

Your Social Security

1

News and Information for SSDI and SSI Recipients

Volume 1 | Issue 3

June | 2013

Don't Be A Victim!

Scammers Are Targeting Your Social Security Direct Deposit Account.

In a new twist on an old crime, criminals are targeting Social Security recipients to get personal information and then divert direct deposit payments.

There is no question that direct deposit of Social Security payments is a good deal for nearly everyone. No longer do you have to trudge to the bank or somewhere else to cash or deposit your check. No longer do you have to worry about a thief nabbing your check from your mailbox. Direct deposit is also a good deal for the government which will save hundreds of millions of dollars by not having to print checks.

However, the Social Security Administration has reported that thousands of recipients have been targeted by scammers. The SSA has opened "multiple investigations across the country" into theft of payments involving direct deposit bank accounts.

Here's how the scam works: Criminals obtain personal information through the mail or on the phone by posing as government officials seeking information or by convincing victims that they have won a lottery or sweepstakes. Then either through the SSA or through a financial institution the thief changes the victim's direct deposit instructions to divert the payments to the thief's bank account.

In one case, reported on www.ssa.gov, "an 86-year-old man received a letter saying he had won \$3.5 million and that he should call the included phone number to provide necessary information for receiving the money. Soon after calling, the man did not receive his scheduled Social Security payment, so he contacted SSA, only to learn that his benefits were diverted to a different account. He was issued a replacement payment, but the man



Once thieves have your personal information, they can use it to commit all kinds of fraud.

reported that the ordeal caused two months of hardship, as he was forced to obtain a bank loan to pay his rent and for other living expenses."

Although the SSA has taken steps to protect Social Security recipients, your best protection is you. The SSA Inspector General advises: "Never provide your personal information when receiving unsolicited calls or contacts. Always contact your local SSA office to verify the identity of any person claiming to be from the SSA. And beneficiaries should notify their local SSA office as soon as they notice their monthly payment is late."

"...the Social Security Administration has reported that thousands of recipients have been targeted by scammers."

Don't Be A Victim!

**Scammers Are Targeting
Your Social Security
Direct Deposit Account.**



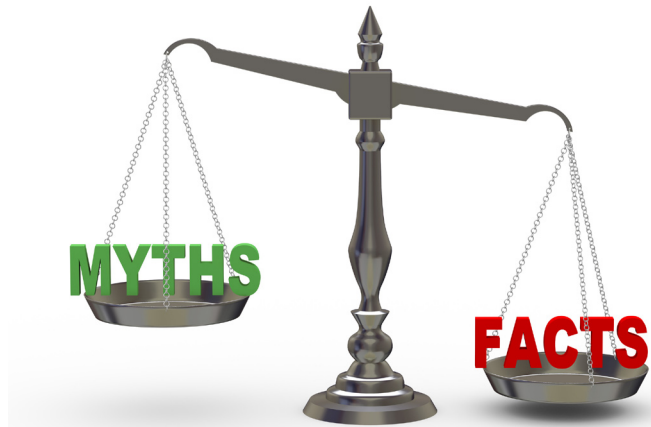
IN THIS *Issue*

- 1 Don't Be A Victim!
- 2 Myth-Busters: Sorting Out The True Social Security Facts
- 3 Marriage, Divorce and Social Security

Cuddigan Law
1005 S. 107th Ave. Ste. 201
Omaha, NE 68114
cuddiganlaw.com
402.933.5400

Myth-Busters:

Sorting Out The True Social Security Facts.



Myth #1: Social Security only helps old people.

Fact: This is not the full story; Social Security helps a wide range of Americans. While Social Security certainly helps retirees (without Social Security benefits 40% of elderly Americans would be living below the poverty level), it also provides income support to children. According to the Social Security Administration about 6 million children under the age of 18 lived in households that received Social Security payments, this is about one in every twelve children in the U.S. More than 14 million disabled workers under the age of 65 also draw Social Security payments.¹ There is, in addition, another large group that benefits from Social Security that may not be immediately obvious: young families not burdened with the cost of supporting older parents, who would struggle financially without Social Security.

Myth #2: Social Security adds to the deficit.

Fact: Not even close to true. Social Security has its own funding source: Social Security payroll taxes. By law, it isn't allowed to spend any money it doesn't have, so it can't add to the federal deficit.

Myth #3: We have to raise the retirement age because people are living longer.

Fact: Not true because people really aren't living much longer. Those who reach retirement age are living about the same number of years as they did in the 1930s when Social Security began. What has changed is that fewer children are dying than did 80 years ago. So that, more than any other factor, is driving an increase in the average life expectancy.

Myth #4: The Social Security Trust Fund has been raided and is full of IOUs.

Fact: Uh-uh. The Social Security Trust Fund is full of U.S. Treasury Bonds. The Trust Fund holds only Treasury Bonds which are backed by the "full faith and credit of the United States" for the same reason many, many Americans (maybe even you) hold them: The U.S. government has never missed a single interest payment. So, the trillions of dollars in the Social Security Trust Fund, which are separate from the regular federal budget, are safe and secure.

Myth #5: Social Security benefits are too generous.

Fact: Not by a long shot. The average Social Security benefit check is much more modest than most people think—an average of \$1,234 a month. The U.S. ranks #30 out of 34 developed countries in the percentage of a median worker's earnings that the public-pension system replaces according to the Center on Budget and Policy Priorities, a well-respected Washington D.C.-based think tank.

¹ www.ssa.gov

"...the Social Security Trust Fund which (is) separate from the regular federal budget (is) safe and secure."



Marriage, Divorce and Social Security

This month, June, is traditionally the wedding month.

A June wedding is a tradition that dates back more than two thousand years to ancient Roman times. So this is a good time to remind all brides-to-be who choose to take their husbands' last names to change their names with the Social Security Administration. Whether it's a first or subsequent marriage, this helps to insure their earnings are properly credited and their benefits are not interrupted.

To change a name on a Social Security card you must complete a new application for a card. You can download the application form at www.ssa.gov. You must submit the form along with the original copy of your marriage license. While you can mail the paperwork to the SSA, it is better to take it to the local Social Security office and avoid the risk of your marriage license getting lost. (The Omaha Social Security office is at 604 N 109th Court, just north of 108th and Dodge.) Name changes caused by divorce, a court order or naturalization should also be registered with the SSA.

For divorced persons, aside from possible name changes, there are other important Social Security considerations. For example, you can collect retirement benefits based on your ex-spouse's work history when you reach age 62 or older. You are eligible for these benefits even if your ex has remarried and even if that spouse is receiving benefits. But you must meet specific conditions: You had to have been married for at least ten years. You must be divorced for at least two years. You can't have remarried (or if you did, that subsequent marriage must have ended in annulment, divorce, or death).

If you are a widow or widower considering marrying again, when you marry can affect your Social Security survivor's benefits. If your spouse passes away you may be able to receive full benefits at full retirement age or reduced benefits as early as age 50. However, if you remarry before age 60, under SSA rules you will no longer be entitled to survivor's benefits.

We're in your corner.

We value the confidence and trust you have placed with us in the past.

If you or a family member or a friend could use our help now or in the future, please pass along our name.

Cuddigan Law.

Disability law is all we do.



Tim & Sean Cuddigan

Cuddigan Law
1005 S. 107th Ave. Ste. 201
Omaha, NE 68114
cuddiganlaw.com
402.933.5400