

2026 Social Security Reference Guide



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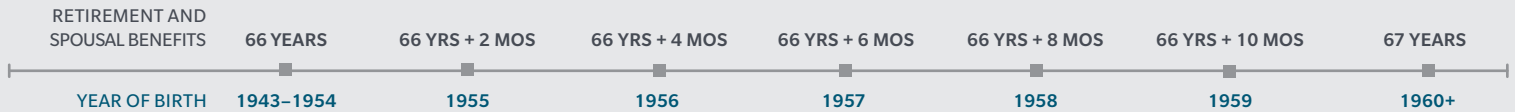
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Full Retirement Age (FRA)



Milestone ages

- 50** Catch-up contributions for IRA, 401(k), 403(b) and other employer-sponsored retirement plans
Penalty-free withdrawals from governmental retirement plans for public safety employees who are separated from service
Disabled widow eligible for Social Security survivor benefits
- 55** Penalty-free withdrawals from 401(k) if separated from service
Additional contributions for Health Savings Accounts
- 59½** Penalty-free withdrawals from IRA and retirement plans
In-service distribution if plan permits
- 60** Minimum Social Security survivor benefits
- 62** Minimum Social Security retirement benefits
Minimum Social Security spousal benefits
- 65** Medicare eligible
HSA penalty-free withdrawals for nonqualified medical expenses* (qualified medical expenses are tax-free)
- 66** FRA for retirees born 1943–1954
Maximum spousal benefits for spouses born 1943–1954
Maximum survivor benefits for survivors born 1945–1956
- 67** FRA for retirees born 1960 or later
Maximum spousal benefits for spouses born 1960 or later
Maximum survivor benefits for survivors born 1962 or later
- 70** Maximum Social Security retirement benefits
- 73** Required minimum distributions for traditional IRAs and some retirement plans

Sources: Social Security Administration, IRS.

* Please contact a tax advisor for information on qualified medical expenses.

Requirements to qualify for Social Security retirement benefits

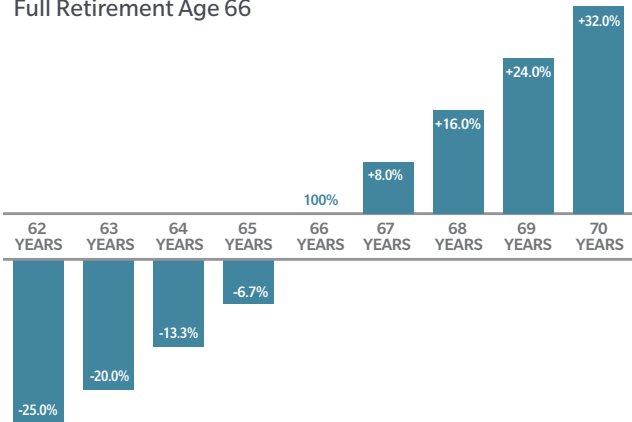
40 You must work for at least 40 quarters to be eligible for Social Security retirement benefits

35 Your Social Security retirement benefits are averaged over your 35 highest-earning years

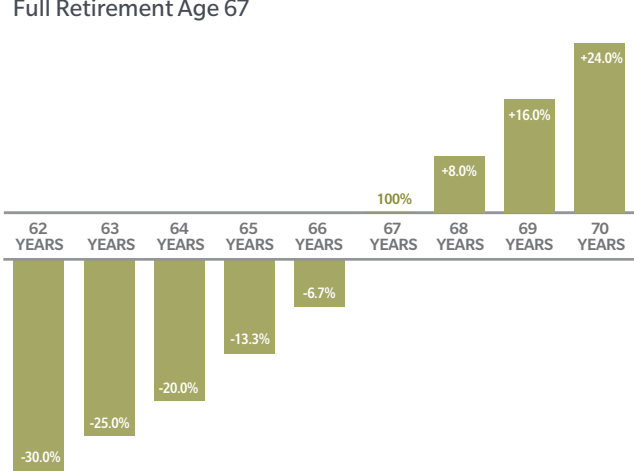
2.8% Cost-of-living adjustment (COLA) for 2026

Retirement benefit increases and decreases

Full Retirement Age 66



Full Retirement Age 67



Source: Social Security Administration.

Benefits are adjusted yearly to reflect the increase, if any, in the cost of living as measured by the Consumer Price Index. The Social Security Administration adds the cost-of-living increase (if any) beginning with the year you turn 62. You don't have to be receiving Social Security benefits in order to receive the cost-of-living increase.

Primary insurance amount (PIA)

PIA is the Social Security retirement benefit at your Full Retirement Age (FRA). It is the sum of three separate percentages of average indexed monthly earnings (AIME). For 2026, the percentages (bend points) are shown below.

| | | | | |
|---|---|---|---|---|
| <p>BEND POINT 1</p> <ul style="list-style-type: none"> ■ 90% of the first \$1,286 of AIME | + | <p>BEND POINT 2</p> <ul style="list-style-type: none"> ■ 32% of AIME over \$1,286 and through \$7,749 | + | <p>BEND POINT 3</p> <ul style="list-style-type: none"> ■ 15% of AIME over \$7,749 |
|---|---|---|---|---|

Potential options to stop Social Security

Before FRA

GO BACK TO WORK

- Benefits will be temporarily withheld.*

At/after FRA

SUSPEND BENEFITS

- 8% annual growth continues off current amount.
- Cannot receive spousal benefits, nor can your spouse receive a spousal benefit off you.
- Medicare premiums are paid out of pocket.

Any age

WITHDRAW APPLICATION

- Must be done within first 12 months
- Must repay everything (Social Security, taxes withheld, Medicare)

Source: Social Security Administration.

*If you are under FRA and go back to work, any benefit (retirement, spousal or survivor) may be withheld. If some of your retirement benefits are withheld because of your earnings, your monthly benefit will increase starting at your FRA to take into account those months in which benefits were withheld.

Cost of living numbers for 2026

Earnings requirement to qualify for Social Security and Medicare credits

EMPLOYEE:
\$1,890
per quarter

SELF-EMPLOYED:
\$7,560
per calendar year

Maximum taxable earnings

SOCIAL SECURITY:
\$184,500

MEDICARE:
NO LIMIT

Average and maximum monthly benefits (2026)

**MAXIMUM MONTHLY RETIREMENT
BENEFIT AT FRA**
\$4,152

**AVERAGE MONTHLY BENEFIT FOR
RETIRED WORKER**
\$2,071

**AVERAGE MONTHLY WIDOW(ER)
BENEFIT**
\$1,919

**AVERAGE MONTHLY BENEFIT FOR RETIRED
COUPLE, BOTH RECEIVING BENEFITS**
\$3,208

Source: Social Security Administration.

* Earnings test affects retirement, spousal, survivor and divorce benefits received before FRA. Gross wages in or after the month you reach FRA do not count toward the earnings test. Social Security only considers gross wages earned after you start Social Security. If married, Social Security looks at the gross wages of the spouse receiving Social Security benefit (not joint income). Earnings test is based on gross wages before contributions to employer sponsored retirement plans, health insurance plans and other deductions that may reduce federal taxes. Dividends, capital gains, rental income, pensions, distributions from IRAs and workplace retirement plans, etc. may not be counted as earned income. Severance pay is counted as earned income. Unemployment benefits are an entitlement benefit and not counted as earned income. Please contact a qualified tax advisor for more information on earned income. See footnote on page 6 for information on how benefits are refigured.

**Special earnings monthly limit may apply the first calendar year. This limits monthly earnings to \$2,040 (\$5,430 if you reach FRA in 2026) starting in the month Social Security benefits begin and ending in December (or the month before you reach your FRA in 2026). If gross wages exceed \$2,040 (\$5,430 if you reach FRA in 2026) in any remaining month of the calendar year (remaining month until the month before reaching FRA in 2026), you won't be entitled to any benefit for that month. In the second year, the SSA applies the annual earnings limit.

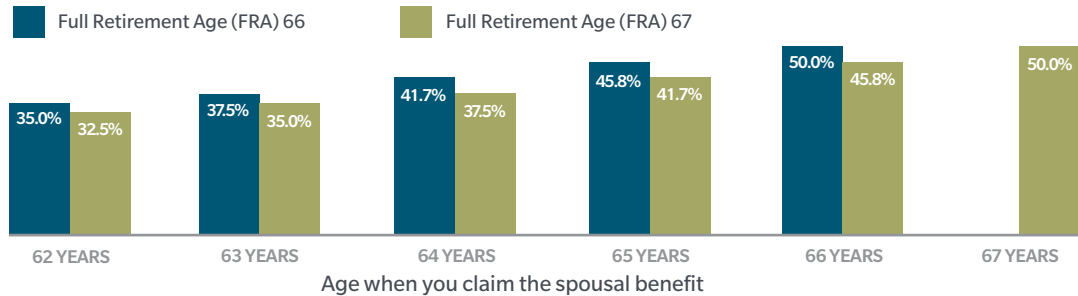
Work and Social Security (earnings test)*

Affects Social Security benefits received before Full Retirement Age (FRA)

| AGE | 2026 EARNINGS LIMITS | WITHHOLDING |
|--------------------------------|--|--|
| Under FRA for the full year | \$24,480 (\$2,040 per month)** | \$1 in benefits withheld for every \$2 in earnings above limit |
| Reach FRA during 2026 | \$65,160 (\$5,430 per month)** | \$1 in benefits withheld for every \$3 in earnings above limit |
| Month you reach FRA | No restrictions | No restrictions |

Spousal benefits percentages

FRA for **spousal benefits** is age 66 for anyone born from 1943 to 1954. It increases by two months for every year from 1955 to 1959. FRA is age 67 for anyone born 1960 or later.



Spousal benefits key facts

REQUIREMENTS TO RECEIVE A SPOUSAL BENEFIT

- Must be currently married to your spouse at least one year (10 years if divorced)
- Your spouse must be receiving their retirement or disability benefit
- Available even if you didn't work

IF BOTH SPOUSES WORKED

- Generally receive the greater of your retirement or spousal benefit
- Option to start with spousal and switch to your retirement benefit was only available to people born on or before 1/1/1954

SPOUSAL BENEFIT CALCULATION

- Amount based on your spouse's benefit at their FRA (regardless of your spouse's age when your spouse claimed their Social Security benefit)
- Percentage based on your age when you apply

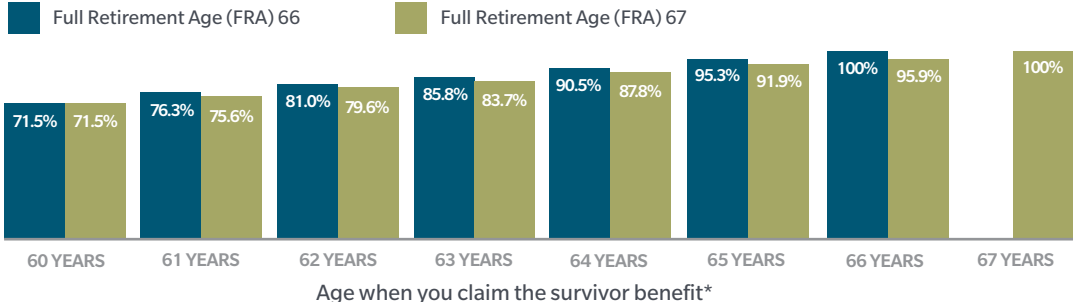
CLAIMING RETIREMENT BENEFITS BEFORE FRA

- If your spouse claims before or after FRA, it doesn't impact how much you receive as a spousal benefit
- If you claim before FRA, it reduces the total amount you receive after your spouse applies

Source: Social Security Administration.

Survivor benefits percentages

FRA for **survivor benefits** is age 66 for anyone born 1945 to 1956. It increases by two months for every year from 1957 to 1961. FRA is age 67 for anyone born 1962 or later.



Survivor benefits key facts

REQUIREMENTS TO RECEIVE A SURVIVOR BENEFIT

- Must be married to your spouse for at least nine months (10 years if divorced)
- Must be age 60 or older (50 if you are disabled, see page 23) or have a “child-in-care” (see pages 22 and 23)

SURVIVOR BENEFIT CALCULATION

- Amount based on the benefit deceased spouse was receiving (see page 12 for more information)
- Percent based on how old you are when you apply for survivor benefit

EVENTS BEFORE FRA

- If you claimed your retirement or spousal benefit before FRA, you are still eligible for maximum survivor benefit
- If deceased passed away before FRA without claiming, survivor benefit is based on what deceased would have received at their FRA**
- If widow(er) is between 60 and 70, widow(er) may be eligible to start with one benefit and switch to the other (see page 12)
- Earnings test affects benefits received before FRA

* If deceased claimed before their FRA, there is a special calculation for the surviving spouse called the widow(er) limit. See page 12.

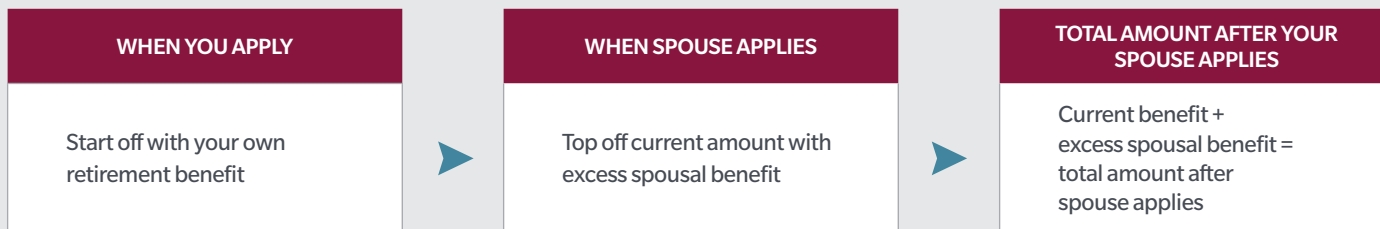
** If deceased was receiving disability benefits, survivor benefit based on what deceased was receiving.

Source: Social Security Administration.

Coordinating spousal and retirement benefits*

| HAS YOUR SPOUSE APPLIED FOR THEIR RETIREMENT BENEFIT? | |
|---|---|
| YES | <ul style="list-style-type: none"> You receive the greater of your retirement or the spousal benefit |
| NO | <ul style="list-style-type: none"> Start with your retirement benefit When your spouse applies, top off existing amount with excess spousal benefit |

Lower earner applies first



Excess spousal benefit

Excess spousal benefit**



Maximum spousal benefit at your FRA



Your retirement benefit at FRA

Source: Social Security Administration.

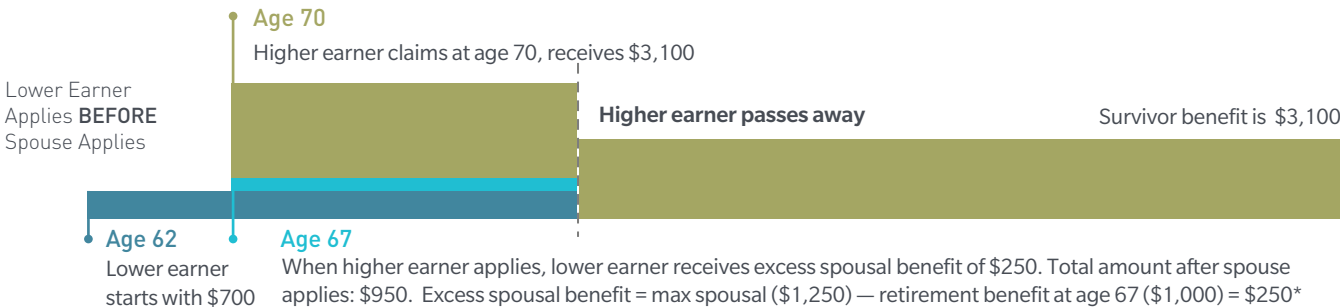
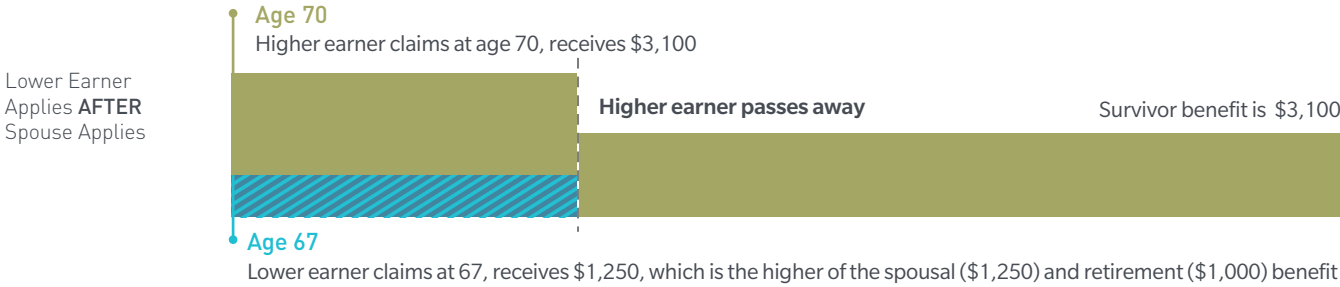
* Option to start with the spousal and switch to your retirement benefit was only available to people born on or before 1/1/1954.

** Excess spousal benefit is further reduced if you are under FRA when your spouse applies for their Social Security retirement benefit.

Spousal and survivor benefit case study

ASSUMPTIONS

- Both spouses worked and paid into Social Security. FRA for both is age 67.
- Lower-earning spouse is 3 years younger than higher-earning spouse
- Higher earner benefit at age 67 is \$2,500, at age 70 is \$3,100
- Lower earner benefit at age 67 is \$1,000, at age 62 is \$700



For illustrative purposes only. Assumes no inflation. Please contact the Social Security Administration for the most accurate information.

*Excess spousal may be reduced if lower earner is under FRA when their spouse applies.

Deceased claimed before passing*

Deceased claimed before Full Retirement Age (FRA)

Widow(er) limit may apply

Deceased claimed at or after Full Retirement Age

Widow(er) benefit based on amount deceased was receiving at death**

Deceased did not claim before passing

Deceased passed away before Full Retirement Age (FRA)

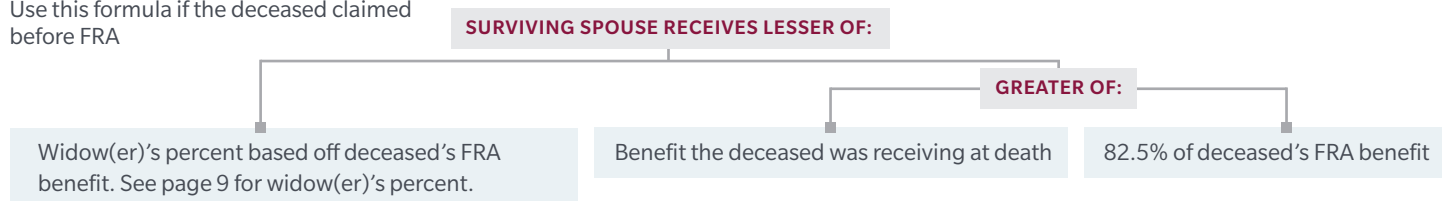
Widow(er) benefit based on deceased's retirement benefit at FRA**

Deceased passed away at or after Full Retirement Age

Widow(er) benefit based on deceased's retirement benefit at FRA, plus any credits**

Widow(er) limit

Use this formula if the deceased claimed before FRA



Widow(er) switch-up options



* If the deceased was receiving disability benefits, the survivor percent is based on the deceased's disability benefit.

** Adjusted for survivor's age at time of filing for survivor benefit. Earnings limit applies to benefits received before FRA.

Source: Social Security Administration.

Length-of-marriage requirements

| | |
|--|---|
| <p>SPOUSAL BENEFIT</p> <ul style="list-style-type: none"> ■ One continuous year just before filing for benefits <p>SURVIVOR BENEFIT</p> <ul style="list-style-type: none"> ■ At least the nine months before the worker dies | <p>DIVORCED BENEFIT</p> <ul style="list-style-type: none"> ■ 10 continuous years <p>CHILD-IN-CARE BENEFIT</p> <ul style="list-style-type: none"> ■ No length-of-marriage requirements |
|--|---|

Key facts comparison (for married couples and divorcees)

| | |
|---|---|
| <p>MAXIMUM PERCENT</p> <ul style="list-style-type: none"> ■ Spousal: 50% of your spouse’s Full Retirement Age (FRA) benefit ■ Survivor: 100% of the deceased’s benefit* <p>AMOUNT BASED ON</p> <ul style="list-style-type: none"> ■ Spousal: Your spouse’s FRA benefit ■ Survivor: Your spouse’s benefit at death (if they died before claiming; based on the greater of their FRA benefit or what they would have been entitled to at death) | <p>IF YOU CLAIM YOUR RETIREMENT BENEFIT BEFORE FRA**</p> <ul style="list-style-type: none"> ■ Spousal: reduces your spousal and retirement benefit*** ■ Survivor: no impact; percent is based on your age when you claim the survivor benefit <p>IF YOUR SPOUSE CLAIMS THEIR BENEFIT BEFORE FRA</p> <ul style="list-style-type: none"> ■ Spousal: no impact because spousal benefit is based on your spouse’s FRA benefit ■ Survivor: reduces survivor benefit because survivor benefit is based on when the deceased claimed |
|---|---|

*See page 12 if deceased claimed before FRA.
 Source: Social Security Administration.

** Earnings test applies to benefits received before FRA.

*** Spousal is the benefit you receive off your spouse while your spouse is alive. Receiving a benefit off your spouse will not reduce your spouse's benefit.

Requirements to receive divorcee benefits

| | SPOUSAL | SURVIVOR |
|-----------------------------|---|---|
| Minimum age for benefit | 62 or older | 60 or older (50 if you are disabled) |
| Percent | 32.5%–50% of ex-spouse’s Full Retirement Age (FRA) benefit | 71.5%–100% of deceased’s benefit |
| Length of marriage | 10 consecutive years | 10 consecutive years |
| Your current marital status | Unmarried | Unmarried or remarried after age 60 |
| Your former spouse | Former spouse must be age 62 or disabled Former spouse does not need to apply for a retirement benefit (unless divorce was less than two years ago)* | Former spouse must have qualified for retirement or disability benefits |
| If both spouses worked | Generally receive the greater of your retirement or spousal benefit | Receive the greater of your retirement or deceased’s retirement benefit |
| Switching benefits | N/A. When you apply you will receive the higher of your own benefit or the spousal off your ex.** The option to start with spousal and switch to your retirement benefit was only available if you were born on or before 1/1/1954. | Start with reduced survivor, switch to retirement Or, start with reduced retirement, switch to full survivor |

Earnings limit applies to benefits received before FRA.

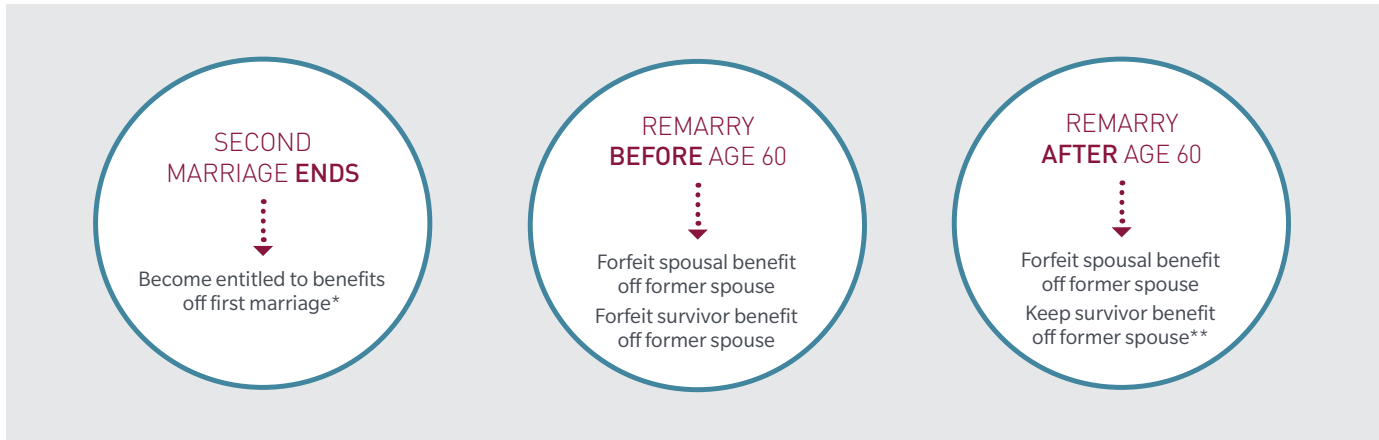
* If divorce was less than two years ago, former spouse needs to apply in order for you to receive a spousal benefit.

** If your ex is not 62 when you apply, you will receive your retirement benefit. When ex-spouse turns 62 you may request an excess spousal benefit if available.

Source: Social Security Administration.

Remarriage (applicable to divorcees and widow(er)s)

- If your former spouse remarries, it does not affect your divorcee benefits.
- If you remarry, you usually forfeit benefits off the first marriage. Two exceptions:
 - **Second marriage ends** (through divorce, annulment or death): you may become re-entitled to benefits off the first marriage*
 - **You remarry after 60:** you forfeit the spousal benefit off your first spouse, but retain the survivor benefit off them



* If first marriage ended due to divorce, assumes marriage lasted 10 consecutive years before divorce. If first marriage ended due to death of spouse, the marriage must have been in existence for nine months before the death of the spouse.

** Receive greater of spousal/survivor benefit of current spouse, your retirement benefit or survivor benefit of former spouse.

Source: Social Security Administration.

Social Security Fairness Act (SSFA)

The SSFA eliminated two provisions that reduced Social Security benefits for people with a non-covered pension. The following chart provides an overview of what these provisions were.

| | WINDFALL ELIMINATION PROVISION (WEP) | GOVERNMENT PENSION OFFSET (GPO) |
|------------------|---|--|
| Who it affected | <ul style="list-style-type: none"> You had <ul style="list-style-type: none"> one job that did not pay into Social Security another job that did pay into Social Security | <ul style="list-style-type: none"> You worked in a federal, state or local government position that didn't pay into Social Security Your spouse worked in the private sector |
| What was reduced | <ul style="list-style-type: none"> Your Social Security retirement or disability benefit | <ul style="list-style-type: none"> Social Security spousal/survivor benefits off your spouse (or former spouse, if you qualified for benefits off your former spouse) |

Non-covered employment and Social Security benefits

| | RETIREMENT BENEFIT | SPOUSAL OR SURVIVOR BENEFITS* |
|---|--------------------|-------------------------------|
| You must have paid into Social Security for at least 40 quarters to qualify for the benefit | ✓ | X |
| Spouse must be receiving their Social Security retirement or disability benefit (or have passed way) ** | X | ✓ |
| Earnings test is in effect until you are FRA or retire (whichever is first) | ✓ | ✓ |
| Wages from government employment count towards the earnings test | ✓ | ✓ |
| Non-covered employment will count towards future Social Security coverage*** | X | X |
| Reductions to benefits if you claim before FRA | ✓ | ✓ |

* If divorced, must have been married for 10 consecutive years

** If divorced, ex must be age 62, dead or receiving Social Security disability benefits. See page 14 for more information.

***Non-covered work is from employment in which neither you nor your employer paid Social Security taxes.

Social Security Fairness Act case studies

| | | | |
|--|--|---|--|
| <p>Public servant with non-covered pension,* also worked in the private sector for 40+ quarters</p> | <p>Public servant with non-covered pension,* spouse worked in the private sector</p> | <p>Public servant with non-covered pension* who also worked in the private sector for 40+ quarters; spouse worked in the private sector</p> | <p>Public servant with non-covered pension,* not married for 10+ consecutive years**</p> |
| <p>Before: WEP reduced Social Security retirement benefit Now: Social Security retirement is not reduced</p> | <p>Before: Social Security spousal and survivor benefits reduced by 2/3 of the government pension Now: No reductions to Social Security spousal or survivor benefits</p> | <p>Before: received the greater of retirement benefit (reduced by WEP) or spousal/survivor (reduced by GPO)* Now: receives the greater of retirement or spousal/survivor benefits</p> | <p>No change. Not eligible for Social Security</p> |

* Non-covered government pension is from employment in which neither you nor your employer paid Social Security taxes.

**If the marriage ended due to death, the marriage needed to have lasted nine months.

Federal retirement plans

| | CIVIL SERVICE RETIREMENT SYSTEM (CSRS) | CIVIL SERVICE RETIREMENT SYSTEM (CSRS) OFFSET | FEDERAL EMPLOYEES RETIREMENT SYSTEM (FERS) |
|--------------------------|--|---|---|
| Date of hire | Hired prior to 01/01/1984 Or rehired after a break in service of less than one year from CSRS | Rehired after a break in service of more than one year and with at least five years of creditable civilian service by 01/01/1987 | Hired on or after 01/01/1984 Or rehired after a break in service greater than one year but with less than five years of creditable CSRS civilian service Or transferred to FERS from CSRS |
| Social Security coverage | No | Yes | Yes |
| Early retirement | | CSRS annuity computed under the same rules as other CSRS retirees. When eligible for Social Security benefits (usually at age 62), CSRS annuity is offset by the value of Social Security benefits earned during CSRS Offset service. | For certain FERS employees who retire and are entitled to immediate annuity before age 62, OPM pays a “retiree annuity supplement” that substitutes for the Social Security part of FERS. It is paid only until age 62, regardless of when the retiree applies for Social Security. |

Source: Office of Personnel Management.

Military and railroad retirement plans

MILITARY

RETIREMENT

Military pension does not affect Social Security benefits. Social Security benefits are based on your earnings.

CREDIT FOR MILITARY SERVICE

Since 1957, active duty (including active duty for training) has been covered under Social Security.

Since 1988, inactive duty has been covered under Social Security.

From 1957 through 2001, special earnings credits were granted for periods of active duty or active duty for training. If active duty was after 1967, extra earnings are already on your record.

Additional earnings are credited to the earnings that are averaged over your working lifetime, not directly to your monthly benefit amount.

SURVIVOR BENEFITS

Social Security survivor benefits may affect benefits payable under optional Department of Defense Survivor Benefit Plan. Check with the Department of Defense or a military retirement advisor for more information.

RAILROAD RETIREMENT BENEFITS

RETIREMENT

Tier 1: Based on earnings an employee acquired under both railroad and Social Security covered employment; uses Social Security formula but with railroad age and service requirements*

Tier 2: Based on railroad earnings; similar in concept to a defined benefit plan

SPOUSAL

Tier 1: Spouse receives up to 50% of retiree's Tier 1 basic benefit**

Tier 2: Spouse receives up to 45% of employee's Tier 2 basic benefit

SURVIVOR

Tier 1: Survivor receives up to 100% of the deceased's Tier 1 benefit**

Tier 2: Survivor may receive a percent of the deceased's Tier 2 amount

* Tier 1 benefits reduced by amount of any Social Security benefit paid on the basis of non-railroad employment. Tier 1 benefits also reduced for any Social Security benefit an employee receives that is based on earnings of their spouse. The Social Security Fairness Act did not change any of the existing laws that require the reduction of a railroad retirement annuity due to the receipt of any Social Security benefit. If you are receiving both a railroad retirement annuity and a Social Security benefit, the Railroad Retirement Tier 1 component will continue to be offset by the amount of the Social Security benefit.

** Tier 1 portion of spouse or survivor annuity is reduced for any Social Security benefit, even if Social Security benefit is based on spouse's or survivor's own earnings.

Earnings requirement for disability

In general, to receive disability benefits, you must meet two different earnings tests:

- 1) recent work test
- 2) duration of work test

Recent work test

Test based on your age at the time you became disabled

■ DISABLED BEFORE AGE 24

1.5 years of work required during the three-year period ending with the quarter that disability began

■ DISABLED BETWEEN AGES 24 AND 31

Work required during half the time for period beginning with quarter after turning 21 and ending with quarter that disability began

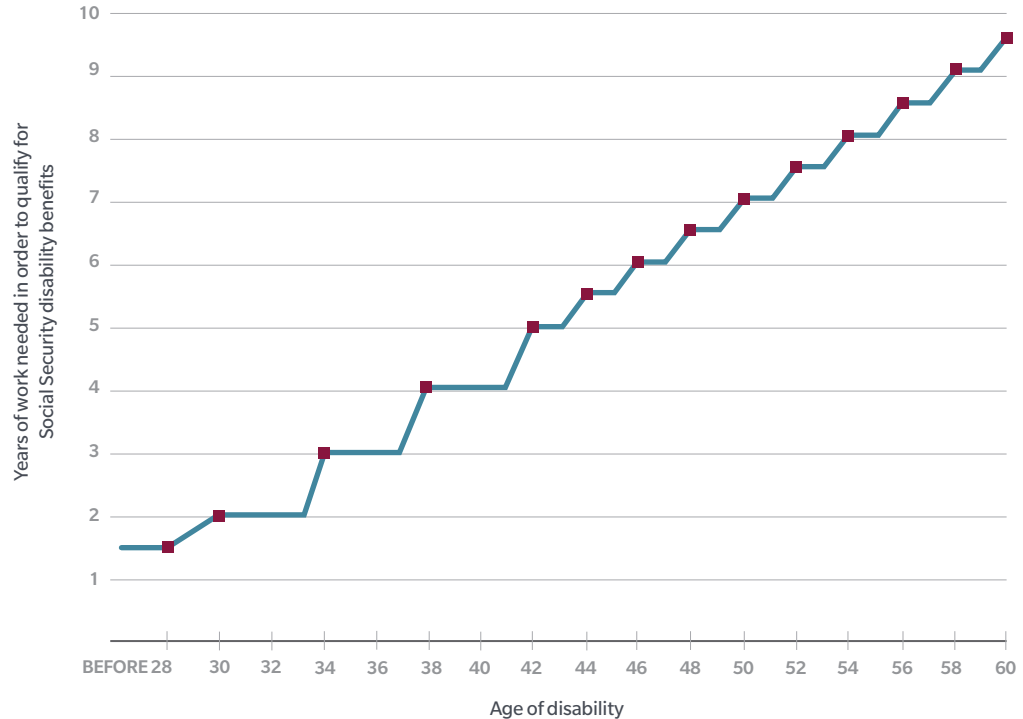
■ DISABLED AT AGE 31 OR AFTER

Work 5 years out of the 10-year period ending with the quarter that disability began

Source: Social Security Administration.

Duration of work test for disability benefits

Test that you worked long enough under Social Security



Social Security Disability Insurance (SSDI) vs. Supplemental Security Income (SSI)

| | SOCIAL SECURITY DISABILITY INSURANCE (SSDI) | SUPPLEMENTAL SECURITY INCOME (SSI) |
|--------------------------------|--|--|
| Qualifications | Based on recent work history* | Must have limited income and resources |
| Full Retirement Age | At FRA, amount does not change Funding switches from disability trust funds to retirement trust funds | Assuming assets, income and life circumstances do not change, dollar amount will not change |
| Dependents' eligibility | May entitle children and spouse to Social Security benefits | Does not entitle children and spouse to Social Security benefits |
| Health insurance | Medicare after two years of disability | Medicaid |
| Survivor benefit | Based on deceased's disability benefit | Not available |
| Monthly earned income limits** | <p>Trial Work Period Unlimited earnings for 9 months. Months need to be within a 60 month window. Trial work month is any month in which total earnings are over \$1,210 in 2026</p> <p>Extended Period of Eligibility 36 consecutive months after Trial Work Period. Can still receive benefits for any month recipient is unable to engage in Substantial Gainful Activity (SGA) = \$1,690 (\$2,830 for statutorily blind individuals)</p> <ul style="list-style-type: none"> ■ If over SGA: no cash benefits for that month ■ If under SGA: full cash benefits for that month | <p>Assuming your income is only SSI and the money you make from your job: SSA doesn't count the first \$85 of monthly gross earnings SSI benefits reduce 50 cents for every earned dollar over \$85</p> <p>Student Earned Income Exclusion A blind or disabled child who is a student regularly attending school, college or university or a course of vocational/technical training can have limited earnings not count against SSI benefits. Maximum income that may be excluded: \$2,410 per month, \$9,730 in all of 2026.</p> <p>**For information on working and receiving benefits while disabled see Social Security Publication No. 05-10095 "Working While Disabled: How We Can Help." MFS® does not provide advice on Social Security disability or SSI benefits.</p> |

Source: Social Security Administration. * Withdrawals from IRAs, brokerage accounts and other assets will not affect eligibility for SSDI benefits.

Eligibility for family benefits

| QUALIFYING EVENT | CHILDREN QUALIFICATION | CHILD-IN-CARE SPOUSE / WIDOW(ER) QUALIFICATIONS* |
|--|---|--|
| <ul style="list-style-type: none"> Disablement Retirement Death | <ul style="list-style-type: none"> Unmarried Younger than age 18 Or 18 to 19 years old and a full-time student (no higher than grade 12) Or 18 or older and disabled (disability must have started before age 22) | <ul style="list-style-type: none"> Caring for child who is under age 16 or disabled Benefits end if child-in-care spouse/widow(er) remarries |

Maximum family benefits*

| | CHILDREN'S BENEFIT | CHILD-IN-CARE SPOUSAL / WIDOW(ER) BENEFIT | FAMILY MAXIMUM |
|-----------------------|--|--|---------------------------|
| If parent is disabled | Up to 50% of disability benefit | Up to 50% of disability benefit | 100%–150% of worker's PIA |
| If parent is retired | Up to 50% of full retirement benefit | Up to 50% of full retirement benefit | 150%–188% of worker's PIA |
| If parent is deceased | Up to 75% of deceased parent's PIA benefit | Up to 75% of deceased parent's PIA benefit | 150%–188% of worker's PIA |

IF TOTAL AMOUNT PAYABLE TO ALL FAMILY MEMBERS EXCEEDS FAMILY MAXIMUM LIMIT, EACH PERSON'S BENEFIT IS REDUCED PROPORTIONATELY (EXCEPT RETIRED/DISABLED PARENT'S BENEFIT) UNTIL TOTAL EQUALS FAMILY MAXIMUM.

*Earnings test applies to benefits received before FRA. If you receive retirement benefits, your excess earnings are charged against the total monthly family benefit. This reduces the total family benefit.

Sources: Social Security Bulletin, Social Security Handbook, Social Security Administration.

Widow(er) comparison: aged, child-in-care and disabled widow(er)

| | AGED WIDOW(ER) | CHILD-IN-CARE WIDOW(ER) | DISABLED WIDOW(ER) |
|--|--|---|--|
| Definition | Age 60 or older Worker died fully insured | Has a child in care under 16 or disabled Worker died fully or currently insured* | Age 50–59 and disabled Worker died fully insured |
| Marital status | Unmarried or remarried after age 60 If divorced, marriage lasted 10+ years | Unmarried If divorced, marriage does not need to equal or exceed 10 years | Unmarried Or remarried after age 50 and after onset of disability If divorced, marriage lasted 10+ years |
| Maximum benefit | 100% of deceased's benefit | 75% of deceased's benefit at FRA | 71.5% of deceased's benefit at FRA |
| Factors that may affect benefit amount | Earnings test Reduced if widow(er) claims before FRA Widow(er) limit may apply if deceased claimed before FRA Increased if deceased claimed after FRA | Earnings test Family maximum (150%–187.5% of deceased's benefit at FRA) | Earnings test |

Earnings limit applies to benefits received before FRA.

* Currently insured: deceased earned at least six credits during the three years prior to death. Fully insured: You need at least one quarter of coverage for each calendar year after you turned 21 and the earliest of the following: the year before you attain age 62, the year before you die or the year before you become disabled. When you have earned 40 quarters of coverage, you are permanently (and fully) insured.

Source: Social Security Administration.

Determining the taxable portion of Social Security

| | SINGLE | MARRIED FILING JOINTLY |
|--|--------------------------------------|--------------------------------------|
| Social Security benefits not included in income | < \$25,000 of combined income | < \$32,000 of combined income |
| Up to 50% of Social Security benefits included in income and taxed | \$25,000–\$34,000 of combined income | \$32,000–\$44,000 of combined income |
| Up to 85% of Social Security benefits included in income and taxed | > \$34,000 of combined income | > \$44,000 of combined income |

Combined income



WHAT COMBINED INCOME DOES NOT INCLUDE

- Roth IRA and Roth 401(k)/403(b)
- Life insurance proceeds
- Qualified charitable distributions
- Inheritance and gifts
- Nontaxable portion of pensions and annuities
- HSA withdrawals for qualified medical expenses

Sources: IRS.gov, Social Security Administration. † Examples may include municipal bond income, income from savings bonds to pay for higher education and deductions for qualified educational loans. Not an all-encompassing list.

FICA taxes*

| | EMPLOYEE | EMPLOYER | TOTAL |
|-----------------|----------|----------|----------|
| Social Security | 6.20% | 6.20% | 12.40% |
| Medicare | 1.45%** | 1.45%** | 2.90%** |
| Total | 7.65%** | 7.65%** | 15.30%** |

Workplace contributions

| | SOCIAL SECURITY (FICA) AND MEDICARE | FEDERAL INCOME TAX |
|---|--|--------------------|
| Employee elective salary deferrals – pre tax | Yes | No |
| Employee elective salary deferrals – Roth | Yes | Yes |
| Employer matching and nonelective contributions | No | No |
| HSA contributions through payroll | No | No |

* FICA is based on gross wages before contributions to employer sponsored retirement plans, health insurance plans and other deductions that may reduce federal taxes.

** Does not include Additional Medicare Tax of .9% on earnings over \$200,000 (\$250,000 for married couples filing jointly).

Sources: IRS.gov, Social Security Administration.

Medicare taxes on earnings

| Earnings thresholds | EMPLOYEE | EMPLOYER | TOTAL |
|---|---|---|--|
| Single < \$200,000 Married filing jointly < \$250,000 Married filing separately < \$125,000 | 1.45% on earnings < threshold | 1.45% on earnings < threshold | 2.9% on earnings < threshold |
| Single > \$200,000 Married filing jointly > \$250,000 Married filing separately > \$125,000 | 2.35% on earnings > threshold | 1.45% on earnings > threshold | 3.8% on earnings > threshold |

Medicare, Social Security and HSA nuances

Medicare and Social Security

Cannot refuse Medicare Part A if age 65 and receiving Social Security

Medicare and HSA

Cannot make contributions to HSA if receiving Medicare

Medicare and Hold Harmless

Social Security payments are not reduced if Medicare Part B premium increases

EXCEPTIONS:

- New enrollees to Medicare Part B
- Modified Adjusted Gross Income (MAGI) > \$109,000 single (\$218,000 married filing jointly)
- Not receiving Social Security benefits
- Part D premiums may increase regardless of income

Sources: Medicare, IRS.gov, Social Security Administration.

Medicare Parts A and B (Original Medicare)



HOW TO QUALIFY

- Have paid Medicare taxes for 40 quarters or have a spouse who has
- Age 65 or older
- Qualify for Social Security Disability Insurance (SSDI)
- End-stage renal disease/ALS
- Large network

What Medicare Part A Covers

- In-person hospital care
- Skilled nursing facility
- In-patient nursing care (not long-term or custodial care)*
- Some home health care and hospice

What Medicare Part B Covers

- Preventative services
- Emergency room visits/urgent care
- Durable medical equipment
- Limited out-patient prescription drugs
- Clinical research
- Mental health (in-patient/out-patient/partial hospitalization)**

Source: Medicare.gov.

*Medicare may cover only some of the costs of skilled nursing care provided in a skilled nursing facility for up to 100 days; provided you have days left in a benefit period, it follows a qualifying hospital stay, and your doctor has decided you need daily, skilled care.

**Mental health care has both Part A and B components.

What Original Medicare doesn't cover

01

Long-term or custodial care

06

Routine physical exams

02

Most dental care and dentures

07

Hearing aids and hearing aid fitting appointments

03

Eye exams (for prescription glasses)

08

Most medical transportation in non-emergency circumstances

04

Elective cosmetic surgery

09

Most medical care received outside the United States

05

Massage therapy

Not an all-encompassing list.
Source: Medicare.gov.

Medicare Parts B and D premiums for 2026

| Individual Tax Return in 2024 | Joint Tax Return in 2024 | Married Fied Separate Tax Return in 2024 | MONTHLY PART B PREMIUM PER PERSON | MONTHLY PART D PREMIUM PER PERSON |
|-------------------------------|--------------------------|--|-----------------------------------|-----------------------------------|
| < \$109,000 | < \$218,000 | < \$109,000 | \$202.90 | Plan premium |
| \$109,001–\$137,000 | \$218,001–\$274,000 | Not applicable | \$284.10 | \$14.50 + plan premium |
| \$137,001–\$171,000 | \$274,001–\$342,000 | Not applicable | \$405.80 | \$37.50 + plan premium |
| \$171,001–\$205,000 | \$342,001–\$410,000 | Not applicable | \$527.50 | \$60.40 + plan premium |
| \$205,001–\$499,999 | \$410,001–\$749,999 | \$109,001–\$391,000 | \$649.20 | \$83.30 + plan premium |
| \$500,000+ | \$750,000+ | \$391,001+ | \$689.90 | \$91.00 + plan premium |

PREMIUMS BASED ON MAGI FROM TWO YEARS AGO

Medicare premiums are based on your Modified Adjusted Gross Income (MAGI) from two years prior. The MAGI used to calculate Medicare premiums is the sum of your adjusted gross income (AGI) (found on line 11 of the Internal Revenue Service (IRS) tax filing form 1040) plus tax-exempt interest income (line 2a of IRS Form 1040).

Sources: Medicare.gov, Social Security Administration.

Original Medicare costs

| PART A COST* | | PART B COSTS | |
|-------------------------------------|---|------------------------------|--|
| Part A Hospitalization (In-Patient) | \$1,736 deductible Days 1–60: no copayment Days 61–90: \$434 copayment Days 91–150: \$868 copayment while using lifetime reserve days (lifetime reserve days capped at 60) Days 150+: pay full per day cost | Part B general costs | Pay monthly premium (see page 29) \$283 annual deductible Medicare pays 80% of the approved cost of care Beneficiary pays 20% of approved cost Some doctors may charge more than the approved cost |
| Skilled Nursing Care Facility | Following a qualifying in-patient stay of 3+ consecutive days Days 1–20: no copayment Days 21–100: \$217.00 per day copayment Days 101+: pay full per day cost | Clinical Laboratory Services | \$0 |
| Home Health Care | No copayment for covered healthcare services | | |
| Hospice Care | No copayment for hospice care services Potentially: A copayment of up to \$5 for each prescription drug and other similar products for pain relief and symptom control while you're at home Medicare covers 95% of the approved amount for inpatient respite care for up to 5 consecutive days** | | |

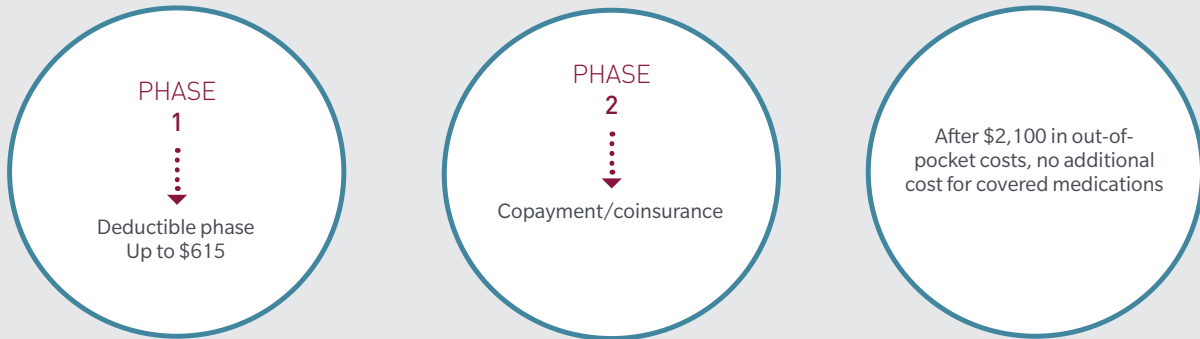
* If you do not qualify for Medicare Part A without a premium, your premium may be \$311 or \$565 depending on how long you or your spouse worked paying Medicare taxes.

** Respite Care is temporary care provided in a Medicare-approved nursing home, hospice inpatient facility or hospital so that a family member or friend who is the patient's caregiver can rest or take time off. The patient can stay for up to five days each time the caregiver gets respite care.

Source: Medicare.gov.

Medicare Part D prescription drug coverage

- Medications vary by plan chosen
- Check the plan's formulary for your medications*
- Premiums will vary by plan chosen
- Income-Related Monthly Adjustment Amounts (IRMAA) also apply to Part D Coverage**
- Review annually



*Formulary is a list of covered medications.
 ** See page 29 for more information on Part D premiums.
 Source: Medicare.gov.

Comparison between Medicare Advantage and Supplement plans

| | MEDICARE ADVANTAGE (PART C) PLANS | MEDICARE SUPPLEMENT (MEDIGAP) PLANS |
|-----------------------------------|--|---|
| Costs | May not have a monthly premium aside from your Part B premium. Pay deductible, copay, coinsurance for health care received | Additional monthly premium along with your Part B premium |
| Prescription Drug Coverage | Included in most plans | Not included |
| Network | Generally restricted to in-network | No restrictions/nationwide coverage |
| Doctors and Hospitals | Utilize doctors and hospitals within the plan network | Choice of doctors and hospitals |
| Referrals | May need referrals to see specialists | Can meet with specialists without a referral |
| Preauthorization | May need preapproval | Rare |
| Enrolling | Restricted to certain enrollment periods | Apply after you turn age 65 and enroll in Medicare Part B |

Source: Medicare.gov.

Differences in Medigap/Supplement plans

| MEDIGAP/SUPPLEMENT BENEFIT* | Plan A | Plan B | Plan C | Plan D | Plan F ¹ | Plan G ¹ | Plan K ² | Plan L ² | Plan M | Plan N ³ |
|---|--------|--------|--------|--------|---------------------|---------------------|---------------------|---------------------|--------|---------------------|
| Part A coinsurance and hospital costs up to an additional 365 days after Medicare Part A benefits are used up | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Part B coinsurance or copayment | Yes | Yes | Yes | Yes | Yes | Yes | 50% | 75% | Yes | Yes |
| Blood (first three pints) | Yes | Yes | Yes | Yes | Yes | Yes | 50% | 75% | Yes | Yes |
| Part A hospice copayment or coinsurance | Yes | Yes | Yes | Yes | Yes | Yes | 50% | 75% | Yes | Yes |
| Skilled nursing care facility copayment to coinsurance | No | No | Yes | Yes | Yes | Yes | 50% | 75% | Yes | Yes |
| Part A deductible | No | Yes | Yes | Yes | Yes | Yes | 50% | 75% | 50% | Yes |
| Part B deductible | No | No | Yes | No | Yes | No | No | No | No | No |
| Part B excess charge (doctors not accepting assignment) | No | No | No | No | Yes | Yes | No | No | No | No |
| Foreign travel exchange (up to plan limits) | No | No | 80% | 80% | 80% | 80% | No | No | 80% | 80% |
| Out of pocket limit | N/A | N/A | N/A | N/A | N/A | N/A | \$8,000 in 2026 | \$4,000 in 2026 | N/A | N/A |

If you turned 65 on or after January 1, 2020, Plans C and F are no longer available. If you were eligible for Medicare on January 1, 2020, but not enrolled, you may be able to get these two plans.

*Massachusetts, Minnesota, Wisconsin have state-specific Supplement/Gap plan options.

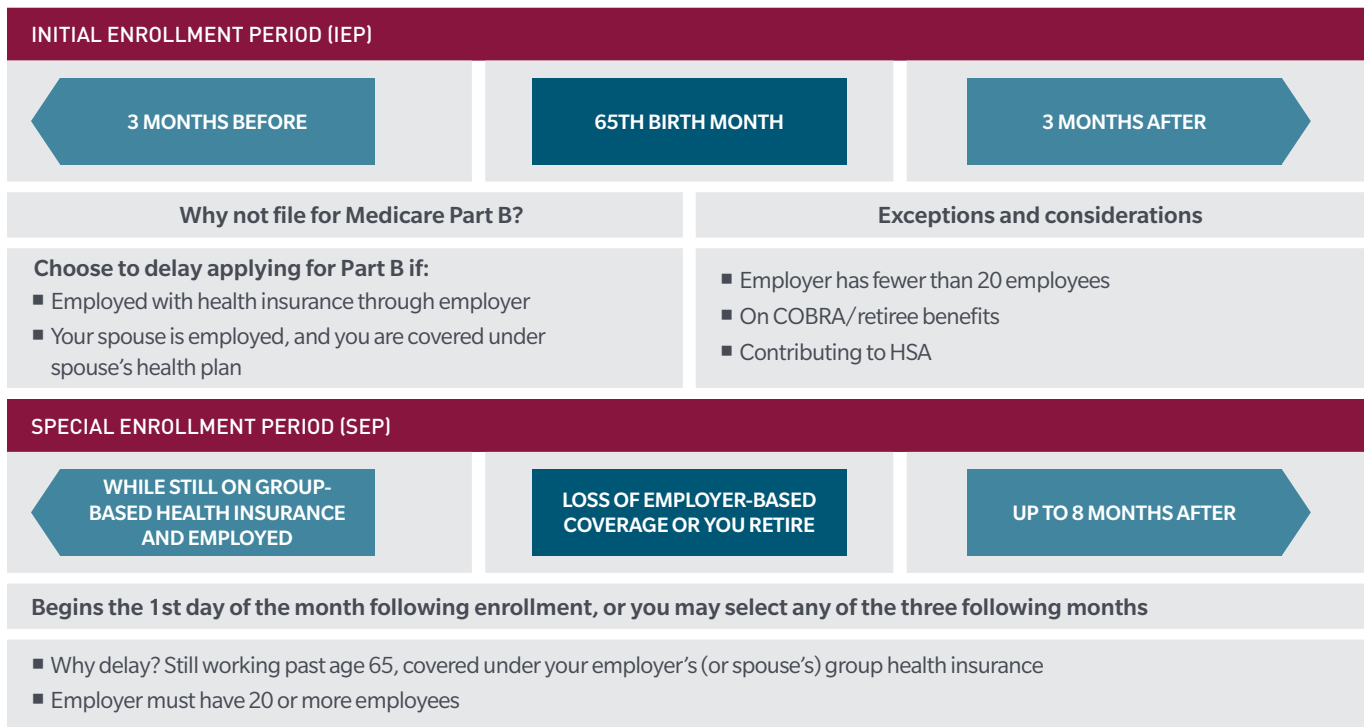
¹ Plan F and G are high-deductible in some states.

² Plans K and L inform you of how much you'll pay for approved services before you reach the out-of-pocket yearly limit and Part B deductible. After those are met, the plan will pay 100% of the approved cost.

³ Plan N pays 100% of the costs of Part B services, except for copayments for some office visits and some emergency room visits.

Source: Medicare.gov.

Initial and Special Enrollment Periods



If taking Social Security prior to age 65, you will be automatically enrolled in Medicare Parts A and B at age 65.

Source: Medicare.gov.

Other Enrollment Periods

| GENERAL ENROLLMENT PERIOD | OPEN ENROLLMENT PERIOD | MEDICARE ADVANTAGE OPEN ENROLLMENT |
|--|--|--|
| <p>Missed either Initial Enrollment Period or Special Enrollment Period</p> <p>January 1–March 31</p> <p>May incur penalties</p> | <p>Change from Original Medicare Parts A and B to a Medicare Advantage (Part C) plan</p> <p>Switch from a Medicare Advantage plan with a prescription drug plan to one without</p> <p>Join or switch Medicare Part D prescription drug plans</p> <p>Can alter coverage by switching from one plan with your current insurer to another, or change insurers</p> <p>October 15 – December 7</p> <p>Changes take effect January 1</p> | <p>Those enrolled in a Medicare Advantage/Part C plan can make a one-time change to a different Medicare Advantage plan with or without a prescription drug plan, or can elect to change back to Original Medicare Parts A and B.</p> <p>During this period, you can also enroll in a stand-alone Part D prescription drug plan</p> <p>January 1–March 31</p> <p>Occurs within the first three months you get Medicare/Medicare Advantage/Part C plan</p> <p>Starts first day of the month after plan receives request</p> |

Source: Medicare.gov.

This is not meant to be a comprehensive guide. For informational use only. Each person's situation is different. For help determining what role Medicare will play in your financial future, work closely with your financial advisor, or investment professional and local Medicare specialist. They will provide the perspective you need to help you build and maintain a retirement strategy that may work best for you. MFS[®] does not provide tax, legal, accounting, Medicare or Social Security advice. Contact the Social Security Administration at 1-800-772-1213 or [ssa.gov](https://www.ssa.gov) to determine the benefits that may be available to you and your spouse. For more information and answers to your questions about Medicare visit [medicare.gov](https://www.medicare.gov).