Social Security Administration

Summary of Performance and Financial Information Report

Fiscal Year 2014

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SUMMARY OF PERFORMANCE AND FINANCIAL INFORMATION REPORT FISCAL YEAR 2014

OUR MISSION

Deliver Social Security services that meet the changing needs of the public

ABOUT THIS SUMMARY

The goal of this *Summary of Performance and Financial Information Report for Fiscal Year 2014* is to increase accountability by making our performance and financial information transparent and accessible. In this summary, we include performance and financial information to highlight our efforts identified in the full Fiscal Year (FY) 2014 Agency Financial Report (www.socialsecurity.gov/finance/) and the Annual Performance Plan for FY 2015, Revised Performance Plan for FY 2014 and Annual Performance Report for FY 2013 (www.socialsecurity.gov/agency/performance/).

SUMMARY OF OUR PERFORMANCE

WHO WE ARE AND WHAT WE DO

We take great pride in providing disability, survivors, retirement, and Supplemental Security Income (SSI) benefits to workers and their families. The programs we administer provide a financial safety net for millions of Americans, and many people consider them the most successful large-scale Federal programs in our Nation's history.

Serving the American public requires a vast network of facilities, technology, and skilled staff. Every day, more than 75,000 Federal and State employees provide service to our customers. Nationwide, we have a network of about 1,400 offices, including regional offices, field offices, Social Security card centers, teleservice centers, processing centers, hearing offices (including satellite offices and National Hearing Centers), the Appeals Council, and our headquarters in Baltimore, Maryland. Internationally, we deliver services in U.S. embassies in hundreds of countries.

HOW SOCIAL SECURITY BENEFITED AMERICA IN FISCAL YEAR 2014

- On average each month, about 63.4 million individuals received Social Security or Federal SSI benefits. We paid a combined total of about $894 billion in Social Security and Federal SSI benefits;

- About 88 percent of the American population age 65 and over received Social Security benefits;

- Among elderly Social Security beneficiaries, 52 percent of married couples and 74 percent of unmarried individuals relied on Social Security for 50 percent or more of their income;

- About 96 percent of persons aged 20-49 who worked in covered employment had survivors protection for their young children and a surviving spouse caring for the children; and

- On average each month, more than 1.3 million blind or disabled children under age 18 received Federal SSI payments.

- Issued 16 million new and replacement Social Security cards;

- Performed over 1.8 billion automated Social Security number verifications;

- Posted over 253 million earnings items to workers' records;

- Handled more than 37 million calls on our National 800 Number;

- Assisted more than 40.8 million visitors in field offices;

- Registered 6.13 million users for *my* Social Security, a personalized online account;

- Received approximately 5 million retirement, survivor, and Medicare applications;

- Completed over 2.8 million initial disability claims;

- Completed 757,198 reconsideration disability claims;

- Provided support services for 316,363 beneficiaries trying to return to work or improve their earnings through the Ticket to Work program;

- Completed over 2.6 million SSI non-disability redeterminations;

- Completed 525,875 full medical continuing disability reviews;

- Completed 247,215 work continuing disability reviews;

- Completed over 2.8 million overpayment actions;

- Completed 162,280 Appeals Council requests for review; and

- Completed 680,963 requests for hearings.

HOW WE MANAGE PERFORMANCE

Our Performance Framework: The *Government Performance and Results Modernization Act of 2010* (GPRMA) specifies criteria for agency strategic plans to align with presidential terms and ensure that agency goals align with broader Federal efforts.

Setting goals and measuring their outcomes is vital to our performance success. We define our performance framework in the Fiscal Year 2014-2018 Agency Strategic Plan (www.socialsecurity.gov/asp). Our *Agency Strategic Plan* (ASP) links our Strategic Goals with underlying objectives, strategies, and relevant issues. Our Strategic Goals are:

Strategic Goal 1: Deliver Innovative, Quality Services;

Strategic Goal 2: Strengthen the Integrity of Our Programs;

Strategic Goal 3: Serve the Public through a Stronger, More Responsive Disability Program;

Strategic Goal 4: Build a Model Workforce to Deliver Quality Service; and

Strategic Goal 5: Ensure Reliable, Secure, and Efficient Information Technology Services.

Our Planned Performance: In March 2014, we published our *Annual Performance Plan for FY 2015, Revised Performance Plan for FY 2014 and Annual Performance Report for FY 2013* (www.socialsecurity.gov/agency/performance/) as a part of the *President's FY 2015 Budget Request* (www.socialsecurity.gov/budget/). Collectively we refer to this combined document as our Annual Performance Report (APR). The APR outlines our tactical plans for achieving the goals and objectives in our ASP and finalizes our performance commitments for FY 2014.

Each September, a draft of the APR accompanies our budget submission to the Office of Management and Budget (OMB). The draft APR provides our priorities and key initiatives for the next two fiscal years, the performance measures we will use to evaluate our success, and our progress to date on current fiscal year commitments. The budgeted workloads published in our APR correspond to the key workload measures contained in our *FY 2014 Operating Plan* (www.socialsecurity.gov/budget/FY14Files/2014OP.pdf).

Our Actual Performance and Program Results: We update the APR after the close of the fiscal year to provide performance results for the previous fiscal year. We will issue the final APR, containing our actual FY 2014 results, in February 2015. The final APR will be available on our Budget Estimates and Related Information website (www.socialsecurity.gov/budget/)

Our Priorities: We established our Agency Priority Goals (APG), as required by GPRMA, in FY 2014. We expect to achieve our APGs by the end of FY 2015. We routinely review our progress and take actions to improve our outcomes, stimulate innovation, and deliver favorable results. Our four APGs are:

APG 1: Improve access to our services by increasing the number of citizens who complete their business with us online;

APG 2: Deliver a world-class customer experience by expanding the use of video technology to hold hearings;

APG 3: Provide the public with access to personalized information by increasing the number of established *my* Social Security accounts; and

APG 4: Reduce the percentage of improper payments made under the Supplemental Security Income program.

Our APGs are aggressive and reflect the performance improvement priorities of our executive leadership. You can find additional information on our APGs performance on Performance.gov (www.performance.gov/agency/social-security-administration#overview).

Established by GPRMA, Cross-Agency Priority (CAP) goals accelerate progress on presidential priority areas. Multiple agencies actively collaborate to achieve results in these areas.

OMB established CAP goals based on input from Federal agencies and congressional committees. These goals reflect the President's second-term priorities.

There are seven mission-oriented and eight management-focused CAP goals. Each CAP goal has two senior leaders – one within the Executive Office of the President and one within a key delivery agency. The Social Security Administration and OMB co-lead the Customer Service CAP goal.

Additional information about CAP goals and our participation in them is available on Performance.gov (www.performance.gov/cap-goals-list?view=public).

SUMMARY OF FISCAL YEAR 2014 PERFORMANCE

This summary highlights the approaches we used to achieve the targets set in support of our goals during FY 2014. It also outlines some of the challenges we faced meeting these goals. We base our planned performance targets on our full budget request. If necessary, we adjust our resources accordingly to complete our budgeted workloads and agency goals.

With our FY 2014 appropriation, we began recovery efforts after three years of deep budget cuts, including sequestration. Starting with replacing some staffing losses, we are committed to improving the service we provide to the public. By the end of FY 2014, we had more people answering our National 800 Number, helping customers in our field offices, and making decisions on claims and hearings. However, we did not meet several of our performance goals in FY 2014 because it will take time to reverse the adverse effects from years of budgetary cuts. Although we replaced some of our past losses, new staff need extensive training and on the job experience to gain the knowledge needed to do their jobs quickly and effectively. FY 2014 was a year of transition as we positioned ourselves to improve in future years.

Final data for 4 of our 51 performance measures was not available at the time this report was published. We will include those overall results in our FY 2015 Agency Performance Report. We met our target for 34 of the 47 performance measures with available data.

Below is an assessment of our overall progress by Strategic Goal in FY 2014:

- Strategic Goal 1: Deliver Innovative, Quality Services

    o Met the target for 7 of 11 measures
    o Did not meet the target for 4 of 11 measures

- Strategic Goal 2: Strengthen the Integrity of Our Programs

    o Met the target for 5 of 7 measures
    o Final data not available for 2 of 7 measures

- Strategic Goal 3: Serve the Public through a Stronger, More Responsive Disability Program

    o Met the target for 7 of 17 measures
    o Did not meet the target for 8 of 17 measures
    o Final data not available for 2 of 17 measures

- Strategic Goal 4: Build a Model Workforce to Deliver Quality Service

    o Met the target for 8 of 9 measures
    o Did not meet the target for 1 of 9 measures

- Strategic Goal 5: Ensure Reliable, Secure, and Efficient Information Technology Services

    o Met the target for 7 of 7 measures

STRATEGIC GOAL 1: DELIVER INNOVATIVE, QUALITY SERVICES

Strategic Objectives:
- Develop and Increase the Use of Self–Service Options
- Enhance the Customer Experience by Completing Customers' Business at First Point of Contact
- Partner with Other Agencies and Organizations to Improve Customers' Experience and Align with the Administration's One-Government Approach
- Evaluate Our Physical Footprint to Incorporate Improved Service Options

Agency Priority Goals:
- Improve access to our services by increasing the number of citizens who complete their business with us online.
- Deliver world-class customer experience by expanding the use of video technology to hold hearings.
- Provide the public with access to personalized information by increasing the number of established *my* Social Security accounts.

We serve the public through multiple service delivery channels: in-person, via telephone, and online. The following tables present our performance in four of our key performance measures. The first two performance measures support our APGs listed above.

1.1a Improve access to our services by increasing the number of citizens completing their business with us online		
Target: 50.9 million	**Performance:** 70 million	**Target Achieved:** Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	13.5 million	16 million	21.8 million	46.3 million	70 million

In FY 2014, we exceeded our target. We are working to increase customer satisfaction by expanding personalized self-service delivery options, which enable customers to access our services at their convenience. Customers do not need computers in their homes to use our online services. Our Social Security Express initiative provides access to our online services in our field offices and in external locations.

1.2a Deliver world-class customer experience by expanding the use of video technology to hold hearings		
Target: 28%	**Performance:** 28%	**Target Achieved:** Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	20.3%	20.1%	22.8%	26.1%	28%

In FY 2014, we met our target. Video hearings play a critical role in our disability adjudication process by allowing our administrative law judges to spend less time traveling to hearings and more time deciding cases. We held our one-millionth video hearing at the end of FY 2014.

1.2c Maintain high customer satisfaction with our online services		
Target: 80	**Performance:** 83	**Target Achieved:** Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	81	81	82	82	83

In FY 2014, we exceeded our target. We have the two highest rated online services in Federal Government as measured by the American Customer Satisfaction Index: the Retirement Estimator, and the Extra Help with Medicare Prescription Drug Plan Costs application.

1.3a Minimize the average response time to deliver medical evidence to the Department of Veteran Affairs for wounded warriors and veterans		
Target: 5 days	**Performance:** 6 days	**Target Achieved:** Not Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	10 days	7 days	6 days	7 days	6 days

While we did not achieve this year's target, we successfully reduced the average response time from 7days in FY 2013 to 6 days in FY 2014.

STRATEGIC GOAL 2: STRENGTHEN THE INTEGRITY OF OUR PROGRAMS

Strategic Objectives:
- Transform the Way We Record Earnings to Enhance Data Accuracy
- Protect the Public's Data and Provide Secure Online Services
- Increase Payment Accuracy

Agency Priority Goal:
- Reduce the percentage of improper payments made under the Supplemental Security Income program.

Paying the right person, the right amount, at the right time is critical, and we take this responsibility very seriously. We are committed to protecting our programs from waste, fraud, and abuse. The following table reflects our efforts aimed at reducing SSI Improper payments.

2.3a Reduce the percentage of improper payments made under the SSI Program		
Target: 6.2%	**Performance:** Data available April 2015	**Target Achieved:** TBD*

Fiscal Year	2010	2011	2012	2013	2014
Performance	11.6%	10.8%	9.6%	8.6%	TBD*

TBD*: To be determined as final FY 2014 data were not available at time of publishing

Our FY 2014 performance data will not be available until April 2015. We will discuss our FY 2014 performance results in the FY 2015 APR.

STRATEGIC GOAL 3: SERVE THE PUBLIC THROUGH A STRONGER, MORE RESPONSIVE DISABILITY PROGRAM

Strategic Objectives:
- Improve the Quality, Consistency, and Timeliness of Our Disability Decisions
- Maximize Efficiencies throughout the Disability Program
- Enhance Employment Support Programs and Create New Opportunities for Returning Beneficiaries to Work

We remain committed to meeting the public's needs by using technology and tools that are cost effective for the taxpayer and convenient for our customers. We continue to balance timeliness with an emphasis on quality and consistency in decision-making.

The following performance measures support our Strategic Goal to strengthen our disability program.

3.1a Expedite cases for the most severely disabled individuals by achieving the target percentage of initial disability cases identified as Quick Disability Determinations or Compassionate Allowances		
Target: 6.5%	**Performance:** 6.6%	**Target Met:** Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	4.6%	4.8%	5.8%	6.6%	6.6%

In FY 2014, we exceeded our target for identifying and expediting the severest initial disability cases through our Quick Disability Determinations model and Compassionate Allowance conditions.

3.1b Ensure the quality of our decisions by achieving the disability determination services decisional accuracy rate for initial disability decisions		
Target: 97%	**Performance:** Data Available January 2015	**Target Achieved:** TBD*

Fiscal Year	2010	2011	2012	2013	2014
Performance	98%	98%	98%	98%	TBD*

TBD*: To be determined as final FY 2014 data were not available at time of publishing

While our customers expect us to make timely decisions, they also expect us to make the right decisions, appropriately and consistently applying our rules and regulations. We will continue to balance timeliness with an emphasis on quality and consistency in decision-making.

3.1e Increase our ability to provide timely decisions by focusing on our oldest cases first		
Target: Make decisions on 99.5% of cases that start the year 310 days or older.	**Performance:** 98%	**Target Achieved:** Not Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	Not Available**	Not Available**	Not Available**	Not Available**	98%

**New target and data definition introduced for FY 2014. Prior years' tracking methodology differs and not available based on FY 2014 data definition.

Staffing and resource shortages impeded our ability to meet our FY 2014 target. We remain committed to providing the highest quality decision in a timely manner with increased focus on in-line quality processes.

STRATEGIC GOAL 4: BUILD A MODEL WORKFORCE TO DELIVER QUALITY SERVICE

Strategic Objectives:
- Attract and Acquire a Talented and Diverse Workforce That Reflects the Public We Serve
- Strengthen the Competency, Agility, and Performance of Our Workforce to Align with the Needs of the Public
- Foster an Inclusive Culture that Promotes Employee Well-Being, Innovation, and Engagement
- Enhance Planning and Alignment of Human Resources to Address Current and Future Public Service Needs

Maintaining a quality workforce is critical to providing the public with world-class service. The following table is indicative of our efforts aimed at maintaining workplace excellence. This performance measure reflects our commitment to the People and Culture Cross Agency Priority goal.

4.3a Maintain status as one of the top 10 Best Places to Work among large agencies in the Federal Government		
Target: Top 10 Rank	**Performance:** Top 10 Rank	**Target Achieved:** Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	Top 10 Rank	Top 10 Rank	Top 10 Rank	Top 10 Rank	Top 10 Rank

We have consistently ranked among the Top 10 Best Places to Work among large agencies in the Federal Government. While we address workload increases with finite resources, our employees' satisfaction remains a priority for our agency. Our employees are essential to meeting our challenges and achieving our agency strategic goals. Therefore, it is paramount that we continue to promote an engaged and satisfied workforce.

STRATEGIC GOAL 5: ENSURE RELIABLE, SECURE, AND EFFICIENT INFORMATION TECHNOLOGY SERVICES

Strategic Objectives:
- Maintain System Performance and the Continuity of Information Technology Services
- Enhance and Execute Plans to Modernize Our Systems
- Incorporate Innovative Advances in Service Delivery
- Continuously Strengthen Our Cyber Security Program

A robust and cost-effective information technology (IT) environment is at the core of every service we provide for the American public and for our employees. We support these mission-critical business and service operations by designing, deploying, and maintaining one of the Nation's most sophisticated IT infrastructures. The following table reflects our systems performance.

5.1a Provide uninterrupted access to our systems during scheduled times of operation		
Target: 99.5% availability	**Performance:** 99.97% availability	**Target Achieved:** Met

Fiscal Year	2010	2011	2012	2013	2014
Performance	99.84% availability	99.89% availability	99.5% availability	99.5% availability	99.97% availability

In FY 2014, we exceeded our target. We rely on a large and complex technology infrastructure. Our infrastructure includes dual data centers, extensive national databases, hundreds of software applications, large supporting computing platforms, and thousands of networked computers, printers, telephones, and other devices. Over the past five years our IT systems were available almost 100 percent of the time.

OUR MANAGEMENT AND PERFORMANCE CHALLENGES

In fiscal year 2014, the Office of the Inspector General identified seven significant challenges facing the Social Security Administration (SSA), summarized below. For additional information, please refer to the *Fiscal Year 2014 Inspector General Statement on the Social Security Administration's Major Management and Performance Challenges* (http://oig.ssa.gov/sites/default/files/audit/full/pdf/A-02-15-15038_0.pdf).

1. **Reduce the Hearings Backlog and Prevent Its Recurrence:** While SSA has emphasized the need for quality, consistency, and timeliness in its disability decisions, this remains a challenge as the hearings backlog approaches one million cases and timeliness continues to worsen.

2. **Improve the Timeliness and Quality of the Disability Process**: SSA needs to address receipt of millions of initial disability and reconsideration claims and backlogs of initial disability claims and continuing disability reviews, while also protecting its disability programs from fraud.

3. **Reduce Improper Payments and Increase Overpayment Recoveries:** SSA is responsible for issuing over $800 billion in benefit payments, annually, to about 60 million people. Given the amount of overall dollars involved in SSA's payments, even the slightest error in the overall process can result in millions of dollars in over- or underpayments.

4. **Improve Customer Service**: SSA faces several challenges, such as increasing workloads and representative payee oversight, as it pursues its mission to deliver services that meet the public's changing needs.

5. **Invest in Information Technology Infrastructure to Support Current and Future Workloads:** SSA faces major challenges to ensure it has sufficient information technology controls, provides secure electronic services to meet its customers' growing needs, strategically plans to modernize its systems for future service delivery, and efficiently implements major information technology initiatives.

6. **Strengthen the Integrity and Protection of the Social Security Number:** Protecting the Social Security number and properly posting the wages reported under Social Security numbers are critical to ensuring eligible individuals receive the full benefits they are due.

7. **Strengthen Planning, Transparency, and Accountability:** Planning, transparency, and accountability are critical factors in effective management. Failure to plan properly to meet its mission and challenges will lessen the agency's ability to provide its services efficiently and effectively now and in the future. Similarly, mismanagement and waste, as well as a lack of transparency for citizens in Government operations, can erode trust in SSA's ability to tackle the challenges it faces.

SUMMARY OF OUR FINANCIAL INFORMATION

We received an unmodified audit opinion for the 21st consecutive year on our FY 2014 financial statements. Our financial statements combined the results from the programs we administer, which include the Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) programs (referred to as OASDI when discussing them in combination), and the Supplemental Security Income (SSI) program. OASI and DI have separate funds, which are financed by payroll taxes, interest on investments, and income taxes on benefits. General revenues from the U.S. Treasury finance SSI. The following table presents key amounts from our basic financial statements for FYs 2012 through 2014. Our financial statements, notes, and additional information appear on pages 43 through 102 of our full FY 2014 Agency Financial Report (www.socialsecurity.gov/finance).

Table of Key Measures[1] (Dollars in Billions)			
	2014	**2013**	**2012**
Net Position (end of fiscal year)			
Total Assets	$2,828.9	$2,799.6	$2,766.5
Less Total Liabilities	$107.1	$102.0	$101.5
Net Position (assets net of liabilities)	$2,721.8	$2,697.6	$2,665.0
Change in Net Position (end of fiscal year)			
Net Costs	$906.8	$867.4	$822.9
Total Financing Sources[2]	$931.1	$899.9	$882.2
Change in Net Position	$24.2	$32.6	$59.3
Statement of Social Insurance Old-Age, Survivors, and Disability Insurance (calendar year basis)			
Present value of future net cashflows[3] for current and future participants over the next 75 years (open group measure), current year valuation	-$13,330	-$12,294	-$11,278
Present value of future net cashflows[3] for current and future participants over the next 75 years (open group measure), prior year valuation	-$12,294	-$11,278	-$9,157
Change in present value	-$1,035	-$1,016	-$2,121

1. Totals do not necessarily equal the sum of rounded components.

2. Total Financing Sources includes both the Total Financing Sources and Total Budgetary Financing Sources lines from the Statement of Changes in Net Position.

3. Future net cashflows are estimated over the appropriate 75-year period.

Assets: Of our FY 2014 total assets identified in the Table of Key Measures above, $2,813.0 billion relates to funds from dedicated collections for the OASI and DI programs. Approximately 98.4 percent of our assets are investments, which increased $26.5 billion over the previous year.

Liabilities: Liabilities grew in FY 2014 by $5.1 billion, primarily because of the growth in benefits due and payable, which is attributable to the 1.5 percent Cost of Living Adjustment (COLA) provided to beneficiaries as of January 1, 2014, as well as an increase in the numbers of OASI and SSI beneficiaries. The majority of our liabilities (87.7 percent) consist of benefits that have accrued as of the end of the fiscal year, but have not been paid.

Net Position: Our net position grew $24.2 billion in FY 2014 to $2,721.8 billion, which is attributable to financing sources in excess of our net cost. At this time, tax revenues and interest earned continue to exceed benefit payments made to OASDI beneficiaries, keeping the agency's programs solvent.

Net Cost: Our net cost of operations increased $39.4 billion during FY 2014 to $906.8 billion, primarily due to the 1.5 percent COLA provided to beneficiaries as of January 1, 2014, as well as an increase in the numbers of OASI and SSI beneficiaries. In FY 2014, our total benefit payments increased by $39.3 billion, a 4.6 percent increase.

The table below displays the distribution of our FY 2014 operating expenses allocated to our five Strategic Goals.

FY 2014 Operating Expenses by Strategic Goal (Dollars in Millions)	
Deliver Innovative, Quality Services	$ 2,734
Strengthen the Integrity of Our Programs	$ 1,910
Serve the Public through a Stronger, More Responsive Disability Program	$ 5,756
Build a Model Workforce to Deliver Quality Service	$ 346
Ensure Reliable, Secure, and Efficient Information Technology Services	$ 1,034

Social Insurance Information: The magnitude of the present value of estimated future net cashflows (estimated noninterest income less estimated cost) for all current and future participants over the next 75 years (open group measure) changed from $12.3 trillion, as of January 1, 2013, to $13.3 trillion, as of January 1, 2014. Including the asset reserves in the combined OASI and DI Trust Fund decreases this open group measure, in magnitude, to $10.6 trillion for the 75-year valuation period.

OASI and DI Trust Fund Solvency: The OASI and DI Trust Funds are deemed solvent as long as asset reserves are sufficient to finance program obligations in full and on a timely basis. Such solvency is indicated for any point in time by the maintenance of positive OASI and DI Trust Fund asset reserves. In recent years, current income has exceeded program obligations for the OASDI program; therefore, the combined OASI and DI Trust Fund asset reserves have been growing.

A trust fund for a program is deemed adequately financed for the short term when actuarial estimates of its asset reserves for the beginning of each calendar year are at least as large as the program's obligations for the year. Estimates in the 2014 Trustees Report indicate that, on a theoretical combined basis, the OASI and DI Trust Funds are adequately financed over the next 10 years. While asset reserves in the OASI Trust Fund are more than adequate to cover projected DI Trust Fund cost over the first 10 years of the projection period, the transfer of asset reserves between funds is not allowed under current law. When considered alone, financing of the DI Trust Fund is inadequate, and without remedial action, the fund asset reserves are expected to deplete in 2016. Under the intermediate assumptions of the 2014 Trustees Report, OASDI estimated cost and income for 2023 are 80 percent and 64 percent higher than the corresponding amounts in 2013 ($823 billion and $855 billion, respectively). From the end of 2013 to the end of 2023, asset reserves are projected to slightly decrease by 2 percent, from $2.8 trillion to $2.7 trillion.

Social Security's financing is not projected to be sustainable over the long term with the tax rates and benefit levels scheduled in current law. Program cost will exceed noninterest income in all years of the 75-year projection period. In 2033, the combined OASI and DI Trust Fund asset reserves will be depleted according to the projections by Social Security's Trustees. Under current law, when the DI Trust Fund reserves deplete, full scheduled DI benefits cannot be paid on a timely basis. Similarly, when the OASI Trust Fund reserves deplete, full scheduled OASI benefits cannot be paid on a timely basis. Tax revenues are projected to be sufficient to support expenditures at a level of 77 percent of scheduled benefits after the combined OASI and DI Trust Fund depletion in 2033, declining to 72 percent of scheduled benefits in 2088. The primary reasons for the projected long-term inadequacy of financing under current law relate to changes in the demographics of the United States: birth rates dropping substantially after 1965, retirees living longer, and baby boomers approaching retirement.

For more information, please see the 2014 Trustees Report (www.socialsecurity.gov/oact/TR/2014/index.html) and our full FY 2014 Agency Financial Report (www.socialsecurity.gov/finance).

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