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MEMBER



Special needs require special lawyers.

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SOCIAL SECURITY SPOUSAL BENEFITS

Social Security provides benefits for persons who have worked and earned credits towards retirement. Individuals may also be eligible for Social Security benefits based on a spouse's earnings record. If an individual applies for spousal benefits when the individual reaches his or her own full retirement age, then the individual is eligible for a benefit equal to 50% of the worker's benefit. If the individual applies for spousal benefits earlier than his or her own full retirement age, then the individual benefit percentage on the worker's record is permanently reduced.

It is also possible for both spouses to receive spousal benefits on each other's record. For example, take a couple in which the wife is the lower-earning spouse, and the husband is two years older; full retirement age for both is 65. The husband's Social Security benefit will be considerably higher than hers if he delays receiving benefits on his own record until he reaches age 70; likewise, the wife's spousal benefits on his record will be higher if he delays until age 70. The wife can elect to take Social Security benefits on her own work record at her full retirement age of 65, when her husband is age 67. At the same time, the husband can start taking Social Security benefits based on the wife's work record. He will receive benefits valued at 50% of the wife's benefit. He will delay receipt of benefits on his own work record, receiving delayed retirement credits, and will receive a higher benefit when he does start receiving benefits on his own work record. In our example, let's say the wife's benefit on her own record is \$800 per month; then the husband would receive \$400 per month in spousal benefits. In most cases, both husband and wife should sign up for Medicare at age 65.

When the husband reaches age 70, he applies for Social Security based on his own work record and receives, for example, \$2,000 per month. Because his own benefits are higher than his spousal benefit, he will receive his own higher benefit, and he will no longer receive the spousal benefit. The wife can then apply for additional benefits based on the husband's work record.

She will receive her own benefit of \$800 per month first, then spousal benefits of \$200 per month to bring her total benefit amount to the spousal benefit limit of \$1,000 per month (50% of the husband's benefit). If the husband dies first, then the wife's survivor's benefit will increase to \$1,200 per month; combined with her own benefit, she will receive \$2,000 per month (the amount her husband received while he was alive). If the wife dies first, then the husband will continue to receive his own benefit of \$2,000 per month.

What are the advantages of this approach? First, in our example, the husband will receive \$400 per month for the three years until he reaches age 70, or up to \$14,400. Second, by delaying the receipt of his own benefit until age 70, he will receive a larger benefit. Third, this same delay will result in the wife receiving a larger survivor's benefit at the husband's death.

Keep in mind that in our example, if the wife starts taking benefits on her own work record earlier than her full retirement age, then she will not only permanently reduce her own benefit, but she will also reduce the percentage of her husband's benefit that she will receive during his lifetime and if he dies first.

The elder law attorneys at Oast & Hook can assist clients with their Social Security benefits planning as part of a comprehensive plan including estate, insurance, financial, and long-term care planning.

Ask Allie

O&H: Allie, we heard that there is a special program called "Critters for the Cure." Please tell us about it.

Allie: The *Washington Post* recently published an article on Critters for the Cure™. It is a great program in the Washington, D.C., area to promote breast cancer awareness, and the important role pets play in recovery. The organization was founded by breast cancer patients to draw attention to the two things over which they have little control: the disease and the fate of homeless dogs and cats. The group has produced a calendar with photos of breast cancer survivors and the pets who have helped them cope with the disease. The funds raised from sales of the calendar help pay for wigs, transportation, and some assistance with bills for breast cancer patients. The charity also helps with items such as vet bills and dog-walking for patients. The group produces a magazine called Critters Speak, which documents the women's cancer journeys. To learn more about Critters for the Cure™ visit their website: www.crittersfortheure.com. To read the *Washington Post* article visit: www.washingtonpost.com/wp-dyn/content/article/2008/11/14/AR2008111403071.html



Please feel free to e-mail your pet and animal-related questions to Allie at: allie@oasthook.com.

Announcement

The Hampton-Newport News Community Services Board and the Alzheimer's Association have joined forces to provide training and education to increase the skills and abilities of staff who work directly with seniors. The classes will be held in the conference room at the Hampton-Newport News Community Services Board at 300 Medical Drive, Hampton, Virginia. Registration begins at 8:30 a.m. and the classes will run from 9:00 a.m. to 1:00 p.m. The first class is entitled "Basics of Dementia Care" and will be held on December 16th. The second class is entitled "Making Connections and Enhancing Mealtime" and will be held on January 14th, and the last class is entitled "Understanding Wandering and Reducing Falls" and will be held on February 17th. These classes are free for professional caregivers, nurses and social workers in Hampton and Newport News. Pre-registration is required. To register, please either call Renee Davenport at 757-788-0005 or e-mail her at renee@hnncsb.org.

Speakers

If you are interested in having an elder law attorney from Oast & Hook speak at an event, then please call Jennifer Lantz at 757-399-7506.

Distribution of This Newsletter

Oast & Hook encourages you to share this newsletter with anyone who is interested in issues pertaining to the elderly, the disabled and their advocates. The information in this newsletter may be copied and distributed, without charge and without permission, but with appropriate citation to Oast & Hook, P.C. If you are interested in a free subscription to the *Oast & Hook News*, then please e-mail us at mail@oasthook.com, telephone us at 757-399-7506, or fax us at 757-397-1267.

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