

Kathleen Martin is an attorney with O'Donnell, Weiss & Mattei, P.C., and a newspaper columnist for The Mercury, which gave permission for this article to be reprinted.

May 4, 2014

Social Security statement mailings to be partially restored

In 2011, the Social Security Administration (SSA) stopped mailing most paper benefits statements which had previously been sent to workers annually. This was in response to budget pressures; it has saved the SSA \$70 million each year, or approximately 50 cents per mailed statement. But advocacy groups have not been pleased with the decision to only make such statements available online, as all workers are not in a position to access the information easily this way. Recently Reuters.com reported in the Business and Financial News that the SSA will resume mailings, at least on a limited basis (see Mark Miller at link.reuters.com/qyk97s on April 19, 2014).

In 2010, the Social Security Administration began a campaign to have all future SSA recipients to sign up for their annual statements online at My Social Security. It was intended to encourage workers to create an account from which they could obtain information about their Social Security benefits online since paper statements were being discontinued. It seemed a logical extension of the push to sign up for retirement benefits online and to stop the majority of paper checks by requiring direct deposit of benefits. Unfortunately, Mr. Miller reports in his article that so far only 10 million American wage earners, just 6 percent of the total, have signed up at the My Social Security site. The SSA has been criticized for not providing American workers with the valuable annual reminder of an estimate of monthly benefits at various claiming ages and for disability claims. There is also an explanation of how benefits are calculated, and displays the worker's history of income subject to Social Security tax. Many workers are unaware that they are no longer receiving statements, and the need to sign up at My Social Security <http://www.ssa.gov/myaccount/> to receive any statements. Many of the workers who will rely most heavily on SSA in retirement are not as likely to have internet access, including low income and not English speaking persons. Others have just not taken the time to sign up, not realizing what they are missing.

Starting in September, SSA will resume mailing paper statements to workers at ages 25, 30, 35, 40, 45, 50, 55 and 60 who have not created an online account. Online statements will still be promoted. Congress had traditionally approved less than the agency's request for its budget in the last 14 of 16 years. Cost cutting moves were deemed necessary, including the cost for preparing and sending paper statements. An improved budget outlook has resulted in a partial restoration of mailed statements as the 2014 fiscal budget was boosted to \$11.7 billion. There is no word on whether any staffing cuts will be restored, since sharp reductions have been made in customer service in recent years.

Hopefully, more people will sign up at My Social Security (<http://www.ssa.gov/myaccount/>) and track the information available. It is important to review earnings statements for accuracy and to help plan for the future.