



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

July 1, 2009

The Honorable Daniel K. Inouye
Chairman
United States Senate
Committee on Appropriations
The Capitol, Room S-131
Washington, DC 20510

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

Dear Chairman Inouye and Ranking Member Cochran:

We urge your support for an appropriation for the Social Security Administration (SSA) for its Limitation on Administrative Expenses (LAE) of, *at a minimum*, \$11.603 billion, the amount proposed by the President in his Fiscal Year 2010 request. This amount is consistent with the Fiscal Year 2010 Budget Resolution Conference Report – \$11.6 billion. This level of funding is critical to address the backlogs in initial and hearing decisions on disability claims and to carry out other critical workloads.

The Consortium for Citizens with Disabilities (CCD) is a coalition of national organizations working together to advocate for national public policy that ensures the self-determination, independence, empowerment, integration and inclusion of the 54 million children and adults with disabilities in all aspects of society. Supplemental Security Income (SSI) and Title II disability program cash benefits, along with the related Medicaid and Medicare benefits, are the means of survival for millions of individuals with severe disabilities. They rely on SSA to promptly and fairly adjudicate their applications for disability benefits and to handle many other actions critical to their well-being including: timely payment of their monthly benefits; accurate withholding of Medicare Parts B and D premiums; and timely determinations on post-entitlement issues, e.g., overpayments, income issues, prompt recording of earnings.

As the backlog in decisions on disability claims continues to grow, people with severe disabilities have been bearing the brunt of insufficient funding for SSA's administrative budget. Behind the numbers are individuals with disabilities whose lives have unraveled while waiting

for decisions – families are torn apart; homes are lost; medical conditions deteriorate; once-stable financial security crumbles; and many individuals die. Numerous recent media reports across the country have documented the suffering experienced by these individuals.

Recent testimony on behalf of the CCD Social Security Task Force before the House Ways and Means Committee¹ provided many stories describing the extraordinary and unnecessary hardships endured by people with severe disabilities. The following stories are only a sampling of what is happening across the country to claimants who are forced to wait months and years for decisions on their appeals. Your own constituent services staff are likely well aware of similar situations in your Congressional district.

- A Georgia man is terminally ill with chronic hepatitis C and cirrhosis. He is bedridden and must depend on others for all of his support. More than two years after his application was filed, he was still waiting for a hearing to be scheduled.
- An Iowa man with multiple sclerosis has difficulty walking and debilitating fatigue. His claim has been pending since September 2007. He described the situation for himself, his wife, and two children, as “financial ruin.” The situation has caused him to feel “hopeless” and he attempted suicide in November 2008.
- The case of an Army veteran from Maryland has been pending since 2006. She filed for Chapter 13 bankruptcy and is in dire need of medical care. She is now homeless.
- A man from Missouri committed suicide because of his inability to afford medical care and take care of his family while waiting for a hearing. He had suffered horrible burns while pouring asphalt on his former job.
- A Missouri woman died while waiting for her hearing, due to medical complications related to her disabling conditions. At her death, she was virtually homeless, living in dilapidated travel trailer. Tragically, both her child and husband also died while she was waiting.
- The claim of a former junior college instructor from New Jersey has been pending for more than three years. She has taken out home equity loans of more than \$70,000 and is unable to borrow more. She has borrowed from every friend or family member she knows in order to make payments on her loans. She can no longer afford to see doctors or pay for her medications.
- An Ohio man and has had five liens put on his home. He does not have medical insurance to receive the medical treatment that he needs. Without treatment, his health will continue to decline.
- An Oregon man who was chronically mentally ill and homeless had been living outdoors for at least 10 years. He also suffered terrible pain. His claim was denied and he spent his last winter outdoors in the snow and rain. A hearing date was finally set but his stomach hurt so much that he went to an emergency room and was diagnosed with end-stage pancreatic cancer. He died before he received any benefits.

¹ Testimony of Peggy Hathaway, Co-Chair, CCD Social Security Task Force, Joint Hearing before the House Ways and Means Subcommittees on Social Security and Income Security and Family Support, “Eliminating the Social Security Disability Backlog,” March 24, 2009. Ms. Hathaway’s testimony is available at: <http://waysandmeans.house.gov/hearings.asp?formmode=view&id=7618>.

- A Pennsylvania man has Stage III colon cancer, yet his claim was denied. He is undergoing infusion therapy at home but he has no money to pay his rent and does not know where he will be living.
- A woman from South Carolina with uncontrolled diabetes lived in her sister's home. She had no medical insurance and had 52 emergency room visits and 14 inpatient hospitalizations in 18 months. Untreated sores led to a leg amputation but the sores were so serious that osteomyelitis set in and she died before her claim was approved.
- While waiting for her hearing, a Tennessee woman and her family were evicted from their home. Both of their vehicles have been repossessed, and they are having extreme difficulties paying for their day to day living. Her husband is on the verge of being laid off and, if that happens, there will be no income at all for this family.

In addition to the delays, access to other key services, such as answering telephone calls, replacing a lost check, and promptly recording earnings, also has diminished. SSA also has been forced to reduce the number of continuing disability reviews (CDRs) and SSI redeterminations. The processing of CDRs is necessary to protect program integrity and avert improper payments. CDRs result in \$10 of program savings for each \$1 spent in administrative costs for the reviews. The number of CDRs is directly related to whether SSA receives the funds needed to conduct these reviews. The inability to fully process these workloads is exacerbated by staffing shortages throughout the agency.

We believe that the main reason for the increase in the disability claims backlog is that SSA has not received adequate funds to provide its mandated services. Recent Congressional efforts to provide SSA with adequate funding for its administrative budget are encouraging. In FY 2008, the tide finally changed for the first time in a decade, when Congress appropriated \$148 million over the President's budget. The FY 2009 Omnibus Appropriations Act provides SSA with more than \$700 million over the FY 2008 appropriation. In addition, pursuant to the American Recovery and Reinvestment Act of 2009 (ARRA), SSA received \$500 million to handle the unexpected surge in both retirement and disability applications due to the economic downturn. SSA also received badly needed funds to replace its aged National Computer Center.

These developments come at a critical moment because the economic downturn has led to an unexpected surge of new claims. As a result, the number of pending claims and processing times are growing at the initial levels of the process. We are concerned that any progress in eliminating the hearing level backlog will be delayed as the surge of new claims are appealed.

While recent appropriations allow the agency to hire some new staff and to reduce processing times, these amounts will not be adequate to fully restore the agency's ability to carry out its mandated services. Given the many years of under-funding and the need for more than a \$500 million annual increase just to keep up with fixed costs, additional funding is required to reduce and eliminate the backlog and to provide essential services to the public. While the current situation is dire, without adequate appropriations to fund SSA, the forward progress recently made by the agency will deteriorate, leaving people with severe disabilities to wait years to receive the benefits to which they are entitled.

Recommendation. SSA must be given enough funding to make disability decisions in a timely manner and to carry out other critical workloads. Due to the serious consequences of persistent under-funding of SSA's administrative expenses, we strongly recommend that SSA receive, at a minimum, the full amount provided in the President's Fiscal Year 2010 Budget Request -- \$11.603 billion.

On behalf of people with severe disabilities who have been bearing the brunt of SSA's disability backlog crisis, we thank you for your support in providing SSA with adequate funding to eliminate the disability claims backlog and to carry out its other mandated workloads.

Sincerely,

Marty Ford
The Arc and United Cerebral Palsy Disability Policy Collaboration

Peggy Hathaway
United Spinal Association

Susan Prokop
Paralyzed Veterans of America

Paul Seifert
Council of State Administrators of Vocational Rehabilitation

Ethel Zelenske
National Organization of Social Security Claimants' Representatives

Co-Chairs, CCD Social Security Task Force

ON BEHALF OF:

American Association on Intellectual & Developmental Disabilities
American Foundation for the Blind
American Network of Community Options and Resources
Association of University Centers on Disabilities
Bazelon Center for Mental Health Law
Council of State Administrators of Vocational Rehabilitation
National Alliance on Mental Illness
National Association of Disability Representatives
National Council for Community Behavioral Healthcare
National Council on Independent Living
National Law Center on Homelessness & Poverty
National Multiple Sclerosis Society
National Organization of Social Security Claimants' Representatives
National Spinal Cord Injury Association

NISH
Paralyzed Veterans of America
Research Institute for Independent Living
The Arc of the United States
United Cerebral Palsy
United Spinal Association
World Institute on Disability