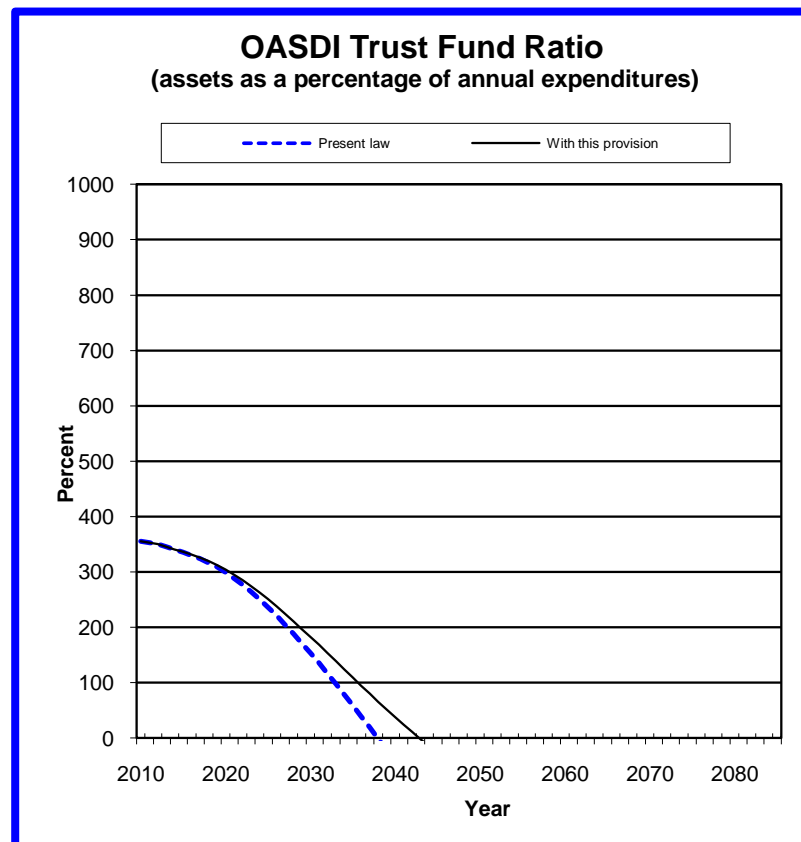
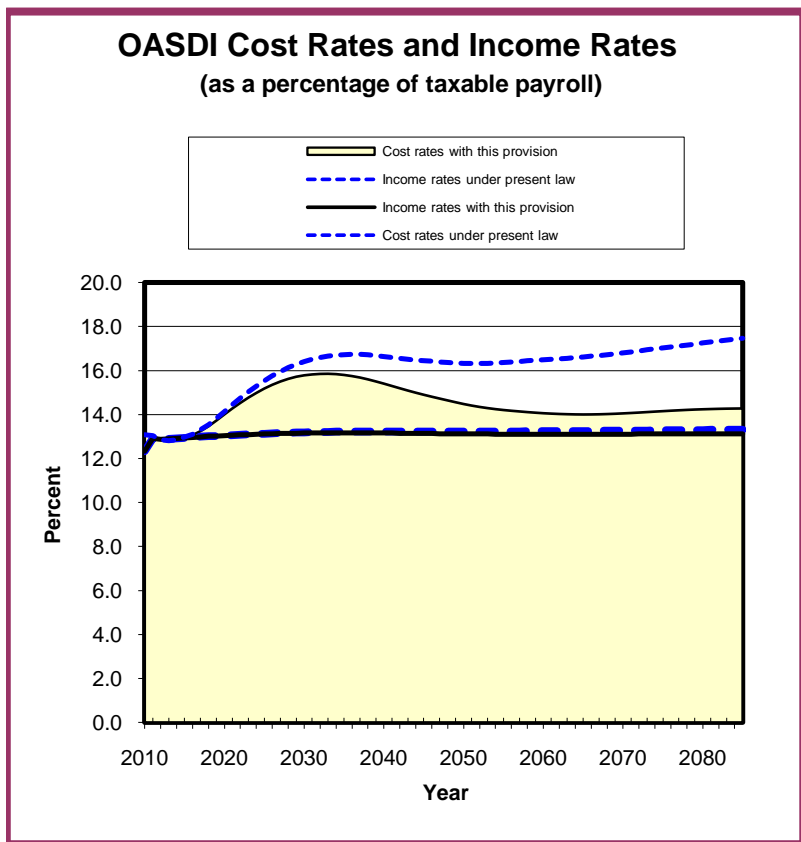


Summary Measures and Graphs

Category of Change: Level of Monthly Benefits (PIA)

Proposed Provision: Progressive indexing of PIA formula factors beginning with individuals newly eligible for OASI benefits in 2013, continuing through 2050, and resuming in 2071. 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 is reduced by 1.2 percent per year as compared to current law, for the years that progressive indexing applies. Disability 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.

<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%	1.27%	2.97%	-0.65%	-1.15%



Estimates based on the intermediate assumptions of the 2010 Trustees Report

Office of the Chief Actuary, Social Security
March 2, 2011