



## FAQ: LifeYield Social Security+

### Can I use LifeYield Social Security+ on my computer? What are the system requirements?

LifeYield Social Security+ is a web-based application. Our software can be used on any Windows, Mac, or Linux system using one of the browsers listed below:

- Microsoft Edge
- Mozilla Firefox (Version 30.0 and above)
- Google Chrome (Version 36.0.1985.125 and above)
- Apple Safari (Version 5.1.7 and above)
- Opera (Version 22.0.1471.70 and above)

You can also access the software using Mobile Safari on Apple iPad running iOS 7 or above.

### How often should I be using the LifeYield Social Security+ tool for my clients?

At the very least, you should use LifeYield Social Security+ each year because every year the Social Security Administration updates your client's Full Retirement Age Benefit (FRA Benefit, sometimes referred to as PIA), to reflect such factors as cost of living increases or changes to the Social Security rules.

Also, other factors - such as your client or their spouse earning a salary during the previous year—may change their FRA Benefit, which may, in turn, alter the best Social Security filing strategy available to your client.



## What is the earliest age at which my clients can file for Social Security benefits?

Typically, 62 is the earliest age at which your client can file for their own benefits, or 60 if they are filing for Survivor benefits. However, it is important to remember that the older your clients are when they file (up to age 70), the greater their monthly/annual Social Security benefits will be.

## How do I determine my client's Full Retirement Age (FRA)?

In general, you don't need to, as LifeYield Social Security+ looks up FRAs automatically based on your client's birth year and lists it in the downloadable report. However, if you're interested, the adjacent table lists the current FRAs for each age group:

<b>Birth Year</b>	<b>FRA</b>	<b>Birth Year</b>	<b>FRA</b>
1937 or earlier	65y	1955	66y 2m
1938	65y 2m	1956	66y 4m
1939	65y 4m	1957	66y 6m
1940	65y 6m	1958	66y 8m
1941	65y 8m	1959	66y 10m
1942	65y 10m	1960 or later	67y
1943 - 1954	66y		



## If a client is filing for survivor benefits, do I use the table above to determine their FRA?

Survivor benefit FRAs are slightly different from those for other types of benefits. Just add two years to each of the birth years listed to find the right FRA. For example, 65 years of age is the FRA for anyone born in 1939 or later for survivor benefit purposes; 66 years of age is the FRA for people born between 1945 and 1956, and so on. As for retirement and spousal benefits, LifeYield Social Security+ looks these ages up for your clients automatically as part of its analysis and incorporates the appropriate FRA into its calculations.

## How is the Full Retirement Age Benefit (FRA Benefit) determined?

Your client's FRA Benefit represents the amount of monthly benefit they are entitled to if they file for benefits at FRA. Normally, this amount is calculated based on a Cost of Living Adjustment (COLA), which is the adjusted average of your client's top 35 years of earnings in a job that participates in Social Security (i.e. that pays the FICA payroll tax). If they have not worked for at least 35 years at the time they start claiming Social Security benefits, then the remaining years would be treated as though they earned \$0, bringing their average earnings down and therefore reducing their FRA Benefit.

## How can I find out my client's Full Retirement Age Benefit?

Simply have your client visit the Social Security Administration's website login page at <https://secure.ssa.gov/RIL/SiView.do> and log in. After logging in, their FRA Benefit will be on the first page they see.



If they have not already set up an online account with the Social Security Administration, just instruct them to go to <https://secure.ssa.gov/RIL/SiView.do>, click on the “Create an Account” button and follow the instructions. It is fast and easy.

## If my clients don't want to find out their Full Retirement Age Benefit, how accurate will LifeYield Social Security+ be if I use their last year's earnings?

Using your clients' last year's earnings gives a rough estimate of what their Social Security benefits could be, based on the assumption that they earned approximately the same amount (when taking into account inflation) over their top 35 earnings years. While this estimate is useful as a first step, it can be a lot less accurate than using their actual FRA Benefit, since typically a person's earnings are not quite that consistent over time.

## If a client is divorced, can they still file for spousal benefits based on their ex-spouse's work record?

Yes, if they meet the following criteria (subject to a few exceptions as is the case for many areas of Social Security):

- Their marriage lasted at least 10 years.
- Their ex-spouse has already filed for benefits or, if (s)he has not yet filed but is eligible to do so, they have been divorced for at least 2 years.
- Your client is 62 or older, has not remarried, and is not eligible for a larger benefit on another person's work record. (It doesn't matter whether their ex-spouse has remarried.)



## If my client or their spouse have already filed for Social Security retirement benefits, can we still use this system?

Yes, you may still be able to use this system if either your client or their spouse has already filed for Social Security retirement benefits (currently, prior filing for other types of benefits is not supported by this tool). If they are a married couple and only one of the spouses has filed already, you can still use the system for their case. If your client has already filed for survivor benefits, you may still use this tool to run their case since they are still eligible to eventually switch from survivor to their own benefit. Single users can also still use the system. However, if both your client and their spouse have each already filed, then you will not be eligible to use this system for their case.

## What are the Windfall Elimination Provision and the Government Pension Offset?

- These are items that may lower one's Social Security benefits, but they do not apply to the overwhelming majority of Americans.
- For more information on the Windfall Elimination Provision, please visit <http://www.socialsecurity.gov/pubs/EN-05-10045.pdf>.
- For more information on the Government Pension Offset, please visit <http://www.socialsecurity.gov/pubs/EN-05-10007.pdf>.



## Is there a situation where the Optimal filing strategy won't provide my clients as much income as their Custom strategy?

The Optimal strategy focuses on getting your clients the most cumulative, or aggregate, income over their projected lifetime. However, because the Optimal strategy often includes delaying the receipt of income (so that your clients are receiving no benefits for a number of years), there can be a period where your client's monthly/annual income for the Custom strategy will be greater, and a point in time before which their cumulative benefits for the Custom strategy will be greater than those for the Optimal strategy. Because of this, if your clients are in poor health, or do not want to plan that they might live until the age of 85 - which is the default age of death in LifeYield Social Security+ - you should change the Life Expectancy setting so that LifeYield Social Security+ can find the best strategy for your clients' circumstances.

The "Cumulative Benefits" tab in LifeYield Social Security+ shows in what year your client's cumulative benefits for the Optimal strategy surpass those for the Custom strategy.

## Where can I get more information about Social Security?

For more information, please visit the FAQ section of the Social Security Administration website at [https://faq.ssa.gov/ics/support/default.asp?deptID=34019&referrer=.](https://faq.ssa.gov/ics/support/default.asp?deptID=34019&referrer=)

## My client would like to file for benefits using the “file and suspend” strategy, why is this not an available strategy for their case?

As part of the Bipartisan Budget Act of 2015, it is no longer possible to claim spousal benefits on an account for which benefits have been suspended. This eliminates a potential strategy for a married couple involving a worker filing for retirement benefits and then immediately suspending those benefit payments so that their own benefits continue to grow while their spouse claims spousal benefits (often referred to as the “file and suspend” strategy).

- Only individuals who reached age 62 in 2015 or earlier have the ability to file a restricted application for spousal benefits only, or to control the timing of any spousal excess increase they receive after becoming dually entitled after initially filing for their own retirement benefits.
- For claimants who attained age 62 in 2016 or later, the option to file a restricted application for spousal benefits only at Full Retirement Age (FRA) or later is removed. If a person files for benefits at or after FRA when eligible for both their own benefit and a benefit from their spouse (referred to as “dual entitlement”), they will be treated as though they had filed for both benefits and receive a payment totaling the higher of the two amounts, as is already the case for a dually-entitled person filing earlier than FRA.

As you would expect, the LifeYield Social Security+ takes these rule changes into account and applies them wherever appropriate to ensure the Optimal strategy leads to the highest possible lifetime benefit.



## Does this tool offer advice to address the income gap when a client wants to delay taking their Social Security benefit?

When you enable Benefit Delay for your client's case, LifeYield Social Security+ calculates the cost of extending the peak Social Security benefit amount forwards to the selected year. The advantages of delaying Social Security benefits often lead to a delay being part of the recommended claiming strategy, since it can lead to significantly greater benefits over a client's lifetime. However, delaying benefits can lead to a gap in income between a client's employment income ending and their peak Social Security benefits being received.

## My client wants to plan for when one spouse passes away, can this tool help?

Once you enable the Benefit Replacement feature, LifeYield Social Security+ will calculate the assets required to replace benefits lost after the date of the first death for a married couple. Benefit replacement figures are based upon information provided by the client and represents only the gap in anticipated benefit without regard to how the death of a spouse may impact normal living expenses. An individual may require more or less depending upon their individual circumstances.

## My client doesn't seem to be getting 50% of their spouse's PIA, is something wrong with the tool's calculations?

If spousal benefits are claimed when the spouse reaches their FRA, your client is entitled to 50% of the worker's PIA (or WEP-adjusted PIA if the worker is subject to the Windfall Elimination Provision). If your client files for spousal benefits prior to their FRA,





they will not receive 50% of their spouse's PIA because their spousal benefit amount will be reduced accordingly due to filing before reaching their FRA.