

The State of the Social Security & Medicare Trust Funds

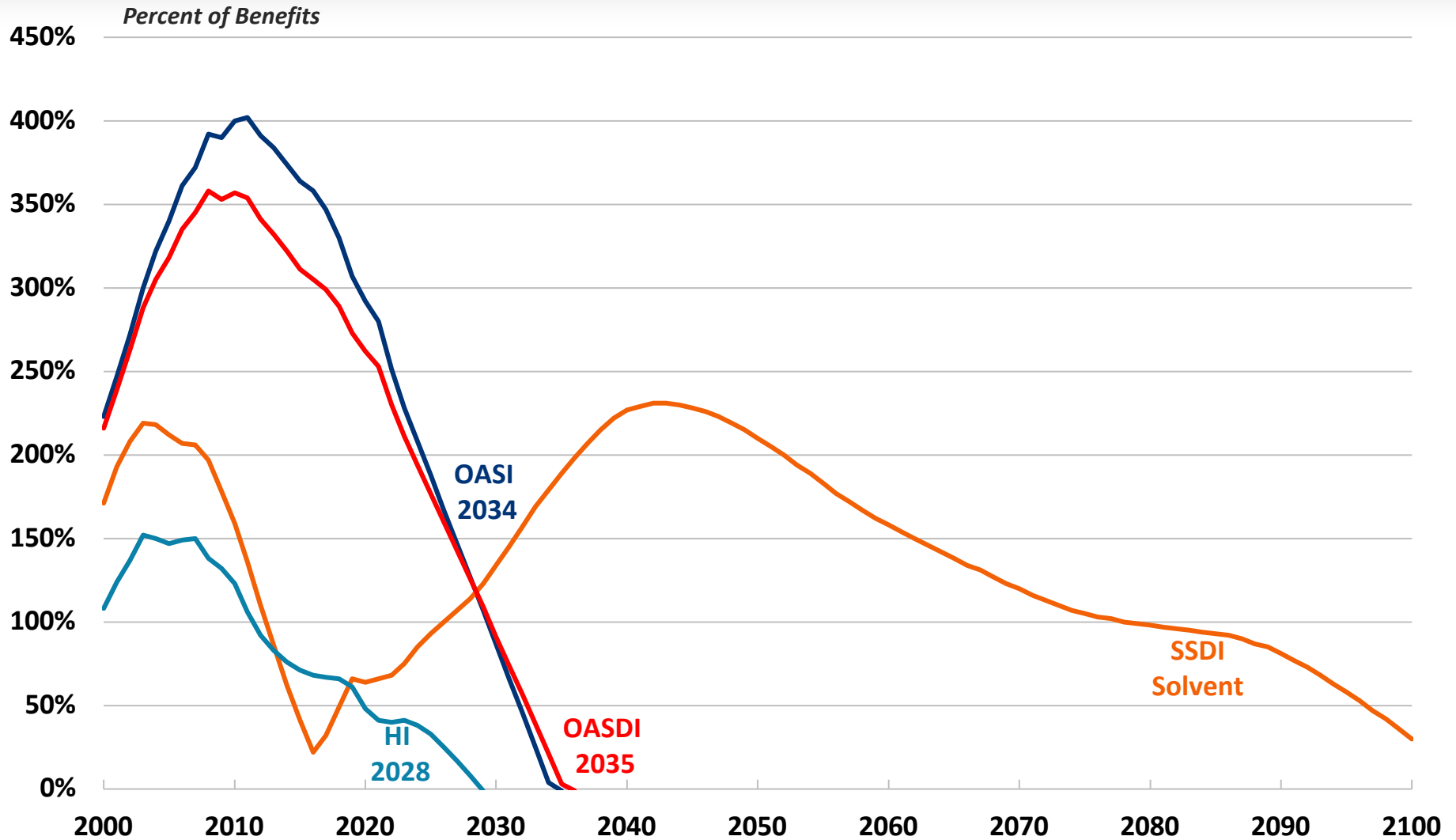
June 2022



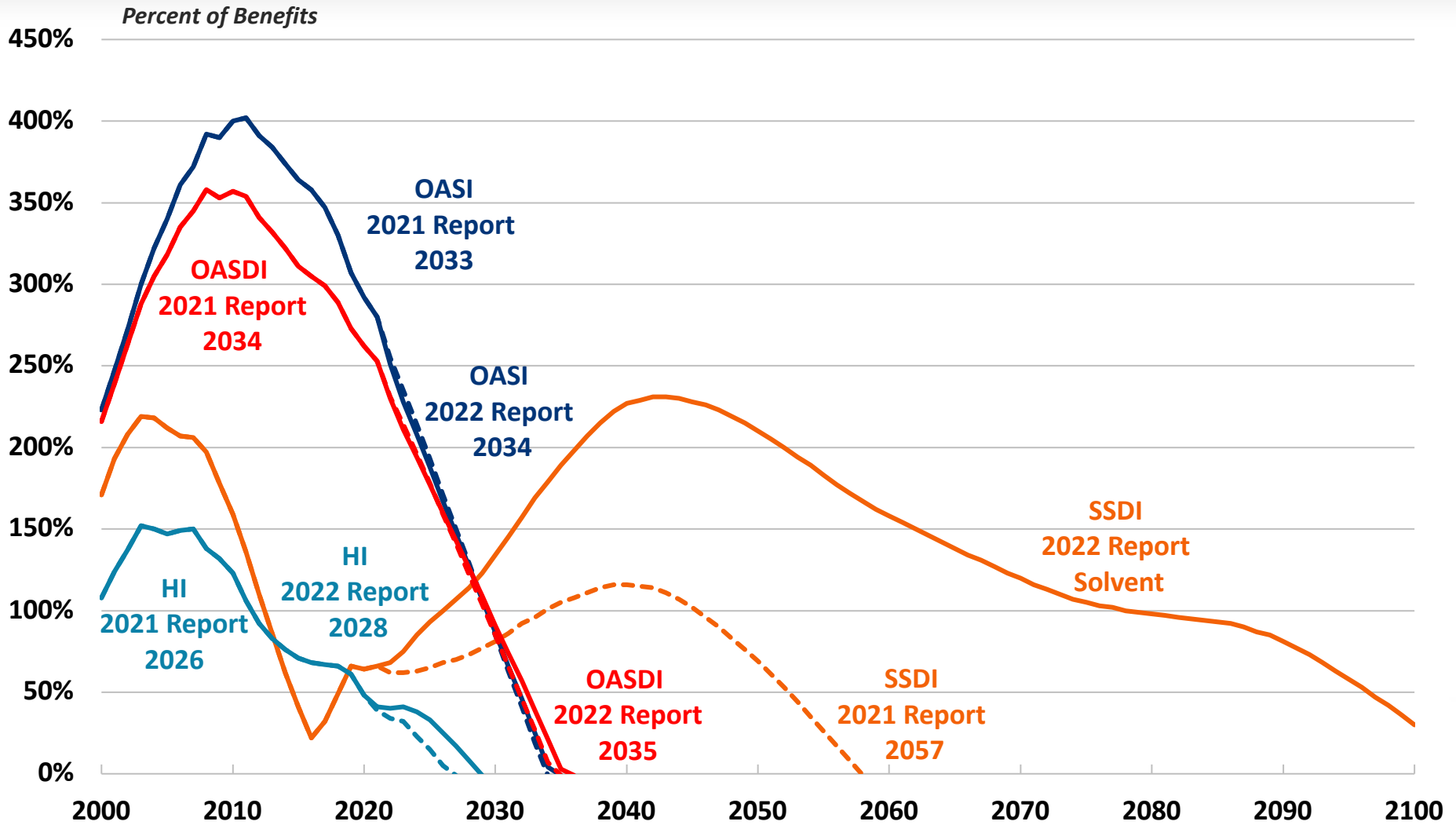
**COMMITTEE FOR A
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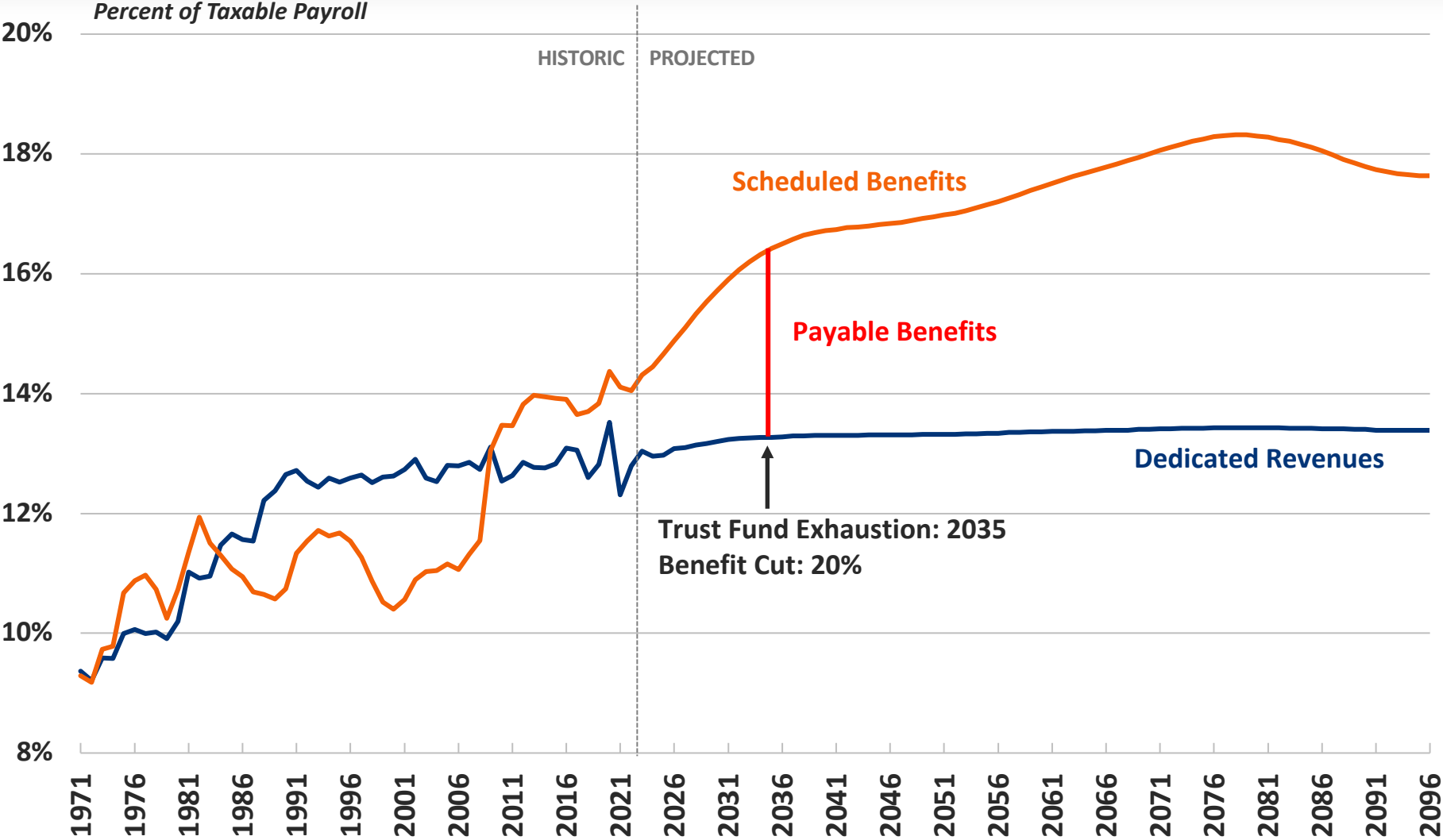
Social Security & Medicare Are Nearing Insolvency



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Social Security Costs Far Exceed Revenues



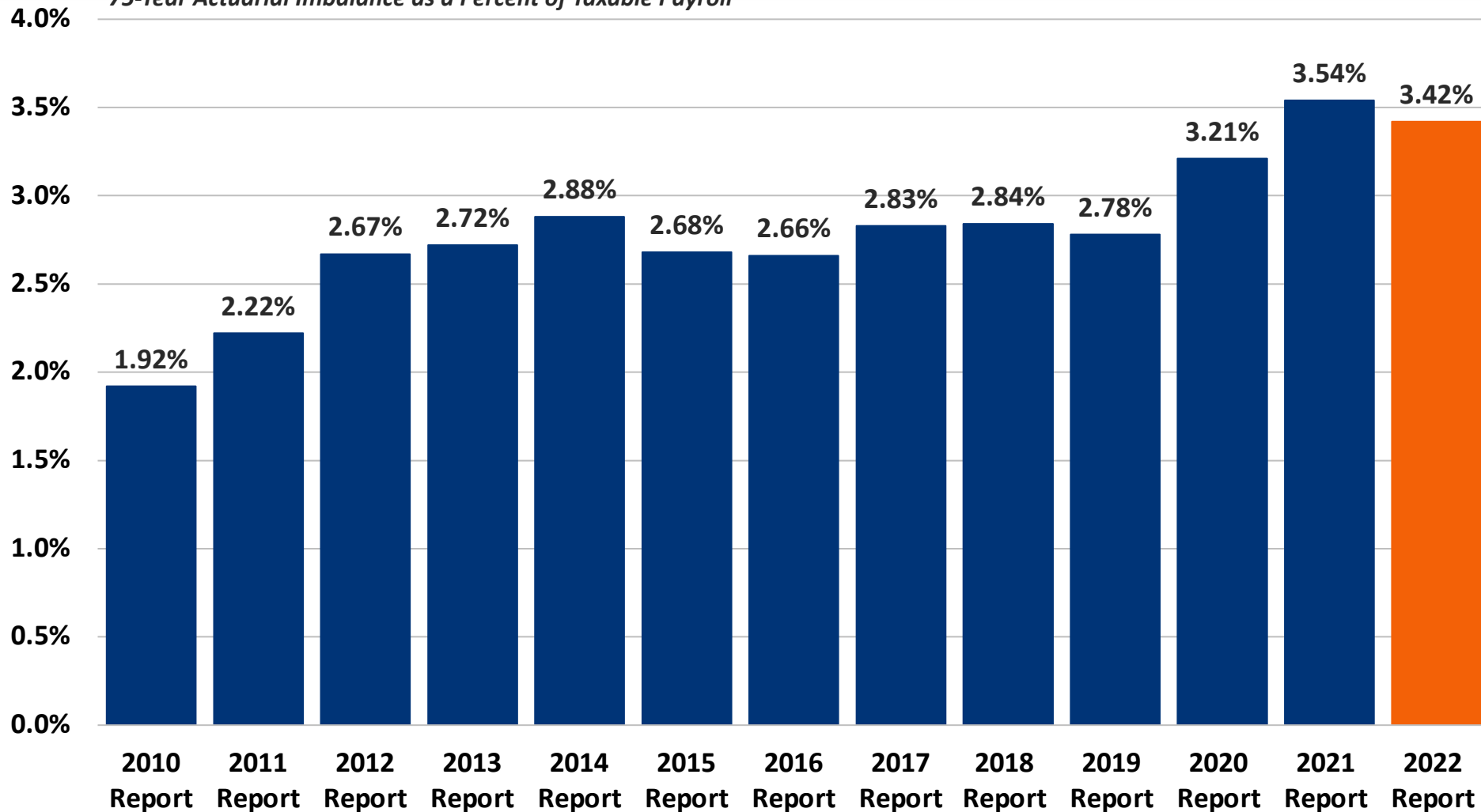
Note: Chart depicts historic and projected costs and income for the theoretically combined Social Security Old Age and Survivors Insurance and Disability Insurance (OASDI) trust fund.

Source: Social Security Administration.



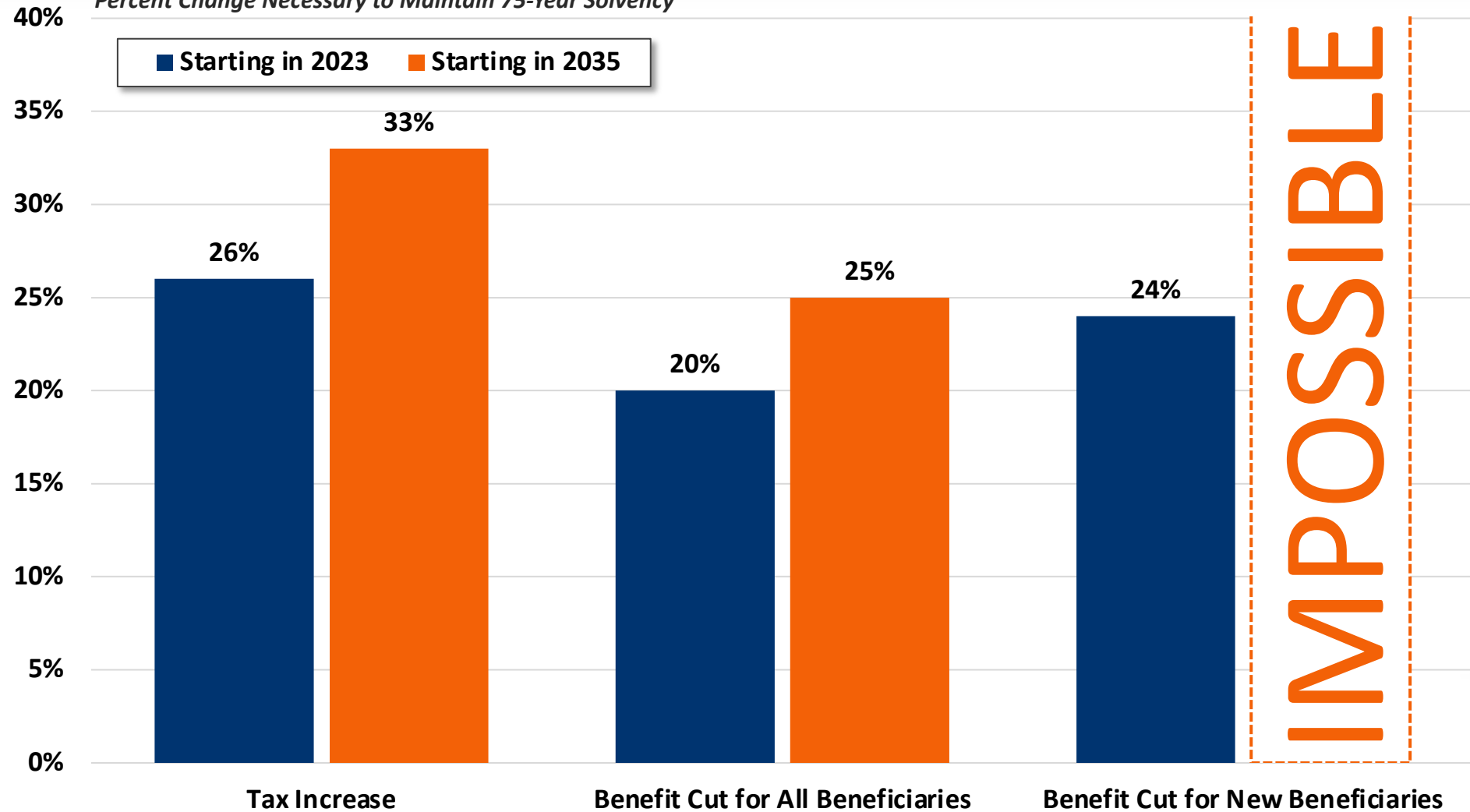
Social Security Faces a 3.4% of Payroll Shortfall

75-Year Actuarial Imbalance as a Percent of Taxable Payroll

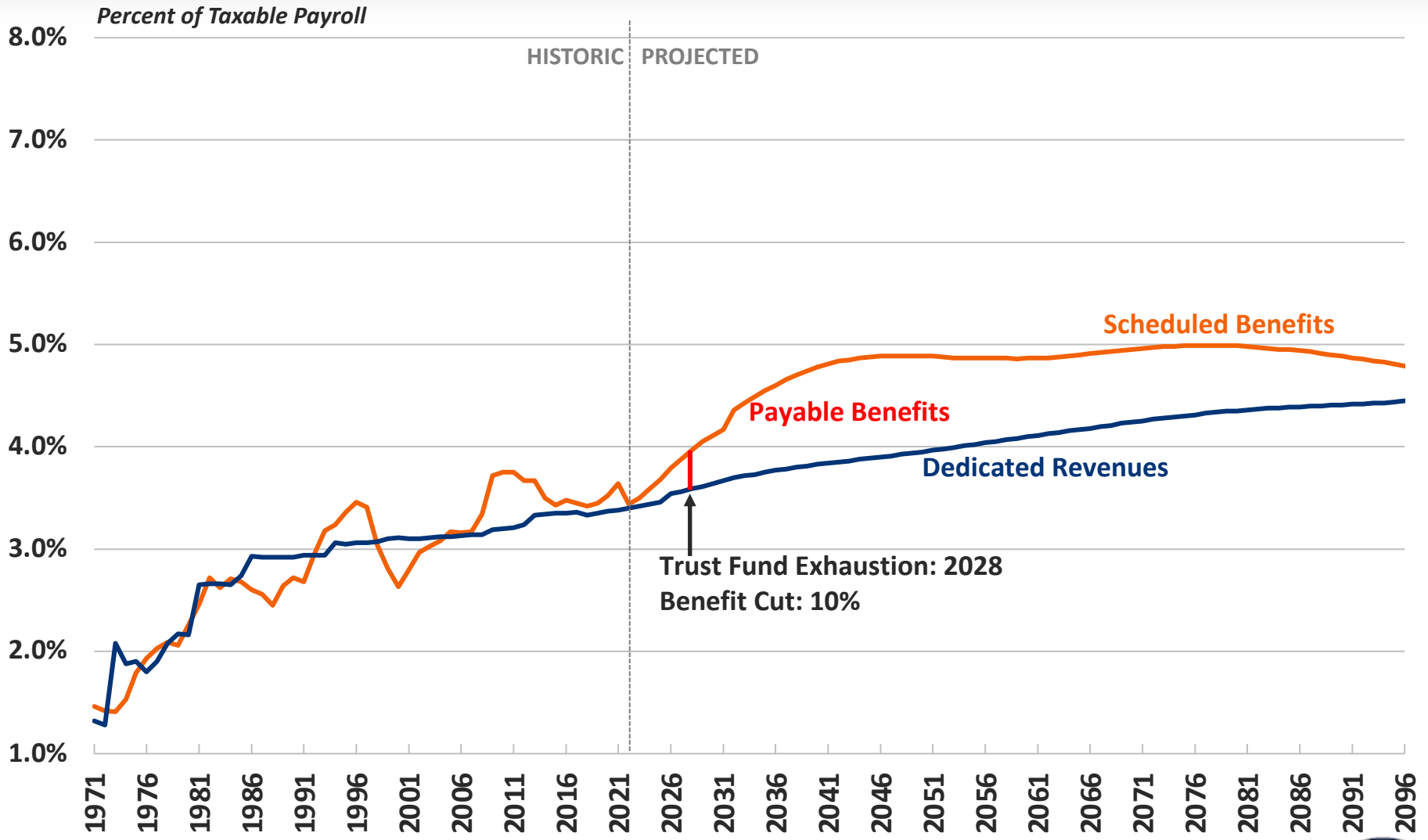


Restoring Solvency Requires Major Adjustments

Percent Change Necessary to Maintain 75-Year Solvency



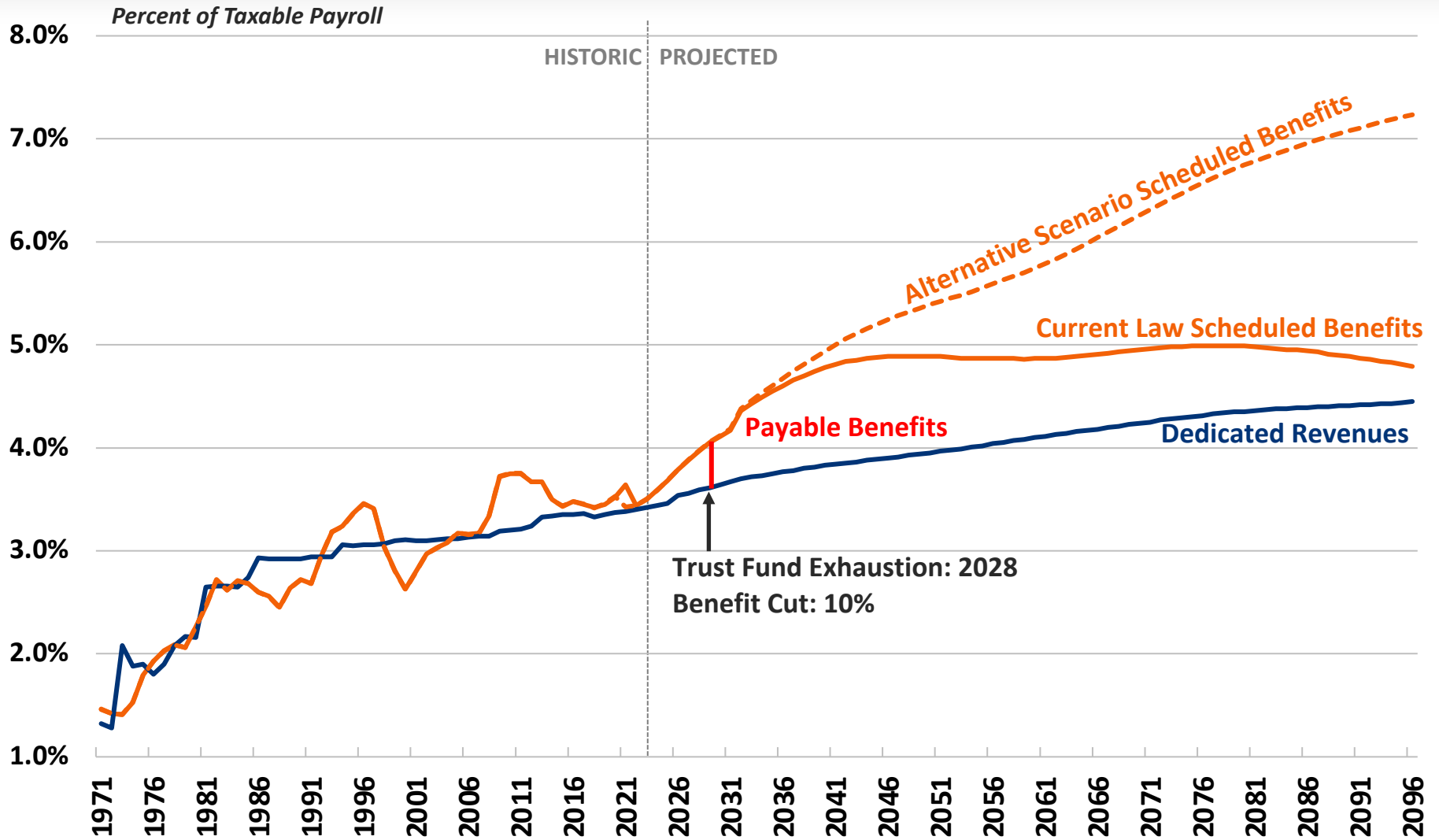
Medicare Part A Faces Growing Imbalances



Trust Fund Exhaustion: 2028
Benefit Cut: 10%

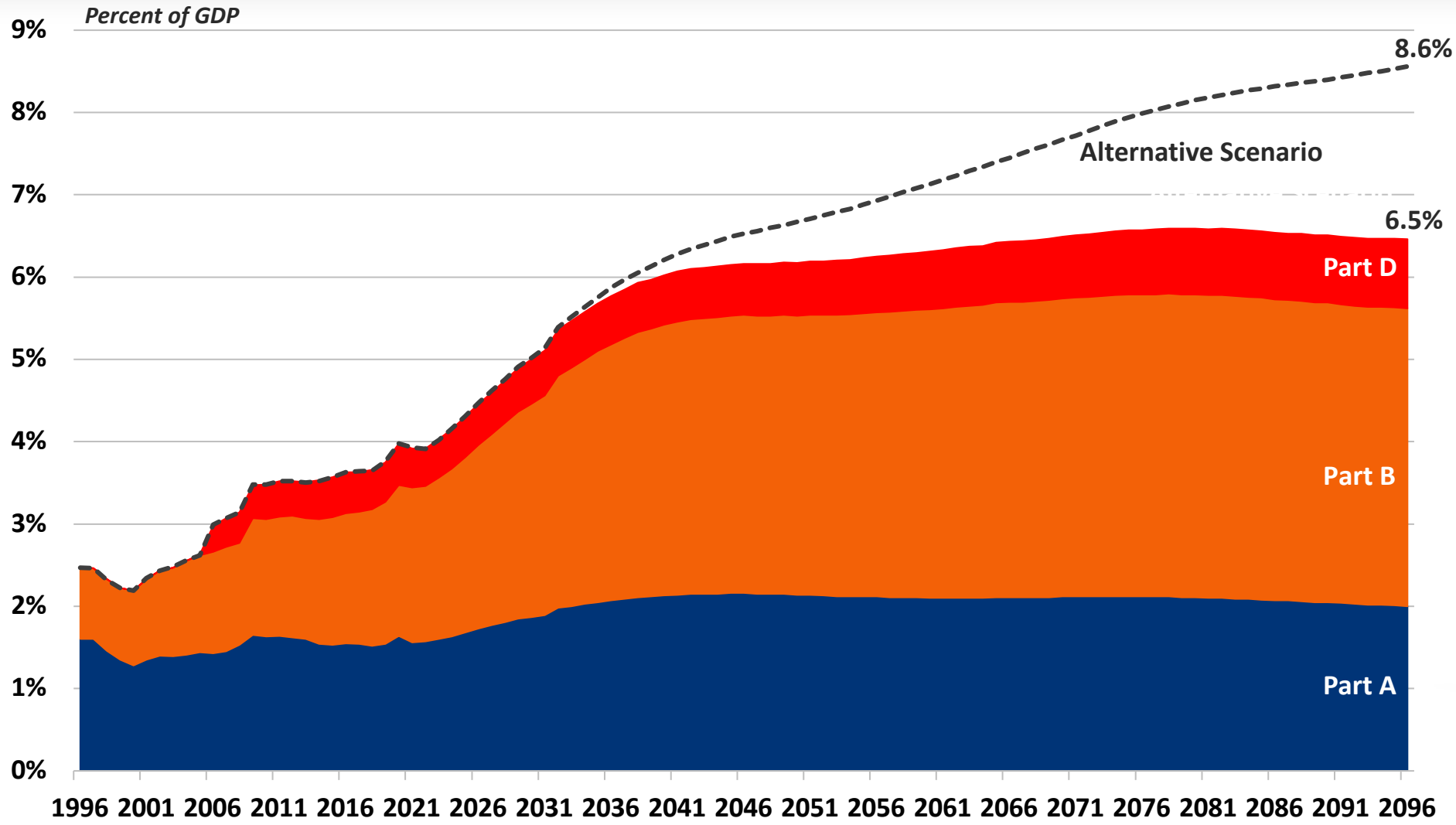
Source: Centers for Medicare and Medicaid Services.

Medicare Part A Faces Growing Imbalances



Source: Centers for Medicare and Medicaid Services.

All Medicare Costs are Rising

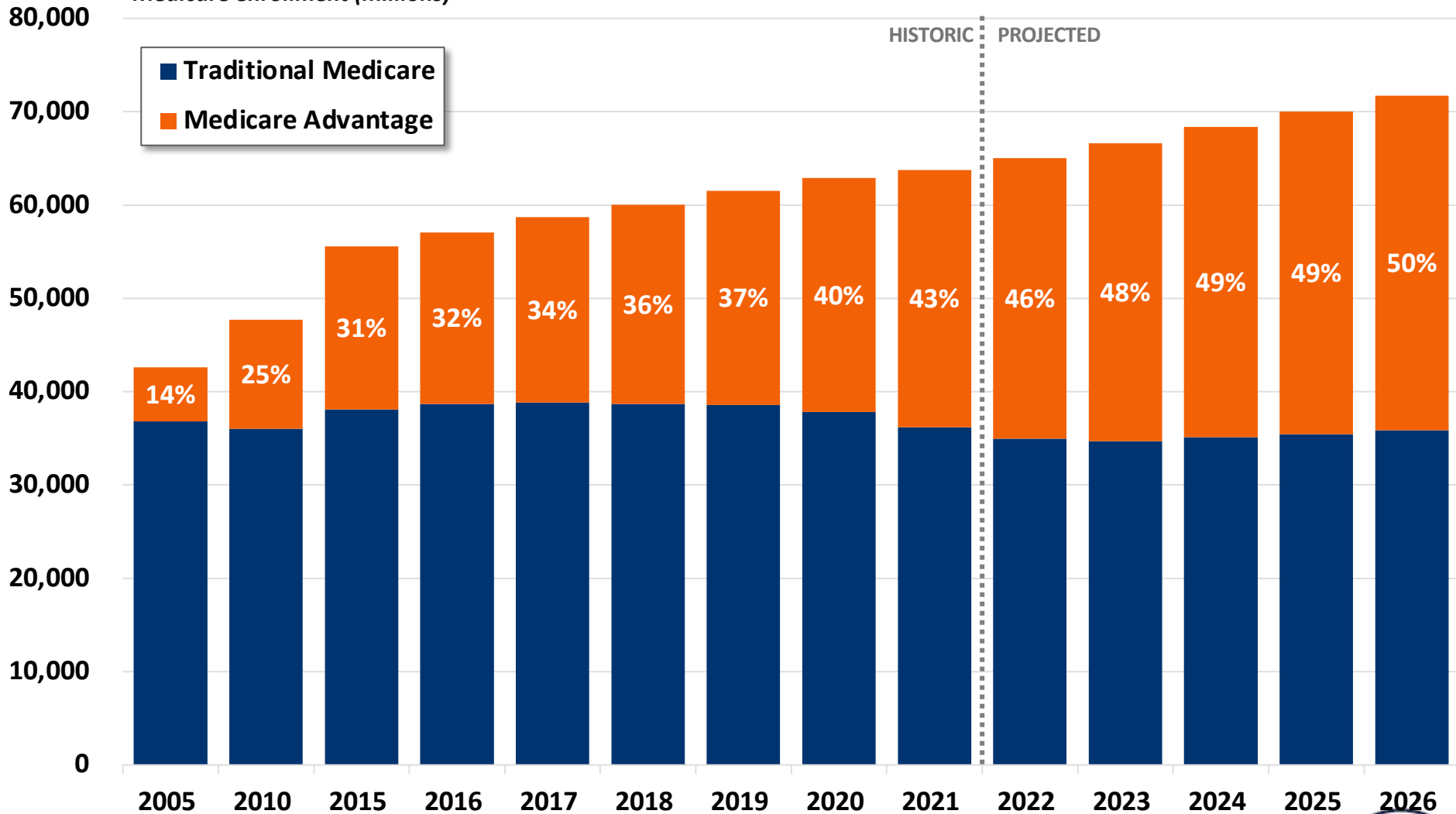


Source: Centers for Medicare and Medicaid Services.



Medicare Advantage Enrollment is Growing

Medicare enrollment (millions)



Note: Figures inside bars represent percentage of Medicare beneficiaries enrolled in a Medicare Advantage plan.
Sources: Kaiser Family Foundation, Medicare Payment Advisory Commission, Medicare Trustees, and Committee for a Responsible Federal Budget.

Trust Fund Outlooks Have Modestly Improved

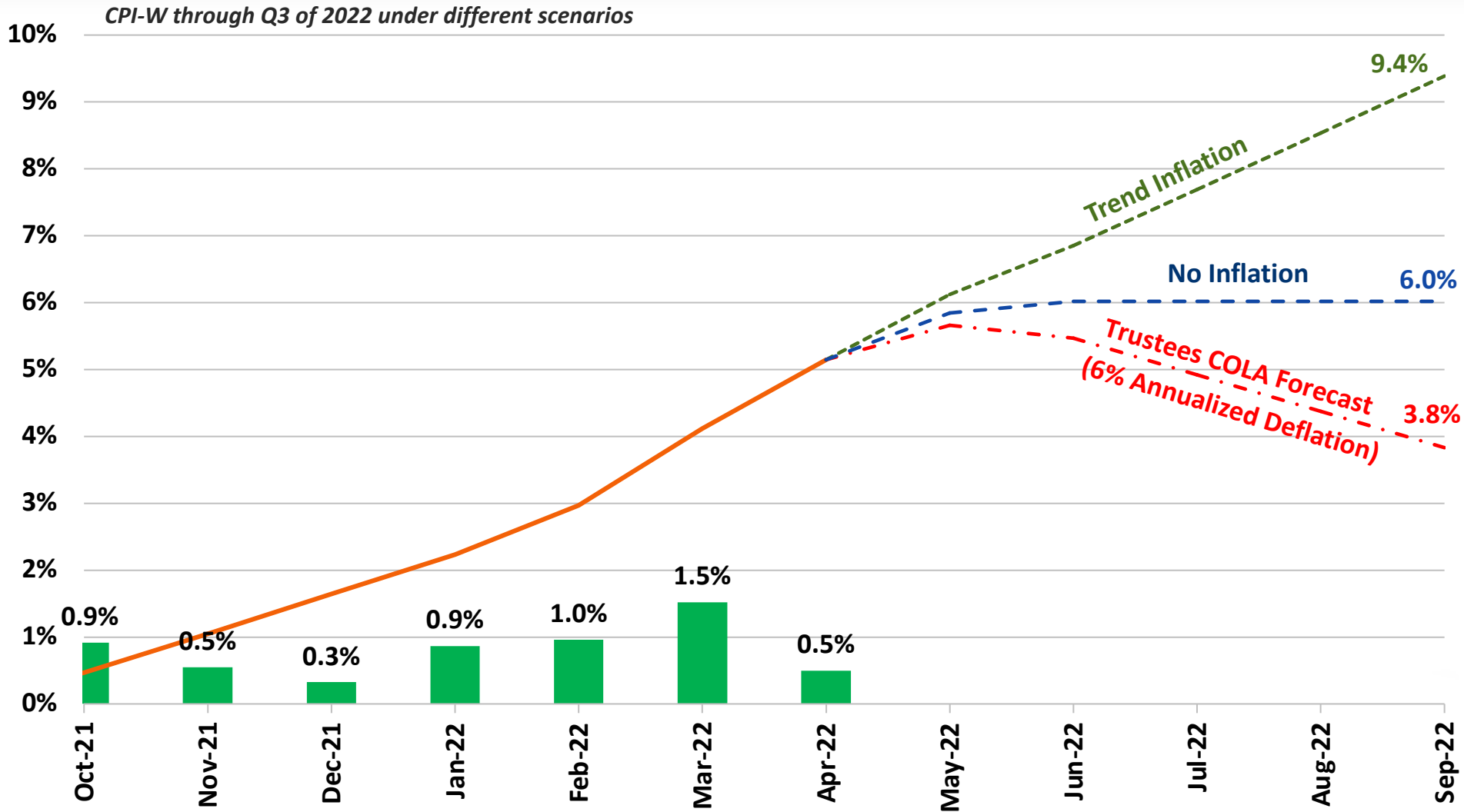
	Effect on 75-Year Medicare Shortfall	Effect on 75-Year Social Security Shortfall
75-Year Actuarial Imbalance in 2021 Report	-0.77%	-3.54%
Change in Demographic & Economic Assumptions	0.06%	0.09%
Change in Private Plan Assumptions	0.07%	n/a
Change in Disability Assumptions	n/a	0.07%
Changes in Provider Utilization	-0.05%	0.01%
Shifting of 75-Year Window & Other Factors	-0.01%	-0.05%
75-Year Actuarial Imbalance in 2022 Report	-0.70%	-3.42%

Note: Figures are shown as a percent of taxable payroll.

Sources: Social Security Administration and Centers for Medicare and Medicaid Services.



But Rely on Rosy Economic Assumptions



Note: No Inflation assumes CPI-W remains at April levels, Trend assumes growth continues at the average rate of all months this year.

Sources: Social Security Administration, Bureau of Labor Statistics, and Committee for a Responsible Federal Budget.

Time Is Running Out for Trust Fund Solutions

HIGHWAY INSOLVENCY COUNTDOWN

The Highway system will be forced to start cutting benefits by 2027. [What can we do?](#)

YEARS	MONTHS	DAYS	HOURS	MINUTES	SECONDS
05	:00	:27	:23	:32	:23



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MEDICARE INSOLVENCY COUNTDOWN

The Medicare system will be forced to start cutting benefits by 2028. [What can we do?](#)

YEARS	MONTHS	DAYS	HOURS	MINUTES	SECONDS
05	:06	:28	:22	:33	:57



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SOCIAL SECURITY COUNTDOWN

The Social Security system will be forced to start cutting benefits by 2035. [What can we do?](#)

YEARS	MONTHS	DAYS	HOURS	MINUTES	SECONDS
12	:07	:28	:22	:31	:14



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For more visit www.crfb.org/projects/trust-fund-solutions

Social Security & Medicare Are Nearing Insolvency

Trust Fund	Insolvency Data	75-Year Actuarial Shortfall	Shortfall in 75 th Year
Medicare Hospital Insurance (Part A) Trust Fund	2028	0.70%	0.35%
Social Security Old-Age and Survivors Insurance Trust Fund	2034	3.41%	4.14%
Social Security Disability Insurance Trust Fund	Solvent*	0.01%	0.12%
Combined Social Security Trust Funds	2035	3.42%	4.25%

The 75-year actuarial shortfall and the shortfall in the 75th year are shown as a percent of taxable payroll.

**The Social Security Trustees project the Social Security Disability Insurance trust fund will not exhaust its reserves during the 75-year projection period.*

Source: Social Security Administration.