The Consortium for Citizens with Disabilities Social Security Task Force appreciates the opportunity to comment on the readiness of the Social Security Administration to meet the needs of the impending wave of baby boomer beneficiaries.

As the Subcommittee Hearing Advisory acknowledges, SSA workloads are projected to begin increasing rapidly within the next decade as the baby boom generation begins to reach its peak disability years just prior to reaching early retirement age beginning in 2008. In addition, the SSA workforce is also aging and will begin to lose significant numbers of staff, including senior and leadership staff. About 3,000 employees are expected to retire per year from 2007 through 2009. Finally, SSA is also taking on new or more complex responsibilities such as providing increased rehabilitation and employment services for people with disabilities, completing and maintaining an appropriate schedule of continuing disability reviews (CDRs) and other eligibility reviews, and new approaches to prevent fraud and abuse.

In FY 1985, SSA’s staffing levels were measured at 80,844 FTEs and 83,406 workyears. The estimates for FY 2000 include 63,350 FTEs and 65,203 workyears, for a reduction of 17,494 FTEs and 18,203 workyears over the last 15 years.
The CCD Social Security Task Force has voiced concern for some time over the continued long-term downsizing of the SSA workforce. We believe that failure to conduct appropriate and timely CDRs and other eligibility reviews could lead to decreased trust in the integrity of the Social Security and SSI programs. In addition, the new efforts to assist people with disabilities to go to work, through the Ticket to Work and Work Incentives Improvement Act of 1999, will require new and expanded approaches for SSA interaction with beneficiaries. Adequate staffing levels are critical for these and other efforts to be successful, especially given the coming disability and retirement years of baby boomers.

For these reasons, the CCD Social Security Task Force strongly supports the proposal that the Social Security Administration’s Limitation on Administrative Expenses (LAE) budget authority should be removed from the domestic discretionary spending category. While SSA’s LAE account is categorized as discretionary spending, the Social Security program is considered off-budget and the OASDI portion of the LAE is also considered off-budget when calculating the overall budget surplus or deficit. Both the OASDI and SSI programs that SSA administers are considered as mandatory spending. Yet under current law, the entire LAE is considered under the domestic discretionary budget cap. The independent, bipartisan Social Security Advisory Board has unanimously urged that SSA’s “administrative budget, like its program budget, be explicitly excluded from the statutory cap that imposes an arbitrary limit on the amount of discretionary government spending.” (Testimony of the Honorable Stanford Ross, Chair, Social Security Advisory Board, February 10, 2000).

The CCD Task Force believes that the entire LAE should be removed from under the domestic discretionary spending caps so that SSA’s administrative functions can continue to operate smoothly for beneficiaries. For instance, SSA should have no artificial constraints in continuing to be able to take a single individual’s applications for Social Security, Medicare, and SSI.

It is important to note that even if the LAE were removed from the domestic discretionary caps, SSA’s LAE would still be subject to the annual appropriations process and Congressional oversight. Currently, SSA’s administrative expenses total less than 2% of benefit payments paid annually. Congress would still maintain its role in ensuring continued administrative efficiency.

Most importantly, removal of the LAE from the domestic discretionary spending caps would remove it from competition with other programs for limited funds. It would allow for growth that is necessary to meet the needs of the coming baby-boomer retirement years (including the retirement of SSA and state DDS personnel); continue the efforts to improve the processing time for initial applications and appeals; and continue the efforts to ensure integrity in the program through CDRs and other redeterminations. The President’s budget request for FY 2001 includes a healthy 5 percent increase in the LAE. Yet due to increasing workloads, even with such increases, performance rates are expected to decline in the following areas: the 5-minute access rate to the 800 number; number of initial disability decisions pending; the number of hearings processed; and the number of CDRs processed.

Annually, the Appropriations Committees need to have the ability to approve adequate funds for the administration of the Social Security programs without weakening other human services programs. Without removal of LAE from the discretionary caps, any increases in SSA staffing
and DDS funding will have to be offset by reductions in other health, education, and human needs programs. It is critical that SSA be allowed to make necessary investments in building the staffing infrastructure necessary to meet the needs of the population, as well as new statutory responsibilities such as the Ticket to Work and Work Incentives Improvement Act.

The CCD Task Force on Social Security urges the Ways and Means Committee and the Subcommittee on Social Security to support efforts to remove SSA’s LAE from the domestic discretionary spending caps.

If you have any questions on this statement, please contact Marty Ford at The Arc, 202-785-3388.

ON BEHALF OF:

Adapted Physical Activity Council
American Association on Mental Retardation
American Network of Community Options and Resources
Association for Persons in Supported Employment
Brain Injury Association
Inter-National Association of Business, Industry and Rehabilitation
International Association of Psychosocial Rehabilitation Services
National Association of Developmental Disabilities Councils
National Mental Health Association
National Organization of Social Security Claimants’ Representatives
NISH
Paralyzed Veterans of America
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Title II Community AIDS National Network
United Cerebral Palsy Associations, Inc.