

**White Paper on the Social Security Administration for the Transition
Team of the President-elect Barack Obama**

**AFGE Social Security Administration General Committee
Baltimore, Maryland**

AFGE Social Security Administration General Committee

Index

Executive Summary.....	3
Background.....	6
Internet Claims Service.....	8
Public Interaction with Social Security.....	12
Disability and Hearing Backlogs.....	13
SSA’s Funding.....	19
Third Party Involvement in Social Security Claims.....	22
Social Security Card Centers.....	25
Offices Closures.....	27
800 Number Service.....	28
Additional Recommendations.....	30
AFGE General Committee Contacts	33

Executive Summary

The Social Security Administration had a long and proud tradition of working constructively with its unionized workforce to make the Social Security system efficient, fair and “customer-friendly.” That is why Social Security remains so popular and successful. However, the years of doing more with less has had a severe toll on the employee morale at SSA. In a recent AFGE survey of SSA workers, 45% reported that they are dissatisfied or extremely dissatisfied with their work experience at SSA. Survey responses would indicate that employee’s greatest frustrations are staff shortages and a lack of time to process pending cases due to the pressure of constant interviewing.

Overwhelmingly, employees report that they do not have enough time to devote to a quality work product, which includes accuracy, complete and proper explanations of rights and responsibilities to clients, investigation of any and all inaccuracies, among others. Backlogs are growing at tremendous rates.

The Social Security Administration needs a Commissioner and leadership who have vision, who are committed to providing the best service possible to the American public, who are aggressive in finding the resources the Agency needs to accomplish its mission and who can deal fairly with its workforce. The current leadership does not exhibit these basic characteristics. ***The SSA needs a change!***

AFGE recommends:

Initial Claims-

- Pilot the new Internet Social Security Benefit Application for at least a year before agency wide implementation. Provide Congress and the Administration with the pilot results that will include an evaluation of claims accuracy prior to SSA employee review, before deciding whether to implement the changes across the board.
- Maintain employee review of all Internet applications until it can be shown that the accuracy level of Internet claims matches or exceeds the accuracy level of telephone and in person claims.
- Restore complete development of claims (e.g., proof of age, citizenship, lag wages, etc)
- Continue to permit SSA customers to select the methodology for interacting with SSA that they prefer (e.g., face to face, telephone, Internet etc).

Disability and Hearing Backlogs-

- AFGE recommends the federalization of the State Disability Determination Service to bring consistency to the initial claims decisions in the same way that the Supplemental Security Income program (that was federalized from the states in 1974) created a

uniform system of benefits for low income blind, disabled and aged population.

- Restructure “One Stop Shopping” in Field Offices
 - Establishment of Disability and Hearing Adjudicator positions (GS-12) to adjudicate targeted initiated claims and likely reconsideration and hearing reversal cases.
- Properly staff Administrative Law Judges and their support staff
- Restructure the Office of Disability Adjudicative Reviews
 - Rescind newly created positions in ODAR over the past three years that do not involve hands on adjudication of cases and convert the work-years to FTEs for hearing offices.
 - Restore regular scheduled meetings with employee representatives to discuss and resolve issues.
 - Consider reestablishment of the Adjudicative Officer position.

SSA’s Budget-

- Place SSA administrative expenses “off budget”
- Congress should retain appropriations and oversight authority albeit unencumbered by artificial budget caps and scoring restrictions.
- Require the SSA Commissioner to submit the SSA appropriation request directly to Congress.

Third Parties Usage-

- Limit SSA contracting out due to the inherently governmental work of much of the agency’s business.
- Restrict disclosure of claimant information, protected by the Privacy Act, from third parties.
- Conduct studies, monitor, evaluate and disclose accuracy of Third Party involvement to the public
- Prohibit Third Parties from charging fees for non-appellant assistance to SSA and SSI customers.

Social Security Card Centers-

- Require SSA Field offices to become full service, “One stop shopping” facilities
- Establish a policy of mandatory cost analysis prior to new card center openings.
- Establish an analysis of the burdens imposed on seniors and the disabled regarding the Agency policy of doing business at multiple SSA locations (e.g., field offices, card centers, etc).

Closing of SSA Field Offices-

- Issue a moratorium on closing SSA offices.
- Support of the Social Security Customer Service Improvement Act, H.R.5110

SSA's 800 Number Service-

- Increase staffing levels to avoid lengthy hold times for the public, in reaching a telephone agent.
- Provide for sufficient staff to field offices to answer telephones 95% of the time.
- Eliminate sweatshop working conditions for telephone agents (e.g., tethered to phones for lengthy periods of time, limiting bathroom breaks, etc).
- Eliminate artificial call limits to serve the public.
- Eliminate secret monitoring of 800 number calls.
- Reinstigate normal leave use procedures for 800 number agents.
- Eliminate use of Program Service Center employees to answer 800 number calls and return them to their regular duties.
- Create career development opportunities 800 number agents to enhance their promotional opportunities.

Background

Signed into law in 1935 by President Franklin D. Roosevelt, the Social Security Act was created to provide for the general welfare of the American public. The new act created a social insurance program designed to pay retired workers age 65 or older a continuing income after retirement to protect them from poverty.

Since 1935, the general health and welfare of the American public became fundamental challenges for Congress. In turn, many progressive amendments to the Social Security Act were made to improve and expand the benefits to millions of American's. Such changes were benefits to widows, children and the self employed. Historically, it was just the beginning of many great changes to come-

- ***In August of 1956***, the Social Security Act was amended to provide monthly benefits to permanently and totally disabled workers aged 50-64; to pay child's benefits to disabled children aged 18 or over of retired or deceased workers, if their disability began before age 18.
- ***In July 1965***, the Social Security Act was expanded to provide health insurance for the elderly, which is now known as "Medicare."
- ***In October 1972***, significant legislation made many changes to the Social Security Act. Most considerable was the establishment of a new Federal security income program for the needy aged, blind and disabled (the SSI program).
- ***In December 1999***, the Social Security Act was amended to include the "Ticket to Work and Work Incentives Improvement Act of 1999." This legislation was intended to mark a significant change in disability policy since passage of the Americans with Disabilities Act in 1990.

Because of the changes and foresight of so many great American leaders, Social Security is a system that has worked for more than 70 years. In the future Social Security will continue to contribute to a stronger nation if Congress provides sufficient administrative funding and the President appoints progressive leadership for the Agency. It is a true American success story.

The American Federation of Government Employees has represented employees at the Social Security Administration for more than 50 years. AFGE represents over 48,000 bargaining unit employees who work in over 1500 facilities nationwide. AFGE members work in field offices, Program Service Centers, Teleservice Centers, Regional Offices of Quality Assurance, Offices of Disability Adjudication and Review, Regional Offices, Headquarters offices, the Data Operation Center and other sites throughout the country where SSA employees take, process and review claims for retirement, survivor, disability benefits and appeals requests for SSA and SSI benefits.

AFGE members are the front line staff that the American public deals with day-to-day. AFGE members go through months-long rigorous training and are the best prepared professionals to deal with American's retirement and disability concerns. However, years of underfunding and understaffing have created a toxic work environment for the employees. Such underfunding has been directly responsible for the staggering backlogs in disability claims appeals. Decisions by Congress to shift more and more work to SSA without adequate administrative funding have exacerbated the problem.

The image of the Social Security Administration as the backbone of American retirement security has been tarnished in recent years resulting in a weakened Agency. Employees are expected to increase their productivity, interview more and more claimants, maintain a high level of accuracy and provide friendly and compassionate service when interacting with the public while Congress and the President not only assign more programs and workloads to the Agency but do so while reducing staff. The SSA has changed priorities and engaged in crisis management efforts to plug the rapidly multiplying holes in the dam. This has resulted in a systematic weakening of the SSA, which has created momentum for the push for privatization.

In his October 20 letter to AFGE as well as in his Blueprint for Change¹, President-elect Obama voiced his opposition to, and referred to his Senate votes against, Social Security privatization. President-elect Obama “strongly agrees... that there is a critical need to increase funding for the SSA administrative expenses account to address the serious challenges facing the agency.” AFGE believes that not only does SSA need to have increased funding, but that it is critical for the future of the Agency for its funding stream to move “off budget.” Removing SSA’s administrative budget from discretionary spending caps will allow Congress to assess SSA’s administrative requirements without regard to the competing budgetary demands of other agencies, resulting in congressional oversight and transparency and, hopefully, an Agency that once again provides world class service to U.S. workers— a move that AFGE fully supports and an action will need the full support of the White House in order to make it a reality. The yearly FICA tax collection should be used to adequately fund SSA’s administrative expenses before it is borrowed to offset federal government budget deficits.

AFGE has been encouraged and been heartened by the Blueprint for Change, one point of which is to “make government more effective from top to bottom.”² AFGE embraces this notion. Currently, the average ratio of managers to employees in some components of SSA is 1:5. In the Office of Disability Adjudication Review (ODAR), when a front line worker leaves, the position is frequently filled by a management position, thereby reducing the numbers of frontline workers to even lower levels. ODAR does not need more managers. ODAR needs workers to process its unwieldy disability claims workload. The Agency goal should be to train its employees to be “one-stop-shop” providers by processing any action to completion without referrals and improving its service delivery to the public. More managers will not result in a more effective agency.

The Bush Administration and the current leadership at SSA have created an environment where the workers have no voice. The Union has been left out of virtually every decision making process. The labor-management system has deteriorated and employee interaction with leadership is virtually nonexistent. We welcome a new administration where AFGE can have a successful, fruitful working relationship with Agency leaders.

SSA needs to return to its mission “to provide the right check, at the right time.” SSA needs to return to its roots of customer service and once again insuring that customers are informed of all benefits that they and their families are entitled to receive and given enough information to enable them to make benefit choices that are in their best interests. The following is an AFGE blueprint which delineates the problems within SSA from a union prospective and provides for changes that will correct those problems.

¹ Blueprint for Change: Obama and Biden’s Plan for America, pg. 29.

² Blueprint for Change: Obama and Biden’s Plan for America, pg. 17.

Internet Claims Service

During the past few months, the Social Security Administration implemented several new directives for dealing with benefit applicants, including a new system for filing Social Security benefits via the Internet. Some of these “new and improved” directives already are causing problems for the SSA and applicants alike.

The public has had the option of filing for benefits through the internet. All internet claims are reviewed by a Claims Representative after they are filed. An April 2008 survey by AFGE of over 1000 Claims Representatives who reviewed Internet claims indicated that 71% of respondents stated that they re-contacted 90-100% of claimants due to errors, discrepancies and/or omissions in their applications. Ninety four percent of survey respondents stated that 50% or more of applicants had to be re-contacted for some reason. SSA’s iClaims is intended to eventually eliminate such contact under the theory that the applicant will be able to complete the claim without help (i.e., SSA projects that the elimination of the internet claims review will be implemented as soon as 2010.) SSA employees believe that this is a bad idea.

Employee’s performance standards and expectations now include an element that requires employees to encourage the public to file claims on the Internet rather than on the telephone or face to face in an SSA office.

This push to internet service is a radical departure from SSA’s traditional posture that the customer had the right to determine how they did their business with the Agency. The public had this option of communicating with SSA by phone, face to face, or through the Internet. SSA opened offices throughout the country, began an 800 number service and programmed its computer system for Internet claims. The public response dictated the level of resources that the Agency spent on each access option.

SSA’s previous strategic plans guaranteed that to achieve the goal of servicing the public with compassion, courtesy, consideration, efficiency and accuracy, SSA had to provide the public with service options. SSA guaranteed making dealing with SSA as easy and convenient as possible. It assured that those who needed or desired personal face-to-face service would have ready access to such service. SSA was committed to balancing technological solutions with the need for a “human touch.” Such commitments were reasonable in view of the nature of SSA’s clientele - the aged, survivors of deceased wage earners, the disabled, the blind, and the poor (SSI).

Unfortunately, the current administration has abandoned those previous strategic goals and principals. Current SSA leadership has decided that the public will be directed to use the Internet and other technology as much as possible in its interactions with SSA. Disabled appellants are encouraged to use video hearings by guaranteeing them faster decisions. Even where the public selects their access mode by calling the Agency or coming into an SSA office, employees are told to send applicants home to their computers or, absent computers to Internet cafes, rather than provide the service desired by the applicant.

This shift in service delivers must change. SSA applicants are least equipped to deal with complex SSA issues alone on their computers. According to a recent Gallup Poll, only 14% of senior citizens (i.e., 65 years old and above) have gone online to a government web site in the last 6 months. This is less than ½ of the frequency of government web site visits of any other age group. SSA customers often interact with the Agency in moments of great stress- after the death of a loved one, after suffering a major illness or disabling condition, upon retirement or after

losing a job and their livelihood. Such customers often need a human touch to assist them in conducting their business. SSA has guaranteed this human touch since its inception. It must continue to do so by providing SSA customers with options of how they conduct their business with the Agency that include face-to-face service. SSA should not dictate that option as it is trying to accomplish with its Internet campaign. Congress and the Administration must provide sufficient resources to maintain a full service field office structure and 800 number network to assist the public in conducting their SSA business. Internet options are necessary in a modern environment but not to the exclusion of the access methodologies.

The IClaims and Ready Retirement initiatives were designed to streamline the Social Security Administration by moving the public to Internet services. By filing over the Internet, applicants are confronting a complex set of questions and choices with little assistance. Social Security Administration employees are reporting that the need to re-contact applicants due to mistakes on their internet claims has been virtually universal, causing lengthy delays in the process. And in this effort to “streamline” the process, SSA changes have resulted in some dangerous situations. For example:

- With IClaims, anyone who knows an individual’s personal information (i.e. secretary, ex-spouse, child, etc.) can file for benefits for that individual without their or the Agency’s knowledge.
- The IClaims path limits questions regarding previous marriages. In the past, prior marriage information provided SSA with leads for potential benefits for children. Many wage earners are reluctant to provide information because they think it will affect their own benefits. However, that is not the case. Benefits for mothers and children do not affect the wage earners benefits at all. If an agent does not ask the question, it won’t be answered.
- SSA employees are prohibited from advising applicants that they have chosen a disadvantageous month to begin benefits. Employees are forbidden to advise applicants how long they would be ahead if they selected a particular month to start their checks. Employees are also now prohibited from informing applicants which month appears to be most advantageous to begin benefits.
- SSA now prohibits employees to provide advice to applicants who are dually entitled to retirement and widow’s benefits regarding filing strategies that will result in the largest cumulative benefits received over a projected lifetime assuming average life expectancy. Such advice has been given by SSA employees since the inception of the program and has led to larger cumulative benefits for millions of SSA claimants.
- SSA no longer verifies citizenship or age if the applicant is at least 60 years of age and alleges the same date of birth that they alleged when they initially obtained a Social Security Number. Therefore, if someone lied about their age when they originally obtained a Social Security Number and they are consistent in the falsehood when they file a claim for benefits, SSA no longer demands proof of age. Prior to 1980, SSA did not verify allegations of place of birth or birth date. When individuals applied for Social Security numbers if the applicant lied about his or her place of birth or birth date, they and their families will now be eligible for benefits as long as their lie is consistent.

- SSA no longer develops lag wages (i.e., wages earned in the year prior to filing) guaranteeing that many claimants will be initially paid an incorrect, lower benefit amount, than what they are entitled to receive from SSA.

Virtually none of the new Internet directives devised by the SSA Commissioner have the best interest of the American public in mind. SSA has created a policy that eliminates the advice and assistance that SSA employees have always provided to the public regarding the most advantageous dates to begin their retirement and widow's benefits. The SSA has been moving in the direction of encouraging claimants to seek assistance from third parties who charge fees rather than trained SSA employees who don't charge fees in filing applications and making decisions regarding month of election for benefits and deciding which benefits to claim (e.g., widows vs. retirement).

The elimination of questions on the application that are designed to explore entitlement to benefits from potential auxiliary beneficiaries will result in the applicants unknowingly bilking themselves and their families out of their rightfully earned benefits.

The Union is appalled by the apparent intention of the Agency to institute major changes in the content of applications with little to no feedback from the employees. It is also disturbing that SSA has redesigned applications for benefits and changed instructions disregarding employee advice and review, with no piloting regarding the input of such changes on the public. The level of assistance provided by SSA employees to the public, the level of review given to applications filed on the Internet, the choices that claimants have traditionally had regarding how and where their applications are processed, the degree to which SSA will pursue potential entitlement by auxiliary beneficiaries and the evidence required for establishing entitlement and accurate benefit rate determinations are all affected by these new initiatives.

SSA's actions in IClaims and the Ready Retirement initiative appear designed to eliminate the need for employee involvement in the claims process. These changes will cause permanent harm to many claimants who will be unable to understand and navigate the Internet claims system. Elimination of advice on month of election and widows vs. retirement options will disadvantage all but the savviest of claimants who, according to SSA employee surveys conducted by AFGE, constitute a small percentage of applicants.

The Social Security Act requires that rights and responsibilities be communicated to benefit applicants through personal contact by an SSA employee. Those employees receive four months of in-depth training on the law, policy and procedures to ensure claims are taken and paid correctly. On average, it takes a claims representative three years to become proficient.

Failure to properly document potential auxiliary applicants will result in some individuals losing benefits that they are eligible for under the SSA program. Failure to provide guidance on selecting widows vs. retirement benefits will result in claimant choices which will be permanently disadvantageous. Apparently these adverse consequences of the IClaims initiative are acceptable to SSA leadership.

The real motivation for these changes is to create the ability for applicants to file claims without employee intervention or assistance. SSA assertions that applicants are best equipped to assess their own financial needs without the intervention of SSA employees are cynical attempts to rationalize the real SSA motivation with these changes. That motivation is to eliminate employee involvement in the claims process. Any adverse impacts on the public that these changes will cause are of no interest to the Agency officials who devised this iClaims scheme

which, if it isn't stopped, will result in millions of applicants making decisions that result in loss of benefits.

AFGE recommends to:

- *Restore lag wage development in claims*
- *Restore proof of age development*
- *Restore proof of citizenship development*
- *Maintain a system of employee review of all Internet claims*
- *Pilot the new Internet Social Security Benefit Application for at least a year before agency wide implementation. Provide Congress and the Administration with the pilot results that will include an evaluation of claims accuracy prior to SSA employee review, before deciding whether to implement the changes across the board.*
- *Maintain employee review of all Internet applications until it can be shown that the accuracy level of Internet claims matches or exceeds the accuracy level of telephone and in person claims.*
- *Continue to permit SSA customers to select the methodology for interacting with SSA that they prefer.*

Public Interaction with SSA

As part of the IClaims initiative, SSA has instructed bargaining unit employees to encourage applicants to use the Internet to file claims. SSA has purchased trinkets such as mouse pads, pens, lip balm, nail files, letter openers, bottle openers, calendars, etc with messages to use the internet when contacting the 800 number operators are instructed to encourage Internet claims. SSA quotas – 50% of all retirement applications by 2012 - have been established for internet claims. Managers in some offices have sent potential applicants home or to libraries and internet cafes to file applications when these applicants indicated a preference to file face-to-face.

Disability and Hearing Backlogs

Federalize the State Disability Determination Services (DDS)

SSA's approach to disability, past and present, fails to address the problems and inadequacies of the state Disability Determination Services (DDS). AFGE strongly believes that if problems with inconsistent decisions at the initial claims level are addressed, appeals will diminish. Disability claimants deserve consistent initial claims decisions and payments as soon as possible in the claims process.

Unfortunately, the chances for a claimant to be approved at the initial level have a lot to do with where they live and their income rather than the nature of their disability. That's inherent in the system. Each state has different criteria for hiring Disability Examiners (DEs). Each state provides them with different pay and benefit packages. Some are unionized- others are unorganized. Each state provides different training to their DDS employees. Employee retention rates vary dramatically from state to state. In effect, there are 50 different disability programs when there should be one.

The concurrent disability process shows inexplicable variable allowance rates depending on the state of residence. There is no evidence to show that residents of some states are twice as susceptible to become disabled as residents in other states. Obviously, different state initial claims approval rates have more to do with the bifurcated system than the health of residents of these states. Claimants are entitled to consistent decisions regardless of their state of residence or whether they are filing for Social Security or SSI disability benefits.

According to the Government Accounting Office (GAO), a majority of DDS' do not conduct long-term, comprehensive workforce planning, which should include key strategies for recruiting, retaining, training and otherwise developing a workforce capable of meeting long-term goals. The State DDS' lack uniform minimum qualifications for DEs and have high turnover rates for employees and do not provide ongoing training for DEs. It is a key problem that must be reconciled in order to reform the disability system.

Although the State DDS system is fully subsidized by SSA, State budgetary problems adversely affect the ability of SSA to provide disability services. For example, California State DDS workers are facing the possibility of a weekly 8 hour furlough due to the budget deficit situation in the State. All State workers may be furloughed due to the budget impasse. CA DDS workers will be affected even though 100% of their budget is funded by SSA. Michigan DDS workers along with other MI State employees were previously furloughed due to State budget shortfalls even though their salaries were also fully funded by SSA. The bifurcation of the disability program between Federal and State workers is an anachronism dating to 1956 when the SSA disability program was created by Congress. It's time to modernize and create a unified, comprehensive Federal disability system.

AFGE recommends:

- ***federalization of the State Disability Determination Service. This will bring consistency to the initial claims decisions in the same way that the Supplemental Security Income program (that was federalized from the states in 1974) created a uniform system of benefits for low income blind, disabled and aged population.***

Properly Staff Hearings Field Offices

The decision by the administration to hire 175 additional Administrative Law Judges (ALJ) was the first step in addressing the problem of the disability hearings backlogs. However, each ALJ requires (and is budgeted for) 4.3 support staff. SSA has not hired or promoted 4.3 support staff to complement each of the additional 175 judges that were hired by SSA. The result is that the ratio of ALJ to staff will decrease. This is guaranteed to cause delays in various staff functions such as folder assembly, hearing scheduling, case review, scheduling and obtaining consultative medical examinations and reports, decision writing process the decision, etc. Hiring more judges is necessary to reduce backlogs and lower hearings processing time. Failing to hire/promote adequate ALJ support personnel lessens the effectiveness of the additional judges and minimizes the potential for reducing backlogs and processing time and may lead to disastrous consequences.

AFGE believes that SSA should utilize non-attorneys within the Agency that have displayed the ability to make appellate decisions to reduce the current backlog of cases awaiting hearing. SSA has previously used non-attorneys in this roll with no evidence of adverse effect in the decision making process (e.g., Adjudicative Officers reviewed reconsideration decisions and were empowered to reverse such decisions if the evidence warranted a reversal). Commissioner Astrue has required that personnel used to review and potentially reverse disability Reconsideration denial cases must be attorneys. This requirement of a law degree for this task limits the Agency's ability to expand the effort to concentrate energies to reduce the disability hearings case backlog and the lengthy processing times. Current decision writers, former Adjudicative Officers and current Paralegal Specialists could be utilized now to reduce hearings backlogs and processing time with minimal training. There is no evidence that use of non-attorneys to decide appeals has resulted in less accurate decisions. Absent such evidence, failure to use experienced personnel who are capable of reviewing denied reconsideration requests and issuing reversal decisions is a waste of precious resources.

Restructure the ODAR Field Office

Currently there is a backlog of over 750,000 disability hearing appeals cases awaiting decision by SSA. The average processing time for a request for hearing is about 515 days. Such backlogs and delays are unacceptable.

Staffing increases are mandatory if Congress and the new Administration are interested in solving the problem. One hundred seventy five additional ALJs will help. More staff support will help too. However, 175 ALJs is not enough. The baby boomer public will become disabled in larger numbers and will file more appeals if the initial claims process of the SSA Disability system isn't fixed.

The Office of Disability Adjudication and Review (ODAR) is responsible for conducting due process hearings and issuing more than half a million decisions each year as part of the Social Security Administration's process of determining whether or not an individual qualifies for benefits. In Fiscal Year 2007, the Social Security Administrative Law Judges (ALJs) heard and decided 550,000 cases with most of the cases being from individuals seeking disability benefits. The disability case backlog at ODAR has risen to record levels and in Fiscal Year 2009, will most

likely approach 800,000 cases in the system pending hearing which results in increased waiting periods for individuals who appealed their disability claims to have a hearing and decision. The disability backlog will continue to grow as the unemployment rate increases and as the aging baby boomers reach their most disability prone years.

One of the major problems for the increase in the disability backlog is the chronic shortage of support staff to prepare cases for hearing and to write decisions for the ALJs. The 4.3 to 1 ratio of support staff to ALJ is inadequate. There must be a higher ratio of support staff for ALJs to handle the never ending increase in workload. While it is recognized that Commissioner Astrue, over the past several years, has implemented numerous initiatives by way of shortcuts and other means which have streamlined the disability process (e.g., temporarily shifting staff attorneys to review cases and issue reversals without a hearing, creating a centralized hearings office that hears cases through video technology, detailing personnel from other parts of SSA to assemble files on overtime, etc.), such initiatives have created serious morale problems, as well as an environment that fosters a belief that processing cases faster is better. Regarding the latter, this belief ignores the legal and ethical obligations of each employee in processing his/her caseload and such thinking places due process secondary to speed. In fact, one could say the Agency would rather have a favorable decision issued than spend the time to properly adjudicate the case since a denial decision takes substantially longer to process.

Many of Commissioner Astrue's initiatives have created an overwhelming number of non-hands on case workers while making the hearing offices understaffed and highly stressful environments. Under the Clinton administration Agency's were required to attempt to achieve a streamlining of government goal of 15 bargaining unit employees to each manager. These ratio goals have been discarded by the present SSA leadership. Currently the approximate manager to staff ration in ODAR offices is 1:6. In addition, staffing in the Regional Offices and the Office of the Chief Administrative Law Judges, who have no direct role in processing the public's hearing requests, has increased. Such staff should have been allocated to hearings offices and used to increase the number of employees working directly to reduce hearings backlogs and to process ongoing hearing requests. Such misallocation of Full-Time Employees (FTEs) is one of the causes for the backlog; Staff assigned to nonproductive Regional Offices and Central Office also tends to be higher paid further diminishing resources that could be utilized in the direct processing of hearing requests.

It is important to note that Commissioner Astrue is responsible for the substantial decrease in employee morale by his decision to solely use attorneys to adjudicate backlogged hearing cases to lessen the ALJ caseload. Qualified Paralegals, Decision Writers and Senior Hearing Analysts should have been used to reduce the backlogs. If they had there would now be less pending cases and the overall processing time for hearings would be lower. The Commissioner's decision and directive to totally ignore the Union as the employees' representative in its effort to assist the Administration in decreasing the disability backlog has been a prime factor in the decrease in morale and the penchant for the Agency to make bad decisions in dealing with the hearings case backlogs to the detriment of the public. Employee's ideas and potential solutions to the backlogged situation have not been solicited by SSA. Employees are immersed in the daily processing of cases and possess valuable knowledge and ideas on how to improve and streamline the process. Unfortunately, current SSA leadership hasn't solicited employee ideas. Consequently, SSA's approach to solve the disability hearings problem has been erratic and ineffective. AFGE believes that a model for change that would permanently cure the he hearings office problems must include increased staff reflective of the increases in the public's desire to file appeals of denied disability claims. Attached (see attachment A) is a model for a change in the hearing office structure and processes which was

presented to and rejected by SSA. This model more clearly defines the roles and responsibilities of various support staff positions in the field hearings office. It eliminates some of the specialization which exists in the current organization of the hearing office. Employees would multi task which would eliminate unnecessary handoffs and assist in creating a quicker streamlined process. In addition, the model would create a new position of Disability Adjudicator in SSA field offices. This new position is designed to screen all reconsideration requests using automated screening criteria. The Union feels that a substantial portion of these cases could be reversed reducing the number of cases referred for reconsideration and hearing decisions.

This model reflects a substantial decrease in unnecessary managerial positions and provides for an upfront adjudication of cases which will expedite and streamline the favorable decisional process and conserve the ALJs' resources, including the time of the support staff, to address the difficult cases and render denial decisions when appropriate. It was projected that approximately 30-35% of appealed cases would be disposed of by this up front adjudication and that the remainder of cases requiring a hearing could be processed more expeditiously because of the well-defined issues and the hands on approach.

An alternative to these approaches which warrants reexamination is the reestablishment of the Adjudicative Officer (AO) position. Adjudicative Officers were piloted successfully from 1996 to 1999 but discontinued by SSA. AO's reviewed all denied requests for hearing prior to referral of these requests for a hearing. AO's were empowered to reverse reconsideration denials but did not have the authority to uphold the reconsideration decision. When a reversal was not possible, AOs worked with claimants and their attorneys to gather evidence set up the hearings file, schedule consultative examinations, schedule the hearing and generally streamline the process so that the hearing would take place timely and smoothly. AOs could be located in any SSA facility and could be especially accessible to appellants and their representatives when cases are 100% electronic. Thus, AOs could be placed in field offices, hearings offices, Program Service Centers and other SSA facilities. AOs had high customer satisfaction due to the fact that appellants could interact with the actual decision maker in their case and experienced ongoing activity to schedule a hearing if the AO could not reverse the negative reconsideration decision.

In addition to the above, it must be noted the Agency initiative to eliminate the Appeals Council was ill thought out and that such initiative should be rescinded to allow the Appeals Council to continue to be the last step in the Agency's adjudication process before court action. Elimination of the Appeals Council would lead to an unacceptable increase in cases appealed to the courts. In addition the 24% remand/reversal rate of cases sent to the Appeals Council is substantial enough to maintain this final administrative appeal for the public.

AFGE recommends:

- ***That in order to address productivity, backlog, processing issues and employee concerns, the Commissioner, by and through his ODAR executive leadership, should be directed to meet with AFGE Council 215 leadership, at least monthly, to discuss and resolve issues. Further, all newly created positions in ODAR over the past three years that do not involve hands on adjudication of cases should be reviewed for elimination and such FTEs converted to the hearing offices. SSA should consider reestablishing the Adjudicative officer position.***

Restructure the Disability Claims Manager

The Disability Claims Manager (DCM) pilot proved to be highly successful in addressing many problems in the disability program. DCMs were responsible for making both the entitlement and disability decisions for initial disability claims. Processing time was significantly better than the bifurcated process. In fact, the DCM processing time of 61 days was just over half of SSA's initial disability claim processing time goal of 120 days. Customer service improved dramatically and claimants expressed record high satisfaction rates with the DCM. The public preferred a process which allowed them to interact with the decision maker.

Currently, the only interaction with the disability decision maker occurs at the hearing level when the ALJ conducts the hearing. Observation of the impact of the alleged disabling condition and evaluation of the credibility of the claimant is a prime reason for the high percentage of reversals at the hearing level. If the system was reformed so that claimants could interact with decision makers at all levels, it could result in improvements in the initial claims process.

SSA surveys indicated that the public preferred the DCM caseworker approach to the current process. The DCM was a positive step in ensuring the public that consistent and equitable disability decisions were made by the Agency. Unfortunately, despite the positive DCM experience, SSA terminated the pilot. Although SSA contended that the DCM would cost more than the current process, the pilot was terminated before valid statistical data could be compiled regarding full program costs.

Legislative amendments to the Social Security Act would be necessary to allow SSA workers to make disability decisions; however, the crisis in disability processing requires immediate and long-term changes. When trained to make medical decisions, SSA employees can provide immediate relief to backlogged Disability Determination Agencies and provide faster and better service to the public by serving as a single point of contact. The pilot demonstrates that the public likes the DCM, employees enthusiastically support it, employees are capable of mastering all aspects of the claims process and that it provides substantially better service than the current disability product.

The DCM pilot was conducted both in SSA field offices and in State DDS offices. Federalizing the SSA Disability program would provide a golden opportunity to train both displaced State DDS workers in the entitlement aspects of Disability claims and federal claims representatives in the Disability decision making process.

However, even before any federalization, a Disability Adjudicator position should be established in field offices so that field personnel can adjudicate a portion of the disability workload to relieve the pressure on the overworked State DDS. Disability Adjudicators could also be used in the appellate process to screen cases that have a high probability of being reversed and adjudicated as fully favorable allowances. Such cases could be referred to field office adjudicators after applicants file for reconsideration of disability decisions. If unable to pay, the case could be referred to the State Agency for processing of the reconsideration request.

Such units of Disability Adjudicators could also be established in SSA Program Service Centers and/or ODAR Headquarters with utilization of some of the GS-13 hearings and appeals analysts.

AFGE recommends:

- *that the SSA take the necessary action to ensure the DCM is part of the solution to the disability problem.*
- *the immediate establishment of a Disability Adjudicator position (GS-12) in field offices, PSC's and ODAR Headquarters to adjudicate targeted initiated claims and likely reconsideration reversal cases.*

SSA's Funding

The primary message the Union wants to convey to the transition team is that Social Security is in dire need of both additional administrative funding and Congressional oversight of its service delivery practices. We strongly believe this is an integral part of President-elect Obama's plan to preserve Social Security.

By 2009, SSA will have lost more than 9.4% of its staff in just four years. SSA has experienced a dramatic increase in workloads as members of the Baby Boom Generation reach early retirement age starting in 2008 and also become more prone to becoming disabled due to age related maladies. Unfunded mandates such as Identity Verification, Medicare Part D, Medicare Part B, and E-Verify, all of which have been assigned to the SSA without any increase in funding or staffing, have brought the workload of SSA employees to near impossible levels.

	FY 2005	FY 2006	FY 2007	FY 2008	FY2009
Budget Proposed	8,878,000	9,403,000	9,496,000	9,597,000	10,327,000
Budget Enacted	8,733,000	9,109,000	9,298,000	9,745,000	
SSA Full-Time Equivalent (FTEs)	62,937	63,131	58,985	60,064	60,293
SSA Medicare Modernization (FTEs)	<u>1,268</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal SSA FTEs (including OIG)	64,205	63,131	58,985	60,064	60,293
Overtime/Lump Sum Leave	2,992	2,389	1,307	2,231	2,245
Overtime (associated w/Medicare Modernization)	<u>1,567</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal Overtime Lump Sum Leave	4,559	2,398	1,307	2,231	2,245
Total SSA Work years (including OIG)	68,764³	65,529⁴	61,292	62,295	62,538
		(-3,235)	(-4,237)	(+1003)	(+243)

SSA leadership has decided to assign only a fraction of program integrity work (i.e., continuing disability reviews (CDRs) and SSI Redeterminations) in recent years in response to inadequate budgets. SSA projects completing 235,000 medical CDRs in FY 08 instead of the scheduled 700,000 (i.e., 33% of the normal CDR workload). Instead of processing 2.5 million SSI Redeterminations scheduled in FY 08, the Agency will only complete 1.2 million (i.e., less than 50% of the scheduled cases). Without these reviews, billions of dollars of incorrect payments result. SSA will never collect some of the overpayments caused by insufficient integrity reviews.

Furthermore, the collapse of integrity oversight of SSA's programs compromises the solvency of the Social Security Trust Fund. According to GAO's 2004 report on overpayments related to SSA programs, overpayment detections increased from about \$1.9 billion to nearly \$3 billion between fiscal years 1999 and 2003⁵. In 2005, SSA improperly paid \$6.3 billion.

To add to the financial stress placed on the Trust Fund due to improper payments, Congress borrows from the Trust Fund to offset deficit spending and finance the war in Iraq and

³ SSA, FY06 Justification of Estimates for Appropriations Committees

⁴ President Bush Budget for FY 08 for SSA, pg. 1030.

⁵ GAO Report 04-924, "SSA Should Strengthen its Efforts to Detect and Prevent Overpayments"

other budget priorities. Meanwhile, Social Security is given insufficient funding to accomplish its basic service demands, resulting in poor public service, excessive delays and billions of dollars of improper payments. This is the case even though yearly taxpayer contributions and other trust funds exceed benefits and administrative requirements by hundreds of millions of dollars.

AFGE recommends:

- ***The SSA administrative budget is increased to at least \$11.5 billion thereby ensuring integrity workloads are fully funded.***
- ***Use the trust fund to pay for administrative expenses sufficient to provide world class service to the public before borrowing such revenues for other government initiatives. Cease the raiding to the Social Security Trust Fund to pay for other projects.***
- ***Take SSA Administrative Expenses Off Budget***

The Omnibus Reconciliation Act of 1990 provided that SSA FICA taxes and benefits payments were “off budget.” Congress later interpreted that SSA’s Limitation on Administrative Expenses (LAE) was not covered by the Omnibus Reconciliation Act of 1990, although the Social Security Act stipulates that administrative costs for the Social Security program must be financed by the Social Security Trust Fund. Since the SSA LAE (e.g., staffing, office space, supplies, technology, etc.) is “on budget,” Congress decides on a yearly basis the amount that will be authorized and appropriated to administer SSA programs. Often SSA is left with insufficient staff and limited overtime due to a combination of competing interests within the Labor, Health and Human Services, Education and Related Agencies appropriation and the Congressional budget scoring system. These circumstances make it next to impossible to appropriate adequate administrative funds to enable SSA to complete the tasks assigned by Congress in a timely manner. Such shortages adversely affect disability appeals processing time and cause severe integrity problems.

AFGE does not believe the American public deserves poor service from SSA. Some claimants while waiting for a disability hearings decision lose their homes, declare bankruptcy, and die. Their families suffer tremendous financial hardships; some lose everything during the prolonged wait for a decision. The public deserves efficient, expeditious service.

In an “off budget” environment Congress would continue to maintain spending authority but would be unencumbered by artificial caps and budgetary scoring rules. However, Congress should continue to appropriate SSA administrative expenses to ensure integrity and efficiency. Legislation should require SSA’s Commissioner to document (in performance reports mandated under the Government Performance and Results Act) how funds have been and will be used to effectively carry out the mission of the Agency, to meet expected levels of performance, to achieve modern customer-responsive service, and to protect program integrity.

Most importantly, GAO must annually inform Congress regarding SSA’s progress in achieving stated goals. Congress should also mandate that SSA’s Commissioner submit the proposed budget directly to Congress as is now only optional in the independent agency legislation (P.L. 103-296, §101.) This requirement to submit the SSA budget directly to Congress is also a provision of HR 5110 sponsored by Congressman Higgins of New York and endorsed by AFGE.

AFGE recommends:

- *SSA administrative expenses are placed “off budget”*
- *Congress should retain appropriations and oversight authority albeit unencumbered by artificial budget caps and scoring restrictions.*
- *The SSA Commissioner shall be required to submit the SSA appropriation request directly to Congress.*

Third Party Involvement in Social Security Claims

Twice, the Social Security Administration (SSA) has cut front –line staffing in its field offices and each time Agency managers have turned to third party organizations to “assist” applicants in completing disability benefit applications, a core function of SSA’s Claims Representatives, Field Representatives, and Technical Experts. The first period was during the late 1980’s when about 17,000 field office positions were lost. We are in the midst of the second, in which about 6,000 positions are being eliminated, dropping overall Agency staffing to its lowest levels in 35 years. Present staff cuts and increased outsourcing come at a time when unprecedented numbers of claims for disability and retirement benefits are being filed, fueled by the aging of the Baby Boom Generation. SSA officials and Congress should be very concerned about these surges in outsourcing activity tied to staff cuts, because of harm being done to applicants and taxpayers.

SSA is actively training non-profit and for-profit organizations to perform disability claims work again, and is interested in getting employers involved in the retirement claim process. Employers were approached in the 1990’s about completing retirement benefit applications, but declined because they were concerned about liability if their actions disadvantaged a SSA beneficiary. It is too bad that Agency decision-makers are not more concerned about applicants being disadvantaged through third party involvement.

SSA has determined that it is an “inherently governmental function” to make a decision about entitlement or benefit amounts, so has properly excluded this function from “competitive sourcing” (contracting-out) through the Office of Management and Budget Circular A-76 process. Yet, the Agency freely out sources these same functions to third parties without any competition, and with no opportunity for SSA workers to show that they do the work best for the American public. SSA officials fail to recognize that in identifying potential applicants, while screening out others, third parties have already made a decision about entitlement. Because third parties have been found to provide incorrect medical and non-medical information to SSA, through ignorance in some cases and through intent to defraud in others, they effectively make decisions about both entitlement and benefit amount through their actions.

Third parties are always motivated by a desire to entitle the applicant. For-profit third party organizations receive a standard payment when a claim is approved, or a percentage of benefits paid to the applicant. Non-profit entities want to transfer responsibility for medical care and income support to the Federal Government and the taxpayers. SSA employees are charged with applying laws, regulations, and rules fairly and equitably to all who apply for benefits, and thereby protect the interests of the applicants and taxpayers.

During the era of labor-management cooperation in the mid 1990’s, senior SSA officials and AFGE leaders agreed to thoroughly examine third party claims issues, to negotiate at the Agency level, and to make consensus recommendations about future activities. The AFGE-SSA Third Party Assistance Team began its work in May 1995, and submitted its first comprehensive set of recommendations in January 1997. The Team wrote and submitted specifications for a third party identifier that would be placed on electronic records so that quality and integrity could be monitored, and limited further third party involvement until a quality assurance system was developed and put in place.

These recommendations and many others were supported by a great deal of data that had been collected and analyzed over a 20-month period. A nationwide survey of SSA managers and staff revealed that third party involvement did not create operational efficiencies, and that there

were serious concerns about quality and integrity. An Office of Program Integrity and Reviews study requested by the Tam, and independent investigations conducted by the Office of Inspector General, uncovered fraud schemes and questionable fee-charging arrangement. Non-profit organizations, including a religious order, and for-profit organizations, including one run by a former SSA manger, were implicated in wrong-doing. Criminal middlemen, state government employees, and a least one physician were convicted of stealing money from applicants and taxpayers.

How did Agency leaders respond to the January 2007 recommendations? They pulled the plug on the Team, refused to even consider the recommendations, and announced that they would do what they wanted in the future with regard to third party claims. They soon diverted SSA Office of Training and Office of Systems resources to development of training materials and systems enhancements to serve third parties.

In this Century, with Social Security under attack by the Bush Administration, and outsourcing to faith-based organizations and others in fashion, the Agency has rolled-out training and stepped up the involvement of third parties. The Agency has abrogated the SSA-AFGE Third Party Memorandum of Understanding that placed sensible limits on the expansion of third party involvement. There is still no third party systems identifier, and no further reviews have been done of the quality and integrity of the claims.

When AFGE had access to SSA information, and when Agency leaders had some interest in the concerns of employees expresses through their Union representatives, we began to understand how third party involvement affected entitlement and payment decisions. This led to a careful, measured approach that has now been abandoned. SSA does not know which benefit applications are secured through third parties. The Agency cannot compare the quality, integrity, or timelines of third party claims to those taken by SSA employees. It's easier to expand outsourcing when the problems are undetectable.

Congress should insist that the January 1997 Third Party Assistance Team union-management recommendations be seriously considered for implementation by SSA and AFGE leaders, and that expansion of third party involvement be halted in the interim. It is time for Agency leaders to take responsibility for protecting applicants and taxpayers in the claims process. There is really nothing more important that they should be doing.

The following represents the major areas of agreement and recommendations made by the union-management Third Party Assistance Team:

- Third parties can provide existing medical and non-medical evidence;
- Third parties may not certify evidence, made decisions related to development of claims or resolution of discrepancies, or adjudicate;
- An automated data system is essential to monitoring and evaluating third party effectiveness;
- SSA cannot delegate responsibility to advise claimants of their rights and responsibilities. SSA will make verbal contact in all third party claims;
- Third parties will not be allowed access to SSA systems applications paths;
- SSA should not refuse to accept applications from existing third parties;
- A national recruitment plan for third parties is not needed;
- SSA's Rebuilding Public Confidence initiative should strongly promote SSA as a provider of services;

- Third party procedures should assure protection of the filing date; and
- SSA will provide continued assurance to employees that third party activity will not adversely impact their jobs.

In addition, AFGE recommends the following:

- *SSA should limit contracting out due to the inherently governmental work of much of the agency's business.*
- *Access to claimant's information, protected by the Privacy Act, should be restricted from disclosure to third parties. SSA must obtain a signed authorization from a claimant prior to disclosing claimant information.*
- *After monitoring and evaluating third party effectiveness, SSA will disclose the result of such accuracy reviews to the public.*
- *Congress should pass legislation proscribing third parties from charging fees for non-appellant assistance to SSA and SSI customers. .*

Social Security Card Centers

In the last few years, Social Security has opened several Card Centers throughout the United States in large metropolitan areas (New York City, Orlando, Las Vegas, Phoenix and Sacramento). Existing personnel was used to staff these new offices, and Social Security Commissioner Astrue intends to open at least 20 more over the next few years. The card center concept, while sounding good on paper, has proved to be a bad idea and a tremendous inconvenience to the American public.

During Fiscal Year 2007, SSA processed 17.6 million Social Security Number (SSN) applications for new or replacement Social Security cards. Most of them were processed in local field offices located near the applicant. Virtually all of SSA's field office staff has been trained to process SSN applications.

No action has been taken by the Administration to insure that card center employees either maintain their expertise (through job rotation) or are provided alternative career pathways.

SSA claims that employees at card centers develop expertise which guarantees higher accuracy and less likelihood of identity theft problems. SSA has conducted no such studies or analysis to substantiate such assertions. SSA also has not asked the public whether they prefer 2-stop service to one stop service. This year Las Vegas, Nevada Card Center customers frequently stayed for over 3 hours after regular closing to receive service due to the large influx in customers. Many customers waited in line for hours and were instructed to return the next day. Employees were required to work mandatory overtime for months in order to service the large influx of customers. Customers who had issues other than replacement social security cards with SSA were required to make additional contact(s) with their neighborhood office regarding such issues since Card Center employees only process Social Security card work.

Once card centers are opened, the public in a broad geographic area is required to do all their SSN card business in the card center. All card work in card Centers must be done face to face. This face to face requirement does not exist for customers outside of the jurisdiction of Card Centers. Local full service offices in the service area of a Card Center are no longer permitted to do SSN card work. In some cases this requires the public to travel long distances to get their SSA card business done. For example, the Las Vegas Card Center services a five county jurisdiction where outlying cities are as far as 265 miles from the card center; and the Phoenix card centers cover the service areas of five field offices where outlying cities are as far as 50 miles from the closest card center. The Orlando Card Center services customers up to 90 miles from the office.

SSA has not taken public transportation availability into account when deciding where to establish Card Centers. Not only is this the antithesis of SSA's assertions in their recent Strategic Plan about getting to green but also this refusal to incorporate community transportation requirements in their Card Center strategy indicates a crass lack of concern regarding mobility requirements for SSA's retirement, disability and low income customers.

Historically, SSA has always required its offices to be full service facilities. There are no offices exclusively devoted to disability or retirement claims. All field offices process whatever business that the public has with SSA. SSA surveys of public satisfaction have discovered that applicants prefer to be served by one individual (i.e. a case worker) and that they prefer to conduct all their SSA business at one time and place (i.e., one stop service). Enumeration Centers only process Social Security card work. All other SSA business must be conducted at another

location and by another SSA employee. Thus these card centers are the opposite of the type of service that the public prefers. There is no logical reason to maintain the concept of Card Centers. It forces a great inconvenience on the American public.

An additional problem with the Card Centers is that employees assigned to work there quickly lose the expertise gained through the years to perform a broad range of SSA work. SSN work is only one of many functions that employees perform in a full service SSA office. Due to this loss of expertise, card center work is a dead end job with minimal promotional opportunities. SSA has done nothing to address this problem. Also, SSA assigned many employees against their will to work in Card Centers. Such heavy handed tactics utilized by SSA leadership to staff these ill advised Card Centers indicate a lack of sensitivity to the needs and aspirations of loyal, hard-working SSA employees.

AFGE recommends:

- ***Require SSA Field offices to become full service facilities***
- ***Reverse SSA's policy of forcing the public to leave a field office and commute to a Social Security Card Center when they either went to the wrong office or had multiple business with the agency.***
- ***Suspend all plans to open additional Social Security Card Centers until this policy is reviewed and/or reversed and complete an analysis of the burdens faced by seniors and the disabled, including a cost benefit analysis for each Card Center.***

Office Closures

The number of people visiting Social Security offices in 2007 swelled by nearly a million visitors from 2006. Despite that increase, the administration has decided to accelerate the closure Social Security offices across the country. Last year, SSA closed 17 field offices. Offices closed for no logical reason other than the fact that such offices could close easily when their leases expired.

Congressmen were livid when confronted with office closing in their districts. The closings were done without any attempt to develop an analysis of the impact that such closing would have on the community and/or customers' ability to access SSA in their preferred manner. Congressman Brian Higgins (NY) district was one of those affected by SSA's accelerated office closing strategy (i.e., the Auburn NY office closed in 2007). He introduced H.R. 5110 which requires SSA to analyze the impact of an office closing on both the Agency and the community before deciding whether such a closing makes sense. The bill requires SSA to report to Congress the results of such analysis prior to taking any action to close the facility. AFGE supports this legislation.

SSA's criteria for office closure consideration are unknown to the Union. SSA Commissioner Astrue informed AFGE that only smaller offices in urban areas will be reviewed as office leases approach expiration. However, other high level Agency officials have informed their employees and Union officials that SSA will assess at all offices of 15 employees or less regarding closure. The reality is that all types of offices were closed in 2007.

Currently, more than 600 of the 1,300 SSA field offices have 15 or fewer employees.

The Social Security Administration is at its lowest staffing level since 1972. The Bush Administration and SSA Commissioner Astrue have been reluctant to ask Congress for more staff but that is the only answer to this crisis. Yet they are willing to reduce services to the public. AFGE strongly believes that SSA should be providing service to the public through community-based field offices that offer full services. This cannot be accomplished through further reductions of service to claimants and beneficiaries and by closing offices.

The Agency expects significant increases in the Continuing Disability Review (CDR) workloads, the e-verify work and an explosion of disability and retirement claims from baby boomers. Under legislation proposed by Congressman Schuler and by Congressman Sam Johnson, e-verify would be mandatory and result in 3.6 million additional interviews in the first year after enactment.

Closing offices puts a significant burden on these 3.6 million workers to correct their SSA records so that they can work. These workloads will further challenge employees and affect their ability to complete all the tasks that Congress has assigned to SSA.

AFGE recommends:

- ***A moratorium on closing SSA offices.***
- ***Support of the Social Security Customer Service Improvement Act, H.R.5110***

800 Number Service

The SSA 800 number was considered as one of the best 800 number services in the country 10 years ago. Unfortunately, higher call volumes and the failure to increase staff in the Agency 800 number operation have caused a significant deterioration in service. Call response times have increased and more actions are being referred to automated system rather than to live agents.

SSA still uses a significant number of part time personnel called SPIKES who work in Program Service Centers and answer the phone on projected peak days. Part time phone personnel are diverted from their full time jobs processing claims and post entitlement actions to answering the increasing number of callers to the 800 number. Such diversion of personnel adversely affects SSA's ability to process claims and post entitlement actions timely. Use of SPIKES should be terminated by SSA.

Due to staffing shortages, call agents have been subjected to stringent restrictions in their mobility at the worksite. Agents are monitored regarding their availability for calls, length of calls, breaks and lunch times, length of bathroom time, etc. Severe restrictions on leave availability have been imposed due to the lack of available agents.

Although the Agency has initiated an Immediate Claims program which permits 800 number callers to be referred to claims representatives for the purpose of filing claims, this program is limited in scope. Promotional opportunities are limited for Teleservice workers due to both the lack of job opportunities in the geographic area of Teleservice Centers (TSC) and the inability of SSA to replace TSC workers who are promoted to another job.

Surveys initiated by the SSA Field Management Association indicate that approximately 50% of calls to an SSA field office were unanswered. This 50% figure reflects callers who eventually got through to the field office. It is unknown how many additional callers never get through to a field office and abandon their efforts.

SSA experimented with limited telephone service after hours but abandoned the effort. Such service after 7 p.m. and on weekends were not advertized and, thus, were lightly utilized by the public.

Despite insufficient staff and the stress of availability requirements and leave restrictions, SSA management has implemented an extensive secret monitoring system which has further increased stress levels for TSC agents and has resulted in sweat shop type working conditions.

A modern, 21st century 800 number telephone service should be in operation 24 hours a day and 7 days a week. This can only be established in SSA if Congress and the new administration appropriate enough budgetary resources to enable SSA to increase its 800 number staffing sufficiently to implement a 24 hour, 7 day per week Teleservice operation.

AFGE recommends the following:

- ***SSA needs an overhaul its telephone service.***
- ***Staffing levels must be increased so that the public can easily reach a telephone agent without lengthy hold time.***

- *Draconian requirements for Teleservice agents to be tethered to their phone for lengthy periods need to be eliminated.*
- *Employees should not be forced to reduce service to the public to meet artificial call time limits.*
- *SSA should eliminate secret monitoring of TSC call personnel.*
- *SSA should reinstitute normal leave use procedures for 800 number agents.*
- *Program Service Center part time SPIKES should be eliminated and returned to their regular full time positions.*
- *Sufficient staff must be allocated to field offices to answer telephones 95% of the time.*
- *Career development opportunities must be created for TSC agents to enhance their promotional opportunities.*
- *Incompetent managers of the SSA Teleservice system should be replaced by the new administration.*
- *Congress should appropriate necessary funds so that SSA can implement a 24 hour, 7 day a week 800 number service.*

Additional Recommendations

Allow Flexiplace/Telework

For years, SSA has allowed employees to telework one to two days a week. Congress and GAO recommend expansion of work at home opportunities throughout the government. SSA now is denying employees access to the computerized record system from home. This policy will result in the virtual elimination of flexitime from anyone with a need to access the beneficiary database. The ending of flexiplace does not follow federal guidelines on federal workforce telecommuting which were passed in order to allow for fewer commuters, contributing to energy savings and greater productivity. It is an outright message of distrust of the employees. Less support of employees' rights has led to lower morale, which in turn leads to lower productivity. It seems unclear what management is attempting to accomplish with these barriers, and that the unintended consequences of this policy have not been examined closely enough.

The purported Agency concern of beneficiary identify theft if SSA systems access is permitted by employee's, however, has been solved in both SSA and other Agencies. SSA currently allows database access for employees who travel to contact stations and to field representatives who conduct beneficiary interviews in hospitals, other institutions and in customer homes. SSA has not experienced any identity theft problems due to beneficiary database access from these employees. There is no evidence that this is an insurmountable problem. A modern, flexible work force requires permitting employees to work at home much more extensively than currently allowed by SSA.

Change SSA Hiring Practices

SSA should be prioritizing the hiring of the disabled and the hiring of veterans. SSA should be especially sensitive to hiring the disabled in view of its efforts through the Ticket to Work program to reemploy disability beneficiaries. Unfortunately SSA has decided to use an excepted hiring program entitled the Federal Career Intern Program (FCIP) for the bulk of its outside hires. In FY 08 SSA hired 62% of all its outside hires through FCIP. FCIP is a 2 year temporary program which allows SSA to decide after 2 years whether to convert the candidate to a career appointment. Use of FCIP allows SSA to avoid applying the rules of career appointments which include a 1 year probationary period, use of veteran's preference in the career hiring scoring system, and targeting individuals identified in the Agency's Affirmative employment program such as the disabled. The union has received numerous complaints around the country from employees who complain that SSA hired management relatives and friends through the FCIP program which is non-competitive. SSA's own statistics reveal that in FY08 only 4.68% of employees hired under FCIP were veterans while 21.23% hired through Career appointments were veterans and 16.84% hired through Career Conditional appointments were veterans. Use of the FCIP program has the odor of patronage and nepotism.

Action should be taken to force SSA to resume utilization of career and career conditional appointment authority as the primary mechanism for hiring new workers. FCIP should be eliminated as a hiring program due to its susceptibility to inappropriate hiring practices and due to its exclusion of consideration of the principles of veteran's preference and affirmative action.

Health Insurance Role

SSA should be considered by the new administration as the Agency that can be the primary administrator for an expanded federal role in a national health insurance system. Whether the nation decides to adopt a single payer system or a health insurance system that preserves the role of private insurance companies, SSA is uniquely situated to provide services for the American public with regard to their health insurance concerns. SSA already has a network of 1300 field offices that can be used to provide face to face advice, assistance and claims services to health insurance consumers. In addition, SSA's extensive 800 number system is in place and can be used to assist the public in their telephonic health insurance business.

SSA already is involved extensively in Medicare. Currently, SSA employees enroll individuals in Medicare. SSA employees also adjudicate subsidy determinations for Medicare part D applicants. SSA employees also decide appeals regarding Medicare Part B premium determinations. The public frequently calls SSA 800 number personnel regarding a variety of Medicare issues. SSA employees are already involved in the nation's health insurance system. It would not be a great cultural change for the SSA workforce to take on an expanded role in all aspects of the expansion of health insurance to all U.S. residents.

Of course, any decision by Congress and the President to expand the SSA role in the health insurance administration would require sufficient appropriation of administrative funds so that employees could be hired and infrastructure improvements made to allow SSA employees to take on this job.

New Leadership

The current SSA leadership is largely responsible for the dismal situation of the Agency. One of the first actions of the post Clinton administration SSA leadership was to sever the relationship between SSA and AFGE and, consequently, sever the relationship between management and its employees. SSA's constant failed efforts to address problems such as how to solve the issue of excessive disability hearings backlogs and processing times were initiated in isolation. SSA bargaining unit employee views were not solicited. Change was unilateral. The union was rarely even given advance notice of significant Agency initiatives to address dysfunctional Agency processes.

The current leadership is responsible for flawed efforts such as iClaims, refusal to address federalizing the disability program, card centers, sweatshop working conditions in teleservice centers, expanded use of third party in the claims taking operation, numerous failed efforts to restructure the disability hearings system, failed efforts to fix the Ticket to Work program, decisions to minimize program integrity work resulting in an escalation of overpayments and failure to demand sufficient administrative resources from Congress and the Administration.

One of the biggest scandals in SSA is the failure of leadership to address the Special Title 2 Disability Workload. SSA has known for over 10 years that 500,000 SSI beneficiaries have been underpaid for benefits owed to them. Some were owed underpayments retroactive to the inception of the SSI program in 1974 or 34 years ago. SSA eventually set up specialized cadres 6 years ago to concentrate on these workloads. The cadres are still working on it and are often directed to do other SSA work. It is scandalous that SSA has so little concern about these SSI beneficiaries that are owed retroactive benefits that it has assigned inadequate personnel to

address this miscarriage of justice. This alone is reason enough to demand replacement of those management officials responsible for failure to correct this unjust situation.

The Union recommends termination of the Commissioner for cause and replacement of Deputy Commissioners for Operations, Human Resources and ODAR. SSA also needs an overhaul of its Regional Commissioners in the field who all participated in the decision to terminate effective communications with the SSA workforce and its representatives. The SSA Labor Relations department also needs an overhaul. Many incumbents have a visceral hostility to the union and if the Administration desires cordial Labor-Management relations, perpetrators of the opposite must be reassigned to non Labor relations activities.

ATTACHMENT A

HEARING OFFICE STRUCTURE

HOCALJ

HEARING OFFICE DIRECTOR
GS-14

MSA
GS-7/9

DEPUTY HEARING OFFICE DIRECTOR
GS-13

OFFICE SUPERVISOR FOR GS-11 AND BELOW
GS-12

ALJ ALJ ALJ ALJ ALJ

Senior Hearing Analyst
GS-13
(300 AFGE Positions)
(2 or 3 per office)
Paralegals Specialists & Attorneys

Attorney - DecisionMaker
GS-13/14
(100 Attorney AFGE Positions)
(In Region I, IV & PR)

Decision Writer
Paralegal Specialists & Attorneys
GS-9/11/12
(National incumbent pool reduced to
750 Positions - 600 PLS & 150 Attorneys)

Hearing Analyst
GS-11
(400 AFGE Positions)

Legal Assistant
GS-5/7/9
(1,400 AFGE Positions)

Position is Re-engineered to higher career ladder grades, thereby; competitive promotional process is restricted to incumbents in each hearing office. No relocation or other expenses.

Docket & Legal Clerk
GS-5/7/8
(500 AFGE Positions)

Pool includes all positions GS-8 and below. GS-8 Legal Assistants that are not promoted will be grandfathered in as a Docket Clerk and/or Legal Assistant

Receptionist/Mail Clerk
GS-2/3/4
(1 per office)

Jim Marshall
4/9/07

Standard Positions - Primary Duties and Responsibilities

1. Senior Hearing Analyst

Responsible for screening cases identified by the use of various screening criteria which most likely will result in fully favorable on-the-record allowances.
Responsible for writing difficult affirmation decisions.

2. Attorney Decision Maker

Responsible for holding pre-hearing conferences, obtaining development and issuing fully favorable on-the-record decisions received from the Senior Hearing Analyst.
Responsible for writing difficult affirmation decisions.

3. Decision Writer

Responsible for performing all duties of the current decision writer position.

4. Hearing Analyst

Responsible for providing assistance, mentoring and reviewing case work of the clerical staff in the office.
Responsible for providing assistance to the Attorney Decision Maker in drafting some fully favorable decisions.
Responsible for preparing dismissals for ALJ signature.

5. Legal Assistant

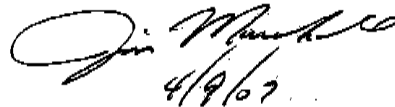
Responsible for performing essentially all duties currently performed by the Lead Case Technician, Senior Case Technician and Case Technician.
Responsible for preparing case analysis and working up case files.

6. Docket and Legal Clerk

Responsible for performing essentially all other clerical duties currently performed by Case Technician, Case Intake Assistant and Office Automation Clerk.

7. Receptionist/Mail Clerk

Responsible for performing receptionist duties, as well as mail duties.

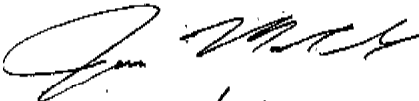

4/9/07

New Standard Position for Field Office

Disability Adjudicator – GS-12

Responsible for screening all requests for reconsideration of disability cases based on the use of manual and automated screening criteria that identifies cases with a high probability of becoming fully favorable on-the-record allowances. Refer these cases to a SSA disability unit to be established for consideration of immediate processing and payment. If unable to pay, the cases will be referred to the State Agency for processing of the requests for reconsideration.

The above referenced disability unit could be established at the PSCs and/or ODAR Headquarters with utilization of some of the GS-13 Hearings and Appeals Analysts, noting the appeals workload will decrease.


4/9/07

TOTAL P.03

AFGE General Committee Contacts

AFGE looks forward to working with the transition team to make that change a reality.

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