

Social Security Conversation Dos and Don'ts

How to Effectively Weave Social Security into Initial Client Meetings

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It's your first meeting with a client, and you want to get a clear picture of their goals for retirement. At the same time, you also want to find a way to talk to them about the importance of their Social Security benefits, and help them understand the role it plays in their retirement income. But that's not always an easy thing to do.

To help you ask and say the right things in the right way, here are some clear dos and don'ts for starting the Social Security conversation.

The Dos

- **DO** ask how important Social Security is to their overall retirement income.
- **DO** ask how concerned they are about taxes.
 - Fact: Thresholds of income to determine Social Security taxation have not changed since 1983
- **DO** emphasize that Social Security claiming requires consideration of a multitude of factors, including:
 - Other retirement savings
 - Type of retirement savings
 - Overall health
 - Marital status
 - Income needs
 - Health care expenses in retirement
 - Holistic Planning
- **DO** ask when they expect to file for benefits.
 - Never lead with an “optimal strategy” without examining the intended strategy
 - Will they file and continue to work?
 - Earnings limitation may apply
- **DO** ask if they are concerned about survivor income.
 - Particularly important when there is a disparity of benefits
 - When one spouse dies, higher benefit remains, lower one is eliminated
- **DO** listen more than you speak! Let them tell you what is important.

The Don'ts

- **DON'T** make blanket filing statements.
 - Avoid “Everyone should file at age 62”
 - Every situation is unique and may not apply to this specific client
- **DON'T** tell your client you don't “do” Social Security – “go ask your CPA”.
 - You will miss a major opportunity to show your value in weaving Social Security planning into what you do best!
- **DON'T** pretend to be a Social Security expert.
 - Emphasize your TEAM approach
 - “I have a partner that specializes in Social Security”
- **DON'T** give your services away for free!
 - Ask them to complete or give you the info for the Consumer Questionnaire – “buy in”
 - Having this form completed will increase your chances of success exponentially!

Your clients need to see how Social Security can impact their plan for retirement, and help them achieve their income goals. During that first meeting, weave it successfully into the conversation with these tips. It can help build credibility and strengthen your developing relationship.

Sources:

¹<https://www.aarp.org/retirement/planning-for-retirement/info-2019/retirees-fear-losing-money.html>

²www.medicare.gov; 2020 Medicare Costs <https://www.medicare.gov/Pubs/pdf/11579-medicare-costs.pdf>