

Summary Measures and Graphs

Category of Change: Level of Monthly Benefits (PIA)

Proposed Provision: Progressive price indexing of PIA formula factors beginning with individuals newly eligible for OASDI benefits in 2015. Create new bend point at the 30th percentile of earners. Maintain current-law benefits for earners at the 30th percentile and below and reduce upper 2 formula factors (32% and 15%) such that maximum worker benefit grows by inflation rather than the growth in average wages.

<u>Present Law</u>		<u>Change From Present Law in</u>		<u>Results with this provision</u>	
Long-Range Actuarial Balance	Annual Balance in 75th Year	Long-Range Actuarial Balance	Annual Balance in 75th Year	Long-Range Actuarial Balance	Annual Balance in 75th Year
-1.70%	-4.20%	1.36%	4.13%	-0.34%	-0.08%

