



ANNUAL UPDATE

of Public Benefit Figures

January 2008 Edition

**AARP Foundation/National Legal Training Project
601 E Street, NW
Washington, DC 20049
(202) 434-2197 (Phone)
(202) 434-2110 (Fax)
E-MAIL: anadavis@aarp.org
<http://www.aarp.org/nltp>**

Social Security Retirement and Survivors Benefits

2008 figures

Many figures used to calculate Social Security Retirement and Survivors Benefits are revised annually, as are the figures used to determine the insured status of the worker and how much a retired worker may earn.

Tax rate for employee and employer	7.65 % each *
Tax rate for self-employed	15.30 %
Maximum annual income subject to Social Security tax	\$ 102,000
Quarter of coverage	\$ 1,050 equals one quarter of coverage
Exempt earnings limit for person retiring at full retirement age in 2008±	\$ 36,120 per year (\$3,010/month)
Exempt earnings limit for person retiring under full retirement age in 2008 ‡	\$ 13,560 per year (\$1,130/month)
Maximum benefit for worker retiring at full retirement age in 2008 with maximum earning history	\$ 2,185 per month

* Of the 7.65% tax rate, 6.2 percent pays for Social Security benefits and 1.45 percent finances Medicare's hospital insurance program.

± Applies only to earnings for months prior to attaining full retirement age. \$1 in benefits will be withheld for every \$3 in earnings above limit. There is no limit beginning the month individual attains full retirement age. (65 and 4 months for those born in 1939; 65 and 6 months for those born in 1940; retirement age will gradually increase to age 67 for those born in 1960 or later)

‡ \$1 in benefits withheld for every \$2 in earnings above the limit

Supplemental Security Income (SSI)

2008 figures

The figures used to determine SSI eligibility change annually as do the federal benefit levels.

<p>SSI Income Limits vary from state to state due to work-related exclusions or self-support plans. Special calculations applied when applicant has a combination of earned and unearned income.</p>	<p>SSI Resource Limits</p> <p>Individual: \$ 2,000</p> <p>Couple: \$ 3,000</p>
Federal benefit rate: individual	\$ 637 per month
Federal benefit rate: eligible couple	\$ 956 per month
Essential Person Increment	\$ 318 per month (individual)

Social Security Disability Benefits

2008 figures

Figures used to determine a worker's insured status are revised annually.
Figures raising presumptions about ability to work are revised periodically.

Substantial gainful activity (SGA):	\$ 940 earnings per month
SGA, statutorily blind beneficiary:	\$ 1,570 earnings per month
Tax rate for employee and employer	7.65 % each
Tax rate for self-employed	15.30 %
Maximum annual income subject to social security tax	\$ 102,000
Quarter of coverage	\$ 1,050 equals one quarter of coverage

Medicare

2008 figures

The figures used to calculate Medicare benefits are revised annually.

Part A premium	<p>No premium for fully insured applicants</p> <p>\$ 423 per month for applicants with 0-29 quarters</p> <p>\$ 233 per month for certain applicants with 30-39 quarters of coverage</p>
Part A SNF co-insurance	\$ 128 per day for days 21 through 100
Part A inpatient hospital deductible	<p>\$ 1,024 per spell of illness plus</p> <p>\$ 256 per day for days 61 - 90</p> <p>\$ 512 per day for days 91-150 (lifetime reserve days)</p>
Part B deductible	\$ 135 per year
Part B co-insurance	20%
Part B premium (monthly)	\$ 96.40 (Individual with income < or = to \$82,000 or Joint with income < or = to \$164,000)
Part B income-related-premium(monthly)*±	<p>\$122.20 (Individual tax return with income > \$82,000 and < or = to \$102,000 or Joint return with income >\$164,000 and < or = \$204,000)</p> <p>\$160.90 (Individual tax return with income > \$102,000 and < or = \$153,000 or Joint return with income >\$204,000 and < or = \$306,000)</p> <p>\$199.70 (Individual tax return with income > \$153,000 and < \$205,000 or Joint return with income > \$306,000 and < or = \$410,000)</p> <p>\$238.40 (Individual tax return with income > \$205,000 or Joint return with income > \$410,000)</p> <p>Continued on next page</p>

* As required by the Medicare Modernization Act, starting in 2007, the part B premium a beneficiary pays each month is based on his annual income.

± Different premiums apply for married beneficiaries that file separate tax returns.

Medicare

2008 figures

The figures used to calculate Medicare benefits are revised annually.

Part D premium	\$ 27.93 per month (average estimate from CMS)
Part D deductible	\$275.00 per year
Part D initial coverage limit	\$2,510.00 per year
Part D out-of-pocket threshold	\$4,050.00 per year
Part D Low-Income Subsidy co-payments	\$1.05: generic/\$3.10 other (Full benefit dual eligibles with incomes < 100% federal poverty level (FPL)) \$2.25: generic/\$5.60: other (Full benefit dual eligibles with incomes > 100% FPL)
Part D Partial Subsidy co-payments and deductibles	\$56.00 deductible/ 15% co-insurance (to catastrophic limit) \$2.25: generics (above catastrophic limit) \$5.60: other (above catastrophic limit)

Medicaid-Spousal Impoverishment

2008 figures

Maximum Monthly Maintenance Needs Allowance (without fair hearing or court order)	\$ 2,610
Minimum Monthly Maintenance Needs Allowance *	\$ 1,711.25 - 48 States and D.C. \$ 1,968.75 – Hawaii \$ 2,140 - Alaska
Maximum Resource Allowance (without fair hearing or court order)	\$ 104,400
Minimum Resource Allowance	\$ 20,880

* These figures changes every July. The current figures are in effect July 1, 2006 – July 1, 2008.

Railroad Retirement Benefits

2008 figures

Tax rate for employee and employer: Tier I	7.65 % each *
Tax rate for employee: Tier II Tax rate for employer: Tier II	4.90 % 13.10 %
Maximum annual income subject to tax: Tier I Maximum annual income subject to tax: Tier II	\$ 102,000 \$ 75,900
Retirement test exempt earnings limit: Full retirement age and up	All earnings exempt (retroactive to January 1, 2000)
Retirement test exempt earnings limit: under full retirement age	\$ 13,560 per year \$ 1,130 per month

* Of the 7.65% tax rate, 6.2 percent pays for Social Security benefits and 1.45 percent finances Medicare's hospital insurance program.

Qualified Medicare Beneficiary (QMB)

(4/1/07 – 4/1/08)

QMB (income at 100% Poverty)

Income Limit (48 states and D.C.)*	Resource/Asset Limits**
1 person: \$ 851 (+ \$20 disregard) = \$ 871 2 people: \$1,141 (+ \$20 disregard) = \$ 1,161	Individual: \$ 4,000 Couple: \$ 6,000
<u>Hawaii</u> 1 person: \$ 979 (+ \$20 disregard) = \$ 999 2 people: \$ 1,322 (+ \$20 disregard) = \$ 1,342	
<u>Alaska</u> 1 person: \$ 1064 (+ \$20 disregard) = \$ 1084 2 people: \$ 1,427 (+ \$20 disregard) = \$ 1,447	
* Income limits may be higher in some states.	

Specified Low-Income Medicare Beneficiary (SLMB)

(4/1/07 – 4/1/08)

SLMB (income at 120% Poverty)

Income Limit (48 states and D.C.)*	Resource/Asset Limits**
1 person: \$ 1021 (+ \$20 disregard) = \$ 1041 2 people: \$ 1369 (+ \$20 disregard) = \$ 1,389	Individual: \$ 4,000 Couple: \$ 6,000
<u>Hawaii</u> 1 person: \$ 1,175 (+ \$20 disregard) = \$1,195 2 people: \$ 1,575 (+ \$20 disregard) = \$ 1,595	
<u>Alaska</u> 1 person: \$ 1,225 (+ \$20 disregard) = \$ 1,245 2 people: \$ 1,650 (+ \$20 disregard) = \$ 1,670	
* Income limits may be higher in some states	

Qualified Individual Program (QI)

(4/1/07 – 4/1/08)

QI-1 (income at 135% Poverty)

Income Limit (48 states and D.C.)*	Resource/Asset Limits**
1 person: \$ 1,149 (+ \$20 disregard) = \$ 1,169 2 people: \$ 1,540 (+ \$20 disregard) = \$ 1,560	Individual: \$ 4,000 Couple: \$ 6,000
<u>Hawaii</u> 1 person: \$ 1,322 (+ \$20 disregard) = \$ 1,342 2 people: \$ 1,772 (+ \$20 disregard) = \$ 1,792	
<u>Alaska</u> 1 person: \$ 1,437 (+ \$20 disregard) = \$ 1,457 2 people: \$ 1,926 (+ \$20 disregard) = \$ 1,946	
* Income limits may be higher or lower in some states.	

* Limits do not include home, car or \$1,500 in burial fund.

** Some states have no resource limits.

Qualified Disabled and Working Individuals Program

(QDWI)*

(4/1/07 – 4/1/08)

QDWI (income at 200% Poverty)

Income Limit (48 states and D.C.)	Resource/Asset Limits**
1 person: \$ 1,702 (+ \$20 disregard) = \$ 1,722 2 people: \$ 2,282 (+ \$20 disregard) = \$ 2,302	Individual: \$ 4,000 Couple: \$ 6,000
<u>Hawaii</u> 1 person: \$ 1,958 (+ \$20 disregard) = \$ 1,978 2 people: \$ 2,625 (+ \$20 disregard) = \$ 2,645	
<u>Alaska</u> 1 person: \$ 2,138 (+ \$20 disregard) = \$ 2,158 2 people: \$ 2,853 (+ \$20 disregard) = \$ 2,873	
* Limits do not include home, car or \$1,500 in burial fund.	
** Some states have no resource limits.	

* Program for individuals who lost their Medicare Part A benefits due to their return to work. They are eligible to purchase Medicare Part A benefits, have income of 200% FPL or less and resources that do not exceed twice the limit for SSI eligibility, and are not otherwise eligible for Medicaid. Medicaid pays the Medicare Part A premiums only.

Food Stamps

2008 figures

(October 1, 2007- September 30, 2008)

Figures used to calculate eligibility for Food Stamps Program are revised each year in October.

Food Stamp Resource Limits

Countable resources per food stamp household - \$ **2,000**

Countable resources per household with at least one person age 60 or older or disabled - \$ **3,000**

Fair market value of countable vehicle up to \$ **4,650**

Food Stamp Income Deduction Levels

Standard deduction (48 states & DC)†	\$ 134 per month (for one person; varies by household size)
Shelter deduction (48 states & DC)†	\$ 431 per month maximum (No cap for elderly/disabled)
Dependent care deduction per dependent medical expense deduction	\$ 175 (\$ 200 for children up to age 2) out-of-pocket expenses over \$35 per month

Monthly Income Eligibility Limits

Note: Elderly need only satisfy the NET income test.

No. Persons in Household (48 states, DC, Guam, Virgin Islands)	NET 100% poverty	GROSS 130% poverty
1 person	\$851	\$1107
2 persons	1,141	1,484
3 persons	1,431	1,861
4 persons	1,721	2,238
5 persons	2,011	2,615
6 persons	2,301	2,992
7 persons	2,591	3,369
8 persons	2,881	3,746
Each additional person	+ 290	+ 377

Maximum Monthly Food Stamp Allotments (48 states & DC)†

1 person	\$162
2 persons	298
3 persons	426
4 persons	542
5 persons	643
6 persons	772
7 persons	853
8 persons	975
Each additional person	+122

*For people who purchase and prepare food together, have elders who can't prepare own food, and want separate household status. 7 C.F.R. § 273.1(b)(2).

† Figures do not pertain to Alaska or Hawaii.

Veterans

Nonservice-Connected Pension

2008 Figures

The maximum rates for Veterans Nonservice-Connected Pension payments are revised annually with the Cost of Living Allowance. New figures are generally published in a November issue of the *Federal Register* and become effective on December 1 for checks received January 1.

REGULAR BENEFITS - VETERAN

single veteran	\$ 11,181 per year
with one dependent	\$ 14,643 per year
each added dependent	\$ 1,909 per year
2 vets married to each other	\$ 14,643 per year

REGULAR BENEFITS - SURVIVORS

surviving spouse	\$ 7,498 per year
with one child	\$ 9,815 per year
each added child	\$ 1,909 per year

BENEFITS PLUS AID AND ATTENDANCE ALLOWANCE - VETERAN

single veteran	\$ 18,654 per year
with one dependent	\$ 22,113 per year
each added dependent	\$ 1,909 per year

BENEFITS PLUS AID AND ATTENDANCE ALLOWANCE - SURVIVORS

surviving spouse	\$ 11,985 per year
with one child	\$ 14,298 per year
each added child	\$ 1,909 per year

BENEFITS PLUS HOUSEBOUND ALLOWANCE - VETERAN

single veteran	\$ 13,664 per year
with one dependent	\$ 17,126 per year
each added dependent	\$ 1,909 per year

BENEFITS PLUS HOUSEBOUND ALLOWANCE - SURVIVORS

surviving spouse	\$ 9,164 per year
with one child	\$ 11,478 per year
each added child	\$ 1,909 per year

Child Earned Income Exclusion	\$ 8,950 per year, effective date 1-1-08
-------------------------------	---