

## **The Report of the 2007 Technical Panel on Assumptions and Methods**

Washington, D.C. (June 5, 2008) – The Social Security Advisory Board is pleased to announce the release of the report of the 2007 Social Security Technical Panel on Assumptions and Methods.

Appointed by the bipartisan Advisory Board, the Panel is an independent, ten member body of experts in the fields of demography, economics and actuarial science whose charter is to review the long range projections of the financial status of the Social Security system as reported annually by the Social Security Board of Trustees. While the report solely reflects the views of the Panel, the Advisory Board believes this effort provides an important national service by subjecting the Trustees' assumptions and Social Security actuaries' methods to intense and informed public scrutiny.

In the report released today, the 2007 Technical Panel has made over 50 specific recommendations for changes in the methodology and assumptions used in the Trustees projections. Among the key findings:

- The Panel recommends that the Social Security actuaries continue to develop and expand the use of state-of-the art projection techniques such as stochastic and micro-simulation modeling.
- The Panel also recommends specific changes in the methods for projecting immigration and life expectancy and recommends assuming higher levels of immigration and faster improvements in life expectancy.

The 2007 Technical Panel was chaired by Dan L. Crippen, former Director of the Congressional Budget Office from 1999-2003. The other distinguished members include: Mary Daly (San Francisco Federal Reserve Bank); Robert Gordon (Northwestern University); William Hsiao (Harvard University); Deborah Lucas (Northwestern University); Steven Lieberman (The Moran Company); Jeffrey Passel (Pew Hispanic Center); Beth Soldo (University of Pennsylvania); Eric Stallard (Duke University); and Shripad Tuljapurkar (Stanford University).

The Board wishes to thank the members of the Panel for their service and commends them on their efforts to further improve public understanding of Social Security projections and for furthering the dialogue among experts on ways to improve them in the future.

The Social Security Advisory Board is an independent, bipartisan body created by the Congress in 1994 to advise the President, the Congress, and the Commissioner of Social Security on wide variety of matters relating to the Social Security and Supplemental Security programs. It has previously commissioned technical panels in 1999 and 2003.