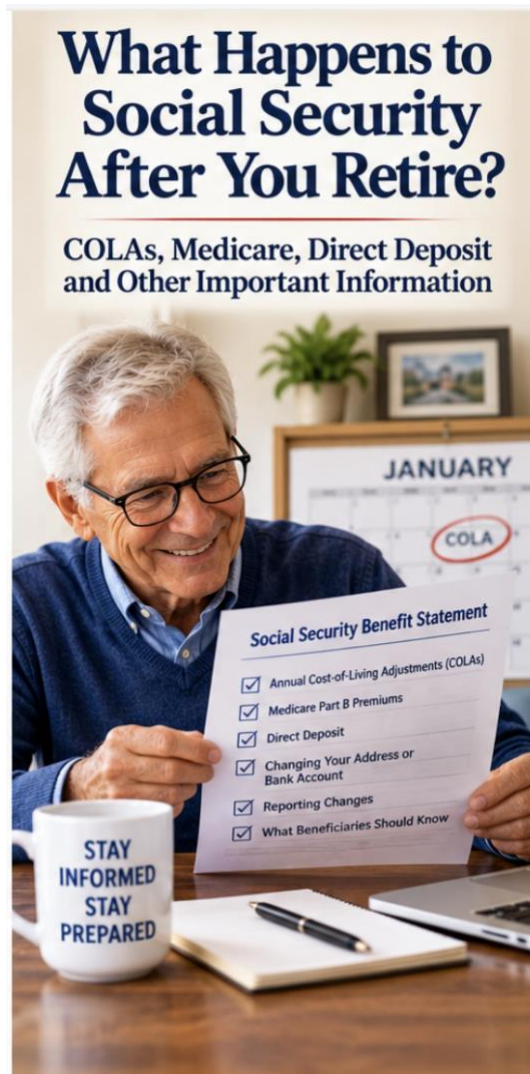




What Happens to Social Security After You Retire?

Once you've applied for Social Security and the monthly deposits start arriving, it might seem that there isn't much left to do. For most retirees, receiving benefits is indeed fairly automatic. Nevertheless, Social Security doesn't simply freeze on the day you retire. Benefits can change, Medicare premiums can affect the amount deposited into your account, and you still have a few responsibilities as a beneficiary.

Your Benefit Can Receive a Cost-of-Living Adjustment

Social Security benefits may receive an annual **cost-of-living adjustment**, better known as the COLA. The adjustment is based on changes in a federal measure of consumer prices and is intended to help benefits keep pace with inflation.

For 2026, Social Security benefits increased **2.8 percent**, with the higher payments beginning with benefits payable in January. The COLA varies from year to year because it is determined by the inflation formula rather than by an automatic fixed percentage.

Medicare Can Change the Amount You Actually Receive

People enrolled in Medicare commonly have their Part B premium deducted directly from their Social Security benefit. Consequently, a Social Security COLA doesn't necessarily mean that the full percentage increase will appear in your bank account. A change in Medicare premiums can absorb part of the increase.

This distinction is worth remembering when the annual COLA is announced. The Social Security benefit may have risen by the announced percentage, while the **net deposit** can increase by a somewhat different amount after Medicare and any other authorized deductions are taken out.

Keep Your Direct Deposit Information Current

Social Security benefits are normally paid electronically, making accurate banking information especially important. If you change banks or account numbers, update your direct-deposit information rather than simply closing the old account and assuming the payment will find you.

You can handle many routine Social Security matters through a personal **my Social Security** account. It also provides a convenient place to review information about your benefits rather than waiting for paper correspondence.

Report Important Changes

Some changes in your life can affect Social Security records or benefits and should be reported. These can include changes in your address or banking information and, depending upon the type of benefit you're receiving, changes in marital status, work or earnings.

If you're below full retirement age and working while receiving retirement benefits, keeping Social Security informed about significant changes in expected earnings is especially important. Otherwise, you could receive too much during the year and later have to repay an overpayment.

Working Can Still Increase Your Benefit

Retirement benefits aren't necessarily locked permanently at the amount calculated when you first claim them. If you continue working, you continue paying Social Security taxes on covered earnings. Social Security reviews working beneficiaries' earnings records annually.

If a new year of earnings is high enough to replace a lower year previously used in calculating your benefit, your monthly benefit can increase. Social Security makes the recalculation and notifies you if additional earnings have raised your benefit.

Keep an Eye on Your Social Security Records

Even after retirement, it's a good idea to review Social Security notices rather than automatically filing them away. Check the amount of your annual COLA, Medicare deductions and other changes so you understand why the amount reaching your bank account may have changed.

Also retain your annual **SSA-1099**, which reports the Social Security benefits you received during the previous year. You'll need that information when preparing your federal income-tax return, even if none of your benefits ultimately turns out to be taxable.

Social Security Doesn't Go on Autopilot Completely

Once retirement benefits begin, Social Security generally requires much less attention than it did while you were deciding when to claim. Still, it pays to keep your contact and banking information current, read the annual notices, watch Medicare deductions and report changes that Social Security needs to know about.

Think of it as an annual checkup rather than another retirement chore. A few minutes spent reviewing your benefit can help make sure that the monthly payment you've earned continues to arrive accurately and on time.