

## SOCIAL SECURITY GETS ITS BIGGEST BOOST IN YEARS

SENIORS WILL SEE THEIR RETIREMENT BENEFITS INCREASE BY AN AVERAGE OF 2.8% IN 2019.

**Social Security will soon give seniors their largest “raise” since 2012.** In view of inflation, the Social Security Administration has authorized a 2.8% increase for retirement benefits in 2019.<sup>1</sup>

This is especially welcome, as annual Social Security cost-of-living adjustments, or COLAs, have been irregular in recent years. There were no COLAs at all in 2010, 2011, and 2016, and the 2017 COLA was 0.3%. This marks the second year in a row in which the COLA has been at least 2%.<sup>2</sup>

**Not every retiree will see their benefits grow 2.8% next year.** While affluent seniors will probably get the full COLA, more than 5 million comparatively poorer seniors may not, according to the Senior Citizens League, a lobbying group active in the nation’s capital.<sup>1</sup>

Why, exactly? It has to do with Medicare’s “hold harmless” provision, which held down the cost of Part B premiums for select Medicare recipients earlier in this decade. That

rule prevents Medicare Part B premiums, which are automatically deducted from monthly Social Security benefits, from increasing more than a Social Security COLA in a given year. (Without this provision in place, some retirees might see their Social Security benefits effectively shrink from one year to the next.)<sup>1</sup>

After years of Part B premium inflation being held in check, the “hold harmless” provision is likely fading for the above-mentioned 5+ million Social Security recipients. They may not see much of the 2019 COLA at all.<sup>1</sup>

**Even so, the average Social Security beneficiary will see a difference.** The increase will take the average individual monthly Social Security payment from \$1,422 to \$1,461, meaning \$468 more in retirement benefits for the year. An average couple receiving Social Security is projected to receive \$2,448 per month, which will give them \$804 more for 2019 than they would get without the COLA. How about a widower living alone? The average monthly benefit is set to rise \$38 per month to \$1,386, which implies an improvement of \$456 in total benefits for 2019.<sup>1</sup>

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*We are moving  
in January  
2019! Please  
watch for  
additional  
information on  
our exciting new  
location!*

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Lastly, it should be noted that some disabled workers also receive Social Security benefits. Payments to their households will also grow larger next year. Right now, the average disabled worker enrolled in Social Security gets \$1,200 per month in benefits. That will rise to \$1,234 per month in 2019. The increase for the year will be \$408.<sup>1</sup>

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Citations:

- 1 - [fool.com/retirement/2018/10/26/heres-what-the-average-social-security-beneficiary.aspx](http://fool.com/retirement/2018/10/26/heres-what-the-average-social-security-beneficiary.aspx) [10/26/18]
- 2 - [tinyurl.com/y9spspqe](http://tinyurl.com/y9spspqe) [8/31/18]

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HOLIDAY CLOSURES: CLOSING EARLY ~ DECEMBER 24TH  
CLOSED ~ DECEMBER 25TH  
CLOSING EARLY ~ DECEMBER 31ST  
CLOSED ~ JANUARY 1ST