



## Glossary

### Base Years

A worker's (wage earner's) base years for computing Social Security benefits are the years after 1950 up to the year of entitlement to retirement or disability insurance benefits. For a survivor's claim, the base years include the year of the worker's death. See [Retirement Benefits](#).

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### Benefit Verification Letter

An official letter from Social Security that verifies the amount an individual receives each month in Social Security benefits and/or Supplemental Security Income (SSI) payments. These letters are normally issued following a request from a person receiving benefits or an authorized representative.

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### Child

The term "Child" includes your biological child or any other child who can inherit your personal property under State law or who meets certain specific requirements under the Social Security Act; such as:

- a legally adopted child
  - an equitably adopted child
  - a stepchild
  - a grandchild
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### Cost of Living Adjustment (COLA)

Social Security benefits and Supplemental Security Income (SSI) payments may be automatically increased each year to keep pace with increases in the rate of inflation (the "cost of living").

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### Decision Notice (Award Letter or Denial Letter)

When you apply for Social Security, we the Social Security Administration decides if you will receive benefits. An official letter explaining the decision is sent, and, if benefits are payable, you are told the amount you will receive each month.

## Deeming

The process by which the income and resources of an ineligible individual are reviewed by the Social Security Administration and considered as available to a recipient when determining eligibility or payment amount. Deeming applies only between:

- The living-with ineligible spouse and the eligible spouse;
  - The living-with ineligible parent(s) and eligible child(ren) under age 18; and
  - The immigration sponsors of some noncitizens and the noncitizen(s).
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## Disability

For Social Security purposes, the inability to engage in substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or to last for a continuous period of not less than twelve months. Special rules apply for workers aged fifty-five or older whose disability is based on blindness. The law generally requires that a person be disabled continuously for five months before he or she can qualify for a disabled worker cash benefit. An additional twenty-four months is necessary to qualify under Medicare.

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## Documents (Proof)

Forms and papers such as birth certificates, marriage certificates, W2 forms, tax returns, deeds, etc., submitted by individuals applying for benefits and services. The Social Security Administration accepts only originals or copies certified by the agency that has the original document. See [Evidence](#).

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## Earnings

Unless otherwise qualified, all wages from employment and net earnings from self-employment, whether or not taxable or covered.

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## Earned Income

For Supplemental Security Income purposes, the Social Security Administration considers wages, net earnings from self-employment, remuneration for work in a sheltered workshop, royalties on published work, and honoraria for services rendered to be earned income. The distinction between earned and unearned income is significant because more generous exclusions are applied to earned income.

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## Earnings Record (*lifetime record of earnings*)

A chronological history of the amount of money you earned each year during your working lifetime. The credits you earned remain on your Social Security record even when you change jobs or have no earnings.

## Evidence (Proof)

The documents you must submit to support a factor of entitlement or payment amount. The local Social Security office can explain what evidence is required to establish entitlement and help you to get it.

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## Family Benefits (*Dependent Benefits*)

When you're eligible for retirement or disability benefits, the following people may receive benefits on your record:

- spouse if he or she is at least sixty-two years old (or any age but caring for an entitled child under age sixteen or disabled)
  - children if they are unmarried and under age eighteen, or under age nineteen and a full-time elementary or secondary student
  - children age eighteen or older but disabled before age twenty-two;
  - ex-spouses age sixty-two or older.
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## Family Maximum

The maximum amount of benefits payable to an entire family on any one worker's record.

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## Lifetime Earnings "*Earnings Record*"

A chronological history of the amount of money you earned each year during your working lifetime. The credits you earned remain on your Social Security record even when you change jobs or have no earnings.

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## Lump Sum Death Payment

A one-time payment of \$255 paid in addition to any monthly survivors benefits that are due. This benefit is paid only to your widow/widower or minor children.

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## Maximum Earnings

The maximum amount of earnings the Social Security Administration counts in any calendar year when computing your Social Security benefit.

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## Medicaid

A state-administered program providing health insurance for low-income families and children, pregnant women, the elderly, people with disabilities, and in some states, other adults.

## Medicare

A federally funded program providing health insurance program for people age sixty-five or older, or those who have disabilities, permanent kidney failure, or amyotrophic lateral sclerosis. The program helps with the cost of healthcare, but it does not cover all medical expenses or the cost of most long-term care.

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## Payment Dates for Supplemental Security Income (SSI) Payments

Supplemental Security Income payments are usually dated and delivered on the first day of the month for which they are due. However, if the first falls on a Saturday, Sunday, or federal holiday, they are dated and delivered on the first day preceding the first of the month which is not a Saturday, Sunday, or federal holiday.

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## Protective Filing Date

The date you first contact the Social Security Administration about filing for benefits. This date may be used to establish an earlier application date than when the signed application is received.

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## Quarter of Coverage

The crediting of coverage needed for insured status under the Social Security program. In 2012, a worker receives one quarter of coverage (up to four a year) for each \$1,130 of annual earnings reported from employment or self-employment. The amount of earnings required for a quarter of coverage is subject to annual automatic increases in proportion to increases in average wages.

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## Representative Payee

If you receive Social Security benefits or Supplemental Security Income (SSI) and become unable to handle your own financial affairs, the Social Security Administration (after a careful investigation) will appoint a relative, a friend, or an interested party to handle your Social Security matters. Representative payees are required to maintain complete accounting records and periodically provide reports to Social Security.

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## Retroactive Benefits (*Back Pay*)

Monthly benefits that you may be entitled to before the month you actually apply, if you meet the requirements.

## Self-employment Income

You are self-employed if you operate a trade, business, or profession, either individually or as a partner, and have net earnings of \$400 or more in a taxable year. For more information, see If You Are Self-Employed (05-10022).

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## Social Security Disability Insurance

A federal program that pays benefits to individuals who cannot work due to a long-term disability.

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## Supplemental Security

A federal supplemental income program which provides monthly payments to aged and disabled people who have limited income and resources.

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## Unearned Income

The income that is not earned income. Unearned income may be in cash or in-kind. Some examples of unearned income are:

- Annuities, pensions, and other periodic payments
  - Retirement and disability benefits
  - Veterans', workers' and unemployment compensation
  - Alimony and support payments
  - Dividends, interest and certain royalties
  - Rents
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## Wages

All payment for services performed for an employer. Wages do not have to be cash. The cash value of all compensation paid to an employee in any form other than cash is also considered wages, unless the form of payment is specifically not covered under the Social Security Act.

### References:

"2012 Annual Report of the SSI Program: H. Glossary", United States Social Security Administration, accessed various dates, August 2012, [http://www.ssa.gov/oact/ssir/SSI12/V\\_H\\_Glossary.html](http://www.ssa.gov/oact/ssir/SSI12/V_H_Glossary.html).

"Glossary Of Social Security Terms", United States Social Security Administration, accessed various dates, August 2012, <http://www.ssa.gov/glossary.htm>.

"Medicaid/Medicare Glossary", United States Centers for Medicare and Medicaid Services, accessed various dates, August 2012, <https://www.cms.gov/apps/glossary/>.