



## NATIONAL COUNCIL OF SOCIAL SECURITY ADMINISTRATION FIELD OPERATIONS LOCALS

AFGE, AFL-CIO

*Representing 30,000 Social Security Administration employees working in over 1,200 field installations and 33 teleservice centers across the nation, Puerto Rico and Pacific Islands*

September 19, 2011

Dear Senator:

As a Democratic member of the Joint Select Committee on Deficit Reduction, you and other Democrats on the Committee, hold in your hands the hopes and expectations of middle class working and retired Americans. Much of that hope is based on the Party's unwavering historic commitment to the Social Security program. In fact, no program has done more to protect middle class individuals when they retire or become disabled. We are writing to you as representatives of employees of the Social Security system to express our deep-seated concerns about the impact of potential reductions in spending on the program and its beneficiaries.

Recently, AFGE's Social Security Council was provided with a comprehensive briefing by SSA officials regarding the impact of different budget reduction scenarios on SSA services and programs. It was made quite clear that any reductions below the FY '12 Budget Request will have adverse consequences. Further cuts below the current FY '11 baseline will lead to furloughs, staffing reductions, office closings, longer wait times and general dissatisfaction with the Social Security system itself. The union was informed by SSA officials that for every \$25 million of cuts below the FY '11 appropriation, SSA will be forced to furlough both SSA federal employees and State Disability Determination Service workers 1 day.

With respect to office closings, S.S.A. has closed or proposed to close 19 offices to date in 2011. AFGE expects that number to increase significantly before the end of the year. Each of those offices has less than 15 employees and was targeted in 2007/2008. However, SSA is aggressively proceeding with its plans and not waiting for leases to expire. AFGE's Social Security Field Council has determined that more than 515 offices could be at risk of closure.

By closing Social Security offices, SSA is effectively removing face to face community based service from thousands of customers. SSA's customers are senior citizens, survivors of a deceased wage earner, disabled people and the poor (i.e., SSI). Many of these people are unable to effectively communicate their issues with SSA through the telephone or through the Internet. Eliminating community based service from this vulnerable population is outrageous and intolerable. AFGE surveys of SSA employees indicate that customers who use the Internet to file claims often make decisions that cost them and family members significant lost benefits. In addition to closing 19 permanent offices, SSA closed 300 part time contact stations. Many of these facilities were in rural areas far from SSA's 1300 permanent offices.

If Social Security is the proudest achievement of the Democratic Party, it is incumbent upon you to provide the funds to ensure the smooth and efficient operation of the Program.

### **FY 2011 Current Status**

- S.S.A FY 2011 administrative expenses appropriation is \$11.4 billion, nearly \$1 billion below the amount the President requested.
- S.S.A-wide hiring freeze with the exception of hearings operation (ODAR).
- Overtime spending has been severely reduced despite increasing workloads and reductions in personnel..
- S.S.A will lose about 2,500 federal employees and 1,000 DDS (Disability Determination Service) State employees.
- As a result, S.S.A is facing geographical disparities in service as some offices are facing more losses than others.
- S.S.A did not open 8 new hearing offices and the Jackson, TN Teleservice Center.
- S.S.A stopped service in most contact stations and remote sites.
- S.S.A temporarily suspended mailing the Social Security Statement. Neither the union nor the public were notified in advance of this change. Social Security statements are an important link between young contributors and the benefits they will receive when they retire.
- S.S.A closed Social Security field offices to the public 30 minutes early each day beginning August 15, 2011. Yet the agency has provided no evidence or cost analysis to show that this reduction in hours will in fact save money.

### **FY 2012 at Level Funding**

- Level funding in FY 2012 would effectively leave us with about \$800 million below our FY 2011 funding:
- In FY 2011, S.S.A is using approximately \$450 million of IT no-year funding, which S.S.A will not have in FY 2012. (See table for available funding.)
- S.S.A also expects to incur approximately \$350 million in growth of mandatory cost increases, such as rising health care costs for our employees and increases in rent and guard costs, etc.
- S.S.A would lose another 4,400 SSA and DDS employees in FY 2012. This would be on top of the 3,500 S.S.A expects to lose this year for a total reduction of 7,900 employees in two years.
- S.S.A would complete 568,500 periodic medical CDRs (Continuing Disability Reviews) and 2.622 million SSI non-disability redeterminations, consistent with the Budget Control Act.
- S.S.A would complete 2.8 million disability claims, nearly 400,000 less than in FY 2011, with pending levels rising from 845,000 to about 1.2 million and processing time exceeding 4 months.
- It would greatly delay other less visible workloads, as S.S.A faces a snowball effect of staffing losses two years in a row.

### **FY 2012 Budget at Below Level Funding**

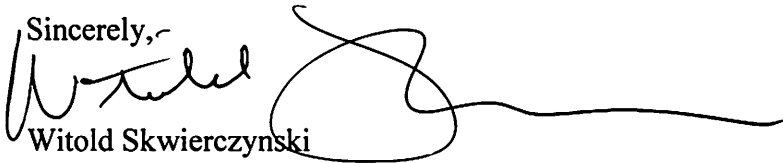
- If FY 2012 funding is below the FY 2011 funding level, our performance would be substantially worse, and it would be difficult to avoid furloughs and closing our doors to the American people.
- An across the board reduction in agency spending of 5 percent will result in the imposition of 24 furlough days for every S.S.A and D.D.S. employee.

- Each furlough day would result in approximately 19,000 retirement claims, 11,000 initial disability claims, and 3,000 hearings S.S.A would not be able to complete.
- Each furlough day would also result in 2,400 periodic medical CDRs and 10,500 SSI redeterminations that S.S.A could not complete. These reviews more than pay for themselves and are vital to protecting taxpayer dollars.
- Substantial cuts in our administrative budget will result in significantly higher program costs and negatively affect the economy.

Finally, it should be noted that SSA has said that the majority of employees lost in FY 11 and those projected to be lost in FY 12 are people who work directly with the public in field offices or teleservice centers answering telephone calls. The impact of losing these employees is already being felt throughout the country.

The threat to the Social Security system by those committed to deficit reduction as well as those seeking to dismantle the program is real and immediate. Actions by the Joint Select Committee on Deficit Reduction to reduce either benefits or administration will not actually reduce the federal deficit but will continue an inexorable process of eroding popular support for this, the most successful social program in our history. We urge you to oppose reductions in spending below the FY 12 budget request, a level which will preserve the quality of service beneficiaries and workers have come to expect from S.S.A. Thank you.

Sincerely,

A handwritten signature in black ink, appearing to read 'Witold', followed by a long, horizontal, wavy line that extends across the page.

Witold Skwierczynski  
President