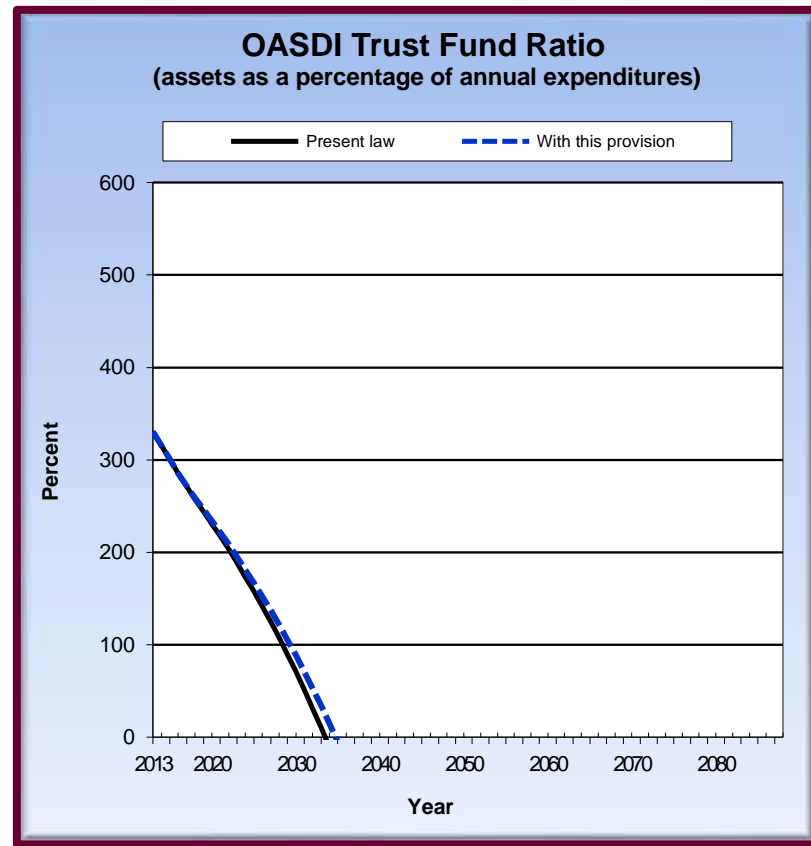
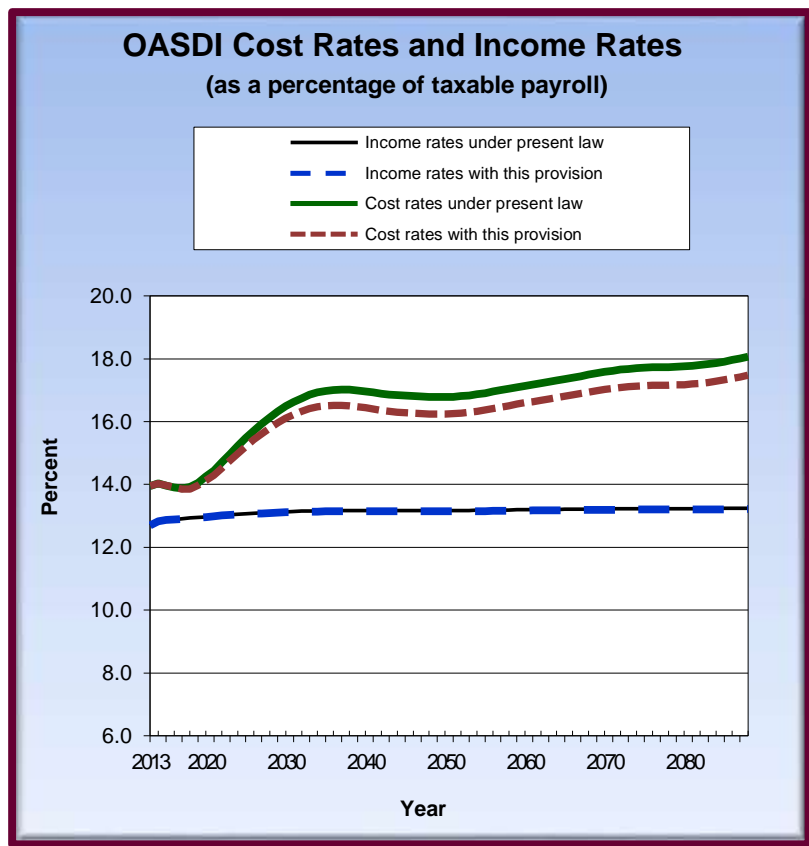


Summary Measures and Graphs

Category of Change: Cost-of-Living Adjustment

Proposed Provision: Starting December 2015, compute the COLA using a chained version of the consumer price index for wage and salary workers (CPI-W). We estimate this new computation will reduce the annual COLA by about 0.3 percentage point, on average. The new COLA will not apply to DI benefits. It will apply to OASI benefits, except for those of formerly disabled-workers who converted to retired-worker status.

| <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 |
| -2.72% | -4.77% | 0.40% | 0.56% | -2.31% | -4.21% |



Estimates based on the intermediate assumptions of the 2013 Trustees Report

Office of the Chief Actuary, Social Security
September 11, 2013