

The Social Security Benefits

4th
Edition

HANDBOOK



- ✓ Eligibility Requirements
- ✓ Application Process
- ✓ Dual Entitlements
- ✓ Disability Guidelines
- ✓ Medicare Information

Stanley A. Tomkiel III
Attorney at Law

THE
SOCIAL
SECURITY
BENEFITS
HANDBOOK

4th Edition

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SPHINX® PUBLISHING
AN IMPRINT OF SOURCEBOOKS, INC.®
NAPERVILLE, ILLINOIS
www.SphinxLegal.com

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Fourth Edition: 2004

Published by: **Sphinx® Publishing, An Imprint of Sourcebooks, Inc.®**

Naperville Office
P.O. Box 4410
Naperville, Illinois 60567-4410
630-961-3900
Fax: 630-961-2168
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Library of Congress Cataloging-in-Publication Data

Tomkiel, Stanley A.

The social security benefits handbook / by Stanley A. Tomkiel, III.-- 4th ed.

p. cm.

Includes index.

ISBN 1-57248-395-4 (alk. paper)

1. Social security--Law and legislation--United States--Popular works. I.Title.

KF3650.T65 2004

344.7302'3--dc22

2004010705

Printed and bound in the United States of America.

BG — 10 9 8 7 6 5 4 3 2 1

Section 212 Exceptions to the Nine-Month Duration
of Marriage Requirement for Widow(er)'s
Benefits

Section 213 Child in Care Requirement

Section 214 Child Relationship Requirement

Section 215 Dependency Requirements—
Children and Grandchildren

**CHAPTER 3: ENTITLEMENT ON MORE
THAN ONE ACCOUNT 55**

Section 301 Entitlement on More
Than One Account—In General

Section 302 On Your Own Earnings Record and
as a Husband/Wife

Section 303 On Your Own Account and Widow(er)'s
Benefits

Section 304 As a Spouse and as a Widow(er)

Section 305 As a Spouse and as an Ex-Spouse

Section 306 As the Widow(er) of Two or More Workers

Section 307 Disability Benefits and Retirement Benefits

Section 308 Child Entitled on More Than One Account

Section 309 Other Combinations of Benefits

CHAPTER 4: APPLICATIONS 67

Section 401 Applications—In General

Section 402 Protective Filing Statement

Section 403 Who May File an Application

Section 404 When to File an Application—In General

Section 405 When You Do Not Have
to File an Application

Section 406 Retroactivity of Applications

Section 407 Rules on Medicare Enrollment

- Section 408* When to Start Your Benefits—
The Month of Election
- Section 409* Required Documents—In General
- Section 410* Proof of Age Rules
- Section 411* Proof of Marriage Rules
- Section 412* Special Problems for Business Owners
- Section 413* Processing Time Frames
- Section 414* Withdrawal of Application

CHAPTER 5: DISABILITY BENEFITS—SPECIAL PROVISIONS. . . 111

- Section 501* Disability Benefits—In General
- Section 502* Definition of Disability
- Section 503* Earnings Record “Freeze”
- Section 504* Substantial Gainful Activity
- Section 505* Date of Onset
- Section 506* Unsuccessful Work Attempt
- Section 507* Waiting Period
- Section 508* Closed Period of Disability
- Section 509* Trial Work Period
- Section 510* Re-entitlement Period
- Section 511* Effect of Workers’ Compensation Benefits
- Section 512* Effect of Other Kinds
of Benefits or Payments
- Section 513* When Disability Benefits End
- Section 514* Continuing Disability Review
- Section 515* Ticket to Work

CHAPTER 6: INSURED STATUS—WORK REQUIREMENT. . . . 141

- Section 601* Work Requirement—In General
- Section 602* Fully Insured Status
- Section 603* Currently Insured Status
- Section 604* Disability Insured Status
- Section 605* Quarters of Coverage—In General

CHAPTER 7: BENEFIT AMOUNTS 151
 Section 701 Benefit Amounts—In General
 Section 702 Computation of Benefits
 Section 703 Reductions for Age—In General
 Section 704 Recomputations—In General
 Section 705 Deductions—In General

CHAPTER 8: EARNINGS LIMITATIONS 189
 Section 801 Earnings Test—Introduction
 Section 802 Earnings Limits—In General
 Section 803 How Earnings Are Charged
 Against Monthly Benefits
 Section 804 Monthly Earnings Test
 Section 805 Income that Counts
 Section 806 Income that Does Not Count
 Section 807 When Earnings are Counted
 Section 808 Self-Employment Income and Losses
 Section 809 Special Problems for Business Owners
 Section 810 Special Rule for the Year of Death
 Section 811 Work Outside the United States

CHAPTER 9: REPORTING REQUIREMENTS 205
 Section 901 Reporting Requirements—In General
 Section 902 Reporting Earnings—In General
 Section 903 Late Filing—Penalties
 Section 904 Reporting Changes in Marital Status
 Section 905 Reporting Changes in Student Status
 Section 906 Reporting Child Not in Care
 Section 907 Reporting Death
 Section 908 Reporting Changes in Disability Cases
 Section 909 Reporting Work Outside the United States

**CHAPTER 10: PAYMENT, NONPAYMENT, AND
NONRECEIPT OF CHECKS 217**

- Section 1001* Checks—In General
- Section 1002* First Check
- Section 1003* Regular Monthly Checks
- Section 1004* Combined Checks
- Section 1005* Special Checks
- Section 1006* Direct Deposit
- Section 1007* Nonpayment—In General
- Section 1008* Suspension of Benefits
- Section 1009* Termination of Benefits
- Section 1010* Lost or Stolen Checks
- Section 1011* What to Do if Your Check
Does Not Come
- Section 1012* Replacement Checks
- Section 1013* Expedited Payments
- Section 1014* When to Go to Your Congressman

CHAPTER 11: OVERPAYMENTS 233

- Section 1101* Overpayments—In General
- Section 1102* Common Causes of Overpayment
- Section 1103* Overpayment Procedures
- Section 1104* Waiver of Overpayment
- Section 1105* Without Fault
- Section 1106* Against Equity and Good Conscience
- Section 1107* Defeat the Purpose of Title II
- Section 1108* Guidelines on Assets
- Section 1109* Guidelines on Income and Expenses
- Section 1110* Compromise Settlements

Section 1111 Guidelines for Accepting
Compromise Offers

Section 1112 Repayment

Section 1113 Deductions

Section 1114 Installments

CHAPTER 12 MEDICARE 263

Section 1201 Medicare—In General

Section 1202 Hospital Insurance

Section 1203 Medical Insurance

Section 1204 What is Not Covered

Section 1205 Private Health Insurance

Section 1206 Assignment of Benefits

Section 1207 When to File Claims

Section 1208 Processing of Claims

Section 1209 Medicare Card

CHAPTER 13 APPEALS PROCESS 275

Section 1301 Appeals—In General

Section 1302 What You Can and Cannot Appeal

Section 1303 Reconsideration

Section 1304 Personal Conference—Overpayment Cases

Section 1305 Hearing

Section 1306 Appeals Council Review

Section 1307 Court Review

Section 1308 Time Limits

Section 1309 Reopening Closed Cases

Section 1310 Attorneys

CHAPTER 14 MISCELLANEOUS PROVISIONS 287

- Section 1401* Supplemental Security Income
- Section 1402* Black Lung Benefits
- Section 1403* Benefit Estimates
- Section 1404* Obtaining Your Earnings Record
- Section 1405* Correcting Your Earnings Record
- Section 1406* Reporting Change of Address
- Section 1407* Claims Numbers and Beneficiary Identification Codes
- Section 1408* Who Gets Benefits Due
 - a Deceased Beneficiary
- Section 1409* Taxation of Social Security Benefits
- Section 1410* Immunity of Benefits from Creditors
- Section 1411* Criminal Penalties for Fraud
- Section 1412* Foreign Social Security Credits
- Section 1413* Railroad Employment
- Section 1414* Receiving Benefits for Someone Else—
 - The Representative Payee

APPENDIX A: LIST OF SECONDARY PROOF OF AGE 307

APPENDIX B: QUARTERS OF COVERAGE REQUIRED FOR INSURED STATUS 309

APPENDIX C: LIST OF FICA YEARLY MAXIMUMS 315

APPENDIX D: SAMPLE BENEFIT AMOUNTS 317

APPENDIX E: REDUCTION FACTORS 319

APPENDIX F: COST OF LIVING INCREASES 321

APPENDIX G: EARNINGS LIMITS BY YEAR 323

APPENDIX H: MOST COMMON BENEFICIARY IDENTIFICATION CODES	325
APPENDIX I: CHART SUMMARIZING THE EFFECT BETWEEN BENEFICIARIES	327
APPENDIX J: DELAYED RETIREMENT CREDITS	329
APPENDIX K: MEDICARE PREMIUMS AND DEDUCTIBLES FOR 2004	331
INDEX	333
ABOUT THE AUTHOR.	341

INTRODUCTION

The Social Security program in the United States is a massive system of complex and complicated laws, rules, and bureaucracies. Confusion and frustration await people looking for a quick and easy way to access accurate and specific information about Social Security benefits.

Although the Social Security Administration (SSA) provides the public with information and advice about the programs it administers, the reality is, despite its best efforts, many people find it difficult to get the particular information they need, or even to know what they need. And some things are purposely not disseminated, such as SSA's guidelines on accepting compromise offers to settle overpayments (see Section (Sec.) 1110), your right to file only for Medicare without filing for retirement benefits (see Sec. 404.2—sometimes this is beneficial), or your option to prorate work deductions instead of full withholding of benefits (see Sec. 803.1).

The system is complex, with many variables. A bare statement of rules, without practical examples of how they apply in spe-

cific cases, is inadequate. Frequently, generalizations are not helpful. Even though it is often beneficial to file for benefits three months in advance of retirement, some people may actually lose some benefits. (see Sec. 404.1.) Even though this rule of thumb applies in many cases, it is small consolation if you lose thousands of dollars by following it.

Sometimes the realities of how the system works do not fit in with the official policies of how it should work. SSA usually does an admirable job. We have included practical information for common problems that beneficiaries confront, such as what to do if checks don't come (see Sec. 1011), if you have to wait for hours to speak with someone (see Sec. 105), if interviewers are incompetent or inexperienced, or if Social Security wants erroneously paid benefits to be returned. (see Chapter 11.) Certainly these things happen in only a relatively small number of cases, but if yours is one of them, you need some practical advice. You are not likely to find it in a pamphlet.

This handbook was designed to give you all the major rules about Social Security benefits:

- to show you how they work in particular cases;
- to highlight the situations that can make a dollars and cents difference, or are often misunderstood; and,
- to give you the benefit of my practical experience in dealing with thousands of cases as a "front line" Social Security official.

The handbook contains fourteen chapters by topic, divided into more than two hundred numbered and captioned sections for easy access to specific information, with numerous cross-references and examples for better understanding. It covers just about everything you need to know about monthly benefits.

Hopefully this book will save you time, frustration, and perhaps even some money. The *Social Security Benefits Handbook* will give you a unique understanding and serve as a handy reference source for accurate, substantial, and practical knowledge about this very important part of your life.

Because Social Security rules change periodically, you may find updated information arranged according to the chapter and section structure of this book at the author's website at:

www.SocialSecurityBenefitsHandbook.com

THE SOCIAL SECURITY ADMINISTRATION

1

<i>Section 101</i>	<i>The Social Security Administration— In General</i>
<i>Section 102</i>	<i>Internal Offices</i>
<i>Section 103</i>	<i>Telephone Services</i>
<i>Section 104</i>	<i>Internet Website</i>
<i>Section 105</i>	<i>Field Offices</i>
<i>Section 106</i>	<i>District Office Personnel</i>
<i>Section 107</i>	<i>The Programs Operations Manual System</i>

SECTION 101 **THE SOCIAL SECURITY ADMINISTRATION—IN GENERAL**

The Social Security Administration (SSA) is the branch of the federal government that has the duty of administering several provisions of the *Social Security Act*. The Social Security Administration was under the jurisdiction of the Department of Health and Human Services until March 1995, when it became an independent agency. The Social Security Administration is one of the largest government agencies in

the country. The *Social Security Act* provides for the payment of monthly benefits to retired and disabled workers and their dependents, and to certain survivors of covered workers who are deceased. Social Security also provides for Medicare and other programs such as Supplemental Security Income and Black Lung benefits. The benefits referred to as Social Security benefits, however, are those monthly benefits payable to retired workers, disabled workers, and the survivors of covered workers. Because regular Social Security benefits are based on the earnings of covered workers, the SSA also keeps track of the earnings of almost all American workers.

The SSA pays \$39.7 billion each month to 47 million people throughout the United States. There are 155 million covered workers whose wages are recorded by the Social Security Administration each year. For each beneficiary receiving a check, there are 3.4 workers paying taxes. These workers and their employers pay \$500 billion to the government for Social Security taxes. Taxes are collected by the Internal Revenue Service and then reported by the IRS to the SSA.

The SSA is divided into many different bureaus and branches to accomplish all of its duties. The main offices are located in Baltimore, Maryland. The SSA divides the entire United States into districts and each has its own district office. Many of these district offices also have branch offices. There are over 1300 district and branch offices (collectively called *field offices*) throughout the nation. The district office is designed to handle all contact with members of the public. Most dealings you may have with the SSA will normally be done through your local district office.

This chapter discusses the different bureaus, their general functions, and the different types of district office employees with whom you will come in contact.

SECTION 102 INTERNAL OFFICES

The Social Security Administration (SSA) makes contact with members of the public through district offices and Teleservice Centers. (see Sec. 103 and Sec. 105.) However, much of the work of the SSA is done by people in offices that have no contact with the public. These internal offices are some that never come into the public view.

Central Office (CO)

The main office of the SSA is called the *Central Office*. It is the headquarters of the SSA and is located in Baltimore, Maryland. The Central Office issues all regulations and instructions to the district offices. It interprets the law and issues policy statements.

Office of Central Records Operations

The *Office of Central Records Operations* (OCRO) deals with the huge volume of information necessary to perform the duties of the Social Security Administration. Its main functions include the assigning of Social Security numbers to workers, keeping track of changes of names on Social Security records, and maintaining the records of earnings reported by employers for each individual Social Security number. This office is also located in Baltimore, Maryland. When a person files a claim for

Social Security benefits, the district office where the claim is being handled must contact the Office of Central Records Operations to obtain the earnings record of the worker.

Program Service Centers

There are six *Program Service Centers* (PSCs) located throughout the United States. These offices process claims that cannot be processed by the district office. The PSCs also process reinstatement of benefits after they have been suspended or terminated. After a claim has been processed in a district office, it is sent to the Program Service Center for storage and further processing. The claims folders are generally assigned to the different Program Service Centers based on the Social Security number of the person on whose earnings the claim is based. Sometimes the Program Service Center will have direct contact with beneficiaries. The PSC handles things such as student reports, annual reports of earnings, and overpayment notices. Any information requested from a Program Service Center can be returned directly or can be returned through a local district office, whichever is preferred.

Office of Disability Operations

The *Office of Disability Operations* (ODO) is similar to a Program Service Center, but it handles cases of disability benefits. A disabled worker, age 59 or older, has his or her file maintained in the Program Service Center instead of the Office of Disability Operations. The files of disabled workers *under* age fifty-nine are kept in the Office of Disability Operations. This office is located in Baltimore, Maryland.

When the person turns 65, his or her disability benefit is automatically converted to a retirement benefit by the Program Service Center. This conversion to a retirement benefit is only a technicality, as the amount of the benefit does not change.

Division of International Operations

The *Division of International Operations* (DIO) is similar to the Program Service Center, but it covers cases where beneficiaries reside outside of the United States. It is also located in Baltimore, Maryland.

Regional Offices

The entire United States is divided into ten regions by the Social Security Administration. Each region has a *regional office* (RO) that deals directly with the Central Office, and then deals with the local district offices within the region. An individual district office in the region does not have direct contact with the Central Office. Instead, it deals through its regional office. The regional office is staffed with experts in all areas of Social Security. Regional offices also review the district offices to make sure that they are applying the rules and regulations of Social Security consistently.

SECTION 103 TELEPHONE SERVICES

The Social Security Administration (SSA) has set up special centers designed to handle telephone inquiries from members of the public. These are called *Teleservice Centers* (TSC). They are designed to take the burden of voluminous phone calls

away from the district office. The nationwide toll free number is 800-772-1213. Service representatives handle calls from 7 a.m. to 7 p.m. on business days, with prerecorded information and automated services available after hours. Between 7 a.m. and 7 p.m., hearing impaired callers with TDD equipment can call 800-325-0778. Medicare information is available from 8 a.m. to 8 p.m. Eastern time at 800-MEDICARE (800-633-4227). The telephone service is busiest in the early part of the week and the early part of the month—you will get through quicker if you call at other times.

The Teleservice Centers are staffed by service representatives. They have computer terminals available to obtain the computer records of all beneficiaries who have claims that have been established on the computer. They are able to handle changes of address and reports of missing checks. If a claim has been recently filed and has not yet been set up on the computer system, you will be referred to the local district office where the claim is being handled. That phone number is given to you, at the time you filed your initial application, on the receipt form that the SSA gives everyone who files a claim. The Teleservice Centers can also provide general information about Social Security, although it is recommended that you speak with a claims representative if the question is more involved.

District Office Telephone Service

Many district offices have telephone services available to file claims, to report changes of address or missing checks, and to obtain information regarding Social Security. Almost all business you may have with the Social Security office can be

handled over the telephone. You can even file a claim over the phone. Many district offices have what is referred to as a *teleclaims unit*. These units are staffed by claims representatives who will obtain the necessary information from you over the phone, complete the application form, and mail it to you for your review and signature.

SOCIAL SECURITY TIP

It is against the policy of many Social Security offices to send out blank application forms.

If you call them up to file a claim, you will have to give the information over the phone so that the claims representative can properly fill out the application. This is done to ensure that there is no misunderstanding of information and that all the information and required evidence is obtained.

SECTION 104 **INTERNET WEBSITE**

The official Social Security website is found at www.ssa.gov. It is comprehensive with many links. You can get a benefit estimate, request a statement of your Social Security record, and even apply for most type of benefits online. You can quickly get access to research data and reports, forms, program rules, regulations, statutes, and rulings. You can even put in your zip code and find the nearest field office.

You must be fairly comfortable working with computers and the Internet to take advantage of these services. Because the official website is so comprehensive, many users may be overwhelmed.

Example: A search for “amount of benefits” returns over fifteen pages of results, each with twenty links to administrative rulings, actuarial data, projections of replacements rates, and much more information that is very useful to sophisticated users.

Because so much information is available, it may take some time and effort to hone in on just what you are looking for.

NOTE: *There is a separate website for Medicare information found at www.medicare.gov*

SOCIAL SECURITY TIP

For those who are looking for quicker access to basic information in the format in which this book is arranged, visit the online version at:
www.socialsecuritybenefitshandbook.com

SECTION 105 **FIELD OFFICES**

There are over 1,300 district and branch offices throughout the United States. Each district or branch office is responsible for dealing with all members of the public who reside in that district. Any business you may have to conduct with the SSA will be done through your local district office. You may determine where your district office is located by looking in the telephone

book under “United States Government, Social Security Administration,” by calling the nationwide toll-free number, or by going online. You may deal with any district office you prefer. District offices are open during regular business hours, but the exact times of opening and closing change from one office to another. Some offices open at 8:00 a.m. and close at 4:30 p.m., while other offices open at 8:30 a.m. and close at 5:00 p.m. Most of your business with the Social Security Administration can be conducted over the telephone or online.

SOCIAL SECURITY TIP

If you wish to visit your district office in person, usually you *cannot* make an appointment. Visitors at the district office are taken on a first-come, first-served basis.

Visiting the District Office

The volume of visitors to district offices usually follows a pattern. Generally speaking, you are better off going to your district office towards the end of a month. The first week to ten days is usually the busiest. It is at these times that you may encounter a wait of an hour or more. The latter part of the week is typically less busy than the early part of the week—Mondays are usually very busy, whereas Fridays are slow.

The district offices are normally busy during lunchtime. This is because many people who work go there during their own lunchtime, while at the same time the Social Security employees have to eat, too. Interviewers at the Social Security office

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