

# Proposed Budget Cuts Threaten SSA Stewardship & Public Service

February 2011

FY 2006    FY 2007    FY 2008    FY 2009    FY 2010    FY 2011

Budget Proposed	9,403,000	9,496,000	9,677,000	10,327,000	11,451,000	12,528,000
Budget Enacted	9,286,000	9,294,000	9,745,000	10,453,500	11,446,500	
SSA Full-Time Equivalents (FTEs)	63,131	58,985	60,064	63,474	66,989	67,603
Overtime/Lump Sum Leave	2,389	2,307	2,231	2,245	3142	2806
Total SSA Work Years	65,529 <b>(-3,235)</b>	61,292 <b>(-4,237)</b>	62,295 <b>(+1,003)</b>	65,719 <b>(+3424)</b>	70,131 <b>(+4,412)</b>	70,409 <b>(+278)</b>

Misplaced spending priorities, and misguided concerns about deficit reduction, are twin threats to the Social Security Administration and to the millions of Americans who rely on Agency programs for vital income support in these tough economic times.

The Obama Administration has proposed that overall discretionary spending on domestic programs be frozen for three years, and then be allowed to grow only at the rate of inflation for the seven years that follow. Defense and war spending consumes the greatest portion of discretionary spending, but would be exempt from these cost controls.

## Estimated

FY 2006    FY 2007    FY 2008    FY 2009    FY 2010    FY 2011  
Actual    Actual    Actual    Actual    Actual    As of:  
**1/14/11**

*(in thousands unless noted)*

Initial Disability Claims Processed	2,582	2,649	2,782	2,813	3,083	963
Initial Disability Claims Pending	555	555	519	800	813	774
Hearings Processed	842	780	826	939	737	185
Hearings Pending	715	747	752	723	705	721
Periodic Review of CDRs Processed	405	236	298	383	862	8.3
Retirement & Survivors Claims Processed	3789	3864	4236	4742	5247	2556
SSI Non-Disability Redeterminations Processed	1071	692	1220	1730	2465	4.5
Social Security Number Card Applications ( <i>millions</i> )	17.4	17.6	18.1	17.4	18.4	8.7
800 Number Calls ( <i>millions</i> )	57	59.5	63	67	63.2	19.7
Annual Earnings Items Processed ( <i>millions</i> )	265	270	270	262	250	N/A
Field Office Visitors ( <i>millions</i> )	41.9	42	44.4	45.1	45.4	14.3

For FY2011, the President asks for an 8% increase for the administrative expenses of the Social Security Administration. Although it supports an increase of only 614 full time positions, and only 278 additional work years, AFGE supports this request, which recognizes the service delivery crisis that exists at SSA. We ask Congress to vigorously defend the President's request for FY2011 throughout this year's budget and appropriations deliberations.

	FY2010	FY2010 vs. FY2008	FY2008	FY2010 vs. FY2006	FY2006
Budget Enacted	11,446,500	-14.90%	9,745,000	-19.9%	9,286,000
SSA Full Time Equivalents (FTEs)	66,989		60,064		63131
Overtime/Lump Sum Leave	3142		2,231		2389
Total SSA Work Years	70, 131		62,295		65259
Difference in FTEs			-7836		-4872
Initial Disability Claims Processed	3,083,000	9.8%	2,782,000	16.3%	2,582,000
Initial Disability Claims Pending	813,000	36.2%	519,000	31.8%	555,000
Hearings Processed	737,000	-10.8%	826,000	-12.5%	842,000
Hearings Pending	705,000	-6.3%	752,000	-1.4%	715,000
Retirement & Survivors Claims Processed	5,247,000	19.3%	4,236,000	31.8%	3,789,000
CDRS Processed	862,000	289.8%	298,000	212.8%	405,000
SSI Non-Disability Redeterminations Processed	2,465,000	202.1%	1,220,000	230.0%	1,071,000
800 Number Calls	63,200,000	0.4%	63,000,000	9.6%	57,000,000
Field Office Visitors	45,400,000	2.3%	44,400,000	7.8%	41,900,000

Constraints on spending and on front-line staffing have damaged the integrity of the programs themselves. Continuing disability reviews are not being conducted on schedule, and Supplemental Security Income (SSI) eligibility reviews are being done too infrequently. With insufficient staff to handle the work, SSA relies too much on self-reporting by mail, rather than on a full examination of eligibility factors through an interview with a trained SSA employee. Continuing disability reviews save about \$10 for every \$1 spent on them, and SSI reviews about \$8 for every \$1 invested in them. Setting the work aside because of insufficient staff and funding is penny-wise and pound-foolish, but SSA has little choice because the disability claims and appeals crisis demands attention. These neglected workloads have contributed to record overpayments, many of them now uncollectible, which have captured the interest of the Government Accountability Office. Anything less than the President's request for FY11 will undoubtedly result in a major loss of staff, compromise the progress made with integrity workloads such as CDRs and SSI Redeterminations, create greater backlogs for hearings and appeals and result in billions of dollars of overpayments.