

Social Security Disability Insurance—CBO’s Baseline as of March 6, 2020

Disability Insurance (DI) is the portion of Social Security that makes payments to disabled workers and to their families until those workers reach the age at which they are eligible to receive full retired-worker benefits under the Old-Age and Survivors Insurance program. DI is funded primarily through payroll taxes on employers and workers, who each pay 0.9 percent of earnings; self-employed workers pay the entire 1.8 percent tax.

To receive DI benefits, beneficiaries must have worked in the past but currently be unable to perform “substantial” work because of a disability. CBO’s projections of outlays for DI benefits are based on the number of beneficiaries and their average benefits.

These budget projections reflect legislation, administrative actions, and regulatory changes through March 6, 2020. They are based on the economic forecast that CBO completed on January 7, 2020, and do not account for changes to the nation’s economic outlook and fiscal situation arising from the recent and rapidly evolving public health emergency related to the novel coronavirus.

Social Security Disability Insurance—CBO's Baseline as of March 6, 2020

March 19, 2020

	Actual 2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Calendar Year												
Beneficiaries on December 31 (Thousands)												
Disabled Workers												
Men	4,231	4,140	4,120	4,120	4,136	4,174	4,232	4,291	4,296	4,308	4,324	4,348
Women	4,147	4,093	4,099	4,119	4,150	4,199	4,265	4,333	4,343	4,360	4,380	4,405
All Disabled Workers	8,378	8,232	8,219	8,238	8,286	8,373	8,498	8,624	8,639	8,668	8,704	8,752
Spouses	113	108	105	103	101	100	99	98	95	93	92	90
Children	1,434	1,358	1,308	1,279	1,267	1,265	1,276	1,292	1,306	1,322	1,337	1,349
Total	9,925	9,698	9,632	9,620	9,654	9,738	9,873	10,014	10,040	10,083	10,133	10,191
Average Monthly Benefit on December 31 (Dollars)												
Disabled Workers												
Men	1,384	1,423	1,465	1,511	1,559	1,609	1,662	1,717	1,774	1,833	1,894	1,957
Women	1,128	1,164	1,202	1,244	1,287	1,332	1,379	1,428	1,478	1,530	1,584	1,641
All Disabled Workers	1,258	1,294	1,334	1,377	1,423	1,470	1,520	1,572	1,625	1,680	1,738	1,798
Spouses	362	374	388	402	418	434	451	469	487	506	525	544
Children	391	403	416	430	444	459	475	491	507	524	542	561
Disabled Workers (Thousands)												
Start of Year	8,537	8,378	8,232	8,219	8,238	8,286	8,373	8,498	8,624	8,639	8,668	8,704
Awards	724	727	761	804	843	886	925	937	938	941	945	949
Exits	-883	-873	-774	-785	-795	-799	-800	-811	-923	-912	-909	-901
End of Year	8,378	8,232	8,219	8,238	8,286	8,373	8,498	8,624	8,639	8,668	8,704	8,752
Fiscal Year												
Benefit Outlays (Billions of dollars)												
Regular Benefit Outlays												
Disabled Workers	125.2	125.6	128.6	132.4	137.1	142.6	148.3	155.6	163.8	167.7	174.1	180.8
Spouses	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.6	0.6	0.6
Children	6.8	6.6	6.5	6.5	6.6	6.7	7.0	7.3	7.6	7.9	8.3	8.7
Subtotal	132.5	132.7	135.6	139.4	144.2	149.8	155.8	163.4	171.9	176.2	183.0	190.1
Retroactive Benefit Outlays	12.3	11.9	12.1	12.9	14.1	15.3	16.7	17.6	18.4	19.1	19.9	20.7
Total Benefit Outlays	144.9	144.7	147.6	152.3	158.2	165.2	172.4	181.1	190.3	195.3	202.8	210.8
Key Assumptions												
Average Wage for Indexing (Dollars)	54,097	55,974	58,265	60,525	62,763	65,015	67,277	69,604	72,019	74,480	76,915	79,430
Taxable Maximum (Dollars)	132,900	137,700	142,800	147,900	153,900	159,900	165,900	171,900	177,900	183,900	190,200	196,800
PIA for Hypothetical "Lifelong Average"												
Disabled Worker (Age 50, in dollars)	1,911	1,998	2,075	2,147	2,233	2,317	2,400	2,486	2,570	2,659	2,751	2,845
Maximum PIA (Age 50, in dollars)	3,103	3,245	3,370	3,487	3,622	3,758	3,895	4,035	4,173	4,318	4,469	4,623
COLA (Percent)	1.6	2.5	2.6	2.6	2.5	2.4	2.3	2.3	2.2	2.2	2.2	2.2
First Month for Which COLA Is Effective	12/2019	12/2020	12/2021	12/2022	12/2023	12/2024	12/2025	12/2026	12/2027	12/2028	12/2029	12/2030

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Components may not sum to totals because of rounding.

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