

# Dollars & Sense

## Useful Tips on Getting Extra Help with Prescription Drugs

Will you be applying this year for the extra assistance available to help pay premiums, deductibles and co-pays under the **Medicare Prescription Drug Program**? If you are a **Medicare** beneficiary with limited income and resources, you should consider it—you may be able to get extra help paying for prescription drugs.

If your annual income is below \$14,700 for an individual (\$19,800 for a married couple living together), and your resources are limited to \$11,710 for an individual (\$23,410 for a married couple living together), you may qualify for extra help with your monthly premiums and deductibles. Keep in mind that a slightly higher income limit will be determined in early 2007.

If you plan to apply for the extra help, the easiest and most convenient way is to go online. Just visit <http://www.socialsecurity.gov/prescriptionhelp/> and select the "Apply for help" link. You also can apply over the phone by calling us at **1-800-772-1213** (TTY **1-800-325-0778**). Or, if you prefer to complete the paper application yourself, you can call the same number to request one to be mailed to you, or stop by your local Social Security office to pick one up. If you already received an application in the mail more than a few months ago, you should request a new form.

### Social Security

Sue Olsen



It is important to make sure you correctly complete the application. If there are any mistakes in the application it could cause delays while we contact you to get an answer.

**The handy "tips" below can help make sure that you complete the application correctly and get a response as quickly as possible.**

- You must include your Social Security number or Railroad Retirement Board number on the application. And please be sure that you have written these numbers correctly.
- Many questions on the application ask you to mark an "X" in a Yes or No box. Please remember that you cannot mark both Yes and No.
- Because computers will scan your application when you send it back to Social Security, it is important to use a pen with black ink, or a #2 pencil. Pens with blue or red ink, or pencils with lead other than #2, will not be read by the computer.
- Remember to send the entire application package back to us – not just the page that you signed.
- Do not send us anything except your application. We do not need to see doctor bills, prescription lists, IRS forms or other documents.

You can find more information about the extra help online at [www.socialsecurity.gov](http://www.socialsecurity.gov), and more information about the Medicare Prescription Drug Program at [www.medicare.gov](http://www.medicare.gov). If you do not have access to the Internet you can call Social Security at **1-800-772-1213** and ask for more information.

**Sue Olsen is a Social Security Public Affairs Specialist and she can be reached at (916) 339-4858 or by email at [sue.olsen@ssa.gov](mailto:sue.olsen@ssa.gov).** 

## Social Security Frequently Asked Questions

**Question:** I'm 55 years old and have worked since I was 18. So I have well over the 40 credits I need to qualify for Social Security. Why do I have to keep paying Social Security taxes if I already qualify for maximum benefits?

**Answer:** As long as you are working, the law requires Social Security tax withholding for almost all wage earners. Only some government employees and career railroad workers are exempt from Social Security taxes because they pay into a separate retirement fund. In addition, you should not confuse the eligibility rules with the benefit calculation rules. Although you need only 10 years, or 40 credits of coverage, to be vested in Social Security, your retirement benefit is based on your highest 35 years of earnings. In other words, if you were allowed to drop out of Social Security after meeting the 10-year vesting rule, you would receive a very small Social Security benefit when you reach retirement age, because we would have to add 25 years of "zero" earnings into your retirement calculation. For more information about Social Security benefits, visit Social Security's website at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call us toll-free at **1-800-772-1213** (TTY **1-800-325-0778**).

**Question:** Can you settle a bet I have with a friend? She told me I need 40 credits from Social Security to collect retirement benefits. But I'm sure I read 10 years of work is the requirement. Who's right?

**Answer:** Both of you are right, because 40 credits and 10 years of work are roughly the same thing. In 2007, you get one Social Security credit for each \$1,000 you earn, but you can only earn up to four credits in a year. Obviously, people with breaks in their work history will take longer than 10 years to earn the 40 credits they need for Social Security. To learn more, visit Social Security's website at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call us toll-free at **1-800-772-1213** (TTY **1-800-325-0778**).

**Question:** My brother and I are both retired and get Social Security benefits. We worked side by side in the same factory for years, but he gets a higher Social Security payment. Why does he get more?

**Answer:** Unless you are twins and made exactly the same amount every year of your careers, you wouldn't get the same benefits as your brother. Social Security benefits are based on your age and your lifetime of earnings—generally the top 35 years. In order to get the same benefit as your brother, you and he must have been the same age, had the same earnings for each year and would have had to have started and stopped working at the same time. To learn more about Social Security benefits, visit Social Security's website at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call us toll-free at **1-800-772-1213** (TTY **1-800-325-0778**).

**Question:** It has been about a month since I applied for Social Security disability benefits and I still haven't heard anything. How long does a decision usually take?

**Answer:** The amount of time it takes for a decision on a disability claim varies. The nature of your disability and how quickly we are able to get medical evidence from your doctor or medical sources can make a difference in how long it takes. Generally, to get an initial decision on your case, it takes about three to five months. If your claim is initially denied, there are several steps in the appeal process that you can pursue. To learn more, visit Social Security's website at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call us toll-free at **1-800-772-1213** (TTY **1-800-325-0778**).

**Question:** My parents recently moved into a retirement community and they are signing their house over to me. Can I still get Supplemental Security Income (SSI) or will home ownership make me ineligible?

**Answer:** You can own a home and still receive SSI as long as you live in the home you own. In most cases, when determining SSI eligibility we don't count the home you own and live in or the car you use as resources. For more information about SSI and Social Security, visit Social Security's website at [www.socialsecurity.gov](http://www.socialsecurity.gov), or call us toll-free at **1-800-772-1213** (TTY **1-800-325-0778**).