Attitudes About Social Security and Medicare

While worker confidence in the value of future benefits from Social Security and Medicare has remained relatively stable, retiree confidence in the value of future program benefits has gradually eroded over time. Nevertheless, Social Security remains a major source of income for many retirees and most workers are counting on receiving at least some income from Social Security when they retire.

Confidence in Social Security

Seventy percent of workers are not too or not at all confident that Social Security will continue to provide benefits of at least equal value to the benefits retirees receive today. Skepticism about Social Security among has fluctuated slightly, but remained at about the same level for most of the past decade. It remains below the level measured in 1996, when 78 percent of workers were not confident that benefit levels would be preserved (Figure 1).

Perhaps because they are already receiving benefits and the Trust Fund depletion date is beyond most current retirees’ life expectancy, retirees are more likely than workers to express confidence about the future of Social Security. However, the share of retirees very confident about future benefits from Social Security has gradually decreased from a high of 28 percent in 2001 to the current level of just 11 percent (Figure 2, next page).

Fifty percent of retirees are not too or not at all confident that Social Security will continue to provide benefits of at least equal value.
More specifically, the vast majority of workers and retirees are very or somewhat concerned that Social Security payments will be reduced. Three-quarters of workers also express concern that the age at which they become eligible for Social Security retirement benefits will increase before they retire (Figure 3).
Expected Retirement Income from Social Security

Today’s workers are less likely to expect Social Security income in retirement (77 percent total major and minor source of income, down from 88 percent in 1991) than today’s retirees are to report having Social Security income (91 percent total).

Workers are also half as likely to expect Social Security to provide a major share of their income in retirement (33 percent) as retirees are to say Social Security makes up a major share of their income (68 percent). However, EBRI research found in 2009 that 60 percent of those 65 or older received at least 75 percent of their income from Social Security (see EBRI Databook on Employee Benefits, Chapt. 7, http://ebri.org/pdf/publications/books/databook/DB.Chapter%2007.pdf).

Workers who are closer to retirement are more likely to expect Social Security to be a source of income in retirement than are younger workers (92 percent of workers age 55 and older vs. 63 percent ages 25–34).

Reflecting the graduated nature of Social Security payments, workers currently earning less income correctly expect Social Security to comprise a larger proportion of their income in retirement. Forty-seven percent of workers with income under $35,000 expect Social Security to be a major source of income, compared with 21 percent of those with income of at least $75,000.

Confidence in Medicare

Workers are as likely to feel uncertain about Medicare’s future. Seventy percent of workers are not too or not at all confident that Medicare will continue to provide benefits of at least equal value to the benefits retirees receive today. While this proportion is below levels measured in the 1990s, it is higher than the levels measured in 2003–2009 (Figure 4).

![Figure 4](http://example.com/figure4.png)

Forty-four percent of retirees say they are not too or not at all confident in the future value of Medicare benefits, statistically equivalent to the percentages measured in 2009 (39 percent) and 2010 (49 percent). The percentage of retirees reporting they are very confident (9 percent) remains well below the most recent high observed in 2005 (20 percent) (Figure 5).

Almost all workers and retirees are very or somewhat concerned that the cost of Medicare premiums will rise faster than inflation and Medicare benefits will be reduced (Figure 6).