



# In the Loop

DECEMBER 2023

## Social Security Announces a 3.2% Cost-of-Living Adjustment, the Smallest Increase Since 2021

The U.S. Social Security Administration (SSA) recently announced that the average monthly Social Security check for retired workers will rise 3.2%, or \$59, to \$1,906 next year. This change will take effect in January 2024 for Social Security beneficiaries and on Dec. 29, 2023, for Supplement Security Income beneficiaries. According to the SSA, nearly 70 million Americans receive Social Security benefits every month.

Social Security income accounts for about 30% of the income for people over 65, according to 2015 data released by the SSA in 2021. Of these beneficiaries, 12% of men and 15% of women rely solely on Social Security for 90% or more of their income.

The annual cost-of-living adjustment, known as COLA, is designed to ensure that the purchasing power of Social Security beneficiaries isn't reduced by inflation. COLA is calculated from the consumer price index. However, due to the timing of these calculations, the COLA doesn't always align with the current state of inflation.

For example, in 2021, inflation was measured at 7.8% between December 2020 and December 2021. Therefore, the COLA increase of 5.9% didn't fully compensate Social Security beneficiaries because inflation continued to rise after the COLA was announced in fall 2021. Conversely, this year's

8.7% increase overcompensated for the 6.3% inflation in 2022, according to Alicia Munnell, an economist and director of Boston College's Center for Retirement Research.

With high inflation in recent years, Social Security beneficiaries have received substantial COLAs. However, this won't be the case in 2024 due to recent reductions in the inflation rate.

The Federal Reserve (Fed) has targeted inflation with several rate hikes in 2023. In a September meeting, it voted to keep its current benchmarking rate steady instead of voting through a 12th rate hike. However, the Fed still intends to keep interest rates high to combat inflation, as consumer prices increased for the second month in September.



## Nearly 7% of American Adults Have Had Long COVID

New data released by the U.S. Centers for Disease Control and Prevention's (CDC's) National Center for Health Statistics found that 6.9% of American adults reported having long COVID in 2022, and 3.4% currently had the condition at the time of the survey. This represents 18 million and 8.8 million Americans, respectively.

### What Is Long COVID?

Long COVID occurs when individuals continue to experience COVID-19 symptoms at least four weeks after infection. This condition can last weeks, months or years and includes a wide range of symptoms, including fatigue, fever, difficulty breathing, chest pain, sleep problems, difficulty thinking and depression or anxiety. This can have adverse health and economic consequences for impacted individuals. Research is ongoing to discover what causes people to develop long COVID and treatment options for the condition.

### What Does the Data Show?

According to the recently released CDC data, the incidence rates of long COVID vary significantly by gender, age and race. Consider these findings:

- Women (4.4%) were nearly twice as likely to report long COVID than men (2.3%).
- Adults aged 35 to 49 were the most likely to report they had long COVID (8.9%) or currently had long COVID (4.7%) at the time of the survey.
- Adults aged 50 to 64 were the second most likely age demographic to report long COVID.
- Adults over 65 were the least likely age demographic likely to report long COVID.
- Just 1.3% of children reported having had long COVID.

The CDC also found racial and ethnic differences among individuals who reported long COVID. According to the report, Hispanic adults were most likely to have had long COVID at 8.3%, followed by white adults at 7.1%, Black adults at 5.4% and Asian adults at 2.6%. White individuals were slightly more likely to report having long COVID than Hispanic adults, at 3.7% compared to 3.4%.

### What's Next?

Prevention plays a crucial role in reducing the spread of COVID-19 and the incidence of long COVID. As COVID-19 rates begin to rise in the United States during respiratory disease season, it's important to stay up to date on your COVID-19 vaccines, stay home if you're unwell, and test if you feel sick or have come into contact with an individual who has COVID-19.

Visit the CDC's [website](#) or consult a medical health professional for more information on long COVID.

