United States of America

Exchange rate: Currency is the US dollar (US$).

Old Age, Disability, and Survivors

Regulatory Framework

First and current law: 1935 (social security).

Type of program: Social insurance system.

Coverage

Gainfully employed persons, including self-employed persons with at least $400 in annual net income and household employees with at least $1,800 (adjusted for past increases in average wages) in annual gross income.

Voluntary coverage for employees of state and local governments hired before July 1, 1991, and the clergy.

Special systems for railroad employees, federal employees hired before January 1, 1984, and many employees of state and local governments.

Source of Funds

Insured person: 6.2% of covered earnings.

The maximum annual earnings used to calculate contributions are $113,700 ($117,000 in 2014). The maximum earnings used to calculate contributions are automatically adjusted to past increases in average wages.

Self-employed person: 12.4% of covered earnings.

The maximum annual earnings used to calculate contributions are $113,700 ($117,000 in 2014). The maximum earnings used to calculate contributions are automatically adjusted to past increases in average wages.

Employer: 6.2% of covered payroll.

The maximum annual earnings used to calculate contributions are $113,700 ($117,000 in 2014). The maximum earnings used to calculate contributions are automatically adjusted to past increases in average wages.

Government: A portion of the revenue from earmarked taxes on social security benefits (paid for by higher income social security beneficiaries) is dedicated to the Trust Fund. The total cost of means-tested supplemental income benefits.

Qualifying Conditions

Old-age pension: Age 66 (rising to age 67 by 2027) with at least 40 quarters of coverage.

Quarters of coverage are based on the insured's annual earnings. The minimum amount of earnings to receive one quarter of coverage is $1,160 ($1,200 in 2014). This amount is adjusted annually to reflect past increases in average wages.

Early pension: A reduced pension is paid from age 62.

Deferred pension: The pension may be deferred up to age 70.

Earnings test: From age 62 up to full retirement age, employment may continue and a reduced benefit is paid. From full retirement age, there is no penalty for continuing to work. This test also applies to dependents.

Spouse's benefit: The insured receives or is entitled to receive an old-age pension. The spouse must be aged 62 or older and have been married to the insured for at least one year before he or she applied for benefits; any age if caring for a child younger than age 16 (no limit if the child receives disability benefits). Generally, a divorced spouse must have been married to the insured for at least 10 years and be currently unmarried. A spouse or divorced spouse is not eligible if he or she receives or is entitled to receive a higher social security benefit based on his or her own earnings record.

Children's benefit: The insured must receive or be entitled to receive an old-age pension. The child must be unmarried and younger than age 18 (age 19 if a full-time elementary or secondary school student, no limit if disabled before age 22).

Pensions may be payable abroad to citizens, and to noncitizens under reciprocal agreement. However, noncitizen dependents who were first eligible after 1984 generally must meet a residency requirement unless an exception applies.

Old-age supplemental income benefit (means tested): Age 65 with low income and limited resources. The means test is based on earned and unearned income, including benefits.

Disability pension: Assessed as incapable of substantial gainful activity as the result of a physical or mental impairment that is expected to last at least a year or result in death. The insured must meet the recent work and duration of work requirements.

For the recent work requirement, if the disability began before age 24, the insured must have worked at least 1.5 years (six quarters of coverage) during the 3-year period before the disability began; if the disability began from age 24 to 30, must have two quarters of coverage for each year from age 21 to the quarter the disability began; if the disability began at age 31 or older, must have worked during five of the 10 years before the disability began.

For the duration of work requirement, the number of years of work required ranges from 1.5 years (six quarters) before age 28 to 10 years (40 quarters) at age 60.

The qualifying conditions for young and blind persons are less strict.

Earnings test: From age 62 up to full retirement age, employment may continue and a reduced benefit is paid. From full retirement age, there is no penalty for continuing to work. This test also applies to dependents.

Spouse's benefit: The insured receives or is entitled to receive a disability pension. The spouse must be aged 62 or older and have been married to the insured for at least one year before he or she applied for benefits; any age if caring for a child younger than age 16 (no limit if the child receives disability benefits). Generally, a divorced spouse must have been married to the insured for at least 10 years and be currently unmarried. A spouse or divorced spouse is not eligible if he or she receives or is entitled to receive a higher social security benefit based on his or her earnings record.

Children's benefit: The insured receives or is entitled to receive a disability pension. The child must be unmarried and younger than age 18 (age 19 if a full-time elementary or secondary school student, no limit if disabled before age 22).

Pensions may be payable abroad to citizens, and to non-citizens under reciprocal agreement. However, noncitizen dependents who were first eligible after 1984 generally must meet a residency requirement unless an exception applies.

Disability supplemental income benefit (means tested): Paid to persons younger than age 65 who are blind or disabled with low income and limited resources. The means test is based on earned and unearned income, including benefits. Certain impairment-related work expenses are deductible from income.

Survivor pension: The deceased received or was entitled to receive an old-age or disability pension at the time of death or had a quarter of coverage for each year since age 21 up to the year before the year of death; 1.5 years of coverage (six quarters) in the three years before the time of death for widow(er)s caring for dependent children.

Eligible survivors include a widow(er) aged 60 or older and married to the insured for at least one year before he or she applied for benefits (at least 10 years and did not remarry before age 60 for a divorced widow(er)); a widow(er) at any age if caring for a child younger than age 16 or disabled and receiving social security benefits; a disabled widow(er) aged 50 or older with a disability that started before or within seven years of the insured's death; an unmarried child younger than age 18 (age 19 if a full-time elementary or secondary student, no limit if disabled before age 22); and a dependent parent aged 62 or older, not remarried since the insured's death, and at least 50% dependent on the deceased at time of death.

Earnings test: Up to full retirement age, survivors may continue working and receive a reduced benefit. From full retirement age, there is no penalty for continuing to work.

Pensions may be payable abroad to citizens, and to non-citizens under reciprocal agreement. However, noncitizen dependents who were first eligible after 1984 generally must meet a residency requirement unless an exception applies.

Death benefit: Paid to the surviving widow(er) living with the insured when he or she died. If they were living apart, paid if the surviving widow(er) was receiving benefits on the insured's record or became eligible upon the insured's death during the month he or she died. If there is no eligible widow(er), the surviving children are eligible if they were receiving benefits on the insured's record or became eligible upon the insured's death during the month he or she died.

Old-Age Benefits

Old-age pension: The pension is based on the average of the insured's 35 highest years of lifetime earnings. The earnings are adjusted for increases in average wages prior to age 60.

Early pension: The pension is reduced for each month the insured is below the full retirement age.

Earnings' test: Benefits are reduced by $1 for every $2 of earnings for annual earnings above $15,120 ($15,480 in 2014) until the year the insured reaches the full retirement age. Benefits are reduced by $1 for every $3 of earnings above $40,080 ($41,400 in 2014) in the year the insured reaches the full retirement age. Beginning the month the insured reaches the full retirement age, there is no earnings test.

The maximum monthly pension for workers retiring in 2013 at the full retirement age is $2,533 ($2,642 in 2014).

Deferred pension: An increment is provided for each month the insured defers retirement beyond the full retirement age, up to age 70. The increment amount depends on the year the insured person reached age 62. In 2013, the annual increment is 8%.

Spouse's benefit: 50% of the insured's old-age pension is paid if the worker's spouse has reached the full retirement age or is caring for a child younger than age 16 or receiving disability benefits. A reduced benefit is paid from age 62.

Children's benefit: Up to 50% of the insured's old-age pension is paid.

The maximum family pension ranges from 100% to 180% of the insured's old-age pension. A divorced spouse's benefit is not counted against the total maximum family benefit.

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

Old-age supplemental income benefit (means tested): The maximum monthly benefit is $710 for an individual ($721 in 2014); $1,066 for a couple ($1,082 in 2014).

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

Permanent Disability Benefits

Disability pension: The pension is based on the insured's average covered earnings (adjusted for increases in average wages) from age 21 up to the onset of disability, excluding up to five years of the lowest earnings.

There is no minimum pension for insured persons whose disability began after 1981.

Spouse's benefit: 50% of the insured's disability pension is paid if the worker's spouse or eligible divorced spouse has reached the full retirement age. A reduced benefit is paid from age 62.

Children's benefit: Up to 50% of the insured's disability pension is paid.

The maximum family benefit ranges from 100% to 150% of the insured's disability pension. A divorced spouse's benefit is not counted against the total maximum family benefit. Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

Disability supplemental income benefit (means tested): The maximum monthly benefit is $710 for an individual ($721 in 2014); $1,066 for a couple ($1,082 in 2014).

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

Survivor Benefits

Spouse's pension: 100% of the old-age or disability pension the deceased received or was entitled to receive is paid to a widow(er) or divorced widow(er) at the full retirement age; 75% to a widow(er) or divorced widow(er) at any age caring for a child younger than age 16 (no limit if disabled before age 22); 71.5% to 99% to a widow(er) or divorced widow(er) aged 60 to the full retirement age; 71.5% to a disabled widow(er) aged 50 to 59.

Earnings' test: Benefits are reduced by $1 for every $2 of earnings for annual earnings above $15,120 ($15,480 in 2014) until the year the insured reaches the full retirement age. Benefits are reduced by $1 for every $3 of earnings above $40,080 ($41,400 in 2014) in the year the insured reaches the full retirement age. The pension ceases if the widow(er) remarries before age 60.

Orphan's pension: 75% of the old-age or disability pension the deceased received or was entitled to receive is paid is paid to each child.

Dependent parent's pension: 82.5% of the old-age or disability pension the deceased received or was entitled to receive is paid to one parent at age 62; 75% to each parent with two eligible parents.

Benefit adjustment: Benefits are adjusted automatically according to changes in the cost of living.

The maximum survivor pension ranges from 100% to 180% of the old-age pension (or 100% to 150% of the disability pension) the insured received or was entitled to receive. A surviving divorced spouse's benefit is not counted against the total maximum family benefit.

Death benefit: A lump sum of $255 is paid.

Administrative Organization

Social Security Administration (http://www.ssa.gov), an independent agency within the executive branch of government, administers the program through regional program centers, district offices, and branch offices.

Treasury Department (http://www.treasury.gov) supervises the collection of Social Security taxes through the Internal Revenue Service and supervises the payment of benefits and the management of funds.

Supplemental Security Income (SSI) program (http://www.ssa.gov/ssi), administered by the Social Security Administration, provides means-tested benefits.

Sickness and Maternity

Regulatory Framework

First and current laws: 1965 (health insurance for older persons); 1972 (health insurance for the disabled); 2003 (prescriptions drugs), implemented in 2006; and 2010 (Affordable Care Act).

Type of program: Social insurance system. Medical benefits only.

Note: Under the Family and Medical Leave Act of 1993, eligible employees of covered employers may take paid, job-protected leave for specified family and medical reasons. Covered employers include all public state, local, and federal agencies, including local education agencies, and most private-sector employers with 50 or more employees.

The Affordable Care Act requires most US citizens and legal residents to have qualifying health care coverage and access to certain free preventive services. The Affordable Care Act creates health insurance marketplaces, which will offer individuals without employer-provided health insurance a choice of plans that meet certain benefit and cost standards; small businesses will be able to purchase coverage through separate marketplaces. Persons with incomes from 100% to 400% of the federal poverty level are eligible for premium tax credits. Persons with incomes between 100% to 250% of the federal poverty level will also be eligible to enroll in plans with lower cost-sharing.

The Affordable Care Act also sets standards for most private insurance plans such as requiring dependent coverage for children up to age 26, eliminating exclusions for preexisting conditions, prohibiting annual and life-time limits on the dollar value of coverage, and prohibiting companies from rescinding coverage (except in the case of fraud). Provisions are being implemented in stages since the law was enacted. The marketplaces opened on October 1, 2013, with coverage becoming effective as early as January 1, 2014.

Coverage

Cash sickness and maternity benefits: There is no national program. Cash benefits may be provided at the state level. Cash benefits for workers in industry and commerce are available in five states (Rhode Island, California, New Jersey, New York, and Hawaii) and Puerto Rico; agricultural workers are covered to varying degrees in three states (California, Hawaii, and New Jersey) and Puerto Rico. Contribution rates and benefits vary by jurisdiction.

Special federal system for railroad employees.

Medical benefits

Hospitalization and other medical services (Medicare Parts A and B): Age 65; younger than age 65 with a disability, including end-stage renal disease or ALS (Amyotrophic Lateral Sclerosis, also called Lou Gehrig's disease).

Medicare Advantage (Medicare Part C): Same as Medicare Parts A and B, except that persons with end-stage renal disease are excluded. Beneficiaries may choose a Medicare Advantage health plan instead of Medicare Parts A, B, and usually D. These plans include health maintenance organizations, preferred provider organizations, and other types of plans that are run by private insurance companies approved by and under contract with the Centers for Medicare and Medicaid Services.

Prescription drugs (Medicare Part D): Voluntary coverage for persons entitled to Medicare Parts A, B, or C. Separate means-tested federal and state systems for workers with significant health care needs.

Source of Funds

Insured person

Medicare Part A: 1.45% of gross earnings up to $200,000 a year plus 0.9% of annual earnings above $200,000.

There are no maximum earnings used to calculate contributions for hospitalization.

Medicare Part B: Pensioners pay $104.90 a month for annual earnings up to $85,000 (single person) or $170,000 (married couple). Premiums for annual earnings over $85,000 (single person) or $170,000 (married couple) range from $146.90 to $335.70 a month, according to income level. (There is a late enrollment penalty of 10% of the premium for each full 12-month period that an individual was eligible but did not enroll.) Low-income persons may be eligible for premium or cost-sharing subsidies.

Medicare Part C: The monthly premium varies according to the plan.

Medicare Part D: Pensioners pay a monthly premium that varies according to the plan they choose. Persons with income above $85,000 a year (single person) or $170,000 a year (married couple) pay an additional amount directly to the government that ranges from $11.60 to $66.60 a month, according to income level. Low-income persons may be eligible for premium or cost-sharing subsidies.

Self-employed person

Medicare Part A: 2.9% of declared earnings plus 0.9% of annual earnings above $200,000.

There are no maximum earnings used to calculate contributions for hospitalization.

Medicare Part B: Pensioners pay $104.90 a month for annual earnings up to $85,000 (single person) or $170,000 (married couple). Premiums for annual earnings over $85,000 (single person) or $170,000 (married couple) range from $146.90 to $335.70, according to income level. (There is a late enrollment penalty of 10% of the premium for each full 12-month period that an individual was eligible but did not enroll.) Low-income persons may be eligible for premium or cost-sharing subsidies.

Medicare Part C: The monthly premium varies according to the plan.

Medicare Part D: Pensioners pay a monthly premium that varies according to the plan they choose. Persons with income above $85,000 a year (single person) or $170,000 a year (married couple) pay an additional amount directly to the government that ranges from $11.60 to $66.60 a month, ($12.10 to 69.30 for 2014) according to income level. Low-income persons may be eligible for premium or cost-sharing subsidies.

Employer

Medicare Part A: 1.45% of gross payroll.

There are no maximum earnings used to calculate contributions for hospitalization.

Medicare Part B: None.

Medicare Part C: 1.45% of gross payroll (hospitalization only).

There are no maximum earnings used to calculate contributions for hospitalization.

Medicare Part D: None.

Government

Medicare Part A: The total cost for certain noninsured elderly persons.

Medicare Part B: A portion of the revenue from earmarked taxes on social security benefits; and subsidies.

Medicare Part C: Annual payments to participating companies.

Medicare Part D: Subsidies from general revenues, as needed. State governments pay a portion of the cost for certain workers also covered under certain state assistance programs.

Qualifying Conditions

Medical benefits

Medicare Parts A and B: Age 65 and receives or is entitled to receive an old-age pension or has at least 10 years of contributions; younger than age 65 with a disability and receiving a disability pension for at least two years (no waiting period for persons with end-stage renal disease or ALS).

Eligible dependents: Under certain conditions, the insured's spouse, divorced spouse, or widow(er) may be eligible.

Medicare Part C: Same as for Parts A and B. Persons with end-stage renal disease who are new to Medicare usually are excluded.

Medicare Part D: Must be entitled to Medicare Parts A, B, or C.

Sickness and Maternity Benefits

Sickness benefit: There is no national program. Cash benefits may be provided at the state level.

Maternity benefit: There is no national program. Cash benefits may be provided at the state level.

Workers' Medical Benefits

Medical benefits

Medicare Part A: Inpatient care is provided for stays of up to 90 days: the beneficiary is responsible for a deductible of $1,184 ($1,216 in 2014) for up to 60 days; $296 a day ($304 in 2014) for the 61st to the 90th day; and $592 a day ($608 in 2014) for more than 90 days (coverage is available for up to 60 lifetime reserve days). Posthospital skilled nursing facility care for an additional 100 days (the patient pays $148 a day ($152 in 2014) for the 21st to the 100th day), laboratory and X-ray services for inpatients, and posthospital home health services.

Medicare Part B: Most preventive care services are free. 80% of medically necessary charges above $147 a year is paid for physician's services, outpatient diagnostic and physical therapy, laboratory services, appliances, and transportation.

Medicare Part C: Benefits are at least the same as for Parts A and B and usually include a prescription drug component. Co-payments, deductibles, and annual out-of-pocket maximums vary according to the plan.

Medicare Part D: The maximum allowable deductible is $325 a year ($310 in 2014); some plans do not have a deductible. The plan and the insured share the cost of prescription drugs, up to a combined limit of $2,970 ($2,850 in 2014). The insured pays a higher percentage of the combined total cost of prescription drugs between $2,970 ($2,850 in 2014, gradually rising to $3,860 by 2020) and $4,750 ($4,550 in 2014, gradually falling to $3,860 by 2020). For the rest of the year, the insured has a minimum co-pay that varies according to the type of drug.

Dependents' Medical Benefits

Medical benefits for dependents are the same as those for the insured.

Administrative Organization

Medical benefits: Department of Health and Human Services provides general supervision.

Centers for Medicare and Medicaid Services (CMS) (http://www.cms.hhs.gov) administer the program in cooperation with the Public Health Service, the Social Security Administration, and state health departments.

Private carriers and public agencies, under contract as intermediary administrative agents, determine and make payments to service providers or to patients.

Carriers either pay medical service providers directly or partially reimburse the insured.

CMS contracts with individual companies that provide prescription drugs directly to the insured.

Work Injury

Regulatory Framework

First laws: 1908 (Federal employees) and 1911 (nine state laws).

Current laws: Most laws were enacted before 1920; 1969 (pneumoconiosis).

Type of program: Employer-liability and social insurance system.

Coverage

Employer-liability system: Most public- and private-sector employees. (All states, Puerto Rico, District of Columbia, Guam, and U.S. Virgin Islands).

Exclusions: Household workers, agricultural employees, some small businesses, casual labor, and self-employed persons.

Pneumoconiosis benefits: Miners.

Source of Funds

Insured person: Nominal contributions in a few states.

Self-employed person: Not applicable.

Employer

Work injury benefits: The total cost (most states) or most of the cost is financed through either insurance premiums varying with the assessed degree of risk or self-insurance. (The average cost in 2011 was 1.27% of payroll.)

Pneumoconiosis benefits: The total cost for insured persons who entered the workforce after 1973.

Government

Work injury benefits: None; contributes as an employer.

Pneumoconiosis benefits: The total cost for insured persons who entered the workforce before 1974.

Qualifying Conditions

Work injury benefits: There is no minimum qualifying period, except for exposure to occupational disease.

Pneumoconiosis benefits: Must be totally disabled by black lung disease caused by working in the coal mining industry and have worked for at least one year.

Temporary Disability Benefits

In most states, 66.6% of earnings is paid after a three- to seven-day waiting period. Benefits are paid retroactively if the disability lasts for a specified period, from five days to six weeks.

Dependent's supplement: Paid in about 20% of all states, in some instances as a lump sum.

The maximum weekly benefit varies by state.

Benefit adjustment: About 80% of all states increase benefits automatically according to increases in state wages.

Permanent Disability Benefits

Permanent disability pension: 66.6% of earnings is paid for a total disability for the duration of the disability (in most states).

Partial disability: A reduced pension is paid according to the assessed loss of earning capacity, or at the full rate for fewer weeks for certain injuries.

Constant-attendance supplement: Paid in some states if the insured requires the constant attendance of others to perform daily functions. The supplement is paid for life or for the duration of the disability (80% of all states); or for 104 to 500 weeks (in some states).

Dependent's supplement: Paid for life or the duration of the disability (in 80% of all states); or for 104 to 500 weeks (in some states).

Pneumoconiosis pension: $625 a month is paid by the insured's last employer. The benefit is increased according to the number of dependents, up to $1,251 per month with three dependents.

Workers' Medical Benefits

Medical benefits: All states provide medical care for as long as required.

Pneumoconiosis benefits: Medical coverage for treatment of the miner's pneumoconiosis and directly related conditions.

Survivor Benefits

Survivor pension: 35% to 70% of the deceased's earnings is paid to a widow(er); 60% to 80% with dependent children.

Other eligible survivors (in some states) include dependent parents, brothers, and sisters.

Funeral grant: A lump sum is paid. The amount varies by state.

Survivor pension (pneumoconiosis): $625 a month is paid. The benefit is increased according to the number of dependents, up to $1,251 per month with three dependents.

Administrative Organization

Work injury: State workers' compensation agencies administer the program in about 50% of all states, state Departments of Labor administer the program in about 37.5% of all states, and courts administer the program in three states.

Employers must insure with the state fund in four states; with the state fund or a private carrier in 19 states; or with a private carrier in the remainder. In all but two states, certain employers may choose to self-insure.

Pneumoconiosis benefits: Department of Labor (http://www.dol.gov/owcp), through its Office of Workers' Compensation Program, administers the program and pays benefits.

In some cases, if the employer or insurer is out of business and unable to pay benefits to the miner or his or her eligible dependents, the Department of Labor may accept liability for paying benefits.

Unemployment

Regulatory Framework

First and Current Federal law: 1935 (Social Security Act).

First and Current State laws: All states, Puerto Rico, Virgin Islands, and District of Columbia have separate laws creating their own programs. State laws were first enacted between 1932 and 1937.

Type of program: Social insurance system.

Coverage

Public- and private-sector workers, military personnel, most agricultural employees, and household workers.

Exclusions: Some agricultural employees, employees of religious organizations, casual employees, family labor, and self-employed persons.

Special federal system for railroad employees.

Source of Funds

Insured person: None, except in Alaska, New Jersey, and Pennsylvania.

Self-employed person: Not applicable.

Employer

Federal program: 0.6% of the first $7,000 of an employee's earnings in covered employment per year. (The full amount is 6.0%. However, there is a 5.4% credit if states meet all federal requirements.)

State programs: The standard rate is 5.4% of the first $7,000 to $38,800 (varies according to the state) of an employee's earnings in covered employment per year. Actual rates vary from zero to 10% or more. (Employers with a history of higher unemployment costs generally pay higher rates.)

Government: Federal tax revenue finances federal and state administrative costs.

Qualifying Conditions

Unemployment benefits: Most states require minimum earnings in the base period equal to a specified multiple of the weekly benefit amount or high-quarter wages, or a specified total amount of wages in the base period. A few states require a specified number of weeks of employment (for example, from 16 to 20 weeks). One state requires a certain number of hours of work.

Must be registered with the employment service, capable of and available for work, and actively seeking work. Will generally be disqualified for voluntarily leaving a job without good cause, being discharged from employment for misconduct, or refusing an offer of suitable work. May be disqualified for participating in a labor dispute.

Unemployment Benefits

Unemployment benefit: About 50% of the insured's earnings is paid after a one-week waiting period, for up to 26 weeks in most states. The states pay for benefits.

The maximum unemployment benefit is usually about 50% of the state's average weekly wage.

Dependent's supplement: About 25% of states provide from $1 to $147 a week for each child and sometimes for other dependents.

Federal law provides for up to 20 additional weeks of benefits in states with high levels of unemployment.

Unemployment assistance: Paid in some states to unemployed workers with insufficient periods of covered employment who have exhausted benefit rights under the federal and state assistance programs and who are participating in training programs. The states pay for benefits.

Administrative Organization

Department of Labor (http://oui.doleta.gov/unemploy) administers the program nationally through its Employment and Training Administration and Office of Unemployment Insurance.

State workforce agencies are responsible for the administration of individual state unemployment programs.

Family Allowances

Regulatory Framework

A federal and state system of aid (cash payments, social services, and job training) provides temporary assistance to needy families, and a system of refundable federal tax credits operates for low-income families with eligible children and for some unmarried persons.