

SOCIAL SECURITY AND MEDICARE

As members plan for retirement, questions often come up about Social Security retirement benefits and Medicare. While these programs are administered by the federal government—not the Union—it's important to understand how timing affects both your monthly benefit and your healthcare coverage.

Social Security Retirement – How Age Affects Your Benefit

Your Social Security retirement benefit is based on your lifetime earnings and the age at which you choose to begin collecting:

- **Age 62 (Early Retirement)**
You may begin collecting as early as age 62, but your monthly benefit is permanently reduced—**25–30% less** than your full benefit.
- **Full Retirement Age (FRA)**
Full Retirement Age depends on your birth year (typically **66–67**). Collecting at this age provides **100% of your earned benefit**.
- **After Full Retirement Age (Up to Age 70)**
Delaying Social Security past your full retirement age increases your benefit by approximately 8% per year, up until age 70. There is no benefit to waiting beyond age 70.

Once you begin collecting Social Security, your benefit amount is locked in for life (aside from cost-of-living adjustments), making the timing of retirement an important long-term decision.

Medicare – When You Must Apply

Medicare eligibility begins at age 65, and applying on time is critical.

- Your Initial Enrollment Period (IEP) lasts 7 months:
 - 3 months before the month you turn 65.
 - Includes your birthday month.
 - 3 months after the month you turn 65.
- If you are already collecting Social Security, you are usually automatically enrolled in Medicare Parts A and B.
- If you are not collecting Social Security, you must actively apply for Medicare during your Initial Enrollment Period.
- If you are still working and covered by employer health insurance, you may be able to delay certain parts of Medicare, but this depends on your coverage. Failing to enroll correctly can result in lifetime penalties or gaps in coverage.

Helpful Official Resources

Members are encouraged to use the official government websites below:

- **Social Security Administration**
<https://www.ssa.gov>
- **Medicare**
<https://www.medicare.gov>

These sites allow you to review earnings history, estimate benefits, and learn about Medicare enrollment rules and coverage options.

Important Reminders

- Social Security and Medicare are separate programs with different enrollment rules.
- You do not need to retire to enroll in Medicare.
- These federal benefits are separate from your Union pension, annuity, and welfare benefits, and should be planned alongside them.
- Everyone's situation is different—there is no single “right” time to retire or claim benefits.

This memo is intended to provide general information and raise awareness. It is not financial, legal, or medical advice. Additional educational resources may be shared as they become available.