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LESSON PLAN

Chapter Objectives

At the completion of this chapter, the students will be able to:

1. Determine how quarters of coverage are earned.
2. Determine if fully or currently insured status is met.
3. Compute DIB insured status.
4. Compute Date Last Insured (DLI).

Length of Chapter

8 hours

Local Supply

SSA-7004

SSA-1164

BACKGROUND AND RATIONALE

Introduction

This chapter examines the current provisions for insured status, a prerequisite for entitlement to virtually all types of benefits payable under Title II of the Social Security Act.

Purpose

The Social Security program is compulsory, work-related and based on insurance principles. It is designed to partially replace earnings lost due to the retirement, disability or death of an insured person. Whereas individuals in private insurance programs must pay a certain amount in premiums before they can collect any benefits, participants in the Social Security program must perform a specified amount of work on which they pay Federal Insurance Contribution Act (FICA) or Self-Employment Contribution Act (SECA) taxes before they (and their qualified dependents or survivors) collect benefits. If they perform the specified amount of work, they have insured status.

Age Closely Related to Insured Status

This Module discusses how to determine quarters of coverage (QC) for work performed both before and after the effective date (01/01/78) of the 1977 Amendments. You will see that the Module on proof of age is closely related to insured status because the number holder's (NH) date of birth is the starting point for determining the number of QCs needed for fully insured status. You will also learn that an alternate method of determining insured status, currently insured status, can be used to pay benefits to certain survivors of deceased NHs who were not fully insured at the time of death.

You will learn that insured status requirements under disability are different from RSI requirements. In addition to being fully insured, a worker must also meet a Disability Insured Status requirement. There are several different requirements for Disability Insured Status depending on a person's age when they become disabled.

OBJECTIVE 1:

Determine how QCs are acquired.

Quarters of Coverage (QC)

RS 00301.200 and RS 00301.250

Purpose

The year is divided into four calendar quarters. Jan-Feb-March is one quarter. The others are April-May-June, July-Aug-Sept and Oct-Nov-Dec. The quarter begins the first day of the first month and ends the last day of the last month of the quarter. When we refer to calendar quarters, we use the 3rd month of the quarter to designate the name.

The primary use of QCs is to determine if an individual has worked a sufficient amount of time to be insured for Social Security benefits.

Types of QCs

- Regular wages
- Self-employment
- Agricultural wages
- Gift
- Governmental
- Military service
- Railroad

Affected by 1977 Amendments

A major revision of policy regarding QCs occurred in the 1977 amendments.

The amendments affected:

- how the QCs are earned,
- the amount of earnings that constitute a QC, and
- the period to which a QC is assigned.

Under the amendments, earnings from all sources for the year are combined before the QC test is applied. See Exhibit 1 for a list of QC amounts for 1978 and later.

Wage QCs

RS 00301.310

Regular Wages

Prior to 1951, regular wages were the only kind covered for Social Security.

From 1937 through 1977, regular wage QCs were earned for any quarter through the quarter of death in which a worker was paid at least \$50 subject to the FICA tax

1977 Amendments

The 1977 amendments provided for an annual increase in the "cost" of a QC, based on economic factors. QCs after 1977 are credited based on increments of covered earnings in the calendar year. The amount changes each year. Before 1978, the policy was to credit the QC to the first day of the quarter in which \$50 or more wages were paid.

Effective 01/01/78, all earnings are reported on an annual basis, with no specific assignment to a quarter, unless necessary to provide entitlement.

However, QCs cannot be posted after the quarter in which the NH died. This means that after 1977, the posting of QCs is flexible; QCs can be assigned to any quarter within a year as needed for insured status.

EXAMPLE:

Mr. B. earned \$2750 in 2003; this gave him 3 QCs for the year. If Mr. B. had died in May 2003 after earning \$2750, only 2 QCs can be posted.

Mrs B. Earned \$1000 in December of 2003. This QC will appear on the earnings record as of the first quarter of 2003 but can be moved to the second, third or fourth quarter if needed for insured status.

Self-Employment (SE) QCs

RS 00301.220, .230, .340

Not Covered Prior to 1951

Non-agricultural SE earnings were covered by Social Security beginning with 1951. Agricultural SE was covered beginning with 1955.

The self-employed individual has always had to have at least \$400 in net earnings for a year before any QCs can be credited. From 1951-1977, if a NH met this requirement, all four QCs were credited regardless of when the income was earned.

1977 Amendments

The 1977 amendments retained this minimum \$400 requirement, but the "cost" of each QC is the same as with the regular wage amounts. In effect, this makes the treatment of SE QCs identical with regular wage QCs, assuming the \$400 minimum requirement is satisfied, i.e., \$1,850 SEI in 2003 earns 2 QCs.

Agricultural QCs

RS 00301.230, .320, .325; RS 01802.080, RS 1901.100

1951 – 1954

Agricultural wages were first covered for Social Security in 1951. Agricultural SEI was first covered in 1955. From 1951-1954, policy was identical to that which regulates wage QCs.

1955 – 1977

From 1955 through 1977, a QC was acquired for every \$100 of agricultural wages paid in a year up to a maximum 4 QCs per year. Generally, the assignment of the QCs to the calendar year was done in reverse order, i.e., the December quarter was credited first, the March quarter last.

1977 & 1988 Amendments

Since the 1977 amendments, agricultural wage QCs cost the same and are credited the same way as regular wage QCs.

Beginning in 1988, cash payments of less than \$150 in any calendar year are excluded from wages *if* the employer paid less than \$2500 for agricultural labor in a year.

Gift QCs**RS 00301.345****Concept**

Each year, there is a monetary point at which full FICA deductions are no longer taken from people's earnings. This point is reached when the employee earns "maximum Social Security wages."

Maximum

The maximum used to be reached fairly frequently as it was quite low, e.g., \$3000 through 1950, \$3600 through 1954. In recent years, the maximum has grown to a relatively high earnings level and only a small portion of the public reaches it during the year.

Prior to 1978

Prior to 1978, "gift" QCs were awarded to individuals who earned maximum Social Security wages prior to the end of the year. Up to a maximum of 3 gift QCs per year were granted, depending on when the worker reached the maximum contribution. For example, if someone in 1954 earned \$3575 in 3 quarters and \$25 in the 4th quarter, that person would be awarded all 4 QCs.

This concept was eliminated in 1978 when the law changed regarding how QCs were earned.

Government Employment QCs (GEQC)

HI 00801.400-.425, RS 00301.160

Federal Employment

The 1983 amendments provided coverage for Federal employees for Medicare purposes. (Medicare entitlement will be discussed in a separate chapter.)

Federal Employees

All wages paid to Federal employees after 12/31/82 are taxed for Medicare and, through payment of the Medicare portion of the FICA tax, employees earn GEQC. GEQCs will be earned based on the same wage limits and credited in the same way as regular QCs, which are referred to as Social Security QCs (SSQC).

State and Local Employment

Coverage is also provided for state and local employees beginning 04/01/86. State and local employees hired after 03/31/86 pay the Medicare portion of the FICA tax. Employees hired prior to 04/01/86 may also be covered.

Deemed Government Employment QCs

Federal employees who were employed during 01/83 will receive deemed GEQCs for Federal service prior to 01/83. There are no "deemed" QCs for state or local employees prior to 4/1/86 as there are for Federal employees.

Insured Status Requirement

The insured status requirement for Medicare at age 65 using a combination of GEQCs, deemed GEQCs and SSQCs, if any, is the same as the fully insured status requirement for retirement benefits. Deemed

GEQCs and GEQCs cannot be used to establish entitlement to any other Social Security benefit.

QC Symbols

SM 00349.130

1978 and Later

Refer to Exhibit 2, QC Symbols. The earnings record is discussed in the next objective, but this exhibit contains the section relevant to this discussion.

Beginning 1978, the following QC symbols are in use in the QC field of the E/R:

- C** Represents a Wage Quarter of Coverage. It appears for any year 1953 to present if annual wage earnings are posted to the E/R for that year.
- L** Indicates lag earnings, an important concept that will be covered in the Earnings Module. For our present purpose, lag is wage credits that SSA accepts based on evidence submitted by an applicant. When SSA records are updated and lag wages are certified, the "Ls" change to "Cs."
- N** Indicates the quarter is not a quarter of coverage.

At the far right of the E/R are two sets of columns labeled DMW and SA. The DMW is a four-position field which displays the amount of Deemed Military Wage Credits for the given year up to a maximum of \$1,200.00 per year. The S field displays information concerning SE postings, while the A field concerns Agricultural QCs. See **SM 00349.125C4** for more information on the codes for these fields.

1977 and Earlier

As Exhibit 2 shows, many more QC symbols were used in years before 1978. The significance of these symbols is explained fully in **SM**

00349.125C4. The most important of these symbols is the “#,” Questionable QC symbol, which indicates payment of wages of less than \$50 during the quarter. In cases where insured status is narrowly missed, this kind of posting must be scrutinized very carefully.

Programmed Learning

Refer to PL-1 (Exhibit 13) in your exercises. Go through this programmed learning text. Cover the answers listed on the right side with a piece of paper.

OBJECTIVE 2:

Determine if fully or currently insured status is met.

Types of RSI Insured Status**RS 00301.101**

Insured status is required for the entitlement to any type of benefit and for establishment of a period of disability. For RSI and Medicare for people with End Stage Renal Disease, there are two basic types of insured status: fully insured and currently insured. The insured status requirements for entitlement to disability will be discussed in the next objective.

Fully Insured Status**RS 00301.105****1-for-4 Rule**

A person is fully insured if he/she has one QC for each calendar year after 1950 or after the year in which he/she attained age 21 if later, up to the year in which the NH attains age 62, dies or becomes disabled, whichever occurs earlier.

Insured status is acquired as of the first day of the quarter in which the qualifying QC is earned.

Refer to the formula on Exhibit 3, Fully Insured 1-for-4 Rule, for determining QCs required for fully insured status.

Examples

Use Exhibit 3 to determine how many QCs are needed for fully insured status in the following examples:

NH, born 1941, attains age 21 in 1962 and age 62 in 2003.

$$\begin{array}{r} 2003 \\ -1963 \\ \hline 40 \text{ QCs needed for fully insured status} \end{array}$$

NH, born 1963, attains age 21 in 1984 and dies in 2002.

$$\begin{array}{r} 2002 \\ -1985 \\ \hline 17 \text{ QCs needed for fully insured status} \end{array}$$

NH, born 1956, attains age 21 in 1977 and becomes disabled in 2001. (If a period of disability is established, the NH is treated as if he/she attained retirement age the year he/she became disabled for the purpose of determining fully insured status.)

$$\begin{array}{r} 2001 \\ -1978 \\ \hline 23 \text{ QCs for fully insured status} \end{array}$$

Minimum/ Maximum QCs

Six (6) QCs is the minimum number required and 40 QCs is the maximum QCs required to meet insured status.

Questions

How many QCs would be necessary for fully insured status? (The answers are in parentheses.)

- Fred Thomas, born 1941, retires in 2003 (40)
- Martha Sims, born 1928, retires in 1990 (39)
- Ellen Franklin, born 1945, died 2002 (35)

- Larry Jacobs, born 1960, died 2003 (21)
- Diane Good, born 1976, died 2003 (6)

Simplified QC Method

RS 00301.315, SM 00349.105.C.1.b

SSA normally does not give an exact quarterly breakdown of QCs earned between 1937-1950 when a person applies for benefits. Instead, we use a "Simplified Method" which grants 1 QC for every \$400 of total FICA wages from 1937-1950. This method is only used to establish fully insured status.

- The combination of simplified QCs and regular QCs after 1950 must give fully insured status.
- If the combination does not result in fully insured status, the 1937-1950 period is examined in detail to determine the exact number of QCs earned.

Currently Insured Status

RS 00301.110

Applicability

Currently insured status can apply for entitlement to payment of monthly survivor benefits for children, mothers and fathers, and the lump-sum death benefit. Currently insured status can also be used for entitlement to Medicare coverage for individuals with End Stage Renal Disease. These types of benefits are discussed in other Modules.

6-for-13 Rule

In order for a person to be currently insured, he/she must have at least 6 QCs during the 13-quarter period ending with the quarter in which he/she died.

In determining the 13-quarter period, do not count as part of the period any quarter which was totally or partially within a period of disability except for the first and last quarters of the period of disability if they are QCs. (Disability benefits are also discussed in other chapters.)

EXAMPLE:

Jeff Harding was born on 12/16/44. He died 06/12/03. He is not fully insured. The QCs on his E/R appear as follows:

99	C	C	C	C
00	C	C	C	C
01	C	C	N	N
02	C	C	C	N
03	C	C	N	N

Count back 13 calendar quarters beginning with quarter of death. Then count the number of QCs in this period.

Based on this E/R, the NH is currently insured. When determining if a deceased NH is fully or currently insured, be sure to consider any lag earnings, which are not yet posted.

Programmed Learning

Refer to PL-2 (Exhibit 14). Read and work the programmed learning text. Cover the answers with a piece of paper.

MCS Earnings Computation (EC) Screens

MSOM 1770

Online Earnings Information

With claims that are completely processed using MCS, all earnings and computation data are online on the EC screens. We will go into more detail about EC screens in the Adjudication chapter.

Informational Certified Earnings Record (ICERS)

MSOM 231, SM 00349

When the EC screens cannot be used to obtain the earnings and computational data, an ICERS earnings record request is made. The ICERS screens are easy to complete. You only need to provide information on the NH, such as identifying information, lag earnings, military service, and windfall elimination provision information.

The ICERS can be either an estimate (uncertified) or a certified record, depending on which was requested.

The ICER is a free-form multi-page document which may contain:

- Multiple SSNs along with the combined earnings from those SSNs for the NH;
- Insured status and PIA determinations;
- Various information that was input on the request;
- Information from the DRAMS file such as military service and prior periods of disability.

ICERS is a “stand-alone” system that does not interface with the MCS claim.

OEO

The Office of Earnings Operations (OEO) uses the DOB entered on the field office E/R request to compute insured status and the benefit amount. If evidence in file documents a different DOB, insured status and the computation must be refigured using the newly established information. You may request more than one type of E/R (i.e., certified or uncertified) as you need in the same day. One request does not overlay the other. You will receive an ICER for each request.

Date of Death

In survivor cases, the date of death is also shown on the E/R (DATES field, data tag DH) and is used to figure the computation and insured status.

Lag Earnings

Lag earnings input are found in the LAG DATA field. Since earnings posting in OEO can never be totally up-to-date, the FO enters earnings data for the lag period on the E/R request. The lag period is from the end of OEO's last posting period to the present. Any earnings data entered in this field must be documented by supporting evidence in the file. OEO considers and uses these earnings for insured status and computations.

RSI REQ QC

RSI REQ QC is the number of required quarters under the 1-for-4 rule with a minimum of 6. This figure is based on the DOB and sex entered on the DADE screens. If the DOB or sex is determined to be different, required quarters of coverage must be refigured.

RSI QC HAS

RSI QC HAS is the total number of QCs (simplified or actual) that can be electronically determined. No more than 40 will appear.

Refer to Exhibit 4, for a sample ICERs record.

How to Access the ICERS Screens

Select #9, Master File Query on the SSA Menu (MAIN), then Select #23, ICERS (Info/Cert Earnings Record) on the Master File Query Menu (MFQM) (see Exhibit 5).

ICERS Screens

The eight ICERS screens are:

- Informational/Certified Earnings Records Menu or ICMN (see Exhibit 6).
- Informational/Certified Earnings Records or ICIC (see Exhibit 6).
- 7/40 – 12/67 Military Service or ICMS (see Exhibit 7).
- Lag Earnings or ICLG (see Exhibit 7).
- MBR Disability Data or ICMD (**MSOM 231-H**) (see Exhibit 8).
- DRAMS Disability Data or ICDR (**MSOM 231-I**) (see Exhibit 8).
- Windfall Elimination Input or WEPI (**MSOM 231-G**) (see Exhibit 9).
- Results Summary or ICRS (**MSOM 231-K**) (see Exhibit 9).

The selections made on the ICMN combined with the answers to questions on the other ICERS screens determine the ICERS path.

In future chapters, we will discuss these screens in more detail.

OBJECTIVE 3:

Compute DIB insured status.

DIB Insured Status

RS 00301.120, DI 10105.125ff

DIB Insured Status

To be insured for DIB in the quarter of onset, a NH must be **BOTH** fully insured and meet 20/40 or Special Insured Status, if applicable.

If the NH is not insured in the calendar quarter of onset, but meets insured status at a later point, the ending period for computing insured status is extended to the quarter in which insured status is met (**DI 10105.155**).

Fully Insured

As we discussed in the previous objective, the NH must have 1 QC for every year after 1950 or after the year of attainment of age 21, if later, up to:

- The year of disability onset,
- The year of attainment of age 62,
- The year of death.

See Exhibit 3 (Determining Fully Insured Status). For cases involving a prior period of disability, be sure to count the number of years either wholly or partially within the prior period. Then subtract that from the number arrived at in III. Remember that the minimum number of QCs needed for fully insured status cannot be less than 6.

20/40

DI 10105.145

The 20/40 QC requirement is in addition to the fully insured requirement. It specifies that an NH must have 20 QCs during the 40 quarter period ending with the quarter of DIB onset (**RS 00301.120**).

Determining if 20/40 is met

In order to determine if a NH meets 20/40 follow these steps:

- Count back 40 quarters from the quarter of onset.
- There must be at least 20 QCs somewhere within this 40 quarter period for 20/40 to be met.

Since we are counting the number of QCs within a certain timeframe, it is VERY important to note that QCs can be moved within a year to advantage a claimant. Quarters of coverage are flexible in that they may be assigned to any quarter in the calendar year whenever necessary to meet the requirements for insured status (see **RS 00301.230**).

NOTE: There is a less restrictive insured status requirement which applies to persons who become disabled before the quarter of attainment of age 31, or who are blind. We will discuss this further in "Special Insured Status."

EXAMPLE 1:

DOO 2/12/03

Count back 40 calendar quarters beginning with the 3/03 quarter. You end with the 6/93 quarter. There must be 20 "Cs" within this period.

1993—CCCC	1997—NNNN	2001—NNNN
1994—CCCC	1998—CCNN	2002—CCCC
1995—CCCC	1999—CCCC	2003—NNNN
1996—NNNN	2000—CCCC	

In this example 20/40 is met by the NH.

EXAMPLE 2:

DOO 08/31/02

1989—NNNN	1994—NNNN	1999—CCCC
1990—NNNN	1995—NNNN	2000—CCCC
1991—NNNN	1996—NNNN	2001—CCCC
1992—NNNN	1997—CCNN	2002—NNNN
1993—CNNN	1998—CCCC	

In this example, the NH does not meet 20/40. The NH has only 19 QCs out of the last 40 quarters.

Prior Period of Disability and 20/40

Any calendar quarter during a prior freeze or a prior period of disability is excluded from the 40 quarter period, **except** the beginning and ending quarters if they are QCs. We may count the beginning and ending quarters if they are QCs since this would probably help the NH meet insured status.

EXAMPLE 3:

Current Onset: 07/04/02 Prior period of Disability: 01/08/89 – 12/99

1979—CCCN	1987—CCCN	1995—NNNN
1980—CCCC	1988—CCCC	1996—NNNN
1981—CCCC	1989—NNNN	1997—NNNN
1982—CCNN	1990—NNNN	1998—NNNN
1983—NNNN	1991—CCNN	1999—CCCC
1984—NNNN	1992—CCCN	2000—CCCN
1985—NNNN	1993—CNNN	2001—CCCC
1986—NNNN	1994—CCNN	2002—CCCN

ANSWER:

We begin by distinguishing the prior period of disability. As stated above, we cannot use any of the quarters in the prior period of disability (PPD) except for the first and last quarter if they are a quarter of coverage. The beginning of the PPD is the first quarter in 1989 and ends with the last quarter in 1999. We will exclude from the 1st quarter of 1989 through the 3rd quarter in 1999. (We can use the last quarter in 1999 because it is a quarter of coverage.) Count back 40 quarters beginning with the 3rd quarter in 2002 (excluding all quarters that fall in the PPD as described above). This takes us to the first quarter in 1982. Now count the quarters of coverage in that period of time (again excluding the PPD), and we find this individual has 20 QCs in the last 40 quarters.

Special DIB Insured Status**RS 00301.140, DI 10105.155****Age 24 to 31 Requirements (The One-for-Two Rule)**

For an individual who is age 24 but not yet 31 years old at onset, the individual could be too young to have acquired a 40 quarter (ten year) work history, so the requirement to be insured for DIB is modified. (Remember to consider 20/40 first.) (S)he must have one QC for every 2 calendar quarters that have elapsed since the quarter after attainment of age 21, up to and including the quarter of onset. Quarters of coverage earned in or before the quarter of attainment of age 21 **MAY NOT BE USED** to meet this requirement. Keep in mind, though, that QCs may be moved within a year to advantage a claimant.

When the required period described above involves an odd number of elapsed calendar quarters, the odd quarter is dropped in determining the number of QCs required for insured status.

The younger individual must still meet “fully insured” status as well.

Determining if One-for-Two is met

In order to determine if the One-for-Two Rule is met, follow these steps:

- Count the number of quarters there are beginning with the quarter after the quarter age 21 is attained and ending with the quarter of disability onset.
- If this is an odd number, drop 1.
- Divide by 2.
- Your answer is the number of QCs required to meet Special DIB Insured Status under the One-for-Two Rule.

EXAMPLE:

NH's DOB 9/2/77; DOO 12/17/02

1998--CNNN 2001--NNNN

1999--NNNN 2002--CCCC

2000--CNNN

ANSWER:

This NH is fully insured because he only needs 6 QCs to meet Fully Insured Status, but he does not meet 20/40 or Special Insured Status. There are 17 quarters from the quarter after attainment of age 21 (12/98) through the quarter of onset (12/02). Since this is an odd number, we drop 1 giving us 16 quarters. Divide this by 2. Therefore, 8 QCs must be within the 17 quarter period (12/98 – 12/02) in order for One-for-Two DIB Special Insured Status to be met. Since he only has 6 QCs within that period, even after moving the QC in 1998 to the 12/98 quarter, the NH does not meet this requirement.

SSA-1164

The SSA-1164 (Exhibit 10) is a worksheet that can be used for determining if Special Disability Insured Status (rather than 20/40) is met when onset is before age 31.

The SSA-1164 has four sections of columns. You use only the section that represents the calendar quarter of the NH's birth date.

1. In the appropriate section, in the column headed "YR" and in the row labeled "21" (in the "age" column on the extreme left hand side of the SSA-1164), enter the year the NH attains age 21.
2. In each following row, enter the years to age 31. The columns are pre-filled with two rows of numbers. The first row counts the quarters after age 21. The second row shows the number of QCs needed for disability insured status if onset is in that quarter.
3. Under these numbers, show whether that quarter is a "C" on the E/R.
4. Find and circle the quarter of the NH's disability onset.
5. As stated, the second pre-filled number in this space is the number of QCs needed for insured status. If there are that many "Cs" in the QC pattern you entered, the NH meets Disability insured status.

The following shows the appropriate column of an SSA-1164 completed for the previous example.

EXAMPLE WORKSHEET

SSA-1164 (3rd Column Only)

AGE	YR			QA	
18					
19					
20					
21	98			AGE 21	1 6 C
22	99	2 6	3 6	4 6	5 6
23	00	6 6 C	7 6	8 6	9 6
24	01	10 6	11 6	12 6	13 6
25	02	14 7 C	15 7 C	16 8 C	17 8 C
26	03	18 9	19 9	20 10	21 10

AGE	YR			QA	
27	04	22 10	23 11	24 11	25 12
28	05	26 13	27 13	28 14	29 14
29	06	30 15	31 15	32 16	33 16
30	07	34 17	35 17	36 18	37 18
31	08	38 19	39 19	/20/ /40/	

Worksheet for determining Special Insured Status

8 QCs are needed for special insured status to be met. The NH has only 6 QCs (including the moveable QC in 1998).

6 QCs are the minimum necessary for fully insured status.

EXAMPLE: (The SSA-1164 completed for this example is explained in Exhibit 11).

NH's DOB 12/14/73; DOO 7/10/03

1994—NNNN 1998—CNNN 2002—CNNN

1995—NNNN 1999—NNNN 2003—CCNN

1996—CCCC 2000—CCNN

1997—CCCC 2001—CCCN

ANSWER:

This NH is fully insured and meets the special insured status, since he/she needs 17 QCs in the period 01/95 (the quarter after attainment of age 21) – 09/03 (the quarter of onset) and has 17.

Age 24 or Younger (The Six-Out-of-Twelve Rule)

For individuals who become disabled in the quarter of attainment of age 24 or younger, the requirement is modified even further to require 6 quarters of coverage in the 12 quarters ending with the quarter of onset. This can include quarters before age 21 if they fall in the 12 quarter period. (Remember to consider 20/40 first.)

Determining if Six-Out-of-Twelve is met

In order to determine if the Six-Out-of-Twelve Rule is met follow these steps:

- Count back 12 quarters beginning with the quarter of onset.
- There must be at least 6 QCs during that period of time. (You CAN use pre-age 21 quarters.)

EXAMPLE:

DOB 10/05/80; DOO 06/03/03

2000—CCNN 2002—CCNN

2001—CCNN 2003—NNNN

ANSWER:

The NH has 6 QCs in the 12 quarter period from 09/00 through 06/03 after moving the 2 QCs in 2000. Therefore, he does meet the Six-Out-of-Twelve DIB Special Insured Status requirements.

An SSA-1164 may be modified for use for claimants with onset before age 24 when QCs prior to age 21 must be counted by using the spaces at the top of each column.

EXAMPLE WORKSHEET SSA-1164 (4th Column Only)

AGE	YR				QA
18	98				
19	99				
20	00			C	C
21	01	C	C		AGE 21

AGE	YR				QA
22	02	1 6 C	2 6 C	3 6	4 6
23	03	5 6	6 6	7 6	8 6
24	04	9 6	10 6	11 6	12 6
25	05	13 6	14 7	15 7	16 8
26	06	17 8	18 9	19 9	20 10
27	07	21 10	22 11	23 11	24 12
28	08	25 12	26 13	27 13	28 14
29	09	29 14	30 15	31 15	32 16
30	10	33 16	34 17	35 17	36 18
31	11	37 18	38 19	39 19	/20/ /40/

Worksheet for determining Special Insured Status

Insured Status for Statutory Blindness

RS 00301.150, DI 10105.170

An NH disabled by reason of statutory blindness needs only to be fully insured in the quarter of DIB onset. **20/40 is not required.**

Insured Status for Government Employees

RS 00301.160, DI 10105.165

Some Federal, state and local government employees pay only the Medicare portion of the FICA tax. These government employment QCs (reflected as F rather than C on an E/R) can be used to meet fully insured status and 20/40 to qualify for Medicare (not cash benefits) if the employee becomes disabled. The same requirements for insured status apply to MQGEs with respect to Medicare as apply for other workers with respect to cash benefits.

Special Insured Status—Prior Period of DIB Before Age 31

RS 00301.147, DI 10105.160

Requirements

Read **RS 00301.147** for the requirements necessary to meet the Special Insured Status for NH's who had a prior period of DIB before age 31.

This provision applies only to disabled NH's who:

- Had a prior period of DIB established before age 31 and met only the special insured status requirement; AND
- Do not currently meet the 20/40 requirement (**DI 10105.160**).

EXAMPLE:

NH's DOB 4/16/70. First period of disability DOO 5/16/95. The earnings record displayed:

1990—NNNC	1993—CNNN
1991—NNCC	1994—CCNN
1992—CCCN	1995—NNNN

The NH met DIB special insured status at that time. He/she has 8 QCs out of the 16 calendar quarters that elapsed after attainment of age 21 through the quarter of onset (9/91 through 6/95 quarters).

The NH's DIB ceased in 10/98. The last month of payment was 12/98.

In 9/03, the NH re-filed for DIB with a new DOO of 11/2/02. The earnings record now displays:

1990—NNNC	1995—NNNN	2000—CCNN
1991—NNCC	1996—CNNN	2001—CNNN
1992—CCCN	1997—NNNN	2002—CCCN
1993—CNNN	1998—CCCC	2003—NNNN
1994—CCNN	1999—CNNN	

To determine insured status for this second period of disability, we exclude the prior period of DIB beginning with the 6/95 quarter through the 9/98 quarter. We do not exclude the 12/98 quarter because it is a QC. It is advantageous to the NH to use it as part of the elapsed period.

Count the number of quarters after age 21 (09/91 quarter) through the DOO (11/2/02). There are 32 elapsed quarters and 16 QCs are required. The NH has 16 QCs and meets the special insured status for a second period of DIB. The SSA-1164, modified by the user, can be used in these situations.

Verifying Insured Status Online

MSOM 207, 211, 231, 1770, 1724

There are several ways to verify insured status online.

ICERs

Before you establish a claim on MCS, you can use ICERs (Item 9 on the Main Menu) or the online PEBES query (Item 9 on the Main Menu).

For ICERs, select number 23 (Info/Cert Earnings Record) on the Master File Query Menu. Include the alleged onset on the ICIC screen where it asks for onset. No other information is needed. If you input an onset date and the individual is not insured, ICERs will tell you on the "Informtnl" line that he/she is not insured. In the "Dates" line, it will list the date you entered on the ICIC screen. In the "Ins Stat" line, it gives the information on when the individual was first insured. ICERs can also be used with prior periods of disability; just answer "yes" on the ICIC screen under the question, "Prior Period(s) Disability" and it will then take you to the ICMD screen where you can include this information (ICIC, ICMD--**MSOM 231**).

PEBES

To obtain an online PEBES query, select number 22 on the Query Menu (MFQM). You must enter the name and DOB on the request screen (PBRQ). The response shows both fully insured status requirements and 20/40 requirements. It also shows whether the requirements are met. It considers Special Insured Status for NHs under age 31. A benefit estimate is also shown (**MSOM 207**).

MCS

Once a claim is established in MCS, the Earnings Computation (EC) screens can be accessed. These will provide the most accurate determination of insured status and benefit amount. Select number 21 (Earnings Comp Request) on the MCS System Menu (MENU). The MCR1 screen shows the date last insured and benefit computation. The DEII (select case display #3 on MCR1 and option #3 on MEIS) screen

shows QCs required and QCs earned, as well as date first insured (**MSOM 1770**).

DISCO

DIB Insured Status Calculator Online

This is an ACCESS program located on the desktop of your IWS/LAN computer. It was downloaded to all sites in February 2001. DISCO uses uncertified earnings and, therefore, is used for informational purposes only, BUT it does a much more consistently accurate job of computing DIB insured status than some of the other programs.

You must have open an NS ELITE/PCOM session which must match the session listed on the DISCO screen. DISCO will obtain any queries needed in computing insured status—SEQY, NUMI, SSID, AACT. It will even order an ICERS if you request it. It will then compute the DIB insured status and date last insured (DLI) based upon the date of birth or onset the user provides.

If you wish to manipulate the QC pattern by adding or changing the earnings and posted quarters for computational purposes, DISCO allows you to do this and will refigure the insured status and DLI based on the new information.

When using any of these methods:

- Be sure that lag earnings have been considered, including the current year.
- Consider the effect of gaps or incomplete postings.
- Remember that QCs after 1977 can be reassigned within a year to the quarter most beneficial to the NH.

OBJECTIVE 4:**Compute Date Last Insured (DLI).****Date Last Insured****RS 00301.148****Definition**

The DLI (Date Last Insured) is the last day in the last quarter in which DIB insured status is met. The term “Date Last Met” (DLM) is also used and means the same thing.

Like calculating insured status, when determining Date Last Insured we are counting the number of QCs within a certain timeframe. So, also like calculating insured status, it is VERY important to note that QCs can be moved within a year to advantage a claimant. Quarters of coverage are flexible in that they may be assigned to any quarter in the calendar year whenever necessary to meet the requirements for insured status, Date Last Insured and Date First Insured.

Purpose

The FO and Disability Determination Service (DDS) need to know when disability insured status is last met because it determines the amount of development required.

- If DIB insured status is not met, do not send the claim to DDS.
- If the DLI is in the past, medical development of the NH’s current condition is not necessary.
- If a claim is finally adjudicated as a medical denial after the DLI, a new medical decision will not be made later unless the requirements for reopening are met (reopening is in a later chapter).

EXAMPLES:

1. With no prior health problems, NH was injured in an accident on 3/21/03 (a traumatic onset), DLI is 9/30/02; claim must be technically denied in FO and must not be sent to DDS for a medical decision.
2. NH had heart attacks in 2001 and 2003 (non-traumatic onset). DLI is 3/31/02. DDS must be informed to evaluate medical evidence only through 3/31/02.

Determining DLI Age 31 or Later

Follow these steps to determine the DLI when the NH is age 31 or older:

- Count back 20 QCs beginning with the last QC on the E/R (be sure to consider lag and moveable QCs).
- Move back 1 additional quarter (which does not have to be a QC) and add 10 years. (Moving back one additional quarter allows you to end up in the right quarter after adding the ten years. Under no circumstance should you include that one additional quarter within the ten-year timeframe.)
- The DLI is the last day of the quarter arrived at if the NH is both fully insured and the 20 QCs are within the 10 year period.

EXAMPLE:

DOB 09/15/63; DOO 01/31/03

1991—CCCC	1998—CNNN
1992—CCCC	1999—CCCN
1993—CCCC	2000—CCCC
1994—CCCC	2001—CCNN
1995—CCCC	2002—CCCN
1996—CCCC	2003—CCNN
1997—NNNN	

The first action to take is to move the 2 QCs in 2003 over to the 3rd and 4th quarters of that year. Now count back 20 QCs beginning with the last QC on the earnings record, which now is the 4th quarter of 2003. The 20th QC back is the 4th quarter of 1995. After moving back 1 additional quarter, add 10 years, which is the 3rd quarter of 2005. The DLI is 09/30/05, which is the last day of the quarter in which he is both fully insured and has 20 QCs within the 10 year period.

DLI for Special Insured Status

RS 00301.140, DI 10105.155

Pre-Age 24

For the NH who is pre-age 24, the DLI is figured using the same idea as used when the NH is 31 or older.

- Count back 6 QCs starting with the last QC on the E/R.
- Move back one additional quarter.
- Add three years (12 quarters) or to age 24, whichever comes first.
- If the 6 QCs are included in the 12 quarters, this is the DLI, unless the DLI is later by using one of the other methods.

NOTE: We use whichever method – 20/40 test or special insured rules – that will give the later DLI.

EXAMPLE:

DOB 1/10/82 AOD 1/7/03

2001—CNNN

2002—CCCC

2003—CNNN

The NH is insured as of the AOD because he/she meets the pre-age 24 requirement (6 out of 12). The DLI is 9/04 since the 3/01 QC can be moved to 12/01.

EXAMPLE:

DOB 4/7/81 AOD 11/2/02

2001—CCCC

2002—CCCC

2003—NNNN

NH meets the pre-age 24 requirement (6 out of 12) for insured status.
The DLI is 6/30/04

DIB Onset Between Ages 24-31

To determine the DLI when NH's age at onset is age 24 to age 31:

- Count the number of QCs earned beginning with the quarter after the NH turned age 21 and ending with the last posted QC.
- Double that number and add 1 quarter.
- Count forward that number of quarters (not only QCs) from the quarter after age 21.
- The last day of that quarter is the DLI, if all the QCs are within this period.

EXAMPLE:

If the NH has 19 QCs since he was age 21, he will be insured through the 39th quarter after reaching age 21.

DOB 8/15/74 AOD 3/15/03

1995—CCCN 2000—CCNN

1996—CCCN 2001—CCCN

1997—CCCN 2002—CCNN

1998—CNNN 2003—CNNN

1999—CCCN 2004—NNNN

Age 21 is in the 9/95 (3rd) quarter. Move one of the QCs in 1995 to the 4th quarter. Starting with the 12/95 quarter, count 39 quarters which brings you to the 6/05 quarter. The DLI is 6/30/05.

Using the SSA-1164

Review the following partial SSA-1164 showing computation of this DLI.

Example Using SSA-1164 to Determine Pre-Age 31 DLI

AGE	YR			QA	
18					
19					
20					
21	95			AGE 21	1 6 C
22	96	2 6 C	3 6 C	4 6 C	5 6 6
23	97	6 6 C	7 6 C	8 6 C	9 6 6
24	98	10 6 C	11 6 6	12 6 6	13 6 6
25	99	14 7 C	15 7 C	16 8 C	17 8 8
26	00	18 9 C	19 9 C	20 10 10	21 10 10
27	01	22 11 C	23 11 C	24 12 C	25 12 12
28	02	26 13	27 13	28 14	29 14

AGE	YR	C	C	QA	
		30	31	32	33
29	03	15	15	16	16
		C			
30	04	34	35	36	37
		17	17	18	18
31	05	38	39	/20/	
		19	19	/40/	

Use the 3rd column, since the quarter in which the NH was age 21 was 9/95. Enter the years and the QCs for each year. One of the 1995 QCs should be assigned to the 12/95 quarter. Count the total of "Cs" shown. This NH has a total of 19 QCs. Locate the last quarter where "19" is the bottom pre-filled number. The last day of this quarter is the DLI if all 19 QCs are between age 21 and this quarter. The DLI in this case is 6/30/05.

Sometimes using the SSA-1164 is easier than manually counting the QCs when using the age 24-31 test.

DLI Points to Remember

In all DLI computations, the quarter arrived at is only a valid DLI if none of the QCs counted come after that quarter and fully insured status is met as of that quarter. Be sure to consider lag earnings, including the current year.

The DLI is shown on the MCR1 screen in EC. The DLI will change if the NH does additional work.

Exhibit 12 lists the steps to determining DLI.

Date First Insured**DI 11010.325**

A claimant's alleged onset may fall before the claimant has actually attained insured status. This is frequently seen with younger claimants who have been referred by an SSI co-worker for possible T2 benefits. Also, with the assignment of QCs based upon annual earnings, it is now possible to determine insured status many months prior to the actual start of the insuring quarter. Therefore, if a claimant files a disability claim prior to meeting insured status, these claims must be transmitted to the DDS for a disability determination, unless otherwise excluded.

Remember that an onset for T2 cannot be established before the claimant is insured, so looking for the date a claimant is first insured can be important. MCS EC screens will show the date first insured once the claim has been taken and the screens completed.

For a claimant who is under age 24, the date first insured is the first point he/she has 6 QCs within a 12-quarter period.

For a claimant who is age 24 or over but under age 31, the date first insured is the first point he/she has earned enough QCs after age 21 as required in a particular quarter. Use of the 1164 is especially useful here.

EXHIBIT 1: QC AMOUNTS FOR 1978 AND LATER**RS 00301.250**

1978 - \$250 per QC (\$1,000 yr = 4 QCs)	1994 - \$620 per QC (\$2,480 yr = 4 QCs)
1979 - \$260 per QC (\$1,040 yr = 4 QCs)	1995 - \$630 per QC (\$2,520 yr = 4 QCs)
1980 - \$290 per QC (\$1,160 yr = 4 QCs)	1996 - \$640 per QC (\$2,560 yr = 4 QCs)
1981 - \$310 per QC (\$1,240 yr = 4 QCs)	1997 - \$670 per QC (\$2,680 yr = 4 QCs)
1982 - \$340 per QC (\$1,360 yr = 4 QCs)	1998 - \$700 per QC (\$2,800 yr = 4 QCs)
1983 - \$370 per QC (\$1,480 yr = 4 QCs)	1999 - \$740 per QC (\$2,960 yr = 4 QCs)
1984 - \$390 per QC (\$1,560 yr = 4 QCs)	2000 - \$780 per QC (\$3,120 yr = 4 QCs)
1985 - \$410 per QC (\$1,640 yr = 4 QCs)	2001 - \$830 per QC (\$3,320 yr = 4 QCs)
1986 - \$440 per QC (\$1,760 yr = 4 QCs)	2002 - \$870 per QC (\$3,480 yr = 4 QCs)
1987 - \$460 per QC (\$1,840 yr = 4 QCs)	2003 - \$890 per QC (\$3,560 yr = 4 QCs)
1988 - \$470 per QC (\$1,880 yr = 4 QCs)	2004 -- \$900 per QC (\$3,600 yr = 4 QCs)
1989 - \$500 per QC (\$2,000 yr = 4 QCs)	
1990 - \$520 per QC (\$2,080 yr = 4 QCs)	
1991 - \$540 per QC (\$2,160 yr = 4 QCs)	
1992 - \$570 per QC (\$2,280 yr = 4 QCs)	
1993 - \$590 per QC (\$2,360 yr = 4 QCs)	

EXHIBIT 2: QC SYMBOLS

SAMPLE: Full Claims Earnings Record Extract (all columns not shown)

<u>MAX</u>	<u>AMT</u>	<u>YR</u>	<u>QC</u>	<u>REGULAR</u>	<u>RAILROAD</u>	<u>RQSM</u>	<u>DMW</u>	<u>SE</u>	<u>AG</u>
45000	470	88	CCCC	45000.00			0000	N	N
48000	500	89	CCCC	48000.00			0000	N	N
51300	520	90	CCCC	49600.00			0000	N	N
53400	540	91	CCCC	52500.00			0000	Y	N
55500	570	92	CCCC	54000.00			0000	Y	N
57600	590	93	CCCC	56000.00			0000	N	N
60600	620	94	CCCC	58000.00			0000	N	N
61200	630	95	CCCC	60000.00			0000	N	N
62700	640	96	CCCC	62700.00			0000	N	Y
65400	670	97	CCCC	65000.00			0000	N	Y
68400	700	98	CCCC	67500.00			0000	N	N
72600	740	99	CCCC	70000.00			0000	N	N
76200	780	00	CCCC	72500.00			0000	N	N
80400	830	01	CCCC	75000.00			0000	N	N
84900	870	02	L L L L	60000.00			0000	N	N

1. Symbols in use 1978 and later

C - QUARTER OF COVERAGE (Wage, Agriculture or Self-employment)

L - LAG WAGES

N - QUARTER IS NOT A QC

F - MQGE QC

2. Symbols in use 1977 and earlier

C - WAGE QC

S - SELF-EMPLOYMENT QC

A - AGRICULTURAL QC

G - GIFT QC

L - LAG QC

N - QUARTER IS NOT A QC

- QUESTIONABLE QC

M - GRATUITOUS MILITARY SERVICE QC

R - RAILROAD INVOLVEMENT

* - GOOD QC

\$ - GOOD QC

EXHIBIT 3: DETERMINING FULLY INSURED STATUS

I. ENDING DATE

A. Year of disability onset _____

B. Year attain age 62 _____

C. Year of death _____

D. Enter the earliest of A, B, C _____

II. BEGINNING DATE

A. Year attain age 22 _____

B. Enter 1951 1951

C. Enter later of A or B _____

III. Subtract II(C) from I(D) _____ *

* The answer is the number of QCs required for Fully Insured Status.

* The maximum number of QCs ever needed is 40 QCs.

* The minimum number of QCs is 6 QCs.

NOTE: If there was a Prior Period of DIB, be sure to count the number of years either wholly or partially within the prior period. Then subtract that from the number arrived at in III.

EXHIBIT 4: ICER CERTIFIED E/R

NH NAME DANIEL R LOUDEN SN:XXX-XX-XXXX PG 001+
 INPUT 12/16/03 D0:123 UN:CRR DERO MOD:
 RUN DATE 12/16/03 V:11/01/02 :
 CONTROL XXX XXX XXX XXX XXX

EVENT ICERS EARNINGS RECORD
 TID CERTIFIED EARNINGS RECORD
 ALERTS POSSIBLE GAPS PRIOR TO 1978
 PRIOR CLAIM DATA DOES NOT EXIST ON DRAMS
 NH HAS 30 YOC'S FOR NONCOVERED PENSION PIA
 INFORMTNL 1970 MILITARY SERVICE (SSN-XXXXXXXXXX)
 ID INFO REQ NAME:LOUDEN REQ SEX:M REQ DOB:02/18/1942
 DATES PIA START DATE: 03/2004
 INS STAT RSI: RSI REQ QC: 40 RSI HAS: 040
 OTHER: FIRST ELIG: 02/04 DRC INSURED DATE: 12/07
 TOT COV SSA QC
 1937 THRU 1950 QC: 0
 WAGE QC AFTER 1946: 155 WAGE QC AFTER 1950: 155
 SE QC: NONE AG QC: NONE
 TOT EARN SSA
 TOT AFTER 1936: 1363434.80
 TOT AFTER 1950: 1363434.80

COMPUTATIONAL YEARLY EARNINGS
 MAX AMT YR QC REGULAR U NH INDEXED RAILROAD RQSM DMW SE AG
 4200 58 NN#N 26.31 238.14
 4800 59 N#CN 274.03 2363.21
 60 NNNN

NH NAME DANIEL R LOUDEN

SN:XXX-XX-XXXX PG 002+

INPUT 08/22/02

D0:123 UN:CRR DERO MOD:

COMPUTATIONAL YEARLY EARNINGS

MAX AMT	YR	QC	REGULAR	U	NH	INDEXED	RAILROAD	RQSM	DMW	SE	AG
4800	61	NNCC	1536.38			12500.82					
	62	CCCC	3272.52			25357.26					
	63	CCCC	4522.97			34207.53					
	64	CCCC	4844.87	L		34877.38					
	65	CCCG	4800.00			34260.49					
6600	66	CCCC	6030.88	H		40608.49					
	67	CCCC	6774.80	H		42095.77					
7800	68	CCCN	4286.64			25582.53			300		
	69	NNCC	4596.45			25932.78			300		
	70	CCCC	8577.75	H		41926.32			600		
	71	CCCG	8300.25	L		39920.44			300		
9000	72	CCCG	9528.96	H		41950.83			300		
10800	73	CCCG	10800.00	H		47376.65					
13200	74	CCCG	13200.00	H		54655.80					
14100	75	CCCC	22577.70	H		54322.65					
15300	76	CCGG	15300.00	H		55140.96					
16500	77	CCGG	16500.00	H		56103.36					
17700	250 78	CCCC	17700.00	H		55756.00					
22900	260 79	CCCC	22900.00	H		66333.51					
25900	290 80	CCCC	25900.00	H		68824.22					
29700	310 81	CCCC	29700.00	H		71704.05					
32400	340 82	CCCC	32400.00	H		74140.98					
35700	370 83	CCCC	35700.00	H		77897.56					
37800	390 84	CCCC	37800.00	H		77900.44					
39600	410 85	CCCC	39600.00	H		78275.05					
42000	440 86	CCCC	42000.00	H		80625.93					

NH NAME DANIEL R LOUDEN SN:XXX-XX-XXXX PG 003
INPUT 08/22/02 D0:123 UN:CRR DERO MOD:

COMPUTATIONAL YEARLY EARNINGS

MAX	AMT	YR	QC	REGULAR	U	NH	INDEXED	RAILROAD	RQSM	DMW	SE	AG
43800	460	87	CCCC	43800.00	H		79040.55					
45000	470	88	CCCC	45000.00	H		77394.28					
48000	500	89	CCCC	48000.00	H		79409.75					
51300	520	90	CCCC	51300.00	H		81122.02					
53400	540	91	CCCC	53400.00	H		81409.05					
55500	570	92	CCCC	55500.00	H		80464.67					
57600	590	93	CCCC	57600.00	H		82797.20					
60600	620	94	CCCC	60600.00	H		84832.72					
61200	630	95	CCCC	61200.00	H		82370.92					
62700	640	96	CCCC	62700.00	H		80455.12					
65400	670	97	CCCC	65400.00	H		79292.89					
68400	700	98	CCCC	68400.00	H		78805.60					
72600	740	99	CCCC	72600.00	H		79229.22					
76200	780	00	CCCC	76200.00	H		78800.29					
80400	830	01	CCCC	80400.00	H		81206.32					
84900	870	02	CCCC	31844.29			31884.29					
87000	890	03	NNNN									

COMP DATA RSI – COMP TYPE: NS 78 AIME: \$5635.00
 EFF DATE: 03/04 PIA: \$1827.30 PIFC:L FAM MAX: \$3198.20
 START BASE YEAR/START DATE:1951 LAST BASE YEAR/CLOSE DATE:2003
 DIVIDEND:\$2367066.99 DM:420 DOY: 5 YOC: I/Y: ELG YR: 2004
 TRIAL COMPUTATIONS: SP MIN \$638.70 BENEFIT
 MONTHLY BENEFIT AMOUNT:\$1393.30 REDUC MONTHS: 45 EFF DATE: 03/04

EXHIBIT 5: MAIN, MFQM

SSA MENU	MAIN	
SELECT THE DESIRED FUNCTION: 09		
1. TITLE II/INITIAL CLAIMS 2. TITLE II/PE 3. TITLE XVI/IC CLAIMS AND PE 4. SHARED PROCESSES 5. ENUMERATION 6. DEBT MANAGEMENT 7. TITLE II/INTERACTIVE COMPS 8. TITLE XVI/INTERACTIVE COMPS <input checked="" type="checkbox"/> 9. MASTER FILE QUERY 10. MACADE 11. APPOINTMENT/REFERRAL/LEADS 12. EARNINGS MODERNIZATION 13. INTEGRITY REVIEW 14. RSDHI DATA INPUTS 15. SSI DATA INPUTS 16. ADMINISTRATIVE APPLICATIONS 17. OHA DATA INPUTS/QUERIES 18. NDDSS MASTER FILE MENU	19. CPS DATA INPUTS/QUERIES 20. TRID APPLICATIONS 21. RRB DATA INPUTS 22. ALTERNATE MODE FACILITY 23. REPRESENTATIVE PAYEE 24. MODERNIZED DEVELOPMENT WORKSHEET 25. WMS LISTINGS 26. PC ACTION CONTROL SYSTEM 27. TITLE II MODERNIZED DATA INPUTS 28. DRUG ADDICTION AND ALCOHOLISM 29. PC NOTICE PROCESSING 30. COMMON TICKLE 31. ONLINE NOTICE RETRIEVAL 32. CONTINUING DISABILITY REVIEW FILE 33. PRISON SYSTEM 34. NETWORK STATUS 35. UNVERIFIED PRISONER SYSTEM 99. RETURN	
QRY	MASTER FILE QUERY MENU	MFQM
TRANSFER TO: ____	FIELD OFFICE: 997	UNIT: JAM ____
SELECT ONE OF THE FOLLOWING: 23		
1=AACT (ABBREVIATED MBR)	12=PHU4 (TAXATION INQUIRY)	
2=FACT (FULL MBR)	13=1099 (BENEFIT STATEMENT)	
3=SSACCS (CLAIMS CONTROL)	14=TPQY (THIRD PARTY)	
4=THIS (TRANSACTION HISTORY)	15=DEQM (DELAYED QUERY MENU)	
5=NUMI (NUMIDENT)	16=MISM (MISCELLANEOUS MENU)	
6=ALPH (ALPHIDENT)	17=QRSL (INQUIRY RESPONSE)	
7=FUTURE USE	18=CNQY (CONSOLIDATED)	
8=SEQY (SUMMARY EARNINGS)	19=RPQY (REPRESENTATIVE PAYEE)	
9=DEQY (DETAIL EARNINGS)	20=PCACS (CASE CONTROL QUERY)	
10=SSQM (SSID, SSI2, SSI3, SSI4)	21=HCFA (HI/SMI)	
11=PHUS (PHU1, PHU2, PHU3)	22=PBRQ (PEBES ONLINE)	
	<input checked="" type="checkbox"/> 23=ICERS (INFO/CERT EARNINGS RECORD)	
SOCIAL SECURITY NUMBER: ____ - ____ - ____		
(SSN MANDATORY FOR 1-5, 8, 10-13, 17-18, 21-22, OPTIONAL FOR 9, 20, 23)		
ROUTE RESPONSE TO / RETURN TO (SELECT ONE): 1 (MANDATORY FOR 1-3)		
1=SCREEN 2=PRINTER/MAIN 3=PRINTER		
BENEFICIARY ID CODE (BIC): ____ (OPT FOR 1-2, 17, 21) REDIRECT (N): ____ (OPT 17)		

EXHIBIT 6: ICMN, ICIC

ICERS	12/03/02	INFORMATIONAL/CERTIFIED EARNINGS RECORDS MENU	ICMN
		OFFICE CODE: R07	UNIT: DENICE
NH SSN:			
SELECT FUNCTION: 4			
1 = CERTIFIED EARNINGS RECORD FOR TOTALIZATION			
2 = EARNINGS RECORD FOR TRANSITIONAL EMPLOYEE			
3 = INFORMATIONAL EARNINGS RECORD ESTIMATE			
4 = CERTIFIED EARNINGS RECORD			
(OEO USE ONLY)			
5 = MILITARY EARNINGS 1957 - 1982 (OPM-CATCH62)			

ICERS	12/03/02	INFORMATIONAL/CERTIFIED EARNINGS RECORDS	ICIC
NH SSN: 999-99-9999		SPOUSE/WIDOW(ER) SSN:	
NH NAME: ARNOLD	LELAND	HESSEFORT	
PIA START DATE (MMYY):		SEX (M/F): M	
DATE OF ONSET (MMDDYY):		DATE OF BIRTH (MMDDYYYY): 05011938	
ADJUSTED BLIND ONSET (MMDDYY):		DATE OF DEATH (MMDDYYYY):	
FILING DATE (MMDDYY) :			
MULTIPLE SSNS:			
WRONG ACCOUNT NUMBER OVERRIDE (Y/N): N			
PRIOR PERIOD(S) DISABILITY (Y/N): N			
7/40 - 12/67 MS SCREEN (Y/N): N		WIDOW(ER) DATA	
LAG EARNINGS SCREEN (Y/N): N		DATE OF BIRTH (MMDDYYYY):	
WEP SCREEN (Y/N): N		DATE OF ONSET (MMDDYY):	
USER DATA:			

EXHIBIT 8: ICMD, ICDR

ICERS	12/03/02	MBR DISABILITY DATA	ICMD
NH SSN:	999-99-9999	NH NAME: ARNOLD	L HESSEFORT
ONSET (MMDDCCYY):		AWARD CODE:	
ENTITLEMENT (MMCCYY):		CESSATION (MMCCYY):	
DENIAL /DISALLOWANCE CODE:			
DOES THIS PRIOR PERIOD OF DISABILITY (PPD) INVOLVE S7 MONTHS (Y/N):			
IF YES, ARE ANY S7 MONTHS DUE TO SGA IN THE EPE (Y/N):			
IF ANY S7 MONTHS ARE DUE TO SGA IN THE EPE COMPLETE THE FOLLOWING:			
WERE ANY S7 MONTHS DUE TO A SUSPENSE REASON OTHER THAN SGA (Y/N):			
ARE ANY SGA S7 MONTHS NOT CORRECTLY REFLECTED ON THE MBR (Y/N):			
IF YES TO EITHER OF THE LAST 2 QUESTIONS, COMPLETE THE FOLLOWING:			
LATEST PERIOD OF SGA SUSPENSION START DATE (MMCCYY):			
LATEST PERIOD OF SGA SUSPENSION END DATE (MMCCYY):			
PAGE:	01	MORE (Y/N):	N

ICERS	12/03/02	DRAMS DISABILITY DATA	ICDR
NH SSN:	999-99-9999	NH NAME: ARNOLD	L HESSEFORT
DATA SOURCE: DRAMS DATA IS NOT PRESENT			
START DATE (MMCCYY)	END DATE (MMCCYY)	SOURCE	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
_____	_____	_____	
INFORMATIONAL/CERTIFIED EARNINGS RECORDS MENU		ICMN	ICERS 12/03/02
OFFICE CODE: R07		UNIT: DENICE	
NH SSN:			

EXHIBIT 9: WEPI, ICRS

ICERS NH 999999999	WINDFALL ELIMINATION INPUT ARNOL HESSEFORT	12/03/02	WEPI
SOURCE OF PENSION: IF STATE SELECTED, SHOW ABBREVIATION: 1. OPM 2. STATE (INCLUDES GU, PR, SM, VI) 3. US GOVT 4. OTHER			
ELG DATE OF PENSION (MMYY): ENT DATE OF PENSION (MMYY): GROSS MONTHLY PENSION AMT AT FIRST MONTH OF CONCURRENT ENTITLEMENT TO PENSION & SOCIAL SECURITY BENEFIT: OR LUMP SUM AMOUNT: IF LUMP SUM, ENTER PERIOD COVERED BY LUMP SUM BEGINNING (MMYY): THROUGH (MMYY): OR TOTAL MONTHS:			
PROOF OF PENSION AMT (P/N): IF PENSION ENDED, DATE LAST RECD (MMYY):			
IS THE PENSION BASED ON BOTH COVERED AND NON-COVERED SERVICE MONTHS (Y/N): TOTAL PENSION PERIOD (MMYY) FROM: TO: OR TOTAL MONTHS: NONCYRD PERIOD AFTER 1956 (MMYY) FROM: TO: OR TOTAL MONTHS: MORE(Y/N): N PENSION 1 OF 1			

ICERS	12/03/02	RESULTS SUMMARY	ICRS
NH SSN: 999999999	NH NAME: ARNOLD	L HESSEFORT	
EVENT: ICERS EARNINGS RECORD TID: CERTIFIED EARNINGS RECORD PIA START DATE: 05/2000 NH DOB: 05/01/1938			
PROC LIMS: N	DERO CONDITIONS: N	OEO CONDITIONS: N	ALERTS: Y
EXCEPTIONS: N	INFORMATIONALS: N	REMARKS: N	MULT SSNS: N
INSURED STATUS	RSI REQUIRED QC: 40	RSI HAS QC: 40	CURRENTLY INSURED: N
EFFECTIVE DATE: 12/2002	CURRENT PIA: \$1582.40	MAXIMUM: \$2769.40	
PIA FACTOR CODE: L	LOW YEARS: 1962 \$32281.99	1963 \$31509.27	
CURRENT MONTHLY BENEFIT AMOUNT: \$1259.30		REDUCTION MONTHS: 37	
PRINT FULL RECORD (Y/N):			

EXHIBIT 10: SSA-1164 WORKSHEET – SPECIAL INSURED STATUS

AGE	YR	QA				YR		QA			YR			QA		YR				QA	
18																					
19																					
20																					
21		AGE 21	1 6	2 6	3 6			AGE 21	1 6	2 6				AGE 21	1 6						AGE 21
22		4 6	5 6	6 6	7 6		3 6	4 6	5 6	6 6		2 6	3 6	4 6	5 6		1 6	2 6	3 6		4 6
23		8 6	9 6	10 6	11 6		7 6	8 6	9 6	10 6		6 6	7 6	8 6	9 6		5 6	6 6	7 6		8 6
24		12 6*	13 6	14 7	15 7		11 6	12 6*	13 6	14 7		10 6	11 6	12 6*	13 6		9 6	10 6	11 6		12 6*
25		16 8	17 8	18 9	19 9		15 7	16 8	17 8	18 9		14 7	15 7	16 8	17 8		13 6	14 7	15 7		16 8
26		20 10	21 10	22 11	23 11		19 9	20 10	21 10	22 11		18 9	19 9	20 10	21 10		17 8	18 9	19 9		20 10
27		24 12	25 12	26 13	27 13		23 11	24 12	25 12	26 13		22 11	23 11	24 12	25 12		21 10	22 11	23 11		24 12
28		28 14	29 14	30 15	31 15		27 13	28 14	29 14	30 15		26 13	27 13	28 14	29 14		25 12	26 13	27 13		28 14
29		32 16	33 16	34 17	35 17		31 15	32 16	33 16	34 17		30 15	31 15	32 16	33 16		29 14	30 15	31 15		32 16
30		36 18	37 18	38 19	39 19		35 17	36 18	37 18	38 19		34 17	35 17	36 18	37 18		33 16	34 17	35 17		36 18
31		20 40	20 40	20 40	20 40		39 19	20 40	20 40	20 40		38 19	39 19	20 40	20 40		37 18	38 19	39 19		20 40

*Attainment age 24

Form SSA-1164 (4-82)

INSTRUCTIONS FOR COMPLETION

Use of the Form SSA-1164 is limited to those cases where special insured (SI) status is involved and the worker is disabled prior to the quarter of attainment of age 31.

Complete the worksheet as follows:

1. Select the column in the shaded area of the form that corresponds with the quarter of attainment of age 21.
2. Enter the year of attainment of age 21 and the succeeding years as needed.
3. Using the earnings record and any other primary evidence of wages of SEI as a reference, enter a "C" in each block of the SSA-1164, in which the NH has earned a quarter of coverage.
4. Enter an "X" in the block on the SSA-1164 corresponding to the date of disability onset.

The top number in each block represents the number of elapsed quarters after age 21.

The bottom number in each block represents the number of QCs needed to meet special insured status at that point.

If the number of elapsed quarters is an odd number, the odd QC is dropped. In this instance, the required amount of QCs will be the same as the amount of QCs shown in the prior even number block (e.g., the required number of QCs is 10, when either 20 or 21 quarters have elapsed after age 21).

5. If the date of disability onset is at age 24 or earlier, the required number of QCs is always a minimum of 6. These 6 QCs must be earned in the 12 quarter period ending with the quarter of onset, i.e., if onset occurred at the age of 23, the 12 quarter period begins with the third quarter prior to attainment of age 21.
6. The date insured status last met is determined by finding the last block where the bottom number agrees with the total number of QCs that the NH has earned. For example, if an NH has a total of 7 QCs after age 21, the last day of the 15th quarter after age 21 would be the date insured status was last met.

When the period of disability cannot begin in the quarter of onset (as the NH does not meet insured status at that point), it begins with the first day of the quarter in which the qualifying QC to meet SI is earned.

EXHIBIT 11: SPECIAL INSURED STATUS FOR DISABILITY BEFORE AGE 31

REQUIREMENTS:

1. Become disabled before the calendar quarter in which he/she attains age 31, AND
2. Be fully insured, AND
3. If disabled after the quarter of age 24 attainment – have earned QCs in at least half of the calendar quarters beginning with the calendar quarter after age 21 attainment, OR
4. If disabled in the quarter of age 24 attainment or earlier – have earned 6 QCs out of the 12 calendar quarters ending with the quarter of onset.
5. Remember that moveable QCs apply to any quarters of coverage from 1978 onward if needed for insured status.

EXAMPLE: NH's DOB 12/14/73 DOO 7/10/03

1995—NNNN	2000—CCNN
1996—CCCC	2001—CCCN
1997—CCCC	2002—CNNN
1998—CNNN	2003—CCNN
1999—NNNN	

NH became disabled in the 35th quarter after reaching age 21 and needs 17 QCs at that point to be insured. Since the NH has 17 QCs in that period, the NH meets special insured status.

Using the 4th column, because DOB is in the 4th quarter, an SSA-1164 should be completed as shown on the following page.

YR				QA
94				AGE 21
95	1 6	2 6	3 6	4 6
96	5 6 C	6 6 C	7 6 C	8 6 C
97	9 6 C	10 6 C	11 6 C	12 6* C
98	13 6 C	14 7	15 7	16 8
99	17 8	18 9	19 9	20 10
00	21 10 C	22 11 C	23 11	24 12
01	25 12 C	26 13 C	27 13 C	28 14
02	29 14 C	30 15	31 15	32 16
03	33 16 C	34 17 C	35 17	36 18
	37 18	38 19	39 19	20 40

EXHIBIT 12: DETERMINING DATE LAST INSURED (DLI)

Regular DIB Insured Status (20/40)

1. Count back 20 QCs beginning with the last QC on the earnings record. Remember to move any quarters of coverage into the last positions within the year they are posted. Example: If 1990 shows quarters of coverage as: CCNN, move the quarters of coverage to the last two positions: NNCC.
2. Count back one additional calendar quarter, which does not have to be a QC.
3. Advance 10 years (40 calendar quarters) from solution in step 2.
4. If the 20 QCs used in step 1 are contained in the 40 quarter period in step 3, the last day of the quarter in step 3 is the DLI. If not, start over with step 1, using the next earlier posted QC and repeat this process.

Special Insured Status

1. Disabled prior to age 24 - use the ending date of the last 12 quarter period in which the NH has 6 QCs. Remember to move any quarters of coverage to the last positions within the year they are posted. This is the DLI unless a later DLI can be established using the pre-age 31 or 20/40 method.
2. Disabled age 24 to age 31 - using the SSA-1164, find the last block where the pre-printed bottom number agrees with the total number of QCs earned after the quarter of age 21 attainment. Remember to move any quarters of coverage to the last position within the year they are posted. This is the DLI if all Cs are in or before this quarter, unless this date exceeds attainment of age 31, in which case 20/40 applies.

Without an SSA 1164, double the number of QCs earned after age 21, add 1, and count this number of quarters beginning the quarter after age 21.

EXHIBIT 13: INSURED STATUS – INTRODUCTION

PROGRAMMED LEARNING TEXT-1: PL-1

**PL-1
KEY**

<p>The Social Security program is designed to partially replace earnings lost due to retirement, death or disability of an insured individual. It is a compulsory insurance program. Whereas individuals in private insurance programs must pay a certain amount of premiums before they can collect any benefits, participants in the Social Security program must perform a specified amount of work under the program before they can collect benefits. If they perform the specified amount of work, they have insured status. Upon completion of this PLT, you will be able to describe how insured status is earned under the regulations in effect both before and after 01/01/78. You will also be able to determine in any individual case if a number holder (NH) has enough work to have any of several types of insured status which, as stated above, are a prerequisite to the collection of benefits.</p>	
<p>1. A NH has insured status if he has worked a specified length of time. Work is earnings measured by SSA in increments called QCs or quarters of coverage. Therefore, a NH must have a minimum number of _____ before most Social Security benefits can be paid.</p>	<p>QCs</p>
<p>To be able to analyze a NH's work history and ascertain if he has QCs for insured status, SSA must have a means of receiving and crediting the amount of earnings on which the Social Security tax (FICA or SECA) is paid. This is the essential information SSA must have to measure and assign QCs. How is this reporting of earnings accomplished? Self-employed individuals report their own earnings on their annual tax returns and they pay their Social Security taxes at the same time that they pay their income tax to IRS. IRS, in turn, reports the earnings information from the tax returns to SSA.</p>	
<p>Most employees' wages, on the other hand, are reported by their employers who also are responsible for paying the amount of Social Security tax due. Prior to 1978, employers reported to IRS the amount of wages paid to each employee on Form 941 at the end of each calendar quarter. This wage information was transferred from IRS to SSA on a quarterly basis. Therefore, SSA was made aware of how much each NH was paid per quarter.</p>	

The regulations governing the crediting of QCs prior to 1978 were based on quarterly reporting of earnings.	
2. Prior to 1978, a quarter of coverage, was a calendar quarter in which an employee was paid at least \$_____.	\$50
3. There are four calendar quarters in a year. The four calendar quarters are the 3-month periods from January through March, April through June, July through September, and _____ through _____.	October December
4. If Mr. Roy was paid \$25 in each of the following months of 1970, how many quarters of coverage did he acquire for that year? January \$25 July \$25 February \$25 October \$25 March \$25 December \$25 June \$25	2
Agricultural wages were first covered in 1951 and were treated as earnings from 1951-1954. \$50 of agricultural wages paid in a quarter made that quarter a QC.	
5. From 1955-1977, farm employees who met certain tests received a quarter of coverage for every \$100 paid them during the calendar year. Farmer Brown paid John Carlson \$250 in September 1975. John Carlson would receive credit for _____ (how many) quarters of coverage.	2
Therefore, we can say effective 01/01/55, QCs for agricultural wages were based on yearly earnings. From 1955-1977, agricultural QCs were normally assigned to specific calendar quarters which were not already QCs in the following manner: (1) \$400 or more = 4 QCs (2) \$300-\$399.99 = 3 QCs (last 3 quarters) (3) \$200-\$299.99 = 2 QCs (last 2 quarters) (4) \$100-\$199.99 = 1 QC (last quarter)	
6. In 1976, Sam earned \$365 in agricultural wages. Sam received _____ QCs for 1976 and was credited with QCs for the _____, _____ and _____ quarters.	3 12/76, 9/76, 6/76
Also, during the period 1955-1977, agricultural wages were unique in that QCs could be assigned within a year on a flexible basis if it would benefit the wage earner. In other words, QCs could be moved to give insured status at an earlier date.	
7. Charles filed an SSA-1 on 02/15/76. He was disallowed because he needed 1 more QC for insured status. In 07/76, Charles earned AG wages of \$150. Therefore, he earned _____ QC(s).	1
8. We would normally credit this to the _____ quarter. However, under flexible assignment, the QC could be assigned to the most advantageous quarter. For Charles' benefit, we would credit the	12/76 3/76

QC to the _____ quarter.	
9. Similarly, if Carl Rooney, a farm worker, was paid \$560 in July and August 1976, he could receive _____ (how many) QCs. (NOTE: In no case can more than 4 QCs be credited for 1 calendar year.)	4
10. For a self-employed person to earn quarters of coverage, he must have had at least \$400 of net earnings from self-employment (NE from SE) during his taxable year. Therefore, if Paul Donaldson, a self-employed carpenter, had net earnings from self-employment of less than \$400, he (could, could not) be credited with quarters of coverage. (NOTE: For most people, the taxable year is the same as the calendar year.)	could not
11. Prior to 1978, when a self-employed person had NE from SE of \$400 or more during a taxable year, he was credited with four quarters of coverage. If for some reason his taxable year had less than four quarters, he would get credit for as many quarters as were in his taxable year.	
Frank Simpson's taxable year was from January through December. Since it included 4 calendar quarters, Frank could be credited with _____ (how many) quarters of coverage if his SEI was \$400 or more.	4
12. Generally speaking, prior to 1978, if a self-employed taxpayer had net earnings of \$400 or more, he would be credited with _____ (how many) quarters of coverage. If he died before the end of the year, he would be credited with the number of calendar quarters in which he was alive, including the quarter in which he died.	4
13. So far, we have learned that we measure work in units called _____ of coverage. Write the abbreviation for this term: _____.	Quarters QC
14. We have also learned that for non-farm NHs, a quarter of coverage prior to 1978 was any calendar quarter in which a NH was paid at least \$ _____ in wages.	\$50
15. We have learned that a calendar quarter is one of four specific 3-month periods. These periods are: January through _____ _____ through _____ _____ through _____ _____ through _____	March Apr.-June July-Sept. Oct.-Dec.
16. Between 1955-1977, farm W/Es could be credited with a QC for every _____ of covered earnings paid during a _____. (A farm W/E's earnings had to meet certain tests before they were considered as earnings (covered) for Social	\$100 calendar year 4

Security purposes.) Of course, he could not be credited with over _____ QCs in a calendar year.	
17. A self-employed person, however, acquired 4 QCs if he had net earnings of at least _____ during the taxable year.	\$400
18. The amount of any employee's wages is reported by his _____ and is credited to his Social Security record. However, there are maximum amounts that may be credited to his record. The following chart gives the maximum earnings creditable for each year since 1937. 1937-1950 -- \$3,000 1979 -- 22,700 1992 -- 55,500 1951-1954 -- 3,600 1980 -- 25,900 1993 -- 57,600 1955-1958 -- 4,200 1981 -- 29,700 1994 -- 60,600 1959-1965 -- 4,800 1982 -- 39,400 1995 -- 61,200 1966-1967 -- 6,600 1983 -- 35,700 1996 -- 62,700 1968-1971 -- 7,800 1984 -- 37,800 1997 -- 65,400 1972 -- 9,000 1985 -- 39,600 1998 -- 68,400 1973 -- 10,800 1986 -- 42,000 1999 -- 72,500 1974 -- 13,200 1987 -- 43,800 2000 -- 76,200 1975 -- 14,100 1988 -- 48,000 2001 -- 80,400 1976 -- 15,300 1989 -- 48,000 2002 -- 84,900 1977 -- 16,500 1990 -- 51,300 2003 -- 87,000 1978 -- 17,700 1991 -- 53,400 2004 -- 87,900	employer
19. The amount of maximum creditable earnings for the years 1959 through 1965 was \$4,800. Billy was paid \$10,000 in 1964. How much was credited to his record? \$ _____. The amount of maximum creditable earnings for the years 1966 through 1967 was \$6,600. Judith was paid \$7,800 in 1966. How much was credited to her record? \$ _____.	\$4,800 \$6,600
20. When an employee has maximum earnings in a year, all quarters in that year are QCs. If Pete had earnings of \$6,600 in 1967, he would have had _____ (how many) QCs for 1967.	4
21. Doug worked the first two quarters of 1969 and was paid over \$7,800. He was credited with four QCs for the year. Mary earned \$8,000 in 1969, but only worked during January-April. She was credited with _____ (how many) QCs.	4 (2 gift QCs)
1978 AND LATER Most of the regulations regarding the crediting of QCs and the means by which employers report wages to SSA were changed by the 1977 Amendments. Beginning in 1978, employers file quarterly reports with IRS which contain the total amount of wages paid to all their employees and the total amount of Social Security	

<p>tax paid for that quarter. However, there is no breakdown by employee name or Social Security number. At the end of the year, the employer files a Form W-2 with SSA for each employee. From the annual amount of wages paid and from FICA deductions reported on the W-2, SSA determines the number of QCs the N/H is due. The wage information is then transferred to IRS.</p> <p>Thus, SSA no longer receives a quarterly breakdown of earnings. This change has an effect on the way we credit QCs and compute insured status. The following frames describe these revised regulations.</p>	
22. Beginning in 1978, SSA receives the first report of an individual's wages at the end of the year in which he is paid. True or false?	True
For years after 1977, the amount required for a QC is increased as average earnings rise. Refer back to the list of amounts required for a QC shown on Exhibit 1.	
23. A NH receives credit of 1 QC for each \$830 earned in 2001. Jeremy is an employee and was paid \$2,399 in 2001. How many QCs did he earn for the year?	2
24. Lola Burkett worked in a mill. She earned \$720 in 1999 and decided to retire. How many QCs is she due for the year?	0
25. The maximum number of QCs creditable within a calendar year is 4. George worked in 1987 and was paid \$5,285. George will be credited with _____ QCs.	4
26. Lonnie Tapley was paid \$1,550 in 1997. He is credited with _____ QCs.	2
27. All earnings paid within a calendar year are totaled to determine the number of quarters due. For instance, in 1991, Mr. Jones earned \$86 from employer A, \$94 from employer B, and \$385 from employer C. He will be credited with _____ QCs.	1 $\$565/540=1$
28. During 1993, Betty earned \$489 from employer A and \$465 from employer B. She is due _____ QCs.	1 $\$954/590=1$
29. No more than one QC may be credited to a calendar quarter. No QCs can be credited after the quarter of death. John earned \$12,000 in 1999 before he died on 06/28/99. He will be credited with _____ QCs because no QCs may be credited after the quarter of death.	2
30. Audrey died 07/24/01. During 2001, she was paid \$60,600 in wages. How many QCs is she due for 2001? For which calendar quarters will Audrey receive QCs?	3 3/01, 6/01 9/01
QCs will not routinely be assigned to specific calendar quarters. However, a QC may be assigned, regardless of when earned, to any specific quarter needed for insured status. For example, an	

NH attains age 62 in 01/00 and needs 40 QCs for insured status. He only has 38 QCs. If he goes to work in 09/00 and earns \$2,000 from 09/00-12/15/00, he is due 2 QCs. These may be assigned to the 03/00 and 06/00 calendar quarters to establish insured status beginning 04/00 the first month of his 40th quarter.	
31. Lawrence attained age 65 in 02/01. He needs 40 QCs and has 38 QCs. He found a job in 11/01 and was paid \$1,935. To provide Lawrence with insured status at the earliest possible date, to which calendar quarters may the 2 QCs he has earned be assigned?	3/01/ + 6/01
32. Most of the requirements for coverage of earnings from SE remain unchanged by the 1977 Amendments. For example, an individual must still net at least \$400 annually from SE for it to be covered. However, since 1978, QCs for SEI require the same amounts as required for wages. If his NE from SE (net earnings from self-employment) is covered, he will receive 1 QC for each: \$ _____ in 1999, \$ _____ in 2000, and \$ _____ in 2001.	\$740 \$780 \$830
33. Diane had NE from SE of \$1,800 in 1997. Is she due any QCs? If so, how many?	Yes—she is due 2 QCs \$1800/670
34. Ryan owns a small hobby shop and had NE from SE of \$393 in 1998. In addition, he worked as an employee in 1998 and was paid \$2,200. How many QCs will be credited to Ryan and why?	$2200/700=3$ Since it is less than \$400, then \$393 NE from SE is not covered and is not considered earnings for quarters of coverage
35. Don owns a service station and had NE from SE of \$535 in 1996. In addition, he worked as an employee for a trucking company for a few days and was paid \$745. How many QCs is he due?	\$535 +745 1280 $\frac{1280}{640} = 2$
Beginning with 1985, the amount needed to earn a QC exceeds \$400. An individual with SEI must pay Social Security taxes if they net \$400 or more, but they will not earn any QCs if the SEI is below the required amount. The SEI is posted to the ER and considered when the benefit amount is computed, however.	
36. NE from SE which is less than \$400 is not considered in total earnings because it is not _____ by Social Security.	covered
37. The maximum number of QCs which may be credited to a person	4

in a calendar year is _____.	
38. Regardless of the amount of annual earnings an individual has, no QCs may be credited for the quarter after death. True or false?	True

EXHIBIT 14: INSURED STATUS – CONCLUSION
PROGRAMMED LEARNING TEXT-2: PL-2

**PL-2
KEY**

A living NH must be fully insured to qualify for RIB. Auxiliary benefits may be paid to certain of his dependents based upon his fully insured status. The number of QCs an NH needs to be fully insured is found by subtracting the later of 1951 or the year of age 22 from the year he attains retirement age. The retirement age for men and women is 62.	
1. A NH must earn a certain number of _____ to have insured status.	QCs
2. In 1998, a NH is credited with 1 QC for each _____ in earnings the N/H has in that year.	\$700
3. A NH must have _____ insured status to qualify for RIB.	fully
4. The number of QCs required for fully insured status for RIB is found by subtracting _____ from the year in which an NH attains retirement age.	1951 or year of attainment of age 22
5. Retirement age, for purposes of determining insured status, is age _____.	62
6. Bruce Broates was born in 1925 and has 37 QCs. Is he fully insured? Why?	Yes, he needs 36 QCs and has 37 QCs
7. You have learned, then, to compute the number of QCs required for someone born before 1930 by subtracting 1951 from the year in which the NH attains _____.	retirement age
8. If the NH attains age 22 after 1951, we determine the number of quarters required for insured status by subtracting the year in which he attains age 22 from the year he attains retirement age. Thomas Hazley was born in 1932. To determine the number of QCs Thomas needs for fully insured status, what year would you subtract from the year he attained 62?	1954
9. What year did Thomas attain retirement age?	1994
10. Using the formula, how many QCs does Thomas need for fully insured status?	40
At the present time, the maximum number of QCs any NH needs for fully insured status is 40. The minimum number an NH needs is 6.	

11. Let's review the steps used to determine if a person is fully insured. If a person attains age 22 in 1951 or earlier, subtract _____ from the year the NH attains retirement age.	1951
12. A NH born in 1928 attains retirement age at _____ years of age. He needs _____ QCs for fully insured status.	62, 39
13. How many QCs do YOU need to be fully insured for RIB?	?
14. In computing the number of QCs required for fully insured status, exclude any years wholly or partly in a period of disability. For example, Joe was born in 1927 and had a period of disability from 3/68-5/71. If he had not had a period of disability, he would need _____ QCs for fully insured status.	38
15. However, we must exclude 4 years from that number because he was in a period of disability in part or all of 1968, 1969, 1970 and 1971. Therefore, Joe needs _____ QCs to be fully insured.	34
16. Leah was born in 1932. Ordinarily, she would need _____ QCs to be fully insured. However, she was under a period of disability from 03/61-09/65. If she has 37 QCs, is she fully insured? Why?	40 Yes, she only needs 35 QCs since we exclude 5 years which were partially or wholly in a period of disability
We have discussed that a NH must be fully insured to qualify for RIB, which also entitles certain of his dependents to auxiliary benefits. Survivors benefits to widows, widowers and parents are only payable if the deceased NH was fully insured at the time of his death. To compute the number of QCs necessary to fully insure a deceased NH, subtract 1951 (or the year in which he attains age 22, if later) from the year in which he dies (or attains retirement age, if earlier).	
17. Rhonda H. died in 1987. She was born in 1928. How many QCs are necessary for her to have been fully insured?	36 (1987-1951 = 36)
18. Lucius J. was born in 1934. He died in 1989. To determine the number of QCs he needs to be fully insured, subtract _____ from 1989.	1956
19. Miriam M. was born in 1927. She died in 1999. Because she attained retirement age before the year of death, we subtract 1951 from _____, the year in which she attained retirement age.	1989

<p>20. Complete the chart below.</p> <table border="1"> <thead> <tr> <th><u>Name</u></th> <th><u>Date of Birth</u></th> <th><u>Date of Death</u></th> <th><u>Number of QCs for fully insured status</u></th> </tr> </thead> <tbody> <tr> <td>Joe</td> <td>1938</td> <td>1997</td> <td>_____</td> </tr> <tr> <td>Leo</td> <td>1924</td> <td>1988</td> <td>_____</td> </tr> <tr> <td>Barbara</td> <td>1936</td> <td>1998</td> <td>_____</td> </tr> <tr> <td>J. B.</td> <td>1970</td> <td>1997</td> <td>_____</td> </tr> </tbody> </table>	<u>Name</u>	<u>Date of Birth</u>	<u>Date of Death</u>	<u>Number of QCs for fully insured status</u>	Joe	1938	1997	_____	Leo	1924	1988	_____	Barbara	1936	1998	_____	J. B.	1970	1997	_____	<p>37 35 (age 62 in 1986) 40 6</p>
<u>Name</u>	<u>Date of Birth</u>	<u>Date of Death</u>	<u>Number of QCs for fully insured status</u>																		
Joe	1938	1997	_____																		
Leo	1924	1988	_____																		
Barbara	1936	1998	_____																		
J. B.	1970	1997	_____																		
<p>21. To compute fully insured status for a deceased NH, we subtract 1951 (or the year in which he/she attains age _____, if later) from the year in which he/she dies (or attains _____ age, if earlier).</p>	<p>22 retirement</p>																				
<p>The fully insured status provision of the law sometimes works to the disadvantage of young NHs who have not had a long history of work. To enable us to pay surviving children's benefits, mother's and father's benefits, and the lump sum death payment (LSDP) to survivors of these young NHs, the law provides an alternative to fully insured status. It is called currently insured status.</p>																					
<p>22. Don Ring died in 1990. He was not fully insured. Certain of his survivors may be eligible for benefits on his record if he was _____ insured.</p>	<p>currently</p>																				
<p>23. The only benefits payable based on currently insured status are surviving children's, mother's, father's and the LSDP. True or false?</p>	<p>True</p>																				
<p>To be currently insured, an NH must have 6 QCs within a period of 13 consecutive quarters ending with the quarter in which he/she died.</p>																					
<p>24. Don, mentioned in item 22, is not fully insured. He died in 06/01. To be currently insured, he must have 6 QCs in the _____ quarters ending with the quarter in which he _____.</p>	<p>13 died</p>																				
<p>Don's 13-quarter period ends with the 6/01 quarter. Let's count backward to see when this period began. There are 2 quarters in 2001: 06/01, 03/01 There are 4 quarters in 2000: 12/00, 09/00, 06/00, 03/00 There are 4 quarters in 1999: 12/99, 09/99, 06/99, 03/99 Use 3 quarters in 1998: 12/98, 09/98, 06/98</p>																					
<p>25. To be currently insured then, Don must have 6 QCs in the 13-quarter period from _____ to 06/01.</p>	<p>6/98</p>																				
<p>26. Cindy Mims was born in 1957. She died in 09/99. How many QCs does she need to be fully insured?</p>	<p>20</p>																				
<p>27. If Cindy, in item 26, was currently insured, she had _____ QCs in the 13-quarter period ending with the quarter in which she died. This 13-quarter period extends from _____ to _____.</p>	<p>at least 6 9/96-9/99</p>																				

OFF-AIR ACTIVITIES

Before IVT Broadcast

- Students should read the chapter and review exhibits.
- Students should bring to class several blank SSA-1164 forms to use in computing insured status.

After IVT Broadcast

- Have the students work the objective exercises.
- From a retirement pending list, the students should order 2 or more ICERS records. Manually figure the required QCs needed for full insured status and compare their manual computation to the “RSI Req QC” field on the ICERS records.
- From a disability pending list, the students should order 2 or more ICERS records and DISCO records. Manually figure the required QCs needed for full insured status and 20/40 or special insured status. Compare the manual computation to the “RSI Req QC” field on the ICERS records and to the information provided by DISCO.
- Review how to access the EC screens, using completed claims (retirement, survivor or disability) in the Production Region. Show students where to find the insured status and QC information on the EC screens.
- The students should read and complete Programmatic Learning Text.
- Have the students read the following publication: “How You Earn Credits,” SSA Pub. No. 05-10072. This can be obtained from local supply or have the students go into the T2 Resource Kit and click on English publications which will take them to the publication site.
- The students should go onto PolicyNet and read MSS 01-044 and MSS 01-161 (these MSS Messages are under archived instruction updates).

- Have the students practice using DISCO by pulling some leads that are scheduled in the future for appointments.

EXERCISE #1

OBJECTIVE 1: Determine how quarters of coverage are acquired.

PART I

1. List the quarters in a calendar year.

2. What are QCs used for?

3. List the seven basic types of QCs.

PART II

How many QCs are credited in the following situations?

4. SEI of \$900 in 2002.

5. \$53,000 wages in 1998.

6. \$1,250 wages in 1994.

7. Wages of \$300 in the 03/03 quarter and \$650 in the 06/03 quarter.

8. Total wages of \$800 in 2001.

9. Wages of \$2,000 in 1997.

10. Total wages of \$2,800 in 1993.

11. SEI of \$550 in 1998.

12. SEI of \$390 and wages of \$3,000 in 2003.

13. Wages of \$20,000. NH died 4/4/03.

EXERCISE #2

OBJECTIVE 2: Determine if fully or currently insured status is met.

PART I

How many QCs are required to be fully insured for RIB?

1. Earl, born 04/15/41.

2. Nancy, born 8/30/28.

3. Julie, born 12/17/33.

4. May, born 06/20/31.

5. Bob, born 01/01/39.

In the following situations, are these persons fully insured? If no, how many QCs are needed?

6. Liz, born 1941, has 34 QCs, files 02/03.

7. Clint, born 1958, has 24 QCs, died 03/03.

8. Martha, born 1931, has 39 QCs, died 04/92.

9. Neal, born 1940, has 38 QCs, files 05/03.

10. Anthony, born 1945, has 35 QCs, died 06/02.

11. Samuel, born 1957, has 25 QCs, died 08/03.

12. Brenda, born 1978, has 4 QCs, died 09/03.

PART II - Simplified QC Method

Jim, born 01/05/31, files for RIB in 01/98. His earnings record shows the following posted earnings:

1942 – 3000.00 CCCC

1943 - 3000.00 CCCC

1944 - 3000.00 CCCC

1945 - 3000.00 CCCC

1946 - 3000.00 CCCC

1947 - 1050.00 CNNN

(From 1947 to present, he has worked under Civil Service. Therefore, no other entries are shown on the earnings record.)

13. How many QCs does he need for fully insured status?

14. How many QCs does he have not considering simplified QCs?

15. How many QCs does he have using the Simplified QC Method for the 1937-1950 period?

16. Is he insured using the Simplified QC Method?

PART III - Currently Insured

In each of the following problems, determine if the deceased is currently insured. (Assume there is no period of disability and that fully insured status is not met.)

17. NH was born 12/01/51 and died 11/18/03. His earnings record showed the following information:

2000 – CCNN 2002 - CCNN

2001 – CCNN 2003 – LLNN

18. NH, who died 8/8/03, had the following earnings.

2000 – CCCN 2002 - CNNN

2001 – NNNN 2003 - LLNN

19. NH died 01/15/03. Earnings record shows the following:

1998 – NNNN 2000 – CNNN 2002 - CCCC

1999 – CCNN 2001 – CNNN 2003 - LNNN

EXERCISE #3**OBJECTIVE 3: Compute DIB insured status.**

1. Review the earnings record below and determine if DIB insured status is met. Explain your answer.

DOB = 3/16/42; DOB = 7/19/02

1987 -- CCCC 1995 -- CCCC

1988 -- NNCC 1996 -- CCNN

1989 -- NNCC 1997 -- CCCC

1990 -- CCCC 1998 -- CNNN

1991 -- CCCC 1999 -- CCNN

1992 -- NCCN 2000 -- NNNN

1993 -- NCNN 2001 -- CCCN

1994 -- CNNN 2002 -- CCNN

2. DOB = 4/29/72; DOB = 8/11/02

Earnings record shows:

1991 – CCCC 1997 - CCCC

1992 – CCCC 1998 - CCCN

1993 – CCCC 1999 - NNNN

1994 – NNNN 2000 - NNNN

1995 – CCNN 2001 - NNNN

1996 – CCCC 2002 - NNNN

a. Is NH insured for DIB as of his alleged onset date?

b. If NH's onset is 2/11/02, is he insured?

3. DOB = 12/23/80; DOO = 12/15/2002

Earnings record shows:

1999 – NNNN 2001 - CCCC

2000 – NNNN 2002 - CCCC

Is the NH insured for DIB?

4. Jean files an application for RIB. She alleges being disabled with an onset date of 8/15/03. Her DOB is 10/31/40.

The earnings record shows:

Maximum postings 1956-1979

No work 1980 – 1989

1990 – NNCN 1996 - CCCC

1991 – CCNN 1997 - CNNN

1992 – CNNN 1998 - CCNN

1993 – CNNN 1999 - CNNN

1994 – CCNN 2000 - CCNN

1995 – CCCN 2001 - CCNN

2002 – CCCN

Is DIB insured status met if she is found medically disabled?

5. Tom, DOB 1/15/48, files an application for disability as a statutorily blind NH. He alleges an onset date of 10/24/03. His earnings record shows the following postings:

1973 – CCNN 1988 - CCCN

1974 - CCCC 1989 - NNNN

1975 - CCCC 1990 - NNNN

1976 - NNNN 1991 - NNNN

1977 - NNNC 1992 - NNNN

1978 - NNCN 1993 - NNNN

1979 - CCCC 1994 - NNNN

1980 - CCCC 1995 - CNNN

1981 - NNNN 1996 - NNNN

1982 - NNNN 1997 - NNNN

1983 - NNNN 1998 - NNNN

1984 - NNNN 1999 - NNNN

1985 - NNNC 2000 - CCCC

1986 - CCCC 2001 - CCCC

1987 - CCCC 2002 - CCCC

2003 - CCCC

Is Tom insured for disability insurance benefits as of his alleged onset date?

6. Mickey filed for E4 and C1 benefits on 7/15/03 alleging that his late wife, Georgia, DOB 8/15/48, DOD 5/31/03, had a disability beginning 11/1/00. Georgia had no earnings prior to 1999. The earnings record shows:

1999 – CCCC 2002 - NNNN

2000 – CCCC 2003 - NNNN

2001 - CCCN

a. Can DIB After Death benefits be paid?

b. Can survivor benefits be paid?

7. Mary filed a disability claim in 12/97. She was born on 12/23/72. Her DIB was established beginning 6/12/97 and ceased 12/00. In 12/03, Mary files a claim alleging an onset of 10/2/03. Earnings record shows:

1993 – NNNN 1998 - NNNN

1994 – NNNN 1999 - NNNN

1995 – CCCC 2000 - NNNN

1996 – CCCC 2001 - CCCN

1997 - CNNN 2002 – CCNN

2003 – NCCC

- a. How many QCs did Mary require for her first period of DIB?

- b. How many QCs does Mary need for her second period of DIB?

EXERCISE #4**OBJECTIVE 4: Compute date last insured (DLI).**

Compute the DLI for the following (use the SSA-1164, if needed). Assume NH is fully insured.

1. DOB 4/29/41

	1992 -- CCNN	1999 -- CCCN
1986 -- CCCC	1993 -- CNNN	2000 -- NNNN
1987 -- NNNN	1994 -- CNNN	2001 -- NNNN
1988 -- CCCN	1995 -- CCNN	2002 -- NNNN
1989 -- CCCC	1996 -- CCNN	2003 -- NNNN
1990 -- CNNN	1997 -- CCCN	
1991 -- CCNN	1998 -- CCCN	

2. DOB 8/31/79

1996 -- NNNN	1999 -- CCNN	2001 -- CNNN
1997 -- CNNN	2000 -- CCCC	2002 -- NNNN
1998 -- CCNN		2003 -- NNNN

3. DOB 9/30/74

1996 -- NNNN	1999 -- CCNN	2002 -- CCCC
1997 -- NNNN	2000 -- CNNN	2003 -- CCNN
1998 -- NNNN	2001 -- CCNN	

4. DOB 1/3/75

1995 -- CCCC	1999 -- CCCC	2003 -- NNNN
1996 -- CNNN	2000 -- CCCC	
1997 -- NNNN	2001 -- CCCC	
1998 -- NNNN	2002 -- CNNN	

EXERCISE ANSWERS**Exercise #1**

1. 3, 6, 9, 12
2. To determine insured status
3. Wage, agricultural, SEI, gift, military, railroad, and governmental
4. 1
5. 4
6. 2
7. 1
8. 0
9. 2
10. 4
11. 0
12. 3
13. 2

Exercise #2

1. 40
2. 39
3. 40

4. 40
5. 40
6. No, she needs 40 QCs
7. Yes, he needs 23 QCs
8. Yes, she needs 39 QCs
9. No, he needs 40 QCs
10. Yes, he needs 35 QCs
11. Yes, he needs 24 QCs
12. No, she needs 6 QCs (minimum required is 6)
13. 40
14. 21
15. 40 (\$16,050 divided by \$400=40)
16. Yes
17. NH was currently insured. Thirteen-quarter period begins with 12/03 quarter and ends with 12/00 quarter. Deceased thus has required number of QCs in the proper period. (Point out that, if needed, one of the 2000 "Cs" could be used in 12/00 quarter.)
18. NH was not currently insured. The thirteen-quarter begins with 09/00 and ends with the 09/03 quarter. The NH lacks required number of QCs in the proper period even if a "C" in 2000 is shifted to 12/00.
19. NH was currently insured; period 03/00-03/03 has 7 QCs.

Exercise #3

1. Yes, 20/40 is met. The 40-quarter period ends with the 09/02 quarter and begins in the 12/92 quarter. The NH has 21 QCs during that period (move a 1992 QC to the last quarter) and also has the 38 QCs needed to be fully insured. (RS
00301.120)

2. a. No, the NH does not meet 20/40. The NH has only 18 QCs during the 40 quarter period, 12/92 – 09/02. Since the NH is under the age of 31, special insured status must also be considered. To meet special insured status, the NH needs 18 QCs out of the 37 quarters in the period beginning with the 09/93 quarter (the quarter after the quarter of attainment of age 21) and ending with the 09/02 quarter (the quarter of onset). The NH does not meet special insured status, since he only has 15 QCs in this period.
 - b. Yes, while the NH does NOT meet the special insured test (24-31), he would meet “regular” 20/40. The 40-quarter period would begin with the 6/92 quarter and end with the 03/02 quarter. (RS 00301.120, .140)
3. Yes. NH needs 6 QCs in the 12-quarter period that ends in the 1202 quarter. NH has 8 QCs. (RS 00301.140)
4. Yes.
5. Yes, statutorily blind NHs need only meet fully insured status. Tom needs 33 QCs and has earned them. The QCs may be earned at any time up to the first month of the waiting period. (RS 00301.120)
6. a. No. Georgia is not fully insured, nor does she meet 20/40.
 - b. Yes, Georgia meets currently insured status (6 QCs in the 13-quarter period ending with the quarter of her death). (RS 00301.110, .120)

NOTE: Currently insured status is NOT the same as the under age 24 special DIB insured test.
7. a. 7 QCs - Elapsed quarters begin 03/94 (the quarter following the quarter attained age 21) and end 06/97 (the quarter she became disabled); half of 14 elapsed quarters equals 7.
 - b. 12 QCs. Beginning period is 03/94 and ends 12/03 (the quarter of new onset) and excludes the prior period of DIB (06/97 - 12/00 quarters), NH has 25 elapsed quarters. The odd number of QCs is rounded down to 24. One-half of 24 = 12 QCs.

Exercise #4

1. 09/30/00

2. 09/30/02 – One of the QCs in 1999 can be moved to the 12/99 quarter. **(RS 00301.140, .230)**
3. NH is not insured at any point. **(RS 00301.140)**
4. 06/30/2003 – The 03/96 QC can be allocated to the 12/96 quarter. **(RS 00301.140, .230)**