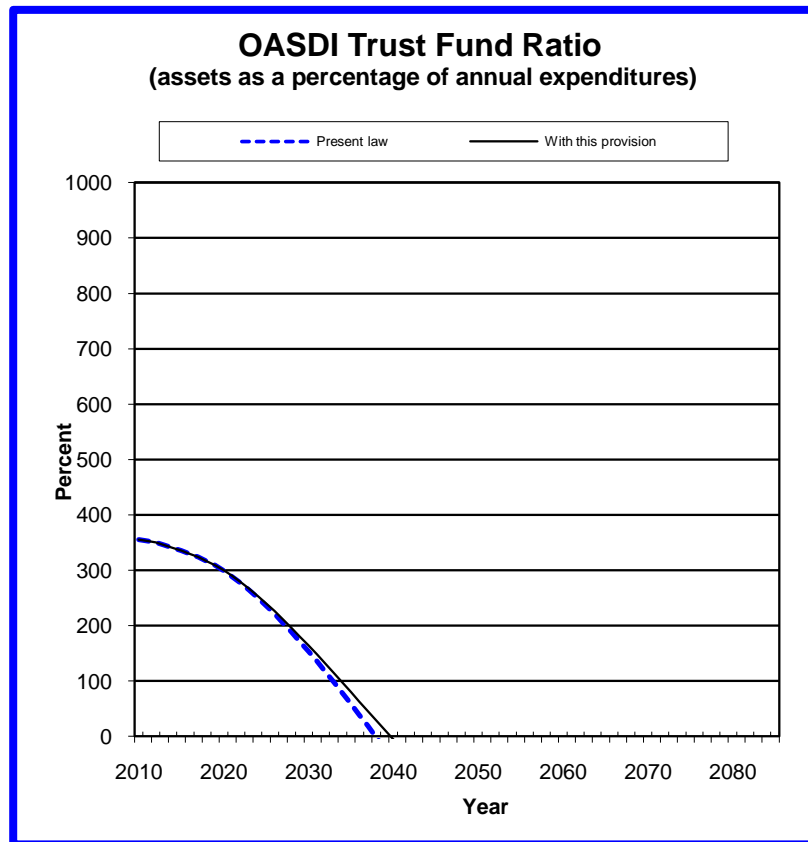
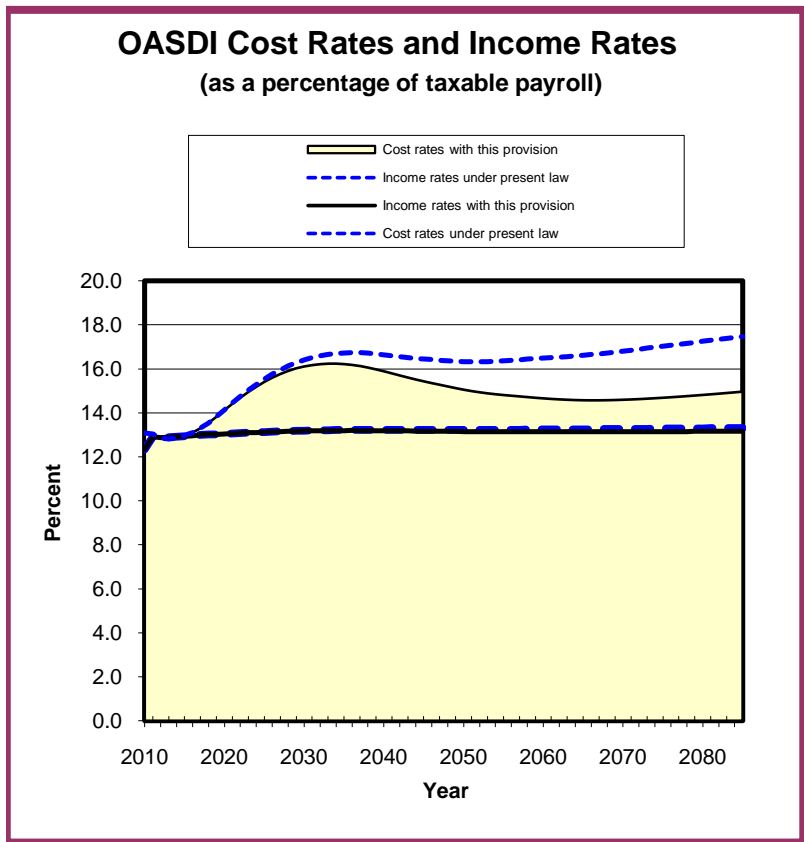


**Summary Measures and Graphs**  
**Category of Change: Level of Monthly Benefits (PIA)**

*Proposed Provision: Progressive price indexing of PIA formula factors for individuals newly eligible for OASI benefits in 2018 through 2055. Create new bend point at the 40th percentile of career-average earnings for new retirees. Maintain current-law benefit credit for career-average earnings up to the 40th percentile. Reduce PIA formula factors (32% and 15%) that apply above the new bend point such that the maximum worker benefit grows with price inflation from one generation to the next rather than with growth in the average wage. Disability (DI) benefits are not affected by the proposal. Disabled worker beneficiaries, upon attaining normal retirement age, would be subject to a proportional reduction in benefits based on the worker's years of disability. Hold harmless from this provision young survivors (children of deceased workers and surviving spouses with a child in care).*

<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
-1.92%	-4.12%	0.91%	2.35%	-1.01%	-1.77%



Estimates based on the intermediate assumptions of the 2010 Trustees Report

Office of the Chief Actuary, Social Security  
 April 27, 2011