

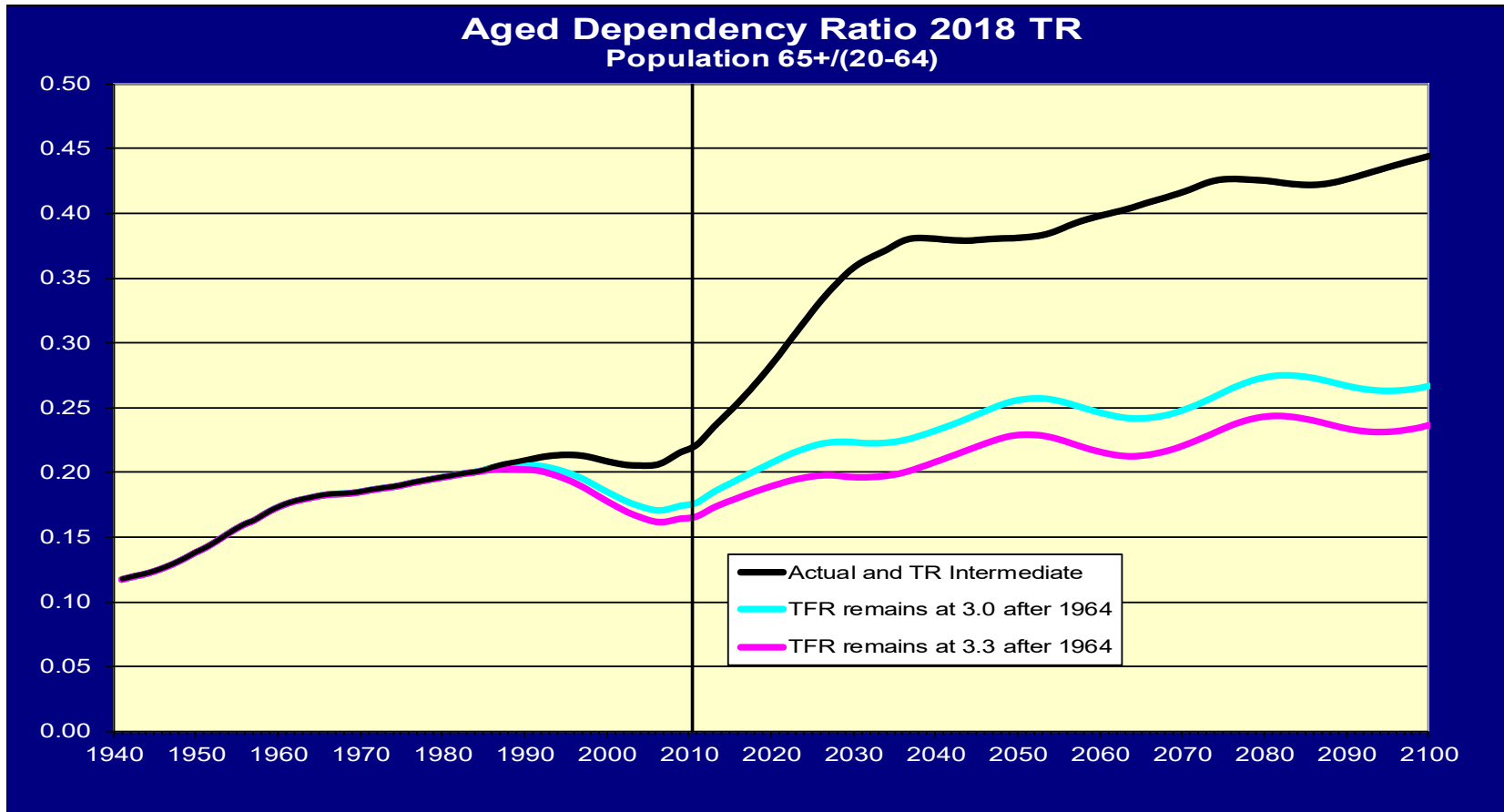
Improving Opportunities for Those Who Want to Work Longer

Discussion by Steve Goss, Chief Actuary, SSA

Brookings Event

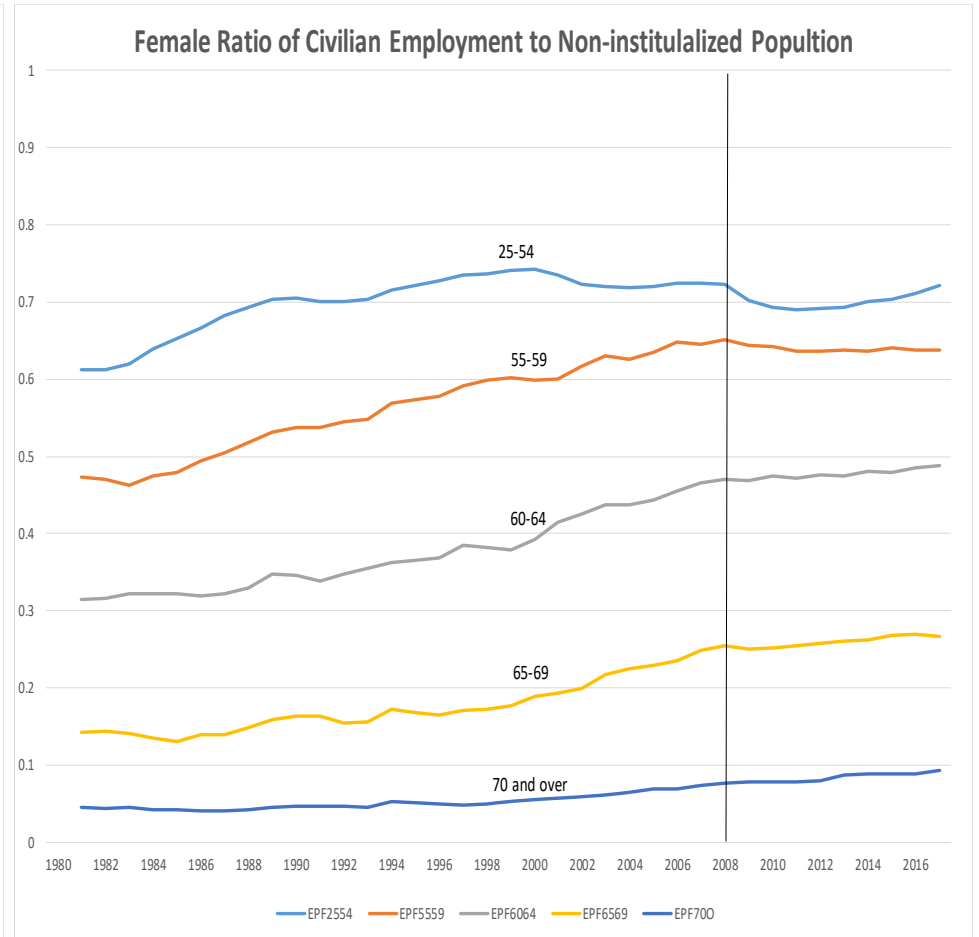
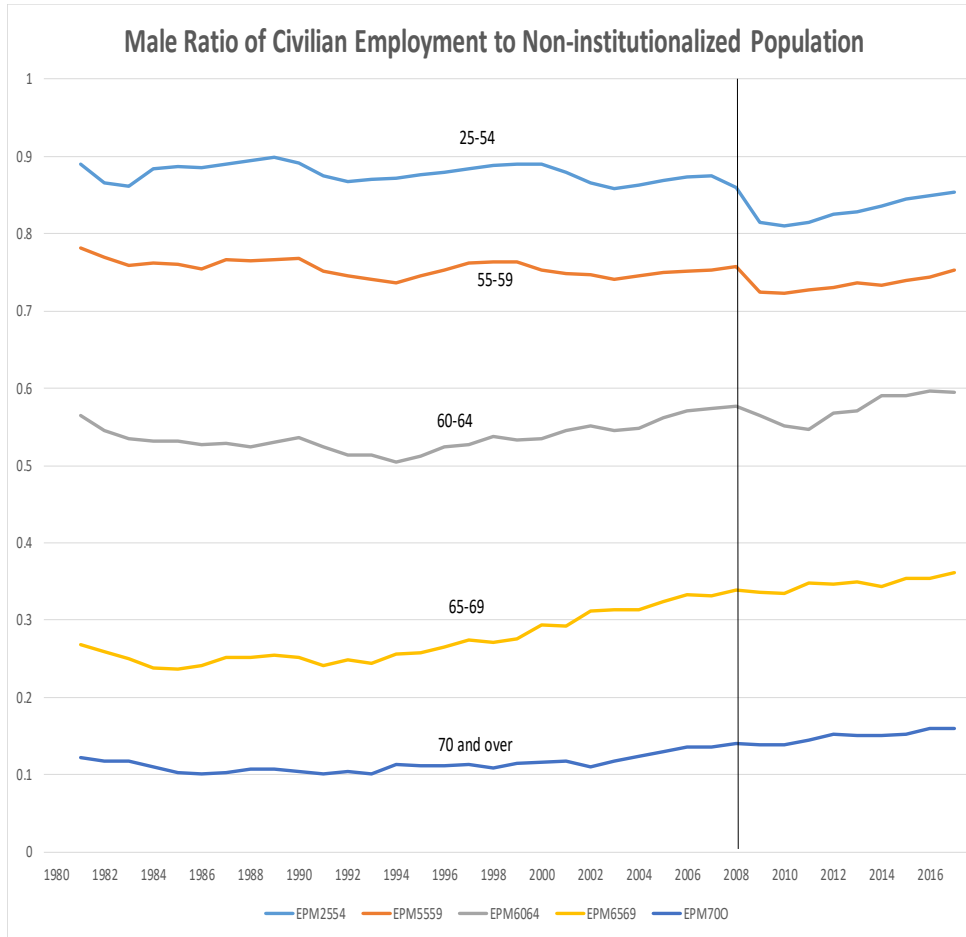
January 24, 2019

Increasing Cost of Retirement is Due to Population Aging (change in age distribution mainly due to drop in birth rates)



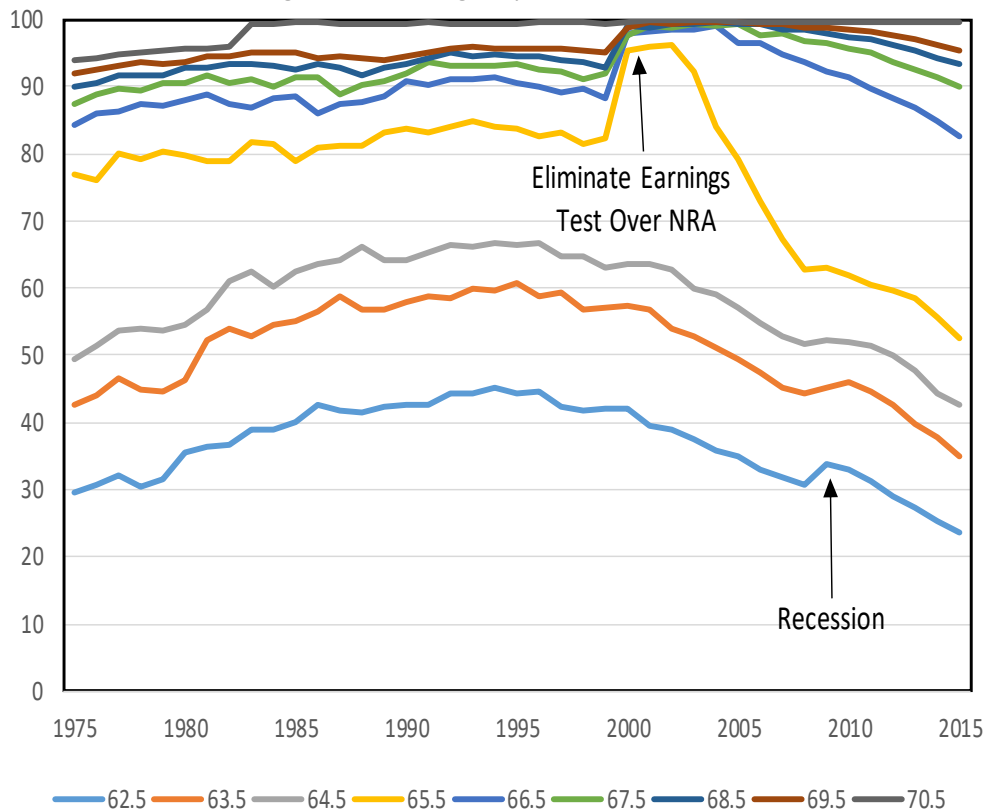
Where Has Employment Been Growing? Over Ages 60/65.

So we need people to work more at all ages—not just older ages.

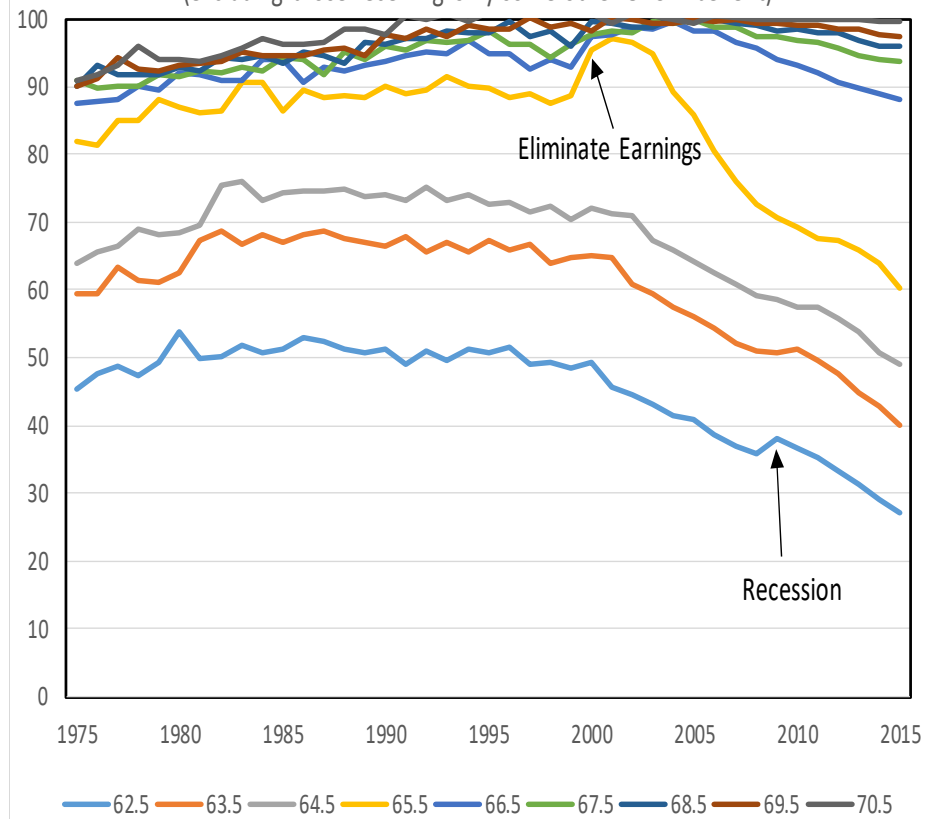


Age of Starting Social Security Retirement Benefits

Male Retired Worker Beneficiaries In Current Payment Status as Percent of Insured Population (excluding those receiving only some other OASDI benefit)



Female Retired Worker Beneficiaries In Current Payment Status as Percent of Insured Population (excluding those receiving only some other OASDI benefit)



Proposals to Encourage Work to Higher Ages

- Munnell/Walters:

- Expand EITC for individuals without dependent children

- **Make people better informed**

- Establish a “National Retirement Age” of 70

Would this lower benefits by 20%? How about Medicare eligibility age?

- Report 401(k) income projections

Yes! Expected replacement rate for accruals to date?

- Workplace seminars on working longer

By employers? Even small employers?

- Reintroduce mandatory retirement age & public campaign for older workers

Proposals to Encourage Work to Higher Ages

- Clark/Shoven:
 - **Eliminate earnings test between 62 (ERA) and 67 (NRA)**
Start benefits earlier, lowering monthly benefit thereafter.
 - **Paid-up status; cease OASDI payroll tax and benefit accruals after 67 (NRA)**
Shift more OASDI cost to younger workers? Lower their wages?
Shift employer preference to older workers at expense of younger?
 - Paid-up status for Medicare, and make Medicare coverage primary
- Other possibilities