

Social Security: OASI, DI, and Trust Funds—CBO’s January 2019 Baseline

Social Security has two parts: Old-Age and Survivors Insurance (OASI), which pays benefits to retired workers, their families, and some survivors of deceased workers; and Disability Insurance (DI), which makes payments to disabled workers until those workers reach the age at which they are eligible to receive full retired-worker benefits under OASI and to their families. The program is funded primarily through payroll taxes on employers and workers, who each pay 6.2 percent of earnings; self-employed workers pay the entire 12.4 percent tax.

To receive OASI or DI benefits, workers must have a substantial employment history and meet other criteria. CBO’s projections of outlays for OASI and DI benefits are based on the number of beneficiaries and their average benefits.

Although Social Security is part of the overall federal budget, its benefits are paid from trust funds that are funded from payroll taxes, interest on their balances, and income taxes on Social Security benefits. Under current law, the Social Security Administration may not pay benefits in excess of the available balances in a trust fund.

Social Security Disability Insurance—CBO's January 2019 Baseline

January 28, 2019

	Preliminary, 2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
By Calendar Year												
Beneficiaries on December 31 (Thousands)												
Disabled Workers												
Men	4,337	4,262	4,225	4,256	4,303	4,354	4,414	4,477	4,530	4,527	4,524	4,525
Women	4,200	4,148	4,127	4,168	4,222	4,277	4,339	4,403	4,458	4,457	4,456	4,457
All Disabled Workers	8,538	8,411	8,352	8,423	8,525	8,631	8,753	8,880	8,988	8,984	8,980	8,983
Spouses	119	112	106	103	101	99	97	96	95	93	91	89
Children	1,509	1,450	1,419	1,404	1,402	1,407	1,414	1,423	1,430	1,432	1,433	1,433
Total	10,165	9,972	9,877	9,930	10,028	10,137	10,264	10,399	10,513	10,508	10,504	10,504
Average Monthly Benefit on December 31 (Dollars)												
Disabled Workers												
Men	1,360	1,393	1,436	1,481	1,527	1,575	1,626	1,678	1,733	1,791	1,850	1,914
Women	1,104	1,134	1,172	1,213	1,254	1,298	1,344	1,392	1,442	1,495	1,550	1,609
All Disabled Workers	1,234	1,266	1,306	1,348	1,392	1,437	1,486	1,536	1,589	1,644	1,701	1,763
Spouses	351	362	375	390	405	420	437	454	473	492	512	533
Children	380	390	402	416	429	444	459	474	491	508	525	544
Disabled Workers (Thousands)												
Start of Year	8,695	8,538	8,411	8,352	8,423	8,525	8,631	8,753	8,880	8,988	8,984	8,980
Awards	740	746	810	851	892	909	933	944	937	936	929	933
Exits	-898	-873	-869	-780	-790	-803	-811	-816	-830	-940	-932	-931
End of Year	8,538	8,411	8,352	8,423	8,525	8,631	8,753	8,880	8,988	8,984	8,980	8,983
By Fiscal Year												
Benefit Outlays (Billions of dollars)												
Regular Benefit Outlays												
Disabled workers	123.9	125.1	126.8	131.7	137.2	143.5	150.1	156.6	164.1	172.2	176.2	182.3
Spouses	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Children	6.9	6.8	6.7	6.8	7.0	7.2	7.5	7.8	8.1	8.4	8.7	9.0
Subtotal	131.3	132.3	134.0	138.9	144.7	151.1	158.0	164.8	172.7	181.1	185.4	191.8
Retroactive Benefit Outlays	12.3	12.4	13.3	14.1	14.9	15.9	16.9	17.9	18.6	19.2	19.8	20.6
Total Benefit Outlays	143.5	144.7	147.3	153.0	159.6	167.0	175.0	182.7	191.3	200.3	205.2	212.4
Key Assumptions												
Average Wage for Indexing (Dollars)	51,794	53,683	55,840	58,092	60,345	62,543	64,790	67,114	69,492	71,944	74,461	77,149
Taxable Maximum (Dollars)	128,400	132,900	136,800	141,900	147,600	153,600	159,300	165,300	171,300	177,300	183,600	190,200
PIA for Hypothetical "Lifelong Average"												
Disabled Worker (Age 50, in dollars)	1,869	1,920	1,986	2,059	2,140	2,224	2,310	2,392	2,478	2,566	2,657	2,754
Maximum PIA (Age 50, in dollars)	3,035	3,119	3,227	3,346	3,475	3,609	3,748	3,882	4,022	4,167	4,316	4,474
COLA (Percent)	2.8	2.1	2.6	2.6	2.5	2.4	2.4	2.3	2.3	2.3	2.3	2.4
First Month for Which COLA Is Effective	12/2018	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	12/2027	12/2028	12/2029

Components may not sum to totals because of rounding.

COLA = cost-of-living adjustment; PIA = primary insurance amount.