



Social Security Explorer

SSE v2.1 Release Notes

Input changes

- Enter Birth Year rather than Age; this gives a more accurate calculation for those born 1955-1959 where the FRA gradually changes from 66 to 67. In the calculations, if a person born in these years starts receiving Social Security at FRA, benefits for that year only will be reduced by the number of months listed below.
- New link under Benefit input for WEP/GPO questions: If WEP/GPO exists for either client, a checkmark will show by the link. See info below
- Added help for WEP/GPO

Report changes

- Added ledgers to follow each graph showing values for the Optimal (Star) or Target ages.
- Ledgers that show a strategy now have the strategy as the title: ex. File for Benefits, You File Restricted, Spouse Files, etc.
- Added definition pages and further disclaimers at end. Expanded disclaimer at beginning of report.
- Each new “add to” starts a new scenario number in report. Exception is the ledger following a graph has the same scenario number as the graph.

Addition of calculations for Windfall Elimination Provision (WEP) and Government Pension Offset (GPO)

If person has a non-covered pension (one not subject to Social Security taxes), any benefits received from Social Security based on your own employment in another job or from a spouse or ex-spouse will be reduced by a percentage of the monthly pension.

INPUT NEEDED TO DO GPO/WEP

Does the person have a pension from work not covered by Social Security? If so,

- What is the monthly pension amount?
- What is the reduced monthly benefit due to WEP?

The monthly Social Security retirement amount will be reduced by a formula; there is a WEP calculator on the SSA website which will give the reduced monthly benefit. Annual Social Security statements do not consider non-covered pensions and do **not** show the adjustments. WEP calculator is found at <http://www.socialsecurity.gov/retire2/anyPiaWepjs04.htm>

How to use the WEP calculator

- **Date of birth:** Enter date of birth.
- **Age at retirement:** Enter Full Retirement Age. If birthdate is 1954 and earlier, enter 66 years and 0 months. If 1960 and later, enter 67 years and 0 months. For the years 1955-1959, use:

1955	66 years and 2 months
1956	66 years and 4 months
1957	66 years and 6 months
1958	66 years and 8 months
1959	66 years and 10 months

- **Today's dollars or future dollars:** Select today's dollars.

- **Non-covered pension amount:** Enter the total monthly pension from work not covered by Social Security
- **Annual earnings:** Enter earnings history from the Annual Social Security benefit statement.
- **Earnings in 2013 covered by Social Security:** Enter 0.
- **Earnings in 2014 and later covered by Social Security:** Enter 0.
- **Click Calculate Benefit**

The results are shown below the calculate button. Find “**Your monthly retirement benefit**” and note this amount, as it will be input on the WEP/GPO input screen.

ENTERING NON-COVERED PENSION INFORMATION IN SSE

To enter information on non-covered pensions, click on the link “Adjust for pensions not covered by Soc. Sec.” A new window appears with this question: ‘Do you or your spouse have a pension for work not covered by Social Security?’

- Choose ‘Yes’ if either you or spouse have a non-covered pension; click ‘No’ otherwise.
- If yes, enter the monthly pension amount in “Estimated amount of non-covered monthly pension”.
- Enter the adjusted monthly retirement benefit from the WEP calculator in “Monthly retirement benefit from WEP calculator in today's dollars.”

For convenience, there is a button which takes you to the WEP calculator on the Social Security website.

There is a label with the minimum monthly retirement benefit. You can enter a number between the minimum and your retirement benefit from the SS Statement.

There are two other links to further information on WEP and GPO. When done entering pension information, click “Done” to return to SSE. A checkmark will appear next to the link to show WEP and GPO are applicable.

EFFECTS OF WEP AND GPO

WEP reduces your own monthly benefit payable to you in retirement or disability, and any payments made to your spouse and dependents. The reduction is permanent and is the equivalent of entering a smaller amount in “Your monthly benefit” on the SSE main input screen.

GPO applies to benefits you may receive from your spouse’s Social Security benefits, as either spousal or survivor benefits. The spousal or survivor monthly benefits are reduced by 2/3 of your monthly pension. This reduction is applied to the spousal benefit before any further reduction for taking benefits prior to Full Retirement Age.

WIDOWED AND DIVORCED

If the deceased or ex-spouse had a non-covered pension, enter the reduced monthly Social Security benefit on the main SSE screen. Pension information is not needed for the former spouse.

SINGLE

Since no benefits from a spouse exist, GPO does not apply. The WEP calculation is still applicable and pension and adjusted benefit amounts should be entered on the WEP/GPO input screen.