

2023 Social Security/SSI/Medicare Information

Social Security Program (Old Age, Survivors and Disability Insurance – OASDI)

2023 Maximum Taxable Earnings: OASDI—\$160,200; Hospital Insurance (HI, also called Medicare Part A)—No limit

<u>Federal Tax Rate:</u> ¹		<u>Max OASDI</u>	<u>Max HI</u>
Employee	7.65% (6.2% - OASDI, 1.45% - HI)	\$9,932.40	No limit
Employer	7.65% (6.2% - OASDI, 1.45% - HI)	\$9,932.40	No limit
Self-employed	15.30% (12.4% - OASDI, 2.9% - HI)	\$19,864.80	No limit

Earnings Required for a Quarter of Coverage in 2023: \$1,640 (\$6,560 for four)

Full Retirement Age (by Year of Birth):

1938 - 65/2 mos.	1942 - 65/10 mos.	1957 - 66/6 mos.
1939 - 65/4 mos.	1943-54 - 66	1958 - 66/8 mos.
1940 - 65/6 mos.	1955 - 66/2 mos.	1959 - 66/10 mos.
1941 - 65/8 mos.	1956 - 66/4 mos.	1960+ - 67

Benefits for Retirees (3/2022):

	<u>Age 62</u>		<u>Full Retirement Age (FRA)</u>	
	<u>PIA</u>	<u>Benefit</u>	<u>PIA</u>	<u>Benefit</u>
Scaled low earner	\$1,259.20	\$881	\$1,241.20	\$1,241
Scaled medium earner	\$2,072.60	\$1,450	\$2,047.40	\$2,047
Maximum earner	\$3,357.60	\$2,350	\$3,313.80	\$3,313

Long Range Constant Pre-Retirement Earnings Replacement Rate - Retirement at Age 67 in 2032 or Later:

Scaled low earner: 56% Scaled medium earner: 41% Maximum earner: 27%

<u>Coverage Thresholds for 2023</u>	<u>Self-Employment</u>	<u>Domestic Employment</u>	<u>Election Workers</u>
	\$400	\$2,600	\$2,200

OASDI Covered Workers (Estimated, Calendar Year (CY) 2022):

Wages:	171.1 million
Self-employment:	20.1 million
Total (Wages, Self-employment, or Both):	182.9 million

Percent of workers in paid employment or self-employment who are covered: 94%

<u>Estimated Worker/Beneficiary Ratio:</u>	<u>2021</u>	<u>2040</u>
	2.8 to 1	2.3 to 1

Retirement Test Exempt Amounts (CY 2023):

- Retirement Earnings Test applies only to people below FRA.
- Annual exempt amount—2023 is a year before the year FRA is attained—\$21,240. \$1 in benefits is withheld for every \$2 in earnings above the exempt amount.
- Annual exempt amount—2023 is the year in which FRA is attained—\$56,520. \$1 in benefits is withheld for every \$3 in earnings above the exempt amount. In addition, only earnings prior to FRA count.

¹ Single filers with wages, compensation, or self-employment above \$200,000, and joint filers with wages, compensation, or self-employment above \$250,000, pay an additional HI tax of 0.9 percent.

Bend Points (for Workers who Attain Age 62, Become Disabled, or Die in 2023):

Primary Insurance Amount (PIA) Formula	OASI Maximum Family Benefit (MFB) Formula ²
90% of first \$1,115 of AIME ³ , plus	150% of first \$1,425 of PIA, plus
32% of AIME over \$1,115 through \$6,721 +	272% of PIA over \$1,425 through \$2,056 +
15% of AIME over \$6,721	134% of PIA over \$2,056 through \$2,682 +
	175% of PIA over \$2,682

<u>Average Monthly Benefits Payable in 1/2023</u>	<u>Before 8.7 % COLA</u>	<u>After 8.7 % COLA</u>
All retired workers	\$1,680	\$1,827
Aged couple, both receiving benefits	\$2,733	\$2,971
Widowed mother/father and two children	\$3,249	\$3,532
Aged widow(er) alone	\$1,570	\$1,706
Disabled worker, spouse and one or more children	\$2,407	\$2,616
All disabled workers	\$1,364	\$1,483

Substantial Gainful Activity (2023):

\$1,470 per month for people who are not blind
\$2,460 per month for people who are blind

Trial Work Period Service Month (2023): \$1050 per month

Number of OASDI Beneficiaries (as of 12/31/22):

Total OASDI beneficiaries:	66.0 million
Retired workers and family members:	51.3 million
Retired workers:	48.6 million
Spouses:	2.0 million
Children:	0.7 million
Survivors of deceased workers:	5.9 million
Aged surviving spouses:	3.5 million
Disabled surviving spouses:	0.2 million
Surviving spouses w/ child-in-care:	0.1 million
Children:	2.0 million
DI beneficiaries:	8.8 million
Disabled workers:	7.6 million
Spouses:	0.1 million
Children:	1.1 million

Number of OASDI Children Beneficiaries (12/31/2022):

Total:	3.8 million
Children under age 18:	2.6 million
Students:	.1 million
Disabled Children:	1.1 million

Maximum Special Minimum PIA (Effective 12/2022): \$1,033.50 (with 30 years of coverage)

Maximum Amount of Windfall Elimination Provision (WEP) Reduction (WEP 1st Applied in 2023): \$557.50

² DI MFB ranges from 100%-150% of the PIA, depending on the PIA level

³ Average Index Monthly Earnings

Supplemental Security Income (SSI) Program

	<u>Individual</u>	<u>Couple</u>
<u>SSI Federal Benefit Rate (Federal Monthly Maximum) (CY 2023):</u>	\$914	\$1,371
<u>Resource Limits:⁴</u>	\$2,000	\$3,000

Number of SSI Recipients and Average Federally Administered Payment All Sources (as of 01/2023):

	<u>Recipients</u>	<u>Average Payments</u>
Total	7,553,829	\$677
Aged	1,141,354	\$541
Blind and Disabled	6,412,475	\$701
 SSI Recipients by Age:		
Under 18	1,008,264	\$794
Age 18-64	4,190,861	\$718
Age 65 and Over	2,354,704	\$554

SSI Expenditures (FY 2022):

Federal SSI payments	\$56.4 billion
Federally Administered State Supplement	\$2.8 billion

Medicare Program

Enrollees—Part A Only, Part B (also called Supplementary Medical Insurance (SMI)) Only, or Both (CY 2021):

Total	63.9 million
Aged	55.9 million
Disabled	7.9 million

Part A (HI) Monthly Premium (CY 2023):

Fully Insured	\$0
30+ credits	\$278
Fewer than 30 credits	\$506

Part B Premium (CY 2023):

\$164.90 to \$560.50 (Depends on income (see table below))
Annual deductible is \$226.00

Beneficiaries Affected by Income-Related Monthly Adjustment Amount (IRMAA) (Premium Year 2021):

<u>Program</u>	<u>Number of Beneficiaries Affected</u>
IRMAA - Part B	4,669,359
IRMAA - Part D ⁵	3,760,399 (Premium year 2020)

IRMAA by Modified Adjusted Gross Income (CY 2023):

<u>Single</u>	<u>Married</u>	<u>Total Monthly Part B Premium</u>	<u>IRMAA Part D⁶</u>
\$97,000 or less	\$194,000 or less	\$164.90 (standard premium)	\$0.00
\$97,000.01 - \$123,000	\$194,000.01 - \$246,000.00	\$230.80	\$12.20
\$123,000.01 - \$153,000.00	\$246,000.01 - \$306,000.00	\$329.70	\$31.50
\$153,000.01 - \$183,000.00	\$306,000.01 - \$366,000.00	\$428.60	\$50.70
\$183,000.01 - \$499,999.99	\$366,000.01 - \$749,999.99	\$527.50	\$70.00
\$500,000 or greater	\$750,000 or greater	\$560.50	\$76.40

⁴The SSI resource limits are set by law and are not adjusted for inflation.

⁵We will update the number of Part D beneficiaries affected by IRMAA when this information is available.

⁶Part D premiums vary by plan. The amounts shown in this column are added to the plan's premium.

(continued from the last table, IRMAA by MAGI)
Married, Filing Separately

<u>IRMAA by Modified Adjusted Gross Income</u>	<u>Total Monthly Part B Premium</u>	<u>IRMAA Part D</u>
\$97,000 or less	\$164.90 (standard premium)	\$0.00
\$97,000.01-\$402,999.99	\$527.50	\$70.00
\$403,000 or greater	\$560.50	\$76.40

Part B Immunosuppressive Drug Coverage Only

IRMAA by Modified Adjusted Gross Income (CY 2023)

<u>Single</u>	<u>Married</u>	<u>Total Monthly Premium</u>
\$97,000 or less	\$194,000 or less	\$97.10 (standard premium)
\$97,000.01-\$123,000	\$194,000.01-\$246,000	\$161.80
\$123,000.01-\$153,000	\$246,000.01-\$306,000	\$258.90
\$153,000.01-\$183,000	\$306,000.01-\$366,000	\$356.00
\$183,000.01-\$499,999.99	\$366,000.01-\$749,999.99	\$453.10
\$500,000 or greater	\$750,000 or greater	\$485.50

Married, Filing Separately

	<u>Total Monthly Premium</u>
\$97,000 or less	\$97.10
\$97,000.01-\$402,999.99	\$453.10
\$403,000 or greater	\$485.50

Medicare Prescription Drug Coverage (Part D) Extra Help Eligibility Requirements:

Individual must:

- be entitled to Part A or Part B (or both);
- be enrolled in prescription drug plan and live in a service area (excludes the incarcerated);
- reside in one of the 50 States or D.C.;
- file an application; and
- have income and resources within certain limits.

2023 Extra Help Income Limits:

Full Subsidy—Below 135% of poverty guidelines (below \$19,683 for an individual and \$26,622 for a two-person family in the contiguous States and D.C.⁷)

Partial Subsidy—Between 135%-150% of poverty guidelines (between \$19,683 and \$21,870 for an individual and between \$26,622 and \$29,580 for a two-person family in the contiguous States and D.C.)

2023 Extra Help Resource Limits:⁸

Full Subsidy—\$10,590 individual, \$16,630 married couple living together

Partial Subsidy—\$16,660 individual, \$33,240 married couple living together

⁷ Different income limits apply in Alaska and Hawaii.

⁸ Includes the burial fund exclusion.

Trust Fund and Miscellaneous Program Data

Percentage of Social Security Benefits Taxed:

<u>Filing Status</u>	<u>% Taxed</u>	<u>Income Threshold</u>	<u>Where Revenue Goes (Trust Funds)⁹</u>
Individual	up to 50%	\$25,000 - \$34,000	OASDI
Joint	up to 50%	\$32,000 - \$44,000	OASDI
Individual	up to 85%	\$34,000 plus	HI
Joint	up to 85%	\$44,000 plus	HI

<u>Average Wage Index:</u>	<u>2020</u>	<u>2021</u>
	\$55,628.60	\$60,575.07

OASDI Administrative Expenses (Excluding Treasury Administrative Costs) (FY 2022):

	<u>OASI</u>	<u>DI</u>	<u>OASDI</u>
Amount (in billions)	\$3.5	\$2.7	\$6.1
Percent of Benefit Payments	0.3%	1.9%	0.5%

OASDI Benefit Payments FY 2022:

OASI:	\$1,063.9 billion
DI:	\$142.3 billion
OASDI:	\$1,206.2 billion

OASI/DI Trust Funds' Operations (in billions based on intermediate assumptions in 2022 Trustees Report):

<u>Calendar Year</u>	<u>Income</u>	<u>Cost</u>	<u>Net Increase</u>	<u>End Of Year Balance</u>
2021	\$1,088	\$1,145	\$56	\$2,852
2022 projected	\$1,196	\$1,243	\$47	\$2,831
2022 actual	\$1,222	\$1,244	\$22	\$2,830

Key Years from 2022 OASDI Trustees Report (Using Intermediate Assumptions):

- 2010 OASDI expenditures exceeded income excluding interest and remained in excess thereafter.
- 2021 OASDI expenditures exceeded total income and are expected to remain in excess thereafter.
- 2034 OASI asset reserves are scheduled to be depleted. (At that time income would be sufficient to pay 77% of the OASI scheduled benefits, declining to 72% in 2096.)
- 2035 OASDI Trust Fund asset reserves are scheduled to be depleted. (At that time, current Social Security taxes would support about 80% of the expected OASDI benefits, declining to 74% in 2096.)

NOTE: DI Trust Fund asset reserves are not scheduled to be depleted during the 75-year long-range projection period.

Estimated Long-Range Deficit: 3.42 percent of taxable payroll

Beneficiaries (by Sex) Receiving Social Security Benefits (as of 12/2022):

53% Women
47% Men

Number of people receiving monthly benefits from SSA (as of 12/2022):

OASDI Benefits only	63.4 million
SSI Benefits only	5.0 million
OASDI and SSI Benefits Concurrently	<u>2.5 million</u>
Total	71.0 million

⁹ "OASDI and HI" – The tax on the first 50% of benefits subject to tax goes to the OASDI trust funds and the taxes on the remaining portion of benefits subject to tax (up to 85%) goes to the HI trust fund.

Program Accuracy (FY 2021):

OASDI Program Dollar Accuracy Rate (Nonmedical Factors):

99.8% of payment outlays without an overpayment

99.9% of payment outlays without an underpayment

SSI Program Dollar Accuracy Rate (Nonmedical Factors):

92.8% of payment outlays without an overpayment

98.4% of payment outlays without an underpayment

Disability Determination Services (DDS) Accuracy Rate for Initial Disability Decisions (FY 2021):

97.1 % - Overall decisional accuracy rate

Resources/Contacts

Social Security Information:

1-800-772-1213 TTY: 1-800-325-0778

SSA Online:

<https://www.socialsecurity.gov>

Constituent Relations Staff:

410-965-3930

Congressional Affairs Staff:

202-358-6030

Medicare Information:

1-800-633-4227 TTY: 1-877-486-2048

Medicare Online:

<https://www.medicare.gov>