

June 5, 2019

The Honorable Richard Neal
Chairman
Ways & Means Committee
United States House of Representatives
Rayburn House Office Building
#2309
Washington D.C. 20515

Dear Congressman Neal:

Social Security touches the lives of virtually every American. Issuing Social Security numbers at birth, and providing retirement, survivor, and disability benefits, the Social Security Administration (SSA) provides direct services from [about 1230 district field offices](#), [8 processing centers](#), [164 hearing offices](#), and [29 teleservice centers](#) with about [63,000 Federal workyears](#) and about [14,000 state disability determination center workyears](#). Unfortunately, SSA's ability to provide these services on a timely basis is severely hampered by a lack of administrative funding commensurate with the public's needs and demands. Fortunately, this problem can be remedied through a simple legislative change.

Examples of the inadequate service to the public that currently exist are:

- At the end of Fiscal Year 2018, [858,000 people](#) were waiting for appeals hearings before administrative law judges on their applications for disability benefits. Moreover, the annual average processing time for a hearing decision for Fiscal Year 2018 was [595 days – approximately 1 year and 8 months](#). And this is just the average waiting time. Many claimants must wait considerably longer. During the time a hearing is pending, virtually all of the people waiting for hearings have no earnings, so that many lose their homes and their families, and some even die. If every dollar in SSA's plan for hearings in the next two years were provided, it would still take until the end of Fiscal Year 2021 before the annual average waiting time for a hearing decision was reduced to [nine months](#).
- In Fiscal Year 2016, the average speed of answering calls to Social Security's 800 telephone number was [13.6 minutes](#) and the average busy rate [was 8.9%](#). In Fiscal Year 2018, the average speed of answering calls grew to [24 minutes](#) and the average busy rate rose [to 15%](#). And these are just average figures. For some callers, the speed of answering was lengthier and the busy rates were larger.

- Social Security's processing centers handle claims after beneficiaries are determined to be eligible. They are a crucial part of the process for paying claims, but there is a huge backlog. SSA is working to reduce this backlog. Nonetheless, SSA's target level for the backlog in the processing centers in Fiscal Year 2019 is still a huge [2.9 million](#) cases.

In 1990, legislation was enacted that took Social Security "off-budget." However, there was an ambiguity as to whether Social Security's administrative costs were taken off-budget. At the time, OMB ruled that these costs should stay on-budget, and that policy has remained to this day. As a result, Social Security's administrative costs are "counted" when determining whether domestic discretionary appropriations exceed the spending caps created by the Budget Control Act of 2011. Similarly, these costs are "counted" when determining whether the 302(a) and 302(b) limits for the Appropriations Committees and Subcommittees have been exceeded. This means that Social Security's administrative costs compete for very scarce dollars with all other domestic discretionary accounts, even though workers have paid for Social Security's benefits and administrative expenditures throughout their working lives, and the Social Security Trust Fund currently has an accumulated reserve of \$2.9 trillion from which the administrative costs for running the program are drawn. The intense competition with deserving programs, such as NIH funding, has led to chronic shortfalls of Social Security's administrative funds.

Since 1989, Social Security's administrative budget has accounted for less than one percent of the annual Social Security budget. Administrative efficiencies have been accomplished through successful agency initiatives to increase internet and 800 number services, and to implement electronic processing of disability claims. Even with these significant efficiency improvements, budget flexibility is required for unpreventable events such as the retirement of 80 million baby boomers. The ability to provide more administrative funding to SSA will allow it to deal with current backlogs, long waiting times, spikes in claims beyond Agency control, and other service needs. At the same time, it is important that SSA address systemic issues — especially in the disability program — that contribute to the delays and backlogs.

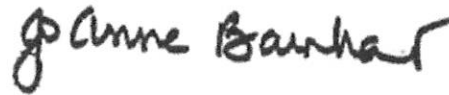
These funding shortfalls can be fixed with a simple legislative change. Eliminating the requirement that SSA's administrative costs be "counted" against the non-defense discretionary spending limits, the 302(a) allocations, and the 302(b) suballocations (with these limits, allocations, and suballocations adjusted accordingly) will facilitate the provision of the funds necessary to provide the level of service the public expects, deserves, and, quite simply, has paid for through years of Social Security contributions.

With this legislative change, the Appropriations Committees would still determine the Limitation on Administrative Expenses ("LAE") level for the Social Security account each year. But, importantly, the Committees would be able to approve the funding that would be needed for the Social Security Administration to provide adequate service to the public. On a bipartisan basis, we the undersigned former Commissioners of Social Security support the enactment of such a legislative language. We strongly believe this action is needed to give the public the high-quality service that it expects and deserves. We urge the Congress to approve such legislation as soon as possible.

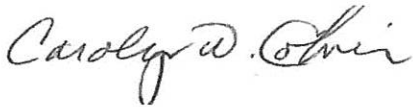
Sincerely,



Ken Apfel
Commissioner of Social Security
1997 to 2001



Jo Anne Barnhart
Commissioner of Social Security
2001 to 2007



Carolyn Colvin
Commissioner of Social Security (Acting)
2013 to 2017

cc:

The Honorable Kevin Brady
Ranking Member, Ways & Means
Committee
United States House of Representatives

The Honorable Mike Enzi
Chairman, Budget Committee
United States Senate

The Honorable Kay Granger
Ranking Member, Appropriations
Committee
United States House of Representatives

The Honorable Charles Grassley
Chairman, Finance Committee
United States Senate

The Honorable Steny Hoyer
Majority Leader
United States House of Representatives

The Honorable John Larson
Chairman, Subcommittee on Social
Security
Ways & Means Committee
United States House of Representatives

The Honorable Patrick Leahy
Vice Chairman, Appropriations
Committee
United States Senate

The Honorable Nita Lowey
Chairwoman, Appropriations
Committee
United States House of Representatives

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives

The Honorable Mitch McConnell
Majority Leader
United States Senate

The Honorable Nancy Pelosi
Speaker
United States House of Representatives

The Honorable Tom Reed
Ranking Member, Subcommittee on
Social Security
Ways & Means Committee
United States House of Representatives

The Honorable Bernie Sanders
Ranking Member, Budget Committee
United States Senate

The Honorable Charles Schumer
Minority Leader
United States Senate

The Honorable Richard Shelby
Chairman, Appropriations Committee
United States Senate

The Honorable Steve Womack
Ranking Member, Budget Committee
United States House of Representatives

The Honorable Ron Wyden
Ranking Member, Finance Committee
United States Senate

The Honorable John Yarmuth
Chairman, Budget Committee
United States House of Representatives