been wrongfully denied benefits, you have the right to an appeal by the trustees of the plan. If you disagree with the decision by the trustees, you have the right to file a lawsuit in federal district court. Retaining an attorney who specializes in this area of law is recommended.

# MORE INFORMATION

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## SOCIAL SECURITY

### **Administers Social Security benefits**

Social Security Administration  
800-772-1213  
[www.ssa.gov](http://www.ssa.gov)

## VETERAN BENEFITS

### **Administers various benefits to veterans**

U. S. Department of Veterans Affairs  
800-827-1000  
[www.va.gov](http://www.va.gov)

### **Assists veterans with preparing and filing claims**

Utah Department of Veterans Affairs  
800-894-9497  
[www.veterans.utah.gov](http://www.veterans.utah.gov)

Disabled American Veterans  
877-I-AM-A-VET (877-426-2838)  
801-326-2375  
[www.dav.org](http://www.dav.org)

National Veterans Legal Services Program  
202-265-8305  
[www.nvlsp.org](http://www.nvlsp.org)

## PENSIONS

### **Information regarding pensions and pension rules**

Pension Rights Center  
[www.pensionrights.org](http://www.pensionrights.org)

### **Regulates pension plans**

Pension Benefit Guaranty Corporation  
800-400-7242  
[www.pbgc.gov](http://www.pbgc.gov)