

Social Security remains the financial foundation for most American retirees, yet the rules governing benefits continue to evolve. With recent regulatory changes, shifting claiming strategies, and new limits on benefit switching, retirees face a more complex landscape than ever. With thoughtful planning, and assistance from First Commonwealth Advisors, you can still significantly increase your lifetime benefits.

We break down the most important strategies and updates every retiree should understand.

The New Social Security Landscape: What Changed and Why It Matters

Several updates in 2025–2026 reshape how retirees should think about claiming:

- Restricted applications are now fully eliminated. Anyone born after January 2, 1954 can no longer file for spousal benefits while delaying their own. This closes one of the most powerful historical optimization tactics.
- Deemed filing rules are stricter. When you file, Social Security automatically pays you the highest benefit you qualify for, your own or your spousal benefit. You can no longer choose one and switch later.
- COLA increases continue but remain modest. The 2025 cost of living adjustment (2.5%) helps, but not enough to replace strategic planning.
- Earnings limits and taxation thresholds continue to rise. This affects retirees who work part time or delay claiming.

Filing Strategies That Still Deliver Big Results

Even with rule changes, several high impact strategies remain fully available—and often overlooked.

1. Delay the Higher Earner's Benefit

For married couples, the higher earner's benefit is the “anchor” of household income. Delaying this benefit until age 70:

- Increases monthly payments by up to 24%
- Boosts survivor benefits for the spouse
- Provides inflation protected income for life

This is one of the most consistently valuable strategies across all household types.

2. Consider Early Claiming for the Lower Earner

In many couples, the lower earning spouse benefits less from delaying. Claiming early (62–64) can:

- Provide cash flow during the higher earner's delay period
- Reduce pressure on investment withdrawals
- Have minimal impact on long term survivor benefits

This “split strategy” often maximizes lifetime household income.

3. Coordinate Claiming for Near Equal Earners

When spouses have similar earnings histories, the optimal strategy becomes more nuanced. Sometimes:

- Both delay
- One delays while the other claims early
- Both claim at full retirement age

The right choice depends on longevity expectations, cash flow needs, and tax considerations.

Spousal Benefits: Still Valuable, but More Limited

Spousal benefits remain a key part of Social Security planning, even with the loss of restricted applications.

Key rules to remember:

- A spouse can receive up to 50% of the higher earner's full retirement age benefit.
- Survivor benefits can reach 100% of the deceased spouse's benefit—making delayed claiming by the higher earner especially powerful.
- Divorced spouses may qualify if the marriage lasted 10 years or more.

Spousal and survivor benefits remain essential tools for protecting household income.

Why Social Security Optimization Is More Important Than Ever

Retirees face thousands of possible claiming combinations when both spouses are considered. When you add in things such as longevity risk, taxation of benefits, inflation, market volatility, part-time work and Medicare premiums, we will quickly see that Social Security becomes one of the most important, and most complex, retirement decisions you'll make. A well-timed strategy can add \$100,000, or more, in lifetime benefits for many households.

As Social Security rules continue to evolve, a well-timed plan can strengthen your income, protect your spouse, and create more financial flexibility throughout retirement. If you haven't reviewed your Social Security options recently, now is the perfect moment to revisit your strategy and make sure you're capturing every benefit you've earned. To explore your personalized options, reach out to First Commonwealth Advisors today and let's build a plan that supports the retirement you've worked so hard for.