



YOU ARE BEING PAID PROPERLY - SOCIAL SECURITY AND YOU

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In my 32 years of experience working for the Social Security Administration and the 27 years I've been writing this column, one of the more common complaints I've heard from people goes something like this: "I don't think I am getting the right Social Security benefit amount. It's less than it should be." Or like this: "Based on what all my friends are getting, I am sure they figured my benefits incorrectly and they are not paying me enough." Or sometimes something very blunt like this: "The government is cheating me out of my hard-earned Social Security!"

And here is something interesting: Not once in the past five decades have I heard something like this: "I think Social Security is paying me too much money!" I guess that's just human nature. People tend to expect the worst (especially when it comes to government services) and/or they believe they are being cheated out of something that everyone else is getting.

Lots of times, this phenomenon is the result of when senior citizens start talking and comparing government benefit amounts. The people getting less than their friends and neighbors inevitably feel as if they have been left holding the short end of the Social Security stick. What they don't understand is that there are literally dozens of variables that determine the amount of a Social Security check: things like your date of birth, your earnings history, your age when you filed for benefits, any early retirement reductions incurred or any late retirement bonuses earned. And when spousal or widow(er)s benefits are involved, then all those same variables for the husband or wife on whose record benefits are claimed come into play.

People just don't realize it is a combination all those variables that affect

the amount of a Social Security check. Instead, they tend to believe their check is wrong because someone at the Social Security Administration messed things up.

Readers who follow this column know that I have often been critical of incorrect information sometimes given by employees of the SSA and of some of the services provided by the organization as a whole. But I can tell you there is one thing they are very good at: The SSA is very careful and very accurate about calculating Social Security benefits.

And I must point out here that almost all calculations are NOT done by pencil-pushing bureaucrats sitting at their desks with a calculator or adding machine. Instead, those calculations are done by the SSA's huge, powerful and very reliable central computing systems. And there have been countless studies done by Congress and other oversight agencies concerning the accuracy of Social Security payments. And the studies show that the SSA pays the right benefit amount something like 99% of the time.

I should clarify that I am talking about the accuracy of the initial calculation of a person's basic Social Security benefit amount. People getting ongoing Social Security checks can be paid incorrectly from time to time. But that's usually because the SSA has faulty information. For example, a beneficiary who is under full retirement age and working and making more than the earnings penalty limit fails to inform the government of his or her income, resulting in benefits being paid that were not due. Those kinds of "overpayments" are not uncommon. But the person's basic Social Security benefit amount is still accurate.

Here are some examples of questions I've gotten recently from people who think they are being paid incorrectly.

Q: I am getting \$2,200 per month in widow's benefits. I have a friend at church who gets \$2,550 in widow's benefits. Our husband's worked side by side in the same business. So why am I getting \$300 less than her?

A: Earlier in this column, I mentioned all the variables that come into play in a benefit computation. I'm sure you and your friend and your respective husbands all had different dates of birth. And maybe this lady's husband made just a little more than your husband. Or maybe he waited a little longer before he filed for his benefits before he died? Or maybe you took benefits sooner than she did?

Q: I started getting retirement benefits in 2000. And I've always been convinced I'm getting less than I should. This has been bothering me for

24 years! Can I go to my Social Security office now and complain about this?



A: Well, I suppose you could. But nothing is going to happen. The time to question a benefit amount is when those benefits start. Back in 2000, you received an "award letter" when your Social Security checks started rolling in. That letter gave you appeal rights. It would have said you have 60 days to ask for a review of your benefit computation. So that was the time to question your benefit rate -- not almost a quarter-century later.

Q: I, and all other Social Security beneficiaries, are being cheated out of benefits because I recently learned that all benefits are rounded down. How did this injustice come about?

A: For decades, Social Security benefits were always rounded up. But back in the 1980s, a conservative Congress was looking for ways to trim government expenditures in general and Social Security benefits in particular. One of the little gimmicks they came up with was to round down to the nearest dollar all Social Security benefit calculations. So individual Social Security recipients lose a few nickels or dimes every month. But because Social Security is so huge (one-fourth of the entire federal budget), it save billions for the taxpayers.

Q: Millions of teachers like me around this country are being cheated by offsets applied to their Social Security benefits. Please explain this travesty!

A: You are not being cheated out of anything. I've explained the fairness of those offsets hundreds of times in this column over the years. If you want to understand what's going on, I have an entire chapter devoted to this topic in my book, "Social Security -- Simple And Smart."

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