

- Medicare Part B
- Lower income and Part B premium
- Resolutions

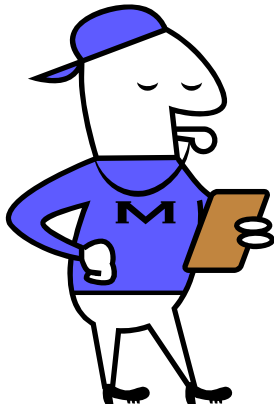
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The Social Security Standard

A New Year's Resolution To Keep

It can take as little as 15 minutes to complete your retirement application online



Many Americans begin each new year with a list of resolutions and goals. You may want to go on a diet, shed a little weight, do a bit more exercising, or clean out the long-neglected attic. The trouble is these well-intended goals often melt away long before winter's snow does.

So why not make a resolution that's easier to keep? If applying for retirement benefits is on your list of things to do this year, resolve to do it online. To get started, visit www.socialsecurity.gov/applyonline.

As we enter 2010, visiting a Social Security office to apply for benefits is no longer necessary. You'll save time, energy, and resources by filing your application from the comfort and convenience of your home or office computer. In fact, it can take as little as 15 minutes to complete your retirement application. How's that for an easy resolution to keep?

Of course, not everyone is ready to retire. So here is another resolution that is easy to keep. If you're only dreaming of retirement now, why not turn those daydreams into concrete plans for your future retirement goals? Just use our online *Retirement Estimator*. Plug in some basic information and you'll instantly get a personalized estimate of your future retirement benefits. It's another easy resolution to keep and will take only a few minutes. Try it out now at www.socialsecurity.gov/estimator.

Whether you're already getting Social Security retirement benefits or just beginning to work, Social Security offers a number of services and a wealth of information online at www.socialsecurity.gov. For a specific list of online services available, visit www.socialsecurity.gov/onlineservices.

So as we enter the new decade, make a resolution to set goals you can keep. Apply online for Social Security benefits or plan your retirement at www.socialsecurity.gov.

Now, if only you could get your diet plan or exercise regimen to work in as little as 15 minutes.

BEEN THINKING ABOUT MEDICARE PART B?

If you are covered under Medicare Part A, but originally opted not to apply for Medicare Part B, now's your opportunity to enroll in Part B. The general

enrollment period runs from January 1 through March 31.

But first, you may be wondering: what are Parts A and B? And why would someone get one and not the other? Here are the nuts and bolts.

Medicare Part A (hospital insurance) helps pay for inpatient care in a hospital or skilled nursing facility following a hospital stay, some home health care, and hospice care.

Medicare Part B (medical insurance) helps pay for doctors' services and many other medical services and supplies not covered by hospital insurance.

When you first become eligible to apply for Medicare Part A, you also have the option of enrolling in Part B for a monthly premium.

Some people decide not to because they do not want to pay the premium or for other reasons. But you may discover that as your medical needs change, it is to your advantage to enroll. That's where enrollment periods come into play.

When you first become eligible for Part A, you have a seven-month period (your initial enrollment period) in which to sign up for Part B. After the initial enrollment period, you can only sign up during a later year's general enrollment period.

Each year, the Medicare general enrollment period runs January 1 through March 31. Your

coverage begins the following July.

But keep in mind that, for most people, the monthly premium increases 10 percent for each 12-month period you were eligible for, but did not enroll in, Medicare Part B.

So if you are covered under Medicare Part A and you've been thinking about applying for Part B, now is the time to act. Learn more about Medicare by reading Social Security's publication on the subject at www.socialsecurity.gov/pubs/10043.html.

You also can learn a lot about Medicare by visiting www.socialsecurity.gov and selecting "Medicare" at the top of the page on the right side.

Or visit Medicare's website at www.medicare.gov.

SOCIAL SECURITY CAN BENEFIT SURVIVING HUSBANDS OR WIVES (AND KIDS)

At the start of a new year, many folks like to take stock of their situation in life — work, health, finances, etc.

But most of us avoid doing much thinking about death — or what it might mean for surviving loved ones.

Still, wouldn't you feel better knowing that, if you were no longer living, your family

wouldn't have to depend *only* on any life insurance or savings you might have? Of course you would.

So here are some basic facts that may interest you about Social Security survivors insurance.

If you are working and paying into Social Security, some of your Social Security taxes go toward survivors insurance. In fact, for most workers, the value of the survivors insurance under Social Security may be more than the value of any life insurance policy owned.

Who can receive survivors benefits based on your work?

Your surviving husband or wife may be able to receive full benefits at his or her full retirement age.

They also can choose to take reduced survivors benefits as early as age 60. And, if your surviving spouse is disabled, benefits can begin as early as age 50.

Your minor children also can receive benefits if they are living with you and depend on you for income — as long as they are under age 18 or disabled.

And if your widow or widower is taking care of your child or children under age 16, then she or he may be eligible for benefits at any age.

So, the best life insurance plan may be one you already have but perhaps didn't know about.

Now that you do know, it's easy to learn more.

For more information on widows, widowers, and other survivors benefits, and to get an idea of just how much those survivors benefits might be, visit www.socialsecurity.gov and select "Survivors" at the top of the page.

mail back the completed form, you probably won't need a personal visit from a census worker. The census is more than just counting people. Census results determine the number of seats each state will have in the U.S. House of Representatives

benefits are paid to people who have limited incomes and resources. SSDI is the way some people refer to "Social Security disability insurance benefits." Social Security disability benefits go to people who have worked

Questions & Answers

Readers Write

GENERAL

Q. *What is the census and why is it necessary? Will someone be coming to our house to count us?*

A. The U.S. Constitution mandates that a census of the population be conducted every 10 years, and the next Census Day is April 1, 2010. You can expect to receive your census form and a return envelope in the mail between March 15 and March 17 in areas where the U.S. Postal Service delivers forms for the Census Bureau. If you

allocation of federal funds for such things as school lunch programs, senior citizen centers, highway construction, and hospitals. More important, every year, the federal government distributes more than \$400 billion to local, state, and tribal governments based on census data. To learn more, visit www.2010census.gov

SSI

Q. *What's the difference between "SSID" and "SSDI"?*

A. SSID, or SSI, is the way some people refer to "Supplemental Security Income (SSI) disability" benefits. SSI disability

and paid Social Security taxes for a long enough time to be covered for Social Security. Some people qualify for both "SSI" and "SSDI" if their Social Security benefit is low enough for them to receive SSI.

To learn more about Social Security and SSI, visit www.socialsecurity.gov.

RETIREMENT

Q. *My cousin and I are both retired and get Social Security. We worked for the same employer for years, but he gets a higher Social Security benefit. Why is that?*

A. Your payments are based on your earnings over your lifetime --

generally your highest 35 years. In order to get the same benefit as your cousin, you and he must have had identical earnings, be the same age, and retire at the same time.

TAX TIPS FROM SOCIAL SECURITY

The holidays are over, the gift-giving (and spending) is done, and you're almost finished returning all of the things you don't want or need. You've even jotted down your New Year's resolutions and plan to stick to them.

Time to relax? Maybe not right away — it's time to start thinking about your taxes.

Here are Social Security's top three tips for making tax time a lot easier.

1) Don't forget the children.

Make sure the kids (and all the dependents) you list on your annual tax forms have Social Security numbers. Yes, children do need Social Security numbers. There once was a time when a child did not require a Social Security card until later in life, but in 2010, that day is long gone. If you want to claim your child as a dependent on your tax return, your child will need a Social Security number. For many families, it's not only the kids who will need a number. All dependents listed on your federal tax returns will need Social Security numbers, including a dependent parent who lives with

you and receives support from you. If any of your dependents needs a Social Security number, you can get an application at www.socialsecurity.gov.

2) Check the names and numbers. It's not enough for everyone on your tax return to have a Social Security number — they also must be the correct numbers, and they must match your names exactly. The Internal Revenue Service (IRS) checks all the names and Social Security numbers on your tax return against Social Security's records. If the names and numbers do not match Social Security's records, you will receive a letter from IRS asking you to explain the discrepancy. You cannot receive a tax refund until the discrepancy is resolved — which could mean an unnecessarily long delay.

3) Social Security tax on Social Security benefits. If you receive Social Security benefits and your total income, including benefits and any other income such as wages, pensions, or investment income is high enough, you may have to pay taxes on a portion of your benefits. So plan accordingly as you workout your budget. You may have to pay taxes on your Social Security benefits if:

- you file as an individual and have a total annual income of \$25,000 or more; or
- you file a joint return and have a combined total annual income of \$32,000 or more.

These simple tips can move taxes from monumental to manageable when the time comes to file your tax return.

LOWER INCOME MIGHT MEAN LOWER MEDICARE PART B PREMIUM

If you have Medicare coverage and you pay a higher Part B premium due to your higher income, here's some news that may be comforting during these troubling economic times.

If you have experienced a significant reduction in your overall income, Social Security might be able to reduce the amount of your Medicare Part B premium as well.

The significant reduction in income can be as a result of a number of changes: marriage, divorce or annulment, death of a spouse, work reduction, work stoppage, reduction of income due to a loss of income-producing property, and loss or reduction of certain forms of pension income. If any one of these events has happened to you, just provide Social Security evidence of the event and tell us how it has reduced your income. Evidence could be a death certificate, letter from your employer about your loss of work, or something of that nature. If you filed a federal income tax return for the year in question, we'll need to see your signed copy of the tax return. If your income will not change until the following year, you can give

us an estimate of what you think
your income will be.

Once you show us evidence of
the event and provide proof or an
estimate of your reduced income,
Social Security will update the
records and, if appropriate, adjust
your Medicare Part B premium.
You can request a new decision at
1-800-772-1213.