

Social Security Disability Glossary

AIME (Average Indexed Monthly Earnings)

The dollar amount used to calculate your Social Security benefit if you reached age 62 or became disabled (or died) after 1978. To arrive at your AIME, the Social Security Administration (SSA) adjusts your actual past earnings using an “average wage index,” so you won’t lose the value of your past earnings (when money was worth more) in relation to your more recent earnings. If you reached age 62 or became disabled (or died) before 1978, SSA uses Average Monthly Earnings (AME).

ALJ (Administrative Law Judge)

An ALJ hears Social Security Disability and supplemental security income appeals and renders decisions on claims for benefits.

AME (Average Monthly Earnings)

The dollar amount used in calculating your monthly Social Security benefit if you reached age 62 or became disabled (or died) before 1978. The AME is determined by dividing the total earnings in the “computation years” by the number of months in those same years.

Annual Cost of Living Increase

The yearly increase in Social Security benefits and Supplemental Security Income payments to keep pace with increases in the cost-of-living (inflation).

Appeal (Appeal Rights)

You will receive a letter of explanation when the Social Security Administration (SSA) makes a decision regarding your eligibility for Social Security Disability (SSD) or Supplemental Security Income benefits. If you disagree with the decision, you have the right to appeal, which means you may ask SSA to review your case.

Appeals Council

When an administrative law judge denies your appeal, you may further appeal to the Appeals Council, which is the third step in the Social Security Disability appeal’s process. The Appeals Council reviews the administrative law judge’s decision to determine if an error was made.

Application for Benefits

To receive Social Security or Black Lung benefits, Supplemental Security Income payments, or Medicare, you must complete and sign an application. Processing a Social Security Disability (SSD) benefits claim usually takes between one and six months, if you provided all required documentation. If Social Security denies your claim, which it usually does, you may file an appeal and ask the SSA to review your case.

Award Letter or Denial Letter

When you file for Social Security, the Social Security Administration (SSA) decides if you will receive benefits. You will receive an official letter explaining the SSA's decision, either awarding or denying benefits. If SSA awards benefits, the letter states the amount you will get each month.

Baptismal Certificate

An official religious record of your birth or baptism. In some situations the SSA can use a baptismal certificate to establish your age.

Base Years

A wage earner's base years for computing Social Security benefits are the years after 1950 up to the year of entitlement to retirement or disability insurance benefits. For a survivor's claim, the base years include the year of the worker's death.

Benefit Verification Letter (BEVE)

A letter from Social Security that verifies the amount an individual receives each month in Social Security benefits and/or Supplemental Security Income payments. This letter is usually issued following a request from a beneficiary or his/her authorized representative.

Benefits

The amount of cash or medical coverage Social Security pays monthly, in five major categories: Retirement, Disability, Family (dependents), Survivors and Medicare. The first four programs pay monthly cash benefits; Medicare provides medical coverage.

Benefits -- Reduced

You can get the following reduced monthly benefits before reaching full retirement age:

- Retirement insurance benefits at age 62 through the month before you reach Full Retirement Age (FRA);
- Husband's or wife's insurance benefits at age 62 through the month before you reach FRA, provided no child of your spouse -- either under age 18 or disabled and entitled to benefits -- is in your care;
- Widow's or widower's insurance benefits beginning at any time from age 50 through the month before you reach FRA;
- Widow's or widower's insurance benefits after your spouse has received a retirement insurance benefit reduced for age;
- Disability insurance benefits received after a reduced retirement insurance benefit; or
- Retirement or disability insurance benefit received after a reduced widow's or widower's insurance benefit.

This applies only if you were born before 1928.

Birth Certificate (Original)

The record maintained by a governmental entity such as a state, county, parish, city, or borough that documents your birth.

Child

Your biological child or any other child who can inherit your personal property under State

law or who meets certain specific requirements under the Social Security Act, such as a legally adopted child, an equitably adopted child, a stepchild or a grandchild.

COLA (Cost of Living Adjustment)

Yearly increases in Social Security benefits and Supplemental Security Income payments to keep pace with increases in the cost-of-living (inflation).

Computation Years

The years with highest earnings selected from the “base years.” SSA adds total earnings in the computation years and divides by the number of months in those years to get the AME or the AIME. (SSA uses your 35 highest years of earnings to compute your retirement benefits.)

Continuing Disability Review (CDR)

The periodic review of your Social Security benefits to determine if there has been any medical improvement in your condition and whether you continue to be eligible for benefits. When you reach full retirement age, generally at age 65, you will no longer be eligible for disability benefits, but will enroll in the Social Security retirement program instead.

CPI-W (Consumer Price Index)

An index prepared by the U. S. Department of Labor that charts the rise in costs for selected goods and services. This index is used to compute COLAs.

Credits

As you work and pay taxes, you earn credits that count toward your eligibility for future Social Security benefits. You can earn a maximum of four credits each year. Most people need 40 credits to qualify for benefits. Younger people need fewer credits to qualify for disability or survivors’ benefits. Previously called “Quarters of Coverage.”

Death Benefit

A one-time death benefit payment of \$255 paid in addition to any monthly survivors insurance benefits that are due. This benefit is paid only to your widow/widower or minor children.

Decision Notice (Award Letter or Denial Letter)

When you file for Social Security, the SSA decides if you will receive benefits. You will receive an official letter explaining the SSA’s decision, either awarding or denying benefits. If SSA awards benefits, the letter states the amount you will get each month.

Delayed Retirement Credits (DRC)

Social Security benefits are increased (by a certain percentage depending on a person’s date of birth) if retirement is delayed beyond full retirement age (FRA). Benefit increases based on delaying retirement no longer apply when the wage earner reaches age 70, even if he/she continues to delay taking benefits.

Dependent Benefits

See Family Benefits.

DIB (Disability Insurance Benefits)

Benefits available through Social Security Disability Insurance (SSDI), the federal insurance program funded through payroll taxes.

Direct Deposit

When your Social Security benefits or Supplemental Security Income payments are sent electronically to an account in an accredited financial institution, such as a bank, trust company, brokerage agency or credit union.

Disability

Disability under Social Security means your total inability to work. SSA considers you disabled if (1) you cannot do work that you did before, (2) you cannot adjust to other work because of your medical condition(s), and (3) your disability has lasted or is expected to last for at least one year or to result in death. SSA assumes that working families have access to other resources to provide support during periods of short-term disabilities, such as workers' compensation, insurance, savings and investments.

Disability Benefits

Benefits you can get if you (1) are under full retirement age, (2) have enough Social Security credits, and (3) have a severe medical impairment (physical or mental) that is expected to prevent you from doing "substantial" work for at least one year, or to result in death.

Documents (Proofs)

Forms and papers -- such as birth certificates, marriage certificates, W2 forms, tax returns and deeds -- submitted by individuals applying for benefits and services. SSA accepts only originals or copies certified by the agency that has the original document.

Early Retirement

Benefits available to a wage earner as early as age 62. The benefit amount will be less than you would have gotten if you waited until your full retirement age. If you take retirement benefits early, your benefit will remain permanently reduced, based on the number of months you received checks before you reached full retirement age.

Early Retirement Age

Age 62.

Earnings Record

A chronological history of the amount of money you earn each year during your working lifetime. The credits you earned remain on your Social Security record even when you change jobs or have no earnings. Also called "lifetime record of earnings."

Evidence (Proofs)

The documents you submit to support a factor of entitlement or payment amount. The people in your Social Security office can explain what evidence is required to establish entitlement.

Family Benefits (Dependent Benefits)

When you are eligible for retirement or disability benefits, the following people may receive benefits on your record:

- Spouse if he/she is at least 62 years old (or any age when caring for an entitled child under age 16) ;
- Children if they are unmarried and under age 18 -- or under age 19 and a full-time elementary or secondary student;
- Children age 18 or older and disabled; or
- Divorced ex-spouse.

Family Maximum

The maximum amount of benefits an entire family may receive on any one worker's record.

FICA Tax (Federal Insurance Contributions Act Tax)

The tax withheld from your salary or self-employment income that funds the Social Security and Medicare programs.

Food Stamps (Food Stamp Program)

The U. S. Department of Agriculture program that helps needy families buy food.

FRA (Full Retirement Age)

The age at which a person may first become entitled to full or unreduced retirement benefits.

Beginning with year 2000 for workers and spouses born 1938 or later and widows/widowers born 1940 or later, the full retirement age increases gradually from age 65 until it reaches age 67 in the year 2022. This increase affects the amount of the reduction for persons who begin receiving reduced benefits.

Health Insurance (Medicare)

The federal health insurance program for (1) people 65 years of age and older, (2) certain younger people with disabilities, and (3) people with permanent kidney failure with dialysis or a transplant, sometimes called ESRD (end-stage renal disease).

Insured Status

You have "insured status" if you worked and earned enough Social Security credits to meet the eligibility requirement for retirement or disability benefits -- or enable your dependents to establish eligibility for benefits due to your retirement, disability, or death.

Lawful Alien Status

People admitted to the U.S. who are granted permanent authorization to work by the United States Citizenship and Immigration Services (USCIS) (formerly INS) or admitted to the U.S. on a temporary basis with USCIS or INS authorization to work.

Lifetime Record of Earnings

See Earnings Record.

Maximum Earnings

The maximum amount of earnings SSA counts in any calendar year when computing your Social Security benefit.

Medicaid

A joint federal and state program that helps with medical costs for people with low incomes and limited resources. Medicaid programs vary from state to state, but most health care

costs are covered if you qualify for both Medicare and Medicaid.

Medical Disability

SSA determines you to be medically disabled if (1) you cannot do work that you did before, (2) you cannot adjust to other work because of your medical condition(s), and (3) your disability has lasted or is expected to last for at least one year or to result in death.

Medicare

See Health Insurance.

MOE (Month of Election)

The month you choose for your benefits to begin, usually in situations involving retirement claims.

NRA (Normal Retirement Age)

See FRA (Full Retirement Age).

Number Holder (NH)

See Wage Earner.

OASDI (Old Age Survivors and Disability Insurance)

The Social Security programs that provide monthly cash benefits to you and your dependents when you retire, to your surviving dependents, and to disabled worker beneficiaries and their dependents.

Payment Dates for Social Security Benefits

If you filed for Social Security benefits before May 1, 1997, your payments are usually dated and delivered on the 3rd of the month following the month for which the payment is due. For example, payments for January are delivered on February 3rd.

If the 3rd of the month is a Saturday, Sunday or Federal holiday, your payments are dated and delivered on the first day before the 3rd of the month that is not a Saturday, Sunday or Federal holiday. For example, if the 3rd is a Saturday or Sunday, payments are delivered on the preceding Friday.

If you filed for Social Security benefits on or after May 1, 1997, you are assigned one of three new payment days based on the date of birth of the insured person:

- If you were born on the 1st through 10th of the month, your payment will be delivered on the second Wednesday of the month.
- If you were born on the 11th through 20th of the month, your payment will be delivered on the third Wednesday of the month.
- If you were born on the 21st through the end of the month, your payment will be delivered on the fourth Wednesday of the month.
- If your scheduled Wednesday payment day is a Federal holiday, your payment will be delivered on the preceding day that is not a Federal legal holiday.

Payment Dates for Supplemental Security Income (SSI) Payments

SSI payments are usually dated and delivered on the first day of the month for which they are due. However, if the first falls on a Saturday, Sunday or Federal holiday, they are dated and delivered on the first day preceding the first of the month that is not a Saturday, Sunday or Federal holiday.

PIA (Primary Insurance Amount)

The monthly amount you receive (1) if you are a retired worker who begins receiving benefits at full retirement age, or (2) if you are disabled and have never received a retirement benefit reduced for age.

Presumptive Disability

When Social Security grants immediate SSI payments for certain medical conditions for a maximum of six months, while the claimant awaits the full Social Security review of his/her claim. If Social Security later denies the SSI claim, it does not require the claimant to repay the presumptive disability benefits.

Proofs

See Evidence or Documents.

Protective Filing Date

The date you first contact us about filing for benefits. It may be used to establish an earlier application date than when we receive your signed application.

QC (Quarter of Coverage)

See Credits.

Record of Earnings

See Earnings Record.

Reduction Months

Months beginning with the first month you are entitled to reduced benefits up to, but not including, the month in which you reach full retirement age.

Representative Payee

If you receive Social Security benefits or Supplemental Security Income and become unable to handle your own financial affairs, after a careful investigation, SSA will appoint a relative, friend, or interested party to handle your Social Security matters. Representative payees are required to maintain complete accounting records and periodically provide reports to Social Security.

Retirement Age -- Full Benefits

Full retirement age was 65 for many years. However, beginning with the year 2000 (for workers and spouses born 1938 or later, or widows and widowers born 1940 or later), the retirement age increases gradually from age 65 until it reaches age 67 in the year 2022.

Retirement Age -- Minimum

The minimum age for retirement, which is age 62 for workers, and age 60 for widows or widowers. You can choose a reduced benefit anytime before you reach full retirement age.

Retirement Earnings Test

If you receive monthly Social Security benefits before your full retirement age and work, your earnings from wages and/or self-employment cannot exceed a certain amount without reducing your monthly benefits.

Retroactive Benefits (Back Pay)

Monthly benefits you may be entitled to before the month you actually file an application, if you meet the entitlement requirements.

RIB (Retirement Insurance Benefit)

Money that is due to you upon retirement (you can get reduced benefits as early as age 62) if you have enough Social Security credits.

SEI (Self-employment/Self-employment Income)

Social Security says you are self-employed if you operate a trade, business or profession, either individually or as a partner, and have net earnings of \$400 or more in a taxable year.

Social Security

A social insurance program that consists of retirement, disability and survivors' benefits. While you work, you pay taxes into the Social Security system. When you retire or become disabled, you, your spouse and your dependent children receive monthly benefits that are based on your reported earnings. Also, your survivors can collect benefits if you die.

Social Security Administration (SSA)

The United States Social Security Administration (SSA) is an independent agency of the federal government that administers Social Security, a social insurance program that consists of retirement, disability and survivors' benefits.

Social Security Disability Insurance (SSDI)

Insurance for people who pay FICA taxes. When you have a disability that meets Social Security Disability rules, this insurance pays money to you to replace your wages while you can not work.

Social Security Number (SSN)

The nine-digit number the SSA uses to maintain an accurate record of your wages or self-employment earnings that are covered under the Social Security Act, and to monitor your record once you start getting Social Security benefits.

Social Security Office

Your local Social Security office is where you can apply for a Social Security number; check on your earnings record; apply for Social Security benefits, black lung benefits, Supplemental Security Income (SSI), and hospital insurance (Medicare) protection; enroll in medical insurance; get help applying for food stamps; and learn everything you need to know about your rights and obligations under the Social Security law. SSA does not charge for any services.

Spouse

For SSA purposes, you are the spouse of the wage earner if, when he/she applied for benefits, (1) you and the worker were married, (2) you would have the status of a husband or wife for that person's personal property if they had no will, or (3) you went through a marriage ceremony in good faith that would have been valid except for a legal impediment.

SS-5

The application form you need to complete to obtain a Social Security number, a replacement card or a duplicate card.

SSN

See Social Security Number.

Substantial Gainful Activity (SGA)

This means any significant activity, physical or mental, which is performed for pay or profit over a reasonable period of time.

Supplemental Security Income (SSI)

A Federal income program funded by general tax revenues (not Social Security taxes). It helps aged, blind, and disabled people, who have little or no income, by providing monthly cash payments to meet basic needs for food, clothing, and shelter.

Survivor Benefits

If you die, these are monthly cash benefits based on your earnings record that are paid to:

- Your widow/widower age 60 or older, age 50 or older if disabled, or of any age if caring for a child under age 16 or who became disabled before age 22;
- Your children, if they are unmarried and under age 18, under age 19 but still in school, or age 18 or older but disabled before age 22;
- Your parents if you provided at least one-half of their support.

A one-time death benefit payment of \$255 may be made to your spouse or minor children. An ex-spouse could also be eligible for a widow/widower's benefit based on your earnings record.

Wage Earner

A person who earns Social Security credits while working for wages or self-employment income. Sometimes referred to as the "Number Holder" or "Worker."

Wages

All payment for services performed for an employer. Wages do not have to be cash. The cash value of all compensation paid to an employee in any form other than cash is also considered wages, unless the form of payment is specifically not covered under the Social Security Act.

Waiting Period

There is a five-month waiting period, after the onset date of the disability, before Social Security Disability and/or supplemental security income benefits are paid to a beneficiary. A month is considered to be a part of the waiting period when the person has not earned any income or their income is below Substantial Gainful Activity (SGA), which is \$940 as of 2008.

Widow(er)

You are the widow/widower of the insured person if, at the time the insured person died,

(1) you and the worker were married, (2) you would have the status of a husband or wife for that person's personal property if they had no will, or (3) you went through a marriage ceremony in good faith that would have been valid except for a legal impediment. The minimum age for disabled widows benefits is age 50, for retirement widows benefits is age 60.

Work Credits

See Credits or Quarters of Coverage.

Worker

See Wage Earner.