

# Financial Advisers Address Social Security Fears of Clients

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*More Americans are tapping benefits earlier than ever — but what's driving this trend, and is it the right move?*

## By Mary Helen Gillespie

There's been a striking rise in the number of Americans applying for initial Social Security benefits this year, many earlier than planned.

Job losses, rising costs, and even staffing cuts at the Social Security Administration seem to be the triggers prompting more people to [claim their benefits](#).

To help clients make the choice that's best for them, [Yahoo Finance reports](#) financial advisers are stepping in to calm the fears.

"In my planning with clients, I try to keep emotion, political posturing, and media hype out of the conversation and utilize software and resources to educate our folks as to how Social Security works," Danielle Howard, a certified financial planner with [Wealth By Design](#) in Glenwood Springs, Colo., told Yahoo Finance.

To recap: You can start receiving your Social Security retirement benefits at age 62. However, you're entitled to full benefits only when you reach your full retirement age, or FRA. For example, if you turn 62 in 2025, your benefit would be roughly 30% lower than it would be at your full retirement age of 67.

If you delay benefits from your FRA until age 70, you earn delayed retirement credits. Those come to roughly an 8% increase for each year until you hit 70, when the credits stop accruing.

Most people, however, claim earlier, according to the SSA data. Nearly 30% of new Social Security beneficiaries claim benefits at age 62. Around 32% claim benefits after age 62 but before their FRA.

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## Today, Social Security fears mount

There is no escaping the fear — real or not — people have of potentially losing their benefits.

“We are hearing anecdotally that more people are claiming Social Security benefits earlier than they had planned because they are concerned Donald Trump and Elon Musk are taking that away,” Nancy Altman, the president of Social Security Works, a group that advocates against cuts to the program, told Yahoo Finance.

“This is very unfortunate because it is best to delay claiming as long as possible if you can, so that you get larger monthly checks for the rest of your life.”

About 3 in 5 workers and more than 4 in 5 retirees have thought about how the age at which they claim Social Security can impact the amount they receive, according to a new [report](#) from the nonpartisan Employee Benefit Research Institute (EBRI).

Social Security being reduced or ceasing to exist in the future tops the list of retirees’ greatest retirement fears, according to a recent Transamerica Center for Retirement Studies report.

They aren’t wrong to worry, even without the DOGE cuts.

The 2024 Social Security and Medicare Trustees Report predicts that the combined retirement and disability trust fund reserves will go broke in 2035. There will still be money to pay benefits at that stage, but without a fix, beneficiaries could see a 17% cut in benefits.

## Most retirees rely on Social Security

That cut would sting. Most retirees rely on Social Security as their primary source of income.

For many retirees or near retirees whom I talked to this week, worries about Social Security’s projected funding shortfalls and the program’s ability to pay future benefits are top of mind.

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Many financial advisers are donning a therapist cap to counteract client concerns.

“We look at optimizing Social Security as one of their ‘buckets’ to tap into for cash flow,” Howard said. “It is important that they understand that Social Security is a hedge against longevity as they can’t outlive it.”

It is different for each person based on their circumstances, she added, “but the majority of our planning clients have several buckets of financial assets, and we push Social Security off until 70.”

Other planners are in the thick of helping anxious people make the best decision. “They’re worried they won’t live that long, and want to enjoy the money now. They’re worried that benefits will be cut if they postpone taking it,” Alvin Carlos, a certified financial planner and financial adviser at [District Capital Management](#) in Washington, D.C., said.

“For those who can afford to wait, I still think delaying is often the better choice, but I understand the anxiety, especially with all the headlines,” he said.

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