

**SSA GENERAL COMMITTEE**  
**AMERICAN FEDERATION OF GOVERNMENT EMPLOYEES, AFL-CIO**

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*Representing over 50,000 SSA employees across the nation, Puerto Rico and Pacific Islands*

PO Box 47638  
Baltimore, MD 21244-7638  
(410) 965-8863  
(410) 966-7151fax  
January 14, 2009

President – Elect Barack Obama  
Obama-Biden Presidential Transition Office  
Washington DC 20001

Re: Stimulus Package should contain \$1.75 Billion to create necessary Jobs in the Social Security Administration to address Backlogs, Service Dysfunction and increased Workloads due to the combined effects of Baby Boomers and the Economic Crisis.

Dear President – Elect Obama:

AFGE represents approximately 48,000 Social Security Administration (SSA) bargaining unit employees who work in 1260 field offices, 36 Teleservice Centers, 7 Enumeration Centers, 141 hearings offices, 6 Program Service Centers, 10 Regional Offices, the Office of Disability Review (ODAR) Headquarters in Falls Church VA, SSA Headquarters in Baltimore MD, and the Data Operations Center in Wilkes Barre PA. AFGE members in SSA interview the public, process applications for SSA retirement benefits, SSA disability benefits, SSA survivor benefits, SSI aged, blind and disabled benefits, Social Security number applications, appeals of benefit decisions, and assist the public on extensive post entitlement issues related to claims taking activity. AFGE represented bargaining unit employees also process Medicare claims, Medicare Part B appeals, Medicare part D subsidy claims, e-verify inquiries, food stamp applications and process additional workloads mandated by Congress and assigned to SSA.

SSA has experienced significant recent staffing cuts such that current staffing levels are the lowest since 1972 which was before Congress assigned the Supplemental Security Income (SSI) program to SSA. Such staffing cuts have been directly responsible for current service deterioration. Current service problems include the 765,000 backlog of disability hearings appeals which are awaiting hearings and decisions, the more than 500 day average processing time for disability hearings appeals, the current 20% busy rate on the SSA 800 number service, the fact that 45% of callers to an SSA field office either can't reach an SSA employee or are told to call back due to lack of staff to handle the call, the inability of the Agency to process and complete 50% (i.e., 1.3 million per year) of

scheduled SSI redeterminations, the inability of the Agency to process 67% (i.e., 465,000 per year) of scheduled medical Continuing Disability Reviews (CDRs), and significantly increased waiting times for visitors in SSA field offices.

AFGE believes that the economic stimulus legislation should include substantial resources to provide jobs within SSA in order to process increased claims (i.e., retirement claims filed increased 15% from 12/07 to 12/08), backlogged disability hearings, increased disability hearing workloads (i.e., hearings filings increased 11.7% in 2008), all scheduled integrity workloads (i.e., SSI Redeterminations and medical CDRs), to answer and assist all callers to the SSA 800 number network and SSA field offices, and to provide prompt and efficient face-to face service to those who visit SSA offices to conduct Social Security/SSI business.

AFGE believes that the stimulus package should include \$1.71 billion to restore SSA staff and enable the Agency to process the workloads assigned to it by Congress and service the pension benefit requirements for the nation's aged, disabled and poor. SSA has estimated that it will cost an additional \$960 million to process increased retirement and disability workloads due to the economic downturn. In addition, AFGE believes that the \$750 million requested by SSA to build a new National Computer Center (NCC) should instead be allocated to increase staff to enable the Agency to process backlogged disability hearings, improve service levels, process the appropriate integrity workloads and provide the prompt and efficient service that the public deserves from the government.

The union has not joined its allies in the disability community and other SSA interest groups in requesting that the economic recovery legislation contain a provision for \$750 million requested by SSA to construct a new National Computer Center (NCC). AFGE represents all bargaining unit employees who work at the NCC in Baltimore MD. Neither Commissioner Astrue nor any of his leadership team have to date communicated with the union regarding any desire or plans to replace the current NCC. Thus, SSA has made no attempt to justify to AFGE the enormous \$750 million estimated cost for this project. In addition, SSA has made no effort to inform either the union or NCC employees regarding the proposed location of this facility. AFGE understands that SSA has proposed that the facility be built within a 50 mile radius of the current NCC. That could result in the NCC being relocated to Virginia, Pennsylvania, Washington D.C., Frederick MD or numerous other locations. Such a relocation of the NCC would result in significant economic and personal disruption for employees who work in the NCC and the Woodlawn community where the current facility is located. Many employees would resign or retire if the NCC was moved away from its current location. If it was moved outside of Maryland, it would have a significant negative impact on the state.

It appears from correspondence by other SSA interest groups who presumably have been briefed by SSA regarding their proposal to build a new NCC that the primary rationale for

the need for a new building is the misguided effort by SSA to coerce SSA customers to utilize SSA's iClaims system on the Internet rather than call the 800 number or visit an SSA field office. SSA has indicated in its Strategic Plan that Commissioner Astrue's goal is to coerce the public to file 50% of all retirement claims and 35% of disability claims on the Internet by 2012. Commissioner Astrue also has stated that SSA intends to eliminate SSA employee review of Internet claims by 2011. (Currently all claims filed on the Internet are reviewed by an SSA Claims Representative (CR). The union has conducted surveys of CRs regarding the quality of such Internet claims. According to survey results, the majority of reviewed claims require re-contact due to missing or erroneous information and decisions by claimants which appear on their face to disadvantage the filer.)

The second reason for the Agency's apparent desire for a new NCC, according to other SSA interest groups, is their desire to fully computerize all medical records received by SSA within the SSA system. The combined impact of iClaims and computerized medical records are projected by SSA to exceed the Agency's storage capacity by 2012.

These alleged storage problems are news to the union. SSA has provided no information regarding such fears despite numerous ongoing inquiries that AFGE has made regarding SSA's budget situation. The union requested information regarding the particular problems with the NCC after being alerted six weeks ago by Congressman Cummings that SSA was seeking funding for a new NCC. SSA has not bothered to respond to the union's inquiries.

The union is troubled by the recent effort by SSA to justify construction of a new computer center. It is disturbing that SSA has engaged in an extensive effort to implement a new Internet claims system and a medical record computerization program if, in fact, it lacked the computer capacity to implement such programs. If the Agency implemented both programs knowing that the Agency's computer system did not have the capacity to handle the added volume of data, the Agency's current request for funding for a new computer center is a form of extortion. If SSA's leadership did not realize the effect that their system's expansion would have on their computer capacity, it's evidence of incompetence. Either scenario should be a major concern for you.

In addition, the union and its membership are very concerned about the impact of Commissioner Astrue's initiatives regarding iClaims and medical records computerization. The purpose of iClaims is to reduce service to the public by SSA and to privatize service delivery. Claimants are being asked to file their own claims in the Internet without the assistance of a trained SSA expert on claims taking and processing. The Agency plans to permit more third party access to the SSA system which will result in claimants paying third parties for claims taking assistance instead of receiving such help from the government at no cost. In conjunction with iClaims implementation, the Agency has ordered interviewers and iClaims reviewers to cease advising claimants regarding the most

advantageous month to elect to begin their benefit entitlement. When claimants have a choice regarding whether to choose retirement or survivor benefits, the new Agency policy is to order employees to not provide advice regarding what appears to be the most advantageous choice. The union has surveyed SSA iClaims reviewers who report extensive evidence of claimants making disadvantageous choices which they can no longer correct under new Administration rules. Elimination of such advice will result in many claimants making disadvantageous retirement decisions resulting in significant lifetime benefit loss.

To achieve this dubious goal, it appears that the Agency feels that they need a new computer center. I do not perceive that it is your goal as President – to elect to diminish service and assistance that SSA has traditionally provided to the public. iClaims and the computer capacity needed to implement it are designed to do just that. The new iClaims application also reduces the ability of the Agency to identify potential auxiliary beneficiaries that could be eligible for benefits on a wage earner's record. This new application also diminishes the Agency's ability to correct earnings record errors which would tend to increase benefits if detected and developed by Agency employees. It also eliminates the role of SSA employees in explaining claimant's rights and responsibilities which creates the likelihood of problems for claimants in the future.

Medical record computerization will create a troubling scenario of a national government repository of citizen's medical information. Should it be the goal of government to create a national database of medical records for millions of U.S. residents? The potential for misuse and abuse of this information is huge. Such abuses are likely if the Agency succeeds in its plan to expand 3<sup>rd</sup> party access to individual SSA records.

The union is confident that you would prefer that SSA continue to provide the type of advice and assistance to SSA claimants that resulted in creating SSA's reputation as one of the best Agencies in government. Staffing cuts, additional legislative work requirements and incompetent SSA management have ruined that reputation. SSA's staffing projections ignore the amount of time that it takes to re-contact Internet applicants in order to insure that claimants have provided the necessary information to insure accurate pension payments and that all potential auxiliary beneficiaries receive appropriate benefits. SSA employees report that such re-contacts often result in an overall more time-consuming process.

SSA has hired additional Administrative Law Judges (ALJs) to enable the Agency to conduct more disability appeals hearings. However, SSA has not increased support staff sufficiently to enable all judges to maximize their ability to issue hearings decisions.

The public's calls to both the 800 number and neighborhood offices often are not answered. Only a portion of integrity reviews are done which results in an explosive overpayment situation.

Many of these problems could be cured with an infusion of economic recovery money to restore adequate staffing levels in SSA. Such staffing levels can result in:

- Assurance that all Internet claims will be reviewed.
- Continuation of advice and assistance to claimants by SSA employees regarding claimant retirement and disability decisions.
- Resumption of requirements to prove applicant's age, citizenship, and insuring that all earnings are posted to a benefit applicant's record. Such requirements insure the integrity of the program. (SSA eliminated such proof requirements last year as part of its plan to eventually eliminate all employee intervention in the claims process.)
- SSA will process more claims/appeals work due to the coming of age of the baby boomer generation and the economic crisis which is resulting in higher levels of retirement and disability claims.
- Processing all assigned SSI Redeterminations and CDRs.
- Clearing the disability hearings backlogs.
- Answering phones timely and providing reasonably expeditious face-to-face service.

Concentrating economic stimulus money in SSA for staff enhancement will have the corollary benefit of providing more jobs in an economy of increasing unemployment.

AFGE's position is that the economic recovery legislation should provide \$1.71 billion additional administrative appropriations for the purpose of hiring staff to meet SSA's obligations to the American public.

We hope that you strongly consider this request. We appreciate your support for federal unions and your understanding that such unions represent the workers that provide government service to the public. We look forward to working with you to make government service and government programs vital to the establishment of a nation that works for all the people.

In closing, although Congress and the current administration underfunded SSA, Agency leadership is also responsible to a significant degree for the current unacceptable situation in SSA. Commissioner Astrue, Deputy Commissioner for Operations McMahan, and Deputy Commissioner for ODAR Foster are responsible for not seeking sufficient resources from Congress and for designing solutions to SSA workload problems which will eliminate SSA's traditional role in assisting the public to obtain the most advantageous benefit possibilities. AFGE also believes that Deputy Commissioner Wells

and Office of Labor and Employee Relations Assistant Deputy Commissioner Beever are directly responsible for terminating Agency communications with the union and SSA employees. AFGE urges you to ask for the Commissioner's resignation and the reassignment of Ms. McMahon, Mr. Foster, Mr. Wells and Mr. Beever to positions outside of direct supervision of Agency operations and labor relations due to their malfeasance and gross mismanagement. If these leaders are not terminated or reassigned, you will be unable to influence the direction of one of the key Agencies in government – the Social Security Administration.

Sincerely,

Witold Skwierczynski  
AFGE-SSA General Committee

Cc: J. Gage  
AFGE General Committee  
AFGE – SSA Local Presidents  
Congressman Cummings  
Senator Mikulski  
Senator Cardin  
Senator Baucus  
Congressman Tanner  
Senator Harkin  
Congressman Obey