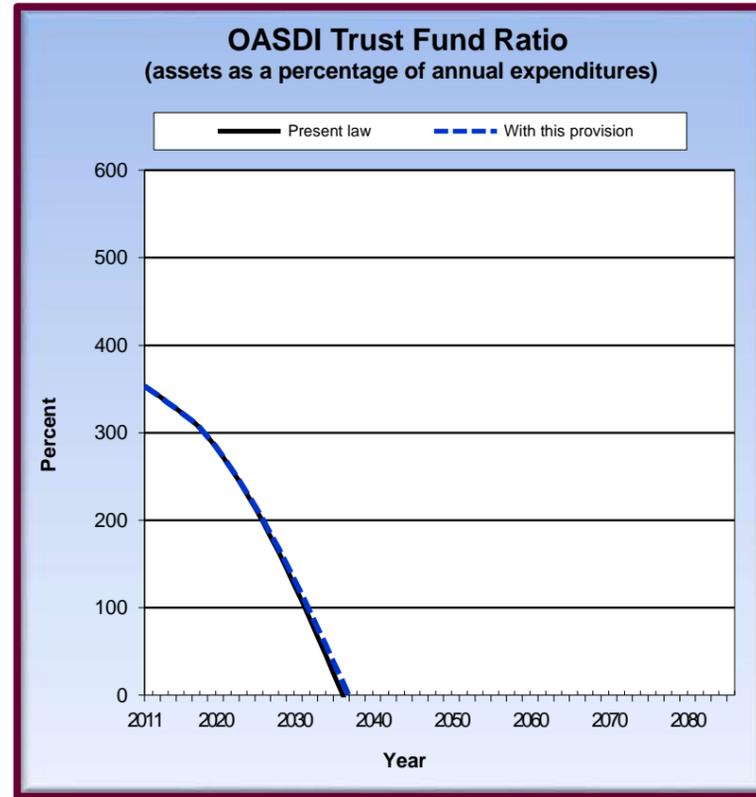
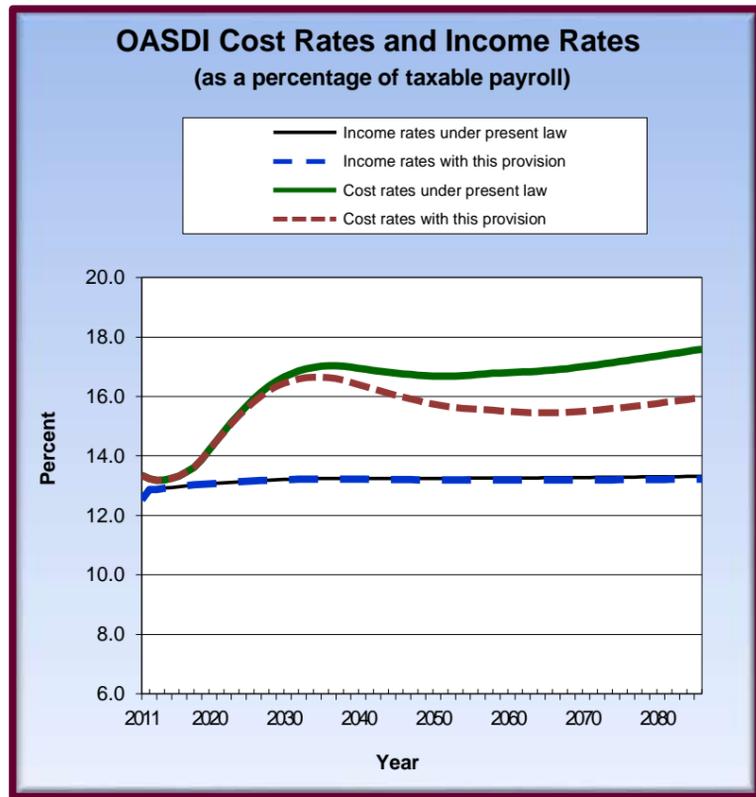


Summary Measures and Graphs

Category of Change: Level of Monthly Benefits

Proposed Provision: Progressive price indexing (60th percentile) of PIA formula factors beginning with individuals newly eligible for OASDI benefits in 2018: Create a new bend point at the 60th percentile of the AIME distribution of newly retired workers. Maintain current-law benefits for earners at the 60th percentile and below. Reduce the 32 and 15 percent formula factors above the 60th percentile such that the initial benefit for a worker with AIME equal to the taxable maximum grows by inflation rather than the growth in average wages.

Present Law		Change From Present Law in		Results with this provision	
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
-2.22%	-4.24%	0.65%	1.53%	-1.57%	-2.71%



Estimates based on the intermediate assumptions of the 2011 Trustees Report

Office of the Chief Actuary, Social Security
September 5, 2012