

June 11, 2010

The Honorable Daniel K. Inouye
Chairman
United State Senate
Committee on Appropriations
The Capitol, S-128
Washington, DC 20510

The Honorable Thad Cochran
Ranking Member
United States Senate
Committee on Appropriations
The Capitol, S-146A
Washington, DC 20510

Dear Chairman Inouye and Ranking Member Cochran,

The undersigned organizations represent many of the stakeholders interested in the efficient and effective operation of the Social Security Administration (SSA), including older Americans, people with disabilities, workers of all ages, and survivors of workers.

We greatly appreciate the ongoing support you have expressed for SSA. We respectfully request that the Labor-HHS-Education Appropriations Subcommittee provides funding of no less than the President's Budget Request of \$12.528 billion for the Social Security Administration for FY 2011. This figure includes \$12.379 billion for SSA's Limitation on Administrative Expenses (LAE) account in the FY 2011 Labor-HHS-Education Appropriations Bill.

If approved by Congress, the \$12.528 billion level of funding would allow SSA to:

- Process 236,000 more disability claims than in FY 2010
- Complete 74,000 additional hearings
- Reduce the number of pending hearings to 657,000
- Reduce the average hearing decision time
- Work 31,000 more medical Continuing Disability Reviews (CDRs)
- Clear the same number of SSI Non-Disability Redeterminations cases (2,411,000) as FY 2010
- Reduce the 800 Number Agent busy rate from 8% to 7%

This recommended funding level would be a significant positive step towards improving SSA's services to the American public. However, it is important to note that SSA needs a minimum administrative budget increase of \$750 million in FY 2011 to cover inflationary costs alone. SSA desperately needs funding above that level to keep pace with growing workloads, address existing backlogs, and meet service expectations. Even if the President's FY 2011 Budget Request is approved for SSA, the agency will still have a workload backlog growth of approximately 3,100 work years related to services in support of the public.

SSA workloads continue to grow at a much greater rate than expected, due in part to the recession. For example, through April 2010, these SSA workloads for FY 2010 have seen the following significant increases:

- Disability claims sent to the Disability Determination Services (DDSs) are projected to be up about 570,000 cases over FY 2008 (22%) and 150,000 over FY 2009 (5%).
- The DDSs' initial claims pending workloads have grown to 826,000 as of the end of May 2010. This is up 46% from the end of Fiscal Year 2008 and 6% from the end of Fiscal Year 2009.
- Hearing requests received in the Hearing Offices are projected to be up nearly 75,000 (13%) in FY 2010 compared to FY 2009.

Baby boomers are retiring at a rate of 10,000 per day, increasing the agency's retirement claims workloads and inundating SSA Field Offices with a rising number of customers. This year over 45 million visitors are expected to visit SSA Field Offices. In many offices, customers are experiencing waiting times in excess of one hour. It is projected that about 2.6 million SSA visitors will wait over one hour for service this fiscal year. For those who try to reach their local SSA Field Office by telephone, busy rates remain at an unacceptable rate, well above 50 percent in many locations. This is due in large part to the fact that Field Offices receive nearly 60 million business-related phone calls each year and do not have sufficient staff to answer the telephones.

Even eliminating the hearings backlog by 2013 is at risk given the marked increase of new applications. The Hearing Offices continue to have massive pending workloads, which are now nearly 695,000 cases. Although SSA continues to make progress on the disability hearings backlog, the agency does not expect the backlog to be eliminated until 2013 unless the necessary resources are provided. While waiting for decisions, an untold number of individuals with disabilities are suffering severe financial hardships. Many do not have health care, resulting in a further deterioration of their condition, potential loss of home, and bankruptcies. Sadly, many claimants die before they receive the benefits to which they are entitled.

The President's FY 2011 Budget Request for the Social Security Administration proposes an overall LAE appropriation of \$12.379 billion for the agency. This includes a special funding mechanism that will provide \$513 million, in addition to the \$283 million already included in the base request, specifically for program integrity workloads including Continuing Disability Reviews (CDRs) and SSI Non-Disability Redeterminations. It is important to consider the following relative to these workloads:

- SSA has a backlog of 1.5 million full medical CDRs. Even if SSA is fully funded, the President's Budget Request would only provide resources for SSA to complete 360,000 CDRs in FY 2011. There is an estimated saving of \$15.8 billion if SSA had the resources available to conduct all 1.5 million CDRs.
- As noted above, the proposed FY 2011 SSA Budget Authority calls for SSA Field Offices to conduct the same number of SSI Non-Disability Redeterminations as FY 2010. This is an increase of almost 700,000 above FY 2009 levels about 1.2 million above FY 2008 levels.

For all of the reasons stated, we respectfully request that the Labor-HHS-Education Appropriations Subcommittee provides funding of no less than the President's FY 2011 Budget Request of \$12.528 billion for SSA. We realize the difficult decisions you must make regarding FY 2011 funding levels for many programs, but we are confident that this increased investment in SSA will benefit our entire nation. On behalf of our thousands of members throughout the country we appreciate your consideration of this request and your ongoing support for adequate funding for the Social Security Administration.

Sincerely,

AARP

Bazelon Center for Mental Health Law

American Association of People with Disabilities

Children and Adults with Attention Deficit/Hyperactivity Disorder

American Association of Social Security Disability Consultants

Council of State Administrators of Vocational Rehabilitation

American Federation of Government Employees

Dialysis Patient Citizens

American Federation of Teachers
Program on Retirement and Retirees

Easter Seals

American Network of Community Options and Resources

Epilepsy Foundation

Association of Administrative Law Judges

National Alliance on Mental Illness

Association of University Centers on Disabilities

National Association of Area Agencies on Aging

Autism National Committee

National Association of Disability Examiners

National Association of Disability
Representatives

Paralyzed Veterans of America

National Association of State Head
Injury Administrators

Social Security Disability Coalition

National Council of Disability
Determination Directors

Social Security Section of the Federal
Bar Association

National Council of Social Security
Management Associations

The Advocacy Institute

National Disability Rights Network

The Arc of the United States

National Multiple Sclerosis Society

The National Center for Learning
Disabilities

National Organization of Social Security
Claimants' Representatives

Title II Community AIDS National
Network

National Respite Coalition

United Cerebral Palsy

National Senior Corps Association

United Spinal Association

National Spinal Cord Injury Association

VOR-Speaking out for People with
Mental Retardation

National Treasury Employees Union

World Institute on Disability