

# Cost-of-Living Adjustment Increases for 2012

For the first time since 2009, the Cost-of-Living Adjustment (COLA) will be increased to offset inflation. This is to be a 3.6% increase for more than 60 million Americans who receive Social Security and Supplemental Security Income (SSI). Payment increases will take effect for SSI beneficiaries beginning December 30, 2011 and for Social Security beneficiaries it will begin on January 2012.

The purpose of the COLA increase is to help prevent income deficits due to inflation rates. The COLA is based on the CPI-W (Consumer Purchasing Index), determined by the Bureau of Labor Statistics, which represents the changes in prices of all goods and services purchased for consumption for urban wage earners and clerical workers only. This index has not increased since the third quarter of 2008, which has led to the four year lag in Social Security and Supplemental Security Income increases. To see how much this 3.6% increase is estimated to affect your Social Security and SSI [please click here](#). For more information visit <http://www.socialsecurity.gov/cola/>