



SOCIAL SECURITY

The Commissioner

January 30, 2020

The Honorable Roy Blunt
Chair, Subcommittee on Labor, Health and
Human Services, Education, and Related Agencies
Committee on Appropriations
U.S. Senate
Washington, DC 20510

Dear Subcommittee Chair Blunt:

We are pleased to share our fiscal year (FY) 2020 Operating Plan, as required by Section 516 of the Further Consolidated Appropriations Act, 2020 (Public Law 116-94).

Our Operating Plan provides proposed spending and expenditures for each of our accounts through the end of FY 2020 under the funding levels provided in the law. We hope that you find the information regarding workload and performance measures, which incorporate current workload projections, helpful. We also included a General Statement, which provides highlights of our Operating Plan.

I am sending similar letters to the House Committee on Appropriations, Subcommittee on Labor, Health and Human Services, Education, and Related Agencies and the Senate and House Committees on Appropriations.

We are happy to work with your staff to answer any questions about our Operating Plan. If you have questions or need additional information, please call me or have your staff call Chad Poist, our Acting Associate Commissioner for Budget, at (410) 594-2374.

Sincerely,

Andrew Saul
Commissioner

Enclosures

cc: The Honorable Patty Murray, Ranking Member

SOCIAL SECURITY ADMINISTRATION GENERAL STATEMENT

The Further Consolidated Appropriations Act, 2020 provides \$12.87 billion in administrative funding to operate our agency in fiscal year (FY) 2020. This amount includes \$100 million to address the disability hearings backlog, which remains available through September 30, 2021; \$45 million, which is available until expended, for information technology (IT) modernization, including related hardware and software infrastructure and equipment and directly associated administrative expenses; and \$1.582 billion in dedicated program integrity funding, which is available through March 31, 2021.

Our fundamental goal is to ensure timely and accurate service for the public. As such, we are focusing our funding on improving service and reducing wait times by maximizing our resources to our direct service operations. We are hiring approximately 5,900 new employees to serve the public in frontline positions in field offices, the National 800 Number, processing centers (PC), and the State disability determination services (DDS). This hiring represents replacing staffing losses in those components plus an additional 1,100 people on the National 800 Number and in our PCs to address some of the most critical service issues. We will also build on our progress in reducing the disability hearings backlog, modernizing our IT, and protecting the integrity of our programs.

While we have much work to do, we are pleased that we have already started making improvements. We recently restored Wednesday afternoon field office public operating hours that were reduced six years ago, to provide additional access for people that need or want in-person service. We have started to reduce wait times and busy rates on our National 800 Number, and we expect to continue to improve service throughout this year and the next. We are also focused on working down a backlog in our PCs. Our PCs handle important, often manual and complex actions, such as processing disability benefit payments, correcting records, and performing program integrity work.

Thanks to our dedicated employees, the Administration, and Congress's continued support, we are on track to eliminate the hearings backlog in FY 2021. As of December 2019, we reduced the monthly average wait time for a hearing decision to 414 days, reducing the average wait by over 7 months from the height of 633 days in September 2017. By the end of fiscal year 2020, we expect to decrease the number of people waiting for a hearing to about 352,000 individuals, and lower the average wait time for a hearing decision to 380 days.

Technology is key to improving service. Many of our current systems and business processes are siloed by program and service channel, and employees must navigate many screens, systems, policies, and business processes.

We appreciate the funding Congress has given us to implement our IT Modernization Plan. To help us improve the level of service we provide, we are replacing outdated legacy systems with more flexible and intuitive modern technology that is centered on the customer so that interaction with us is seamless. Meaning, if a customer goes online, calls us, and then visits a field office, our employees will have that history all in one place, and the customer will not have to start from square one with each interaction. We have begun to implement these modern systems interfaces, called the universal customer view. These foundational changes will allow us to make many more improvements and stay abreast with technology. With many of our applications online, we are also working on making our secure online authentication process and online services easier to use, and we are exploring additional services we should add. We are using data and feedback from our employees, industry experts, and the public to determine other improvements that will make us more efficient and customer-focused.

While service is at the forefront of what we do, it is critical that we also protect the integrity of the important programs entrusted to us. We must ensure that only qualified individuals continue to receive the right benefit amount. The dedicated program integrity funding for FY 2020 supports our cost-effective program integrity work and will allow us to process all medical continuing disability reviews (CDR) as they come due for a review, over 703,000 full medical CDRs, and 2.15 million non-medical Supplemental Security Income redeterminations.

The dedicated program integrity funding will also allow us to add new cooperative disability investigations (CDI) units, which are highly successful at detecting fraud before we award benefits and throughout the CDR process. Along with the Office of the Inspector General, we jointly operate CDI units with State DDS offices and State and local law enforcement. We currently have 46 CDI units covering 40 States and 6 U.S. territories. Our goal is to cover all 50 States and U.S. territories by October 1, 2022.

We appreciate your support as we work to improve Social Security services for the public. In holding our mission and the needs of the public as central to all we do, we will continue to increase the quality and timeliness of our services while also safeguarding our programs and working towards cost-effective future service improvements.

Social Security Administration (SSA) Fiscal Year (FY) 2020 Operating Plan
(Appropriated FY 2020 Funds and Carryover/Transfers
of Unobligated Prior-Year Funds)
 (\$ in millions)

<u>Budget Authority:</u>	FY 2020 President's Budget	FY 2020 Available Funding
<u>Payments to the Social Security Trust Funds (PTF)</u>		
Pension Reform.....	\$6.0	\$6.0
Unnegotiated Checks.....	5.0	5.0
Total Appropriation (P.L. 116-94).....	<u>\$11.0</u>	<u>\$11.0</u>
<u>Supplemental Security Income (SSI)</u>		
FY 2020 Benefit Payments, Total.....	\$56,982.0	\$56,982.0
- FY 2020 First Quarter Advance (P.L. 115-245).....	19,700.0	19,700.0
- FY 2020 Appropriation	37,282.0	37,282.0
Administrative Expenses, Total.....	4,404.0	4,286.9
- Administrative Expenses (Regular).....	3,099.0	2,981.9
- Program Integrity (Base)	250.0	221.4
- Additional Program Integrity.....	1,055.0	1,083.6
Beneficiary Services.....	45.0	45.0
Research and Demonstration (R&D) Projects (FY 2020 / FY 2021 / FY 2022).....	101.0	101.0
Total Appropriations (P.L. 115-245 and P.L. 116-94).....	<u>\$61,532.0</u>	<u>\$61,414.9</u>
Carryover of Unobligated FY 2019 Balances and Recoveries:		
- Federal Benefits.....	\$1,345.0	\$1,660.5
- Administrative Expenses.....	2,209.0	2,334.1
- Beneficiary Services.....	122.0	139.8
- R&D (No-Year).....	13.0	10.8
- R&D (FY 2018 / FY 2019/ FY 2020).....	0.0	0.0
- R&D (FY 2019/ FY 2020/ FY 2021).....	0.0	12.9
Total, Carryover of Unobligated FY 2019 Balances and Actual Recoveries.....	<u>\$3,689.0</u>	<u>\$4,158.1</u>
Total SSI Funds Available for FY 2020.....	<u>\$65,221.0</u>	<u>\$65,573.0</u>

Note: Numbers may not add due to rounding.

	FY 2020 President's Budget	FY 2020 Available Funding
<u>Limitation on Administrative Expenses (LAE)</u>		
Regular LAE.....	\$11,057.6	\$11,010.4 1/
Program Integrity (Base) (through March 31, 2021).....	\$273.0	\$273.0
Additional Program Integrity (through March 31, 2021).....	\$1,309.0 2/	\$1,309.0 2/
SSA Advisory Board.....	2.4	2.5
SSI User Fees.....	130.0	130.0
Non-Attorney Certification User Fee.....	1.0	1.0
Total Appropriated (P.L. 116-94).....	<u>\$12,773.0</u>	<u>\$12,725.9</u>
American Recovery and Reinvestment Act (P.L. 111-5):		
NSC Replacement.....	\$0.0	\$0.2
Medicare Improvement for Patients and Providers Act (P.L. 110-275):		
Low Income Subsidy.....	\$5.8	\$11.5
<u>Other Available Funds:</u>		
Carryover/Recoveries from Unobligated ITS Balances.....	\$100.0	\$210.8
Carryover/Recoveries of Other Unobligated Balances.....	\$44.5 3/	\$61.0 4/
IT Modernization.....	\$143.2	\$187.5 5/
Hearing Backlog within Office of Hearings Operations		
FY 2019 / FY 2020 (P.L. 115-245).....	\$75.0	\$90.0
FY 2020 / FY 2021 (P.L. 116-94).....	\$0.0	\$100.0
Additional Program Integrity - FY 2019 / FY 2020 (P.L. 115-245) (through March 31,2020).....	\$70.5	\$37.0
<u>Medicare Access and CHIP Reauthorization Act (P.L. 114-10)</u>		
Carryover/Recoveries from Unobligated MACRA Balances (No-Year).....	\$25.9	\$26.1
<u>Office of the Inspector General, SSA</u>		
Federal Funds.....	\$30.0	\$30.0
Trust Funds.....	75.5	75.5
Total Appropriated (P.L. 116-94).....	<u>\$105.5</u>	<u>\$105.5</u>

	FY 2020 President's Budget	FY 2020 Current Estimate
<u>Estimated Outlays:</u>		
PTF.....	\$11.0	\$11.0
LAE.....	\$12,913.0	\$12,868.0
SSI.....	\$61,871.0	\$60,974.0
OIG.....	\$105.5	\$105.5

1/ Includes \$98.6 million for operation and maintenance of specific facilities delegated to SSA by the General Services Administration.

2/ SSA may transfer up to \$10 million of these dedicated program integrity funds to the OIG for the costs associated with the jointly operated cooperative disability investigations units.

3/ Reflects Delegations authority from prior years estimated to be carried over into FY 2020.

4/ Includes authority from prior years estimated to be carried over for the following purposes: \$35.1 million for operation and maintenance of specific facilities delegated to SSA by the General Services Administration, \$25.7 million for the renovation and modernization of the Arthur J. Altmeyer Building, and \$196.5 thousand for construction.

5/ Includes an additional \$45 million in new authority for IT Modernization appropriated under P.L. 116-94.

Note: Numbers may not add due to rounding.

FY 2020 Congressional Operating Plan Performance Table

Social Security Administration Workload and Outcome Measures	FY 2019 Enacted	FY 2019 Actual	FY 2020 Enacted
Retirement and Survivor Claims			
Retirement and Survivor Claims Completed (thousands)	5,977	6,021	6,222
Disability Claims			
Initial Disability Claims Receipts (thousands)	2,353	2,346	2,399
Initial Disability Claims Completed (thousands)	2,353	2,310	2,289
Initial Disability Claims Pending (thousands)	565	594	704
Average Processing Time for Initial Disability Claims (days)	113	120	125
Disability Reconsiderations			
Disability Reconsiderations Receipts (thousands)	643	566	664
Disability Reconsiderations Completed (thousands)	600	544	554
Disability Reconsiderations Pending (thousands)	158	134	244
Average Processing Time for Disability Reconsiderations (days)	105	109	118
Hearings			
Hearings Receipts (thousands)	551	511	464
Hearings Completed (thousands)	777	794	688
Hearings Pending (thousands)	632	575	352
Annual Average Processing Time for Hearings Decisions (days) ¹	520	506	380
National 800 Number			
National 800 Number Calls Handled (millions)	36	33	36
Average Speed of Answer (ASA) (minutes)	13	20	17
Agent Busy Rate (percent)	9%	14%	12%
Program Integrity			
Periodic Continuing Disability Reviews (CDR) Completed (thousands)	1,803	1,939	1,803
Full Medical CDRs (included above, thousands)	703	713	703
SSI Non-Medical Redeterminations Completed (thousands)	2,822	2,666	2,150
Selected Other Agency Workload Measures			
Social Security Numbers (SSN) Completed (millions)	17	18	18
Annual Earnings Items Completed (millions)	285	288	288
Social Security Statements Issued (millions) ²	15	11	14
Selected Production Workload Measures			
Disability Determination Services Production per Workyear	304	303	304
Disability Determination Services Accuracy Rate	97%	97%	97%
Office of Hearings Operations Production per Workyear	105	111	106

^{1/} Average processing time for hearings is an annual figure. End of year (September) processing time for hearings was 470 days in FY 2019 and is estimated at 340 days for FY 2020.

^{2/} The Social Security Statements Issued performance measure includes paper statements only, and does not include electronic statements issued. We send paper statements to individuals aged 60 and over. In FY 2019, [my Social Security](#) users accessed their Social Security Statements 56 million times.