

## **SOCIAL SECURITY SUPPLEMENTATION BENEFIT**

### **A Supplemental Summary Plan Description**

#### **ELIGIBILITY**

A Social Security Supplementation Benefit payment is issued by the ILWU-PMA Welfare Plan to certain Pensioners under the ILWU-PMA Pension Plan whose primary or disability Social Security benefit is reduced because Pay Guarantee Plan (PGP) payments are not included in the calculation of Social Security benefits.

To qualify to receive a Social Security Supplementation Benefit, you must:

- Be an ILWU-PMA Pension Plan Pensioner receiving a Normal or Disability pension based on 13 or more credited years of service;
- Have a pension commencement date that is on or after July 1, 1981;
- Have Welfare Plan eligibility as a Pensioner;
- Have been awarded a primary or disability Social Security benefit with an effective date that is on or after July 1, 1981, and which is in a lesser amount than you would have received if PGP payments had been included in the calculation of your Social Security benefit.

#### **AMOUNT OF BENEFIT**

This Social Security Supplementation Benefit is a lump sum payment which is a percentage of the total countable PGP payments you received from 1973 through the payroll year *prior* to the year in which you became an ILWU-PMA pensioner. The percentage is 25% of PGP payments through the second payroll quarter of 1987 and 12½% of PGP payments after the second payroll quarter of 1987.

#### **Countable PGP Payments:**

PGP payments are countable if, had they been included in the calculation of your Social Security benefit, you would have received a greater Social Security benefit than you have been awarded. PGP payments are not countable in any year that your total Social Security earnings in all employment were more than the maximum Social Security earnings used to calculate Social Security benefits (that is, more than the maximum earnings subject to FICA withholding).

The attached chart shows the maximum Social Security earnings used to calculate Social Security benefits. It also gives examples of how countable PGP payments are determined.

#### **HOW TO CLAIM BENEFITS**

The Benefit Plans office will determine, from information on file, which Pensioners under the ILWU-PMA Pension Plan may be qualified to receive a Supplementation Benefit, and will contact those Pensioners by letter. The Plan office will *not* contact Pensioners who cannot qualify for a benefit; for example, Pensioners whose industry earnings in each year since 1973 were equal to or in excess of maximum earnings subject to FICA withholding, and Pensioners who received no PGP payments.

The Benefit Plans office will provide a Claim Form for the ILWU-PMA Welfare Plan Social Security Supplementation Benefit to Pensioners who may be qualified to receive the benefit. The claim form has complete instructions for claiming the benefit.

The Pensioner must:

- Complete and return the claim form;
- Submit a copy of his/her Social Security Administration Retirement, Survivors and Disability Insurance Notice of Award or other verification from Social Security stating the entitlement date;
- Visit a Social Security field office and request a copy of your Personal Earnings & Benefit Estimate Statement (PEBES) or your FICA Wage printout. The applicant requesting either the PEBES or FICA printout should inform the Social Security field office that they have an **“Urgent Need”** for this documentation.

When a completed claim form has been processed, an applicant found to be qualified to receive the benefit will be issued his/her payment together with an explanation of how his/her benefit was calculated. An applicant who does not qualify for the benefit will be notified.

In the event of death prior to receiving the Social Security Supplementation Benefit, the benefit shall be paid to the surviving spouse or surviving dependent child(ren).

The Internal Revenue Service requires that federal tax be withheld from the Social Security Supplementation Benefit and that a Form W-2 be filed with the IRS and issued to any person who receives the benefit.

## **LIMITATIONS**

A Supplementation Benefit will not be payable unless the claim form provided by the Benefit Plans office, the Social Security Administration Retirement, Survivors and Disability Insurance Notice of Award and either the Personal Earnings & Benefit Estimate Statement (PEBES) or the FICA Wage printout are received by the Benefit Plans office. Payment will be issued no earlier than the Social Security entitlement date.

## **CLAIMS REVIEW PROCEDURES**

Requests for review of a denied Social Security Supplementation Benefit claim should be submitted to the Benefit Plans office. The Claims Review Procedure is described completely in your Welfare Plan Summary Plan Description.

***The Information in this booklet is subject to and does not change the provisions of the ILWU-PMA Welfare Plan Agreement or the provisions of the Welfare Plan Summary Plan Description.***

**Maximum Social Security Earnings Used To Calculate Social Security Benefits And  
Examples Of How Countable PGP Payments Are Determined.**

<b>YEAR</b>	<b>MAX FICA</b>	<b>SS EARNINGS</b>	<b>PGP</b>	<b>COUNTABLE</b>
1973	\$ 10,800.00	\$ 10,800.00	\$ 1,000.00	\$ 0.00
1974	13200.00	13000.00	1000.00	200.00
1975	14100.00	13800.00	1000.00	300.00
1976	15300.00	15500.00	1000.00	0.00
1977	16500.00	16000.00	1500.00	500.00
1978	17700.00	17000.00	1500.00	700.00
1979	22900.00	20000.00	2000.00	2000.00
1980	25900.00	22000.00	3000.00	3000.00
1981	29700.00	29000.00	2500.00	700.00
1982	32400.00	31000.00	0.00	0.00
1983	35700.00	34000.00	1200.00	1200.00
1984	37800.00	39000.00	400.00	0.00
1985	39600.00	39000.00	400.00	400.00
1986	42000.00	41000.00	0.00	0.00
1987	43800.00	41500.00	800.00	800.00
1988	45000.00	43000.00	3000.00	2000.00
1989	48000.00	42000.00	3000.00	3000.00
1990	51300.00	52000.00	500.00	0.00
1991	53400.00	11000.00	0.00	0.00
1992	55500.00	35000.00	2000.00	2000.00
1993	57600.00	45000.00	1500.00	1500.00
1994	60600.00	44695.00	6941.00	6941.00
1995	61200.00	48260.00	7345.00	7345.00
1996	62700.00	48694.00	8913.00	8913.00
1997	65400.00	46099.00	7175.00	7175.00
1998	68400.00	42561.00	15241.00	15241.00
1999	72600.00	41980.00	15012.00	15012.00
2000	76200.00	51401.00	12062.00	12062.00
2001	80400.00	28328.00	22012.00	22012.00
2002	84900.00	3489.00	38770.00	38770.00
2003	87000.00	63850.00	0.00	0.00
2004	87900.00	64000.00	400.00	400.00
2005	90000.00	87500.00	0.00	0.00
2006	94200.00	12144.00	50873.00	50873.00
2007	97500.00	97500.00	5000.00	0.00
2008	102000.00	85000.00	8050.00	8050.00
2009	106800.00	101000.00	0.00	0.00
2010	106800.00	98000.00	8000.00	8000.00
2011	106800.00	76050.00	11600.00	11600.00
2012	110100.00	99000.00	0.00	0.00