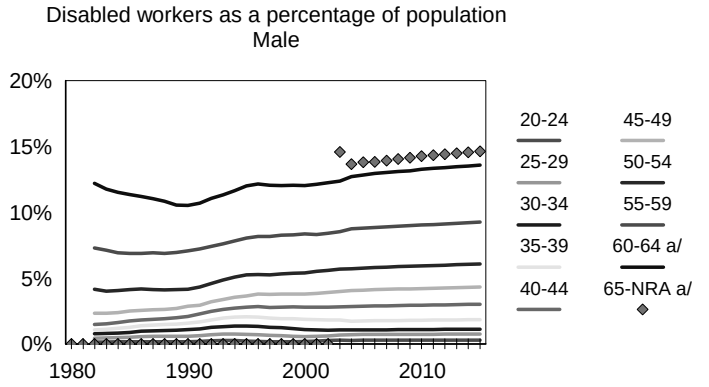
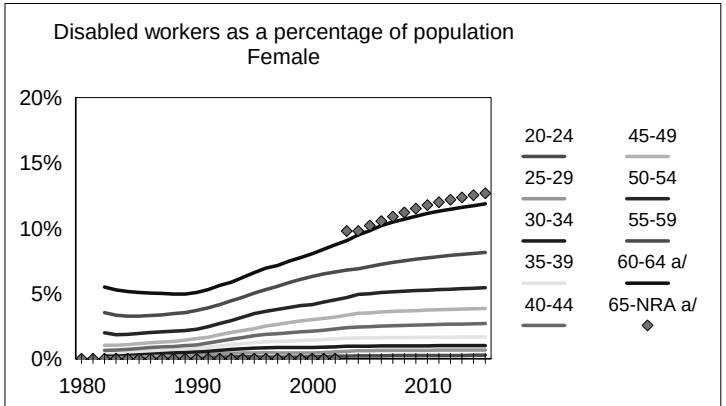
DISABILITY INSURANCE **CBO July 2005 baseline**

Caseloads in thousands, outlays in billions of dollars

07/21/2005	2000 act	2001 act	2002 act	2003 act	2004 prelim	2005 proj	2006 proj	2007 proj	2008 proj	2009 proj	2010 proj	2011 proj	2012 proj	2013 proj	2014 proj	2015 proj
CALENDAR YEAR																
Beneficiaries (December 31)																
Disabled workers																
Men	2,856	2,952	3,070	3,225	3,373	3,510	3,652	3,784	3,913	4,013	4,120	4,226	4,298	4,357	4,430	4,500
Women	2,186	2,322	2,474	2,649	2,824	2,965	3,132	3,276	3,415	3,527	3,643	3,758	3,840	3,906	3,981	4,053
Subtotal	5,042	5,274	5,544	5,874	6,198	6,475	6,785	7,060	7,328	7,540	7,764	7,984	8,138	8,263	8,411	8,553
Spouses	165	157	152	151	153	152	153	152	151	149	147	145	141	138	134	131
Children	1,466	1,482	1,526	1,571	1,599	1,619	1,643	1,652	1,659	1,665	1,669	1,672	1,673	1,674	1,678	1,688
Total	6,673	6,913	7,221	7,595	7,949	8,247	8,580	8,864	9,138	9,353	9,579	9,801	9,953	10,075	10,223	10,372
Average benefit (December 31)																
Disabled workers																
Men	$883	$915	$936	$966	$1,002	$1,045	$1,078	$1,113	$1,151	$1,190	$1,232	$1,276	$1,323	$1,372	$1,423	$1,476
Women	$661	$689	$709	$735	$765	$800	$827	$857	$888	$920	$954	$989	$1,027	$1,066	$1,107	$1,149
Subtotal	$786	$815	$834	$862	$894	$933	$962	$994	$1,028	$1,064	$1,101	$1,141	$1,183	$1,227	$1,273	$1,321
Spouses	$198	$207	$212	$221	$232	$241	$248	$256	$265	$273	$283	$293	$303	$314	$325	$337
Children	$228	$238	$245	$254	$265	$277	$286	$296	$307	$318	$330	$342	$355	$369	$383	$398
Average disabled-worker award																
Men	$950	$986	$1,020	$1,062	$1,093	$1,129	$1,162	$1,225	$1,271	$1,321	$1,376	$1,432	$1,489	$1,550	$1,611	$1,672
Women	$698	$730	$754	$787	$819	$847	$873	$922	$958	$997	$1,040	$1,084	$1,129	$1,177	$1,225	$1,274
Total	$835	$869	$898	$937	$967	$1,003	$1,029	$1,088	$1,130	$1,175	$1,225	$1,276	$1,329	$1,385	$1,440	$1,496
Disabled workers, start of year	4,879	5,042	5,274	5,544	5,874	6,198	6,475	6,785	7,060	7,328	7,540	7,764	7,984	8,138	8,263	8,411
Awards	622	691	756	778	797	779	835	831	850	876	896	903	914	928	946	955
"Exits"	-459	-459	-486	-448	-473	-501	-526	-555	-583	-664	-672	-683	-760	-802	-798	-813
Disabled workers, end of year	5,042	5,274	5,544	5,874	6,198	6,475	6,785	7,060	7,328	7,540	7,764	7,984	8,138	8,263	8,411	8,553
Exit rate	-9.4%	-9.1%	-9.2%	-8.1%	-8.1%	-8.1%	-8.1%	-8.2%	-8.3%	-9.1%	-8.9%	-8.8%	-9.5%	-9.9%	-9.7%	-9.7%



a. At 62 or older, eligible workers may collect either retired- or disabled-worker benefits. Disabled workers are converted to retired workers at "normal retirement age" (NRA), which climbs from 65 to 66 during this period and eventually to 67.



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(continued)

DISABILITY INSURANCE **CBO July 2005 baseline**

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FISCAL YEAR																
Regular benefits																
Disabled workers	$44.2	$47.6	$51.8	$56.3	$61.3	$67.0	$73.3	$79.0	$84.9	$91.2	$96.4	$102.8	$109.3	$115.4	$121.6	$128.4
Spouses	$0.4	$0.4	$0.4	$0.4	$0.4	$0.4	$0.4	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5
Children	$3.8	$4.0	$4.2	$4.5	$4.8	$5.1	$5.4	$5.6	$5.9	$6.1	$6.3	$6.6	$6.9	$7.1	$7.4	$7.7
Subtotal	$48.4	$52.0	$56.4	$61.2	$66.5	$72.5	$79.1	$85.1	$91.2	$97.8	$103.3	$109.9	$116.6	$123.0	$129.5	$136.6
Retroactive benefits	$5.8	$6.2	$7.8	$8.6	$9.6	$11.3	$10.8	$11.5	$12.2	$13.0	$13.7	$14.6	$15.5	$16.4	$17.3	$18.3
Total benefits																
Disabled workers	$49.1	$52.9	$58.6	$63.7	$69.8	$77.0	$82.8	$89.1	$95.7	$102.8	$108.6	$115.9	$123.2	$130.1	$137.1	$144.8
Spouses	$0.4	$0.4	$0.4	$0.4	$0.4	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.5	$0.6	$0.6	$0.6	$0.6
Children	$4.6	$4.8	$5.2	$5.6	$5.9	$6.4	$6.6	$6.9	$7.2	$7.5	$7.8	$8.1	$8.4	$8.7	$9.1	$9.5
Subtotal	$54.2	$58.2	$64.2	$69.7	$76.2	$83.8	$89.9	$96.6	$103.5	$110.8	$117.0	$124.5	$132.2	$139.4	$146.8	$154.9
Plug	$0.0	-$0.0	-$0.0	$0.1	$0.1	$0.0	$0.0	$0.0	$0.0	-$0.0	$0.0	$0.0	$0.0	$0.0	$0.0	$0.0
Outlays (OMB Table 13.1)	$54.2	$58.2	$64.2	$69.8	$76.2	$83.8	$89.9	$96.6	$103.5	$110.8	$117.0	$124.5	$132.2	$139.4	$146.8	$154.9
KEY ASSUMPTIONS																
Average wage for indexing	$32,155	$32,922	$33,252	$34,065	$35,400	$37,362	$38,745	$40,234	$41,891	$43,586	$45,302	$47,139	$48,946	$50,795	$52,727	$54,739
Taxable maximum	$76,200	$80,400	$84,900	$87,000	$87,900	$90,000	$93,600	$98,700	$102,300	$106,200	$110,700	$115,200	$119,700	$124,500	$129,300	$134,100
PIA for mythical "lifelong average" disabled worker (age 50)	$1,117	$1,171	$1,218	$1,255	$1,276	$1,317	$1,355	$1,427	$1,480	$1,537	$1,601	$1,665	$1,731	$1,801	$1,870	$1,940
Maximum PIA (age 50)	$1,741	$1,836	$1,924	$1,994	$2,035	$2,106	$2,169	$2,288	$2,376	$2,469	$2,573	$2,679	$2,786	$2,901	$3,014	$3,128
COLA this calendar year	3.5%	2.7%	1.4%	2.1%	2.7%	3.4%	2.3%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%	2.2%
Date	Dec-00	Dec-01	Dec-02	Dec-03	Dec-04	Dec-05	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15

By convention, most Social Security program statistics are by calendar year. Benefit payments in the federal government's fiscal year (October through September) roughly track figures for the preceding December--for example, regular benefits in fiscal 2005 approximately equal recipients in December 2004 times their average amount, times twelve. COLAs and a rising NRA complicate that relationship, but it remains a useful rule of thumb.

Details may not add to totals due to rounding. A few beneficiaries are not identified by sex.

Outlays depict benefit costs only and omit vocational rehabilitation and the payment to railroad retirement (which are mandatory) and administrative costs (discretionary).

2001 COLA includes regular COLA (2.6%) in December 2001 plus retroactive 0.1% "mini-COLA" paid in summer 2001 as a result of P.L. 106-554.

"Exits" chiefly represent terminations due to death or conversion to retirement, plus some medical recoveries.

Retroactive benefits chiefly go to newly-awarded disabled workers for past months, including the months spent in processing their applications. Unusually high retroactive payments in 2002 through 2010 stem largely from processing approximately 300,000 awards to current and former SSI recipients that SSA discovered should have received DI based on work performed after they started getting SSI. (SSA announced that finding in July 2001 and initially estimated the number of people at 130,000.) Because SSI is a needs-tested program and offsets DI benefits (except for the first $20 a month) on a dollar-for-dollar basis, most of the extra DI costs will be offset by reduced SSI benefits and reimbursement for past overpayments. The exact timing of those large reimbursements (paid by DI to the general fund) is very uncertain.

COLA=cost-of-living adjustment, PIA=primary insurance amount, NRA="normal retirement age" (when disabled workers are converted to retired workers).