

FY 2022 Congressional Justification

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A MESSAGE FROM THE COMMISSIONER



It is my great honor to be Commissioner of the Social Security Administration. For more than 85 years, the agency has administered programs that affect nearly every American at some critical juncture in their life: when they reach retirement age, if they become disabled, or if they lose a loved one. In fiscal year (FY) 2022, our programs will provide a combined total of over \$1.2 trillion in Social Security benefits and SSI payments to over 74 million beneficiaries. I take seriously our responsibility to pay those benefits timely and accurately.

The FY 2022 President's Budget will allow us to begin recovering from the coronavirus (COVID-19) pandemic disruptions, building on the lessons we learned to become a stronger and more responsive agency. The Budget will support our efforts to improve service and our customers' experience by reducing wait times and backlogs, supporting outreach to vulnerable populations who may be eligible for our programs, and investing in our information technology (IT) modernization efforts. It will also support our stewardship responsibilities by funding our cost-effective program integrity workloads.

The pandemic has significantly disrupted many of our workloads, most significantly at the State disability determination services (DDS) that make disability decisions on our behalf. We are increasing processing capacity to address the large backlog of initial disability claims that developed because of the pandemic, as well as the influx of claims we expect to receive through the end of FY 2022. In FYs 2021-2022, we plan to complete an estimated one million more disability claims, as compared to FY 2020. In FY 2022, we also plan to eliminate the disability hearings backlog. The hearings backlog is now at its lowest level in 20 years. Addressing our disability backlogs will ensure eligible individuals receive timely benefits.

We are working to help members of the public understand possible benefit eligibility and ensure convenient access to our services. During the pandemic, applications for benefits, particularly for Supplemental Security Income (SSI), have declined. Our budget request will allow us to work closely with other government agencies and third-party organizations in local communities to help us reach at-risk persons, including individuals facing homelessness, with low income, with limited English proficiency, or with mental illness.

The pandemic emphasized the importance of modern technology and online service options. We must build upon the significant progress we have made to date. Modernizing our IT is the key to making critical, lasting improvements in service. We are building additional online services, improving and expanding automated services through our National 800 Number, and providing additional self-service and expedited services at our field offices. These improvements will provide the public with additional service options that do not require them to visit a field office or call our National 800 Number. By providing more convenient online options for people who can use them, we can focus on the more complex cases and individuals who need in-person help.

In addition to improving service, we have an obligation to ensure that we are paying benefits to the right person in the right amount at the right time. During a critical time in pandemic, we

temporarily deferred certain workloads to preserve beneficiaries' payments and healthcare. Instead, we focused on initial benefit decisions and other frontline service workloads. As we emerge from the pandemic, we must balance our service and stewardship efforts. Our budget request will allow us to continue our cost-effective program integrity work.

I am grateful for the opportunity to submit a budget that will help us recover and rebuild while making our agency and programs even stronger and more efficient. Millions of Americans count on us every day. We appreciate your support. We look forward to working with the Congress on the FY 2022 President's Budget and providing the outstanding service that the public expects and deserves from us.

Respectfully,

A handwritten signature in black ink, appearing to read "Andrew Saul", written in a cursive style.

Andrew Saul
Commissioner

Baltimore, Maryland
May 28, 2021

BUDGET HIGHLIGHTS

The Social Security Administration's (SSA) FY 2022 budget request is \$14.189 billion. Major investments include¹:

- Over \$5 billion for payroll costs to fund the employees in our frontline operations, such as our field offices, National 800 Number, and processing centers. The Budget would increase staffing for frontline operations including State DDSs by over 6 percent. These employees will build upon our progress to improve critical areas, such as faster service on our National 800 Number, and help us reduce backlogs and wait times. Our total SSA payroll costs are nearly \$8 billion to support our frontline operations, hearing operations, and strengthen critical positions, which include Information Systems Developers, Cybersecurity, Policy, Financial Professionals, and Actuaries who provide essential, robust analyses of the status of and changes to SSA-administered programs impacting the lives of most Americans, including the most vulnerable.
- Over \$2.7 billion for current staff, additional hiring, and other expenses for the State DDSs to make our disability determinations. This amount includes funding for 1,300 additional employees we are hiring in FY 2021, an increase of about 10 percent. We will maintain the increased staffing levels in FY 2022 to help address a large increase in pending initial disability cases that occurred because of the pandemic, as well as an influx of new applications we expect to receive through the end of FY 2022. Once trained, these employees will help us process significantly more claims than we do now.
- Over \$1.1 billion for payroll costs to fund the employees in our hearings operations. We will eliminate the hearings backlog in FY 2022 and position ourselves to handle a large volume of DDS cases that may be appealed to the hearings level in FY 2023.
- More than \$2.1 billion for IT services funding to help us maintain and continue modernizing our large IT infrastructure, as well as increase our digital and automated services. Our [*IT Modernization Plan \(2020 Update\)*](#) focuses on replacing our older legacy systems and technologies and infrastructure they rely on with updated technology that will make service faster, easier, and more customer-focused.
- \$96 million in outreach to ensure that SSI benefits reach the most vulnerable eligible individuals, including homeless individuals, children with disabilities, and those with mental and intellectual disabilities. Of the \$96 million total, \$75 million is additional funding in FY 2022.
- Over \$1.7 billion for dedicated program integrity work, which will allow us to complete our cost-effective program integrity reviews and continue to expand our highly successful anti-fraud cooperative disability investigations (CDI) program to all States and U.S. territories.

¹ The numbers above are not additive to the budget total. In addition, some costs are associated with more than one category.

PROGRAMS AND BUDGETS

Our budget request will fund the administrative expenses of our three major programs: Old-Age and Survivors Insurance (OASI), Disability Insurance (DI), and SSI in addition to other administrative expenses.

OASI: Established in 1935, the OASI program is one of the Nation’s most successful government programs, one that is part of nearly every American’s life. The OASI program provides retirement and survivors benefits to qualified workers and their family members.

DI: Established in 1956, the DI program provides benefits for workers who become disabled, and their families.

SSI: Established in 1972, the SSI program provides financial support to aged, blind, and disabled adults and children who have limited income and resources.

In addition, we support national programs administered by other Federal and State agencies, as required by law, such as Medicare, Employee Retirement Income Security Act of 1974, Coal Act, Supplemental Nutrition Assistance Program, Help America Vote Act, State Children’s Health Insurance Program, E-Verify, Medicaid, and Federal Benefits for Veterans.

Figure 1: Benefit Payments and Beneficiaries by Program, FYs 2020-2022

Benefit Payments by Program <i>(Outlays in Millions)</i>	FY 2020 Actual	FY 2021 Estimate	FY 2022 President’s Budget
OASI	940,205	984,682	1,038,802
DI	144,007	144,374	150,319
SSI Federal ¹	56,366	56,119	62,658
SSI State Supplementary Benefits	2,536	2,565	2,760
Total^{2,3}	\$1,143,115	\$1,187,741	\$1,254,539

Beneficiaries by Program <i>(in Thousands)</i>	FY 2020 Actual	FY 2021 Estimate	FY 2022 President’s Budget
OASI	54,463	55,467	56,560
DI	9,882	9,657	9,685
SSI Federal Recipients	7,911	7,789	7,891
SSI State Supplementary Recipients (with no Federal SSI payment)	146	143	148
Total^{3,4}	72,402	73,055	74,283

¹There will be 13 monthly benefit payments in FY 2022.

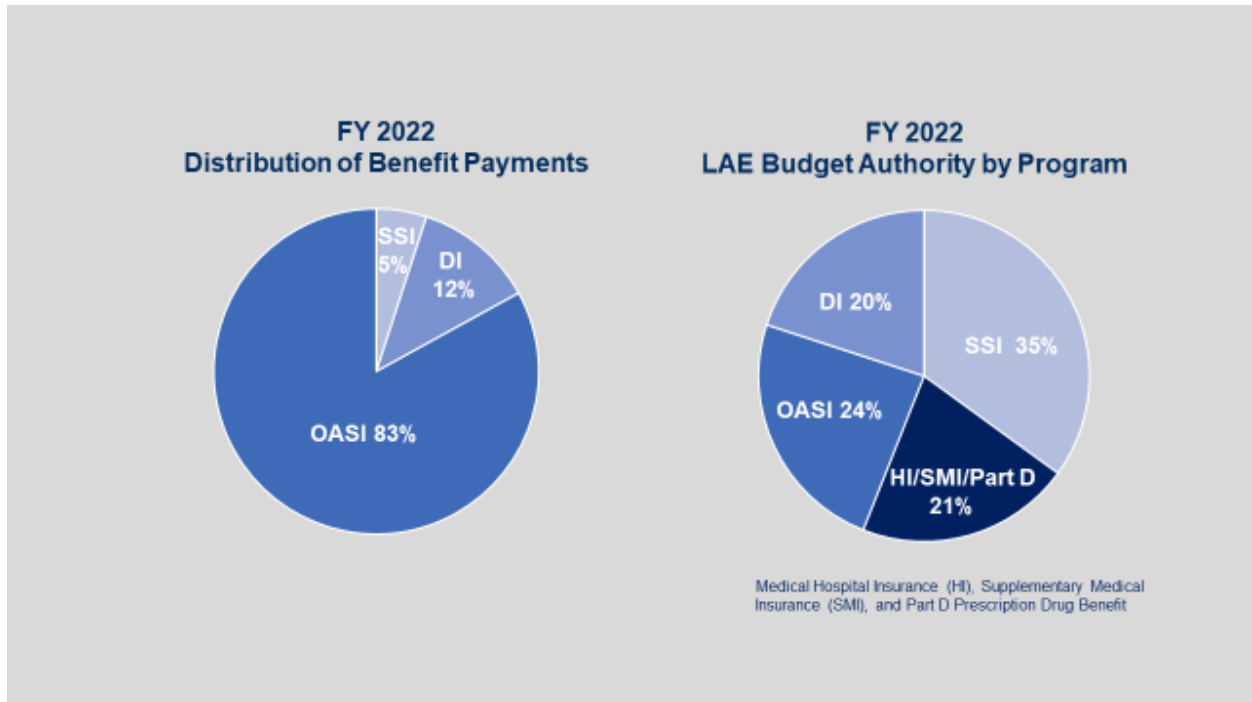
²Benefit payment totals include \$1 million for the Special Benefits for Certain World War II Veterans program, which is not broken out separately.

³Totals may not add due to rounding.

⁴Beneficiary totals include approximately 2.7 million concurrent recipients who receive SSI as well as OASI or DI.

Figure 2: Benefits and Administrative Budget by Program

While OASI accounts for over 80 percent of program benefits we pay, the DI and SSI programs account for more than 50 percent of our main administrative budget, the Limitation on Administrative Expenses (LAE) account.



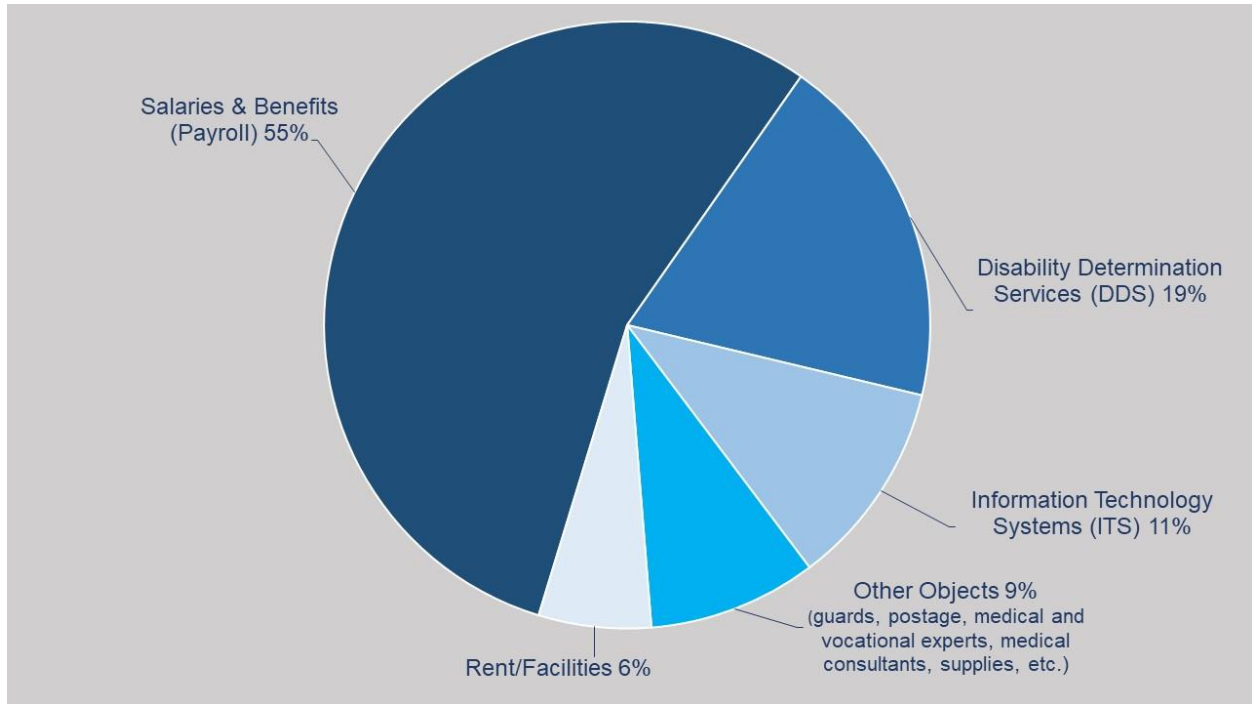
LAE Budget

The major parts of the LAE budget are:

- Salaries and benefits for our approximately 61,000 employees. About 90 percent of our employees provide direct service to the public;
- DDS costs, which include payroll for the State DDS agencies and payments for medical evidence records and consultative examinations (CE);
- Information Technology Systems (ITS) costs, including cybersecurity, IT modernization efforts, and our large IT infrastructure such as our telecommunications network; and
- Other Objects costs, which are the non-payroll costs such as postage, supplies, training, medical consultant costs, and rent and guards for our over 1,500 offices across the country and around the world that are necessary to support our employees and the service we provide to the public.

Figure 3: LAE Budget by Major Funding Category

Salaries and benefits account for more than 50 percent of the LAE Budget. The next highest category is DDS costs, which includes salaries and benefits for State DDS employees. The third highest category is Other Objects, which includes the rent category that we broke out separately. The last category, ITS, accounts for more than 10 percent of our budget, most of which is required to maintain our IT infrastructure and telecommunications network.



SSA's LAE Responsibilities

In addition to serving the public in our field offices, online, and on our National 800 Number, our ongoing operational responsibilities include:

Claims and Evaluating Eligibility: We take claims, evaluate evidence, determine benefit eligibility and amounts, and pay benefits. Our claims workloads, including Medicare, account for over one-third of our administrative budget.

Medicare: We accept applications and determine eligibility for Medicare Hospital Insurance, Supplementary Medical Insurance, and the low-income subsidy for Medicare prescription drug coverage.

Appeals: We have three levels of administrative appeal for claimants who disagree with our initial disability decisions:

- Reconsideration (a complete review of the claim by an employee who did not take part in the initial decision);

- Hearing before an administrative law judge (ALJ); and
- Review of the ALJ's decision by our Appeals Council.

These appeals are non-adversarial, and claimants may submit new evidence for review. If a claimant disagrees with the Appeals Council's decision, or if the Appeals Council decides not to review the case, a claimant may file a civil action in a United States District Court. Our appeals workloads account for approximately 25 percent of our administrative budget.

Program Integrity (PI): Our duty to safeguard the integrity of our programs includes reviewing current beneficiary and recipient eligibility factors to determine continuing eligibility. Conducting full medical continuing disability reviews (CDR) and non-medical SSI redeterminations ensure that only those people eligible for benefits continue to receive them. Our PI workloads account for about 10 percent of our administrative budget.

The Budget includes \$1.708 billion in dedicated funding for program integrity (PI) activities, including a \$1.435 billion allocation adjustment. This is a \$150 million decrease from the Discretionary Request for PI released on April 9, 2021. Our LAE topline remains unchanged, and using PI carryover allows us to devote more resources to improve frontline services while maintaining our commitment to completing PI work. We are using \$150 million of unanticipated carryover resulting from COVID related impacts to support the same level of PI activities in the Discretionary Request.

Social Security Numbers (SSN): We take applications for and assign SSNs to nearly all Americans and certain non-citizens. We update our records when information changes, such as changing a maiden name to a married name. We also replace lost or missing cards.

Earnings Records: We use workers' earnings records to compute OASI and DI benefit payments. We receive regular updates on workers' earnings from employers and the self-employed. We post the reported earnings to workers' records and resolve any discrepancies.

Social Security Statements: We show workers their earnings and estimates of future benefits based on those earnings. The quickest way for individuals to access their Social Security Statements at any time is through secure, personal, online [my Social Security](#) accounts. We mail paper Social Security Statements to people age 60 and over who are not receiving Social Security benefits and who are not registered for a [my Social Security](#) account.

Post-Entitlement Services: We complete over 100 million post-entitlement actions each year for beneficiaries and recipients, such as issuing benefit and emergency payments, recomputing payment amounts, changing addresses, and determining and collecting debt. Our post-entitlement workloads account for approximately 15 percent of our administrative budget.

Data Exchanges: Our data exchanges improve organizational effectiveness and reduce costs by providing reliable data to determine benefits and improve administrative processes, which in turn reduces improper payments. For our data exchange agreements, we ensure we meet exchange criteria, handle any fees, and provide and verify data for many purposes, such as employment and eligibility for Federal and State programs.

SSA's Research Budget

The FY 2022 funding request for research is \$86 million, equal to FY 2021. As in previous years, the Budget will fund continued data development and dissemination, modeling efforts, administrative research, and retirement and disability policy research to better serve the public. We are also interested in working with Congress to extend Section 234 authority in order to provide sufficient time to conduct new and ongoing demonstrations.

Office of the Inspector General (OIG)

The FY 2022 funding request for the OIG is \$112 million, an increase of \$6.5 million over the FY 2021 enacted level. The Budget includes a transfer of \$12.1 million, a \$0.9 million increase from FY 2021, from the program integrity transfer from SSA to the OIG for the cost of jointly operated CDI units.

The OIG will continue efforts to promote economy, efficiency, and effectiveness in the administration of our programs and operations; and prevent and detect fraud, waste, abuse, and mismanagement in such programs and operations. To that end, the OIG conducts and supervises a comprehensive program of audits, evaluations, and investigations; searches for and reports on systemic weakness in our programs and operations; and recommends program, operations, and management improvements.

Provide Universal Paid Family and Medical Leave

The Budget proposes to create a national comprehensive paid family and medical leave program that will phase in up to 12 weeks of paid parental, family, and personal illness/safe leave by year 10 of the program, and will provide 3 days of bereavement leave per year. The Budget estimates the program will cost \$225 billion over 10 years.

FY 2022 FUNDING TABLE

	FY 2020 Actual ¹	FY 2021 Estimate ²	FY 2022 President's Budget
Budget Authority (in millions)			
Limitation on Administrative Expenses (LAE) ³	\$12,871	\$12,931	\$14,189
<i>(Dedicated Program Integrity, Base and Adjustment, included in LAE)</i>	(\$1,582)	(\$1,575)	(\$1,708)
Research and Demonstrations ⁴	\$101	\$86	\$86
Office of the Inspector General (OIG) ⁵	\$106	\$106	\$112
Total, Budget Authority	\$13,077	\$13,122	\$14,387
Other Budgetary Resources (in millions)			
COVID-19 Pandemic – Workload Processing ⁶	\$300	\$0	\$0
COVID-19 Pandemic – Economic Impact Payments (administrative costs) ⁶	\$38	\$38	\$0
Total, Budgetary Resources⁷	\$13,415	\$13,160	\$14,387
Workyears (WY)⁸			
Social Security Administration (SSA)			
Full-Time Equivalents	59,574	59,498	60,729
Overtime	1,801	1,155	1,800
Lump Sum	178	252	250
Total SSA WY	61,553	60,905	62,779
Disability Determination Services (DDS)	13,028	14,140	15,532
Total SSA/DDS WY	74,581	75,045	78,311
OIG	523	518	542
Total SSA/DDS/OIG WY	75,104	75,563	78,853

¹ P.L. 116-94 – Further Consolidated Appropriations Act, 2020, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

² P.L. 116-260 – Consolidated Appropriations Act, 2021, provided \$50 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

³ FY 2020 program integrity funding was available for 18 months (through March 31, 2021) by P.L. 116-94. FY 2021 Program integrity funding is available for 18 months (through March 31, 2022) by P.L. 116-260. The Budget assumes 18-month authority to obligate dedicated program integrity funds in FY 2022.

⁴ Congress appropriated \$101 million in FY 2020 (available through September 30, 2022) and \$86 million in FY 2021 (available through September 30, 2023) for research and demonstration projects. The Budget proposes \$86 million in FY 2022 (available through September 30, 2024) for research and demonstration projects.

⁵ P.L. 116-94 allows SSA to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2020. P.L. 116-260 allows SSA to transfer up to \$11.2 million in FY 2021. The Budget continues this transfer in FY 2022 at a level of up to \$12.1 million.

⁶ The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) provided \$300 million in funding, available through September 30, 2021, to prevent, prepare for, and respond to the coronavirus pandemic, including paying the salaries and benefits of all employees affected as a result of office closures, telework, phone and communication services for employees, overtime costs, supplies, and for resources necessary for processing disability and retirement workloads and backlogs. It also provided \$38 million for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering economic impact payments (EIPs) to most individuals. The Consolidated Appropriations Act, 2021, provided an additional \$38 million in funding, available through September 30, 2021, for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering a second round of EIPs first authorized under the CARES Act. This funding is not reflected in the LAE. For more information on this supplemental funding, please see the COVID-19 exhibit in the LAE section of our Congressional Justification.

⁷ Numbers may not add due to rounding.

⁸ A workyear (WY) is a measure of time spent doing work or being paid for some element of time (e.g., leave). It is the equivalent of one person working for one year (2,080 hours) and may consist of regular hours, overtime, or lump sum leave, which is payment for unused annual leave upon leaving the agency. WYs include time spent in full-time or part-time employment. Full-time equivalents and overtime WYs include those funded from dedicated funding to reduce the hearings backlog, dedicated funding for IT modernization, and dedicated funding for program integrity. In addition, the WYs include those funded for the Medicare Low-Income Subsidy Program.

FY 2022 PERFORMANCE TABLE

Workload and Outcome Measures	FY 2020 Actual ¹	FY 2021 Estimate ²	FY 2022 President's Budget
Retirement and Survivor Claims			
Retirement and Survivor Claims Completed (thousands)	6,120	6,243	6,486
Disability Claims			
Initial Disability Claims Receipts (thousands) ³	2,213	2,491	3,111
Initial Disability Claims Completed (thousands)	2,037	2,333	2,757
Initial Disability Claims Pending (thousands) ³	764	921	1,275
Average Processing Time for Initial Disability Claims (days) ⁴	131	171	149
Disability Reconsiderations			
Disability Reconsiderations Receipts (thousands) ⁵	568	685	814
Disability Reconsiderations Completed (thousands)	553	601	761
Disability Reconsiderations Pending (thousands)	144	228	280
Average Processing Time for Disability Reconsiderations (days) ⁴	122	152	133
Hearings			
Hearings Receipts (thousands) ⁵	429	417	545
Hearings Completed (thousands)	586	465	594
Hearings Pending (thousands)	418	370	321
Annual Average Processing Time for Hearings Decisions (days) ⁶	386	310	270
National 800 Number			
National 800 Number Calls Handled (millions)	34	36	36
Average Speed of Answer (ASA) (minutes)	16	15	12
Agent Busy Rate (percent)	7%	2%	1%
Program Integrity			
Periodic Continuing Disability Reviews (CDR) Completed (thousands)	1,493	1,595	1,771
Full Medical CDRs (included above, thousands)	463	495	671
SSI Non-Medical Redeterminations Completed (thousands)	2,153	2,360	2,900
Selected Other Agency Workload Measures			
Social Security Numbers Completed (millions)	13	13	19
Annual Earnings Items Completed (millions)	289	284	267
Social Security Statements Issued (millions) ⁷	19	15	15
Selected Production Workload Measures			
Disability Determination Services Production per Workyear	255	264	293
Office of Hearings Operations Production per Workyear	93	80	103
Other Work/Service in Support of the Public – Annual Growth of Backlog (workyears)	N/A	(800)	(400)

- ¹ In response to the COVID-19 pandemic, beginning mid-March 2020, we took steps to protect the public and our employees. We encouraged online, automated, and telephone services, limited in-person service in field offices, and temporarily suspended certain actions that would normally result in a reduction, suspension, or termination of Social Security or SSI benefits. By the end of FY 2020, we resumed processing most suspended workloads.
- ² FY 2021 estimates generally align with the targets in our FY 2021 Operating Plan. However, some estimates have changed due to updated receipt projections from our Office of the Chief Actuary, which affect multiple workloads. We have also updated our estimate of SSI Redeterminations completed in FY 2021.
- ³ The estimates for disability claims receipts and claims pending are highly variable due to uncertainties surrounding the impact of COVID-19 on potential claimants. Claims pending are also variable due to SSA's operational challenges in rapidly changing pandemic conditions. Disability claims receipts estimates are point-in-time reflecting data, assumptions, and law as of February 2021, and do not consider the impact of the American Rescue Plan Act of 2021, which was enacted in March 2021.
- ⁴ In FY 2021, the pandemic continues to impact our ability to make timely disability determinations. Average processing times for our disability claims and appeals workloads is dependent on the ability to obtain timely evidence and effectively schedule CEs. Delays in obtaining medical evidence could have an impact on the overall wait time in our disability workload.
- ⁵ In March 2020, we completed our two-year rollout to reinstate the reconsideration level of appeal in the 10 prototype States. As a result, we have instituted a more unified, consistent administrative review process across the country. FY 2021 is the first full year of nationwide implementation. While reinstating the reconsideration step has increased the annual number of reconsiderations we receive and process, it has also reduced the number of claimants who would otherwise be waiting for a hearing decision by an ALJ.
- ⁶ Average processing time for hearings is an annual figure. We estimate end of year (September) processing time for hearings to be 305 days and 250 days for FYs 2021 and 2022, respectively.
- ⁷ The Social Security Statements Issued measure includes paper statements only. It does not include electronic statements issued. In FY 2020, [my Social Security](#) users accessed their Social Security Statements 64 million times. In FY 2020, we spent approximately \$9.7 million to send statements to people aged 60 and over who were not receiving Social Security benefits. Consistent with FY 2020, in FY 2021 and FY 2022, we will send paper statements to people aged 60 and older who are not receiving Social Security benefits and who are not registered for a [my Social Security](#) account, at a cost of approximately \$7.9 million in FY 2021 and \$8.5 million in FY 2022. As requested in House Report 116-450, it would cost approximately an additional \$81 million in FY 2022 to send statements to individuals aged 25 and older who are not receiving Social Security benefits.

SUMMARY: *IMPROVING CUSTOMER EXPERIENCE*

Improving the customer experience is our top priority. The Budget focuses on our frontline staff so that they can better serve the public, reduce backlogs of work, and improve wait times. We are also investing in digital and automated services so that our customers who can access our services online do not need to come into the office.

Addressing the Initial Disability Claims Backlog

We intake disability claims through our field offices in-person, by phone, by mail, or online. Once the field office makes a non-medical eligibility determination, it transmits the disability application to the State DDS, which develops medical evidence and makes a medical determination on whether or not a claimant is disabled or blind under the law. If evidence from the claimant's own medical sources is unavailable or insufficient to make a determination, the DDS arranges for a CE to obtain additional information. After the DDS makes the initial disability determination, it returns the case to the field office for adjudication. If the DDS determines the claimant is disabled, the field office completes any outstanding non-disability development and processes the case to begin monthly benefits. If the DDS determines the claimant not disabled, the field office processes a benefit denial and holds the file for possible appeal.

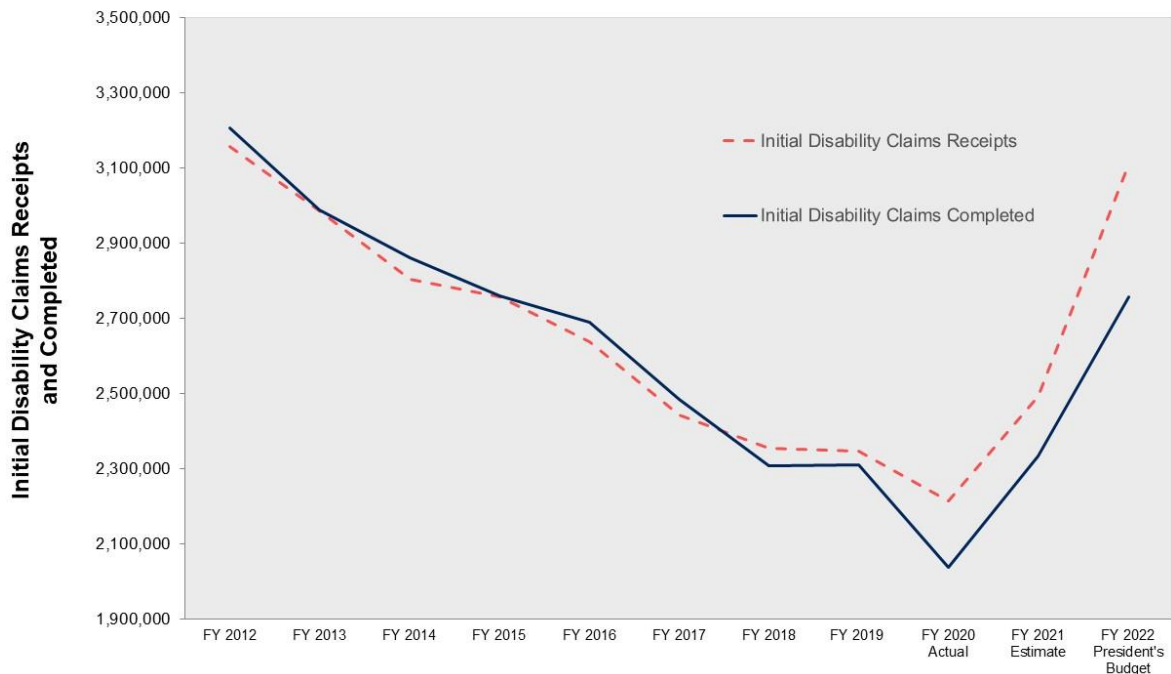
Disruptions due to the pandemic caused a backlog of initial disability cases. Between September 2019 and April 2021, the backlog grew by approximately 115,000 cases. While applications for benefits were lower than we projected prior to the pandemic, our pending level of cases rose significantly because we were not able to complete as many cases. It was difficult to complete disability cases due to a reduced number of medical providers to conduct CEs, an inability to reach individuals by phone, and a lag in receiving mailed documents. These factors, along with the operating adjustments made to safely serve the public, reduced our ability to complete our workloads and contributed to increased backlogs and wait times.

We must work down this backlog while also handling an increase in disability applications that we project to see in the second half of FY 2021 and in FY 2022. We received nearly 190,000 fewer applications in FY 2020 than we expected. We expect many of these individuals to apply for benefits as we emerge from the pandemic. During the pandemic, some people may have been isolated from the community groups who would normally assist them and provide them with information about our programs. We are conducting outreach to reach these vulnerable communities who may be eligible.

In FY 2021, we are replacing DDS staff losses and providing an additional 1,300 hires to position the DDSs to address the disability claims backlog and a potential spike in claims. The Budget will support maintaining these new hires in FY 2022 and fund increased overtime for a total FY 2022 increase of nearly 1,400 workyears or 10 percent, allowing us to significantly increase our capacity to process disability claims. Compared to FY 2020, we plan to complete nearly 300,000 more claims in FY 2021 and over 700,000 more claims in FY 2022. However, the backlog will continue to grow until we work through the influx of initial claims, which will require a multi-year effort.

In addition to providing the DDSs with more funding, we continue to implement the common, national disability case processing system (DCPS2) across all State DDSs, which will improve efficiency, timeliness, and accuracy of decisions.

Figure 4: Initial Disability Claims Receipts and Completed, FYs 2012-2022



Eliminating the Disability Hearings Backlog

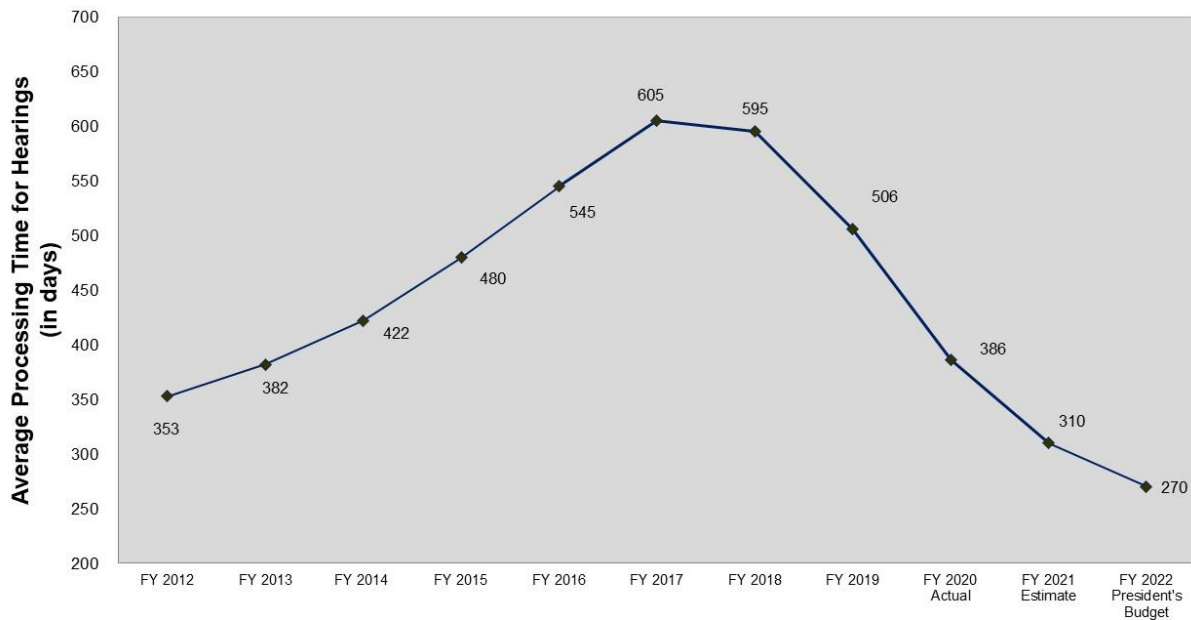
Due to the pandemic, we will not achieve our FY 2021 goal of eliminating the hearings backlog. While we have not held in-person hearings during the pandemic, we have offered telephone and video hearings to claimants and representatives; however, not all of them have accepted, which slowed our progress. We plan to eliminate the disability hearings backlog in FY 2022, which will be a major achievement for our agency. For far too long, disability applicants have had to wait over a year to receive decisions on their appeals. In FY 2016, we began implementing our Compassionate And REsponsive Service plan to reduce the backlog of cases. With Congress' support and the hard work of our employees, we have dramatically improved service. From September 2017 through April 2021, we have reduced the average monthly wait time for a hearing by 310 days.

Transitioning to telephone hearings as our only modality for hearings during the pandemic allowed us to continue to make progress. At the start of the pandemic, we quickly launched functionality to remotely record, monitor, and hold hearings, which allowed us to continue service to the public while keeping the public and our employees safe. By the end of FY 2020, we began rolling out the Microsoft (MS) Teams platform to conduct video hearings remotely, allowing applicants and their representatives to participate from any private location where they have access to a camera-enabled smart phone, tablet, or computer.

We expect to reduce the average annual wait time to 270 days by the end of FY 2022. Once we eliminate the hearings backlog, we cannot let it recur. Hearings are the most expensive part of the disability process. We must ensure that we make fair, policy-compliant disability decisions supported by the most efficient, modern business processes. Since the DDSs will be processing increased volumes of initial claims and reconsiderations, we are preparing for an influx of hearings requests and are addressing the workloads affected as we eliminate the hearings backlog, such as an increase in requests for Appeals Council review and civil action court filings. We plan to hire ALJs by the end of FY 2022 to ensure we have adequate resources in our hearings operations. We are closely monitoring the impact of additional disability applications on our appeals process to avoid creating new backlogs.

To improve case processing, decisional quality, and efficiency, we are building a modern case processing system, the Hearings and Appeals Case Processing System (HACPS), for hearings and appeals level cases.

Figure 5: Hearings Wait Times, FYs 2012-2022



Enhancing Online Services at my Social Security

The pandemic has highlighted the importance of digital services, and we continue to add and improve our services available online. In FY 2020, the public completed about 221 million successful online transactions, up from 184 million in FY 2019. Our *my Social Security* online portal provides a convenient, safe, and user-friendly option for people to conduct business with us or view their Social Security records from various devices. It offers a broad range of services including changing address, changing direct deposit information, accessing personal retirement benefit estimates, requesting a replacement SSN card, and obtaining certain Social Security notices electronically. Since we implemented *my Social Security*, we have registered over 57 million users. In May 2021, we successfully launched the redesigned Social Security

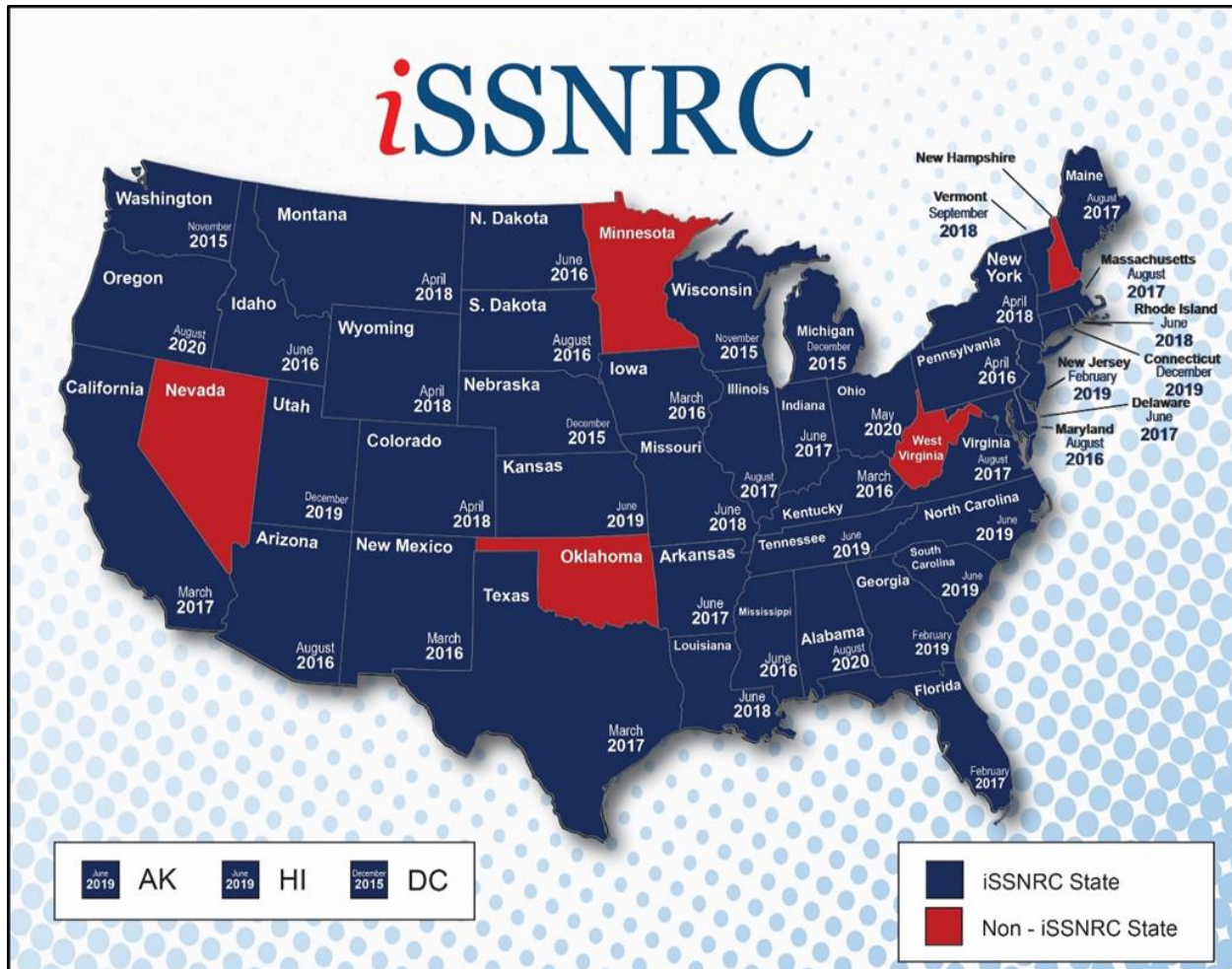
Statement in a controlled rollout to 500,000 random *my Social Security* account users who are not currently receiving benefits. We are using this initial rollout to review and evaluate the feedback from both our usability and cognitive testing, as well as additional feedback we receive through this soft rollout. We expect the full release of the Statement in fall 2021 will include additional updates based on the feedback we receive during the initial rollout.

We are redesigning our website to improve customer experience. In FY 2021, we implemented a *beta* site for ssa.gov that includes streamlined content and a redesigned home page and web template. We will utilize customer feedback solicited from online surveys and focus groups to make appropriate adjustments to the *beta* site. We expect to increase the customer satisfaction score for the redesigned test site by two points compared to the ssa.gov satisfaction score for the prior year. In FY 2022, we plan to transition the final redesigned ssa.gov website into production.

Prior to the pandemic, nearly 30 percent of people coming into our offices did so for a Social Security Number (SSN) card. Replacement cards for U.S. citizens are by far the largest part of SSN-related work in field offices, with more than half of those cards requiring no change to the SSN record—all for purposes unrelated to the administration of our programs.

While often individuals only need the SSN not the card, for those who do, we are continuing to expand the internet SSN Replacement Card (iSSNRC) application to additional States so that members of the public do not need to visit an office for this service. In FY 2020, we processed over 2 million replacement cards through iSSNRC, and we are on track to handle even more through iSSNRC this year. The iSSNRC application is now available to residents of 45 States and the District of Columbia (DC). We are working with the remaining States that need legislative changes, systems changes, or additional testing prior to using iSSNRC, or face other challenges that need to be addressed first, such as disruptions caused by the COVID-19 pandemic. For individuals who are unable to use iSSNRC, we have tested using the MS Teams platform to take the SSN card application via video, and verifying identity information on the driver's license with the State Department of Motor Vehicles in the 45 States and DC, which have implemented iSSNRC. We will expand this initiative dependent upon resolving our labor obligations.

Figure 6: iSSNRC Coverage Map



Improving National 800 Number Service

Our National 800 Number offers a wide variety of services including:

- Answering a broad range of Social Security and Medicare questions;
- Scheduling appointments in our field offices;
- Providing status updates on current claims or appeals; and
- Ensuring the accuracy of our records.

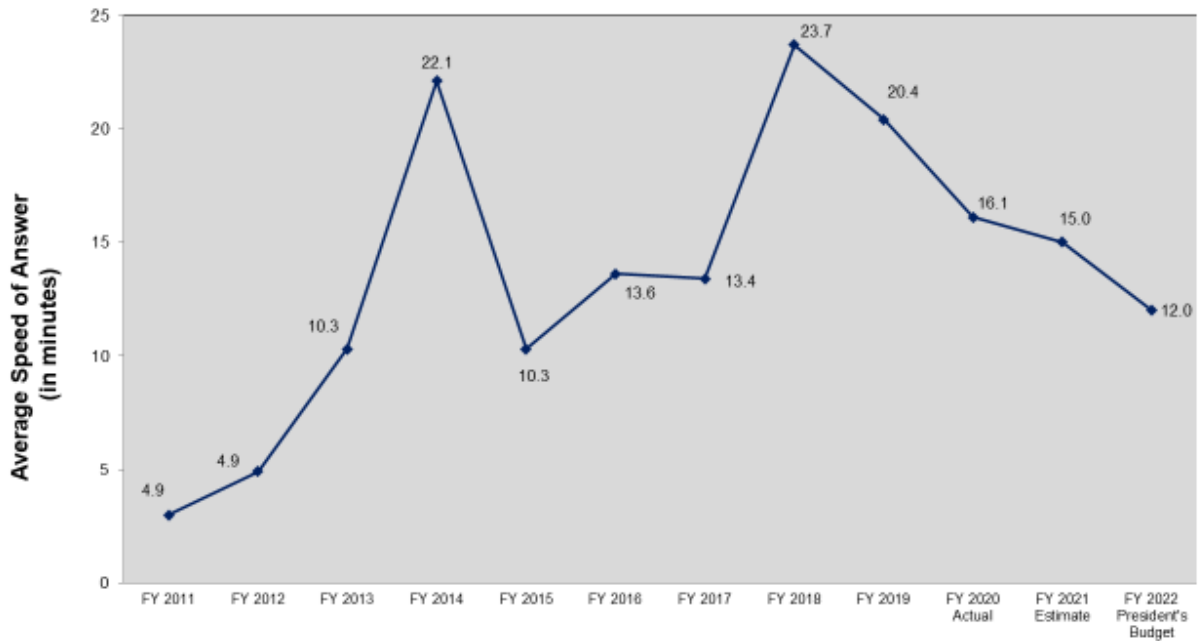
Millions of our customers depend on our National 800 Number technicians to answer important questions. Our telephone service has been especially critical during the pandemic. Our National 800 Number Citizen Access Routing Enterprise platform requires specialized equipment to enable agents to work remotely. We worked aggressively to procure equipment and overcome supply chain issues to obtain additional hardware our employees needed to serve the public remotely. We also engineered a solution that allowed us to transfer National 800 Number calls

to softphones installed on the laptops of our agents. As a result, within the first 10 days of maximizing telework, we were able to fully reestablish our National 800 Number service.

In FY 2021, we expect our agents to handle over 36 million calls, including about 5 million calls handled through our automated self-service options. We have been steadily improving wait times, busy rates, and overall service through targeted hiring, revising training methods, and advancing automated services. By the end of FY 2022, we expect to reduce average wait times to 12 minutes. We also plan to reduce the average busy rate to 1 percent.

We are implementing our Next Generation Telephony Project (NGTP) to improve our telephone service across the agency. NGTP will replace our three current telephone systems with a single platform to improve service while integrating modernized telecommunications technology. We expect the single platform phone system will operate more efficiently than our current platforms. NGTP will provide callers with additional information and options to improve their experience, including providing expected wait times and scheduled callbacks, which will reduce the wait to speak with an agent. It will also include automated options for inquiries regarding Medicare replacement cards, 1099s, and claim status. Additionally, NGTP will help us to streamline and enhance our training for new hires, which will allow our employees to begin handling calls earlier. We have developed a robust program for measuring performance and communicating expectations, which NGTP will support. We plan to transition to the new system within the next year and then incorporate new features.

Figure 7: National 800 Number Wait Times, FYs 2012-FY 2022



Strengthening Service in Our Field Offices

Our field offices provide a broad range of services to millions of people. Our customer service representatives:

- Handle benefit claims and appeals;
- Process applications for Social Security cards;
- Enroll people in Medicare;
- Address other needs and questions from visitors; and
- Play a critical role in our stewardship responsibilities by redetermining eligibility for SSI benefits and initiating CDRs.

Prior to the pandemic, we served over 40 million visitors each year in our approximately 1,200 field offices nationwide. At the beginning of the pandemic, we let the public know we were still open for business via phone, online, or for limited critical services in-office. We focused on making more of our work portable. In March 2020, we made the unprecedented decision to direct employees to work from home and limit in-person services to limited critical situations by appointment only, which allowed us to implement physical distancing. This decision presented a significant change to shift nearly all Operations employees to a remote work environment.

By early April 2020, we successfully redeployed over 90 percent of our Operations' employees to remote work. During this period, all of our offices continued to provide ongoing service to the public by phone. We have a small number of employees, most of them managers, onsite to handle non-portable work and critical in-office interviews. This operational change is in accordance with our [Workplace Safety Plan](#). We are committed to keeping both the public and our employees safe while maintaining service. We will continue to follow government-wide operational guidelines.

Improving service in our field offices also remains a priority. The Budget invests in our frontline staff so that we have enough people to serve our customers. The Budget also invests in IT modernization to provide employees user-friendly systems and tools to better serve the public, and convenient digital and automated services so that our customers don't need to visit a field office. We are improving the customer experience in our field offices by implementing business process improvements. For example, we deployed a mobile check-in application this year so that people who have appointments can check in more easily.

Reducing Processing Center Backlogs

Our PCs handle the most complex benefit payment decisions. In addition, the PCs:

- Issue benefit payment after appeals decisions;
- Determine and collect debt;
- Correct records; and
- Perform program integrity work.

The PCs remain focused on reducing the backlog of pending actions. The PCs had to rework approximately 130,000 complex and time-consuming cases based on the outcome of the court case, *Steigerwald v. Berryhill*.¹ We completed initial work on all cases in January 2021. Roughly 71,000 cases await final processing as we await a final ruling on an attorney fee and class member payment issue. Based on the decision, our PC technicians will begin final processing of those cases promptly. We also have a small volume of reconsideration requests that our PCs must handle.

In March 2021, we completed a multi-phase program debt write off project to analyze debt we determined to be delinquent and uncollectible for potential termination of collection. By terminating collection activity on uncollectible debts, we are better reflecting current receivables on our financial statements. We have permanently removed over 400,000 actions from the PC backlog. This action moved these debts to the next stage in the debt collection process - while we terminated active collection efforts, the debt will remain on the individual's agency record for future collection, where appropriate and applicable. If eligible, we will refer these delinquent debts to the Treasury Offset Program for external collection action.

¹ In the *Steigerwald v. Berryhill* class action suit, a Federal court ruled that we did not properly account for representatives' fees when calculating past-due benefit payments to individuals who were awarded both OASDI and SSI.

In FY 2021, we are maintaining staff levels in the PCs and instituting workflow enhancements and quality initiatives to improve overall performance. In FY 2022, we plan to reduce the number of manual actions required by PC technicians and improve payment timeliness through automation. In FY 2022, we plan to reduce the PC backlog from 4.2 million actions to 4.14 million actions.

Advancing Equity in Our Programs

We have always been committed to promoting diversity, inclusion, fairness, and equity to all Americans, both in running the agency and administering our programs. The diversity of our workforce is one of our greatest strengths. We promote a workplace that recognizes and celebrates our employees' unique abilities and encourages the full contributions of all. We have a number of tools and methodologies to support advancing equity, including a process devised by the Small Business Administration to administer a number of contracting programs targeted toward underserved communities. We will continue to promote, and create awareness of, an appreciation for diversity and inclusion. We recently established the SSA Agency Equity Team in accordance with Executive Order 13985 *Advancing Racial Equity and Support for Underserved Communities Through the Federal Government* to coordinate agency-wide and interagency efforts and discuss opportunities to ensure equity in our programs.

As part of our response to the pandemic, we are conducting community outreach to ensure that vulnerable populations and the most under-resourced communities, including homeless individuals, children with disabilities, and those with mental and intellectual disabilities can access our programs. We are implementing strategies to address the complex challenges facing underserved communities. We are working with the White House Office of Faith-Based and Neighborhood Partnerships, claimant advocates, and other organizations to ensure our services are accessible to those most in need. We created a vulnerable population liaison position in our field offices to complement the work of other regional employees in reaching out to community-based groups, asking them to help their constituents apply for benefits. We are conducting a targeted outreach mailer to encourage potentially eligible people to apply for SSI benefits. The initial targeted mailers went to 200,000 people; we scheduled an additional 1.2 million mailings beginning June 2021.

Our focal areas are:

- Stakeholder Engagement Processes;
- Benefits & Services – Implicit Bias Training for Agency Adjudicators;
- Pre-hearing Development Contacts & COVID Enhanced Outreach to reach the vulnerable population we serve, and better prepare them to participate in a hearing before an ALJ;
- Barrier Analysis Program to prevent any identified discrimination and eliminate identified barriers that impede free and open competition in the workplace and in leadership development programs;

- Distributional analysis of proposed policy changes to determine the possible impact on various populations, including different racial and ethnic groups;
- Improve Data Collection, Use & Sharing to expand our use of our own program data on race and ethnicity, publish these statistics and research as soon as possible, explore how to enhance the existing data through statistical techniques, match survey data from other agencies to our program participants to obtain race and ethnicity of samples, and expand the collection of race and ethnicity data on beneficiaries and applicants to obtain this information on the population of program participants;
- Conduct Market Research and Equity Based Guidelines for research grants and contracts to broaden the range of bidders; and
- Update sub-regulatory policy, notices, and other guidance documents on prohibiting discrimination based on gender identity and sexual orientation guidelines prohibiting discrimination.

SUMMARY: *MODERNIZING OUR INFORMATION TECHNOLOGY*

Information technology is fundamental to service. With the FY 2022 President's Budget, we will be in the fifth and final year of our 5-year [*IT Modernization Plan \(2020 Update\)*](#). Our plan touches upon every facet of our IT programs and systems, including modernizing our underlying IT hardware, creating new and improved opportunities for the public to conduct business with us, and re-envisioning how we obtain and develop technology solutions to improve public service. Our IT efforts focus on developing additional online, remote service, and self-service options. Our plan is to implement enterprise-wide systems solutions that provide more service options that enable the public to easily interact with us across all service channels; allow our technicians to more efficiently complete their work; and ensure that the public receives relevant and timely information. As a result, we will be able to provide higher quality and more convenient, accessible, and efficient service to the millions of people who depend on us.

Our recent accomplishments include:

- Increased digital communication with beneficiaries and recipients as we updated the Customer Communications Management architecture to collect and react to customers' communications preferences for receiving information, either by mail or online;
- Improved delivery of Social Security notices online and expanded the types of customer notices delivered online;
- Rolled out MS Teams to 100 percent of our frontline employees to enable video hearings, representative payee monitoring, and limited Social Security number transactions. MS Teams allows us to conduct business with the public remotely;
- Expanded Enumeration Beyond Entry through a collaboration with the Department of Homeland Security to process requests for Social Security cards for legal permanent residents without having them visit their local field office;
- Redesigned the disability case processing system for hearings and appeals and improved analytical tools to provide decision support through predictive analytics;
- Improved our claims-taking process by adding key information—such as SSI payment history, earnings, and Medicare data—to one central location saving time for our employees so that they do not have to search for this information in multiple places;
- Implemented a mobile check-in process that allows visitors to check in for their scheduled field office appointment from their personal mobile device without the need to touch a kiosk. The new service also incorporates a COVID-19 screening page;
- Enhanced the Technician Experience Dashboard (TED) by improving the Customer Verification, Customer View, and Benefit Verification features used by our technicians to efficiently manage customer service requests;

- Updated about 10 million death records from FY 2018 through April 2021, improving the accuracy of our records and preventing improper payments; and
- Retired outdated applications, reports, and legacy databases.

The following are some of our IT modernization plans for FYs 2021 and 2022:

- Enhance automated service options through our National 800 Number Network's Interactive Voice Response system, such as providing benefit verification information and claim status updates, and allowing existing customers to update their records;
- Enhance our online claim status system by providing customers more detailed information, including what to expect next and an estimated claim processing time;
- Expand video service options for the public with MS Teams to enable our employees to communicate with the public remotely;
- Allow the public to schedule appointments online;
- Implement a new online service for adult disability beneficiaries to complete their medical CDR online without needing to visit a field office;
- Develop a new online service, the Online Social Security Number Application Process application, which will allow customers to start an application online for an SSN and minimize time at the field office;
- Improve the iAppeals online application process for people who are appealing our decision for non-medical issues such as overpayments or Medicare premium rates, including allowing beneficiaries and appointed representatives to view online previously submitted information;
- Continue expanding *my Social Security* user features for representative payees, such as the ability to verify benefits online;
- Expand the mobile check-in services available to field office visitors;
- Expand our online forms offering to continue to allow for a completely online form completion experience;
- Develop the Employer Wage Reporting Journey self-help service option for annual wage reporting with clear directions to make it easier for employers to submit their employees' wage information;
- Begin nationwide rollout of the modern HACPS that increases the accuracy and efficiency of disability case processing for our hearings offices and Appeals Council;

- Modernize our claims-taking process, improving the quality of the data we use to make decisions on eligibility and payment, and improving how we communicate with beneficiaries and recipients;
- Expand TED capabilities with the Change of Address, Direct Deposit, 1099 Replacement, Accommodations, Death Information Processing Systems Fraud, Medicare Replacement Card, and Appointments workflows for technicians; and
- Implement additional automation to eliminate manual workloads, increase accuracy, and reduce pending post-benefit award workloads.

SUMMARY: *STREAMLINING OUR POLICIES*

To ensure our programs meet the needs of our beneficiaries, we are continually improving our program and administrative policies. We are streamlining, simplifying, and advancing policy that is responsive to the needs of the public and can be easily and consistently applied by our dedicated employees.

We continue to develop and modify policies that minimize rework of benefit determinations and decisions. We also recognize the importance of removing unnecessary administrative burdens that create barriers to the efficient management and delivery of our programs.

We also continue to update our program policy and IT to keep pace with modern medicine and technological advancements in healthcare. In this way, we can increase automation, the quality of our determinations, and make optimal use of data, research, and statistical models for decision-making.

Disability Determination Policies

We are using policy tools to improve both quality and timeliness of disability decisions. For example, we are:

- Expanding our use of electronic medical evidence, which allows us to quickly obtain and review a claimant's medical information, and make a determination faster than ever before;
- Continuing to invest in efforts to develop modern occupational data; and
- Updating our Listing of Impairments, which describes disabling impairments for each major body system, to reflect advancements in medical understanding and clinical practice.

We are improving disability case processing through our enterprise-wide efforts to develop and implement modern, national claims processing systems that will seamlessly interact with each other from initial claim filing through a final appeal decision. We are working to bring decision support tools using Artificial Intelligence technologies, machine learning, and predictive analytics to many aspects of the disability determination process to improve decisional accuracy and policy compliance.

We continue to rollout DCPS2, our national disability case processing system, to the State DDSs, which will provide increased efficiencies and improved customer service through business process modernizations. In FY 2022, we will begin the nationwide rollout of the HACPS, which will increase the accuracy and efficiency of disability case processing for our hearings offices and Appeals Council. In addition, we are developing the Quality Review Case Processing System, which will allow our quality review component to move work more fluidly between DDS sites, improve timeliness, provide feedback on the quality of DDS decisions, and make recommendations for disability program improvement. We are working to integrate DCPS2, HACPS, and our Quality Review Case Processing System across our offices and State DDSs.

SUMMARY: SAFEGUARDING OUR PROGRAMS

Looking Toward the Future

The Administration remains committed to protecting and strengthening Social Security, including supporting the goals of addressing and improving the program's financial outlook over the long term, and of pursuing policies that improve equity and fairness.

Supporting Our Cost-Effective Program Integrity Work

SSA funding helps ensure eligible individuals receive the benefits to which they are entitled, and it safeguards the integrity of benefit programs to better serve recipients by confirming eligibility and preventing fraud. Dedicated program integrity funding helped us to eliminate the backlog of CDRs in FY 2018. In addition, program integrity funding allows us to conduct SSI redeterminations, expand the anti-fraud CDI program, and support special attorneys for fraud prosecutions. However, due to the COVID-19 pandemic, we did not maintain CDR currency in FY 2020 or FY 2021. During a critical time in the pandemic, we temporarily deferred certain workloads, such as medical CDRs, so that we could prioritize service to the public and maintain beneficiaries' payments and healthcare. In addition, we initially implemented a moratorium on scheduling in-person CEs to protect the safety of claimants and reduce the burden on the medical community.

We are working to restore our program integrity workloads to our pre-pandemic levels and anticipate eliminating the CDR backlog in 2023. We plan to process approximately 671,000 CDRs in FY 2022, which is about 175,000 more CDRs than we expect to handle in FY 2021. In addition, we plan to process about 2.9 million SSI redeterminations in FY 2022, which is 540,000 more than in FY 2021.

The proposed \$1.7 billion in discretionary funding, including a \$1.4 billion allocation adjustment, is essential in providing the resources needed to carry out associated activities that provide effective stewardship of program dollars. Access to approximately \$20 billion in discretionary funding over 10 years, including approximately \$17 billion in allocation adjustments, would produce \$73 billion in gross Federal savings (\$54 billion from allocation adjustments), with net deficit savings of approximately \$37 billion in the 10-year window and additional savings in the outyears (the Budget excludes funding for the now withdrawn proposed rule regarding increasing the number and frequency of CDRs).

Estimated 10-Year Return on Investment* from FY 2022 Program Integrity Work	
<i>CDRs budgeted</i>	<i>\$9 on average per dollar budgeted</i>
<i>SSI Redeterminations budgeted</i>	<i>\$3 on average per dollar budgeted</i>
<i>* Estimates reflect net Federal program savings over 10 years, including OASDI, SSI, Medicare, and Medicaid effects, where appropriate.</i>	

Enhancing Our Fraud Prevention and Detection Activities

We jointly operate CDI units with the OIG, in collaboration with State DDSs and State and local law enforcement. The primary mission of these units is to investigate suspected fraud before we award benefits and during the CDR process. We plan to expand coverage of the CDI program nationally.

In FY 2020, we added CDI units in Nebraska, Nevada, New Hampshire, and Wyoming. We currently have 49 CDI units covering 44 States, the District of Columbia, Puerto Rico, Guam, American Samoa, Northern Mariana Islands, and the U.S. Virgin Islands. In FY 2021, we plan to expand CDI coverage to three States (i.e., Connecticut, Maine, and Vermont). In FY 2022, we plan to expand coverage to the three remaining States (i.e., Pennsylvania, Delaware, and Alaska) in order to achieve the goal of covering all U.S. States and territories by October 2022.

We continue to expand the use of data analytics and predictive modeling to refine our programmatic fraud prevention and detection activities. With these models, we can better identify suspicious and evolving patterns of activities in our workloads, allowing us to proactively detect and prevent fraud before issuing payments.

In FY 2022, we plan to enhance our Enterprise Fraud Risk Management program by conducting risk assessment activities for our enumeration workload and the debt management process.

Enhancing Our Payment Accuracy Efforts

As good stewards of taxpayer dollars, we must continue to improve our payment accuracy. Given the scope of our programs—with over \$1 trillion dollars paid in combined Social Security and SSI benefits in FY 2020—even a small error rate causes substantial improper payment amounts.

This Budget supports streamlining and modernizing our debt management systems; improving our death data processing; and refining the way we collect and use data to improve payment accuracy. In addition, we continue developing, rolling out, and enhancing our case processing systems to improve the accuracy of our decisions.

Debt Management and Collection:

Currently, we use numerous systems to record, track, and manage our OASDI and SSI overpayments. We have begun a multi-year initiative to develop a streamlined, modernized enterprise Debt Management System to enable us to more effectively and efficiently post, track, collect, and report our overpayment activity. As part of this initiative, we recently implemented a new online payment solution that allows debtors, who do not receive Social Security or SSI benefits, the ability to repay overpayment debts, partially or in full. We also partnered with Department of Treasury (Treasury) to use the services of U.S. Bank, Treasury's financial agent, to implement a lockbox service to assist with our paper remittance processing efforts and streamline the process. Lockbox banking is a service provided by financial institutions to help receive and process customers' payments. Additionally, we published an interim final rule on the waiver of recovery of certain overpayment debts accruing during the COVID-19 pandemic

period between March and September 2020. We also completed a program debt write-off initiative to remove uncollectible debt.

Death Data Processing:

We are improving death data processing. Per the Consolidated Appropriations Act, 2021, we are required to share our full death file with the Department of Treasury's Do Not Pay for a three-year period no later than in December 2023. We collect data from a variety of sources so that we can administer our programs. We plan to continue making progress in centralizing our death inputs, improving the quality and processing of death data, and updating historical death records in our databases.

These changes will help improve payment accuracy and protect personally identifiable information.

Addressing the Climate Crisis

We take seriously the efforts being made to tackle the climate crisis. Reducing the amount of energy used and improving energy efficiency has positive impacts on both our economy and the environment. Our Energy Management Program strives to improve the energy and water efficiency of our facilities nationwide in support of the goals and objectives of the Energy Independence and Security Act of 2007, Energy Policy Act of 2005, and Executive Order 14008 *Tackling the Climate Crisis at Home and Abroad*. We continuously analyze and optimize our fleet of vehicles to decrease greenhouse gas emissions. We are reducing our real property footprint as we renovate existing buildings and renew lease agreements. For example at our headquarters complex in Baltimore, Maryland, we plan to move employees from costly leases onto the headquarters campus. We will continually assess our progress in protecting the environment, conserving our resources, and providing a safe and healthy workplace for all of our employees.

Investing in Cybersecurity to Safeguard our Data

The Budget will allow us to continue to mature our cybersecurity program. We are improving our threat intelligence and analysis capabilities to protect our online services and the data we hold from both fraud and inappropriate access. These ongoing cybersecurity efforts are critical in ensuring the integrity of our programs.

Our cybersecurity program aims to protect sensitive information for nearly every member of the public, while also making our Digital Identity processes both secure and intuitive for the public to use across all service channels. Maintaining the public's trust in our ability to protect sensitive data housed in our systems requires continuous monitoring of threats and continual improvement and strengthening of our cybersecurity program. We protect against cybersecurity incidents and risks through constant assessment of the threat landscape and use of advanced cybersecurity controls.

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SOCIAL SECURITY ADMINISTRATION

FY 2022 PRESIDENT'S BUDGET

Key Tables

Table i.1 - Summary Table of SSA's Appropriation Request

FY 2022	FTE	Amount
Payments to Social Security Trust Funds		\$11,000,000
Supplemental Security Income (SSI) Program	--	--
FY 2022 Request	--	\$46,210,256,000 ¹
FY 2023 First Quarter Advance	--	\$15,600,000,000
Limitation on Administrative Expenses (LAE)	60,729 ²	\$14,188,896,000 ³
Office of the Inspector General (OIG)	537	\$112,000,000

¹ Excludes \$19,600,000,000 provided in the Consolidated Appropriations Act, 2021, as a first quarter advance for FY 2022.

² FTEs include those funded from dedicated funding for program integrity, for reimbursable work, and for the Medicare Low-Income Subsidy Program. FTEs do not include those funded for the Medicare Savings Program (75 FTEs) and the State Children's Health Insurance Program (10 FTEs).

³ Includes \$138,000,000 for SSI State Supplementary user fees and up to \$1,000,000 for non-attorney user fees.

Table i.2 – SSA Full Time Equivalent and Workyears

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	Change FY 21/FY 22
SSA Full Time Equivalent	59,574	59,498	60,729	1,231
SSA Overtime/Lump Sum Leave	1,979	1,407	2,050	643
Subtotal, SSA Workyears⁴	61,553	60,905	62,779	1,874
Disability Determination Services (DDS) Workyears	13,028	14,140	15,532	1,392
Subtotal, SSA and DDS Workyears	74,581	75,045	78,311	3,266
OIG Full Time Equivalent	519	513	537	24
OIG Overtime/Lump Sum Leave	4	5	5	0
Subtotal, OIG Workyears	523	518	542	24
TOTAL SSA/DDS/OIG WORKYEARS	75,104	75,563	78,853	3,290

⁴ Workyears include those funded from dedicated funding to reduce the hearings backlog, dedicated funding for IT modernization, dedicated funding for program integrity, dedicated funding to assist Treasury in administering the second economic impact payment, Coronavirus Aid, Relief, and Economic Security (CARES) Act, MACRA, MSP, SCHIP, and LIS. The workyears do not include those funded from reimbursable work.

Table i.3 – SSA Outlays by Program (in millions)⁵

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	Change FY 21/FY 22
<u>Trust Fund Programs</u>				
Old-Age and Survivors Insurance (OASI)	\$948,728	\$993,816	\$1,048,415	\$54,599
Disability Insurance (DI)	\$146,834	\$147,466	\$153,566	\$6,100
Subtotal, Trust Fund Programs	\$1,095,562	\$1,141,282	\$1,201,981	\$60,699
<u>General Fund Programs</u>				
Supplemental Security Income (SSI)	\$60,807	\$60,835	\$67,704	\$6,869
Special Benefits for Certain World War II Veterans	\$1	\$1	\$0	-\$1
Subtotal, General Fund Programs	\$60,808	\$60,836	\$67,704	\$6,868
TOTAL SSA Outlays, Current Law	\$1,156,370	\$1,202,118	\$1,269,685	\$67,567
Percent change from FY 2021				5.62%

⁵ Totals may not equal sums of component parts due to rounding.

Table i.4 – Current Law- OASDI Outlays and Income (in millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	Change FY 21/FY 22
<u>Outlays</u>				
OASI Benefits	\$940,205	\$984,682	\$1,038,802	\$54,120
DI Benefits	\$144,007	\$144,374	\$150,319	\$5,945
Other ⁶	\$11,350	\$12,226	\$12,860	\$634
TOTAL OUTLAYS, Current Law	\$1,095,562	\$1,141,282	\$1,201,981	\$60,699
<u>Income</u>				
OASI	\$955,598	\$928,967	\$1,005,768	\$76,801
DI	\$147,488	\$143,271	\$156,791	\$13,520
TOTAL INCOME, Current Law	\$1,103,086	\$1,072,238	\$1,162,559	\$90,321

Table i.5 – Current Law- OASDI Beneficiaries and Average Benefit Payments (in thousands)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	Change FY 21/FY 22
<u>Average Number of Beneficiaries</u>				
OASI	54,463	55,467	56,560	1,093
DI	9,882	9,657	9,685	28
TOTAL BENEFICIARIES	64,345	65,124	66,245	1,121
<u>Average Monthly Benefit</u>				
Retired Worker	\$1,502	\$1,542	\$1,594	\$52
Disabled Worker	\$1,255	\$1,276	\$1,311	\$35
Projected COLA Payable in January	1.6%	1.3%	2.3%	1.0%

⁶ “Other” includes SSA & non-SSA administration expenses, beneficiary services, payment to the Railroad Retirement Board, and demonstration projects.

Table i.6 – Current Law- Supplemental Security Income Outlays (in millions)⁷

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	Change FY 21/FY 22
Federal Benefits ⁸	\$56,366	\$56,119	\$62,658	\$6,539
Other ⁹	\$4,440	\$4,716	\$5,083	\$367
Subtotal, Federal Outlays	\$60,806	\$60,835	\$67,741	\$6,906
State Supplementary Benefits	\$2,536	\$2,565	\$2,760	\$195
State Supplementary Reimbursements	-\$2,534	-\$2,566	-\$2,797	-\$231
Subtotal, Net State Supplementary Payments¹⁰	\$2	-\$1	-\$37	-\$36
TOTAL OUTLAYS, Current Law	\$60,807	\$60,835	\$67,704	\$6,869

⁷ Totals may not equal sums of component parts due to rounding.

⁸ There are 12 payments per year in FY 2020 and FY 2021. There are 13 payments in FY 2022.

⁹ "Other" includes beneficiary services, research, administrative expenses, Afghans Special Immigrant Visa, and Liberian Deferred Enforced Departure.

¹⁰ States must reimburse us in advance for State Supplementary Payments. There will always be 12 State reimbursements in each fiscal year, but there can be 11, 12, or 13 benefit payments per fiscal year because a monthly payment is advanced into the end of the previous month anytime the due date falls on a weekend or holiday. Hence, the "Net State Supplementary Payment" numbers vary from year-to-year depending on the timing of the October benefit payments at the beginning and end of each fiscal year.

Table i.7 – SSI Recipients and Benefit Payments¹¹ (Recipients in thousands)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	Change FY 21/FY 22
<u>Average Number of SSI Recipients</u>				
Federal Recipients				
Aged	1,109	1,084	1,100	16
Blind or Disabled	6,802	6,704	6,791	87
SUBTOTAL, FEDERAL RECIPIENTS	7,911	7,789	7,891	102
State Supplement Recipients (with no Federal SSI payment)	146	143	148	5
TOTAL SSI RECIPIENTS, Current Law	8,057	7,931	8,038	107
<i>SSI Federal Recipients Concurrently Receiving</i>				
<i>OASDI Benefits (included above)</i>	2,690	2,646	2,683	37
<u>Average Monthly Benefit</u>				
Aged	\$421	\$432	\$445	\$13
Blind and Disabled	\$612	\$619	\$636	\$17
AVERAGE, All SSI Recipients	\$586	\$593	\$609	\$16
Projected COLA Payable in January	1.6%	1.3%	2.3%	1.0%

¹¹ Totals may not equal sums of component parts due to rounding.

**Table i.8 – Special Benefits for Certain WWII Veterans Overview
(Outlays in millions)**

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate	Change FY 21/FY 22
Federal Benefits	\$1	\$1	\$0 ¹²	-\$1
Administration ¹²	\$0	\$0	\$0	\$0
TOTAL OUTLAYS	\$1	\$1	\$0¹²	-\$1
Average Number of Beneficiaries	209	147	90	-57
Average Monthly Benefit	\$289	\$385	\$392	\$7

¹² Less than \$500,000.

Table i.9 – Administrative Outlays as a Percent of Trust Fund Income and Benefit Payments - FY 2022 (in millions)

	Administrative Outlays	Trust Fund Income	Percent of Trust Fund Income
OASI	\$3,470	\$1,005,768	0.3%
DI	\$2,790	\$156,791	1.8%
OASDI (combined)	\$6,260	\$1,162,559	0.5%

	Administrative Outlays	Benefit Payments	Percent of Benefit Payments
OASI	\$3,470	\$1,038,802	0.3%
DI	\$2,790	\$150,319	1.9%
Subtotal, OASDI (combined)	\$6,260	\$1,189,121	0.5%
SSI (Federal and State)	\$4,944	\$65,418	7.6%
Other ¹³	\$3,102	-	-
TOTAL	\$14,306	\$1,254,539	1.1%

¹³ Includes administrative outlays for Hospital Insurance and Supplemental Medical Insurance (\$3.002 billion), administrative outlays from the General Fund to OIG, SCHIP, MIPPA LIS (\$39 million), and reimbursables (\$61 million). Our calculation of discretionary administrative expenses excludes Treasury administrative expenses, which are mandatory outlays.

Table i.10 – Tax Rates, Wage Base and Economic Assumptions

	CY 2020	CY 2021	CY 2022	Change CY 21/CY 22
<u>Employer/Employee Rates (each)</u>				
OASDI (Social Security)	6.20%	6.20%	6.20%	0.0%
Hospital Insurance (HI) (Medicare)	1.45%	1.45%	1.45%	0.0%
EMPLOYEE TOTAL	7.65%	7.65%	7.65%	0.0%
<u>Self-Employment Rates</u>				
OASDI (Social Security)	12.40%	12.40%	12.40%	0.0%
HI (Medicare)	2.90%	2.90%	2.90%	0.0%
TOTAL	15.30%	15.30%	15.30%	0.0%
<u>Cost of Living Adjustments (COLAs)</u>				
January	1.6%	1.3%	2.3% ¹⁴	1.0%
<u>Contribution and Benefit Base</u>				
OASDI	\$137,700	\$142,800	\$145,500 ¹⁴	\$2,700
HI	(no cap)	(no cap)	(no cap)	
<u>Annual Retirement Test</u>				
Year Individual Reaches Full Retirement Age (FRA) ¹⁵	\$48,600	\$50,520	\$51,360 ¹⁴	\$840
Under Full Retirement Age	\$18,240	\$18,960	\$19,320 ¹⁴	\$360
<u>Wages Required for a Quarter of Coverage</u>	\$1,410	\$1,470	\$1,490 ¹⁴	\$20

¹⁴ Estimate.

¹⁵ For months prior to attaining FRA. There is no limit on earnings beginning the month an individual attains full retirement age.

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APPROPRIATION LANGUAGE

PAYMENTS TO THE SOCIAL SECURITY TRUST FUNDS¹

For payment to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as provided under sections 201(m) and 1131(b)(2) of the Social Security Act, \$11,000,000. (*Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021.*)

¹ Social Security checks, like those issued by other Federal agencies, are negotiable for only 12 months from their date of issue. Under the "Limited Payability" procedure, the value of unnegotiated checks issued on or after October 1, 1989, is credited directly to the trust funds from Treasury's general fund when the checks are canceled. These funds do not pass through the Payments to Social Security Trust Funds account, but the interest adjustments do pass through this account.

Section 1131 of the Social Security Act requires the Commissioner of Social Security to furnish information regarding deferred vested pension rights to pension plan participants (and their dependents or survivors). It permits the administrative expenses of carrying out this pension reform work to be funded initially from the Old-Age and Survivors Insurance (OASI) Trust Fund through SSA's Limitation on Administrative Expenses and authorizes an annual appropriation of Federal funds to reimburse the OASI Trust Fund.

Payments to the Social Security Trust Funds

GENERAL STATEMENT

The Payments to the Social Security Trust Funds (PTF) account provides Federal fund payments to the Social Security trust funds for several distinct activities. The purpose of each requested payment is to put the trust funds in the same financial position they would have been in had they not borne the cost of certain benefits or administrative expenses chargeable to general revenues. This account includes payments requiring an annual appropriation and payments made to the trust funds under permanent indefinite authority.

ANNUAL APPROPRIATION

The annual PTF appropriation provides reimbursement to the Social Security trust funds for non-trust fund activities. These activities include pension reform and interest on unnegotiated checks. Listed below is the estimated annual appropriation and resulting obligations for FY 2022.

**Table 1.1—Annual Appropriation and Obligations
(In thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	FY 2021 to FY 2022 Change
Appropriation	\$11,000	\$11,000	\$11,000	\$0
Obligations¹	\$3,439	\$11,050	\$11,050	\$0

PERMANENT INDEFINITE AUTHORITY

Amounts not subject to the annual appropriation include: (1) receipts from Federal income taxation of Social Security benefits; (2) Federal Insurance Contribution Act (FICA) and Self-Employment Contribution Act (SECA) tax credits; (3) reimbursement for Federal employee union administrative expenses; and (4) reimbursements for the loss in FICA tax revenue resulting from the payroll tax holiday provided by the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 and extended by the Temporary Payroll Tax Cut Continuation Act of 2011. The permanent appropriation provides that the trust funds be credited for each of these revenue items.

Taxation of Social Security Benefits

The Social Security Amendments of 1983 provide for taxation of up to one-half of Social Security benefits in excess of certain income thresholds. The Omnibus Reconciliation Act of 1993, P.L. 103-66, amended this provision so that up to 85 percent of benefits could be subject to taxation. The additional amounts collected from this 1993 provision are paid to the Hospital

¹ The obligations include Coal Industry Retiree Health Benefits Act activity, funded from unobligated balances carried forward from prior years. These funds, provided in FYs 1996 and 1997, remain available until expended to reimburse the trust funds.

Payments to the Social Security Trust Funds

Insurance (HI) Trust Fund; no additional income is due to the Social Security trust funds resulting from the enactment of the 1993 law.

Section 733 of the Uruguay Round Agreements Act, P.L. 103-465, also increased the taxable portion of nonresident aliens' Social Security benefits from 50 percent to 85 percent. The Offices of the General Counsel at SSA and at the Centers for Medicare and Medicaid Services, Department of Health and Human Services, agreed that the additional income resulting from the law should go to the Old-Age, Survivors, and Disability Insurance (OASDI) trust funds as opposed to the HI Trust Fund.

The taxes are collected as Federal income taxes; subsequently, an equivalent payment to the Social Security trust funds is made from the general funds of the Treasury. Transfers of estimated aggregate tax liabilities arising from Social Security benefits of U.S. citizens are made quarterly and then adjusted as actual receipts are known. The estimated income from these taxes is \$34,556 million in FY 2021 and \$43,971 million in FY 2022 from U.S. citizens; the taxes imposed on aliens are withheld from benefit payments and will generate estimated income of \$250 million in FY 2021 and \$264 million in FY 2022. The estimates for taxation of benefits reflect corresponding growth related to benefit levels and the beneficiary population.

FICA and SECA Tax Credits

The Social Security Amendments of 1983 also provided for the granting of FICA and SECA tax credits to individuals. The tax credits are granted at the time the individual is taxed and are funded by the general funds of the Treasury through reimbursement to the trust funds. The FICA tax credit applies only to wages earned in calendar year 1984. The SECA tax credit applies from calendar year 1984 through calendar year 1989. There are small periodic adjustments made due to tax credits being applied retroactively.

Reimbursement for Employee Union Expenses

In addition to taxation of benefits and tax credits, the PTF account includes reimbursement to the trust funds from general funds, including interest, for certain administrative expenses incurred in support of Federal employee union activities. In FYs 2021 and 2022, \$11 million will be funded initially by SSA's Limitation on Administrative Expenses (LAE) appropriation.

Reimbursement for Payroll Tax Holiday

P.L. 111-312, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, reduced employees' payroll contributions from 6.2 percent to 4.2 percent for calendar year 2011. P.L. 112-78, the Temporary Payroll Tax Cut Continuation Act of 2011, amended P.L. 111-312 to extend the reduced payroll contributions through February 29, 2012. On February 22, 2012, the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96) extended the reduced rate through December 31, 2012. The general funds reimburse the trust funds for this loss in tax revenue. While the law has expired, we expect additional adjustments for prior years will continue to occur. We estimate that there will be a \$2 million prior year adjustment for FY 2021.

Payments to the Social Security Trust Funds

BUDGETARY RESOURCES

The FY 2022 annual appropriation request for PTF is \$11,000,000. We expect to make \$44,257,050,000 in payments to the trust funds in FY 2022, including amounts appropriated under permanent indefinite authority.

Table 1.2—Amounts Available for Obligation¹
(In thousands)

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate
Annual Appropriation	\$11,000	\$11,000	\$11,000
Permanent Appropriation	\$39,594,582	\$34,819,000	\$44,246,000
Total Appropriation	\$39,605,582	\$34,830,000	\$44,257,000
Unobligated Balance, Start-of-Year	\$12,822	\$12,822	\$12,772
Subtotal Budgetary Resources	\$39,618,404	\$34,842,822	\$44,269,772
Obligations	(\$39,598,021)	(\$34,830,050)	(\$44,257,050)
Unobligated Balance, End-of-Year	\$12,822	\$12,772	\$12,722
Unobligated Balance, Lapsing	\$7,561	\$0	\$0

The “Start-of-Year” and “End-of-Year” unobligated balances represent funds appropriated for the Coal Industry Retiree Health Benefits Act (CIRHBA) in FYs 1996 and 1997 and made available until expended. The lapsed unobligated balance represents the amount of the annual appropriation not obligated in the current year.

¹ Totals may not add due to rounding.

Payments to the Social Security Trust Funds

ANALYSIS OF CHANGES

The FY 2022 annual appropriation request is the same as the FY 2021 level. The obligations reported below include CIRHBA activity, funded from unobligated balances carried forward from prior years. These funds, provided in FYs 1996 and 1997, remain available until expended.

**Table 1.3—Summary of Changes
(In thousands)**

	FY 2021 Enacted	FY 2022 Estimate	<i>FY 2021 to FY 2022 Change</i>
Appropriation	\$11,000	\$11,000	\$0
Obligations	\$11,050	\$11,050	\$0

BUDGET AUTHORITY AND OBLIGATIONS BY ACTIVITY

The table below displays the budget authority and obligations for each of the PTF activities funded by the annual appropriation. Prior year unobligated balances fund CIRHBA obligations.

**Table 1.4—New Budget Authority & Obligations, Annual Authority¹
(In thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate
<u>Appropriation</u>			
Pension Reform	\$6,000	\$6,000	\$6,000
Unnegotiated Checks	\$5,000	\$5,000	\$5,000
Coal Industry Retiree Health Benefits	\$0	\$0	\$0
Total Annual Appropriation	\$11,000	\$11,000	\$11,000
<u>Obligations</u>			
Pension Reform	\$863	\$6,000	\$6,000
Unnegotiated Checks	\$2,576	\$5,000	\$5,000
Coal Industry Retiree Health Benefits	\$0	\$50	\$50
Total Obligations	\$3,439	\$11,050	\$11,050

¹ Totals may not add due to rounding.

Payments to the Social Security Trust Funds

The table below displays budget authority and obligations for the PTF activities not subject to the annual appropriation. This includes taxation of benefits, FICA and SECA tax credits, reimbursement for certain union administrative expenses, and reimbursements for the employee payroll tax holiday. The actual amount appropriated for these activities is determined by the actual amount collected from, or to be reimbursed for, each activity.

**Table 1.5—Budget Authority and Obligations,
Permanent Indefinite Authority
(In thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate
<u>Appropriation</u>			
Reimb. for Union Administrative Expenses	\$4,821	\$11,000	\$11,000
Employee Payroll Tax Holiday ¹	\$8,478	\$2,000	\$0
Taxation of Benefits, U.S.	\$39,340,973	\$34,556,000	\$43,971,000
Taxation of Benefits, Nonresident Alien	\$240,300	\$250,000	\$264,000
FICA Tax Credits	\$0	\$0	\$0
SECA Tax Credits	\$10	\$0	\$0
Total Permanent Appropriation	\$39,594,582	\$34,819,000	\$44,246,000
<u>Obligations</u>			
Reimb. for Union Administrative Expenses	\$4,821	\$11,000	\$11,000
Employee Payroll Tax Holiday	\$8,478	\$2,000	\$0
Taxation of Benefits, U.S.	\$39,340,973	\$34,556,000	\$43,971,000
Taxation of Benefits, Nonresident Alien	\$240,300	\$250,000	\$264,000
FICA Tax Credits	\$0	\$0	\$0
SECA Tax Credits	\$10	\$0	\$0
Total Obligations	\$39,594,582	\$34,819,000	\$44,246,000

¹ P.L. 111-312, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010, reduced employees' payroll contributions from 6.2 percent to 4.2 percent for calendar year 2011. P.L. 112-78, the Temporary Payroll Tax Cut Continuation Act of 2011 amended P.L. 111-312 to extend the reduced payroll contributions through February 29, 2012. On February 22, 2012, the Middle Class Tax Relief and Job Creation Act of 2012 (P.L. 112-96) extended the reduced rate through December 31, 2012. The general funds reimburse the trust funds for the loss in tax revenue (Title VI, Sec 601). While the law has expired, we expect additional adjustments for prior years will continue to occur.

OBLIGATIONS BY OBJECT CLASS

The table below displays the obligations by object class for the total PTF account (annually and permanently appropriated funds).

**Table 1.6—Obligations by Object
(In thousands)**

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Other Services	\$8,270	\$22,050	\$22,050
Financial Transfers	\$39,581,273	\$34,806,000	\$44,235,000
Financial Transfers: Employee Payroll Tax Holiday	\$8,478	\$2,000	\$0
Total Obligations	\$39,598,021	\$34,830,050	\$44,257,050

Payments to the Social Security Trust Funds

BACKGROUND

AUTHORIZING LEGISLATION

The Social Security Act sections described below authorize the PTF account.

Table 1.7—Authorizing Legislation (In thousands)

	Amount Authorized	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate
Pension Reform: S.S. Act, Section 1131(b)(2)	Indefinite	\$6,000	\$6,000	\$6,000
Unnegotiated Checks: S.S. Act, Section 201(m); Social Security Amendments of 1983, Section 152	Indefinite	\$5,000	\$5,000	\$5,000
Coal Industry Retiree Health Benefits: Internal Revenue Code of 1986, Sections 9704 and 9706; Energy Policy Act of 1992, Section 1914 ¹	Indefinite	\$0	\$0	\$0
Subtotal Annual PTF Appropriation		\$11,000	\$11,000	\$11,000
Reimbursement for Union Administrative Expenses: FY 2002 Social Security Appropriations Act	Permanent Indefinite	\$4,821	\$11,000	\$11,000
Employee Payroll Tax Holiday: P.L. 111-312, Section 601, As Amended By Temporary Payroll Tax Cut Continuation Act: P.L. 112-78	Permanent Indefinite	\$8,478	\$2,000	\$0
Taxation of Benefits, U.S.: Social Security Amendments of 1983, Section 121	Permanent Indefinite	\$39,340,973	\$34,556,000	\$43,971,000
Taxation of Benefits, Nonresident Aliens: Social Security Amendments of 1983, Section 121	Permanent Indefinite	\$240,300	\$250,000	\$264,000
FICA/SECA Tax Credits: Social Security Amendments of 1983, Section 124(b)	Permanent Indefinite	\$10	\$0	\$0
Subtotal Permanent PTF Appropriation		\$39,594,582	\$34,819,000	\$44,246,000
Total Appropriation		\$39,605,582	\$34,830,000	\$44,257,000

¹ We do not request additional funds because the balance of the \$10,000,000 per year appropriated in FYs 1996 and 1997 remains available until expended to reimburse the trust funds.

Payments to the Social Security Trust Funds

APPROPRIATION HISTORY

The table below displays our annual appropriation request, amounts approved by the House and Senate, and the amount Congress ultimately appropriated. This does not include amounts appropriated under permanent authority.

Table 1.8—Appropriation History Table

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
2012	\$20,404,000	-- - ¹	\$20,404,000 ²	\$20,404,000 ³
2013	\$20,402,000	-- - ⁴	\$20,404,000 ⁵	\$20,404,000 ⁶
2014	\$16,400,000	-- - ⁷	\$16,400,000 ⁸	\$16,400,000 ⁹
2015	\$16,400,000	\$16,400,000 ¹⁰	-- - ¹¹	\$16,400,000 ¹²
2016	\$20,400,000	\$20,400,000 ¹³	\$20,400,000 ¹⁴	\$11,400,000 ¹⁵
2017	\$11,400,000	\$11,400,000 ¹⁶	\$11,400,000 ¹⁷	\$11,400,000 ¹⁸
2018	\$11,400,000	\$11,400,000 ¹⁹	\$11,400,000 ²⁰	\$11,400,000 ²¹
2019	\$11,000,000	\$11,000,000 ²²	\$11,000,000 ²³	\$11,000,000 ²⁴
2020	\$11,000,000	\$11,000,000 ²⁵	\$11,000,000 ²⁶	\$11,000,000 ²⁷
2021	\$11,000,000	\$11,000,000 ²⁸	-- - ²⁹	\$11,000,000 ³⁰
2022	\$11,000,000			

Payments to the Social Security Trust Funds

- ¹ The House Committee on Appropriations did not report a bill. Appropriations Chairman Rehberg introduced H.R. 3070, which included \$20,404,000.
- ² S. 1599.
- ³ Consolidated Appropriations Act, 2012 (P.L. 112-74).
- ⁴ The House Committee on Appropriations did not report a bill.
- ⁵ S. 3295.
- ⁶ Department of Defense, Military Construction and Veterans Affairs, and Full-Year Continuing Appropriations Act, 2013 (P.L. 113-6).
- ⁷ The House Committee on Appropriations did not report a bill.
- ⁸ S. 1284.
- ⁹ Consolidated Appropriations Act, 2014 (P.L. 113-76).
- ¹⁰ H.R. 83.
- ¹¹ The Senate Committee on Appropriations did not report a bill.
- ¹² Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235).
- ¹³ H.R. 3020.
- ¹⁴ S. 1695.
- ¹⁵ Consolidated Appropriations Act, 2016 (P.L. 114-113).
- ¹⁶ H.R. 5926.
- ¹⁷ S. 3040.
- ¹⁸ Consolidated Appropriations Act, 2017 (P.L. 115-31).
- ¹⁹ H.R. 3358.
- ²⁰ S. 1771.
- ²¹ Consolidated Appropriations Act, 2018 (P.L. 115-141).
- ²² H.R. 6470.
- ²³ S. 3158.
- ²⁴ Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245).
- ²⁵ H.R. 2740.
- ²⁶ The Senate Committee on Appropriations did not report a bill.
- ²⁷ Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2020 in the Further Consolidated Appropriations Act, 2020 (P.L. 116-94).
- ²⁸ H.R. 7614.
- ²⁹ The Senate Committee on Appropriations did not report a bill.
- ³⁰ Consolidated Appropriations Act, 2021 (P.L. 116-260).

PENSION REFORM

Authorizing Legislation: Section 1131(b)(2) of the Social Security Act.

PURPOSE AND METHOD OF OPERATION

The purpose of this payment is to reimburse the OASI Trust Fund for the cost of certain pension reform activities chargeable to Federal funds.

Table 1.9—Pension Reform: Budget Authority

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	<i>FY 2021 to FY 2022 Change</i>
Budget Authority	\$6,000,000	\$6,000,000	\$6,000,000	\$0

The Employee Retirement Income Security Act of 1974, P.L. 93-406 (Pension Reform Act, also known as ERISA) established section 1131 of the Social Security Act. This requires the Commissioner of Social Security to furnish information regarding deferred vested pension rights to pension plan participants (and their dependents or survivors), either upon request or automatically upon application for retirement, survivors, or disability insurance benefits.

Each time an employee leaves employment that earned him or her vested rights to a pension, we receive related information from the Internal Revenue Service (IRS) in either paper or electronic format. We control, scan (using optical character recognition), and, if necessary, key the paper forms and transfer the data to the ERISA mainframe system. We add these data, along with electronic data received from the IRS, to the ERISA Master Files after the name is verified against the NUMIDENT (SSN record) database. Each month, we compare an activity file of new benefit applications to the ERISA Master Files. We send an ERISA notice of pension plan eligibility to individuals included in both the activity file and the ERISA Master Files. This notice includes the information the worker needs to contact the pension plan administrator. We also resolve exceptions and respond to inquiries from employers and the public.

Section 1131(b)(1) permits the administrative expenses of carrying out this pension reform work to be funded initially from the OASI Trust Fund through our LAE account. Section 1131(b)(2) authorizes an annual appropriation of Federal funds to reimburse the OASI Trust Fund. To the extent that resources needed to process this workload exceed the budget authority available for reimbursement in the current year, we make reimbursement to the OASI Trust Fund at the beginning of the subsequent year, including interest as appropriate. We began to incur pension reform administrative expenses in FY 1977.

Payments to the Social Security Trust Funds

Table 1.10—Pension Reform: Obligations

Fiscal Year	Obligations
FY 2012	\$6,400,000
FY 2013	\$2,521,092
FY 2014	\$1,010,592
FY 2015	\$858,477
FY 2016	\$1,421,941
FY 2017	\$881,832
FY 2018	\$1,582,104
FY 2019	\$1,000,827
FY 2020	\$862,908
FY 2021 Estimate	\$6,000,000
FY 2022 Estimate	\$6,000,000

RATIONALE FOR BUDGET REQUEST

The FY 2022 budget requests \$6,000,000 to reimburse the OASI Trust Fund for the cost of carrying out our responsibilities under the Pension Reform Act. The FY 2022 request is the same as the FY 2021 level. The table below summarizes the recent trend of pension coverage report receipts:

Table 1.11—Receipts from Pension Coverage Reports

Fiscal Year	Pension Coverage Report Receipts
FY 2012 ¹	10,454,215
FY 2013	3,810,675
FY 2014	8,156,306
FY 2015	6,310,851
FY 2016	7,964,997
FY 2017	7,061,212
FY 2018	7,243,179
FY 2019	6,414,367
FY 2020	6,706,157

¹ Because IRS created a new form (IRS Form 8955-SSA) for filers and a new electronic filing system, in addition to granting a filing deferral during this timeframe, most of the pension coverage report receipts for FY 2011 were input into the system in FY 2012 (i.e., FY 2012 receipts essentially represent two years of receipts).

UNNEGOTIATED CHECKS

Authorizing Legislation: Section 201(m) of the Social Security Act and Section 152 of P.L. 98-21.

PURPOSE AND METHOD OF OPERATION

The purpose of this payment is to reimburse the OASI and DI Trust Funds for the value of interest on benefit checks cashed after 6 months or subsequently canceled.

Table 1.12—Unnegotiated Checks: Budget Authority

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	<i>FY 2021 to FY 2022 Change</i>
Budget Authority	\$5,000,000	\$5,000,000	\$5,000,000	\$0

This activity was originally established to reimburse the trust funds for uncashed benefit checks and accrued interest. Beginning October 1, 1989, Social Security checks, like those issued by other Federal agencies, are negotiable for only 12 months from their date of issue under the provisions of the Competitive Equality Banking Act (CEBA) of 1987 (P.L. 100-86). In the 14th month after issue, the Department of the Treasury prepares a listing of checks outstanding from each agency, cancels those checks, and refunds the value of checks canceled to the authorizing agencies. Under this "Limited Payability" procedure, the value of unnegotiated checks issued on or after October 1, 1989, are credited directly to the trust funds from Treasury's general fund when the checks are canceled, pursuant to P.L. 100-86. These funds do not pass through the PTF account. However, the interest adjustment must be paid through this account because CEBA made no provision for it.

This appropriation funds the estimated ongoing level of activity and represents the value of interest for unnegotiated OASDI benefit checks.

Payments to the Social Security Trust Funds

Table 1.13—Unnegotiated Checks: Obligations

Fiscal Year	Obligations
FY 2012	\$5,910,374
FY 2013	\$3,082,985
FY 2014	\$2,698,386
FY 2015	\$2,989,099
FY 2016	\$2,091,901
FY 2017	\$2,028,629
FY 2018	\$2,402,793
FY 2019	\$2,941,121
FY 2020	\$2,575,849
FY 2021 Estimate	\$5,000,000
FY 2022 Estimate	\$5,000,000

The actual interest reflects the ongoing shift of benefit payments from paper checks to direct deposit. On December 21, 2010, the Department of the Treasury published a final rule amending 31 Code of Federal Regulations Part 208 to require recipients of Federal benefits and nontax payments to receive their payments by electronic funds transfer. People who apply for Social Security benefits on or after May 1, 2011, receive their payments electronically. Many people who previously received Federal benefit checks before May 1, 2011 have switched to electronic payments. As a result, the final rule has decreased the volume of unnegotiated benefit checks, and we expect this trend to continue. Benefits paid via direct deposit bypass the mechanism in which there is the possibility of an uncashed check. However, the effect of the growth in direct deposit participation on unnegotiated check interest is somewhat offset by increases in the number of beneficiaries and in the average monthly benefit payments. The following table summarizes the recent trend in the percentage of OASDI beneficiaries enrolled in the direct deposit payment program.

Table 1.14—Direct Deposit Participation Rate

	Direct Deposit Participation Rate
FY 2012	94%
FY 2013	98%
FY 2014	99%
FY 2015	99%
FY 2016	99%
FY 2017	99%
FY 2018	99%
FY 2019	99%
FY 2020	99%

RATIONALE FOR BUDGET REQUEST

The FY 2022 request is for \$5,000,000 to reimburse the OASDI trust funds for the value of interest on unnegotiated checks. The FY 2022 request is equal to the FY 2021 level.

Table 1.15—Unnegotiated Checks: Budget Authority by Trust Fund

	FY 2021 Enacted
OASI Trust Fund	\$3,000,000
DI Trust Fund	\$2,000,000
Total	\$5,000,000

Payments to the Social Security Trust Funds

COAL INDUSTRY RETIREE HEALTH BENEFITS

Authorizing Legislation: Sections 9704 and 9706 of the Internal Revenue Code of 1986 as amended by section 19141 of the Energy Policy Act of 1992.

PURPOSE AND METHOD OF OPERATION

The purpose of this payment is to reimburse the OASDI Trust Funds for work carried out under section 19141 of the Energy Policy Act of 1992 (Public Law 102-486), which established the CIRHBA of 1992.

Table 1.16—Coal Industry Retiree Health Benefits: Obligations

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	<i>FY 2021 to FY 2022 Change</i>
New Budget Authority	\$0	\$0	\$0	\$0
Obligations	\$0	\$50,000	\$50,000	\$0

CIRHBA combined two existing United Mine Workers of America (UMWA) pension plans into a single fund and required that certain existing coalmine operators pay health benefit premiums for the new combined plan. The law directed the Commissioner of Social Security to:

- Search the earnings records of the group of retired coal miners covered by the combined plan;
- Determine which retirees should be assigned to which mine operators;
- Notify the involved mine operators of the names and Social Security numbers of eligible beneficiaries who have been assigned to them;
- Process appeals from operators who believe that assignments have been made incorrectly; and
- Compute the premiums based on a formula established in the Act.

PROGRESS TO DATE

We have completed initial decisions and reviews on all of the retired miners covered under the provisions of the 1992 CIRHBA. In addition, we implemented the Coal Act provisions of the Tax Relief and Health Care Act of 2006 (P.L. 109-432), which significantly affected and restructured CIRHBA. We devoted considerable time and resources to comply with P.L. 109-432. All court cases challenging SSA's involvement in the Coal Act are now closed. We have also completed our obligation to provide yearly data on miner assignments to the UMWA Combined Benefit Fund. Our Office of the Chief Actuary continues to compute the beneficiary premiums on a yearly basis.

This account provides general fund reimbursement to the trust funds to the extent that the LAE account advances funds for SSA to carry out this work. We do not request additional funds for FY 2022 because the balance of the \$10,000,000 per year appropriated in FY 1996 and in FY 1997 remains available until expended to reimburse the trust funds.

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APPROPRIATION LANGUAGE

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, [\$40,158,768,000] \$46,210,256,000¹ to remain available until expended: Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury: Provided further, That not more than \$86,000,000 shall be available for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act and remain available through September 30, [2023] 2024.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year [2022] 2023, [\$19,600,000,000] \$15,600,000,000, to remain available until expended. (*Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021.*)

¹ Includes \$18 million of SSI program effects related to the Afghan Special Immigrant Visa (SIV) and Liberian Deferred Enforced Departure (DED) programs.

Supplemental Security Income Program

LANGUAGE ANALYSIS

The appropriation language provides us with the funds needed to carry out our responsibilities under the Supplemental Security Income (SSI) program. This includes the funds needed to pay Federal benefits, administer the program, and provide beneficiary services to recipients. The budget authority for these activities is made available until expended, providing us the authority to carryover unobligated balances for use in future fiscal years. Furthermore, a portion of this funding is made available for us to conduct research and demonstration projects, which is available for 3 years, providing us the authority to carryover unobligated balances into the next 2 fiscal years.

In addition, the language provides us with indefinite authority beginning June 15, in the event Federal benefit payment obligations in FY 2022 are higher than expected, and we do not have sufficient unobligated balances to cover the difference. Consistent with previous years, the appropriation also includes an advance appropriation for Federal benefit payments in the first quarter of FY 2023 to ensure the timely payment of benefits in case of a delay in the FY 2023 appropriations bill.

Table 2.1—Appropriation Language Analysis

Language provision	Explanation
“For carrying out titles XI and XVI of the Social Security Act... including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, \$46,210,256,000, to remain available until expended.”	Appropriates funds for Federal benefit payments, administrative expenses, beneficiary services, and research and demonstration projects under the SSI program. We may carryover unobligated balances for use in future fiscal years.
"Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury."	Ensures that States do not carry unobligated balances of Federal funds into the subsequent fiscal year. Applies primarily to the beneficiary services activity.
<i>Provided further</i> , That not more than \$86,000,000 shall be available for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act and remain available through September 30, 2024.	Specifies that not more than \$86 million of the SSI appropriation is available for research and demonstration projects. We may carryover unobligated balances through September 30, 2024, at which point, funds are expired.
"For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.”	Provides an indefinite appropriation to finance any shortfall in the definite appropriation for benefit payments during the last months of the fiscal year.
"For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2023, \$15,600,000,000, to remain available until expended."	Appropriates funds for benefit payments in the first quarter of the subsequent fiscal year. Ensures that recipients will continue to receive benefits during the first quarter of FY 2023 in the event of a temporary funding delay.

GENERAL STATEMENT

The SSI program guarantees a minimum level of income to financially needy individuals who are aged, blind, or disabled. The program was created in 1972 by Title XVI of the Social Security Act and payments began January 1974. It is Federally-administered and funded from general revenues.

Prior to the establishment of the SSI program, the Social Security Act provided means-tested assistance through three separate programs—Old-Age Assistance, Aid to the Blind, and Aid to the Permanently and Totally Disabled. Federal law only established broad guidelines, with each state largely responsible for setting its own eligibility and payment standards. The SSI program was established to provide uniform standards across States.

**Table 2.2—Summary of Appropriations and Obligations¹
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate²	Change
Appropriation	\$61,414,889	\$60,058,768	\$65,810,256	+ \$5,751,488
Obligations	\$60,766,122	\$60,768,529	\$67,819,582	+ \$7,051,053
First Quarter Advance Appropriation for Subsequent Fiscal Year	\$19,900,000	\$19,600,000	\$15,600,000	- \$4,000,000

PROGRAM OVERVIEW

Eligibility Standards

As a means-tested program, individuals must have income and resources below specified levels to be eligible for benefits. Program rules allow some specific categories of income and resources to be either totally or partially excluded.³ The process of evaluating eligibility and payment levels for the SSI program and addressing the accuracy of payments is inherently complex due to the program rules.

An individual’s benefit payment is reduced dollar for dollar by the amount of their “countable income”—income less all applicable exclusions—in a given month. Income in the SSI program includes “earned income” such as wages and net earnings from self-employment; and “unearned income” such as Social Security benefits, unemployment compensation, deemed income from a

¹ Does not include state supplementary payments and reimbursements or the corresponding state supplement user fee collections; user fees are included in the Limitation on Administrative Expenses (LAE) appropriation.

² The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

³ The ABLE Act of 2014 created a new type of tax-advantaged account that has a limited effect on an individual’s eligibility for the SSI program and other Federal means-tested programs.

Supplemental Security Income Program

spouse or parent, and the value of in-kind support and maintenance such as food and shelter. Different exclusion rules apply for different types of income.

Benefit Payments

We estimate we will pay \$62.7 billion in Federal benefits to approximately 8 million SSI recipients in FY 2022. Including state supplementary payments, we expect to pay a total of \$65.4 billion and administer payments to over 8 million recipients.

Federal benefit payments represent approximately 93 percent of Federal SSI spending. Administrative expenses represent about 7 percent of spending; beneficiary services and research and demonstration projects make up the remaining less than half a percent.

Incentives for Work and Opportunities for Vocational Rehabilitation

The SSI program is designed to help recipients with disabilities achieve independence by encouraging and supporting their attempts to work. The program includes a number of work incentive provisions that enable recipients who are blind or disabled to work and retain benefits. The program also includes provisions to help disabled beneficiaries obtain vocational rehabilitation and employment support services. These provisions were revised by legislation establishing the Ticket to Work program, which is discussed in more detail in the Beneficiary Services section.

State Supplementation

Supplementation is mandatory for certain recipients who were on State rolls just prior to the creation of the Federal program on January 1, 1974. Otherwise, States are encouraged to supplement the Federal benefit and may elect to have us administer their State supplementation program. States that choose to have us administer their program reimburse us in advance and we make the payment on behalf of the State. Participating States also reimburse us for the cost of administering their program, based on a user fee schedule established by the Social Security Act. The user fee is \$12.49 per SSI check payment in FY 2021 and is expected to increase to \$12.85 in FY 2022. The Department of the Treasury receives the first \$5.00 of each fee and we retain the amount over \$5.00. Additional information regarding State supplementation can be found within the LAE section.

Coordination with Other Programs

We play an important role in helping States administer Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Provisions in the SSI statute ensure that payments made by States or under the Social Security program are not duplicated by SSI benefits.

Generally, SSI recipients are categorically eligible for Medicaid. States may either use SSI eligibility criteria for determining Medicaid eligibility or use their own, provided the criteria are no more restrictive than the State's January 1972 medical assistance standards.

SSI recipients may also qualify for SNAP. We work with SSI applicants and recipients in a variety of ways to help them file for SNAP, including informing them of their potential benefits, making applications available to them, and in some cases helping them complete their

applications in our field offices. We also share applicant data with a number of States in support of SNAP.

Key Initiatives

We continue to pursue efforts to ensure the proper management and stewardship of the SSI program. This includes a focus on reducing the major factors affecting payment accuracy, processing CDRs and non-disability redeterminations, combatting fraud, improving our debt collection tools, and using our data matching systems to detect changes in circumstances that could affect SSI eligibility. Further information on these programs can be found in our Improper Payments exhibit and the Program Integrity exhibit of the LAE section. Additional detail is also included in our Annual Performance Report (APR) and Agency Financial Report (AFR)¹.

Outreach to Vulnerable Populations

During the pandemic, we experienced a reduction in applications for benefits, particularly SSI and disability benefits, and we are concerned that there may be hundreds of thousands of vulnerable Americans who needed our help but were unable to reach us due to pandemic operating procedures. We have developed several initiatives to expand access to the program, including streamlining the SSI application, enlisting the assistance of third parties, promoting our programs through paid social media, television, and radio advertising, and sending out targeted mailers to groups most likely to be eligible for SSI. Further information on our efforts to reach vulnerable populations can be found in our SSI Outreach to Vulnerable Populations exhibit in the LAE section of this Congressional Justification.

¹ Both the APR and AFR can be viewed online at <https://www.ssa.gov/agency/budget-and-performance.html>

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FY 2022 PRESIDENT'S BUDGET REQUEST

The SSI appropriation includes funds for Federal benefit payments, administrative expenses, beneficiary services, and research and demonstration projects. In total, the FY 2022 President's Budget request is \$65,810,256,000. However, this includes \$19,600,000,000 appropriated for the first quarter of FY 2022 in the FY 2021 appropriation. The appropriation language provides us with our remaining appropriation for FY 2022, \$46,210,256,000—the total amount requested for FY 2022 less the advance already appropriated.

Similarly, in addition to the amount above, the request includes an advance appropriation of \$15,600,000,000 for Federal benefit payments in the first quarter of FY 2023. This advance is to ensure recipients continue to receive their benefits at the beginning of the subsequent fiscal year in case there is a delay in passing that year's appropriation.

Table 2.3—Appropriation Detail ^{1,2}
(in thousands)

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate³	Change
Advance for Federal Benefits ⁴	\$19,700,000	\$19,900,000	\$19,600,000	
Regular for Federal Benefits	\$37,282,000	\$35,733,919	\$41,091,142	
Subtotal Federal Benefits	\$56,982,000	\$55,633,919	\$60,691,142	+ \$5,057,223
Base Administrative Expenses	\$3,063,766	\$3,004,410	\$3,601,459	+ \$597,049
Program Integrity (Base)	\$221,420	\$225,207	\$197,677	- \$27,530
Program Integrity (Adjustment)	\$1,001,703	\$1,064,232	\$1,028,978	- \$35,254
Subtotal Administrative Expenses	\$4,286,889	\$4,293,849	\$4,828,114	+ \$534,265
Beneficiary Services	\$45,000	\$45,000	\$205,000	+ \$160,000
Research and Demonstration	\$101,000	\$86,000	\$86,000	+ \$0
Subtotal Advanced Appropriation	\$19,700,000	\$19,900,000	\$19,600,000	
Subtotal Regular Appropriation	\$41,714,889	\$40,158,768	\$46,210,256	
Total Appropriation	\$61,414,889	\$60,058,768	\$65,810,256	+ \$5,751,488
Advance for Subsequent Year	\$19,900,000	\$19,600,000	\$15,600,000	- \$4,000,000

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplementary user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

⁴ Amount provided or requested in the previous year's appropriation bill.

BUDGETARY RESOURCES

The SSI annual appropriation consists of a regular appropriation made available by the current year's appropriation bill and an advance made available by the prior year's appropriation. This advance is for Federal benefit payments in the first quarter of the subsequent fiscal year to ensure recipients continue to receive their benefits in case there is a delay in passing that year's appropriation bill. The FY 2022 President's Budget is \$65,810,256,000, including \$19,600,000,000 appropriated in the FY 2021 appropriation.

Table 2.4—Amounts Available for Obligation^{1,2}

	(in thousands)		
	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate ³
Regular Appropriation	\$41,714,889	\$40,158,768	\$46,210,256
Advanced Appropriation	\$19,700,000	\$19,900,000	\$19,600,000
Total Annual Appropriation	\$61,414,889	\$60,058,768	\$65,810,256
Federal Unobligated Balance	\$4,166,076	\$4,823,933	\$4,114,172
Recovery of Prior-Year Obligations	\$9,090	\$0	\$0
Subtotal Federal Resources	\$65,590,055	\$64,882,701	\$69,924,428
State Supp. Reimbursements	\$2,534,160	\$2,566,000	\$2,797,000
State Supp. Unobligated Balance	\$214,203	\$212,699	\$213,699
Total Budgetary Resources	\$68,338,418	\$67,661,400	\$72,935,127
Federal Obligations	\$60,766,122	\$60,768,529	\$67,819,582
State Supp. Obligations	\$2,535,664	\$2,565,000	\$2,760,000
Total Obligations	\$63,301,786	\$63,333,529	\$70,579,582
Federal Unobligated Balance	\$4,823,933	\$4,114,172	\$2,104,846
State Supp. Unobligated Balance	\$212,699	\$213,699	\$250,699
Total Unobligated Balance	\$5,036,632	\$4,327,871	\$2,355,545

The SSI annual appropriation was \$61.4 billion in FY 2020. The enacted FY 2021 appropriation is \$60.1 billion. We have the authority to carry over unobligated balances for use in future fiscal years for Federal benefit payments, administrative expenses, and beneficiary services because

¹ Does not include State supplementary user fees; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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the amounts appropriated are made available until expended. We carried over approximately \$4.8 billion in Federal unobligated balances into FY 2021. We expect to carry over approximately \$4.1 billion into FY 2022, and use about \$2 billion in carryover funds.

In addition to these appropriated amounts, we have spending authority in the amount of the advance reimbursement we receive from States to pay their State supplementary benefits. Because States reimburse us in advance, we carry over the amount received for the October 1 payment, reimbursed at the end of September in the prior fiscal year, for use in the subsequent fiscal year.

ANALYSIS OF CHANGES

The FY 2022 request represents an increase of approximately \$5.8 billion from the FY 2021 level. The majority of the increase in our funding request is mainly due to a thirteenth monthly SSI benefit payment in FY 2022.

We plan to use unobligated balances to partially fund Federal benefits, beneficiary services, research and demonstration projects, and administrative expenses in FY 2021 and FY 2022. We plan to use approximately \$710 million in unobligated balances and recoveries in FY 2021 and approximately \$2 billion in FY 2022.

Federal Benefit Payments

The FY 2022 request for Federal Benefit payments is \$5.1 billion more than the FY 2021 level. We increased the FY 2022 request for Federal benefit payments mainly due to an extra federal benefit payment in FY 2022. The increase in Federal benefit payments is bolstered by the the January COLA and partially offset by an increase in carryover spending and the impact of Old-Age, Survivors, and Disability Insurance (OASDI) COLAs on concurrent SSI/OASDI recipients. Since OASDI benefits are counted as income in the SSI program, the annual OASDI COLA decreases the SSI benefit payment for concurrent recipients.

We estimate the first quarter advance for FY 2023 will be \$4 billion less than that of FY 2022. Monthly SSI benefit payments are made on the first of the month, unless the first falls on a weekend or Federal holiday. In that case, the payment is made on the prior business day at the end of the previous month. When October 1 falls on a weekend or Federal holiday, the payment is made in the prior fiscal year at the end of September. This timing of payments results in 11, 12, or 13 payments in a given fiscal year, and three or four in a given quarter. The first quarter in FY 2023 will only have three benefit payments, instead of the usual four payments because October 1, 2022, falls on a Saturday.

Administrative Expenses

The FY 2022 request for administrative expenses is \$534 million more than the FY 2021 level. We expect to use \$110 million in carryover funds in FY 2021 and \$53 million in carryover funds in FY 2022 to cover estimated obligations. By analyzing a number of factors including applications, award and termination rates, and funding for program integrity initiatives, we estimate the number of SSI recipients will increase in FY 2022 from the FY 2021 level. The increase in funding for FY 2022 will help us address these growths.

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Beneficiary Services

We are requesting \$205 million in new authority for FY 2022. This is \$160 million more than our FY 2021 appropriation. Our estimate reflects the use of all carryover in FY 2021, a steady level of vocational rehabilitation reimbursement awards, and Ticket payments to Employment Networks under the Ticket to Work program. The FY 2022 request funds an estimated 40 percent increase in obligations above the FY 2021 level.

Research and Demonstrations

The FY 2022 request for research and demonstration projects is identical to the FY 2021 level. We expect to use \$41 million in carryover funds in FY 2021 and \$10 million in carryover funds in FY 2022 in addition to our requested appropriation to cover our estimated obligations.

Table 2.5—Summary of Changes^{1,2}

	(in thousands)		
	FY 2021 Enacted	FY 2022 Estimate ³	<i>Change</i>
Appropriation	\$60,058,768	\$65,810,256	+ \$5,751,488
Obligations Funded from Prior-Year Unobligated Balances and Recoveries net of estimated carryover from appropriation	+ \$709,761	+ \$2,009,326	+ \$1,299,565
Estimated Federal Obligations	\$60,768,529	\$67,819,582	+ \$7,051,053

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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Table 2.6—Explanation of SSI Budget Changes from FY 2021 to FY 2022
(in thousands)

	FY 2021 Obligations	Change
Federal Benefit Payments	\$55,633,919	
• COLA – 2.3% beginning January 2022		+\$1,530,000
• Net change due to annualized closings and awards		+\$1,160,000
• Effect of OASDI COLA for concurrent SSI/OASDI Recipients		-\$379,000
• October FY 2023 payment obligated during FY 2022		+\$4,228,000
• Increase in base funding for the effects related to the Afghan SIV and Liberian DED programs		+\$18,000
Federal Benefit Payments – Carryover	\$485,081	
Administrative Expenses	\$4,293,849	
• Increase in base funding		+\$534,265
Administrative Expenses – Carryover	\$120,966	
• Decrease in amount of carryover funding planned for obligation in FY 2021		-\$57,466
• Transfer to Beneficiary Services from carryover	-\$11,000	
Beneficiary Services	\$45,000	
• Increase in base funding		+\$160,000
Beneficiary Services – Carryover	\$74,000	
• Decrease in amount of carryover funding planned for obligation in FY 2022		-\$112,000
Research and Demonstration	\$86,000	
Research and Demonstration – Carryover	\$40,714	
• Decrease in amount of carryover funding planned for obligation in FY 2022		-\$30,746
Total Obligations Requested, Net Change	\$60,768,529	+\$7,051,053

NEW BUDGET AUTHORITY AND OBLIGATIONS BY ACTIVITY

The table below displays budget authority and obligations for the five main SSI activities – Federal benefit payments, administrative expenses, program integrity, beneficiary services, and research and demonstration.

Table 2.7—New Budget Authority and Obligations by Activity^{1,2}
(in thousands)

	FY 2020 Actual	FY 2021 Enacted³	FY 2022 Estimate^{4,5}
<u>Federal Benefit Payments</u>			
Appropriation	\$56,982,000	\$55,633,919	\$60,691,142
Obligations	\$56,161,568	\$56,119,000	\$62,676,000
Monthly Check Payments	12	12	13
<u>Base Administrative Expenses</u>			
Appropriation	\$3,063,766	\$3,004,410	\$3,601,459
Obligations	\$3,192,682	\$3,114,376	\$3,653,959
<u>Program Integrity (Base)</u>			
Appropriation	\$221,420	\$225,207	\$197,677
Obligations	\$221,420	\$225,207	\$197,677
<u>Program Integrity (Allocation Adjustment)</u>			
Appropriation	\$1,001,703	\$1,064,232	\$1,028,978
Obligations	\$1,001,703	\$1,064,232	\$1,028,978
<u>Beneficiary Services</u>			
Appropriation	\$45,000	\$45,000	\$205,000
Obligations	\$121,182	\$119,000	\$167,000
<u>Research and Demonstration</u>			
Appropriation	\$101,000	\$86,000	\$86,000
Obligations	\$67,567	\$126,714	\$95,968
Total Appropriation	\$61,414,889	\$60,058,768	\$65,810,256
Total Federal Obligations	\$60,766,122	\$60,768,529	\$67,819,582

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ We expect to use carryover of prior year unobligated balances and recoveries for FY 2021 obligations as follows: Federal benefits, \$485 million; beneficiary services, \$74 million; administrative expenses, \$110 million; and research and demonstration, \$41 million.

⁴ In addition to the FY 2022 President’s Budget request, we expect to use carryover of prior year unobligated balances and recoveries for FY 2022 obligations as follows: Federal benefits, \$1.985 billion; administrative expenses, \$53 million; and research and demonstration, \$10 million.

⁵ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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NEW BUDGET AUTHORITY AND OBLIGATIONS BY OBJECT

In the table below, “Other Services” includes administrative expenses, program integrity, and beneficiary services.

Table 2.8—New Budget Authority and Obligations by Object ^{1,2}
(in thousands)

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate
<u>Other Services³</u>			
Appropriation	\$4,331,889	\$4,338,849	\$5,033,114
Obligations	\$4,536,987	\$4,522,815	\$5,047,614
<u>Federal Benefits and Research</u>			
Appropriation	\$57,083,000	\$55,719,919	\$60,777,142
Obligations	\$56,229,135	\$56,245,714	\$62,771,962
Total Appropriation	\$61,414,889	\$60,058,768	\$65,810,256
Total Obligations	\$60,766,122	\$60,768,529	\$67,819,582

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The administrative portion of these services includes the SSI’s prorated share of unobligated LAE money that has been converted into no-year IT funds. It is not part of the annual administrative appropriation.

BACKGROUND

AUTHORIZING LEGISLATION

The SSI program is authorized by Title XVI of the Social Security Act. Section 1601 of the Act authorizes such sums as are sufficient to carry out the Title.

Table 2.9—Authorizing Legislation

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate¹	FY Amount Authorized
Title XVI of the Social Security Act, Section 401 of P.L. 92-603 and Section 212 of P.L. 93-66, as amended, and Section 405 of P.L. 92-216 ²	\$61,414,889,000	\$60,058,768,000	\$65,810,256,000	<i>Indefinite</i>
First Quarter Advance Appropriation for Subsequent Fiscal Year	\$19,900,000,000	\$19,600,000,000	\$15,600,000,000	---

¹ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

² Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

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APPROPRIATION HISTORY

The table below displays the President's Budget request, amounts passed by the House and Senate, and the actual amount appropriated, for the period FY 2010 to FY 2021. Indefinite budget authority is requested when actual Federal benefit payments exceed the amounts available for Federal benefit payments in a given fiscal year.

Table 2.10—Appropriation History¹

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
Q1 Advance	\$16,000,000,000	\$16,000,000,000	\$16,000,000,000	\$16,000,000,000
Current Year	\$40,513,000,000	--- ²	\$40,513,000,000 ³	\$39,983,273,000 ⁴
2011 Total	\$56,513,000,000	---	\$56,513,000,000	\$55,983,273,000
Q1 Advance	\$13,400,000,000	---	\$13,400,000,000	\$13,400,000,000
Current Year	\$38,083,000,000 ⁵	--- ⁶	\$37,922,543,000 ⁷	\$37,582,991,000 ⁸
2012 Total	\$51,483,000,000 ⁹	---	\$51,322,543,000	\$50,982,991,000
2012 Indefinite	No Data	No Data	No Data	\$560,000,000
Q1 Advance	\$18,200,000,000	---	\$18,200,000,000	\$18,200,000,000
Current Year	\$40,043,000,000 ¹⁰	--- ¹¹	\$40,043,000,000 ¹²	
2013 Total	\$58,243,000,000 ¹⁴		\$58,243,000,000	\$50,982,991,000
2013 Rescission				\$32,779,347,000
2013 Sequester ¹⁵				
Q1 Advance	\$19,300,000,000		\$19,300,000,000	\$19,300,000,000
Current Year	\$40,737,000,000 ¹⁶		\$40,568,741,000 ¹⁷	\$41,249,064,000 ¹⁸
2014 Total	\$60,037,000,000 ¹⁹		\$59,868,741,000	\$60,549,064,000
Q1 Advance	\$19,700,000,000		\$19,700,000,000	\$19,700,000,000
Current Year	\$40,927,000,000			\$41,232,978,000 ²⁰
2015 Total	\$60,627,000,000	No Data	No Data	\$60,932,978,000 ²¹
Q1 Advance	\$19,200,000,000			\$19,200,000,000
Current Year	\$46,422,000,000	\$46,232,978,000 ²²	\$46,110,777,000 ²³	\$46,305,733,000 ²⁴
2016 Total	\$65,622,000,000	\$65,432,978,000	\$65,310,777,000	\$65,505,733,000 ²⁵
Q1 Advance	\$14,500,000,000			\$14,500,000,000
Current Year	\$43,824,868,000	\$43,162,469,000 ²⁶	\$43,618,163,000 ²⁷	\$43,618,163,000 ²⁸
2017 Total	\$58,324,868,000	\$57,662,469,000	\$58,118,163,000	\$58,118,163,000 ²⁹
Q1 Advance	\$15,000,000,000			\$15,000,000,000
Current Year	\$38,557,000,000	\$38,591,635,000 ³⁰	\$38,450,927,000 ³¹	\$38,487,277,000 ³²
2018 Total	\$53,557,000,000	\$53,591,635,000	\$53,450,927,000	\$53,487,227,000 ³³

Table Continues on the Next Page

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Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
Q1 Advance	\$19,500,000,000			\$19,500,000,000
Current Year	\$41,208,000,000	\$41,251,000,000 ³⁴	\$41,390,721,000 ³⁵	\$41,366,203,000 ³⁶
2019 Total	\$60,708,000,000	\$60,751,000,000	\$60,890,721,000	\$60,866,203,000³⁷
Q1 Advance	\$19,700,000,000			\$19,700,000,000
Current Year	\$41,832,000,000	\$41,938,540,000 ³⁸	-- ³⁹	\$41,714,889,000 ⁴⁰
2020 Total	\$61,532,000,000	\$61,638,540,000		\$61,414,889,000⁴¹
Q1 Advance	\$19,900,000,000			\$19,900,000,000
Current Year	\$40,308,177,000	\$40,172,492,000 ⁴²	\$40,136,324,000 ⁴³	\$40,158,768,000 ⁴⁴
2021 Total	\$60,208,177,000	\$60,072,492,000	\$60,036,324,000	\$60,058,768,000⁴⁵
Q1 Advance	\$19,600,000,000			
Current Year	\$46,210,256,000 ⁴⁶			
2022 Total	\$65,810,256,000			
Q1 Advance	\$15,600,000,000			
Current Year				
2023 Total				

¹ Does not include State supplementary payments and reimbursements or the corresponding State user fee collections; user fees are included in the LAE appropriation.

² The House Committee on Appropriations did not report a bill.

³ S. 3686.

⁴ The Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10). Of this amount, \$3,493,273,000 was available for administrative expenses. The amount does not include a rescission of \$6,987,000 for SSI administrative expenses and \$72,000 for research and demonstration projects in accordance with P.L. 112-10.

⁵ Of this amount, not to exceed \$10,000,000 was for Supplemental Security Income Program-related performance-based awards for Pay for Success projects and not more than \$10,000,000 was to provide incentive payments and to conduct a rigorous evaluation of a demonstration project designed to improve the outcomes for SSI child recipients and their families.

⁶ The House Committee on Appropriations did not report a bill. Appropriations Chairman Rehberg introduced H.R. 3070, which included \$38,062,428,000 for fiscal year 2012. Of this amount, not more than \$17,428,000 was made available for research and demonstrations under sections 1110 and 1114 of the Social Security Act and remain available until the end of fiscal year 2013. Up to \$10,000,000 of the research funds were to provide incentives payments and to conduct a rigorous evaluation of a demonstration project designed to improve the outcomes for SSI child recipients and their families. In addition, H.R. 3070 included \$18,200,000,000 for benefit payments for the first quarter of fiscal year 2013.

⁷ S. 1599.

⁸ Consolidated Appropriations Act, 2012 (P.L. 112-74). Of this amount, not more than \$8,000,000 was made available for research and demonstrations under sections 1110 and 1144 of the Social Security Act. The amount does not include a rescission of \$6,377,000 for SSI administrative expenses and \$2,000 for research and demonstration projects in accordance with P.L. 112-74.

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- ⁹ The President's Budget proposed to provide \$140 million in cap adjustment funding in FY 2012, consistent with section 251(b)(2)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Of the \$140 million, the SSI portion totaled \$46 million.
- ¹⁰ Of this amount, not more than \$48,000,000 was for research and demonstrations under sections 1110, 1115 and 1144 of the Social Security Act.
- ¹¹ The House Committee on Appropriations did not report a bill. The Committee posted a draft bill which included \$39,335,614,000 for fiscal year 2013. Of this amount, not more than \$8,000,000 was made available for research and demonstrations under sections 1110 and 1144 of the Social Security Act and to remain available until the end of fiscal year 2014. In addition, the draft bill included \$19,300,000,000 for benefit payments for the first quarter of fiscal year 2014.
- ¹² S. 3295.
- ¹³ Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6).
- ¹⁴ The President's Budget proposed to provide \$266 million in mandatory administrative funding in FY 2013. Of the \$266 million, the SSI portion totals \$106 million.
- ¹⁵ SSI was exempt from sequestration in FY 2013.
- ¹⁶ Of this amount, not more than \$54,000,000 is for research and demonstrations under sections 1110, 1115 and 1144 of the Social Security Act.
- ¹⁷ S. 1284.
- ¹⁸ Consolidated Appropriations Act, 2014 (P.L. 113-76).
- ¹⁹ The President's Budget proposed to provide \$1.2 billion in mandatory administrative funding in FY 2014. Of the \$1.2 billion, the SSI portion totals \$587 million.
- ²⁰ Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235).
- ²¹ Of this amount, not more than \$48,000,000 is for research and demonstrations and not more than \$35,000,000 is for early intervention demonstrations under sections 1110, 1115 and 1144 of the Social Security Act.
- ²² H.R. 3020.
- ²³ S. 1695
- ²⁴ Consolidated Appropriations Act, 2016 (P.L. 114-113).
- ²⁵ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act.
- ²⁶ H.R. 5926.
- ²⁷ S. 3040.
- ²⁸ Consolidated Appropriations Act, 2017 (P.L. 115-31).
- ²⁹ Of this amount, not more than \$58,000,000 is for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act.
- ³⁰ H.R. 3358.
- ³¹ S. 1771.
- ³² Consolidated Appropriations Act, 2018 (P.L. 115-141).
- ³³ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act.
- ³⁴ H.R. 6470.
- ³⁵ S. 3158.
- ³⁶ Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245).
- ³⁷ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act.
- ³⁸ H.R. 2740.
- ³⁹ The Senate Committee on Appropriations did not report a bill. The Committee posted a draft bill which mirrored the FY 2020 President's Budget request for \$41,832,000,000.
- ⁴⁰ Further Consolidated Appropriations Act, 2020 (P.L. 116-94)
- ⁴¹ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act.

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⁴² H.R. 7614.

⁴³ The Senate Committee on Appropriations did not report a bill but provided a draft showing \$40,136,324,000.

⁴⁴ Consolidated Appropriations Act, 2021 (P.L. 116-260)

⁴⁵ Of this amount, not more than \$86,000,000 is for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act.

⁴⁶ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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FEDERAL BENEFIT PAYMENTS

Authorizing Legislation: Section 1602, 1611, and 1617 of the Social Security Act.

PURPOSE AND METHOD OF OPERATION

The SSI program was established to pay needy aged, blind and disabled individuals a minimum level of income through Federally-administered monthly cash payments. In many cases, these payments supplement income from other sources, including Social Security benefits and State programs. In FY 2022, we estimate benefit payments will total approximately \$62.7 billion for approximately 8 million Federal SSI recipients.

Table 2.11—Federal Benefit Payments: New Budget Authority and Obligations¹
(in thousands)

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate²	Change
Appropriation	\$56,982,000	\$55,633,919	\$60,691,142	+ \$5,057,223
Obligations Funded from Prior-Year Unobligated Balance and Recoveries	\$0	\$485,081	\$1,984,858	+ \$1,499,777
Obligations	\$56,161,568	\$ 56,119,000	\$62,676,000	+ \$6,557,000
Advance for subsequent fiscal year	\$19,900,000	\$19,600,000	\$15,600,000	- \$4,000,000

RATIONALE FOR BUDGET REQUEST

We are requesting \$61 billion in new budget authority for Federal benefit payments in FY 2022. We increased the FY 2022 request for Federal benefit payments mainly due to an additional benefit payment in FY 2022.

We estimate benefit payments based on a number of interrelated factors including the number of SSI recipients, number of applications, award and termination rates, cost-of-living adjustments, maximum benefit rates, average payment amounts, and number of payments per fiscal year.

¹ Federal benefit numbers reflect the most recent estimates from our Office of the Chief Actuary.

² The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

SSI RECIPIENT POPULATION

The number of Federal SSI recipients has decreased from 8.1 million in FY 2017 to an estimated 7.8 million in FY 2021, but is expected to increase to 7.9 million in FY 2022. The estimated increase in Federal recipients in FY 2022 represents a 1.3 percent increase over the FY 2021 level. We estimate the number of SSI recipients by analyzing a number of factors including applications, award and termination rates, and funding for program integrity initiatives.

Table 2.12—SSI Recipients, Actual ¹
(average over fiscal year, in thousands)

	FY 2017	FY 2018	FY 2019	FY 2020
Aged	1,114	1,119	1,114	1,109
Blind or Disabled	6,986	6,924	6,842	6,802
Total Federal	8,100	8,043	7,957	7,911
<i>Year-to-Year Change</i>	<i>- 0.7%</i>	<i>- 0.7%</i>	<i>- 1.1%</i>	<i>- 0.6%</i>
State Supplement Only	162	158	151	146
Total Federally Administered	8,262	8,202	8,108	8,057

In addition to Federal SSI recipients, we currently administer State supplementary payments for 20 States and the District of Columbia. We administer payments for approximately 1.4 million State supplement recipients, of which approximately 150,000 do not receive a Federal SSI benefit and only receive the State supplementary payment.

Table 2.13—SSI Recipients, Projected ¹
(average over fiscal year, in thousands)

	FY 2021 Estimate	FY 2022 Estimate	<i>Change</i>
Aged	1,084	1,100	+ 1.5%
Blind or Disabled	6,704	6,791	+ 1.3%
Total Federal	7,789	7,891	+ 1.3%
State Supplement only	143	148	+ 3.5%
Total Federally Administered	7,931	8,038	+ 1.3%

¹ Totals may not add due to rounding.

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SSI Disabled vs. Aged Recipient Population

The number of Federal blind or disabled SSI recipients as a percentage of all Federal SSI recipients gradually decreased from 86.2 percent in FY 2017 to 86.0 percent in FY 2020 and is projected to increase slightly to 86.1 percent in FY 2021 and remain stable in FY 2022.

Table 2.14—Blind or Disabled Recipients as a Percentage of Total ¹
(average over fiscal year, in thousands)

Fiscal Year	Total Federal	Aged	Blind or Disabled	Blind or Disabled as % of Total
2017	8,100	1,114	6,986	86.2%
2018	8,043	1,119	6,924	86.1%
2019	7,957	1,114	6,842	86.0%
2020	7,911	1,109	6,802	86.0%
2021 Estimate	7,789	1,084	6,704	86.1%
2022 Estimate	7,891	1,100	6,791	86.1%

Concurrent SSI/OASDI Recipients

SSI recipients also receiving Old-Age and Survivors Insurance (OASI) or DI benefits have their SSI benefit reduced, less applicable exclusions, by the amount of their OASDI benefit. Approximately 33 percent of all SSI recipients (including those only receiving a State supplement) also receive Social Security benefits. Approximately 57 percent of the SSI aged and 30 percent of the SSI blind and disabled populations receive concurrent payments.

¹ Totals may not add due to rounding.

BENEFIT PAYMENTS

Maximum Monthly Federal Payments

The maximum monthly Federal benefit rate (FBR) is increased each January when there are increases in the cost-of-living. There is a 1.3 percent cost of living increase in calendar year (CY) 2021. An increase of 2.3 percent is projected for January 2022. The FBR increased from \$783 for an individual and \$1,175 for a couple for CY 2020 to \$794 for an individual and \$1,191 for a couple in CY 2021. We estimate the FBR will increase to \$812 for an individual and \$1,218 for a couple in CY 2022. The COLA will be effective in January 2022, raising the maximum benefit rate to higher levels than the first 3 months of the fiscal year.

Table 2.15—Maximum Benefit Rates

	FY 2021		FY 2022	
	First 3 Months	Last 9 Months	First 3 Months	Last 9 Months
Individual	\$783	\$794	\$794	\$812
Couple	\$1,175	\$1,191	\$1,191	\$1,218

Average Monthly Benefit Payments

The amount actually paid to a recipient can vary from the FBR based on their income received (e.g., earnings and Social Security benefits) and the living arrangement of the recipient (e.g., residence in one’s own home, the household of another person, or in a nursing home which meets Medicaid standards). The average monthly benefit is expected to increase from \$586 in FY 2020 to \$593 in FY 2021 and \$609 in FY 2022. The increase in the average benefit payment is driven by COLAs and recipient population characteristics.

Table 2.16—Average Monthly Benefit Payments

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Aged	\$421	\$432	\$445
Blind or Disabled	\$612	\$619	\$636
All SSI Recipients	\$586	\$593	\$609

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Cost of Living Adjustments

When applicable, COLAs increase both the maximum and average monthly benefit payment. However, for concurrent SSI/OASDI recipients, increases in SSI benefit payments are partially offset by increases in Social Security benefits resulting from the same COLA. Social Security benefits are counted as income in the SSI program. Therefore, any increase in Social Security benefits resulting from the annual COLA increases countable income in the SSI benefit computation.

Program Integrity Funding

Annual benefit payment estimates are dependent on us performing a certain level of SSI CDRs and redeterminations. Specifically, the FY 2022 estimate assumes we will conduct approximately 307,000 SSI CDRs and 2,900,000 non-medical redeterminations.

Timing of Monthly Benefit Payments

Monthly SSI benefit payments are made on the first of the month, unless the first falls on a weekend or Federal holiday. In that case, the payment is made on the prior business day at the end of the previous month. When October 1 falls on a weekend or Federal holiday, the payment is made in the prior fiscal year at the end of September. This timing of payments results in 11, 12, or 13 payments in a given fiscal year.

Table 2.17—Check Payments by Fiscal Year

	Number of Check Payments	Federal Benefit Obligations
FY 2013	12	\$52,782,740,412
FY 2014	12	\$53,849,499,196
FY 2015	12	\$54,706,388,183
FY 2016	13	\$59,044,228,391
FY 2017	12	\$54,729,471,841
FY 2018	11	\$50,949,421,097
FY 2019	12	\$55,590,534,196
FY 2020	12	\$56,161,567,718
FY 2021	12	\$56,119,000,000
FY 2022	13	\$62,658,000,000

ADMINISTRATIVE EXPENSES

Authorizing Legislation: Sections 201(g)(1) of the Social Security Act.

PURPOSE AND METHOD OF OPERATION

Administrative expenses for the SSI program are funded from general revenues. Section 201(g)(1) of the Social Security Act provides that administrative expenses for the SSI program, including Federal administration of State supplementary payments, may be financed from the Social Security trust funds with reimbursement, including any interest lost, to the trust funds from general revenues.

This appropriation funds the SSI program share of administrative expenses incurred through the LAE account. Amounts appropriated are available for current-year SSI administrative expenses, as well as for prior-year administrative expenses that exceeded the amount available through this account for the prior year. If those excess prior year amounts were paid out of the Social Security trust funds, then current year SSI funds must be used to reimburse these trust funds with interest.

The legislative history of the 1972 amendments (which established this funding mechanism) indicates a desire to obtain economy of administration by giving us the responsibility for the SSI program because of its existing field office network and its administrative and automated data processing facilities. Because of the integration of the administration of the SSI and Social Security programs, it was desirable to fund them from a single source (the LAE account). This process requires that the trust funds and the SSI account pay their appropriate shares to the LAE account, which in turn manages the administrative expenses on behalf of the paying accounts. The determination is based on a Government Accountability Office approved method of cost analysis of the respective expenses of the SSI and Social Security insurance programs, and statute mandates a final settlement by the end of the subsequent fiscal year.

**Table 2.18—Administrative Expenses: New Budget Authority and Obligations
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	Change
Total Appropriation	\$4,286,889	\$4,293,849	\$4,828,114	+ \$534,265
Obligations Funded from Prior-Year Unobligated Balance	+ \$128,916	+ \$109,966	+ \$52,500	- \$57,466
Obligations	\$4,415,805	\$4,403,815	\$4,880,614	+ \$476,799

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RATIONALE FOR BUDGET REQUEST

SSI's administrative budget is driven by the programs we administer—both in terms of the amount of work performed and the number of people needed to process it—and by our continuing efforts to improve service, stewardship, and efficiency.

The FY 2022 request for SSI administrative expenses is \$4.8 billion. This appropriation is used to reimburse the trust funds for the SSI program's share of administrative expenses. This amount includes \$1.2 billion specifically for FY 2022 SSI program integrity activities.

These amounts exclude funding made available in the LAE account from State user fees for our expenses for administering SSI state supplementary payments. The LAE account assumes funding of up to \$138 million in FY 2022 to administer SSI state supplementary payments.

BENEFICIARY SERVICES

Authorizing Legislation: Sections 1148 and 1615(d) of the Social Security Act

PURPOSE AND METHOD OF OPERATION

Beneficiary services consist of the Vocational Rehabilitation (VR) and Ticket to Work (TTW) programs. The objective of the programs is to help disabled individuals return to work. The trust funds and general revenues fund beneficiary services. The Office of Management and Budget (OMB) directly apportions the trust funds' portions of beneficiary services and they are not part of this appropriation request. The general revenues fund beneficiary services for disabled Supplemental Security Income (SSI) recipients as described below.

**Table 2.19—Beneficiary Services: New Budget Authority and Obligations
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	<i>FY 2021 to FY 2022 Change</i>
Appropriation	\$45,000	\$45,000	\$205,000	+ \$160,000
Prior-Year Unobligated Balances and Recoveries	\$139,813	\$63,631	\$631	-\$63,000
Transfer of Unobligated Federal Benefit funds to Beneficiary Services ¹	\$0	\$11,000	\$0	-\$11,000
Total Budgetary Resources	\$184,813	\$119,631	\$205,631	+ \$86,000
Obligations	\$121,182	\$119,000	\$167,000	+ \$48,000

Under the VR program, we repay State VR agencies for the reasonable and necessary costs of services that successfully help disabled recipients return to work. VR agencies are successful when a disabled recipient performs substantial gainful activity (SGA) for a continuous period of 9 out of 12 months.² VR agencies can serve as Employment Networks (ENs) in the TTW program or under our VR reimbursement program.

Under the TTW program, authorized by the Ticket to Work and Work Incentives Improvement Act of 1999 (P.L. 106-170), we pay ENs for providing vocational rehabilitation, employment, and other support services to disabled SSI recipients. These recipients select an EN, which we

¹ Due to higher anticipated obligations in FY 2021, we may require a reapportionment from OMB later in FY 2021. Increased productivity in processing Ticket and VR payments is driving the increase in obligations. We expect a continued increase in VR payments as we address the backlog of VR claims. We will reassess the transfer amount as we receive more data.

² In 2021, we consider non-blind and blind disabled recipients to be performing SGA if they earn more than \$1,310 and \$2,190 per month, respectively.

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pay when EN services result in prescribed work milestones and outcomes that may reduce reliance on Federal cash benefits.

Ticket payments, unlike VR reimbursement awards, are not based on the costs of specific services provided by the EN. We pay ENs using either an outcome-milestone payment method or an outcome-only payment method.

We base Ticket payment amounts for SSI recipients on the prior year's average disability benefit payable under Title XVI. While we previously made Ticket payments only upon request, we now also initiate payments to ENs when information in our records indicates the recipient has achieved the prerequisite earnings and all other requirements qualifying the EN for a payment are met.

RATIONALE FOR BUDGET REQUEST

We are requesting \$205 million in new budget authority for beneficiary services in FY 2022. The FY 2022 forecast is based on an econometric model which uses prior payments as well as historical economic and demographic characteristics to predict future spending. Due to the uncertainty surrounding the effects of COVID-19 on the economy, we used values in the model that more closely aligned with our expectations for the payments based on FY 2020 receipts. The FY 2022 request funds an estimated 40 percent increase in obligations above the FY 2021 level. This increase in the FY 2022 budget authority for beneficiary services also accounts for an upcoming contract to process VR payments, as well as having minimal carryover into FY 2022.

Automation of payments through Ticket to Work resulted in an initial increase in the amount paid to ENs and VRs. While we saw an initial increase in the amount of Ticket to Work payments, this amount has stabilized in recent years, and we anticipate this amount to remain the same in FY 2021 and FY 2022.

In FY 2017, we implemented the Internet Ticket Operations Provider Support System (iTOPSS) that improves automation for the VR program. As a result of this new system, we witnessed an increase in the number of claims submitted by VRs, which led to an increase of backlogged claims awaiting payment processing. To address this backlog, we now require VRs to submit proof of earnings with reimbursement claims. We also follow up to obtain supplemental information from VRs after 30 days instead of 75 days. We expect to continue to carry a backlog until we can secure additional contractor resources to process the VR payment workload. The upcoming Ticket Program Manager (TPM) contract includes a new task to process VR payments. Once SSA awards the new TPM contract, and after a three-month transition period, we expect the contractor to staff the workload in order to process payments within 30 days of receipt. The contractor resources will result in an increase in the amount paid to VRs in FY 2022. Considering all the factors above, and assuming that more beneficiaries will return to work, we estimate an increase in cost reimbursement awards and the same number of milestone and outcome payments in FY 2022.

We continue our efforts to improve management and oversight of the VR and Ticket programs to ensure effectiveness. These efforts are solidified in the current EN agreements and include ongoing quality reviews of State reimbursement claims and internal audits of the agency's

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payment process. ENs and VRs help our beneficiaries attain higher levels of sustained employment success.

Table 2.20—SSI VR Reimbursement and Ticket to Work Payments¹

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
<u>Vocational Rehabilitation</u>			
SSI Only Reimbursement Awards	7,311	6,657	10,002
SSI/DI Concurrent Reimbursement Awards	4,195	3,820	5,739
Total Reimbursement Awards	11,506	10,477	15,741
VR Obligations (in thousands)	\$105,987	\$96,500	\$145,000
<u>Ticket to Work</u>			
SSI Only Milestone Payments	5,677	8,406	8,219
SSI Only Outcome Payments	17,368	25,717	25,146
SSI/DI Concurrent Milestone Payments	6,834	10,119	9,894
SSI/DI Concurrent Outcome Payments	7,701	11,403	11,150
Total Ticket Payments	37,580	55,645	54,409
Ticket Obligations (in thousands)	\$15,195	\$22,500	\$22,000
Total VR Awards & Ticket Payments	49,086	66,122	70,150
Total Obligations (in thousands)	\$121,182	\$119,000	\$167,000

ADDITIONAL INFORMATION ON VR COST REIMBURSEMENT AND TICKET TO WORK PROGRAMS

The State VR agency may decide on a case-by-case basis whether to receive compensation under the long standing VR cost reimbursement payment option or one of the two TTW payment methods described below. VR agencies have 90 days after they open a case (ticket assignment) to decide if they want to be reimbursed for their expenses under the Cost Reimbursement program or if they want to be paid under the Ticket program. Most agencies select cost reimbursement as the initial payment option and then switch to Ticket after further evaluation of a case. Regardless of the payment method the State VR agency chooses, the recipient must have agreed to use the Ticket with the State VR agency for the agency to be eligible for either type of payment.

Outcome-Milestone Payment Method:

- There are two phases of outcome-milestone payments. Phase I allows 4 payments, and Phase II allows 18 payments.

¹ Totals may not add due to rounding.

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- We begin paying the EN when the recipient successfully achieves certain predetermined work-related milestones while still receiving Federal benefits.
- We stop paying milestone payments and begin outcome payments when the recipient's monthly Federal cash benefits are not payable because of work and earnings.

Outcome-Payment Method:

- Outcome payments are payable for a maximum of 60 months (consecutive or otherwise).
- We begin issuing monthly outcome payments after the individual's monthly Federal cash benefit payments cease and the individual earns above the SGA level in a month.
- The dollar amounts of the monthly outcome payments are larger when the EN elects not to receive milestone payments while the recipient still receives benefits.

When a State VR agency provides services to a recipient under the cost reimbursement payment option, and the recipient later seeks support services from an EN, we may pay the State VR agency and the EN for sequential periods of service. However, the EN is not eligible for Phase I Ticket payments, since the State VR agency would have provided initial services.

RESEARCH, DEMONSTRATION PROJECTS, AND OUTREACH

Authorizing Legislation: Sections 1110, 1115, and 1144 of the Social Security Act.

PURPOSE AND METHOD OF OPERATION

We conduct extramural research, demonstrations, and outreach under Sections 1110, 1115, 1144, and 234 of the Social Security Act (Act). Projects funded under Section 234 are essential to our demonstration portfolio, but as they are part of the mandatory budget, we are not including them in our appropriations request.

**Table 2.21 - Research, Outreach, and Demonstration Projects:
Budget Authority and Obligations
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	<i>Change</i>
Appropriation	\$101,000	\$86,000	\$86,000	\$0
Obligations Funded from Prior-Year Unobligated Balance and Recoveries	\$31,947	\$65,380	\$26,644	-\$38,736
Total Budgetary Resources	\$132,947	\$151,380	\$112,644	-\$38,736
Total Obligations¹	\$67,567	\$124,736	\$95,968	-\$28,768
Total Unobligated Balance	\$65,380	\$26,644	\$16,676	-\$9,968

Section 1110 of the Act provides the Commissioner of Social Security the authority to conduct broad-based, cross-programmatic projects for the Old-Age, Survivors, and Disability (OASDI) and Supplemental Security Income (SSI) programs. This section provides for waiver authorities for the SSI program, as well as projects dealing with specific SSI issues. Under Section 1110, we fund a range of extramural projects: disability and retirement policy research, demonstration projects to test creative and effective ways to promote greater labor force participation among people with disabilities (including early intervention rehabilitation strategies), evaluations of proposed or newly enacted legislative changes, and projects to maintain and improve basic data about our programs and beneficiaries.

Section 1115 provides the Secretary of Health and Human Services (HHS) with the funding and authority to waive compliance with Medicaid requirements to enable States to participate in our specific research and disability demonstration projects. There are currently no research projects funded under this section.

Section 1144 requires us to conduct outreach to individuals with Medicare who are potentially eligible for State-administered Medicaid programs or Medicare prescription drug subsidies under

¹ The FY 2021 obligation is the current estimate and does not match the \$126.7 million in the FY 2022 President's Budget.

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Medicare Part D. We identify these potential beneficiaries, inform them about these programs, and notify State Medicaid agencies. The Centers for Medicare & Medicaid Services, within HHS, oversees both the Medicare and Medicaid programs.

Section 234 gives the Commissioner of Social Security the authority to conduct research and demonstration projects testing alternative Disability Insurance (DI) benefit rules. We use trust fund monies, which are permanently appropriated and not part of our request, to conduct various demonstration projects, including projects that examine alternative program rules for treating work activity of individuals entitled to DI benefits. Section 234 covers both applicants and current beneficiaries of the program. We currently have authority to commence new projects under Section 234, as amended by the Bipartisan Budget Act of 2015 (BBA). Our current authority is limited to voluntary participation of applicants and beneficiaries that requires informed written consent and requires us to complete all projects by December 31, 2022.

RATIONALE FOR BUDGET REQUEST

We are committed to improving the equity, quality, consistency, and timeliness of our disability decisions; maximizing efficiencies throughout the disability program; enhancing employment support programs to create new opportunities for returning beneficiaries to the workforce; and providing the public with accurate, clear, and up-to-date information. Our research activities are critical to our efforts in all three areas.

In FY 2022, we estimate that we will need \$86 million in new budget authority for traditional research activities under Sections 1110 and 1144.

Our FY 2022 budget request builds upon the progress we have made with specific initiatives and also reflects a significant commitment to data development, modeling efforts, and retirement and financial literacy policy research that informs decision-makers of changes to improve the solvency of the Old-Age and Survivors Insurance (OASI) and DI Trust Funds.

Extension of 234 Authority

In addition to the Section 1110 and 1144 projects, we are interested in working with Congress to extend Section 234 authority in order to provide sufficient time to conduct ongoing and new demonstrations.

The table and discussion that follows provides more details on the research and outreach efforts we plan to fund in FY 2022.

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Table 2.22—Major Research Areas, Outreach, and Demonstration Obligations and New Budget Authority (in thousands)^{1,2}

	Obligations ³		
	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Improving the Way We Do Business	\$46,178	\$102,742	\$71,463
Retaining Employment and Talent After Injury/Illness Network (RETAIN)	\$381	\$32,182	\$0
Ticket to Work Notice Optimization	\$330	\$0	\$0
Supported Employment Demonstration (SED)	\$0	\$1,559	\$0
Advisory Services to Assist SSA with Disability Issues	\$4,521	\$2,933	\$4,607
Disability Analysis File (DAF)	\$873	\$908	\$1,081
Analyzing Relationships between Disability, Rehabilitation, and Work (ARDRAW)	\$300	\$300	\$300
BPA for Time Sensitive Research Projects	\$1,926	\$2,471	\$2,000
National Beneficiary Survey (NBS)	\$1,088	\$227	\$56
Disability Research Survey	\$0	\$7,000	\$7,000
Disability Perceptions Survey	\$1,084	\$63	\$5,000
New and Emerging Research – Disability	\$3	\$181	\$2,000
NIH IAA for Data Analytics/FAB Development	\$3,728	\$4,195	\$4,500
Work Disability Functional Assessment Battery (WD-FAB) Data Collection	\$1,491	\$0	\$0
Occupational Information Systems (OIS) and Vocational Information Tool (VIT)	\$30,452	\$37,023	\$38,873
Exits from Disability Evidence Study	\$0	\$7,700	\$0
Interventional Cooperative Agreement Program (ICAP)	\$0	\$6,000	\$6,045
Deliver Services Effectively	\$6,111	\$6,618	\$8,723
Understanding America Study (UAS) Enhancements	\$3,000	\$3,002	\$5,002
Data Development in an Enterprise Business Platform (EBI)	\$2,000	\$2,000	\$2,000
Medicare Outreach (1144)	\$1,111	\$1,616	\$1,721
Ensuring Stewardship	\$15,278	\$15,376	\$15,782
Census Surveys	\$950	\$950	\$950
Data Development	\$182	\$271	\$677
Health & Retirement Study (HRS) and Supplement Retirement and Disability Research Consortium (RDRC)	\$4,155	\$4,155	\$4,155
	\$9,991	\$10,000	\$10,000
Total Research Obligations	\$67,567	\$124,736	\$95,968
New Budget Authority	\$101,000	\$86,000	\$86,000

¹ Does not include funding authorized under section 234.

² Totals may not add due to rounding.

³ This amount includes obligations funded from prior-year unobligated balances.

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Improving the Way We Do Business

Promoting Work through Early Interventions Project (PWEIP)

The PWEIP is a joint undertaking between SSA and the Administration for Children and Families (ACF) within HHS. The project will identify, select, and evaluate programs likely to improve the employment and economic outcomes of individuals who have not yet applied for SSI and have little or no work history, current or foreseeable disabilities, and ties to U.S. safety net programs. Evaluations of programs will include impact assessments and implementation research. A select number of evaluations will also include a cost analysis.

In FY 2019, we developed and entered into a jointly financed cooperative arrangement with ACF and transferred \$25 million to support the evaluation and/or service provisions of selected intervention programs. In FY 2020, we worked with ACF to engage in site assessment and selection activities for programs to participate in an evaluation under ACF's Building Evidence on Employment Strategies (BEES) and Next Generation of Enhanced Employment Strategies (NextGen) projects.

We approved seven programs that will participate in BEES or NextGen and will be supported with SSA's transferred funds. The onset of the COVID-19 pandemic in FY 2020 and its continuation into FY 2021 has led to delays in, or suspension of, some study activities, as selected programs needed to alter their operations in response to the pandemic. Depending on the trajectory of the pandemic and continued implications for selected programs, by the end of FY 2021 we anticipate completing program selection, preparing evaluation design and analysis plans for a majority of the selected programs, and launching study enrollment at a majority of the selected programs. During FY 2022, we expect all selected programs will have launched study enrollment and will be actively engaged in study activities. These activities will continue beyond FY 2022, given study enrollment periods vary by program and given the potential for continued study delays due to COVID-19.

Retaining Employment and Talent After Injury/Illness Network (RETAIN) Demonstration

The RETAIN demonstration is a joint demonstration between the Department of Labor (DOL) and SSA. The demonstration is developing, implementing, evaluating, and scaling effective stay-at-work and return-to-work early intervention strategies to support injured or ill workers in employment, including workers with COVID-19-related illnesses. The ultimate policy goal is to reduce long-term disability, including the need for DI or SSI benefits, and increase labor force participation among those individuals.

Eight States (California, Connecticut, Kansas, Kentucky, Minnesota, Ohio, Vermont, and Washington) were initially awarded up to \$2.5 million dollars for 24-month pilot grants. These States used their funds in a variety of ways to improve the early coordination of health care and employment-related supports and services, train health care providers in occupational best practices, and facilitate communication and return-to-work efforts between workers, their employers, and their health care providers.

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In FY 2019, we awarded a competitive contract to evaluate the RETAIN State awards and began working with State awardees to finalize project designs and prepare for the implementation of an initial pilot. Due to the COVID-19 pandemic, DOL issued a series of extensions to the Phase 1 and Phase 2 project timelines. In FY 2020, the evaluation contractor provided technical assistance and continued to assess the evaluability of the Phase 1 projects. Under the new timeline, the evaluation contractor produced an evaluability assessment report to aid DOL and SSA in selecting a subset of the Phase 1 States for full-implementation in Phase 2. In FY 2021, five of the Phase 1 States were competitively awarded grants under Phase 2 of the demonstration, in order to expand Phase 1 projects by improving the coordination of health care and employment-related supports and services to new geographic areas and larger populations within these States. In FY 2022, grantees will begin recruiting participants into the full program, and the evaluation contractor will begin administering surveys to both enrollees and service providers. Grantees will enroll participants into the RETAIN demonstration until summer of FY 2024 and provide services through summer of FY 2025. DOL will maintain a technical assistance contract to support RETAIN grantees and SSA will maintain a contract for conducting a rigorous evaluation of the projects. The evaluation contractor will produce an interim impact report in FY 2025 and final evaluation impact reports in FY 2026.

Promoting Readiness of Minors in SSI (PROMISE)

PROMISE is a joint pilot demonstration project with the Department of Education (ED), HHS, and DOL. The goal is to test interventions that improve the health, education, and post-school outcomes of children who receive SSI, including the completion of postsecondary education and employment. We also hope to improve family or household outcomes through improved services and supports, such as education and job training for parents.

In FY 2013, we awarded a contract to evaluate the PROMISE model demonstration projects. We released an interim service and impact report in FY 2019 and expect to produce a final evaluation report in FY 2022.

Ticket to Work (TTW) Notice Optimization

In the TTW Notice Optimization project, we are testing modified versions of the notices we send to beneficiaries and testing changes to the notice schedule to determine if the changes reduce the barriers to assigning a Ticket. The new notices provide simpler, plain language information about the Ticket program and the potential benefits of and process of assigning a Ticket. The new notices will be mailed over a period of 18-months and outcomes will be measured at 9-months post-mailing for each individual.

In FY 2019, we analyzed administrative data to identify response patterns to past mailings and characteristics associated with TTW participation and work. We also worked with the General Services Administration's (GSA) Office of Evaluation Sciences to develop prototype notices.

In FY 2020, we continued to work with GSA to finalize the notice prototypes to send beneficiaries (upon award, one year after award, and two years after award) and developed the evaluation design. We wrote the notices, otherwise known as the "Good News" notices that

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individuals receive when awarded disability, to comply with plain language guidelines and potentially improve participation in the Ticket program. We also registered the study with the American Economic Association randomized study trial registry. We worked with SSA's Office of Systems to modify the system needed to randomize notice mailings and began mailing out notices in September 2020.

In FY 2021, we continue testing prototype notices and conducting data analyses. We extended the mailings from 9 months to 18 months. As such, we will continue to send the revised notice to a random sample of beneficiaries at different intervals (after award, and the first and second year award anniversaries). Along with GSA, we will conduct the final analyses of the new mailings in FY 2022.

Supported Employment Demonstration (SED)

While many demonstrations for existing DI beneficiaries have shown positive results (e.g., increased earnings), they have not identified interventions that would return beneficiaries to substantial and sustained employment. Research indicates that health problems materialize in advance of complete disability onset and that earnings begin to decline well before DI benefits are awarded. The SED evaluates whether offering evidence-based packages of vocational, medical, and mental health services to recently denied DI and SSI applicants (ages 18 to 50 with a mental impairment) can reduce the demand for DI benefits. The SED provides participants with long-term employment services and intensive behavioral health and related services beyond what is available through their existing health plans.

We awarded a contract to implement and evaluate the SED in August 2016. The contractor completed enrollment in FY 2019. In FY 2020, all sites continued to deliver interventions and the contractor continued to conduct regular monitoring and fidelity site visits that include ethnographic observations and interviews with key informants and participants. In FY 2021, the study moved to virtual activities and data collection processes, due to COVID-19 restrictions, as full interventions continued. In FYs 2020 and 2021, participants began transitioning out of the study after 3 years of services; transitions continue until March 2022 when interventions end. The timeline for the study was extended by four months (from August to December 2022) to accommodate COVID-19-associated delays and earlier start-up delays. A special topics report, presenting and analyzing effects of innovative enrollment and study retention strategies developed for the study, will be delivered in the third quarter of FY 2021. We will receive the final evaluation reports (impact and cost-benefit analyses) and data files for the SED in the first quarter of FY 2023. The study ends December 31, 2022.

Advisory Services to Assist SSA with Disability Projects/National Academies of Science (NAS) Multi-Year Contract with NAS

In FY 2018, we awarded and are currently engaged in a five-year contract with the NAS Health and Medicine Division to conduct research and answer specific questions related to medical and vocational assessment at steps three, four, and five of the sequential evaluation process. Information for NAS assures our disability evaluations reflect the latest changes in knowledge and practice in a wide range of medical disciplines and provides support for making data-driven

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changes to our regulations and policies. The current contract also provides for Federal Advisory Committee Act (FACA) compliant Consensus Committees of medical and other experts to evaluate the effectiveness of our disability programs for adults and children.

NAS established a new standing committee of medical, vocational, and other experts to assist with policy issues. Per our requirements, NAS will also establish and manage FACA compliant consensus study committees; organize and lead workshops with subject matter experts; and plan and organize outreach conferences with members of the public.

In FY 2020, we awarded the following task orders to:

- Create a consensus committee to provide information on immune disorders other than Human Immunodeficiency Virus. We will use the information as we consider updating the criteria for evaluating these disorders under the Listing of Impairments (listings).
- Create a fast-track consensus committee on hearing testing in persons with single-sided and bilateral cochlear implantation. We will use this information to increase the applicability of the criteria we use to evaluate hearing loss treated with cochlear implantation under the listings.
- Plan and conduct a public workshop comprised of health care and allied professionals to discuss current status of organ transplants. We believe that the field of transplantation has evolved to the point where updated information could provide us with valuable information that we would use to enhance our medical evidence and documentation policies.
- Create a consensus committee to provide information on the current status of the diagnosis, treatment, and prognosis of connective tissue disorders, including Ehlers-Danlos syndrome and Marfan syndrome, and the relative levels of functional limitation typically associated with disorders, common treatments, and other considerations. We will use this information to determine our need to issue additional policy guidance in this area and identify any necessary changes to our criteria for evaluating connective tissue disorders in the listings.
- Create a consensus committee to perform a peer review of Abt Associates' Synthesizing Information about Vocational Preparation Requirements, Occupational Tasks, and Required Functional Abilities in the Standard Occupational Classification (SOC) System. We will consider the information from this report as we explore the potential to use the content of Abt's report to inform adjudicators about the cognitive, social interactive, and adaptability requirement of occupations.

In FY 2021, we are considering the following task orders to:

- Create a consensus committee to provide information on new or improved diagnostic or evaluative techniques. This information will enable us to effectively evaluate the severity of impairments, particularly in the CDR process.
- Plan and conduct a public workshop comprised of health care and allied professionals and researchers to explore and discuss the long-term effects of COVID-19. This information will provide us with evidence about the long-term health effects of COVID-19, the effectiveness and availability of treatments, how to best evaluate the long-term

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impact of the virus on survivors' ability to work, and whether additional agency-sponsored research is needed.

- Create a consensus committee on infants with extremely low birth weight and infants who are small for gestational age. This information will enable us to assess functional limitations in children with disorders that affect their development accurately.
- Plan and conduct a public workshop comprised of health care and allotted professionals to obtain information about the recent advances in the utilization of tele-presence and videoconference technology to deliver remote healthcare services. This information would assist us in determining whether it is appropriate to expand use of telehealth and videoconference technology as a way to perform consultative examinations.

In FY 2022, we are considering the following task orders to:

- Create a consensus committee on the potential beneficial effects of work for individuals with mental impairments. Because a significant percentage of the applications we receive for disability benefits involve mental impairments, and because these impairments pose unique considerations related to a person's ability to work, we seek to obtain information about the potential benefits of work for this population and whether there are specific characteristics of jobs that increase the likelihood of successful employment.
- Create a consensus committee on growth impairments in children, including those resulting from congenital disorders. This information will enable us to accurately assess functional limitations in children with disorders that affect their growth.
- Plan and conduct a public workshop comprised of health care and allied professionals to discuss the current state of stem cell-based treatments. This is a rapidly evolving field of medicine where updated information could provide us with valuable evidence that we would use to enhance our medical evaluation and documentation policies.

Disability Analysis File (DAF)

Our data are drawn from distinct administrative systems that underlie and support our programs. These data are generally available to researchers only as raw, unformatted, and undocumented extracts. Administrative data are critical for our understanding of beneficiaries with disabilities. They provide detailed data on the entire population and allow for the analysis of small subpopulations that cannot generally be studied with survey data, which is based on population samples. The DAF takes data from our ten most relevant administrative files and creates an annual formatted database that is ready for analysis, easy to use, and includes thorough documentation. The DAF focuses on data needed to answer questions about disability and work. The DAF is also designed to be complementary to the National Beneficiary Survey (NBS), which provides data on disability and work that is not available from our administrative sources. When combined, the DAF and NBS provide a complete picture of demographics, benefits, work, and work attitudes for all SSI and DI beneficiaries with disabilities.

We use the DAF for internal research and to support demonstration development and evaluation. For example, we use the DAF to examine the costs and benefits of the TTW program, the effectiveness of TTW mailings, and the characteristics associated with successful return to work

by beneficiaries. In particular, we developed two research papers on the impact of the TTW program. The first paper uses a completion of a trial work period to adjust for serious work effort to estimate the impact of TTW services. The second paper uses the discontinuation of TTW information to new beneficiaries in 2012 to estimate the TTW service effect. We expect to publish both papers in FY 2021.

We also use the DAF to model and forecast Employment Network and Vocational Rehabilitation payments under the TTW program. Further, we use the DAF to support oversight by the Social Security Advisory Board (SSAB), our Office of the Inspector General (OIG), OMB, Congress, the Government Accountability Office, and others. Additionally, we allow non-SSA researchers to use the DAF, primarily through the Retirement and Disability Research Consortium (RDRC). Since 2015, 49 research papers have used DAF data in their analyses with 11 new papers in 2020. We also created a public-use version of the DAF, which is available at www.data.gov. There has been significant interest in using the public use DAF file, with average downloads of 80 per month in 2020. In FY 2022, we will continue to build both the full DAF file and the public use version of the DAF.

Analyzing Relationships between Disability, Rehabilitation, and Work (ARDRAW)

The ARDRAW small grant program provides one-year stipends to graduate-level students to conduct research on beneficiaries' experience with work, disability, rehabilitation, and employment support. We awarded the grant management agreement for ARDRAW in August 2016. ARDRAW is renewable on a yearly basis for up to five years. The program provides an opportunity to support scholars pursuing careers in public policy research, who have a special interest in our beneficiaries' quality of life and DI program issues.

In FY 2020, we received applications for the fourth ARDAW cohort and received the final projects from the third ARDRAW cohort. In FY 2021, we will receive final projects from the fourth ARDRAW cohort and request applications for the fifth and final cohort of ARDRAW student researchers. For FY 2022, we had planned to award a new grant agreement to continue the ARDRAW program, but have decided to extend the project for an additional year.

For more information, please see the ARDRAW website: <https://ardraw.policyresearchinc.org>.

Blanket Purchase Order Agreement for Time Sensitive Research Projects

In FY 2018, we awarded a Blanket Purchase Agreement (BPA) aimed at providing an alternate research channel for policy and program assessments and studies related to social science, medical, or vocational rehabilitation topics. This BPA supports projects that are smaller in scope and less resource intensive than some of our more traditional contracts and allows for multiple research projects to occur simultaneously in relatively short timeframes. We can expect deliverables in the range of 4 to 6 months, which is considerably quicker than the 18-plus months expected from traditional contracts. We build an interactive process with the contractors as the projects proceed, which provides us with the ability to course-correct as the work progresses. The BPA also provides the option to contract with a trusted agent to develop and assess research questions, provide subject matter expertise, and evaluate research products to support policy

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decisions. The use of a trusted agent is optional and will be considered on a case-by-case basis, dependent upon the nature or sensitivity of the research topics.

We awarded five studies in FY 2020. Topic areas included:

- Research to identify performance indicators for use in the representative payee program based on the Nursing Home Compare database.
- Research to identify new performance factors for representative payee research on creditor payees & for using credit data of payee organizations.
- Evaluation of the TTW employment network payment structure.
- Evaluation of the work incentives planning and assistance (WIPA) service model.
- Research on the impact of selected work-related physical and mental limitations to identify applicants' mental limitations that cannot be captured using a standard questionnaire.

We are once again conducting a needs assessment to determine the focus areas for studies that will use FY 2021 funding. We anticipate comparable project topics for FY 2021 and FY 2022 to support our research and regulatory and subregulatory policy efforts.

National Beneficiary Survey (NBS)

The NBS collects data from a nationally representative sample of DI beneficiaries and SSI recipients on a wide range of topics not available in our administrative data or in other public databases. These data include health and functional status, health insurance coverage, interest in work, barriers to work, use of services, work history, income, and experience with Social Security programs. The collection of these data improves our ability to conduct useful analyses regarding the factors that facilitate DI beneficiary and SSI recipient employment and, conversely, factors that impede their efforts to maintain employment.

Our researchers and analysts, along with researchers at other Federal agencies and academic institutions, use NBS data extensively to evaluate the TTW program and other DI and SSI work incentive programs and policies. In addition, we are able to provide timely information to Congress and other stakeholders for purposes of policymaking, budgetary review, program evaluation, service improvement, and oversight. The NBS is used to support both internal and external analyses of our disability programs. Since 2015, 58 research papers used the NBS data in their analyses.

The NBS gathers information through three samples. One is a nationally representative sample of DI beneficiaries and SSI recipients—called the Representative Beneficiary Sample (RBS)—which collects information on their health and well-being, employment-related goals and activities, and usage of programs and services. Through an additional sample of beneficiaries who have succeeded in earning amounts sufficient to have benefits suspended due to work—called the Successful Workers Sample (SWS)—the 2017 NBS included, for the first time, a large-scale focus on beneficiaries who have experienced employment success. The 2019 NBS was comprised of both the RBS and SWS components and also included a longitudinal sample of successful workers who were part of the 2017 SWS.

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In FY 2020, we completed administration of the 2019 NBS, conducted quality reviews of the 2019 data, and developed a public use file available conveying the results of the 2017 NBS, thereby facilitating additional research on the beneficiary population. In FY 2021, we will develop a user's guide, codebook, and data files conveying information and results from the 2019 round of the NBS. Upon completion of these activities, we will post the 2019 NBS public use file and associated documentation on our website. In FY 2022, we will produce final statistical weights for the 2019 NBS SWS and begin development of final data files and documentation covering all rounds of the NBS in preparation for contract closeout.

Reports and public use files containing data from prior rounds of the NBS are available on www.data.gov and our website at: <http://www.ssa.gov/disabilityresearch/nbs.html>.

Disability Research Surveys

We are developing a new set of surveys, namely the Disability Research Surveys (DRS), that will broaden the scope of information we collect about beneficiaries. This new set of surveys will include three separate surveys: one NBS and two new surveys. The NBS provides information of representative cross-sectional samples of all adult DI beneficiaries and SSI recipients with disabilities and beneficiaries who leave the programs due to successful work. One of the two new surveys will collect information on the characteristics, recent employment experiences, service receipt, and experiences during the application and post-application process of new cohorts of awarded and denied applicants. The subject of the third survey will be determined at a future date. We will request funding for these three surveys separately. In late FY 2021, we plan to award the contract for the NBS survey.

The NBS is the first survey under the new contract and will be fielded in FY 2023. The second survey will be a survey of recent applicants, to be funded in FY 2023 and fielded in FY 2025. We will determine the final survey in the future based on topics of greatest interest at that time. Possible topics include, but are not limited to, the homeless or other vulnerable populations or youth transition to work. We anticipate funding the final survey in FY 2024 and fielding in FY 2026.

Disability Perceptions Survey (DPS)

In FY 2020, we awarded a contract for the DPS. This survey will gather information on knowledge, perceptions, and opinions working-age adults have about the DI program.

New and Emerging Research – Disability

This category includes projects that provide broad program analysis and development in support of the DI and SSI programs. These projects typically include studies of program policy issues, the identification of trends in the disability programs, the formulation of agency policy regarding cross-cutting programs or issues related to disability and/or income assistance programs including those of racial equity outlined in Executive Order 13958, and the development and implementation of policy and procedures on DI and SSI work incentives.

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Projects that originate in this category may not be included in previous budget planning activities. The New and Emerging Research – Disability line item allows us to allocate funding to cover the costs of (a) small initiatives or (b) initial project development for larger initiatives. If SSA assesses that a project will translate into a larger, multi-year initiative, the project will receive its own line item in future budget planning activities. Factors that determine this transition include project scope, duration, and cost.

SSA-NIH Research on Data Analytics and the Work Disability-Functional Assessment Battery (WD-FAB)

Under an Interagency Agreement (IAA), the National Institutes of Health (NIH) Clinical Center provides in-depth analysis of our existing data and continues to provide us support related to testing the WD-FAB in our continuing disability review (CDR) process. The WD-FAB may provide uniform information about individuals' self-reported functional ability that we can use to inform our disability data collection and determination processes.

In FY 2020, NIH started an analysis of baseline WD-FAB scores collected during the SED project, along with other SSA data such as residual functional capacity (RFC) assessments, to evaluate how WD-FAB scores and functional status more broadly changes over time. We expect this analysis to be completed in FY 2021. NIH also developed natural language processing methods to characterize and extract functional language information from medical evidence. As a part of this research effort, NIH provided additions to the initial version of the functional terminology ontology, provided at the end of FY 2019, that contained information associated with the Mobility domain of the International Classification of Functioning, Disability and Health (ICF) framework. NIH also expanded their functional terminology ontology to include information from the ICF's Self-care/Domestic life domain and developed an initial draft of information for the mental functioning domains of the ICF (e.g., Interpersonal Interactions and Relationships).

In FY 2021, NIH will continue their WD-FAB related work by providing an analysis of functions over time by evaluating WD-FAB data collected during the SED project along with other SSA administrative data to analyze how WD-FAB scores change over time. The findings from this analysis may have implications on future studies of the WD-FAB with SSA populations, such as the testing of the WD-FAB within our CDR process. NIH will also continue to expand upon their work to develop natural language processing methods to assist us in identifying functional terminology within the unstructured text of medical evidence, as well as provide us with an expanded and revised version of a functional terminology ontology originally delivered at the end of FY 2019. This research will require NIH to evaluate the Mobility domain methods already provided to SSA in FY 2020 using SSA's RFC data for comparison and demonstrate how their Interpersonal Interactions and Relationships classification models relate to our criteria for the medical listings around interacting with others.

In FY 2022, NIH will conduct the initial analysis of the WD-FAB data collected in FY 2021 and FY 2022. After the WD-FAB data collection is complete, NIH will provide us with an analysis report comparing WD-FAB data to our CDR predictive model scores, responses to CDR Mailer (Form SSA-455) questions, and CDR full medical review outcomes for participating SSA beneficiaries. Once received, we will use the report's evidence and findings to evaluate the

value and feasibility of incorporating the WD-FAB into our CDR business process. NIH will also continue to expand upon their work to develop natural language processing methods to assist us in identifying functional terminology within the unstructured text of medical evidence as well as provide us with an expanded version of the functional terminology ontology developed to inform our disability determination process.

Work Disability - Functional Assessment Battery (WD-FAB) Data Collection

In FY 2020, we awarded a contract to support WD-FAB administration and data collection efforts associated with the study testing the WD-FAB within our CDR process (mentioned in the previous section). This data collection will provide data to examine the potential uses and value of the WD-FAB in our CDR process. We will administer the WD-FAB to a sample of our beneficiaries on two occasions during FY 2021 and FY 2022. NIH will use this data in work identified in the prior section.

Occupational Information System (OIS) and Vocational Information Tool (VIT)

In 1991, DOL stopped updating the DOT and replaced it with the Occupational Information Network (O*NET), a system that was developed as a career exploration tool, but does not measure strength and physical requirements of work in a way that our disability rules require. We are developing a new OIS that could replace the DOL's Dictionary of Occupational Titles (DOT) as the primary source of occupational information in our disability adjudication process.

We began collaborating with DOL's Bureau of Labor Statistics (BLS) in FY 2012 to develop the Occupational Requirements Survey (ORS) to collect updated information on the requirements of work in the national economy. We will use the ORS data, along with specified information from other occupational sources, to create the new OIS. The OIS will classify occupations using the Standard Occupational Classification System (SOC) and include ORS data elements to measure the physical, mental/cognitive, and environmental requirements of work in the national economy, as well as the education and training needed to gain average proficiency in a job. The OIS will be housed, accessed, and operationalized through the VIT, a web-based information technology platform.

In FY 2020, BLS collected data for the second year of the five-year update. During the first year of the update, SSA and BLS determined that the updated sample design was collecting data across a broader range of occupations as intended. SSA and BLS held quarterly executive meetings to discuss data collection, project planning, and potential BLS research, including small domain estimation and disclosure limitation methods, and collaborated to produce a project development plan that ensures the ORS meets the needs of SSA. At the end of FY 2020, BLS began data collection for the third year of the five-year update. SSA activities related to VIT development included developing functionality that will facilitate matching claimant functional limitations to ORS requirements.

In FY 2021, as part of the five-year update, BLS will complete the third year of data collection, publish data from the second year of collection, and begin the fourth year of data collection. BLS and SSA executives will continue quarterly meetings and will reach agreement on the proposed changes for measurement objectives for the second five-year update that begins in

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FY 2024. BLS will produce a detailed project plan that specifies development activities and timelines for research and testing of the agreed upon changes. SSA will also analyze ORS first and second wave microdata to determine the number of workers in the national economy who fulfill combinations of RFC and Specific Vocational Preparation (SVP)¹ elements and the most prevalent occupations of those workers. VIT development will include upgrading the system's architecture to comply with SSA's new user experience framework and conducting detailed user experience testing.

In FY 2022, BLS will complete the fourth year of data collection, publish data from the third year of the collection, and begin the fifth year of data collection. BLS will conclude the update in FY 2024.

Exits from Disability Evidence Study

Based on medical improvement, we terminate the benefits of thousands of DI beneficiaries and SSI recipients each year. However, many individuals whose benefits are terminated later return to disability programs. About 30 percent of adult SSI-only recipients and 20 percent of DI-only working beneficiaries who stop receiving benefits because of medical improvement return to these programs within eight years. Among the working DI beneficiaries whose benefits stop, few maintain employment or work above common thresholds of self-sufficiency.

In FY 2019, we conducted a Technical Expert Panel (TEP) to discuss options for a demonstration to support individuals exiting DI due to medical improvement. The TEP recommended we study the services this population needs to support continued or improved self-sufficiency.

Based on the TEP's recommendation, we plan to initiate a study to collect information about the service, medical, and employment needs of working-age adults (i.e., 18 to 64 years of age) exiting Social Security disability programs because of medical improvement. It also serves to produce testable policy recommendations that help the study population become self-sufficient. The study will involve conducting qualitative and quantitative data activities, including focus groups and a survey, to gather information about the needs of Exiters and Possible Exiters from the DI and SSI disability programs after a determination of medical improvement. Furthermore, this effort will involve small-scale use of Motivational Interviewing to gain more insight about their needs and barriers with respect to promoting sustained and substantial work activity leading to self-sufficiency among this population.

During FY 2020, we began study planning and market research in preparation for awarding a contract to conduct a study. In FY 2021, we will award a contract for the study and in FY 2022 we will clear all data collection activities, per the Paperwork Reduction Act and finalize the schedule with the contractor. We expect to complete all study activities by the end of FY 2024.

¹ SSA defines Specific Vocational Preparation as the amount of time required to learn the techniques, acquire information, and develop the facility needed for average performance in a specific job-worker situation. See POMS § [DI 25001.001A.77](#), effective May 30, 2018.

Interventional Cooperative Agreement Program (ICAP)

Due to increased attention from policymakers on the employment of individuals with disabilities and their participation in the DI and SSI programs, we propose the establishment of a cooperative agreement program to allow us to collaborate with States, private foundations, and others who have the interest and ability to identify, operate, and partially fund interventional research.

The research and interventions under this program will target the increased employment and self-sufficiency of individuals with disabilities (whether beneficiaries, applicants, or potential applicants of the DI or SSI programs) that could lead to a reduction in DI or SSI participation. Other research priorities include helping claimants in vulnerable populations apply for or appeal decisions for DI and SSI benefits and conducting outreach to children with disabilities who are potentially eligible to receive SSI. This program will provide a process through which we can systematically review demonstration proposals from outside organizations and enter into agreements to collaborate with these non-Federal groups. The cooperative agreements will provide the mechanism for data sharing for evaluation purposes and allow for program waivers that are consistent with current demonstration waiver authorities. This work will complement and be coordinated with our own demonstrations and partnerships with other Federal agencies. This cooperative agreement program does not conflict with our other research grant programs—ARDRAW and the RDRC—which focus on “observational” or “survey” research as contrasted with “experimental” research.

The awards will be tiered, with funding eligibility and level of funding based upon the level of evidence that currently exists for the proposed intervention (i.e., feasibility studies with no causal evidence would be eligible for smaller awards than studies scaling up or otherwise implementing interventions that qualify as “effective” according to a statistical and evaluation criteria). The one-year base period of each grant will support the development of data sharing agreements, project planning, evaluation design, and other administrative aspects of the agreement. If, at the end of the first year, the planning process results in an evaluable project, grants may be extended for up to four additional years. In FY 2021, we plan to pilot this program with at least two cooperative agreements. In FY 2022, we will conduct start-up activities with the initial awardees and solicit applications for additional projects.

Deliver Services Effectively

Understanding America Study (UAS) Enhancements

The Understanding America Study (UAS) is an innovative, nationally representative longitudinal internet panel. Through a jointly financed cooperative agreement with the National Institute of Aging (NIA), our support will allow the grantee to maintain and expand the sample size by the end of the grant to 10,000 panel members. It will also allow for additional data improvements that support policy-relevant research and evidence-based decision-making.

The UAS planned improvements allow us to make more informed decisions about initiating new policies, procedures, and educational products designed to enhance retirement security and administer the program. For example, we use the data to better understand communications

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preferences of the public, and we used the longitudinal data to inform the new *Social Security Statement* supplemental fact sheets that were released in the *my Social Security* portal in FY 2021. The UAS data is also available for internal and external researchers to use in addressing research questions. For example, the Financial Literacy and Education Commission and other Federal agencies used data from the UAS in their publications about consumer debt, the public's knowledge of Social Security programs, and sources of the public's financial advice. Lastly, we have used the UAS data to publish several research papers on Social Security program knowledge, retirement savings behavior, and the relationship between debt and retirement preparedness.

Data Development in an Enterprise Business Intelligence (EBI) Platform

The EBI Platform, together with our Office of Retirement and Disability Policy's (ORDP) Analytics Research Center (ARC), provide advanced analytics and data integration tools for efficient access and analysis of agency records to support data driven decision-making. Our research funding supports a subset of activities to enhance research and statistical functions conducted by our Office of Research, Evaluation and Statistics (ORES); primarily the publication of statistics from administrative records.

Some of our legacy processes used for producing statistics still require significant manual intervention. We generate reports and data files monthly, quarterly, yearly, and on an ad-hoc basis. Modernized applications automate the processes, which we use to create statistical data, tables, and reports for research. Modernization processes have improved report and data production efficiency and accuracy.

In FY 2020, we enhanced earnings statistical publications processes including:

- Modernizing earnings data development processes to reduce errors and improve efficiency and accuracy in production of earnings publications.
- Modernizing and automating earnings statistical publications, including more than 15 source files, and over 130 statistical tables.
- Development of a new 'Earning Geography' process to assign a single State and county geography code for publication tables. The new process improves the accuracy of SSA's geography data.

In FYs 2021 and 2022, we will continue to build tools to enhance our research and statistical reports. Modernization efforts will focus on enhancing and standardizing obsolete data collecting methodologies with the use of modern statistical analytical tools such as Statistical Analysis Software (SAS).

FY 2021 work will include:

- Modernization and development of automation processes including streamlining current business processes for the OASDI publication processes. OASDI statistics provide statistical characteristics of beneficiaries—for example, age, sex, income, and type of disability—and the type of benefits they receive (retired-worker, survivors, disabled-

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worker benefits, and so on) including statistics by State, county and congressional district.

- Efforts also include the development of automated processes for converting OASDI flat files to SAS Datasets; developing automated processes for cleansing, validating, and summarization of data files for reporting and distribution for internal and external customers; and generating monthly reports including Totalization report, IRMAA Statistics, 1-A Supplement report, and a report for our Office of Financial Policy and Operations. We will also develop an OASDI/SSI Ad-Hoc Programming Environment within SAS Data Integration Studio program software.
- Additionally, we will continue to maintain existing automated publication processes for Windfall Elimination Provision and Government Pension Offset (WEP-GPO), SSI, Earning Geography (GEO), Earning Publication, and Representative Payee. Our work will support ORES staff on ongoing production of publications and critical ad-hoc research projects, which includes partnerships with ORES staff and SAS contractors using Enterprise Business Intelligence (EBI) tools. EBI tools help support the production of statistics or data extracts.

FY 2022 work will include:

- Efforts will include development of automated processes for generation of over a thousand OASDI statistical tables, publications, and reports.
- Modernization and automation of Cell Suppression methods and end-to-end validation processes for over a thousand OASDI statistical tables, publications, and reports.
- Maintenance and upgrade of WEP-GPO, SSI, Earning GEO, Earning Publication and Representative Payee automated publication process from SAS 9.4 M5 version to SAS 9.4 M7 (latest version of SAS).

Medicare Outreach – Section 1144

We target outreach to income-tested Medicare eligible beneficiaries and beneficiaries who have experienced an income decrease. Rather than notify all potentially eligible beneficiaries each year, we annually notify 20 percent of those who previously received an outreach letter, have not received the benefits, and continue to meet the income test.

The passage of the Medicare Prescription Drug, Modernization, and Improvement Act of 2003, P.L. 108-173, expanded the existing cost-sharing outreach requirements of Section 1144 to include outreach to beneficiaries who were potentially eligible for the Medicare prescription drug card transitional assistance. Outreach now includes the subsidized Medicare Prescription Drug coverage program that replaced the transitional program. Since 2002, we have provided outreach letters to beneficiaries with incomes below 135 percent of the poverty level. The letters cover help with “traditional” Medicare, and since 2006, include information about subsidized prescription drug coverage, when appropriate.

In addition, we must share lists of individuals potentially eligible for cost sharing with State Medicaid agencies. The major objective of these projects is to increase the enrollment of eligible

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individuals with low income into programs that assist Medicare beneficiaries with their out-of-pocket medical expenses, including prescription drug coverage premiums.

Congress further amended Section 1144 with the passage of P.L. 110-275, the Medicare Improvements for Patients and Providers Act of 2008. This law deemed every Medicare Prescription Drug low-income subsidy (Extra Help) application filed with SSA to be a protective filing for the State-administered Medicare Savings Program (MSP), unless the claimant objects. Since FY 2010, HHS fully reimburses our costs in an amount not to exceed \$3 million per year.

In FY 2020, we mailed approximately 1.8 million outreach letters to those who potentially qualified for MSP or Medicare prescription drug coverage low-income subsidy. In FYs 2021 and 2022, we anticipate approximately the same number of mailings, and factor in a contingency amount for possible increases in enrollment, beneficiaries who experience an income decrease, and other expected expenses such as an increase in postage.

Ensuring Stewardship

Census Surveys

The Census Bureau's Survey of Income and Program Participation (SIPP) is the foundation for much of our policy analysis and modeling efforts. Improving the overall quality of data obtained from the Census Bureau surveys enhances the quality and reliability of the analyses we conduct. We particularly support efforts to improve the quality and content of data that are directly relevant to analyses of the Social Security and SSI programs. In addition, we support efforts by the Census Bureau to improve the ability to match their survey data to our administrative data on benefits and earnings. We rely upon SIPP data matched to our records to study OASI, DI, SSI, and related programs, along with the effect of changes to them on individuals, the economy, and program solvency.

In FY 2019, we developed new questions relating to disability, pensions, and duration of marriage. In FY 2020, the Census Bureau developed and tested this new content and updated training materials for data collection. FY 2021 will be the first production implementation of the new SIPP content in data collection and processing. Beginning in FY 2022, the SIPP content will be stabilized in collection and processing.

Data Development

One of the main objectives of our extramural research program is to provide information for decision-makers on the OASI, DI, and SSI programs. As part of this effort, we develop and maintain a series of detailed, statistical databases drawn from our major administrative data systems and prepare a broad range of statistical tables. As one of 13 Federal statistical agencies, we also produce statistical compilations and publications, and develop information for research, evaluation, and models using survey data collected by SSA, other Federal agencies, and Federally-sponsored institutions.

In FY 2021, we will enter into a new agreement with the Census Bureau called the "Ask US" Panel (i.e., Census Address-and Probability-Based Online Panel). The focus of the interagency

agreement is to collaborate to design, build, and maintain an address-based, probability-based online research panel that will be available for the Federal Statistical System to conduct robust public opinion and methodological research. The Census Bureau, in collaboration with several federal statistical agencies, has entered into a collaborative agreement with RTI (formerly Research Triangle Institute) to build this panel. Our partnership with Census allows the use of a readily-available government-wide, government-vetted online research panel to conduct regular (e.g., *Statement* surveys) as well as emergency rapid-response (e.g., COVID-19 research) survey needs so that we would not need to continually go through the process and costs of choosing and paying outside vendors to conduct our survey research needs. This partnership would also allow us to engage with Census and other agencies in shaping many of the details for how the new panel is built and maintained. Finally, the partnership will facilitate both longitudinal and quick turnaround, probability-based research that many government agencies are interested in conducting. This objective supports the Commission on Evidence-Based Policy Making recommendations ([Commission on Evidence-Based Policymaking \(CEP\) | The Administration for Children and Families \(hhs.gov\)](#)) in several ways:

- Promotes a multi-year learning agenda that supports the generation and use of evidence;
- Enables coordination of the Federal government's evidence-building activities across departments; and
- Streamlines the approval processes for new data collections and using existing flexibilities in procurement policy.

This online research panel will also facilitate longitudinal and near real-time measurement of key areas of interest to statistical agencies, including:

- Privacy and confidentiality opinions and preferences;
- Public attitudes towards data collection and use of administrative records;
- Methodological choices regarding online instrument design decisions;
- Survey design choices regarding wording and contact timing; and
- Messaging strategies to increase response rates.

This project also funds activities central to our role as a Federal statistical agency: the creation of data needed to inform policymakers about important programs, efforts to make data more widely accessible or usable for policy research purposes, and collaboration with other agencies (to study issues of policy relevance and to improve data quality and methods of data analysis).

In FY 2022, we will enter into a new agreement with the Bureau of Census for the Household Pulse Survey (HPS). The HPS provides data on a wide range of social and economic dimensions of American life as a result of the COVID-19 pandemic and recovery, including employment status, income loss, spending, application and receipt of benefits, mental health and access to care, educational disruptions, housing and food security, ability to telework, and travel practices. The Census Bureau produces and releases HPS data weekly for the nation, each State, and the 15 largest metro areas in the United States. The Census Bureau is the designated federal statistical agency conducting this survey and the HPS was designed in collaboration BLS; the Bureau of Transportation Statistics (BTS); the Centers for Disease Control and Prevention (CDC); the National Center for Education Statistics (NCES); the Department of Housing and Urban

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Development (HUD); the National Center for Health Statistics (NCHS); SSA; and the USDA Economic Research Service (ERS). The Census Bureau consolidates content requests from these partner agencies into one effort, meeting a range of time-sensitive data needs while minimizing overall burden.

We are using data from the HPS to evaluate trends in benefit applications during the COVID-19 pandemic and recovery, including applications for Social Security, SSI, and Medicare benefits. The data also allow us to examine how COVID-19 is affecting vulnerable populations (Blacks, Hispanics, elderly, low income, poor health, lower educated). These survey findings may also help us in explaining the recent drop in claims by examining data for those who delay claims due to the pandemic.

Other Data Development projects that we are currently funding include:

- Committee on National Statistics of the National Research Council—provides support to the Committee to improve statistical methods and information on which public policy decisions are based. Recent Committee topics include survey options, redesigning the Consumer Expenditure Surveys, and improving healthcare cost projections for the Medicare population.
- National Longitudinal Survey of Youth (NLSY79) — an interagency collaboration with BLS. The collaboration adds questions to an existing NLSY79 survey that can provide unique insights about how early and mid-life events or experiences affect claiming for Social Security benefits, savings, retirement, as well as program knowledge.

In addition to these specific projects, we will respond to new needs and opportunities for expansion and improvement of data as they arise.

Health and Retirement Study (HRS) and Supplement

The University of Michigan's Health and Retirement Study (HRS) surveys more than 22,000 Americans over the age of 50 every 2 years and provides an ongoing source of longitudinal data for research on retirement and aging. The study describes Americans' transition from work to retirement and provides data on health and economic well-being after retirement that is not available in our program data. HRS data help us assess a wide range of issues, including pre-retirement saving, health insurance and pension coverage, employment and retirement patterns, and projected benefits of disabled and retired workers. Through jointly financed cooperative agreements with NIA, we have supported the HRS from its inception. HRS has become the premier source of data on the retirement-age population, especially when linked with our administrative records on benefits and earnings.

We use the HRS for research projects we fund through the RDRC and by our staff in conducting research on topics including disability, pension participation, differences in contributions to tax-deferred savings accounts among different birth cohorts, and retirement income resources of near-retirees. For example, in FY 2021, our researchers will continue to use the HRS for a study analyzing the accuracy of our Income of the Aged publications and for a study measuring total retirement resources (wealth and income) from 1992-2016, including in-kind transfer payments.

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The HRS data we support is also available for outside researchers to use. In FY 2022, researchers will continue to use the HRS to better understand the population aged 50 and older.

Retirement and Disability Research Consortium (RDRC)

The RDRC is one of our key tools for maintaining a strong capability to produce a large body of policy-relevant research on Social Security programs. The RDRC comprises four competitively selected research centers based at the University of Michigan, Boston College, the National Bureau of Economic Research (NBER), and the University of Wisconsin. These research centers are broadly charged with planning, initiating, and maintaining a high quality, multidisciplinary research program that covers retirement, disability, and Social Security program issues. The centers perform valuable research and evaluation of retirement and disability policy, disseminate results, provide training awards, and facilitate the use of our program data by outside researchers.

We awarded the current set of five-year cooperative agreements for the RDRC at the end of FY 2018, with activities beginning in FY 2019. These centers have greatly expanded the amount of policy research on Social Security-related issues and have responded to our specific analytical needs. The research results of the RDRC are widely reported in professional journals, conferences, leading newspapers, radio, and television programs.

FY 2020 funding supports 66 projects to be conducted in FY 2021—compared with 59 projects conducted in FY 2020—on a variety of topics relating to retirement, disability, and Social Security. With the enacted funding in FY 2021 and estimated budget for FY 2022, we anticipate funding around the same number of projects in the next two years. At the broadest level, RDRC proposed research and activities must be relevant to at least one of our program areas or populations. Because specific research needs evolve over time, we provide a list of research focal areas each year. Focal areas for projects to be conducted in FY 2022 include: trends in disability (i.e., the factors that influence disability awards and duration on the disability rolls); work in the modern economy; disabled beneficiaries and return-to-work; informing the economic and demographic assumptions underlying trust fund projections; improving our communication and outreach; the economic security of our beneficiaries; understanding disparities by race and ethnicity; and improving service delivery. Within each topic, we provided the centers with specific research questions for them to consider when developing their research proposals.

In addition to supporting research activities, the RDRC will continue to prepare future experts on retirement and disability issues and policy through research training fellowships, dissertation support, pre- and post-doctoral fellowships, early investigator grants, and junior scholar workshops.

RELATED FUNDING SOURCES

The Commissioner of Social Security has the authority to conduct research and demonstration projects under Section 234 of the Act. We use trust fund monies to conduct various demonstration projects, including alternative methods of treating work activity of individuals entitled to DI benefits. These demonstration projects, authorized under the 1999 Ticket to Work

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Act and the BBA of 2015, are funded from the trust funds and are not part of the annual research appropriation request. OMB apportions Section 234 funds. The BBA provided authorization to initiate such projects until December 31, 2021, and to carry out such projects through December 31, 2022.

Benefit Offset National Demonstration (BOND)

The Benefit Offset National Demonstration (BOND) tests the effect of a \$1-for-\$2 offset of benefits for DI beneficiaries when earnings are above the substantial gainful activity (SGA) level.

We published the final evaluation report in FY 2019. We will continue to provide work incentive counseling services to the remaining BOND participants through FY 2022. We extended the contract to provide these services until the last BOND participant is no longer eligible for the offset in late 2022.

Promoting Opportunity Demonstration (POD)

Section 823 of the BBA amended Section 234 of the Act and instructed us to carry out a demonstration project testing a \$1-for-\$2 benefit offset. This project differs from BOND in several ways. Among these differences, POD applies a monthly offset to earnings above either a standard threshold (the Trial Work Period level) or an itemized Impairment Related Work Expenses (IRWE) level. Participation is voluntary and individuals can withdraw from the project at any time.

Project implementation is nearing completion, as participation for beneficiaries in the POD ends June 2021. The effects of COVID-19 on POD will affect the interpretation of the final 2020 impact estimates due to the resulting economic recession and increased unemployment rate. However, we will continue to provide benefits counseling and process offsets for participants. We recently released three evaluation reports:

- [Recruitment and Random Assignment Report](#)
- [Effectiveness of Reminder Messages for Recruitment](#)
- [POD BOND Comparison Report](#)

The final survey of participants will be completed in FY 2021 and we will complete the evaluation in FY 2022.

Lessons Learned from SSA Demonstrations

For more than 30 years, we have conducted several tests of new policies and programs to improve beneficiary work outcomes. These demonstrations have covered most aspects of the DI and SSI programs and populations and have addressed topics including family supports, children, informational notices, changes to benefit calculations, and a variety of employment services and program waivers. These demonstrations generate many reports about which policies worked and which did not, but there has yet to be a synthesis of the findings from the entire body of work, apart from a few cursory reviews in academic survey articles or brief reports. There remains a

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need for a comprehensive review to identify cross-demonstration lessons about which policies, programs, or other operational decisions would provide effective support for disability beneficiaries who want to work.

We plan to synthesize the lessons learned from these tests to highlight promising strategies policymakers could implement. By taking stock of the full lessons learned from these demonstrations, policymakers will have an understanding of what has been tested and whether and why those policies were effective. In turn, this understanding will enable us to implement policies that work in multiple settings, propose alternatives to policies that may not have worked for identifiable reasons, and identify policies and strategies for future demonstrations. The synthesis will help us identify new policies that build on prior research and ways to implement demonstrations (in terms of methodology and analytical approaches) that maximize the amount of usable information within reasonable timeframes and budgets.

We awarded a contract in FY 2020 and will hold a state-of-the-science meeting in June 2021. We will disseminate the findings more broadly through early FY 2022.

Table 2.23—Current Research Projects Obligations through FY 2020
(in thousands)

	Years	Total
Improving the Way We Do Business		\$450,511
Promoting Work through Early Interventions Projects (PWEIP)	2019	\$25,000
Retaining Employment and Talent After Injury/Illness Network (RETAIN)	2019-2020	\$42,730
Advisory Services to Asst. SSA with Disability Issues	2008-2020	\$29,871
Disability Analysis File (DAF)	2008-2020	\$15,895
Analyzing Relationships between Disability, Rehabilitation and Work: A Small Grant Program (ARDRAW)	2016-2020	\$1,500
BPA Time Sensitive (previously Research and Innovation Lab)	2018-2020	\$3,922
National Beneficiary Survey	2008-2020	\$19,623
Disability Perceptions Survey	2020	\$1,084
New and Emerging Research Disability	2008-2020	\$7,131
NIH Research on Data Analytics and the Functional Assessment Battery (FAB)	2008-2020	\$28,634
Work Disability Functional Assessment Battery (WD-FAB) Data Collection	2020	\$1,491
Occupational Information System and Vocational Info Tool	2012-2020	\$175,682
Ticket to Work Notice Optimization	2020	\$330
Promoting Readiness of Minors in SSI (PROMISE)	2012-2019	\$22,763
Supported Employment Demonstration	2016-2019	\$74,855
Deliver Services Effectively		\$42,631
Understanding America Survey	2009-2020	\$17,698
Enterprise Business Platform	2015-2020	\$9,449
Medicare Outreach (1144)	2008-2020	\$15,484

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	<u>Years</u>	<u>Total</u>
Ensuring Stewardship		\$188,926
Census Surveys	2008-2020	\$9,550
Data Development ¹	2008-2020	\$5,669
Health and Retirement Study (HRS) and Supplement	2008-2020	\$52,662
Retirement and Disability Research Consortium ²	2008-2020	\$121,045
Total Section 1110 and 1144 Obligations		\$682,068
Benefit Offset National Demonstration (BOND)	2008-2020	\$133,095
Promoting Opportunity Demonstration (POD)	2016-2019	\$47,481
Lessons Learned from SSA Demonstrations	2020	\$787
Total Section 234		\$ 181,363

ADMINISTRATION OF OUR RESEARCH ACTIVITIES

To implement these demonstrations and Section 1110 and 1144 extramural research projects, we need to continue to hire and develop staff able to test creative and effective ways to reform the disability and retirement programs for a modern labor market and promote greater labor force participation of people with disabilities. The ability to design and implement rigorous research and demonstration projects requires employees with unique skill sets in program administration, policy design, project management, research and evaluation, and problem solving.

Our primary research components are housed within ORDP. ORDP is responsible for all major activities in the areas of strategic and program policy planning, policy research and evaluation, statistical programs, and overall policy development, analysis and implementation. Within ORDP, the Office of Research, Demonstration, and Employment Support; the Office of Disability Policy; and the Office of Research, Evaluation, and Statistics share the responsibility of administering projects funded under our research appropriation.

Office of Research, Demonstration, and Employment Support (ORDES) - ORDES conducts research and analysis related to the DI and SSI programs. ORDES implements demonstration projects to test changes to the disability programs primarily aimed at improving program administration and supporting employment. ORDES also conducts research, analysis, evaluations, and statistical modeling that support our goals to strengthen our DI programs and improve program integrity. ORDES is also responsible for the collection of new occupational information to support our disability programs.

Office of Disability Policy (ODP) - ODP oversees and supports the planning, development, evaluation, and issuance of substantive regulations, policies, and procedures for our DI

¹ Data Development now reflects total obligations for current research projects only.

² The Disability and Research Consortium (DRC) and the Retirement Research Consortium (RRC) were separate grant programs until FY 2017.

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programs; development and promulgation of policies and guidelines for use by State, Federal, or private contractor providers who implement the disability provisions of the Act; evaluation of the effects of proposed legislation and legislation pending before Congress to determine the impact on the disability programs; and the coordination of interrelated policy areas. ODP uses research to identify opportunities for policy improvement; to keep medical, childhood, DI, and CDR policies up to date; and to make informed DI policy decisions.

Office of Research, Evaluation, and Statistics (ORES) - ORES is a Federal statistical unit responsible for the production and dissemination of research, statistics, and data on Social Security programs. ORES meets these responsibilities through four primary functions:

- **Research and Evaluation** – ORES produces findings on the Social Security retirement, DI, and SSI programs from research conducted both through intramural research and extramural funding. Examples include original research published by ORES researchers, grants to support data development such as the HRS, grants through the RDRC; funding support for the UAS and HRS; and evaluation of the effects of Social Security research and public-use surveys.
- **Data Development** – ORES develops program and survey data to support our research and statistical objectives. These activities include providing administrative data to internal and external partners to support program research, developing administrative linkages to external data sources (e.g., the HRS), and partnering with entities to enhance data supporting program research (e.g., IAAs to develop data resources).
- **Statistics** – as a principal statistical unit of the U.S. Federal Government, ORES publishes a variety of statistics on our programs and beneficiaries using both administrative data and survey data. These activities include publishing a number of standing statistical publications, making custom estimates upon request, providing statistics based on administrative data to internal and external partners, and being an active participant in the community of Federal statistical agencies (e.g., interaction with the Committee on National Statistics and coordination with the Interagency Council on Statistical Policy).
- **Dissemination** – maintaining a schedule of research and statistical publications allows ORES to both achieve agency goals and meet requirements for Federal statistical units. ORES statisticians and researchers collaborate with the dissemination team to provide reliable data about key Social Security program variables (e.g., trends in applications, benefits, earnings, etc.), information about the design of social insurance programs around the world to support comparative research, as well as social and behavioral research related to our programs.

RESEARCH INVESTMENT CRITERIA

We support research that fosters a better understanding of the socio-economic status and other characteristics of Americans under the program we administer; how changes in demography and the economy might alter the well-being of the program and those it covers; the interrelationships between the program and other private and public programs; and the impact of the program on the overall economy. Within this framework, our extramural program places the best available

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evidence into the hands of policymakers to inform policy development and program administration. We have established guidelines for developing, managing, and vetting projects for potential inclusion in our long-term research and demonstration agenda. We employ a variety of methods to ensure we meet the funding requirements of the sections of the Act that authorize our extramural research and demonstration activities and our extramural research activities meet high standards for relevance, quality, and performance.

Relevance

The primary purpose of our extramural research is to support evidence-building to inform the improvement of our programs. We seek to support research and demonstrations that clearly connect with this goal. A fundamental step in our review is assuring that each project responds to issues facing the OASDI and/or SSI programs, with priority towards contemporaneous challenges. Our review process includes obtaining the advice and recommendations of researchers with technical expertise, program managers, and agency executives. We also receive input on our research program from the Social Security Advisory Board. The extramural research budget undergoes both our careful scrutiny and that of external monitoring authorities.

Internal reviews also help to ensure that funded activities reflect our strategic goals and objectives and help us respond to legislative requirements and address high-priority issues. Many of our extramural research activities are directed toward providing policymakers and the public with the analytical and data resources they need to assess our current programs and the implications of reform proposals.

Our budget request reflects our support of the Administration's and Congress' ongoing goals to provide opportunities for individuals with disabilities to maximize their self-sufficiency through work and to increase the American public's basic financial management skills. For example, through the RETAIN project, we are working collaboratively with DOL to test interventions that will improve the ability of individuals to remain in the labor force when they acquire an illness or injury.

We are also working with DOL and with HHS' Administration for Children and Families to test early intervention and return-to-work services for individuals who may be potential future applicants for DI or SSI.

Quality

Our extramural program provides access to analysts at top research institutions from around the country to expand our base of expertise to produce the best evidence in support of our program. We use a competitive, merit-based, peer reviewed procurement process to ensure that our extramural research program selects the most appropriate individuals and techniques to produce high quality results. We award our extramural research projects conducted by private-sector organizations through competitive contracts, grants, or cooperative agreements. As a result, our extramural program features internationally recognized scholars including many that have held important Federal posts (e.g., Council of Economic Advisors) and received significant recognition for their research contributions (e.g., the John Bates Clark Medal).

We also use Technical Expert Panels to review projects while they are in progress to provide feedback and suggestions to the agency. These panels include internal experts in relevant disciplines, such as statistics, economics, and survey design. They help ensure that our sponsored research projects are methodologically sound and consistent with professional standards. The research projects we sponsor through the RDRC are often discussed in formal seminars or workshops, as well as published in top peer-reviewed scientific journals.

Performance

We carry out our extramural research and evaluation projects primarily through contracts, jointly funded cooperative agreements, and grants that identify specific deliverables and timetables. The agency has sent a strong message to contractors that they must complete projects on time and within budget. Contracting officers, contracting officer's representatives, analysts, and senior executives monitor the progress of all research contracts and agreements. These agreements are also subject to audits by the Office of the Inspector General.

Consistent with the Administration's encouragement to support evidence-based evaluations, we produce reports and data files for each research and evaluation project in an effort to determine whether existing or proposed programs work as designed. Where appropriate, we make these reports publicly available or announce their availability in the *Social Security Bulletin* and online.¹ The RDRC also disseminates output at annual meetings, online, and through a variety of publications, workshops, and conferences. Finally, our research projects are widely cited in both peer-reviewed publications and the mainstream press.

¹ Our extramural partners often publish supported research in scholarly journals. Recent examples include, but are not limited to: Rennane, Stephanie (2020). "A Double Safety Net? Understanding Interactions between Disability Benefits, Formal Assistance, and Family Support." *Journal of Health Economics*, <https://doi.org/10.1016/j.jhealeco.2019.102248>; Börsch-Supan, Axel, Tabea Bucher-Koenen, and Felizia Hanemann (2020) "Early Determinants of Work Disability in an International Perspective." *Demography*, <https://link.springer.com/article/10.1007/s13524-020-00902-7>; Coile, Courtney, Mark Duggan, and Audrey Guo (2020) "To Work for Yourself, for Others, or Not at All? How Disability Benefits Affect the Employment Decisions of Older Veterans." *Journal of Policy Analysis and Management*, <https://doi.org/10.1002/pam.22261>; Quinby, Laura D., Alicia H. Munnell, Wenliang Hou, Anek Belbase and Geoffrey T. Sanzenbacher (2020) "Participation and Pre-Retirement Withdrawals in Oregon's Auto-IRA." *The Journal of Retirement*, <https://doi.org/10.3905/jor.2020.1.069>; Munnell, Alicia H., Abigail N. Walters, Anek Belbase, and Wenliang Hou (2020). "Are homeownership patterns stable enough to tap home equity?" *The Journal of the Economics of Ageing*, <https://doi.org/10.1016/j.jeoa.2020.100277>; Maurer, Raimond and Olivia Mitchell (2020). "Older peoples' willingness to delay social security claiming." *Journal of Pension Economics and Finance*, <https://doi.org/10.1017/S1474747219000404>; Been, Jim, Susann Rohwedder, and Michael Hurd (2020). "Does Home Production Replace Consumption Spending? Evidence from Shocks in Housing Wealth in the Great Recession," *The Review of Economics and Statistics*, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7597678>; Haurin, Donald, Stephanie Moulton, Căzilia Loibl, Julia K Brown (2020). "Debt Stress and Debt Illusion: The Role of Consumer Credit, Reverse and Standard Mortgages," *The Journals of Gerontology*, <https://doi.org/10.1093/geronb/gbaa167>; Loibl, Căzilia, Stephanie Moulton, Donald Haurin & Chrisse Edmunds (2020) "The role of consumer and mortgage debt for financial stress." *Aging & Mental Health*, <https://doi.org/10.1080/13607863.2020.1843000>.

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APPROPRIATION LANGUAGE/BACKGROUND

AUTHORIZING LEGISLATION

The LAE account is authorized by section 201(g) of the Social Security Act. The authorization language makes available for expenditure, out of any or all of the Trust Funds, such amounts as Congress deems appropriate for administering Title II, Title VIII, Title XVI, and Title XVIII of the Social Security Act for which we are responsible and Title XVIII of the Act for which the Secretary of the Department of Health and Human Services is responsible.

Table 3.1—Authorizing Legislation
(Dollars in thousands)

	2020 Amount Authorized	2020 Enacted ^{1,2}	2021 Amount Authorized	2021 Enacted ^{3,4}	2022 Amount Authorized	2022 Estimate ^{5,6}
Title II, Section 201(g)(1) of the Social Security Act	Indefinite	\$12,870,945	Indefinite	\$12,930,945	Indefinite	\$14,188,896

¹ The Further Consolidated Appropriations Act, 2020 (P.L. 116-94), appropriated this amount. The total includes \$45,000,000 to remain available until expended for IT modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with IT modernization. The total includes \$100,000,000 in available funding through September 30, 2021, for activities to address the hearings backlog within the Office of Hearings Operations. The total also includes \$1,582,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, cooperative disability investigation (CDI) units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,309,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L. 114-74) to remain available for 18 months through March 31, 2021. P.L. 116-94 allows SSA to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2020.

² The total also includes \$130,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

³ The Consolidated Appropriations Act, 2021 (P.L. 116-260), appropriated this amount. The total includes \$45,000,000 to remain available until expended for IT modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with IT modernization. The total includes \$50,000,000 in available funding through September 30, 2022, for activities to address the hearings backlog within the Office of Hearings Operations. The total includes \$1,575,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,302,000,000 in funds outside the discretionary caps, as authorized by the BBA of 2015 (P.L. 114-74) to remain available until March 31, 2022. P.L. 116-260 allows SSA to transfer up to \$11.2 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated cooperative disability investigations units.

⁴ The total includes up to \$135,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

⁵ We take seriously our responsibilities to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve recipients. The FY 2022 Budget requests \$1,708,000,000 in dedicated program integrity funding, including a \$1,435 million allocation adjustment to remain available until March 31, 2023. Dedicated program integrity funding allows SSA to conduct CDRs and SSI redeterminations to confirm that participants remain eligible to receive benefits, and it supports anti-fraud CDI units and special attorneys for fraud prosecutions. The Budget proposes transferring up to \$12.1 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units.

⁶ The total includes up to \$138,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

APPROPRIATION LANGUAGE

For necessary expenses, including the hire *and purchase* of [two] passenger motor vehicles, and not to exceed \$20,000 for official reception and representation expenses, not more than [\$12,794,945,000] *\$14,049,896,000* may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to in such section:

Provided, That not less than [\$2,500,000] *\$2,700,000* shall be for the Social Security Advisory Board[: *Provided further*, That \$45,000,000 shall remain available until expended for information technology modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with information technology modernization: *Provided further*, That \$50,000,000 shall remain available through September 30, 2022, for activities to address the disability hearings backlog within the Office of Hearings Operations]: *Provided further*, That unobligated balances of funds provided under this paragraph at the end of fiscal year [2021] *2022* not needed for fiscal year [2021] *2022* shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: *Provided further*, That the Commissioner of Social Security shall notify the Committees on Appropriations of the House of Representatives and the Senate prior to making unobligated balances available under the authority in the previous proviso:

Provided further, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to 5 U.S.C. 7131, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the

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Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

[Of the total amount made available in] *From funds provided under* the first paragraph [under this heading, not more than \$1,575,000,000], *\$1,708,000,000*, to remain available through March 31, [2022] *2023*, is for the costs associated with continuing disability reviews under titles II and XVI of the Social Security Act, including work-related continuing disability reviews to determine whether earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity, for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, for the cost of co-operative disability investigation units, and for the cost associated with the prosecution of fraud in the programs and operations of the Social Security Administration by Special Assistant United States Attorneys: *Provided*, That, of such amount, \$273,000,000 is provided to meet the terms of [section 251(b)(2)(B)(ii)(III) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended] *a concurrent resolution on the budget*, and [\$1,302,000,000] *\$1,435,000,000* is additional new budget authority specified for purposes of [section 251(b)(2)(B) of such Act] *a concurrent resolution on the budget: Provided further*, That, of the additional new budget authority described in the preceding proviso, up to [\$11,200,000] *\$12,100,000* may be transferred to the "Office of Inspector General", Social Security Administration, for the cost of jointly operated co-operative disability investigation units: *Provided further*, That such transfer authority is in addition to any other transfer authority provided by law: *Provided further*, That the Commissioner shall provide to the Congress (at the conclusion of the fiscal year) a report on the obligation and expenditure of these funds, similar to the reports that were required by section 103(d)(2) of Public Law 104–121 for fiscal years 1996 through 2002: *Provided further*, That

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none of the funds described in this paragraph shall be available for transfer or reprogramming except as specified in this paragraph.

In addition, [\$135,000,000] \$138,000,000 to be derived from administration fees in excess of \$5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended: *Provided*, That to the extent that the amounts collected pursuant to such sections in fiscal year [2021] 2022 exceed [\$135,000,000] \$138,000,000, the amounts shall be available in fiscal year [2022] 2023 only to the extent provided in advance in appropriations Acts.

In addition, up to \$1,000,000 to be derived from fees collected pursuant to section 303(c) of the Social Security Protection Act, which shall remain available until expended. (*Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021.*)

LANGUAGE ANALYSIS

The Limitation on Administrative Expenses (LAE) appropriation language provides us with the funds needed to administer the Old Age and Survivors Insurance (OASI), Disability Insurance (DI), and Supplemental Security Income (SSI) programs, and to support the Centers for Medicare and Medicaid Services in administering their programs. The LAE account is funded by the OASI, DI, and Medicare trust funds for their shares of administrative expenses, by the General Fund of the Treasury for the SSI program’s share of administrative expenses, and through applicable user fees. The language provides the limitation on the amounts that may be expended, in total from these separate sources, for our administrative expenses.

We take seriously our responsibilities to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve recipients. We are requesting \$1,708,000,000 in dedicated program integrity funding, including a \$1,435,000,000 allocation adjustment. We conduct continuing disability reviews (CDRs) to ensure that only beneficiaries who still qualify to receive benefits under the OASDI and SSI programs continue to receive them benefits (includes both medical and work CDRs). For those receiving SSI, we also perform non-medical redeterminations to determine whether recipients continue to meet the program’s income and resource limits. The funding also supports anti-fraud Cooperative Disability Investigation (CDI) units and the prosecution of fraud by Special Assistant U.S. Attorneys (SAUSA). In FY 2022, the Budget provides for the transfer of up to \$12,100,000 from the program integrity cap adjustment funds to the Inspector General (OIG) CDI unit related costs. Following expiration of the discretionary caps in 2021, the Budget

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includes an allocation adjustment for FY 2022. This adjustment is shown in the Budget for use in the Congressional budget process, pursuant to the Congressional Budget Act. In addition to the appropriated amounts, we are requesting to spend up to \$138,000,000 in SSI State Supplement user fees and up to \$1,000,000 in non-attorney representative fees.

Table 3.2—Appropriation Language Analysis

Language Provision	Explanation
<p>“For necessary expenses, including the hire and purchase of [two] passenger motor vehicles...”</p>	<p>In support of the President’s goal of transitioning to a fully Zero Emission Vehicle Federal fleet, the language includes \$200,000 for zero emission vehicle (ZEV - battery electric, plug-in electric hybrid, and hydrogen fuel cell vehicles) acquisitions and deploying necessary vehicle charging and refueling infrastructure. These acquisitions are a significant step towards eliminating tailpipe emissions of greenhouse gases (GHG) from our fleet and aligning fleet operations with the goal of achieving a fully ZEV federal fleet. ZEV acquisitions may include vehicles for both agency-owned and GSA-leased segments of our vehicle fleet, including incremental costs of leased vehicles and lease payments to GSA for conversion of agency-owned vehicles to GSA’s leased fleet where appropriate.</p>
<p>“<i>Provided further</i>, That unobligated balances of funds provided under this paragraph at the end of fiscal year [2021] 2022 not needed for fiscal year [2021] 2022 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: <i>Provided further</i>, That the Commissioner of Social Security shall</p>	<p>The language allows us to carryover unobligated balances for non-payroll automation and telecommunications investment costs in future fiscal years.</p>

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Language Provision	Explanation
<p>notify the Committees on Appropriations of the House of Representatives and the Senate prior to making unobligated balances available under the authority in the previous proviso...”</p>	
<p>“[Of the total amount made available in] <i>From funds provided under the first paragraph [under this heading, not more than \$1,575,000,000], \$1,708,000,000, to remain available through March 31, [2022] 2023, is for the costs associated with continuing disability reviews under titles II and XVI of the Social Security Act, including work-related continuing disability reviews to determine whether earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity, for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, for the cost of co-operative disability investigation units, and for the cost associated with the prosecution of fraud in the programs and operations of the Social Security Administration by Special Assistant United States Attorneys: <i>Provided</i>, That, of such amount, \$273,000,000 is provided to meet the terms of [section 251(b)(2)(B)(ii)(III) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended] <i>a concurrent resolution on the budget</i>, and [\$1,302,000,000] <i>\$1,435,000,000</i> is additional new budget authority specified for purposes of [section 251(b)(2)(B) of such Act] <i>a concurrent resolution on the budget: <i>Provided further</i></i>, That, of the additional new budget authority described in the preceding proviso, up to [\$11,200,000] <i>\$12,100,000</i> may be transferred to the "Office of Inspector General", Social Security Administration, for the cost of jointly operated co-operative</i></p>	<p>The language appropriates \$1,708,000,000 of dedicated program integrity funding, to remain available through March 31, 2023, for full medical CDRs, redeterminations, work related CDRs, CDI units, and fraud prosecutions by Special Assistant United States Attorneys. In FY 2022, we may transfer up to \$12,100,000 from the program integrity allocation adjustment to the Inspector General (OIG) to fund CDI unit team leaders. Additionally, this language prohibits the transfer or reprogramming of program integrity funding, except for the \$12,100,000 transfer to OIG. For additional information, please refer to the Program Integrity section.</p>

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Language Provision	Explanation
<p>disability investigation units: <i>Provided further</i>, That such transfer authority is in addition to any other transfer authority provided by law: <i>Provided further</i>, That the Commissioner shall provide to the Congress (at the conclusion of the fiscal year) a report on the obligation and expenditure of these funds, similar to the reports that were required by section 103(d)(2) of Public Law 104–121 for fiscal years 1996 through 2002 : <i>Provided further</i>, That none of the funds described in this paragraph shall be available for transfer or reprogramming except as specified in this paragraph.”</p>	
<p>“In addition, [\$135,000,000] <i>\$138,000,000</i> to be derived from administration fees in excess of \$5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended: <i>Provided</i>, That to the extent that the amounts collected pursuant to such sections in fiscal year [2021] <i>2022</i> exceed [\$135,000,000] <i>\$138,000,000</i>, the amounts shall be available in fiscal year [2022] <i>2023</i> only to the extent provided in advance in appropriations Acts.”</p>	<p>The language makes available up to \$138,000,000 collected from States for administration of their supplementary payments to the SSI program. This assumes the fee will increase from \$12.49 per check in FY 2021 to \$12.85 in FY 2022 according to increases established by statute. We receive the amount collected above \$5.00 from each fee.</p>
<p>“In addition, up to \$1,000,000 to be derived from fees collected pursuant to section 303(c) of the Social Security Protection Act, which shall remain available until expended.”</p>	<p>The language provides for the use of up to \$1,000,000 derived from fees charged to non-attorneys who apply for certification to represent claimants.</p>

SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEE REPORTS

The table below includes the significant items requested in House Report 116-450 and the explanatory statement accompanying the Consolidated Appropriations Act, 2021 (Public Law 116-260).

Table 3.3—Significant Items in Appropriations Committee Report

Committee Report Item	Action
<u>Continuing Disability Reviews</u>	<u>Actions Taken or To Be Taken</u>
The agreement continues to direct SSA to include in its annual CDR Report to Congress an evaluation of its CDR prioritization models and a detailed cost-benefit analysis of how it uses estimated savings in determining which beneficiaries receive a full-medical CDR.	We will include information in our next CDR report to Congress to satisfy this requirement. Please see the Program Integrity exhibit in the Limitation on Administrative Expenses (LAE) section of this Congressional Justification (CJ) for additional information on our CDR workload.
<u>Disability Case Processing System (DCPS)</u>	<u>Actions Taken or To Be Taken</u>
The Committee requests an update on the implementation of DCPS in the fiscal year 2022 Congressional Budget Justification.	Please see the Information Technology exhibit within the LAE section of this CJ for more information.
<u>Disability Hearings Backlog</u>	<u>Actions Taken or To Be Taken</u>
The agreement continues to encourage SSA to include comprehensive information in its existing reports to Congress on the specific policies SSA has implemented, or has considered, to streamline the disability determination and adjudication process while protecting due process, ensuring that applicants have a full and adequate opportunity to present their claims.	We will include information in existing reports to Congress.
<u>Field Office Closures</u>	<u>Actions Taken or To Be Taken</u>
Field office closures can result in diminished ability for vital customer service opportunities for members of impacted communities. The agreement expects SSA to work to find an appropriate balance between field office services and online services for beneficiaries, with a focus on supporting front line operations. SSA is directed to ensure its policies and procedures for closing field offices include at least 120 days advance notice to the public, SSA employees, Congress, and other stakeholders. Such notice should include a rationale for the proposed closure and delineate the impact such closure	<p>The Budget supports efforts to improve service in our field offices. For additional information, please refer to our Budget Overview in this CJ for more information.</p> <p>In addition, our policies and procedures for scheduled field office closures include at least 120 days advance notice to the public, SSA employees, Congress, and other stakeholders, with the required rationale and anticipated impact on beneficiaries.</p>

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Committee Report Item	Action
<p>is anticipated to have on beneficiaries. The agreement requests an update in the fiscal year 2022 congressional justification on efforts to maintain field office operations and reduce service wait times.</p>	
<p><u>Occupational Information System (OIS) and Medical Vocational Guidelines</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The agreement continues to direct SSA to include it its annual report on OIS sufficient details on plans to fully implement OIS in coming years.</p>	<p>We will include information in future OIS reports to Congress.</p>
<p><u>Administrative Appeals Hearings</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee considers the Notice of Proposed Rulemaking (NPRM) ‘‘Hearings Held by Administrative Appeals Judges of the Appeals Council’’ (84 Fed. Reg. 70080, December 20, 2019) to be an unjustified erosion of due process for individuals who are appealing a denial of Social Security or SSI benefits. As part of a beneficiary’s right to an impartial appeal process, an on-the-record hearing, conducted by an impartial judge with decisional independence, must be conducted in accordance with the Administrative Procedure Act to ensure due process, without agency interference, or political bias. Replacing this appeals step and the role of independent administrative law judges (ALJ) with SSA employees, jeopardizes the independence of the process. In light of the harm that would be caused by this policy change, the Committee strongly urges SSA to immediately withdraw this proposed rule.</p>	<p>We acknowledge the Committee’s statement. We published a final rule that clarifies when and how administrative appeals judges on our Appeals Council may hold hearings and issue decisions. 85 Fed. Reg. 73138 (Nov. 16, 2020).</p>
<p><u>Administrative Law Judge Selection</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee is deeply concerned about the impact of Presidential Executive Order 13843 on the judicial independence of administrative law judges (ALJ). The Order eliminates the competitive hiring process for ALJs and has the potential impact of converting independent adjudicators to political appointees, undermining longstanding principles of fair and unbiased consideration of matters of vital</p>	<p>We will submit the requested report to the Committees.</p>

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Committee Report Item	Action
<p>importance to the American people. ALJs must be independent decision-makers and it is the Committee’s expectation that SSA maintain the highest standards for appointment of ALJs. The Committee directs the Administration to develop and submit to the Committees on Appropriations, Ways and Means, and Oversight and Reform, a report on hiring processes, to include an explanation of the process, qualification standards, and criteria used to recruit, evaluate and hire ALJs.</p>	
<u>Continuing Disability Reviews</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee is disappointed that the Notice of Proposed Rulemaking (NPRM) ‘‘Rules Regarding the Frequency and Notice of Continuing Disability Reviews’’ (84 Fed. Reg. 63588, November 18, 2019) proposes a massive increase in CDRs without any evidence of its necessity or appropriateness. The Committee believes the NPRM is a harmful and unjustified attempt, under the guise of fiscal prudence, to deprive many people with disabilities of the Social Security, SSI, Medicare, and Medicaid benefits that they are eligible for and rely on for survival. The Committee directs the Administration to carefully review the comments received on this proposed rule, which were overwhelmingly negative. The Committee strongly urges SSA to withdraw the rule and instead use its limited resources to restore strong customer services and address the backlogs and other service issues that have become too common across the agency in recent years.</p>	<p>We have withdrawn the proposed rule.</p>
<u>Disability Payments</u>	<u>Actions Taken or To Be Taken</u>
<p>The late payment of Social Security Disability Insurance claims creates an excessive burden on claimants waiting for their Social Security Disability Insurance back pay. The Committee directs SSA to work with the relevant stakeholders to evaluate national and regional payment trends and implement changes to its disability payments process that would ensure that SSA pays all Social Security Disability</p>	<p>We provided a response to the Committees on April 30, 2021.</p>

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<p>Insurance claims within 60 days of receiving a fee request pursuant to 20 CFR 404.1725. The Committee further directs SSA to report to Congress within 90 days on the specific policies SSA has implemented, or has considered, to streamline the disability payments' process and to ensure consistent timeliness of payment across all local service areas.</p>	
<p><u>Electronic Consent Based Social Security Number Verification System Implementation</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee supports continued implementation of the Electronic Consent Based Social Security Number Verification system (eCBSV) in accordance with section 215 of the Economic Growth, Regulatory Relief, and Consumer Protection Act (P.L. 115–174). The Committee notes the draft user agreement published in the Federal Register (Volume 85, Number 47) on Tuesday, March 10, 2020 presents requirements that may limit the utility of the eCBSV as a tool to fight identity fraud and protect consumers, including minors. The Committee encourages SSA to be consistent with the E–SIGN Act with regards to electronic consent and to keep the Committee informed of any delays to timelines for implementation.</p>	<p>We updated the eCBSV user agreement in concert with the banking industry and the Office of Management and Budget. We acknowledge the Committee's encouragement, and we will keep the Committee informed of any delays to timelines for implementation.</p>
<p><u>Information Technology</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee continues to monitor the Information Technology (IT) Modernization Plan and encourages SSA to focus on improvements to customer service and efficiency improvements for customers and employees as it makes updates to the plan. The Committee requests an update of the plan referenced under this heading in House Report 114–699.</p>	<p>We updated our Information Technology Modernization Plan in June 2020. Our <i>Information Technology (IT) Modernization Plan, 2020 Update</i> builds on the progress of our original 2017 <i>IT Modernization Plan</i> and incorporates input from public and private technology experts, our frontline employees, and the public we serve. Our 2020 Update focuses on improving service delivery online, by phone, and in our offices.</p>
<p><u>Labor-Management Relations</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee is concerned that persistent labor-management relations problems are undermining the vital work of the SSA. Within 180 days of enactment of this Act, SSA</p>	<p>We are working to satisfy this reporting requirement.</p>

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is directed to submit to the Committee a plan, developed in consultation with labor organizations representing its workforce, to improve workplace morale and to strengthen employee recruitment and retention, to better serve the American people.	
<u>Local Media</u>	<u>Actions Taken or To Be Taken</u>
The Committee encourages SSA to consider using local media in their advertising, including local television, radio broadcast stations, and newspapers to the greatest extent possible. The Committee directs SSA to include in its fiscal year 2022 Congressional Budget Justification details on expenditures on local media advertising for the prior two fiscal years.	<p>In FY 2019, we spent \$391,000 to distribute public service announcements (PSA) that aired on local media, including local television and radio broadcast stations, and billboards, to promote Social Security scam awareness and online services.</p> <p>In FY 2020, we spent \$614,550 to distribute PSAs that aired on local media including local television and radio broadcast stations, newspapers, and billboards, and for the display of advertising with one professional sports team (also broadcast on local stations), to promote scam awareness and online services.</p> <p>*SSA does not pay for PSA airtime or billboard display time.</p> <p>The totals do not include amounts spent on PSAs to assist the Treasury with issuing economic impact payments. For more information on supplemental funding, refer to the Additional COVID-19 Pandemic Funding exhibit within the LAE section of this CJ.</p>
<u>Mailing Paper Statements</u>	<u>Actions Taken or To Be Taken</u>
The Committee is concerned that SSA continues to not mail Social Security benefits and earning statements to all contributors aged 25 and older not yet receiving benefits, in accordance with Section 1143 of the Social Security Act (42 U.S.C. 1320b-13). The Committee directs the Administration to continue to include in its annual Congressional Budget Justification the estimated costs for mailing paper statements to all contributors aged 25 or older and not yet receiving benefits, as required by law.	Please see the Budget Overview section of this CJ for information on Social Security Statement mailing costs.
<u>National Medical Evidence</u>	<u>Actions Taken or To Be Taken</u>
The Committee encourages SSA to consider additional innovations and technological	We acknowledge the Committees' encouragement.

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Committee Report Item	Action
<p>resources that could efficiently and effectively support state Disability Determination agencies and the Office of Hearings and Appeals in medical evidence collection, data analytics, and quality assurance.</p>	
<p><u>Pilot Program Metrics</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee appreciates the information on pilot program metrics provided in the fiscal year 2021 Congressional Budget Justification. The Committee expects that, prior to undertaking any new pilots, SSA will ensure that it has developed a research design that identifies a clear purpose for the pilot, key objectives and an evaluation plan, including adequate metrics to determine the pilot’s effectiveness. Metrics should be specific, quantifiable measures—accompanied by specific goals for the measures— that can be used to evaluate success. The Committee reminds SSA that it uses the term “pilot” to encompass all efforts to test the effects of process changes, including “initiatives” and “tests.”</p> <p>The Committee directs SSA to include in its fiscal year 2022 Congressional Budget Justification a description of all pilots conducted in fiscal years 2020 and 2021, or proposed for fiscal year 2022; the purpose and key objectives of each pilot; its start date and timeline; which SSA components are involved in the pilot; the evaluation plan; the measures or metrics the SSA will use to evaluate the pilot; and a specific goal for each metric that will be used to determine the pilot’s effectiveness. All SSA pilots should be included in the justification, including those undertaken as part of the Compassionate and Responsive Service (CARES) plan and in other parts of the agency. The justification does not need to include programmatic demonstrations, such as those involving changes in program eligibility rules.</p>	<p>Please see the Pilot Program Metrics exhibit in the LAE section of this CJ for this information.</p>
<p><u>Reconsideration</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee continues to be concerned about the delays that may result due to SSA’s</p>	<p>We provided the Committee our requested plan to improve the disability process on June 26, 2020.</p>

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<p>decision to reinstate reconsideration in ten States despite bipartisan and bicameral concern for reinstatement. The Committee’s concern is heightened as the COVID–19 pandemic creates new service delivery challenges for the State Disability Determination Services agencies. The Committee looks forward to receiving and reviewing the plan requested under this section in House Report 116–62, and urges SSA to keep the Committee informed of any systematic process delays or feedback received from the States as reconsideration is reinstated.</p>	<p>On March 1, 2020, we completed a two-year rollout to reinstate the reconsideration level of appeal in California, Colorado, Louisiana, New Hampshire, New York, Pennsylvania, Alabama, Michigan, Missouri, and Alaska, returning all 10 prototype States to a uniform administrative review process. While too early to fully assess the impact of reinstating the reconsideration, we have received fewer hearings than we otherwise would have without reinstating reconsideration. This has helped our Office of Hearings Operations continue to eliminate our hearings backlog. We will continue to keep the Committees informed of our analysis on reinstating reconsideration.</p>
<u>Replacement Card Fees</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee continues to reject the proposal to charge a fee to replace a lost or stolen Social Security card and directs the Administration to not move forward with this proposal.</p>	<p>We acknowledge the Committees’ statement, and the Budget does not include this proposal.</p>
<u>Report on LAE Expenditures</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee continues to request that the data referenced under this heading in House Report 114–699 be included in future budget justifications. In addition, the Committee requests the fiscal year 2022 Congressional Budget Justification include a historical table of costs and fiscal year 2022 requests for personnel and benefits, by major SSA component to include Operations (field offices, teleservice centers, processing centers, and regional offices); Office of Hearings Operations; Systems; Office of Analytics, Review, and Oversight; and Headquarters.</p>	<p>Please see Table 3.19, Table 3.20, and Table 3.21 for a historical table of costs and FY 2022 requests for personnel and benefits by major SSA component.</p> <p>For Information Technology costs broken out by hardware/software technology and upgrade/maintenance costs, please see Appendix B of the Information Technology exhibit included in the LAE section of this CJ. For Physical infrastructure costs by region and office function, please see Tables 3.30 through 3.35. For Overall costs for personnel, time and dollars for OASI, DI, SSI, and other SSA missions, please see Table 3.15. For Program Integrity work broken out by OASI, DI and SSI as well as types of spending, please see Table 3.24. For Disability Determination Services State costs and Federal staff costs, please see Table 3.18.</p>
<u>State-Reported Data</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee believes that accurate, timely and complete death data is important for the integrity of public programs, and that allowing all Federal agencies to have secure access to complete death data for program integrity</p>	<p>The Consolidated Appropriations Act, 2021 amended Section 205(r) of the Social Security Act ensuring reimbursement to the States and SSA for State death information. The Act also allows us to share State death information with the Department</p>

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<p>purposes would help detect and prevent improper payments. The Committee recognizes that although SSA has access to confirmed death data through negotiated data-sharing agreements with States, and shares such data with certain Federal agencies, current law prohibits sharing such data more widely. The Committee supports efforts of other Federal agencies to obtain this data, and urges SSA to accommodate any Office of Management and Budget (OMB) requests for consultation on how other agencies can obtain this State reported data.</p>	<p>of Treasury for its Do Not Pay system, 3 years after enactment of the Act.</p>
<p><u>Telework</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee stresses its long-standing support for well-managed telework programs in the Federal workplace and is concerned about recent reductions in telework at SSA. Within 60 days of enactment of this Act, SSA is directed to submit a report to the Committee to explain each decision by SSA to reduce telework availability on or after October 1, 2019, which shall include any metrics used by SSA to reach these determinations, and an impact assessment on human capital in hiring and retention, increases to transit and parking subsidies, office space and utility needs changes, lost productivity and morale decline due to lost telework.</p> <p>In addition, the Committee notes that SSA could have been better prepared to ensure continuity of operations and deal with the challenges associated with working from home during the COVID-19 pandemic if it had a clearly defined and operational telework program in place for its employees. The Committee directs SSA to evaluate the use of telework during the COVID-19 pandemic, assess the feasibility of telework in all components of SSA, and provide to the Committee a report on such evaluation and assessment within 60 days of enactment of this Act.</p>	<p>We submitted our report to the Committees on March 29, 2021.</p>
<p><u>Video Hearings</u></p>	<p><u>Actions Taken or To Be Taken</u></p>

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<p>The Committee appreciates that SSA preserved an individual’s right to an in-person hearing before an SSA Administrative Law Judge (ALJ), rather than pursuing the original proposal in Notice of Proposed Rulemaking “Setting the Manner for the Appearance of Parties and Witnesses at a Hearing,” (83 Fed. Reg. 57368, November 15, 2018). The Committee understands that during the COVID–19 pandemic, SSA is also providing claimants with the option of a telephone hearing, or a postponement if the individual would prefer to wait until an in-person or video hearing is available. The Committee expects that once the COVID–19 pandemic ends SSA will resume in-person hearings on the same basis as prior to the pandemic. The Committee continues to encourage SSA to work with claimants who need additional flexibility by allowing a claimant to choose to use video hearings on a voluntary basis or to have an in-person hearing or proceeding if the party chooses to do so.</p>	<p>We acknowledge the Committees’ encouragement.</p>
<u>Vocational Factors</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee believes the Final Rule, “Removing Inability to Communicate in English as an Education Category” (85 Fed. Reg. 10586, February 25, 2020) will unjustifiably deny Social Security and SSI benefits to nearly 100,000 older workers with long-term or fatal medical impairments who are severely limited in their functional capacity and who cannot communicate in English. The Committee is disappointed this rule was finalized without regard to the overwhelming opposition and significant concerns raised in public comments and from Members of Congress.</p>	<p>We acknowledge the Committees’ statement.</p>
<u>Work Incentives Planning and Assistance (WIPA) and Protection and Advocacy for Beneficiaries of Social Security (PABSS)</u>	<u>Actions Taken or To Be Taken</u>
<p>The agreement includes \$23,000,000 for WIPA and \$7,000,000 for PABSS.</p>	<p>We issued all PABSS awards notices on November 4, 2020. We plan to issue WIPA award notices by June 30, 2021.</p>

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IMPROPER PAYMENTS

We are committed to ensuring we issue correct payments to eligible individuals in the right amounts. We take seriously our responsibilities to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve recipients. While our payment accuracy rates are very high, a small error rate can add up to substantial improper payments due to the amount of benefits we pay. For instance, in FY 2019, we issued over \$1 trillion in benefit payments, while our combined overpayments and underpayments totaled over \$7.9 billion. Our internal quality reviews, which are validated by a third-party auditor, indicate that approximately 99.80 percent of our Old-Age, Survivor, and Disability Insurance (OASDI) benefit payments were free of overpayment errors and 99.95 percent were free of underpayment errors in FY 2019, the last year for which we have published data. For the same year, we achieved 91.87 percent overpayment accuracy for Supplemental Security Income (SSI) payments, and 98.72 percent underpayment accuracy. One of our FYs 2020–2021 Agency Priority Goals is to improve the integrity of the SSI program by focusing our efforts on reducing overpayments through a variety of efforts such as adding data exchanges to prevent improper payments, performing quality reviews, and enhancing the SSI wage reporting process.

We are modernizing our debt management system by building a comprehensive system to record, track, collect, and report our overpayments more efficiently.

We also invest in initiatives that help us ensure applicants and beneficiaries continue to meet our eligibility requirements. Please refer to the Program Integrity exhibit for more information.

For more information about our efforts, please see our Agency Financial Report and Annual Performance Report, as well as information provided on our website at <https://www.ssa.gov/improperpayments/index.html>.

PILOT PROGRAMS

The following list satisfies the request for information on agency pilot programs pursuant to House Report 116-68 accompanying the Consolidated Appropriations Act, 2021.

Completed Pilots:

1. Monthly Earnings Pilot (pilot completed and implemented)

The Office of Retirement and Disability Policy (ORDP), Office of Operations (Operations), the Office of Systems (OS), and the Office of Analytics, Review, and Oversight (OARO) created a process to select disabled beneficiaries for a work continuing disability review (CDR) when a beneficiary meets specified criteria and self-reports monthly earnings based on new reporting requirements in the Bipartisan Budget Act of 2015. The Monthly Earnings Pilot (MEP) selected beneficiaries completing their ninth trial work period (TWP) month or working Substantial Gainful Activity (SGA) outside of the TWP for a work CDR.

Because monthly earnings are reported shortly after month's end, MEP allows us to identify working disabled beneficiaries sooner compared to the current CDR enforcement operation process. This will allow us to minimize improper payments to beneficiaries. This process successfully selects cases for a work CDR on a monthly basis based on evidence of a completed TWP or a beneficiary working at SGA after the TWP. We completed the pilot in August 2019. The results of a small study showed that the average number of months of SGA work reported at the completion of a work CDR was shorter for cases selected by MEP. As a result, we fully implemented monthly earnings into our work CDR process in September 2019. We are preparing to further expand the use of monthly earnings with the implementation of our payroll information exchange.

2. Employment Network Marketing Pilot (pilot completed and implemented)

In FY 2019, ORDOP tested a secure process for transferring marketing information to an Employment Network (EN). ENs provide employment support services designed to assist disabled beneficiaries in returning to work. We invited a small sample of ENs to apply for participation in the pilot. The goal was to test the secure transfer of limited beneficiary contact information and increase program participation by offering ENs an opportunity to market their services directly to beneficiaries. Through the pilot, we sent participating ENs limited beneficiary contact information consisting of the name, phone number, and/or address of the disabled beneficiary using selection criteria that the ENs provided (e.g., age, zip code). ENs used the contact information in the marketing file to inform the beneficiary about the Ticket to Work (TTW) program and marketed their services with the goal of having the beneficiary assign their Ticket to the service provider.

ENs participating in the pilot successfully demonstrated the secure use and management of the beneficiary contact information with no reported loss or compromise of information. Additionally, participating marketing pilot ENs assigned 11,549 Tickets from these marketing files with 66 percent of the assigned Tickets showing earnings. Based on pilot success and positive EN feedback, in FY 2020, we transitioned the pilot into an integrated part of our business process expanding the total number of EN participants from 21 to 45 participating organizations, developed a structured business process and established performance criteria for participating ENs, and transitioned the workload to our Ticket Program Manager contractor. As of May 2021, we have assigned 53,000 Tickets with 54 percent of marketing file Tickets assigned showing earnings. We will continue to identify enhancements to these processes in an attempt to improve marketing outcomes.

3. Online Video Hearings (pilot completed and implemented)

In FY 2020, we sought opportunities to provide flexible and convenient online service options to protect the health and safety of the people we serve during the pandemic. As a result, our Office of Hearings Operations (OHO) introduced another hearing option – online video hearings using Microsoft (MS) Teams. MS Teams, an Internet-based video collaboration service provides an option to conduct business remotely. The service allows claimants and their representatives to participate in hearings from anywhere they have access to a camera-enabled smartphone, tablet, or computer. This stable and secure online platform allows a Social Security administrative law judge (ALJ) to see and interact with claimants and their representatives in a virtual hearing.

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We conducted an initial rollout of online video hearings in late FY 2020. We received positive feedback from both representatives/claimants and ALJs. In the first quarter of FY 2021, we offered this hearing modality to claimants with aged and critical cases; ultimately, we expanded online video hearings to all claimants in December 2020.

4. Event Based Marketing Pilot (pilot completed)

In September 2019, OS began the Event Based Marketing (EBM) pilot with the goal to encourage *my Social Security* users to maximize the functionalities of our online service delivery channel, targeting users who filed an authenticated internet claim (iClaim). The MyAPS application within *my Social Security* provides an additional option to check claim status rather than calling the National 800 Number or making an in person visit to a field office.

The EBM pilot leveraged the Granicus GovDelivery Targeted Message Service (TMS) Application Programming Interface to send e-mails instructing targeted users how to use the appropriate online services. We notify claimants when their claim status changes. The e-mail encourages claimants to log into their *my Social Security* account to see the updated status. Data show that those receiving the proactive emails contact us approximately 50 percent less than those who did not receive communications from us on claims status changes.

We ended the pilot and expanded the communication tools to 100 percent of authenticated iClaims filers.

5. SSA Form 827 Pilot (pilot completed)

In FY 2020, OS began a pilot to evaluate a tool that electronically recognizes and verifies information on a wet-signed form SSA-827, Authorization to Disclose Information to the Social Security Administration. We collect form SSA-827 from every disability applicant; the form authorizes us to collect medical records from relevant medical, educational, and other providers. The applicant may sign a paper SSA-827, or may sign the form through attestation, thereby capturing an electronic signature.

Providers have challenges with the wet-signed SSA-827 if the form is incomplete. Sending an incomplete wet-signed form to a provider affects our ability to obtain necessary medical evidence and consultative exams. Delays in obtaining medical information affect the time a claimant waits for a decision and require additional agency resources to resolve.

We may explore additional options to build upon this pilot including innovative Commercial Off the Shelf products in the future.

6. SSA Wilkes-Barre Direct Operations Center Pilot (pilot completed and implemented)

Each year, we receive required Annual Wage Reports (AWR) from employers (i.e., Forms W-3 Transmittal of Wage and Tax Statements, and W-2 Wage and Tax Statement). Our Office of Central Operations Wilkes-Barre Direct Operations Center (WBDOC) receives the reports beginning as early as December of the report year.

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We receive approximately 2.5 million hand-written W-2/W-3 forms yearly. The WBDOC staff manually key the forms into our AWR system using a process commonly known as Key from Image (KFI)/Direct Data Entry (DDE). Manually keyed W-2/W-3s have an approximate 40 percent accuracy rate, leading to additional work.

This pilot tested, developed, and deployed an automated handwriting recognition tool within the AWR program to automate the KFI/DDE processes for hand-written W-2/W-3s.

We consider this pilot successful, as the automated tool completed 90 percent of the KFI/DDE process. We also achieved a near 90 percent reduction in reports requiring manual keying and automated the process to route exceptions to operators to correct data. We implemented the automated handwriting recognition tool to process the workload in April 2021. We are actively training the tool to improve accuracy. After running the first three ranges through our backend system for keying documents, we noted further improvements in total accuracy, from 19.5 percent of the fields requiring manual data entry down to 14.5 percent. We will continue to make improvements to further reduce the manual intervention required to process this workload.

7. Wage Reporting Pilot (pilot completed)

In July 2016, ORDP implemented a Wage Reporting Pilot. This pilot enabled our Ticket Program Manager (TPM) payment staff to initiate or update a work or paystub report in the eWork system for more timely adjudicative action by our field offices and processing centers. TTW program service providers who are assisting SSA beneficiaries' return to work report these earnings to the TPM.

The objective of our pilot was to strengthen the integrity of our TTW program and minimize improper payments due to earnings. This objective aligned with our Agency Strategic Plan Objective 3.1 – Improve Program Integrity. Necessary and timely action taken on reported wages reduces the likelihood of improper payments to disabled beneficiaries. Submitting proof of wages through the Wage Reporting Pilot provides an efficient method for ENs to receive payment in a timely manner and subsequently supports ENs to encourage disabled beneficiaries to report wages to SSA.

To test whether the earnings information from ENs improved the timeliness of the work CDRs, we randomly selected cases and entered information into eWork starting in March 2019, and followed cases for up to 6 months.

We completed our analysis of the pilot in FY 2020. We did not observe statistically significant differences in the distribution of outcomes of the work CDRs among those who received a decision, nor did we observe any statistically significant differences in either the presence or magnitude of overpayments on the MBR. Based on these results, we have discontinued the pilot.

8. Drop Box Pilot (pilot completed)

We created the “drop box” pilot program in response to the pandemic to allow the public a new service delivery method that provides limited contact with our employees. The public receives notification to provide original evidence within a certain timeframe and personally delivers it

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into a secure receptacle located within a field office. Once we review and process the evidence, an employee returns the evidence through the postal service.

We selected 100 offices nationwide to test and evaluate the use of drop boxes in late 2020. All participating offices completed a survey of the effectiveness of the drop box process. We completed our analysis in January 2021 and found the following:

- Based on survey responses from our field office managers, we learned that 68 percent of offices indicated drop box service improved customer satisfaction. FO managers noted that customers were enthusiastic to use the new service.
- 52 percent of offices reported increased operational efficiency.

During the drop box testing period, a total of 42,795 visitors dropped off evidence, demonstrating a willingness by customers to use this service. In addition, field office managers advocated for expansion of the drop box because of the improved customer service experience.

We expanded the use of drop boxes on March 18, 2021, and have seen a steady increase in drop box usage. From the start of the pilot in November 2020, approximately 250,000 customers have used this service through May 20, 2021. Currently, we have 459 offices using drop boxes. We expect expanding by the end of FY 2021 to approximately 875 field offices.

9. Express Interview for Evidence and Enumeration (pilot completed)

Express Interviews are single-subject interviews limited to no more than 5-7 minutes in order to obtain evidence or complete an enumeration action. Individuals in limited, critical situations or those who are unable or unwilling to mail original documents, are eligible for an Express Interview.

Operations evaluated three prototype models for Express Interviewing related to applications for a Social Security card:

- Prototype 1 consisted of taking the enumeration application by phone, scheduling an in-office interview for a technician to obtain and review evidence, and complete the application;
- Prototype 2 involved customers completing the enumeration application ahead of a scheduled in-office interview, arriving for interview with the completed application, and providing evidence for review and completion; and
- Prototype 3 consisted of the technician completing the SS-5 (Application for a Social Security Card) with the customer during the time of the appointment, which is more consistent with our procedures, prior to the pandemic.

We tested the models in 81 field offices, and completed more than 2,000 Express Interviews in February 2021. Based on management information (MI) and survey results, we received overwhelming support for Prototype 2, which included more than 800 interviews. Survey results showed 81 percent of Prototype 2 Express Interviews averaged under 5 minutes, below the 5-7 minute target. We found that Prototype 2 interviews were 3.3 minutes *faster* than enumeration interviews in non-participating sites. This model provided the most efficient balance between customer acceptance, serving more customers, and limiting the time customers spend in our offices. Lastly, 97 percent of our field office managers who participated in Prototype 2

recommended continuing the model. We are taking steps to expand express interviews by the end of May 2021.

10. Benefits Planning Query Pilot

ORDP received reports of delayed and inconsistent processing of Benefit Planning Query (BPQY) requests from employment support program service providers working with disabled beneficiaries. The BPQY is a document that contains information about a beneficiary's earnings history and assists beneficiaries with understanding the effect of future earnings on disability benefits. We initiated the BPQY pilot to ensure the timely and accurate distribution of BPQYs to service providers.

Through this pilot, we intended to show how expedited processing of BPQY requests improves beneficiary work and earnings outcomes. Additionally, we planned to show how BPQY centralization and automation help ensure greater processing efficiency.

We established a small cadre of staff at headquarters who receive and process secure BPQY requests from beneficiaries, ENs, Work Incentives Planning and Assistance Projects, Protection and Advocacy for Beneficiaries of Social Security, and vocational rehabilitation offices. The centralized staff reviews the authorization, processes the BPQY request, and emails the BPQY statement to the requestor through a secure system. The centralized process fulfills the request in a more timely, efficient, and consistent manner compared to our current business process, which requires the submission and processing of paperwork in a field office.

We completed this pilot in FY 2021. We measured and compared the average processing time of BPQYs created through both centralized and de-centralized processes. We found that a centralized BPQY process, as tested in the BPQY pilot, appears to be more cost effective than the decentralized method of processing. Based on the information available throughout the evaluation period, we consider the pilot successful. We continue to finalize the development of a new process for fulfilling requests and discuss an organizational framework for responding to BPQY requests in a centralized location.

Active Pilots:

11. Ticket to Work Notice Optimization

The Ticket to Work and Work Incentives Improvement Act of 1999 established the TTW program we currently administer. This program provides Disability Insurance (DI) and Supplemental Security Income (SSI) beneficiaries and recipients with more options for receiving employment services. We provide DI and SSI beneficiaries and recipients with a Ticket to obtain VR services, employment services, and other support services from ENs or State VR agencies of their choice. Goals of the TTW program include increasing exits from the DI and SSI programs due to work, expanding the availability of services for beneficiaries, reducing dependency on disability benefits, and obtaining benefit reductions that are greater than the cost we pay for services.

Participation rates are a key factor in the program's success. Though the program has served close to 1.2 million beneficiaries and recipients since 2000, participation in the program has been relatively low in relation to the total number of beneficiaries and recipients we serve. This

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project tests modified versions of the notices we send to beneficiaries and changes to the notice schedule to determine if the changes reduce the barriers to assigning a Ticket. The new notices provide simpler, plain language information about the Ticket program and the potential benefits of and process of assigning a Ticket. In FY 2021, we extended the time for mailing the new notices from 9 to 18 months. We will measure outcomes at 9 months post-mailing for each individual.

Evaluation Plan/Timeline

FY 2020:

- We worked with General Services Administration (GSA) to finalize the notice prototypes to send upon award of DI or SSI, and after 1 and 2 years of receiving benefits and to develop the evaluation design. We wrote the notices – otherwise known as the Good News notice that individuals receive when awarded disability benefits – to comply with plain language guidelines and potentially improve participation in the Ticket program. We also registered the study with the American Economic Association randomized study trial registry.
- We worked with OS to modify the system needed to randomize notice mailings.
- We began mailing notices in September 2020.

FY 2021:

- We will continue testing prototype notices and conducting data analyses.

FY 2022:

- We will work with GSA to conduct the final analyses of the new mailings.

Measure of Success/Metrics

We will capture data on the number of beneficiaries who we assign a Ticket, their monthly earnings, and Ticket payments. We will measure success based on increases in Ticket assignments. Currently, slightly more than 1 percent of individuals assign their Tickets in the first year. Even a small increase in Ticket assignments could lead to cost savings. Secondary outcomes of interest include earnings above substantial gainful activity and Ticket payments.

12. SSA Mobile Wage Reporting Pilot

Mobile Knowledge-based Wage Reporting (MKWR), also known as SSA Mobile Wage Reporting (SSAMWR), is a mobile phone application available in the Apple and Google play stores for SSI recipients, their representative payees, and their spouses. The MKWR allows individuals without a *my Social Security* account to report wages from a single employer using knowledge-based authentication. For this pilot, we will determine the viability of new technologies to replace the existing mobile wage reporting application with a hybrid application with the following business goals:

- Allow for knowledge-based authentication for users that cannot use *my Social Security*.
- Address poor reviews for user experience and unreliability in the Apple and Google play stores.
- Allow us to explore paystub imaging/processing including Optical Character Recognition to reduce paper processing, technician keying, and follow-up calls.
- Serve as a prototype for future mobile applications.

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- Allow us to use the latest technologies for testing (AWS Device Farm, an application testing service to help improve the quality of web and mobile applications by testing them across an extensive range of desktop browsers and real mobile devices).

Evaluation Plan/Timeline

FY 2021:

- Continue to finalize capabilities and visual prototypes.
- Deliver a minimum viable product (MVP) by September. An MVP for this release will replace the existing system functionality and include the OCR functionality.

Measure of Success/Metrics

We will capture data on the number of wage reporters who successfully transmit wages using the new application. We will measure success based on the increases in successful submissions. Even a small increase in wage reporting will lead to fewer paper paystubs processed by the field office and the return on investment will be factored into the decision on whether to implement the pilot.

13. OARO Hearing Recordings & Transcriptions Incubation

In FY 2021, building on our prior experience with Voice to Text (VTT), we evaluated and tested VTT software to determine if it could accurately transcribe hearing audio recordings into text for official agency court transcriptions of our disability hearings to support a disability case that has been appealed to a higher court.

OHO conducts our disability hearings. The Digital Recording and Processing (DRAP) system records the audio for disability hearings. In order to provide a written transcript of a hearing, a technician retrieves the audio file and copies it to a compact disc (CD). The technician then sends the CD to a contractor, who creates the transcript. Once the contractor has created the transcript, the SSA technician reviews, certifies, and submits the court transcript document to the courts.

Because of the challenges created by the COVID-19 pandemic, the number of recorded hearings awaiting transcription has grown. We have made efforts to find a more direct method of getting the audio files to the transcription contractors.

This pilot explores using technology to generate written transcripts from the previously recorded hearings. There is the potential for significant savings in time and resources for the agency. We could reduce and eliminate the need for burning hearing recordings to CDs, as well as reduce and eliminate external contractors and costs to generate the transcripts for hearings. Additionally, the pilot will determine the viability of using automation to process previously recorded hearings into official court transcripts, including an automated workflow where possible.

Evaluation Plan/Timeline

FY 2021:

- Accelerate transcription time using automation, and deliver an MVP as quickly as possible that could create transcripts using voice to text technology.

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- We started the pilot on October 1, 2020, and started using an MVP on February 16, 2021, a little over four months.
- The Office of Appellate Operations (OAO) staff listens to the case hearing audio in order to create official agency court transcript for appeal to a higher court. Our goal is to achieve a 50 percent time reduction spent on manual transcript creation for the initial MVP. An employee still has to listen to the hearing and review the transcription for accuracy, but the voice to text technology significantly reduces the keying required and reduces the overall employee time to complete.
- We will focus on additional automation through FY 2021, including for speaker attribution, to increase accuracy rates, and decrease the time spent by staff to manually review and correct the transcripts.

Measure of Success/Metrics

- We will use commercial off the shelf software, without enhancements, to generate hearing transcripts and reduce our manual transcription time.
- We will also consider the pilot successful with a transcript accuracy rate of close to 85 percent.
- We will continue to determine measurements of success as we use the technology in FY 2021.

14. Office of Quality Review Group II Deficiencies Pilot

As part of our ongoing efforts and mandate to deliver quality services to the public, we conduct reviews of disability claims and assess them for accuracy. These include the Pre-Effectuation Review (PER) which is a review of 50 percent of all allowance cases as well as a random Quality Assurance (QA) review of both allowance and denial cases. For example, disability examiners may not establish the correct start and end dates related to the impairments that qualify claimants for disability benefits. In FY 2018, the Office of the Inspector General identified 23 beneficiaries who had inaccurate entitlement dates resulting in \$373,906 in improper payments. Additionally in FY 2018, the Office of Quality Review (OQR) cited 20,154 distinct cases with deficiencies, including 15,750 decisional deficiencies.

The goal of this pilot is to reduce improper payments by quickly identifying deficiencies related to onset and/or disability cessation dates and assigning the correct code on reviews with minimal human intervention by leveraging Intelligent Medical Analysis GENERation (IMAGEN) to accelerate the use of Artificial Intelligence (AI). This will aid in the reduction of decision errors made on CDR cessations, childhood disability benefit claims, and established onset dates for prior denial periods with well-defined results.

Evaluation Plan/Timeline

FY 2021:

- Prioritized payment accuracy deficiencies by February 2021.
- Provided list of cases meeting deficiency criteria by March 2021.
- Provided list of databases and data elements relevant to case onset, ending, and cessation dates by March 2021.
- Conducted business process walk through by March 2021.
- Created Group II period of disability decisional deficiencies models by May 2021.

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- Performed cycles of model training, statistical scoring, and validation testing by May 2021.
- Prepare final report by May 2021.
- Present findings by June 2021.

Measure of Success/Metrics

The IMAGEN tool will alert quality reviewers when the medical evidence records supports the dates set for entitlement. We will consider this pilot successful if the IMAGEN tool is able to identify these errors with 90 percent accuracy ratio for regularly sampled cases. In the initial data pull for the date range from January 2016 to January 2021, the IMAGEN tool identified approximately 30,000 cases matching the specified discrepancy criteria. Lastly, we hope to achieve a 50 percent reduction in errors on these payment related deficiencies by creating AI to produce correct coding of errors on cases based on AI model confidence levels. We hope to reduce improper payments by 30 percent for those cases.

15. OHO Hearing Recordings & Transcriptions Pilot

OHO is currently conducting video disability hearings using MS Teams. Currently, the DRAP system records the audio for disability hearings. For this pilot, we are testing the MS Teams recording function to record disability hearings.

We will leverage MS Teams live transcription and closed captioning features to create a text transcript of the disability court hearing in real time as the hearing occurs. By investing in recording hearings in MS Teams, there is the potential for significant savings in time and resources for the agency. Additionally, MS Teams recordings would automate and simplify creation of official court hearing transcripts needed for disability hearing appeals.

Evaluation Plan/Timeline

FY 2021 and FY 2022:

- Evaluate MS Teams, MS Stream, and MS One Drive product recording functions, both current and future planned product releases, to determine how these could fit into our rollout strategy for this technology.
- Future releases of MS Teams, MS Stream, and MS One Drive products expected to be delivered in late 2021 to early 2022 with these enhanced features.
- Test MS Teams recordings for mock disability hearings in order to better identify and quantify product transcription attributes, such as speaker attribution and accuracy rates for automated transcripts created for MS Teams recordings.

Measure of Success/Metrics

Use MS Teams to create hearing transcripts with an accuracy rating of 85 percent or higher. Achieve a level of at least 85 percent speaker attribution for automated transcripts created for MS Teams recordings.

16. Video Interviews for Workloads

During the pandemic, we took action to protect the public and our employees by limiting in-person services to reduce potential exposure to COVID-19. Some customers have difficulties mailing their important original documents, and others are unable to use our online services. To

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bridge the gap, we piloted a new MS Teams service delivery option for certain Social Security replacement cards in November 2020 at 100 of our highest enumeration workload offices.

Through MS Teams, individuals can securely apply from any location using a computer, tablet, or smartphone with internet service, and our employees will conduct a remote video interview. We send the applicant a link to the MS Teams application; the applicant does not need to download any software to participate in the interview. During the interview, our employee asks knowledge-based questions, views the individual's evidence—either a State-issued driver's license or identification card—and verifies the information from the evidence directly with the State Department of Motor Vehicles via an exchange with the American Association of Motor Vehicle Administrators.

To evaluate Phase 1 of the MS Teams Pilot, we gathered the total number of successful MS Teams replacement card requests that resulted in the issuance of a replacement card, as well as information on the overall processing time. While we found that, on average, this process adds 6 minutes to the enumeration interview, we expect this number to decline as technicians become more familiar with the process. Because MS Teams allows us to serve more customers virtually and reduces the need for in-person visits, the increase in customer service flexibility outweighs the uptick in processing time.

In addition, we asked the participating pilot offices to complete a survey about any unsuccessful interviews to evaluate why an enumeration transaction was unsuccessful. Our survey results revealed the following reasons contributed to unsuccessful MS Teams interview requests:

- An applicant missed their appointment;
- A connectivity issue with the MS Teams Software (customer or SSA side);
- A technical issue during the MS Teams interview that caused the interview to terminate;
- An inability to clearly view and inspect the applicant's evidence;
- An issue during the American Association of Motor Vehicle Administrators/ Driver's License Data Verification;
- Inability of the customer to provide the required evidentiary documents; or
- The technician could not authenticate the evidence.

We continue to use both MI and the survey results to refine the process.

Evaluation Plan/Timeline

We plan to continue the evaluation on a larger scale once we resolve our labor obligations. Although the initial results of the pilot are promising, we need to continue evaluating MS Teams on a larger scale and include more fraud and quality assessments. We will consider long-term implementation when we have completed these assessments.

17. United States Postal Service (USPS) Proof of Concept (PoC) for Digital Identity

If customers are unable to verify their identity online for a *my Social Security* account, they may verify their identity in-person to begin the registration process. This method is known as in-person proofing (IPP) and is currently available only at our field offices.

The USPS PoC will allow customers to verify their identity in-person at certain USPS facilities.

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We identified USPS pilot sites based on our customer's failed online attempts, number of zip codes within a given area, and distance from a USPS IPP facility. Based on that information, USPS will offer IPP in two distinct metro areas – San Diego and Washington D.C.

Evaluation Plan/Timeline

The pandemic delayed the USPS PoC, which was originally planned for May 2020. We will operationalize the PoC when it is safe to do so. We are also monitoring the changing landscape and continue to engage with Federal partners on a coordinated approach. We will continue to monitor these factors as we make a decision to launch this PoC.

If early indications show that the PoC is successful, we will consider working with USPS to expand the service to additional office locations.

Measure of Success/Metrics

We will evaluate the PoC by our customers' interest, comfortability, and success with performing IPP at the USPS. This evaluation includes both qualitative and quantitative results to assess overall performance of the PoC. USPS will send a survey to customers after visiting a post office to gauge satisfaction in the process, convenience, time to complete the identity proofing, knowledgeable ability of the clerk with identity proofing, time for email with results of identity proofing, and any additional feedback customers wish to share. We will measure success by the results of the survey and the following target success metrics:

- 15 percent of eligible customers will opt to participate;
- 50 percent of customers who participate will visit a USPS post office; and
- 90 percent of customers will complete the *my Social Security* account set up process after successfully identity proofing at a post office.

18. Headquarters Mail Digitization Pilot

In March 2021, we developed a 12-month pilot to digitize approximately 96,000 pieces of mail we receive in six headquarters components. Using our Headquarters Mail Service Center (HQMSC), we will sort incoming mail and bulk ship to our scanning vendor. The scanning vendor will open, prepare, scan, and save the images to a shared server. Participating employees will be able to access the electronic mail from the server and process their workloads virtually.

Evaluation Plan/Timeline

FY 2021:

First Quarter

- Researched commercial off the shelf, HQMSC, and National Technical Information. Service solutions for digitizing.
- Developed and released a request for information and analyzed results.
- Researched GSA advantage vendors.

First Quarter and Second Quarter

- Met with agency components to discuss requirements for service.
- Analyzed annual volumes of mail received.
- Completed a statement of work.
- Submitted requisition package.

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Third Quarter

- Develop business process.
- Award call order.
- Begin 12-month pilot.

Measure of Success/Metrics

We will determine the pilot successful if:

- At least 95 percent of the mail sent to the vendor is scanned and uploaded to a shared server within 2 business days of receipt;
- Less than 5 percent of the scanned images will require rescan due to quality;
- We gain efficiencies in processing scanned mail over manual processing, based on the components needs;
- Ensure employees can process scanned mail remotely; and
- At least 80 percent of participants rate their experience in the pilot as “satisfied” or “very satisfied” on a five-point scale, throughout the initiative.

CONSULTATIVE EXAMS

In some cases, a claimant does not provide adequate evidence about his/her impairment(s) to us in order to determine whether he/she is disabled or blind. If we are unable to obtain adequate evidence from the claimant’s medical source(s), we may request to purchase a physical or mental examination or test from a medical source to provide evidence for the claim. While we manage our consultative examinations (CE) workload to an overall processing time goal for initial claims and reconsiderations, our systems do not capture the level of detail to identify the number of days for CE completion nationally or by State. This data can be captured in the future when DCPS2 is implemented nationwide.

On March 17, 2020, at the onset of the COVID-19 pandemic, we implemented a temporary moratorium on scheduling in-person CEs to protect the safety of claimants and reduce the burden on the medical community. As a result of the Department of Health and Human Services’ (HHS) temporary easement of Health Insurance Portability and Accountability Act (HIPPA) requirements for telehealth, we still were able to conduct certain psychiatric and psychological CEs without in-person testing. This limited universe of CEs was conducted with claimant permission and acknowledgement of associated risks using telehealth platforms outside of SSA’s network.

On May 29, 2020, we updated our policy for the State Disability Determination Services (DDSs) to resume in-person CEs on a voluntary basis. We gave each DDS the ability to decide and manage its reinstatement of in-person CEs based on CDC, State, tribal, local, and territorial government guidelines regarding non-essential medical appointments and social distancing requirements. As of September 2020, we have resumed CEs in every State and territory. However, we continue to experience delays with scheduling CEs due to the availability of our CE providers. We will continue to hold cases where a CE is required, but we are unable to complete due to COVID-19 issues. We expect CE scheduling to remain an obstacle in the disability process as a result of the pandemic.

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Table 3.4 - FY 2020 Consultative Examination Counts and Cost Data¹

	Annual Number of Cases with at least one CE ²	CE Rate ³	CE Costs ⁴	CE Cost per Case with at least one CE ⁵
National Total (Disability Determination Services (DDS) + Federal)	942,783	27.60%	\$245,894,340	\$260.82
All DDS	941,599	28.30%	\$245,811,861	\$261.06
Boston Region	29,626	20.80%	\$6,753,170	\$227.95
Connecticut	7,031	21.70%	\$1,815,251	\$258.18
Maine	3,787	23.60%	\$918,300	\$242.49
Massachusetts	10,233	15.70%	\$2,376,960	\$232.28
New Hampshire	2,917	30.70%	\$308,655	\$105.81
Rhode Island	3,083	24.10%	\$650,233	\$210.91
Vermont	2,575	37.60%	\$683,771	\$265.54
New York Region	103,213	40.40%	\$26,405,193	\$255.83
New Jersey	16,348	24.30%	\$4,253,624	\$260.19
New York	76,195	45.20%	\$20,045,695	\$263.08
Puerto Rico ⁶	10,670	60.90%	\$2,105,874	\$197.36
Philadelphia Region	94,863	26.00%	\$23,888,347	\$251.82
Delaware	1,812	19.70%	\$588,487	\$324.77
District of Columbia	2,051	9.30%	\$1,063,511	\$518.53
Maryland	16,101	32.80%	\$4,652,542	\$288.96
Pennsylvania	48,877	32.50%	\$10,636,173	\$217.61
Virginia	15,209	15.30%	\$4,504,832	\$296.20
West Virginia	10,813	39.70%	\$2,442,802	\$225.91
Atlanta Region	263,803	31.60%	\$68,005,462	\$257.79
Alabama	21,028	27.70%	\$4,914,335	\$233.70
Florida	77,286	27.80%	\$23,518,611	\$304.31
Georgia	38,806	40.20%	\$10,442,757	\$269.10
Kentucky	24,864	34.50%	\$4,684,793	\$188.42
Mississippi	20,256	33.60%	\$4,444,840	\$219.43

¹ Extended Service Team (EST) CE data and costs are built into the State amounts (VA, AR, OK). Number of cases includes CEs for initial disability claims, disability reconsiderations, continuing disability reviews, and disability hearings.

² Our systems track the number of cases with at least one paid CE, not the total number of CEs ordered and completed for any given case.

³ CE rate is the number of cases for which at least one CE is ordered and paid compared to the total number of cases. This rate does not reflect the total volume of CEs ordered and paid. Our systems do not include the level of detail to identify if CEs were conducted by the treating medical provider.

⁴ CE costs represent costs for all CEs, including if there were more than one CE per case.

⁵ CE cost per case represents total CE Costs divided by the number of cases with at least one CE.

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	Annual Number of Cases with at least one CE ²	CE Rate ³	CE Costs ⁴	CE Cost per Case with at least one CE ⁵
North Carolina	36,735	30.10%	\$8,971,423	\$244.22
South Carolina	16,005	27.60%	\$3,468,213	\$216.70
Tennessee	28,823	40.30%	\$7,560,490	\$262.31
Chicago Region	145,523	29.30%	\$32,355,644	\$222.34
Illinois	29,873	32.70%	\$8,635,628	\$289.08
Indiana	26,952	36.60%	\$6,926,690	\$257.00
Michigan	27,098	26.00%	\$5,650,969	\$208.54
Minnesota	10,962	24.70%	\$3,495,423	\$318.87
Ohio	35,830	27.60%	\$8,896,309	\$248.29
Wisconsin	14,808	27.50%	\$4,401,594	\$297.24
Dallas Region	126,259	24.70%	\$33,980,497	\$269.13
Arkansas	15,466	23.40%	\$3,488,938	\$225.59
Louisiana	24,421	37.80%	\$5,573,424	\$228.22
New Mexico	6,039	30.70%	\$1,279,916	\$211.94
Oklahoma	18,008	30.20%	\$5,101,838	\$283.31
Texas	62,325	23.40%	\$18,535,951	\$297.41
Kansas City Region	35,593	25.80%	\$10,173,555	\$285.83
Iowa	7,274	21.90%	\$2,144,585	\$294.83
Kansas	3,517	28.60%	\$1,036,040	\$294.58
Missouri	20,204	25.90%	\$5,636,843	\$279.00
Nebraska	4,598	32.10%	\$1,356,087	\$294.93
Denver Region	20,078	27.20%	\$8,904,326	\$443.49
Colorado	9,126	25.20%	\$3,729,903	\$408.71
Montana	1,685	21.60%	\$743,822	\$441.44
North Dakota	1,080	25.30%	\$486,559	\$450.52
South Dakota	1,331	19.80%	\$879,788	\$661.00
Utah	5,797	38.20%	\$2,323,405	\$400.79
Wyoming	1,059	28.70%	\$740,849	\$699.57
San Francisco Region	99,996	25.30%	\$26,794,286	\$267.95
Arizona	17,419	27.50%	\$5,118,174	\$293.83
California	76,063	25.30%	\$19,402,035	\$255.08
Hawaii	1,742	17.30%	\$915,933	\$525.79
Nevada	4,772	23.30%	\$1,358,144	\$284.61
Seattle Region	22,645	19.80%	\$8,334,087	\$368.03
Alaska	703	19.50%	\$504,408	\$717.51
Idaho	3,408	17.90%	\$1,193,105	\$350.09
Oregon	6,440	19.20%	\$2,370,242	\$368.05
Washington	12,094	20.90%	\$4,266,332	\$352.76

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	Annual Number of Cases with at least one CE²	CE Rate³	CE Costs⁴	CE Cost per Case with at least one CE⁵
Federal ⁶	1,184	1.20%	\$299,772.57	\$253.19

⁶ The Puerto Rico DDS pays CE costs for cases processed by the Puerto Rico Disability Processing Unit (DPU). The table removes the CE costs associated with these cases from Puerto Rico and applies them to the federal line of the table.

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APPROPRIATION HISTORY

The table below includes the amount requested by the President, passed by the House and Senate Committees on Appropriations, and ultimately appropriated for the LAE account, including any rescissions and supplemental appropriations, for the last 10 years. The annual appropriation includes amounts authorized from SSI State Supplement user fees and non-attorney representative user fees.

Table 3.5—Appropriation History Table

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
2012	\$12,522,000,000 ¹	--- ²	\$11,632,448,000 ³	\$11,474,978,000 ⁴
Rescission ⁵				-\$21,688,000
Final				\$11,453,290,000 ⁶
2013	\$11,760,000,000 ⁷	--- ⁸	\$11,736,044,000 ⁹	\$11,453,290,000 ¹⁰
Rescission				-\$21,394,476 ¹¹
Sequestration				-\$386,329,494 ¹²
Final				\$11,045,566,321 ¹³
2014	<u>\$12,296,846,000</u>	--- ¹⁴	\$11,697,040,000 ¹⁵	\$11,697,040,000 ¹⁶
LAE	\$11,069,846,000 ¹⁷			
PIAE	\$1,227,000,000 ¹⁸			
2015	\$12,024,000,000 ¹⁹	--- ²⁰	--- ²¹	\$11,805,945,000 ²²
2016	\$12,513,000,000 ²³	\$11,817,945,000 ²⁴	\$11,620,945,000 ²⁵	\$12,161,945,000 ²⁶
2017	\$13,067,000,000 ²⁷	\$11,898,945,000 ²⁸	\$12,481,945,000 ²⁹	\$12,481,945,000 ³⁰
2018	\$12,457,000,000 ³¹	\$12,392,945,000 ³²	\$11,992,945,000 ³³	\$12,872,945,000 ³⁴
2019	\$12,393,000,000 ³⁵	\$12,557,045,000 ³⁶	\$12,951,945,000 ³⁷	\$12,876,945,000 ³⁸
2020	\$12,773,000,000 ³⁹	\$13,071,945,000 ⁴⁰	--- ⁴¹	\$12,870,945,000 ⁴²
CARES Act ⁴³				\$338,000,000
Final				\$13,208,945,000
2021	\$13,351,473,000 ⁴⁴	\$12,970,945,000 ⁴⁵	--- ⁴⁶	\$12,930,945,000 ⁴⁷
Supplemental ⁴⁸				\$38,000,000
Final				\$12,968,945,000
2022	\$14,188,896,000 ⁴⁹			

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- ¹ Total includes \$938,000,000 in funding designated for SSI redeterminations and CDRs – \$315,000,000 in base funding and \$623,000,000 in additional funds. Includes up to \$163,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203). Includes \$1,863,000 to increase our acquisition workforce capacity and capabilities.
- ² The House Committee on Appropriations did not report a bill. The Committee introduced H.R. 3070, which included \$12,041,494,000.
- ³ S. 1599.
- ⁴ Consolidated Appropriations Act, 2012 (P.L. 112-74). Total includes \$483,484,000 designated for SSI redeterminations and CDRs appropriated in the Disaster Relief Appropriations Act (P.L. 112-77).
- ⁵ The Consolidated Appropriations Act, 2012 (P.L. 112-74) rescinded a total of \$21,688,000.
- ⁶ The FY 2012 enacted LAE Budget Authority was \$11,453,290,000. However, effective April 1, 2012, Massachusetts assumed control of its State Supplementary payments, reducing the estimated SSI user fees by approximately \$7,100,000. The resulting FY 2012 available SSI user fee funding was approximately \$154,000,000. The available FY 2012 LAE funding was approximately \$11,446,190,000.
- ⁷ Total includes \$1,024,000,000 in funding designated for SSI redeterminations and CDRs – \$273,000,000 in base funding and \$751,000,000 in additional funds. Includes up to \$170,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ⁸ The House Committee on Appropriations did not report a bill. The Committee posted a draft bill which included \$10,684,414,000 for LAE.
- ⁹ S. 3295.
- ¹⁰ At the time we formulated the Budget we had not received a full year appropriation for FY 2013. We were operating under a 6-month CR (P.L. 112-175) that funded our operations at \$11,520,000,000, if annualized. This represents a 0.612 percent increase from the FY 2012 enacted level. A full year CR (P.L. 113-6) reduced funding to the FY 2012 enacted level of \$11,453,290,000.
- ¹¹ Per OMB Budget Data Request 13-19, we were subject to an Across-the-Board (ATB) Reduction/Rescission of .2 percent of LAE. Both base and cap program integrity funds were exempt from this reduction.
- ¹² Under P.L. 112-175, all non-SSI funding was reduced by 5 percent after sequestration was triggered by Congress.
- ¹³ Our funding post-sequestration (P.L. 112-175) and ATB reduction (BDR 13-19) was \$407,723,000 lower than the original CR funding level (P.L. 113-6).
- ¹⁴ The House Committee on Appropriations did not report a bill. The LAE appropriation of \$11,697,040,000 for FY 2014 was incorporated into H.R. 3547.
- ¹⁵ S. 3533.
- ¹⁶ Consolidated Appropriations Act, 2014 (P.L. 113-76). Total includes \$1,197,000,000 designated for SSI redeterminations and CDRs. Includes up to \$171,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ¹⁷ Total includes \$273,000,000 in funding designated for SSI redeterminations and CDRs. Includes up to \$173,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ¹⁸ The FY 2014 President's Budget included a legislative proposal to create a new Program Integrity Administrative Expenses (PIAE) account and provide a more reliable stream of mandatory program integrity funding. The FY 2014 PIAE request was \$1,227,000,000. With the addition of \$273,000,000 requested for program integrity as part of the LAE, the total program integrity request for FY 2014 was \$1,500,000,000.
- ¹⁹ Total includes \$1,396,000,000 in dedicated funding designated for SSI redeterminations and CDRs – \$273,000,000 in base funding and \$1,123,000,000 in funds outside the discretionary caps as authorized by the Budget Control Act (BCA) of 2011 (P.L. 112-25), as well as \$131,000,000 from LAE to assist in program

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- integrity work. Includes up to \$124,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²⁰ The House Committee on Appropriations did not report a bill.
- ²¹ The Senate Committee on Appropriations did not report a bill.
- ²² Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235). Total includes \$1,396,000,000 designated for SSI redeterminations and CDRs. Includes up to \$124,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²³ Total includes \$1,439,000,000 in dedicated funding designated for SSI redeterminations and CDRs – \$273,000,000 in base funding and \$1,166,000,000 in funds outside the discretionary caps as authorized by the BCA of 2011. Includes up to \$136,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²⁴ H.R. 3020.
- ²⁵ S.1695.
- ²⁶ Consolidated Appropriations Act, 2016 (P.L. 114-113). Total includes \$1,426,000,000 in funding designated for SSI redeterminations and CDRs. Includes up to \$124,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²⁷ The FY 2017 request includes \$1,819,000,000 in dedicated program integrity funding for, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, cooperative disability investigation (CDI) units, and the prosecution of fraud by Special Assistant United States Attorneys (SAUSAs), comprised of \$273,000,000 in base funding and \$1,546,000,000 in funds outside the discretionary caps as authorized by the Bipartisan Budget Act (BBA) of 2015 (P.L. 114-74). Additionally, the LAE account carves out funding to support the fully loaded costs of performing 1.1 million CDRs and approximately 2.8 million SSI redeterminations, \$126,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²⁸ H.R. 5926.
- ²⁹ S. 3040.
- ³⁰ Consolidated Appropriations Act, 2017 (P.L. 115-31). Total includes \$90,000,000 in available funding through September 30, 2018, for activities to address the hearings backlog within the Office of Hearings Operations (formerly the Office of Disability Adjudication and Review). Includes \$1,819,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,546,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available until March 31, 2018. Includes \$123,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³¹ The FY 2018 request includes \$1,735,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,462,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74). Includes up to \$118,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³² H.R.3358.
- ³³ S. 1771.
- ³⁴ Consolidated Appropriations Act, 2018 (P.L. 115-141). Total includes \$280,000,000 to remain available until expended for information technology modernization, including related hardware and software infrastructure and

- equipment, and for administrative expenses directly associated with information technology modernization. Total includes \$100,000,000 in available funding through September 30, 2019, for activities to address the hearings backlog within the Office of Hearings Operations. Includes \$1,735,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,462,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L. 114-74) to remain available for 18 months through March 31, 2019. Includes \$118,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³⁵ The FY 2019 request includes \$1,683,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,410,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L. 114-74) to remain available until March 31, 2020. Beginning in FY 2019, the Budget proposes that we may transfer up to \$10,000,000 of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units. Includes up to \$134,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³⁶ H.R. 6470.
- ³⁷ S. 3158.
- ³⁸ Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245). Total includes \$45,000,000 to remain available until expended for information technology modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with information technology modernization. Total includes \$100,000,000 in available funding through September 30, 2020, for activities to address the hearings backlog within the Office of Hearings Operations. Includes \$1,683,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,410,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L. 114-74) to remain available for 18 months through March 31, 2020. Public Law 115-245 allows us to transfer up to \$10,000,000 of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2019. Includes \$134,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³⁹ The FY 2020 Budget proposed that the total LAE budget authority request of \$12,773,000,000 be offset by fees collected for replacement Social Security cards (estimated at \$270 million). The total includes \$1,582,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,309,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L. 114-74) to remain available until March 31, 2021. In FY 2020, the Budget proposed to transfer up to \$10,000,000 of program integrity cap adjustment funds in the LAE account to the OIG for the costs associated with jointly operated CDI units. Includes up to \$130,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ⁴⁰ H.R. 2740.
- ⁴¹ The Senate Committee on Appropriations did not report a bill. The Committee posted a draft bill which provided the FY 2020 President's Budget request of \$12,773,000,000.
- ⁴² Further Consolidated Appropriations Act, 2020 (P.L. 116-94). The total includes \$45,000,000 to remain available until expended for IT modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with IT modernization. The total includes \$100,000,000 in available funding through September 30, 2021, for activities to address the hearings backlog within the Office of Hearings Operations. The total also includes \$1,582,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,309,000,000 in funds outside the

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discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available for 18 months through March 31, 2021. P.L. 116-94 allows us to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2020. The total also includes \$130,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

⁴³ The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) provided \$300 million in funding, available through September 30, 2021, to prevent, prepare for, and respond to the coronavirus, including paying the salaries and benefits of all employees affected as a result of office closures, telework, phone and communication services for employees, overtime costs, supplies, and for resources necessary for processing disability and retirement workloads and backlogs. It also provided \$38 million for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering economic impact payments (EIPs) to qualifying individuals.

⁴⁴ The FY 2021 Budget proposed that the total requested LAE budget authority of \$13,351,473,000 be offset by fees collected for replacement Social Security cards (estimated at \$270 million). The total includes \$1,575,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,302,000,000 in funds outside the discretionary caps, as authorized by the BBA of 2015 (P.L.114-74) to remain available until March 31, 2022. The Budget proposed allowing us to transfer up to \$11.2 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2021. The total includes up to \$135,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

⁴⁵ H.R.7614.

⁴⁶ The Senate Committee on Appropriations did not report a bill. The Committee posted a draft bill which included \$12,868,945,000 for LAE.

⁴⁷ Consolidated Appropriations Act, 2021 (P.L. 116-260). The total includes \$45,000,000 to remain available until expended for IT modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with IT modernization. The total includes \$50,000,000 in available funding through September 30, 2022, for activities to address the hearings backlog within the Office of Hearings Operations. The total also includes \$1,575,000,000 in dedicated program integrity funding, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,302,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available for 18 months through March 31, 2022. P.L. 116-260 allows us to transfer up to \$11.2 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units. The total also includes \$135,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

⁴⁸ The Consolidated Appropriations Act, 2021 (P.L. 116-260, Section 272, Division N) provided \$38 million in funding, available through September 30, 2021, for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering a second round of EIPs first authorized under the CARES Act.

⁴⁹ The FY 2022 Budget proposes \$1,708,000,000 in dedicated program integrity funding, including a \$1,435,000,000 allocation adjustment, to remain available until March 31, 2023. Dedicated program integrity funding allows us to conduct CDRs and SSI redeterminations to confirm that participants remain eligible to receive benefits, and it supports anti-fraud cooperative disability investigation units and special attorneys for fraud prosecutions. The Budget proposes transferring up to \$12.1 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units. The total includes up to \$138,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

SSA-RELATED LEGISLATION FROM JANUARY 2020 TO MARCH 2021

FY 2021

American Rescue Plan Act of 2021 (P.L. 117-2, enacted March 11, 2021)

- The law provides funding for COVID-19 testing, vaccine production and distribution, as well as economic relief for communities and businesses, and additional Economic Impact Payments (EIPs) for qualifying individuals. The Internal Revenue Service (IRS) received appropriated funds to administer EIP payments, and SSA partnered with the IRS to provide outreach to our beneficiaries and respond to public inquiries about EIPs. In addition, SSA administered a data exchange with the IRS to help facilitate payments to SSA and SSI beneficiaries who do not file taxes.

National Defense Authorization Act for Fiscal Year 2021 (NDAA) (P.L. 116-283, enacted January 1, 2021)

- The law includes a temporary increase in the number of annual leave hours that most employees can roll over into 2021.
- The law establishes a National Cyber Director and requires the Cybersecurity and Infrastructure Security Agency (CISA) to provide assistance to agencies in meeting information security program requirements and in using secure platforms and tools for agency functions.
- The law requires agencies to report on disciplinary actions related to findings of discrimination, including retaliation. It also restricts nondisclosure agreements from prohibiting or restricting personnel from disclosing whistleblower information.
- The law also revises requirements for Federal agencies reporting to OMB on programs and activities, for purposes of posting an inventory of program activities to a single website. The revised requirements include reporting on program funding and authorizing statutes.

Secure Federal Leases from Espionage and Suspicious Entanglements Act (P.L. 116-276, enacted December 31, 2020)

- The law provides that Federal lessees must require covered entities to identify and disclose whether a foreign source owns certain leased spaces.

Consolidated Appropriations Act, 2021 (P.L. 116-260, enacted December 27, 2020)

- The law includes amendments to section 205(r) of the Social Security Act ensuring reimbursement to States and SSA for State death information and it permits SSA to share State death information with the Department of Treasury for its Do Not Pay (DNP) system.
- The law also provides a second round of EIPs and includes \$38 million for SSA, available through September 30, 2021, for administrative costs related to assisting the

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Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering EIPs.

ALS Disability Insurance Access Act of 2019 (P.L. 116-250, enacted December 22, 2020, amended by way of P.L. 117-3, enacted March 23, 2021)

- The law amends Title II of the Social Security Act to eliminate the five-month waiting period for disability insurance benefits for individuals with amyotrophic lateral sclerosis (ALS). The original law eliminated the five-month waiting period for individuals with ALS who applied for benefits on or after December 23, 2020, whereas the amendment eliminates the five-month waiting period for individuals with ALS who were approved for benefits on or after July 23, 2020.

Internet of Things (IoT) Cybersecurity Improvement Act of 2020 (P.L. 116-207, enacted December 4, 2020)

- The law requires the National Institute of Standards and Technology (NIST) to develop and publish standards and guidelines for Federal Government use and management of agency owned or controlled IoT devices.

FY 2020

Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136, enacted March 27, 2020)

- The law includes provisions that provide relief to people and businesses affected by the novel coronavirus, including expanding unemployment benefits, creating a small business loan program, providing funding to hospitals, and issuing EIPs to qualifying individuals.
- The law also reduces Federal Insurance Contributions Act (FICA) taxes owed by certain employers and it delayed payment of the taxes for many individuals. The law ensures that Social Security's Trust Funds are not adversely affected by the delay in FICA payments.
- The law expands Telehealth programs and initiatives including Medicare Telehealth flexibilities. SSA's Disability Determination Services (DDS) provides expanded use of video telehealth technology for psychiatric consultative examinations (CE) and psychological CEs that do not require testing.
- The law provides \$300 million in funding for SSA, available through September 30, 2021, to prevent, prepare for, and respond to coronavirus, including paying the salaries and benefits of all employees affected as a result of office closures, telework, phone and communication services for employees, overtime costs, supplies, and for resources necessary for processing disability and retirement workloads and backlogs. The law also provides \$38 million in funding for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering EIPs.

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Payment Integrity Information Act of 2019 (P.L. 116-117, enacted March 2, 2020)

- The law repeals and replaces prior legislation to improve efforts to identify and mitigate government-wide improper payments.
- The law requires agencies to develop a plan to reduce improper payments, complete an annual risk assessment on their programs, and demonstrate improvements in addressing improper payments.
- The law provides for the establishment of an interagency workgroup focused on identifying activities to improve Federal program payment integrity.

Limitation on Administrative Expenses

GENERAL STATEMENT/BUDGETARY RESOURCES/PERFORMANCE

LIMITATION ON ADMINISTRATIVE EXPENSES OVERVIEW

The LAE account funds our operating expenses and our programs: the OASI and DI programs, the SSI program, certain health insurance and Medicare prescription drug functions, and the Special Benefits for Certain World War II Veterans program. With these funds, we provide service to millions of Americans through our field offices, on the telephone, or via the Internet at www.socialsecurity.gov. The LAE account provides the funds we need to perform our core responsibilities, including deciding applications for benefits, conducting hearings and appeals to review disputed decisions, ensuring we distribute benefits properly, and maintaining the integrity of the trust funds.

Please see the Budget Overview for more information.

KEY ASSUMPTIONS

We formulated our budget to strengthen our services and improve the customer experience. We will invest in our frontline offices, modernize our information technology, streamline our policies, and safeguard our programs.

The budget addresses the following key areas:

- Reducing the initial disability claims backlog;
- Eliminating the disability (appeals) hearings backlog;
- Improving service delivery in our National 800 Number, field offices, and processing centers;
- Continuing to execute and enhance our Information Technology Modernization Plan and expand our online services;
- Advancing equity in our programs and engaging in outreach to vulnerable populations;
- Streamlining our policies and processes;
- Supporting our cost-effective dedicated program integrity work, and our fraud prevention and detection activities;
- Enhancing our payment accuracy efforts (see [Social Security Improper Payments](#));
- Investing in cybersecurity to safeguard our data; and
- Doing our part to address the climate crisis.

SIZE AND SCOPE OF OUR PROGRAMS

Our administrative budget is driven by the programs we administer—both in terms of the amount of work performed and the number of people needed to process it—and by our continuing efforts to improve service, stewardship, and efficiency.

Between the three major programs we administer—OASI, DI, and SSI—benefit payment outlays totaled over \$1.14 trillion in FY 2020; under current law, we expect benefit payment outlays to be nearly \$1.19 trillion in FY 2021 and about \$1.25 trillion in FY 2022. This includes the State supplementary payments that we administer on behalf of some States. At about 1.1 percent of total benefit payment outlays currently estimated for FY 2022, our administrative expenses¹ continue to be a small fraction of overall program spending, demonstrating our cost-conscious approach to managing resources.

Table 3.6—Benefit Outlays²
(Dollars in billions)

	FY 2020 Actuals	FY 2021 Estimate	FY 2022 Estimate
Old-Age and Survivors Insurance	\$940.2	\$984.7	\$1,038.8
Disability Insurance	\$144.0	\$144.4	\$150.3
Supplemental Security Income ³	\$58.9	\$58.7	\$65.4
Total Outlays⁴	\$1,143.1	\$1,187.7	\$1,254.5

Paralleling the growth in benefit payment outlays, we expect the number of beneficiaries and recipients of the three major programs we administer, including those only receiving a SSI State supplementary payment, to increase from 72.4 million in FY 2020 to 73.1 million in FY 2021 and 74.3 million in FY 2022.

Table 3.7—Beneficiaries²
(Average in payment status, in millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Old-Age and Survivors Insurance	54.5	55.5	56.6
Disability Insurance	9.9	9.7	9.7
Supplemental Security Income ⁵	8.1	7.9	8.0
Total Beneficiaries⁶	72.4	73.1	74.3

¹ Our calculation of discretionary administrative expenses excludes Treasury administrative expenses, which are mandatory outlays.

² Totals may not add due to rounding.

³ SSI benefit payments include State supplementary payments of about \$2.5 billion in FY 2020, \$2.6 billion in FY 2021, and about \$2.8 billion in FY 2022.

⁴ Benefit payment totals include \$1.0 million for the Special Benefits for Certain World War II Veterans program in FY 2020 and FY 2021 and less than \$0.5 million in FY 2022, which is not broken out separately.

⁵ SSI recipients include about 150,000 recipients each year who only receive a State supplementary payment.

⁶ Beneficiary totals include approximately 2.7 million concurrent recipients who receive SSI as well as OASI or DI.

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FUNDING REQUEST

Our FY 2022 LAE budget request of \$14.189 billion allows us to focus on our agency priorities of strengthening our services, improving the customer experience, modernizing our information technology, streamlining our policies, and ensuring stewardship of our programs.

Table 3.8—Budgetary Request

	FY 2020 Actual ¹	FY 2021 Estimate ²	FY 2022 Request
Budget Authority (in millions)			
Limitation on Administrative Expenses (LAE) ³ <i>(Dedicated Program Integrity, Base and Adjustment, included in LAE)³</i>	\$12,871 (\$1,582)	\$12,931 (\$1,575)	\$14,189 (\$1,708) ⁴
Research and Demonstrations ⁵	\$101	\$86	\$86
Office of the Inspector General (OIG) ⁶	\$106	\$106	\$112
Total, Budget Authority (in millions)	\$13,077	\$13,122	\$14,387
Other Budgetary Resources (in millions)			
COVID-19 Pandemic– Workload Processing ⁷	\$300	\$0	\$0
COVID-19 Pandemic– Economic Impact Payments (administrative costs) ⁷	\$38	\$38	\$0
Total, Budgetary Resources (in millions)⁸	\$13,415	\$13,160	\$14,387
Workyears (WY)⁹			
Full-Time Equivalents	59,574	59,498	60,729
Overtime	1,801	1,155	1,800
Lump Sum Leave	178	252	250
Total SSA Workyears	61,553	60,905	62,779
Reimbursable Workyears	215	300	300
Total SSA/Reimbursable Workyears	61,768	61,205	63,079
Disability Determination Services (DDS)	13,028	14,140	15,532
Total SSA/Reimbursable/DDS Workyears	74,796	75,345	78,611
OIG	523	518	542
Total SSA/Reimbursable/DDS/OIG Workyears	75,319	75,863	79,153

¹ P.L. 116-94 – Further Consolidated Appropriations Act, 2020, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

² P.L. 116-260 – Consolidated Appropriations Act, 2021, provided \$50 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

³ FY 2020 program integrity funding is available for 18 months (through March 31, 2021) by P.L. 116-94. FY 2021 program integrity funding is available for 18 months (through March 31, 2022) by P.L. 116-260. The Budget assumes 18-month authority (through March 31, 2023) to obligate dedicated program integrity funds in FY 2022.

⁴ The Budget includes \$1.708 billion in dedicated funding for program integrity (PI) activities, including a \$1.435 billion allocation adjustment. This is a \$150 million decrease from the Discretionary Request for PI released on April 9, 2021. Our LAE topline remains unchanged, and using PI carryover allows us to devote more resources to improve frontline services while maintaining our commitment to completing PI work. We are using \$150 million of unanticipated carryover from FY 2021 resulting from COVID related impacts to support the same level of PI activities in the Discretionary request.

⁵ Congress appropriated \$101 million in FY 2020 (available through September 30, 2022) and \$86 million in FY 2021 (available through September 30, 2023) for research and demonstration projects. The Budget proposes \$86 million in FY 2022 (available through September 30, 2024) for research and demonstration projects.

⁶ P.L. 116-94 allows SSA to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2020. P.L. 116-260 allows SSA to transfer up to \$11.2 million in FY 2021. The Budget continues this transfer in FY 2022 at a level of up to \$12.1 million.

⁷ The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) provided \$300 million in funding, available through September 30, 2021, to prevent, prepare for, and respond to the coronavirus, including paying the salaries and benefits of all employees affected as a result of office closures, telework, phone and communication services for employees, overtime costs, supplies, and for resources necessary for processing disability and retirement workloads and backlogs. It also provided \$38 million for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering economic impact payments (EIPs) to qualifying individuals. The Consolidated Appropriations Act, 2021 (P.L. 116-260, Section 272, Division N), provided an additional \$38 million in funding, available through September 30, 2021, for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering a second round of EIPs first authorized under the CARES Act. This funding is not reflected in the LAE. For more information on this supplemental funding, please see the COVID-19 exhibit in the LAE section of our Congressional Justification.

⁸ Numbers may not add due to rounding.

⁹ A workyear (WY) is a measure of time spent doing work or being paid for some element of time (e.g. leave). It is the equivalent of one person working for one year (2,080 hours) and may consist of regular hours, overtime, or lump sum leave, which is payment for unused annual leave upon leaving the agency. WYs include time spent in full-time or part-time employment. Full-time equivalents and overtime WYs include those funded from dedicated funding to reduce the hearings backlog, dedicated funding for IT modernization, and dedicated funding for program integrity. These WYs also include the Medicare Savings Program, the State Children's Health Insurance Program, the Medicare Low-Income Subsidy Program, reimbursable agreements, and MACRA. Additionally, SSA WYs include those funded under the CARES Act and the Consolidated Appropriations Act, 2021, for the coronavirus response and assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering EIPs.

Limitation on Administrative Expenses

ALL PURPOSE TABLE

Table 3.9—All Purpose Table (APT)
(in thousands)

	FY 2020	FY 2021	FY 2022	
	Further Consolidated Appropriations Act 1,2,3 P.L. 116-94	Consolidated Appropriations Act 1,2,4 P.L. 116-260	President's Budget	FY 2022 +/- FY 2021
Payments to Social Security Trust Funds				
Pension Reform	6,000	6,000	6,000	-
Unnegotiated Checks	5,000	5,000	5,000	-
Total PTF	\$ 11,000	\$ 11,000	\$ 11,000	\$ -
Supplemental Security Income				
Federal Benefits Payment ⁵	56,982,000	55,633,919	60,691,142	5,057,223
Beneficiary Services	45,000	45,000	205,000	160,000
Research & Demonstration	101,000	86,000	86,000	-
Administration ⁶	4,286,889	4,293,849	4,828,114	534,265
Subtotal SSI Program Level	61,414,889	60,058,768	65,810,256	5,751,488
Advance from PY	(19,700,000)	(19,900,000)	(19,600,000)	300,000
Subtotal Current Year SSI	\$ 41,714,889	\$ 40,158,768	\$ 46,210,256	\$ 6,051,488
New Advance SSI	\$ 19,900,000	\$ 19,600,000	\$ 15,600,000	\$ (4,000,000)
Limitation on Administrative Expenses				
Regular LAE				
OASDI Trust Funds	5,633,165	5,497,536	5,722,597	225,061
HI/SMI Trust Funds	2,458,514	2,715,499	3,015,140	299,641
Social Security Advisory Board	2,500	2,500	2,700	200
SSI	3,063,766	3,004,410	3,601,459	597,049
Subtotal Regular LAE	\$ 11,157,945	\$ 11,219,945	\$ 12,341,896	\$ 1,121,951
Program Integrity Funding				
OASDI Trust Funds	358,877	285,561	481,345	195,784
SSI	1,223,123	1,289,439	1,226,655	(62,784)
Subtotal Program Integrity Funding ⁷	\$ 1,582,000	\$ 1,575,000	\$ 1,708,000	\$ 133,000
<i>Base Program Integrity ⁸</i>	<i>273,000</i>	<i>273,000</i>	<i>273,000</i>	<i>-</i>
<i>Allocation Adjustment ⁷</i>	<i>1,309,000</i>	<i>1,302,000</i>	<i>1,435,000</i>	<i>133,000</i>
User Fees				
SSI User Fee	130,000	135,000	138,000	3,000
SSPA User Fee	1,000	1,000	1,000	-
Subtotal User Fees	\$ 131,000	\$ 136,000	\$ 139,000	\$ 3,000
Total LAE	\$ 12,870,945	\$ 12,930,945	\$ 14,188,896	\$ 1,257,951
Non-PI LAE	11,288,945	11,355,945	12,480,896	1,124,951
Office of the Inspector General				
Federal Funds	\$ 30,000	\$ 30,000	\$ 32,000	\$ 2,000
Trust Funds	\$ 75,500	\$ 75,500	\$ 80,000	\$ 4,500
Total, OIG ⁹	\$ 105,500	\$ 105,500	\$ 112,000	\$ 6,500
Total, Social Security Administration, New BA	\$ 70,315,445	\$ 68,512,364	\$71,294,038	\$ 2,781,674
Federal Funds	\$ 61,786,889	\$ 59,935,768	\$61,992,256	\$ 2,056,488
Current Year	\$ 41,886,889	\$ 40,335,768	\$46,392,256	\$ 6,056,488
New Advance	\$ 19,900,000	\$ 19,600,000	\$15,600,000	\$ (4,000,000)
Trust Funds	\$ 8,528,556	\$ 8,576,596	\$ 9,301,782	\$ 725,186

¹ Congress appropriated \$45 million in both FY 2020 and 2021 to remain available until expended for information technology modernization. It is included in regular LAE.

² Congress appropriated \$100 million in FY 2020 (available through September 30, 2021) to address the disability hearings backlog within the Office of Hearings Backlog (OHO). It is included in regular LAE. Congress also appropriated \$50 million in FY 2021 (available through September 30, 2022) to address the disability hearings backlog within OHO. It is included in regular LAE.

³ The Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) provided \$300 million in funding, available through September 30, 2021, to prevent, prepare for, and respond to the coronavirus, including paying the salaries and benefits of all employees affected as a result of office closures, telework, phone and communication services for employees, overtime costs, supplies, and for resources necessary for processing disability and retirement workloads and backlogs. It also provided \$38 million for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering economic impact payments (EIPs) to qualifying individuals. This funding is not reflected in the LAE.

⁴ The Consolidated Appropriations Act, 2021 (P.L. 116-260, Section 272, Division N) provided \$38 million in funding, available through September 30, 2021, for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering a second round of EIPs first authorized under the CARES Act. This funding is not reflected in the LAE.

⁵ The FY 2022 President's Budget Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan Special Immigrant Visa (SIV) and Liberian Deferred Enforced Departure programs.

⁶ Total SSI Administration reflects the sum of SSI regular LAE and SSI Program Integrity included in the LAE section.

⁷ The FY 2020 Further Consolidated Appropriations Act includes 18-month authority through March 31, 2021, to obligate program integrity funds. The FY 2021 Consolidated Appropriations Act includes 18-month authority through March 31, 2022, to obligate program integrity funds. The FY 2022 President's Budget assumes similar 18-month authority through March 31, 2023, to obligate program integrity funds.

⁸ In FY 2022, the Budget is asking Congress to fund dedicated program integrity activities through an allocation adjustment in the congressional budgeting process.

⁹ Public Law 116-94 allows SSA to transfer up to \$10 million of program integrity funds in the LAE account to the OIG for the costs associated with jointly operated cooperative disability investigations units in FY 2020. Public Law 116-261 allows SSA to transfer up to \$11.2 million of program integrity funds in the LAE account to the OIG for the costs associated with jointly operated cooperative disability investigations units in FY 2021. The FY 2022 Budget proposes SSA can transfer up to \$12.1 million of program integrity funds in the LAE account to the OIG for the costs associated with jointly operated cooperative disability investigations units in FY 2022.

ADDITIONAL FUNDING FOR CORONAVIRUS PANDEMIC (COVID-19)

Since March 2020, we received additional resources to respond to the coronavirus pandemic and to assist the Department of the Treasury issue three rounds of Economic Impact Payments (EIP).

On March 27, 2020, the President signed **the Coronavirus Aid, Relief, and Economic Security Act (CARES) (Public Law 116-136)**. This funding is available through September 30, 2021.

This law provided us with resources to prevent, prepare for, and respond to the coronavirus; and assist the Department of the Treasury Internal Revenue Service (IRS) with issuing the law's recovery rebates (EIPs).

We received \$300 million as part of the CARES Act to prevent, prepare for, and respond to the coronavirus.

Limitation on Administrative Expenses

In March 2020, in response to the coronavirus pandemic, we restructured how we conduct day-to-day business to ensure continuous public service while keeping employees and the public safe. The supplemental funding paid for the salaries and benefits of all employees affected as a result of office closures as we transitioned the workforce online and due to prioritizing frontline services over other workloads for a time. It also included funding for phone and communication services for employees in a telework posture, overtime costs, and supplies, and for resources necessary for processing disability and retirement workloads and backlogs. As a result of COVID-19, we temporarily altered our workload processing to defer certain actions to protect our beneficiaries' income and healthcare coverage, including the suspension of our continuing disability review (CDR) workload.

Most of the \$300 million in CARES Act funding paid for salaries and benefits for those employees that normally process program integrity work and, instead, handled other agency workloads. It also funded weather and safety leave for affected employees who were unable to immediately transition to a remote work posture, and support staff time. The remaining was allocated in FY 2020 and FY 2021 to fund additional overtime, Information Technology Systems (ITS) costs, and any other unexpected expenditures.

We also received \$38 million as part of the CARES Act to assist the Treasury/IRS with carrying out the law's EIP program.

Treasury is responsible for issuing the EIPs to individuals. We actively supported Treasury in this process, including sharing data with IRS for our beneficiaries who may not file tax returns to automatically issue EIPs. In addition, we coordinated with the Treasury to conduct a public awareness campaign regarding the availability of the tax credit or rebate. The funding paid for radio and social media campaigns to provide information and awareness regarding the EIPs. It also paid for outreach to our beneficiaries and continued outreach to disadvantaged communities. We also responded to inquiries on our National 800 Number, as well as paid for staff who support these efforts.

Table 3.10—COVID-19 CARES Act Obligations

CARES \$300M		
	FY 2020 Actual ^{1/}	FY 2021 Estimate
Staff hours devoted to response	\$ 195,264,778	\$ -
Supplies/Information Technology (phone & communication svcs/equip)	\$ 26,041,656	\$ 3,958,344
Weather and Safety Leave	\$ 51,183,361	\$ -
Overtime	\$ -	\$ 23,551,861
Total	\$ 272,489,795	\$ 27,510,205
CARES \$38M		
	FY 2020 Actual ^{1/}	FY 2021 Estimate
Staff hours	\$ 16,227,494	\$ 3,045,403
Outreach	\$ 18,727,103	\$ -
Total	\$ 34,954,597	\$ 3,045,403
1/ FY 2020 actuals represent the adjusted totals for recoveries in FY 2021.		

On December 27, 2020, the President signed the **Consolidated Appropriations Act, 2021(Public Law 116-260)**. This funding is available through September 30, 2021.

This law provided SSA with \$38 million in resources to assist the IRS to carry out the law’s EIP program.

This section of the Public Law provided us with resources to assist the IRS with issuing EIPs and providing administrative assistance to allow prompt distribution of these payments. To date, these funds supported responses to inquiries on our National 800 Number, including costs for staff who supported these efforts.

On March 11, 2021, the President signed the **American Rescue Plan (ARP) Act of 2021 (Public Law 117-2)**, which authorizes the Treasury to provide additional EIPs, which were first authorized under the CARES Act and again under the Consolidated Appropriations Act, 2021.

The IRS and SSA entered into a Memorandum of Understanding (MOU) to ensure that OASDI and SSI recipients receive their EIPs without delay. The MOU provides reimbursement to SSA from IRS for work performed to assist with the third EIP:

SSA will provide data to the IRS to issue the third round of EIPs.

SSA will provide information to the public via radio and social media campaigns and with mailer outreach to the most vulnerable populations.

We estimate reimbursement of \$20 million from the IRS for support of the third round of EIPs. These funds will also cover costs associated with notifications to beneficiaries and responses to inquiries on our National 800 Number, as well as to pay for staff who support these efforts.

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SSI STATE SUPPLEMENTATION/IMPACT OF STATES DROPPING OUT

The SSI program was designed to provide a nationwide uniform floor of cash assistance to individuals who are aged, blind, and disabled, with limited income and resources. In recognizing that there were variations in living costs across the Nation, Congress added section 1618 to the Social Security Act to encourage States to supplement the Federal payment. This ensured that SSI recipients received the full benefit of each cost-of-living adjustment. States may administer their own state supplement programs or have us administer the programs on their behalf. States electing to have us administer their programs reimburse us monthly in advance for these benefit payments, and we make eligibility determinations and payments on behalf of the States.

Table 3.11—State Supplement Payments
(Dollars in millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Federally Administered State Supplement Payments	\$2,536	\$2,565	\$2,760
Offsetting Collections	\$2,534	\$2,566	\$2,797

Participating States pay us user fees to administer their programs, based on a schedule established by the Social Security Act. The user fee was \$12.41 per SSI check payment in FY 2020 and is \$12.49 in FY 2021. We estimate that the user fee will increase to \$12.85 per payment in FY 2022. The Department of Treasury receives the first \$5.00 of each fee and we retain the amount over \$5.00. This user fee is discretionary budget authority that supplements our LAE account.

Table 3.12—SSI User Fee Collections^{1,2}
(Dollars in millions)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate²	<i>FY 2021 to FY 2022 Change</i>
SSA User Fee Collections	\$130 ¹	\$129 ^{1,3}	\$138	+\$9
Treasury User Fee Collections	\$87	\$86	\$94	+\$8
Total User Fee Collections	\$217	\$215	\$232	+\$17

¹ The enacted User Fee for FY 2020 was \$130 million and for FY 2021 is \$135 million. Any fees collected in excess of the appropriated amount may be used to cover a shortfall in collections for a future year.

² FY 2022 has 13 payments. Both FY 2020 and FY 2021 have 12 payments.

³ Due in part to the effects of COVID-19 on both the general public and our recipient population, total User Fee collections for FY 2021 are anticipated to fall substantially below our appropriated figure of \$135 million.

Impact of States Dropping Out of State Supplementation Program

Currently, we help administer the state supplementation for 20 States and the District of Columbia. However, participation in the state supplementation program is voluntary. States can opt out of the program, but must provide notice to us at least 90 days in advance before dropping out. The result of States dropping out of the program is a loss of LAE authority in the current and possibly following fiscal year when it is too late to adjust our request. California and New Jersey are the two largest states for whom we administer state supplementation. If either State opted to administer their own state supplementation, our estimate would dramatically decrease.

Table 3.13—Estimated SSA User Fee Collections by State
(Dollars in thousands)

State	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Arkansas	*	*	*
California	\$108,903	\$108,601	\$116,098
Delaware	\$50	\$49	\$53
DC	\$97	\$86	\$92
Georgia	*	*	*
Hawaii	\$232	\$223	\$239
Iowa	\$110	\$105	\$112
Kansas	*	*	*
Louisiana	*	*	*
Maryland	\$1	*	\$1
Michigan	\$1,030	\$1,003	\$1,072
Mississippi	\$1	\$1	\$1
Montana	\$67	\$67	\$71
Nevada	\$1,366	\$1,390	\$1,486
New Jersey	\$15,828	\$15,724	\$16,810
Ohio	*	*	*
Pennsylvania	\$463	\$437	\$467
Rhode Island	\$39	\$38	\$41
South Dakota	*	*	*
Tennessee	\$1	\$1	\$1
Vermont	\$1,349	\$1,362	\$1,456
Total	\$129,537	\$129,087	\$138,000

OUTREACH TO VULNERABLE POPULATIONS

During the pandemic, we experienced a reduction in applications for benefits, particularly Supplemental Security Income (SSI) and Disability benefits, and we are concerned that there

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may be a significant number of vulnerable Americans who needed our help but were unable to reach us during the pandemic. In response, we developed and implemented targeted strategies to reach at-risk persons, who include low income individuals, those with limited English proficiency, the homeless (or those facing homelessness), and those with mental illness. Specifically, our efforts have included greatly enhanced communication, close collaboration with community groups serving vulnerable populations, efforts to simplifying the SSI application process, and targeted outreach to current beneficiaries who may be eligible for additional benefits under the SSI program. The Budget includes \$75 million in additional funding in FY 2022 for outreach to ensure that SSI benefits reach the most vulnerable and underserved eligible individuals, including individuals those most vulnerable. This funding would allow us to continue to invest in efforts that simplify and expand access to the SSI program, including partnering with community-based organizations that work with vulnerable populations and delivering targeted mailers to potential SSI claimants. We have developed several initiatives, outlined below, to reach at-risk persons.

Initiative 1: Implement an Ongoing Outreach Program to Reach Vulnerable Populations

We are implementing a robust, nationwide communications strategy to target those most vulnerable. As part of our efforts, we hold regular meetings with partner groups and organizations to identify ongoing challenges in reaching vulnerable populations and potential solutions for overcoming these challenges. As a result of these conversations, we launched a national advertising campaign on TV, radio, and social media, with emphasis on children with disabilities. Additionally, we featured blog posts by our Commissioner and advocate partners on the importance of our programs and the need to reach those we serve.

FY 2021 Efforts:

- Our Commissioner launched a “Supporting Our Most Vulnerable” section on SSA’s Social Security Matters blog. Since launching, we have featured our Commissioner and several guest bloggers on topics ranging from homelessness, to SSI for children with behavioral disabilities, to economic impact payments.
- We created our "People Helping Others" website, which provides online resources to assist those third parties assisting vulnerable populations access our services.
- We also created a new vulnerable populations resource page for groups and organizations, along with an updated resource page for faith and community partners.
- We are running paid social media advertising referring people to both our SSI benefits page on our website and the "SSI kids apply" page in English and Spanish.

FY 2022 Plans:

- In FY 2022, we will continue to invite guest bloggers on our Social Security Matters blog.
- We also plan to add more information to our "People Helping Others" website.
- We will continue running paid social media ads.

Initiative 2: Streamlining the SSI Application and Increasing Accessibility

We continue our efforts to streamline the SSI application process. We are investigating ways to make our current SSI application available online. Ultimately, we expect to simplify the screening process for SSI, protect an individual's filing date, and allow an applicant the ability to easily schedule an appointment to file online or by phone.

FY 2021 Efforts:

- We engaged in listening sessions with SSI advocates to identify barriers for completing our SSI forms and application process.
- We also started improving our information online about filing for SSI by creating a 2021 edition of our Understanding Supplemental Security Income SSI Application Process and Applicants' Rights. This updated edition clarifies when and how to apply for benefits.

FY 2022 Plans:

- We regularly seek input from our advocates on proposed improvements to the SSI filing process for consideration in our planning and implementation.

Initiative 3: Third-Party Assistance

We are working with third parties to enlist support in identifying and assisting vulnerable individuals eligible and interested in filing an SSI application. We are designing a streamlined intake process for use by designated third party partners and have developed in-depth training materials for our partners to use in assisting other in filing for SSI. Furthermore, we are establishing vulnerable population liaisons in our field offices, who will work directly with these community partners to process these applications from at-risk and dire-need customers.

FY 2021 Efforts:

- On March 25, 2021, we convened a national conference call with over 1,500 advocates to request their assistance with claims intake and other outreach to vulnerable populations. During the call, we surveyed participants and more than 650 responders expressed interest in supporting SSA's outreach, with 375 agreeing in the meeting to assist individuals in filing for SSI.
- Between March and May, our Public Affairs Specialists expanded their outreach to secure community-based partners and conducted 6,815 outreach events securing 1,843 total commitments¹:
 - 484 partners agreed to assist individuals in applying for SSI;
 - 533 partners have committed to provide SSA information sufficient to establish a lead/protective filing; and
 - 1,653 will refer potential applicants to SSA.
- We are providing in-depth training for those partners committed to assisting individuals in filing SSI applications. Of the 484 application taking partners, 169 have been scheduled for training and 141 have completed training.

¹ Individual partners may commit to provide more than one service option when assisting individuals; therefore, the number of partners assisting with claims filing, establishing protective filings, and making referrals is greater than the total number of committed partners.

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- We created an internal repository of information on outreach, engagement, and reporting to assist with tracking our engagement efforts and training.

FY 2022 Plans:

- We plan to establish dedicated vulnerable population liaisons and vulnerable population experts in field offices to assist at-risk and dire-need claimants. These employees will work directly with our third party partners to provide claims filing and program support for initial claims, post-entitlement actions, as well as provide training.
- We will continue to build on the training and resource materials available for those designated third parties assisting individuals in accessing SSI.

Initiative 4: Expand Research to Establish a New Interventional Cooperative Agreement Program (ICAP) Focusing on Vulnerable Populations

We intend to use extramural research funds to establish a new ICAP focusing on vulnerable populations, such as the homeless and non-English speaking. ICAP allows us to enter into cooperative agreements to collaborate with external organizations with interest in identifying, operating, and partially funding interventional research related to DI and SSI.

FY 2021 Efforts:

- We developed and published a request for applications. The application period closes June 21, 2021.
- We expect to announce awards in September 2021.

FY 2022 Plans:

- We will begin awarded projects in FY 2022.
- We also expect to compete and award another round of ICAP in FY 2022.

Initiative 5: Administrative Simplifications

We are working to simplify policy around In-Kind Support and Maintenance (ISM). ISM is unearned income in the form of food and/or shelter and can affect the SSI benefit amount. We plan to raise the tolerance for the pro rata share from \$5 to \$20, meaning sharing exists and we would not charge ISM if an individual's household contribution is within \$20 of their pro rata share. We do not require a regulation to adjust the tolerance.

We are also looking to streamline our policies related to temporarily institutionalized (TI) claimants. Individuals may continue to receive their regular SSI benefits for stays in a facility of less than 90 consecutive days, provided the recipient requests to receive the benefits, and a physician certifies the stay as temporary. We are looking to simplify this process by creating a prescribed form to collect the necessary information from the physician. We also intend to develop a demonstration project to assess the effect of automatically providing these temporary benefits without the recipient requesting or physician certifying.

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Additionally, we are looking to increase our transparency by sharing technical instructions for our employees with the public. Where appropriate, we are sharing detailed policy guidance and processing instructions to assist in understanding the steps employees take when processing various workloads.

FY 2021 Efforts:

- We are working to update our systems to increase the \$5 tolerance rule to \$20.
- We published an *SSA Spotlight on Continued SSI Benefits for Persons Who Are Temporarily Institutionalized – 2021 Edition* to inform individuals of the impact on SSI for those temporarily institutionalized.
- We are exploring flexibilities related to obtaining physicians' certification and exploring initiating a research demonstration on improved TI processes.
- As of May 6, 2021, we posted 17 COVID-19 internal instructions to our employees to our public facing website.

FY 2022 Plans:

- We expect to complete our systems for the new tolerance in FY 2022.
- We will continue to assess the public's access to further policies and procedures.

Initiative 6: Increase Outreach to SSI Kids

In order to increase awareness about SSI children's benefits, we developed and implemented a paid public service announcement (PSA) campaign. As part of these efforts, we ran TV and radio ads with instructions on how to apply for benefits. We also developed social media advertising focused on SSI children's benefits. We began partnering with national and local third-party groups to share an outreach toolkit through their networks. Also, we continue to investigate potential data exchanges that may generate application leads for children who may be eligible for SSI. Lastly, we optimized the public-facing webpage and related information on how to apply for SSI children's benefits.

FY 2021 Efforts:

- We ran TV and radio ads in English and Spanish, and we are in the process of completing tests of the ads in the Dallas market to inform our national rollout plans.
- Additionally, paid social media ads are currently running in English and Spanish.
- We redesigned and optimized the "SSI kids apply" page, including in Spanish, and posted an outreach toolkit on our new outreach resources page for groups and organizations.
- We have begun to investigate new data exchanges, including meeting with different federal, State, and medical agencies to determine if we could leverage a data exchange to capture SSI leads for children.

FY 2022 Plans:

- We plan to complete testing of our TV and radio ads to determine impact for a future national rollout.

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- We expect to continue running paid social media ads through the remainder of the year and we will evaluate performance to determine next steps.
- Our PASs will continue to promote the outreach toolkit with third-party groups throughout the year.
- We plan to create a third-party outreach toolkit in Spanish for SSI Kids for dissemination through third-party groups.

Initiative 7: Conduct Targeted Mailings for Vulnerable Title II Beneficiaries Who May Be Eligible for SSI

We initiated the SSI mailer project after identifying Social Security beneficiaries whose monthly benefits are less than the maximum monthly Federal SSI benefit to apply for SSI who we believe may be eligible for additional payments under the SSI program. In total, we have identified 1.4 million potentially eligible individuals, many who fall into vulnerable population categories. The mailer, released in English and Spanish, includes a dedicated national hotline to assist recipients in determining eligibility for SSI.

FY 2021 Efforts:

- From mid-December 2020 through March 2021, we mailed 200,000 notices to Social Security beneficiaries in three of the most affected groups. Specifically, beneficiaries who are:
 - age 18-64 and receiving disability benefits;
 - age 65-84; and
 - age 65-84 who have limited English proficiency (LEP).
- The initial results of this mailing as of April 23, 2021 are:
 - 5,162 SSI applications taken (2.58% of total mailers sent);
 - 2,271 SSI applications have been approved (1.14% of the total mailers sent);
 - the newly-eligible SSI beneficiaries receive an average SSI benefit of \$198.70 per month; and
 - total SSI benefits paid to date are over \$451,000.
- We are still receiving and processing applications from people in the initial mailing, and we expect to complete our analysis by October 2021.

FY 2022 Plans:

- We plan to release another 1.2 million mailers from June 2021 to May 2022 (330,000 from June 2021-September 2021, 250,000 from October 2021-November 2021, and 620,000 from April 2022-June 2022.)
- We leveraged our experience from the first mailer to improve our processes for the next mailing as follows:
 - We refined our data screening to better target the mailing to people who are potentially eligible for SSI. For example, we added additional screening criteria to more precisely identify and remove individuals receiving a non-covered pension who would not be eligible for SSI benefits. After this additional screening, there are about 1.2 million potentially eligible beneficiaries.

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- We will stagger the mailings over the course of a year.
- We shortened and simplified the notice, which will include a one-page fact sheet about the SSI program.
- We will send an email notification to beneficiaries who have provided us with an email address. This email will be in addition to the paper notice.
- We have a new dedicated 800-number staffed by bilingual employees fluent in Spanish and English who are part of our national call center. We have improved call routing capability with a new communications platform to be implemented soon and will offer scheduled voice call back service. We also offer telephone translation in 200 languages.

Table 3.14—Estimate of Costs for Outreach Efforts

Initiative	FY 2021 Estimate ¹	FY 2022 Estimate
Overall Management of Advocate Workgroups	\$70,000	\$60,000
Overarching Communications Strategy to Vulnerable Populations	\$810,000	\$720,000
SSI Application Streamlining/Accessibility	\$2,050,000	\$3,000,000
Third-Party Assistance	\$17,350,000	\$69,390,000
Interventional Cooperative Agreement Program	\$6,110,000	\$6,160,000
Simplify Policy around In-Kind Support and Maintenance	\$1,570,000	\$230,000
Streamline Operational Procedures to Assist Temporarily Institutionalized Claimants in Obtaining the Required Physicians' Statement	\$190,000	\$220,000
Increase Transparency of Sensitive Employee Instructions	\$0	\$0
Outreach to SSI Kids	\$680,000	\$610,000
Targeted Mailing for Title II Population Accessing SSI	\$2,920,000	\$5,590,000
Additional Outreach Efforts	\$0	\$10,000,000
Total	\$31,750,000	\$95,980,000

BUDGET AUTHORITY AND OUTLAYS

The Limitation on Administrative Expenses (LAE) account, our basic administrative account, is an annual appropriation and is financed from the Social Security and Medicare trust funds, as well as the General Fund. This account provides resources to administer the Social Security and

¹ Of the FY 2021 total estimate, \$21.0 million is base funding. SSA has prioritized an additional \$10.8 million to expedite outreach efforts during FY 2021.

Limitation on Administrative Expenses

SSI programs, as well as certain aspects of the Medicare program. We calculate the administrative costs attributable to each program using our Government Accountability Office approved cost analysis system. In FY 2009, we received additional funds from the General Fund of the Treasury, provided by the Recovery Act and the MIPPA. We also received \$98 million funded incrementally from FY 2015 to FY 2018, of which \$27 million is available until expended, for costs associated with the MACRA provisions.

CMS and SSA Cost Sharing Agreement Workgroup

The Social Security Administration’s LAE account is funded by the Social Security trust funds, the General Fund, the Medicare trust funds, and applicable user fees. Section 201(g) of the Social Security Act provides that SSA determine the share of administrative expenses that should have been borne by the appropriate trust funds for the administration of their respective programs and the General Fund for administration of the SSI program. SSA and CMS are currently working together to evaluate the cost-sharing agreement that determines the portion of administrative expenses borne by the SSA and Medicare trust funds and the general fund.

Table 3.15—Budget Authority and Outlays ¹
(Dollars in thousands)

	FY 2020 Actual^{2,3,4}	FY 2021 Enacted^{3,4,5}	FY 2022 Estimate⁶
OASI and DI Trust Funds	\$5,992,042 ⁷	\$5,783,097 ⁸	\$6,203,942 ⁹
HI and SMI Trust Funds	\$2,458,514	\$2,715,499	\$3,015,140
SSA Advisory Board	\$2,500	\$2,500	\$2,700
SSI Administrative Expenses	\$4,286,889	\$4,293,849	\$4,828,113
SSI State Supplement User Fees	\$130,000	\$135,000	\$138,000
Non-Attorney Representative User Fees	\$1,000	\$1,000	\$1,000
CARES	\$338,000	\$0	\$0
Consolidated Appropriations Act, 2021 (Section 272, Division N)	\$0	\$38,000	\$0
Total Budget Authority	\$13,208,945	\$12,968,945	\$14,188,896
OASI and DI Trust Funds	\$5,473,400 ¹⁰	\$6,083,000 ¹¹	\$6,179,600 ¹²

¹ Totals may not add due to rounding.

² In FY 2020, our administrative outlays were about 1.1 percent of the benefit payments we made.

³ Congress appropriated \$45 million in FY 2020 and in FY 2021 (available until expended) for IT modernization.

⁴ Congress appropriated \$100 million in FY 2020 (available through September 30, 2021) and \$50 million in FY 2021 (available through September 30, 2022) to address the disability hearings backlog.

⁵ In FY 2021, our administrative outlays are about 1.2 percent of the benefit payments we plan to pay.

⁶ In FY 2022, our administrative outlays are about 1.1 percent of the benefit payments we plan to pay.

⁷ The total includes \$3,334,070 in OASI and \$2,657,972 in DI costs.

⁸ The total includes \$3,293,890 in OASI and \$2,489,207 in DI costs.

⁹ The total includes \$3,437,107 in OASI and \$2,766,835 in DI costs.

¹⁰ The total includes \$3,107,100 in OASI and \$2,366,300 in DI costs.

¹¹ The total includes \$3,465,900 in OASI and \$2,617,100 in DI costs.

¹² The total includes \$3,424,800 in OASI and \$2,754,800 in DI costs.

Limitation on Administrative Expenses

	FY 2020 Actual^{2,3,4}	FY 2021 Enacted^{3,4,5}	FY 2022 Estimate⁶
HI and SMI Trust Funds	\$2,467,900	\$2,854,900	\$3,002,000
SSI Administrative Expenses	\$4,232,100	\$4,521,500	\$4,806,500
SSI State Supplement User Fees	\$129,500	\$135,000	\$138,000
Non-Attorney Representative User Fees	\$1,000	\$1,000	\$1,000
CARES	\$295,700	\$42,300	\$0
Consolidated Appropriations Act, 2021 (Section 272, Division N)	\$0	\$38,000	\$0
MIPPA – LIS	\$0	\$5,800	\$5,800
MACRA	\$200	\$200	\$0
Recovery Act – New NSC	\$150	\$2,900	\$0
Total Administrative Outlays¹	\$12,599,950	\$13,684,600	\$14,132,900

¹ Due to variations in the reporting of outlays, these outlays will not match those included in the Budget Appendix.

Limitation on Administrative Expenses

AMOUNTS AVAILABLE FOR OBLIGATION/ANALYSIS OF CHANGES

Table 3.16—Amounts Available for Obligation
(Dollars in thousands)^{1,2}

	FY 2020 Actual ³	FY 2021 Enacted ^{4,5}	FY 2022 Estimate ⁶	FY 2021 to FY 2022 Change
Limitation on Administrative Expenses (LAE)				
LAE Appropriation ⁷	\$12,870,945	\$12,968,945	\$14,188,896	\$1,219,951
Unobligated Balance, start-of-year ⁸	\$765,071	\$540,902	\$461,364	(\$79,538)
Unrealized Non-Attorney User Fees	(\$879)	\$0	\$0	\$0
Unrealized SSI User Fees	(\$463)	\$0	\$0	\$0
Subtotal LAE Resources	\$13,634,674	\$13,509,847	\$14,650,260	\$1,140,413
Unobligated Balance, lapsing	(\$168,184)	\$0	\$0	\$0
Unobligated Balance, end-of-year (LAE Carryover)	(\$421,900)	(\$311,366)	(\$146,930)	\$164,436
Total Obligations, LAE	\$13,044,589	\$13,198,481	\$14,503,330	\$1,304,849
The Coronavirus Aid, Relief, and Economic Security Act (CARES Act)				
CARES Act Appropriation	\$338,000	\$0	\$0	\$0
CARES Unobligated Balance, start-of-year	\$0	\$26,789	\$0	(\$26,789)
CARES Unobligated Balance, end-of-year	(26,789)	\$0	\$0	\$0
Obligations, CARES	\$311,211	\$26,789	\$0	(\$26,789)
American Recovery and Reinvestment Act Resources (ARRA) ⁹				
National Support Center, Unobligated Balances, start-of-year	\$3,011	\$2,861	\$0	(\$2,861)

¹ Totals may not add due to rounding.

² Table does not include reimbursables.

³ FY 2020 unobligated balances, end-of-year, includes \$173 million of Program Integrity 18-month carry-out into FY 2021, \$87 million of Dedicated Hearings FY 20-21 multi-year carry-out, and \$76 million of IT Modernization no-year carry-out. Please note that the FY 2020 unobligated balances, end-of-year, do not match the FY 2021 unobligated balances, start-of-year, because of adjustments made after the close of the fiscal year.

⁴ FY 2021 unobligated balances, start-of-year, includes \$173 million of Program Integrity 18-month carry-in from FY 2020 and \$207 million transferred from prior-year accounts.

⁵ Includes \$38 million in funding, available through September 30, 2021, for administrative costs related to assisting the Department of Treasury/Internal Revenue Service in coordinating a public awareness campaign and administering a second round of EIPs first authorized under the CARES Act.

⁶ FY 2022 unobligated balances, start-of-year, includes \$261 million of Program Integrity 18-month carry-in from FY 2021 and \$150 million transferred from prior-year accounts.

⁷ LAE Appropriation amounts displayed include \$10 million for OIG CDI team leaders in FY 2020, \$11.2 million FY 2021, and \$12.1 million in FY 2022 for CDI related costs in FY 2022.

⁸ Includes multi-year carryover funds for ITS, IT Modernization, Program Integrity, Dedicated Hearings, and Altmeyer dedicated funding.

⁹ SSA received a Presidential waiver from rescission allowing for the use of ARRA NSC funds until expended.

Limitation on Administrative Expenses

	FY 2020 Actual ³	FY 2021 Enacted ^{4,5}	FY 2022 Estimate ⁶	FY 2021 to FY 2022 Change
National Support Center Estimated Recovery/Offsetting Collections	\$0	\$0	\$0	\$0
National Support Center Unobligated Balances, end-of-year	(\$2,861)	\$0	\$0	\$0
Obligations, ARRA	\$150	\$2,861	\$0	(\$2,861)
Medicare Savings Plan (MSP)				
Unobligated Balances, start-of-year	\$14,903	\$14,903	\$7,451	(\$7,451)
Unobligated Balances, end-of-year	(\$14,903)	(\$7,451)	\$0	\$7,451
Obligations, MSP	\$0	\$7,451	\$7,451	\$0
Medicare Improvements for Patients and Providers Act (MIPPA) - Low Income Subsidy (LIS)				
Unobligated Balances, start-of-year	\$11,542	\$11,524	\$5,762	(\$5,762)
Unobligated Balances, end-of-year	(\$11,524)	(\$5,762)	\$0	\$5,762
Obligations, MIPPA – LIS	\$18	\$5,762	\$5,762	\$0
State Children's Health Insurance Program (SCHIP)				
Unobligated Balances, start-of-year	\$1,975	\$1,975	\$987	(\$988)
Unobligated Balances, end-of-year	(\$1,975)	(\$987)	\$0	\$987
Obligations, SCHIP	\$0	\$988	\$987	\$0
Medicare Access and CHIP Reauthorization Act (MACRA)				
Unobligated Balances, start-of-year	\$26,080	\$25,882	\$25,822	(\$60)
Expenditure Transfers from Trust Funds	0	\$0	\$0	\$0
Unobligated Balance, end-of-year	(\$25,882)	(\$25,822)	(\$25,822)	\$0
Obligations, MACRA	\$198	\$60	\$0	(\$60)
GRAND TOTAL, OBLIGATIONS	\$13,356,167	\$13,242,393	\$14,517,530	\$1,301,927

Limitation on Administrative Expenses

SUMMARY OF CHANGE IN ADMINSTRATIVE OBLIGATIONS FROM FY 2021 TO FY 2022

Table 3.17—Summary of Changes
(Dollars in thousands)^{1,2}

	FY 2021		FY 2022		Change	
	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)
<p><u>BUILT-IN INCREASES</u> – Built-in increases are year-over-year cost increases that are outside agency control, such as across the board Federal pay raises, changes in employee health benefit premiums, and the price of postage. These increases are not a result of changes in overall agency resources or agency program or policy changes. Most agency operational costs are captured in this category as payroll costs.</p>						
<u>Payroll Expenses</u>	60,820	\$7,289,690	60,820	\$7,681,566		\$391,876
Increase award spending by 1 percentage point over FY 2020 of non-SES/SL/ST salary spending		\$45,000		\$98,000		\$53,000
Increases due to periodic step increases, health benefits, and career ladder promotions				\$130,355		\$130,355
Three-month effect of Federal pay increase effective January 2021 – 1.0%				\$16,954		\$16,954
Nine-month effect of Federal pay increase effective January 2022 – 2.7%				\$135,567		\$135,567
FERS Employer Contribution increase from 17.3% to 18.4% effective October 2021				\$56,000		\$56,000
<u>Non-Payroll Costs</u> - Mandatory growth in non-payroll costs, including costs of security, guard services, postage, rent, lease renewals, etc.		\$1,361,394		\$1,449,393		\$87,999
<u>State Disability Determination Services</u> Mandatory growth in State DDS costs, including pay raises and the costs of obtaining medical evidence		\$2,384,435		\$2,452,239		\$67,804
<u>Mailed Social Security Statements</u>		\$7,909		\$8,513		\$604
Subtotal, Built-In Increases	60,820	\$11,043,427	60,820	\$11,591,711		\$548,283
<p><u>PROGRAM CHANGES</u> – Program changes are year-over-year cost changes not captured in the section above. These result from changes in agency priorities, policy decisions, or dedicated funding.</p>						

¹ Totals may not add due to rounding.

² Figures include Program Integrity, IT Modernization, and CARES Act funding.

Limitation on Administrative Expenses

	FY 2021		FY 2022		Change	
	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)
<u>PROGRAM INCREASES</u>						
<u>Net Increase in Disability Determination Services¹</u>				\$280,846		\$280,846
<u>Payroll Increase - Net Increase in SSA Operations WYs</u>			2,330	\$270,198	2,330	\$270,198
<u>Information Technology (IT) - Base Funding</u>		\$1,204,973		\$1,353,689		\$148,716
<u>OIG Transfer</u>		\$11,200		\$12,100		\$900
<u>Non-Payroll Costs - Change in essential non-payroll costs</u>		\$811,394		\$918,094		\$106,700
Subtotal, Program Increases		\$2,027,567	2,330	\$2,834,928	2,330	\$807,360
Subtotal, Gross Increases	60,820	\$13,070,995	63,150	\$14,426,638	2,330	\$1,355,643
<u>PROGRAM DECREASES</u>						
<u>C1. Payroll Decrease – Net Decrease in SSA Non-Operations WYs</u>			-456	-\$73,308	-456	-\$73,308
<u>C2. Carryover Decreases – Altmeyer, NSC, Construction</u>		\$7,139				-\$7,139
Subtotal, Program Decreases		\$7,139	-456	-\$73,308		-\$80,447
Subtotal, Gross Decreases		\$7,139	-456	-\$73,308	-456	-\$80,447
<u>NO NET CHANGE</u> - Obligations not expected to change in FY 2022 year-over-year compared to FY 2021.						
<u>IT Obligations Funded from Prior-Year Unobligated Balances</u>		\$150,000		\$150,000		
Subtotal, Net Change		\$150,000		\$150,000		
Total Obligations, Net	60,820	\$13,228,133	62,694	\$14,503,330	1,874	+\$1,275,197

¹ Funds an additional 1,392 DDS WYs in FY 2022.

Limitation on Administrative Expenses

BUDGETARY RESOURCES BY OBJECT

Table 3.18—Budgetary Resources by Object
(Dollars in thousands)^{1,2}

	FY 2021	FY 2022	Change
Personnel Compensation			
Permanent positions	\$5,086,810	\$5,297,180	\$210,369
Positions other than permanent	\$99,118	\$106,985	\$7,867
Other personnel compensation	\$116,379	\$302,140	\$185,761
Special personal service payments	\$1,577	\$2,000	\$423
Subtotal, personnel compensation	\$5,303,884	\$5,708,305	\$404,421
Personnel Benefits	\$2,009,366	\$2,194,552	\$185,186
Benefits for former personnel	\$1,900	\$1,900	\$0
Travel and transportation of persons	\$6,584	\$6,521	-\$63
Transportation of things	\$5,109	\$5,060	-\$49
Rent, communications, and utilities			
Rental payments to GSA	\$715,083	\$739,076	\$23,994
Rental payments to others	\$99	\$106	\$7
Communications, utilities, misc.	\$448,318	\$513,132	\$64,815
Printing and reproduction	\$27,114	\$26,854	-\$260
Other services (DDS, guards, etc.)	\$4,094,588	\$4,538,115	\$443,527
Supplies and materials	\$30,081	\$29,793	-\$288
Equipment	\$363,146	\$419,268	\$56,122
Land and structures	\$153,727	\$252,253	\$98,526
Grants, subsidies and contributions	\$40,771	\$40,380	-\$391
Insurance claims and indemnities	\$34,973	\$34,637	-\$335
Interest and dividends	\$0	\$0	\$0
Financial Transfers	\$7,650	\$7,577	-\$73
Total Obligations	\$13,242,393	\$14,517,531	\$1,275,138
Resources not being obligated in the current year (carrying over or lapsing)	\$301,164	\$122,530	(\$178,635)
Total Budgetary Resources	\$13,543,558	\$14,640,060	\$1,096,503
Payments to State DDS (funded from other services and Communications, utilities, and misc.)	\$2,384,435	\$2,733,000	\$348,565

¹ Totals are shown in thousands, do not include reimbursables and may not add due to rounding.

² The obligations include the base LAE appropriation, CARES, MSP, LIS, SCHIP, NSC, MACRA, the Altmeyer Renovation, dedicated funding to address the hearings backlog, and for IT Modernization. Total budgetary resources in the table reflect FY 2021 and FY 2022 projections of spending by object class. Resources are not managed at the object class level and SSA has the flexibility within the LAE account to modify projected spending during the budget execution process.

Limitation on Administrative Expenses

ESTIMATED DISTRIBUTION OF AGENCY COSTS

Table 3.19 - FY 2020 - Estimated Distribution of Agency Costs
(Dollars in thousands) ^{1,2}

Component	FTEs	Lump Sum	Overtime	Workyears	Payroll	Benefits	Other Objects	Total
Field Offices	27,230	64	578	27,872	\$2,197,089	\$818,783	\$469,283	\$3,485,155
Teleservice Centers	4,567	8	45	4,619	\$280,249	\$105,685	\$20,527	\$406,462
Regional Offices ³	1,309	8	14	1,331	\$151,616	\$55,744	\$298,339	\$505,700
Subtotal, RC Field	33,106	80	637	33,823	\$2,628,954	\$980,212	\$788,150	\$4,397,317
Program Service Centers and Office of Central Operations	9,463	30	927	10,420	\$769,738	\$250,510	\$105,802	\$1,126,050
Subtotal, Operations	42,569	110	1,564	44,242	\$3,398,693	\$1,230,722	\$893,953	\$5,523,367
Office of Hearings Operations	8,549	38	103	8,690	\$862,126	\$304,677	\$283,226	\$1,450,029
Office of Systems	3,048	11	24	3,083	\$373,787	\$127,192	\$51,758	\$552,738
Office of Analytics, Review, and Oversight	2,050	7	86	2,143	\$232,222	\$76,078	\$9,512	\$317,811
Office of General Counsel	691	2	1	694	\$93,075	\$31,825	\$48,903	\$173,803
Headquarters ⁴	2,667	10	24	2,701	\$308,763	\$131,463	\$952,375	\$1,392,601
Subtotal, SSA	59,573	178	1,801	61,553	\$5,268,666	\$1,901,957	\$2,239,726	\$9,410,349
ITS				-				\$1,801,911
DDS	12,780	-	248	13,028				\$2,143,907
Total LAE	72,353	178	2,049	74,581	\$5,268,666	\$1,901,957	\$2,239,726	\$13,356,167

Table 3.20 - FY 2021 - Estimated Distribution of Agency Costs
(Dollars in thousands) ^{1,2}

Component	FTEs	Lump Sum	Overtime	Workyears	Salaries/OT	Benefits	Other Objects	Total
Field Offices	27,432	94	426	27,952	\$2,251,131	\$892,742	\$477,590	\$3,621,463
Teleservice Centers	4,996	17	77	5,091	\$310,296	\$120,069	\$20,891	\$451,256
Regional Offices ³	1,290	4	20	1,315	\$153,225	\$58,056	\$303,620	\$514,902
Subtotal, RC Field	33,718	116	523	34,357	\$2,714,653	\$1,070,867	\$802,101	\$4,587,621
Program Service Centers and Office of Central Operations	9,413	44	439	9,896	\$755,362	\$249,965	\$107,675	\$1,113,002
Subtotal, Operations	43,131	160	962	44,253	\$3,470,015	\$1,320,832	\$909,776	\$5,700,623
Office of Hearings Operations	7,968	35	97	8,100	\$807,891	\$302,507	\$288,051	\$1,398,449
Office of Systems	3,141	18	31	3,190	\$400,307	\$133,606	\$58,621	\$592,535

¹ Totals may not add due to rounding.

² Excludes Reimbursables (300 workyears in FY 2021 and FY 2022) and includes NSC, LIS, SCHIP, MACRA, and dedicated funding for OHO, IT Modernization, and Altmeyer.

³ Includes field office guard services in the Other Objects lines.

⁴ Includes multiple items which cover expenditures for the entire agency. Examples include: Return to Work incentives, Department of Interior Payroll IAA for the agency, GSA delegations, data exchanges, sustainability and reinvestigations, facilities and maintenance, employee health services, and headquarters guard services.

Limitation on Administrative Expenses

Component	FTEs	Lump Sum	Overtime	Workyears	Payroll	Benefits	Other Objects	Total
Office of Analytics, Review, and Oversight	1,947	12	39	1,998	\$222,152	\$72,441	\$10,553	\$305,146
Office of General Counsel	713	3	1	717	\$98,641	\$32,893	\$44,927	\$176,461
Headquarters ⁴	2,597	24	26	2,647	\$304,878	\$148,987	\$875,907	\$1,329,772
Subtotal, SSA	59,497	252	1,156	60,905	\$5,303,883	\$2,011,266	\$2,187,835	\$9,502,985
ITS				-				\$1,354,973
DDS	13,786	-	354	14,140				\$2,384,435
Total LAE	73,283	252	1,510	75,045	\$5,303,883	\$2,011,266	\$2,187,835	\$13,242,393
OIG Transfer				-	-\$11,200			-\$11,200
Total, LAE and OIG Transfer	73,283	252	1,510	75,045	\$5,292,683	\$2,011,266	\$2,187,835	\$13,231,193

Table 3.21 - FY 2022 - Estimated Distribution of Agency Costs
(Dollars in thousands) ^{1,2}

Component	FTEs	Lump Sum	Overtime	Workyears	Salaries/OT	Benefits	Other Objects	Total
Field Offices	28,474	95	730	29,299	\$2,527,673	\$967,980	\$498,706	\$3,994,359
Teleservice Centers	5,025	17	132	5,174	\$326,773	\$124,132	\$21,793	\$472,698
Regional Offices ³	1,261	4	20	1,285	\$164,129	\$58,696	\$316,727	\$539,552
Subtotal, RC Field	34,760	116	882	35,758	\$3,018,575	\$1,150,809	\$837,226	\$5,006,610
Program Service Centers and Office of Central Operations	10,111	44	670	10,825	\$809,317	\$308,287	\$112,463	\$1,230,067
Subtotal, Operations	44,871	160	1,552	46,583	\$3,827,892	\$1,459,096	\$949,689	\$6,236,677
Office of Hearings Operations	7,510	35	125	7,670	\$808,330	\$315,828	\$272,656	\$1,396,814
Office of Systems	3,141	18	30	3,189	\$417,427	\$148,797	\$67,359	\$633,583
Office of Analytics, Review, and Oversight	1,947	12	80	2,039	\$228,473	\$83,234	\$11,030	\$322,737
Office of General Counsel	713	3	0	716	\$102,125	\$37,877	\$45,501	\$185,503
Headquarters ⁴	2,547	22	13	2,582	\$324,059	\$151,620	\$1,029,765	\$1,505,444
Subtotal, SSA	60,729	250	1,800	62,779	\$5,708,306	\$2,196,452	\$2,376,000	\$10,280,758
ITS				-				\$1,503,689
DDS	15,132	-	400	15,532				\$2,733,084
Total LAE	75,861	250	2,200	78,311	\$5,708,306	\$2,196,452	\$2,376,000	\$14,517,531
OIG Transfer				-	-\$12,100			-\$12,100
Total, LAE and OIG Transfer	75,861	250	2,200	78,311	\$5,696,206	\$2,196,452	\$2,376,000	\$14,505,431

¹ Totals may not add due to rounding.

² Excludes Reimbursables (300 workyears in FY 2021 and FY 2022) and includes NSC, LIS, SCHIP, MACRA, and dedicated funding for OHO, IT Modernization, and Altmeyer.

³ Includes field office guard services in the Other Objects lines.

⁴ Includes multiple items which cover expenditures for the entire agency. Examples include: Return to Work incentives, Department of Interior Payroll IAA for the agency, GSA delegations, data exchanges, sustainability and reinvestigations, facilities and maintenance, employee health services, and headquarters guard services.

WORKLOAD PROCESSING AND COST DISTRIBUTION ACROSS THE ORGANIZATION

To provide additional transparency into how we spend resources, we are providing an example of how we process disability claims, one of our key workloads. This example demonstrates the movement of claims through multiple organizational components which handle various tasks required to complete the claim. Therefore, one claim or piece of work may incur costs in multiple components and cover a portion of our agency's fixed costs (e.g., overhead costs such as rent, guard services, information technology systems). These fixed agency level costs are applied after we assign direct component-level costs to a particular workload using generally accepted cost accounting principles of allocation.

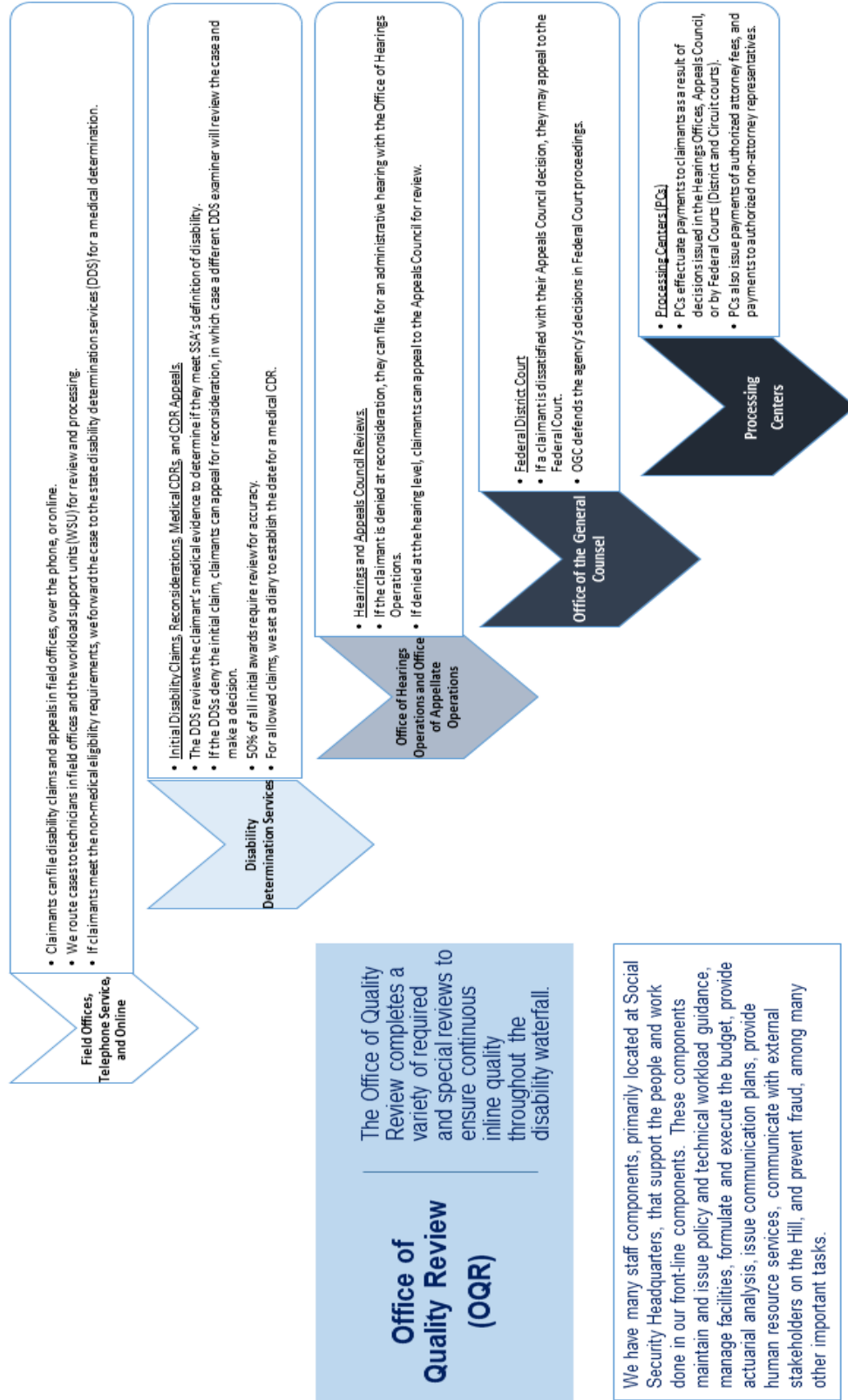
This example follows a claim filed in a field office. However, applicants can also file a claim online and the remainder of the process is the same as in this example. An applicant may file a disability claim in a field office where our field office staff ensures proper documentation and evaluates non-medical eligibility factors. That same claim then goes to the Disability Determination Services (DDS) for a medical determination. If the DDS issues a favorable determination, the claim then goes back to the field office for processing. In some cases where there are complex issues, such as payment offsets due to workers' compensation or other benefits, or systems limitations that require manual processing, the Processing Center (PC) will effectuate the claim. Our Office of Quality Review may also perform a review of the DDS determination prior to effectuation.

In this example, if the DDS issues an unfavorable determination, the applicant is eligible to request a hearing. The applicant will file the hearing request in a field office. The field office sends the case to our Office of Hearings Operations for a hearing by an Administrative Law Judge (ALJ). If the ALJ issues a favorable decision, the claim will then go to the PC where we calculate offsets, pay attorney fees, and initiate benefit payments. If the ALJ denies the claim, the applicant can appeal to the Appeals Council for a review and decision. Finally, if the Appeals Council denies the claim, the applicant has the final due process step available to appeal to the Federal Courts.

We assign the costs for these completed direct work activities to the agency-level workload that they support. Agency costs that benefit multiple workloads, such as human resources, financial, and policy support, also indirectly support the work we do, so we apply a portion of the overhead to each workload proportionally, based on the direct costs of doing the work.

The chart on the next page provides an organizational view of our disability waterfall to further illustrate this example of how work moves across components.

An Organizational View of Our Disability Work Process



PERFORMANCE TARGETS

The President’s FY 2022 request will allow us to achieve the following key performance targets:

Table 3.22—Key Performance Targets

Workload and Outcome Measures	FY 2020 Actual¹	FY 2021 Estimate²	FY 2022 Request
Retirement and Survivor Claims			
Retirement and Survivors Claims Completed (thousands)	6,120	6,243	6,486
Disability Claims			
Initial Disability Claims Receipts (thousands) ³	2,213	2,491	3,111
Initial Disability Claims Completed (thousands)	2,037	2,333	2,757
Initial Disability Claims Pending (thousands) ³	764	921	1,275
Average Processing Time for Initial Disability Claims (days) ⁴	131	171	149
Disability Reconsiderations			
Disability Reconsiderations Receipts (thousands) ⁵	568	685	814
Disability Reconsiderations Completed (thousands)	553	601	761
Disability Reconsiderations Pending (thousands)	144	228	280
Average Processing Time for Disability Reconsiderations (days) ⁴	122	152	133
Hearings			
Hearings Receipts (thousands) ⁵	429	417	545
Hearings Completed (thousands)	586	465	594
Hearings Pending (thousands)	418	370	321
Annual Average Processing Time for Hearings Decisions (days) ⁶	386	310	270
National 800 Number			
National 800 Number Calls Handled (millions)	34	36	36
Average Speed of Answer (ASA) (minutes)	16	15	12
Agent Busy Rate (percent)	7%	2%	1%
Program Integrity			
Periodic Continuing Disability Reviews (CDR) Completed (thousands)	1,493	1,595	1,771
Full Medical CDRs (included above, thousands)	463	495	671
SSI Non-Medical Redeterminations Completed (thousands)	2,153	2,360	2,900
Selected Other Agency Workload Measures			
Social Security Numbers (SSN) Completed (millions)	13	13	19
Annual Earnings Items Completed (millions)	289	284	267
Social Security Statements Issued (millions) ⁷	19	15	15
Selected Production Workload Measures			
Disability Determination Services Production per Workyear	255	264	293
Office of Hearings Operations Production per Workyear	93	80	103
Other Work/Service in Support of the Public-Annual Growth of Backlog (workyears)	N/A	(800)	(400)

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Our budget is fully integrated with our Annual Performance Plan (APP), which is included as the second from last tab in this *Justification of Estimates for Appropriations Committees*, and online at [our website](#). The budget estimates are linked to the key performance measures above and support all of the more detailed measures outlined in the APP.

¹ In response to the COVID-19 pandemic, which began in mid-March of 2020, we took steps to protect the public and our employees. We encouraged online, automated, and telephone services, limited in-person service in field offices, and temporarily suspended certain actions that would normally result in a reduction, suspension, or termination of Social Security or SSI benefits. By the end of FY 2020, we resumed processing suspended workloads.

² FY 2021 estimates generally align with the targets in our FY 2021 Operating Plan. However, some estimates have changed due to updated receipt projections from our Office of the Chief Actuary, which affect multiple workloads. We have also updated our estimate of SSI Redeterminations completed in FY 2021.

³ The estimates for disability claims receipts and claims pending are highly variable due to uncertainties surrounding the impact of COVID-19 on potential claimants. Claims pending are also variable due to SSA's operational challenges in rapidly changing pandemic conditions. Disability claims receipts estimates are point-in-time reflecting data, assumptions, and law as of February 2021, and do not consider the impact of the American Rescue Plan Act of 2021, which was enacted in March 2021.

⁴ In FY 2021, the pandemic continues to impact our ability to make timely disability determinations. Average processing times for our disability claims and appeals workloads will be dependent on the ability to obtain timely evidence and effectively scheduling Consultative Exams. Delays in obtaining medical evidence could have an impact on the overall wait time in our disability workload.

⁵ In March of FY 2020, we completed our two-year rollout of the reinstatement of the reconsideration level of appeal in the 10 prototype States. As a result, we have instituted a more unified, consistent administrative review process across the country. FY 2021 is the first full year of nationwide implementation. While reinstating the reconsideration step has increased the annual number of reconsiderations we receive and process, it has also reduced the number of claimants who would otherwise be waiting for a hearing decision by an administrative law judge.

⁶ Average processing time for hearings is an annual figure. We estimate end of year (September) processing time for hearings to be 305 days and 250 days for FYs 2021 and 2022, respectively.

⁷ The Social Security Statements Issued measure includes paper statements only. It does not include electronic statements issued. In FY 2020, *my Social Security* users accessed their Social Security Statements 64 million times. In FY 2020, we spent approximately \$9.7 million to send statements to people aged 60 and over who were not receiving Social Security benefits. Consistent with FY 2020, in FY 2021 and FY 2022, we will send paper statements to people aged 60 and older who are not receiving Social Security benefits and who are not registered for a *my Social Security* account, at a cost of approximately \$7.9 million in FY 2021 and \$8.5 million in FY 2022. As requested by FY 2021 report language, we note that in FY 2022, it would cost approximately an additional \$81 million to send statements to individuals aged 25 and older who are not receiving Social Security benefits

PROGRAM INTEGRITY

We take seriously our responsibilities to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve recipients. We utilize dedicated program integrity (PI) funding to conduct continuing disability reviews (CDR) to ensure that only beneficiaries who still qualify to receive benefits under the OASDI and SSI programs continue to receive them (includes both medical and work CDRs). For those receiving SSI, we also perform non-medical redeterminations to determine whether recipients continue to meet the program's income and resource limits. The funding also supports Cooperative Disability Investigation (CDI) units and the prosecution of fraud by Special Assistant U.S. Attorneys (SAUSA).

The Budget includes \$1.708 billion in dedicated funding for PI activities, including a \$1.435 billion allocation adjustment. This is a \$150 million decrease from the Discretionary request for PI released on April 9, 2021. Our LAE topline remains unchanged, and using PI carryover allows us to devote more resources to improve frontline services while maintaining our commitment to completing PI work. We are using \$150 million of unanticipated carryover from FY 2021 resulting from COVID-related impacts to support the same level of PI activities in the Discretionary request.

Our program integrity activities are funded as a subset of our total LAE funding. The Budget continues to assume 18-month availability for PI funding and also restricts us from using any non-PI LAE funding on PI activities.

Following expiration of the discretionary caps in 2021, the 2022 discretionary SSA request includes an allocation adjustment for each year of the ten-year budget window. This adjustment is shown in the Budget for use in the Congressional budget process, pursuant to the Congressional Budget Act. Access to approximately \$20 billion in discretionary funding over 10 years, including approximately \$17 billion in allocation adjustments, would produce \$73 billion in gross Federal savings (\$54 billion from allocation adjustments), with net deficit savings of approximately \$37 billion in the 10-year window and additional savings in the outyears (the Budget excludes funding for the now withdrawn proposed rule regarding increasing the number and frequency of CDRs). CDRs conducted in 2022 will yield an estimated ROI of about \$9 on average in net Federal program savings over 10 years per \$1 budgeted for dedicated program integrity funding, and the ROI for non-medical redeterminations conducted in 2022 is about \$3 to \$1. Table 3.23a provides additional information.

We achieved full CDR currency in FY 2018; however, due to the COVID-19 pandemic we were unable to remain current in FY 2020. The funding included in the FY 2022 Budget will enable us to regain currency in FY 2023 and remain current with dedicated program integrity workloads throughout the Budget window. Please refer to the Budget Concepts chapter in the Analytical Perspectives for more details on the Budget's approach to allocation adjustments.

As a result of the pandemic, we temporarily deferred certain workloads, such as medical CDRs and CDR denials. Additionally, a temporary suspension of consultative examinations (CE) and the continuing difficulty in obtaining necessary CEs and medical evidence affects all DDS

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workloads, including CDRs. Because of these challenges, in FY 2020, we processed about 240,000 fewer CDRs than we had originally planned.

We initially assumed we would be able to complete 690,000 CDRs and 2,000,000 RZs in FY 2021 before the COVID-19 pandemic. However, ongoing operational challenges related to the pandemic and updates to our estimated unit costs required an adjustment of our targets to 495,000 CDRs and 2,360,000 RZs. In FY 2022, we anticipate completing 671,000 full medical CDRs, which places us on the path to regain currency in FY 2023. The Budget also funds the completion of 2,900,000 RZs.

Table 3.23—Program Integrity Estimated Spending and Savings
(Dollars in millions)

	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total, 2022- 2031
Discretionary BA (non-add)	1,435	1,669	1,730	1,572	1,595	1,658	1,659	1,694	1,726	1,763	16,501
Discretionary outlay costs ¹	1,599	1,653	1,726	1,583	1,593	1,654	1,659	1,692	1,724	1,760	16,643
Mandatory Savings ²	-245	-2,529	-3,428	-4,497	-5,291	-6,058	-7,186	-7,282	-8,356	-9,084	-53,956
Net Effect	1,354	-876	-1,702	-2,914	-3,698	-4,404	-5,527	-5,590	-6,632	-7,324	-37,313

¹ The discretionary costs are equal to the outlays associated with the budget authority levels presented for allocation adjustments. The costs for 2023 through 2031 reflect the costs to complete the anticipated dedicated program integrity workloads for SSA.

² The mandatory savings from allocation adjustment funding are included in the policy projections for Social Security, Medicare, and Medicaid. SSA's Office of the Chief Actuary's estimates the savings.

Table 3.24—Program Integrity Workloads and Funding by Source¹
(Dollars in millions)

	FY 2020 Actuals	FY 2021 Estimate	FY 2022 Estimate
Volumes			
Full Medical CDRs Completed	463,264	495,000	671,000
SSI Non-Medical RZs Completed	2,153,109	2,360,000 ²	2,900,000

¹ Totals may not add due to rounding.

² The FY 2021 Congressional Operating Plan includes an SSI RZ goal of 2.260 million. Since then, we revised our estimate to add an additional 100,000 RZs completed this year.

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	FY 2020 Actuals	FY 2021 Estimate	FY 2022 Estimate
Funding ^{3,4}			
Unobligated Balance, start-of-year	\$37	\$173	\$261
Dedicated Program Integrity Funding	\$1,582	\$1,575	\$1,708
Subtotal PI Resources	\$1,619	\$1,748	\$1,969
Less Unobligated Balance, end-of-year	-\$173	-\$261	-\$97
Total PI Obligations⁵	\$1,446	\$1,487	\$1,872
<hr/>			
OASI	\$126	-	-
DI	\$188	\$270	\$527
SSI	\$1,000	\$1,217	\$1,345
HI	\$58	-	-
SMI	\$67	-	-
Medicare Part D	\$7	-	-
Total PI Obligations⁶	\$1,446	\$1,487	\$1,872

Pacing CDR and RZ Unit Costs to Manage LAE Funding Properly

While we take many steps to ensure we analyze and budget for the costs of our CDR and SSI RZ workloads, we do not know actual costs until after the end of the fiscal year. The 18-month authority allows us the flexibility to obligate our dedicated program integrity funding responsibly. The individual unit costs of CDRs and RZs and the total number of these workloads processed, determine the actual total program integrity costs. Fluctuations in our PI unit costs occur throughout the year due to a variety of factors, such as:

- hiring and training, which can impact productivity in the work units where the PI work is done;
- Information Technology investments (e.g. timing of development);
- policy changes;
- business process changes;
- timing of work completion (e.g. work can start in prior fiscal year and clear in the next);

³ The Consolidated Appropriations Act, 2017 (P.L. 115-31) extended the availability of program integrity funding through March 31, 2018. Appropriations for FYs 2018, 2019, 2020, and 2021 continued this extension, and the Budget proposes to continue 18-month availability for FY 2022. Dedicated program integrity funding in FY 2020 and FY 2021 represents the authorized level provided in BBEDCA, as amended by the Bipartisan Budget Act of 2015 (P.L. 114-74). We received the authorized amount in FY 2019, FY 2020, and FY 2021. The Budget assumes funding to complete planned program integrity workloads in FY 2022.

⁴ The total includes a \$10 million transfer in 2020, an \$11.2 million transfer in FY 2021, and \$12.1 million in FY 2022 from LAE to the SSA's Inspector General (OIG) for the cost of jointly operated CDI units. This anti-fraud activity is an authorized use of the allocation adjustment.

⁵ Totals include the combined costs of CDRs, SSI RZs, CDI units, and the SAUSAs.

⁶ We project workload costs for DI and SSI spending but not for OASI, HI, SMI, or Medicare Part D. We report these costs with the actuals.

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- the types of cases processed in a year (e.g. processing a greater number of more time-consuming types of CDRs in a year can increase unit costs in that year); and
- COVID-19 related disruptions due to our decision to protect beneficiaries and prioritize frontline services, and due to processing delays.

In addition to these items that add costs to the PI workloads, it can be difficult for the agency to control closely the volume of PI work that is completed. PI work occurs all across the country in every field office, processing center, and State DDS. Some PI work must be done on demand when we become aware of an issue with a claimant's situation and cannot be planned. Therefore, it is difficult to predict exact workload processing targets in advance.

We track PI spending throughout the fiscal year and we analyze and review cyclical trends in PI costs. However, the delay in actual costs challenges our ability to forecast spending and reconcile costs timely, and we must make a conservative estimate of total expected costs at the end of the year to stay within the total available program integrity funding.

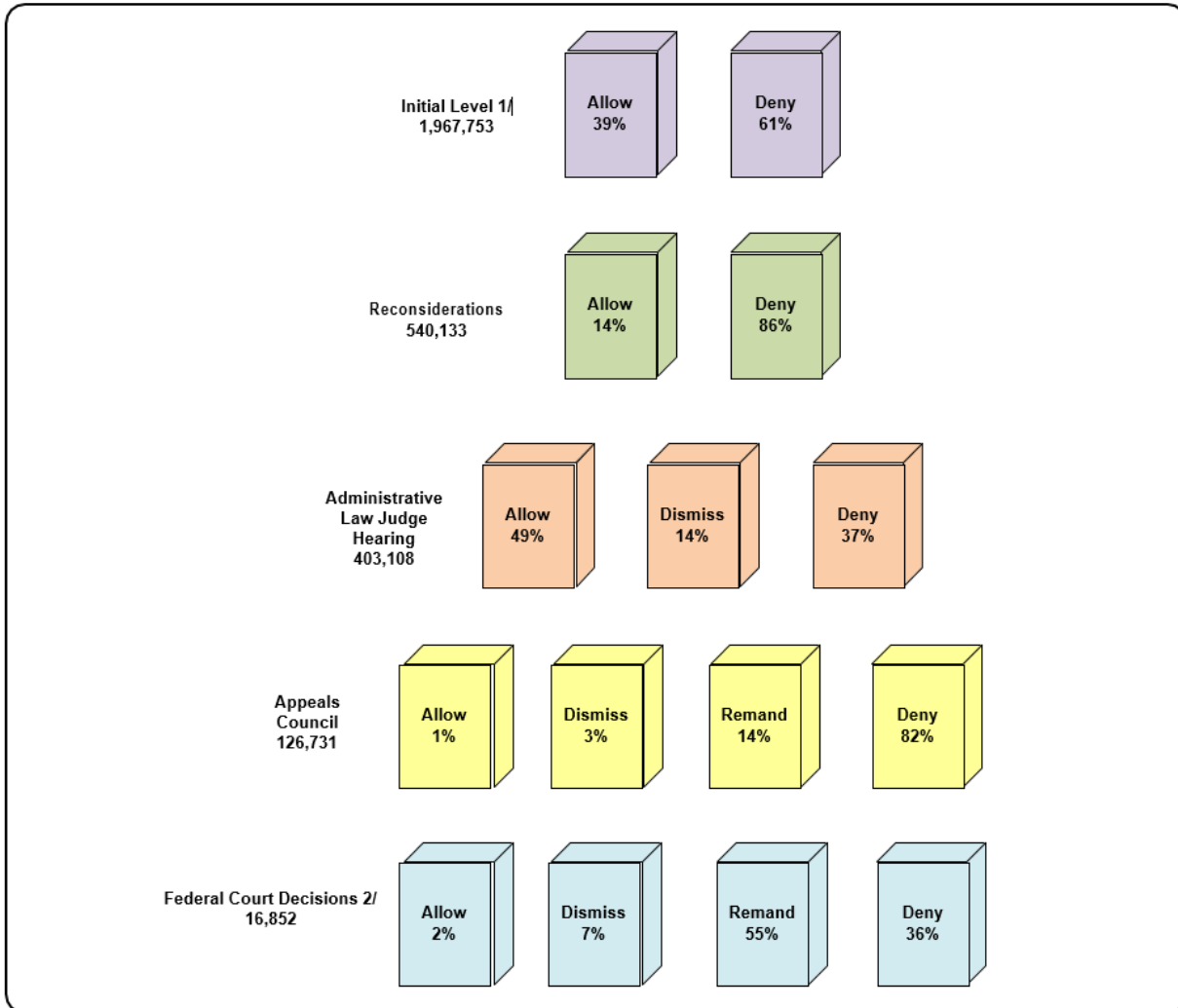
We calculate the unit costs for PI workloads using data from our Cost Analysis System. This system allocates our administrative costs to all of our workloads, including CDRs and RZs. Changes in other agency workloads, as well as in other large agency cost categories such as information technology (IT), impact the overall total unit costs for PI workloads as well, which can make it difficult to predict end-of-year costs for CDRs and RZs prior to the end of the fiscal year.

Our PI unit costs can be broken down by direct payroll, direct other objects, information technology systems (ITS), and agency shared costs that include both payroll and other objects. Our direct payroll includes costs of our employees in the front-line workload processing components like our field offices, program service centers, and State DDSs. Other objects costs can be broken down to just direct other objects costs of our front-line workload processing components. ITS costs include all non-payroll costs associated with our IT investments. Lastly, agency shared costs include all other component costs, like headquarters components as well as a portion of rent, postage, and guards.

While we strive to hit all performance targets, we will closely monitor and adjust our workload processing plans for PI workloads based on our real experience. We will also continue to consider the effects of the cost factors described above in our ongoing analysis to pace this workload and to inform our spending decisions.

FY 2020 DISABILITY DECISION DATA

Table 3.25 – Fiscal Year 2020 Disability Decision Data^{1, 2}



Data Sources:

- 1) Initial and Reconsideration Data: SSA State Agency Operations Report
- 2) Administrative Law Judge and Appeals Council data: SSA Office of Hearings Operations (OHO) and Office of Analytics, Review, and Oversight (OARO)
- 3) Federal Court data: SSA Office of General (OGC)

¹Workload volumes do not align with actual performance as reported in our key performance measures table because the performance measure captures broader activity.

²Includes Title II, Title XVI, and concurrent initial disability determinations and appeals decisions issued in FY 2020, regardless of the year in which the initial claim was filed, and regardless of whether the claimant ever received benefits (in a small number of cases with a favorable disability decision benefits are subsequently denied because the claimant does not meet other eligibility requirements). Does not include claims where an eligibility determination was reached without a determination of disability. If a determination or appeals decision was made on Title II and Title XVI claims for the same person, the results are treated as one concurrent decision.

¹In March 2020, SSA reinstated the reconsideration level of appeal to the last remaining prototype state resulting in a national, unified disability process. Prior to the change, the first level of appeal for the ten prototype states was a hearing before an Administrative Law Judge.

²Federal Court data includes appeals of Continuing Disability Reviews.

NOTE: Due to rounding, data may not always total 100%.

Prepared by: SSA, ODSSI (Office of Decision Support and Strategic Information) Date Prepared: March 5, 2021

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PRIORITY GOALS

While we are working to formulate our next plan, we continue reporting on the Agency Priority Goals (APGs) that form the foundation of our 2018-2022 Strategic Plan. To ensure our accountability to the public we serve, and as required by the GPRA Modernization Act of 2010, our APGs help us achieve our overarching strategic goals and objectives set forth in our [FYs 2018–2022 Agency Strategic Plan](#). These APGs are:

Improve customer service in the hearings process by prioritizing those individuals who have waited the longest for a hearing decision.

Improve the integrity of the SSI program by focusing our efforts on reducing overpayments.

Improve the customer experience by reducing the average speed of answer on the National 800 Number.

We have specific performance indicators and milestones to monitor our progress, and our goals reflect our Enterprise Risk Management actions. Additionally, through our quarterly internal review process, our executives have candid discussions regarding progress, any challenges we must overcome, and strategies that will support APG goal achievement.

Please see the [FY 2020 Annual Performance Report and FYs 2021–2022 APP](#) for more information on our APGs.

ADDITIONAL BUDGET DETAIL

INFORMATION TECHNOLOGY

Information technology (IT) is vital to nearly every aspect of the work we do to serve the public. IT allows our frontline employees to collect pertinent information and perform complex benefit calculations; it provides for electronic storage and retrieval of program information including medical records; it maintains and protects sensitive personal, benefits, and earnings information; and it helps us identify and prevent fraud and improper payments in our programs and across government.

When we limited in person service due to the COVID-19 pandemic, our IT infrastructure enabled us to seamlessly shift to digital, phone, video, and mail services. Throughout the pandemic, IT enabled our continuity of service by providing the technology infrastructure for our employees to work remotely and allowed us to quickly implement new self-service options for the public.

Our IT request for FY 2022 demonstrates a commitment to improving service to the millions of Americans who expect and deserve timely and accurate help from us. We will provide the public with more electronic service options to interact with us without the need to visit a field office or call our National 800 Number. We are building additional online services, improving and expanding automated services available through our National 800 Number, and providing additional self-service and express services in our field offices.

While we develop these new IT capabilities, we must continue providing stable and secure access to our existing systems. In the sections that follow, we highlight our progress to date in meeting our goal to improve public service, and provide an overview of continuing modernization efforts and support needed to maintain access to existing systems. Through our IT governance processes and cross-agency collaboration, we ensure that our use of technology funding continues to align with our efforts to improve customer service.

The table below provides a summary of the Information Technology Systems (ITS) budget authority. We provided a detailed view of the ITS budget by portfolio in Appendix A. In addition, we have included our IT Table, Workyear Count, and Limitation on Administrative Expenses (LAE) Expired Balances table in Appendix B.

Table 3.26 - Total Information Technology Systems (ITS) Budget Authority

(Dollars in Millions)	TAFS Code	FY 2020 Actual	FY 2021	FY 2022
	ITS New Budget Authority	28218704	\$1,313	\$1,138
Prior Year Transfer/Carryover	028X8704	\$379	\$150	\$150
IT Reimbursables	28218704	\$6	\$6	\$9
Special Appropriation ITS (\$415M)	028X8704	\$84	\$67	\$0
Recovery Act (NSC)	028X8704	\$0	\$3	\$0
CARES Act ITS Costs	2820218704	\$25	\$0	\$0
Subtotal ITS		\$1,808	\$1,364	\$1,513

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Table Continues on Next Page				
(Dollars in Millions)	TAFS Code	FY 2020 Actual	FY 2021	FY 2022
Internal Labor (Payroll)	28218704	\$565	\$575	\$647
Special Appropriation Internal Labor (Payroll) (\$415M)	028X8704	\$27	\$54	\$0
<i>Subtotal Payroll</i>		\$592	\$629	\$647
Total		\$2,399	\$1,993	\$2,160

Note: Totals may not add due to rounding.

Recent Accomplishments

IT Modernization - \$201.2 million

Our initiative to modernize our IT systems is critical to our efforts to improve public service, and we have made significant progress. These achievements will enable us to continue well into the future to meet the public's needs and integrate modern ways of doing business. We:

- Increased digital communication with beneficiaries and recipients as we deployed the Customer Communications Management (CCM) architecture application to collect and react to customer communications preference for receiving information, either by mail or online;
- Continued to improve the delivery of Social Security notices online and expanded the types of customer notices delivered online; enhanced internet capability to request Social Security Number (SSN) replacement cards; and standardized mailing addresses for sending SSN replacement cards;
- Fully rolled out Microsoft (MS) Teams to 100 percent of our Federal employees to enable video hearings, representative payee monitoring, and limited Social Security number transactions. MS Teams allows us to conduct business with the public remotely;
- Expanded Enumeration Beyond Entry through a collaboration with the Department of Homeland Security to process requests for Social Security Number cards for legal permanent residents so they do not need to also visit a local field office;
- Redesigned the disability case processing system for hearings and appeals and improved analytical tools to provide decision support through predictive analytics;
- Improved our claims-taking process by adding key information, such as SSI payment history, earnings, and Medicare data, to one central location saving time for our employees so that they do not have to search for this information in multiple places;
- Implemented a new mobile check-in process that allows visitors to check in for their scheduled field office appointment from their personal mobile device. The new service also incorporates a COVID-19 screening page;
- Enhanced the Technician Experience Dashboard (TED) by improving the Customer Verification, Customer View, and Benefit Verification features used by our technicians to efficiently manage customer service requests;
- Improved our service to the public by allowing forms CMS40B (nearly 160,000 forms), SSA455 (over 16,000 forms), and SSA1696 (over 1,300 forms) to be completed, electronically signed, and submitted online, with additional forms expected online by the end of FY 2021;

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- Increased electronic W2/W2c filing for employers by 1.01 percent and updated about 10 million death records; and
- Retired outdated applications, reports, and legacy databases.

As part of our effort to enhance online services, we are improving our website, www.ssa.gov. In FY 2020, we collaborated with outside experts to gather stakeholder feedback to guide our redesign process, conducted a website content audit, and updated website navigation to retirement information as part of our redesigned Retirement Portal.

The redesigned Retirement Portal, released in June 2020, makes it easier for the public to find information on retirement benefits. We created the portal using mobile responsive design to ensure a quality user experience from a computer or mobile device. The public can now subscribe to receive retirement information and updates.

Disability Case Processing System 2 (DCPS2) - \$41.3 million

In FY 2020, we added 14 new production sites. As of March 2021, we have deployed DCPS2 to 47 of 52 DDSs. Nine DDSs have fully transitioned to exclusively using DCPS2 for case processing: Maine, Wyoming, Rhode Island, Ohio, South Dakota, New Hampshire, Vermont, Montana, and New Mexico. Many more are transitioning throughout FY 2021.

We successfully achieved 12 planned, monthly releases that increased functionality, including:

- Ability to process Statutory Blind, Medicare Qualified Government Employee, and Special Notice Option cases;
- Functionality to support Office of Hearing Operations (OHO)-to-DCPS2 Assistance Requests;
- Support for non-English speaking claimants and cases involving a disabled child turning age 18;
- Additional decentralized State functionality;
- Introduction of a DCPS2 training region;
- Creation and deployment of national COVID-19 related correspondence; and
- Enhancements for Administration, Case Controls, Case Management, Claim Analysis, Consultative Exams, Correspondence, Dashboard, Delivery, Evidence, Fiscal, Internal Quality Assurance, and Vendor feature areas.

Representative Payee Legislation - \$8.0 million

In FY 2020, we implemented functionality to align with the Strengthening Protections for Social Security Beneficiaries Act of 2018. Specifically, we:

- Implemented several enhancements to the Representative Payee Monitoring Tool throughout the year, making it easier for the State protection and advocacy groups to complete the required payee reviews (Section 101);
- Assisted five States to start sending monthly files about children in foster care (Section 103);
- Continued to implement functionality ensuring proper assignment of overpayment liability for children in foster care (Section 104);
- Implemented the advanced designation of representative payee functionality, which included an internet application users can access via [my Social Security](#), the ability for

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users to provide Advance Designation information when filing an iClaim, and an intranet application for technician use (Section 201);

- Worked with Lexis/Nexis in approving the criminal background check results sent to us. In addition, we conducted planning to implement background checks for representative payees who have never had one (Section 202); and
- Provided listings of representative payees who have a representative payee so technicians can resolve these cases (Section 203).

Debt Management Product (DMP) - \$17.2 million

In FY 2020, the DMP continued development of the modern debt management system (DMS) by implementing functionalities that allow technicians to more clearly view all collection tools used for creating a manual debt, filing a protest, reviewing repayment options, and using some external collection tools. Specifically we:

- Created the ability for technicians to manually establish and modify a debt for a Title II beneficiary;
- Developed capabilities for technicians to enter stop recovery efforts and protest actions, which will allow the technician to stop recovery efforts for an overpayment when the debtor has a dispute or needs an explanation;
- Developed foundational elements for installment agreements, compromise, and remittance data processing. This enhancement will allow technicians to establish debtor agreements with us to repay a debt and process remittances accurately, which will reduce exception workloads;
- Developed the foundation for Administrative Wage Garnishment, Federal Salary Offset, and summary pages for all External Collection information. This enhancement will allow technicians to clearly view all collection tools used for a debtor and update necessary employer information for Administrative Wage Garnishment and Federal Salary Offset.
- Developed the requirements for the Program Debt Write-off (PDWO) effort; and implemented write-offs for Title II debts in the processing centers' (PC) pending workloads. This enhancement will maintain the integrity of our financial documents and reporting, ensure compliance with Federal debt collection guidelines, and implement controls to prevent reoccurrence of backlogged delinquent debt workloads.

In FY 2021, the DMP:

- Fully implemented the PDWO effort, which terminated collection for remaining eligible Title II and Title XVI debts, removed corresponding actions from PC pending workloads, and implemented ongoing automated write-offs of eligible programmatic debt to avoid the accumulation of delinquent debt workloads in the PCs. As a result of this effort, we wrote-off 1.5 million debts totaling \$5,354 million and removed over 400,000 PC pending actions;
- Collaborated with the Department of the Treasury's (Treasury) Pay.gov team to develop and implement SSA's first online debt repayment option for programmatic debts. Since the release in January 2021, SSA has collected nearly 150,000 online remittances for over \$40 million as of May 2021; and
- Partnered with Treasury and its financial agent, U.S. Bank, to establish a Lockbox service for a portion of SSA's remittances. As of May 2021, we have redirected over 85,000 remittances to the Treasury Lockbox service.

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Combined with Pay.gov, we anticipate these new remittance efforts have reduced our centralized manual remittance workload by approximately 50 percent.

For the remainder of FY 2021, DMP will continue to modernize our remittance process by fully implementing the capability for individuals to repay us using their financial institution's Online Bill Pay option and expanding our use of the U.S. Bank Lockbox services to process additional paper remittances. When fully implemented, we estimate these efforts will result in a reduction of over 90 percent of the manual remittance workload processed by the Mid-Atlantic Program Service Center.

FY 2022 IT Modernization Investments

In FY 2020, we increased the scope of our IT Modernization program based on input from public and private sector experts, frontline employees, and most importantly, our interactions with the public we serve. Our *IT Modernization Plan, 2020 Update* focuses on building additional online services, improving and expanding automated services available through our National 800 Number, and providing additional self-service and express services in our field offices. We have continued to modernize our IT systems even as we shifted to remote work during the pandemic. We are taking a customer-centric approach to digital services transformation by prioritizing self-service solutions for our most frequently requested services in our field offices and on the National 800 Number. Customer service is at the core of our plans. We aim to support customer service channel parity by providing more services in each channel; developing enterprise-wide systems that enable the public to interact with us across all service channels easily, allowing the public to complete more transactions during the first contact, and ensuring that the public receives relevant and timely information.

The following are some of our IT modernization plans in FY 2021 and 2022:

- Enhance automated services through our National 800 Number Network telephone Interactive Voice Response system, such as providing benefit verification information, claim and status updates, and allowing existing customers to update their records;
- Enhance our online claim status application by providing customers more detailed information, including what to expect next, and an estimated claim processing time;
- Continue to expand MS Teams video service options that allow the public to interact with our employees remotely;
- Allow the public to schedule appointments online;
- Add text and email capability to the new CCM system to increase event-driven communications to the public and keep them informed on the status of their case;
- Implement a new online service for adult disability beneficiaries to complete their medical continuing disability review (CDR) online without needing to visit a field office;
- Develop a new online service, the Online Social Security Number Application Process application, which will allow customers to start an application online for an SSN and minimize time at the field office;
- Improve the iAppeals online application process for people who are appealing our decision for non-medical issues such as overpayments or Medicare premium rates, including allowing beneficiaries and appointed representatives to view online previously submitted information;
- Continue expanding *my Social Security* user features for representative payees, such as the ability to verify benefits online;

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- Continue expanding the mobile check-in services available to field office visitors;
- Expand our online forms offering to continue to allow for a completely online form completion experience;
- Develop the Employer Wage Reporting Journey self-help service option for annual wage reporting with clear directions to make it easier for employers to submit wage information of their employees;
- Begin nationwide rollout of the modern Hearings and Appeals Case Processing System (HACPS) that increases the accuracy and efficiency of disability case processing for our hearings offices and Appeals Council;
- Continue to modernize our claims-taking process, improving the quality of data we use to make decisions on eligibility and payment, and improving how we communicate with beneficiaries and recipients;
- Continue expanding TED capabilities with the Change of Address, Direct Deposit, 1099 Replacement, Accommodations, Death Information Processing Systems, Fraud, Medicare Replacement Card, and Appointments workflows for technicians; and
- Implement additional automation to eliminate manual workloads, increase accuracy, and reduce pending post-benefit award workloads.

We are also redesigning our website to improve customer experience. In FY 2021, we will implement a beta site for ssa.gov that includes streamlined content and a redesigned home page and web template. We will utilize customer feedback, solicited from online surveys and focus groups, to make appropriate adjustments to the beta site. We expect to increase the customer satisfaction score for the redesigned test site by two points compared to the ssa.gov satisfaction score for the prior year. In FY 2022, we plan to transition the final redesigned ssa.gov website into production based on feedback on our redesigned beta site.

To execute our plan, we grouped IT investments into domains along business and technical lines. The business domains represent the core business systems we use to serve the public, and the technical domains represent IT needs that cut across all of our IT systems. For the FY 2022 budget, we have broken the IT Modernization program into six major IT investments aligned by domain as described below.

IT Modernization - Service Delivery - \$29.0 million

Service Delivery Domain - To underscore the importance of IT modernization as a foundation for improving service to the public, the Service Delivery Domain is focused on expanding and streamlining self-service channels for our customers while also improving tools our technicians use to help the public. Some of the service channels improvements include:

- **Online** – We continue to automate services in *my Social Security*, including adding more customer centric portals, introducing mobile applications, and modernizing the way our online customers receive claim status information;
- **Phone** – We are in the process of transitioning the National 800 Number platform to a new vendor with a focus on new technology and an enhanced caller experience. Upon the completion of this transition, we will improve and modernize interactive voice response services;
- **Visitor** – Our priority within the visitor channel is to enhance field office check-in kiosks, provide mobile technology offerings to our customers, and streamline workflows for the most common service requests. Efficiencies gained by these enhancements will allow staff to focus on other priority workloads, and reduce customer wait and interview times;

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- **Agent** – The Agent Desktop application will serve as our official enterprise product to support and enhance front-line employee systems using Customer Relationship Management solution. We will continue to expand on this product and implement additional integrated business processes and omni-channel capabilities to replace current legacy software; and
- **Appeals and Appointed Representative** – Appointed Representative Services (ARS) is an application that allows appointed representatives (AR) to view electronic folder (eFolder) documents in real time, download eFolder contents including multimedia files, and upload medical evidence and other documents directly into a claimant's eFolder. Appeals and Appointed Representative Processing Services (AARPS) will extend beyond providing access to the electronic folder. AARPS will provide additional self-service options for appointed representatives (AR), AR support staff, and claimants to conduct related business online. While development for the portal front-end screens will not begin until FY 2022, the current work efforts to create Application Programming Interfaces with the necessary backend applications will provide a re-usable and efficient solution to facilitate the collection of AR data, automate the transference of AR data to downstream systems, and provide view capabilities to the AR community.

IT Modernization - Benefits - \$20.0 million

The Benefits Domain supports our vision for modernized customer experience that lessens the information a customer must provide us, reduces the number of times we must contact them to complete an action, and reduces the time they must wait for us to process their claim.

We are developing a consolidated claims experience that allows employees to conduct benefit eligibility screening, initial claims intake and processing, and post-entitlement/post-eligibility activities all in one place.

A centralized tool will allow us to easily capture, store, view, manage, and share all types of evidence; perform complete and accurate benefit computations for initial and post-entitlement transactions; and provide a comprehensive database that contains benefit information about individuals who do business with us. We are focused on reducing high volume alerts, exceptions, and processing limitations via automation to reduce pending workloads, improve processing accuracy, and enhance customer service.

IT Modernization – Cross Cutting - \$19.3 million

This investment captures cross-cutting enterprise functions that are foundational to the modern service environment and includes the Communications, Data, and Infrastructure domains. The strategies in this investment are drivers for change across the enterprise and are key to the success of all of modernization initiatives.

The Communications Domain will continue expanding and automating customer communications, including increasing the inventory of notices available online. It will also expand our use of texts and emails to communicate with the public in the customer's preferred communication channels.

The Data Domain will continue to provide access to customer-centric, integrated enterprise-level data within a secure, standardized, and common architecture that supports daily operations and fact-based decisions. We will integrate the data in our largest programmatic data stores and leverage the benefits of modern systems and access methods to provide a single data view.

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The Infrastructure Domain provides infrastructure platforms necessary for deployment of IT Modernization solutions. It actively supports related initiatives to increase process automation, improve system development methodologies, and improve digital services for our employees and the public. Our Back Office Modernization initiative is focused on adopting modern services and migrating self-managed infrastructure and services to a managed service for back office support (e.g., email, office productivity, and collaboration tools). This change allows us to focus our staff time and resources on meeting our priorities. DevOps is integrating development and operational teams to promote collaboration and innovation during the software development process for rapid software deployment to meet customer needs. In collaboration with customers and working within our enterprise architecture, the Mainframe Enterprise Architecture Effort initiatives are analyzing the use of relevant technologies for optimum software, hardware, and other technical efficiencies for sustainable and reliable modernized systems.

IT Modernization - Disability - \$27.5 million

The Disability domain consists of eight projects to improve our disability processing:

- HACPS will provide a modern, seamless national claims processing system for the hearing offices and the Appeals Council that supports timely, quality case processing.
- We are utilizing machine learning to revolutionize the way the DDS examiners review a disability case file. Intelligent Medical-language Analysis GENERation (IMAGEN) will utilize artificial intelligence and predictive analytics technologies to analyze medical evidence data to increase efficiency, enable disability decision support for adjudicators, and support policy compliant disability determinations/decisions.
- INSIGHT is a quality tool that supports policy compliance in disability adjudication by using machine learning to perform quality reviews on decisions. As we roll out HACPS nationally, we will migrate the case/claim data source for Insight from the legacy Case Processing Management System to HACPS.
- The Medical CDRs project will modernize the CDR process to provide an online service option to the public.
- The Duplicate Identification Process will enhance the adjudicative process by accurately identifying and minimizing duplicative evidence in the disability folder.
- The Work CDRs project will modernize and streamline the work CDR process to increase efficiencies and reduce improper payments.
- Access to the Electronic Folder provides the claimant electronic access to their disability folder. This project replaces the manual process of burning CDs and mailing them to the claimant. We will develop enterprise solutions such as providing claimants with the functionality to access specific documents directly.
- Eliminate Exclusions will further reduce/eliminate our paper folders and reduce the burden on the field offices for processing paper cases.

IT Modernization – Earnings and Enumeration - \$14.9 million

The Enumeration Domain will expand the functionality of online enumeration services, expediting Social Security Number (SSN) card processing. It will also improve death reporting and processing. The Enumeration domain provides the public with automated options to obtain SSN replacement cards. Reducing the need to visit our office. For individuals that cannot fully complete their SSN card request online, we are developing a tool that will allow customers to start a Social Security Number card application online and then bring their evidence to the office to complete processing. This will expedite the enumeration process and reduce the time a customer spends in the office. In addition, we are making the enumerations products our

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technicians use easier to use and more efficient. We are supporting video options for enumeration through the Video Service Delivery platform and MS Teams. We are establishing additional functionality for our Enumeration Beyond Entry initiative.

The Earnings Domain will continue to focus on providing employers and our employees with self-service features, real-time communication, and data transparency while improving data quality, reducing paper processes, and automating manual exceptions. As a result, we will provide the public with faster, more accurate posting of their earnings for tax and claims processing actions, and reduce the need for the customer to contact us to rectify earnings issues. We will continue developing modern earnings data access options to support our business needs. The Earnings Product is responsible for capturing, storing, and disbursing earnings information on behalf of the Internal Revenue Service.

IT Modernization - Cybersecurity - \$6.2 million

Our Cybersecurity Domain aims to protect sensitive information for nearly every member of the public, while also making our digital identity processes both secure and intuitive for the public to use across all service channels. Our strategy is to maintain a highly effective cybersecurity program, to protect against security threats, and comply with Federal policies and regulations, including the National Institute of Standards and Technology (NIST) Cybersecurity Framework.

We are strengthening our digital identity processes to provide stronger assurance in the identities of individuals who seek to conduct business with us through digital channels. Consistent with Office of Management and Budget (OMB) Memorandum M-19-17, which instructs agencies to define and leverage credentials when using digital services, we are increasing the assurance of credentials to improve suitability for electronic signatures and reduce our susceptibility to identity fraud schemes and false repudiation claims. Measures we are taking to improve the strength of credentials include eliminating reliance on knowledge-based verification and requiring multiple factors of authentication to transact sensitive business.

We are working to comply with the Creating Advanced Streamlined Electronic Services for Constituents Act, which requires agencies to accept electronic identity proofing and authentication processes that allow an individual to provide consent for the disclosure of their records, by strengthening our digital identity processes.

This domain is focused on the following digital identity services:

- **Citizen Identity Services** - We provide identity proofing and authentication services for the public to access our online and automated telephone services. Across all of our online services, we are working to comply with the current version of NIST Special Publication (SP) 800-63-3, which significantly increased identity assurance requirements for agencies while maintaining capabilities that allow secure, convenient, and equitable access to all customers who wish to use our online services;
- **Business and Government Services** - Enterprise Authorization for Everyone (EAZE) is a new authentication and authorization platform that we will build to register, identity proof, authenticate, and authorize entities and affiliates. EAZE integrates with entities' existing account management practices to ensure that the right entity or affiliate has the right access at the right time, which in turn will make our online services more secure. We are expanding EAZE to our full suite of business services. For entities unable to use EAZE, such as smaller businesses that do not have access to IT infrastructures, we will modernize our Integrated Registration Services system to provide access to business services and

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provide organizations with access to self-service tools to delegate access to authorized employees and affiliates; and

- **Identity Federation and Platform Services** – OMB memorandum M-19-17 requires agencies to use existing credentials and identity federations rather than issuing new credentials to others. By federating and leveraging existing capabilities and investments, we provide broader access to our online services. We are working to integrate with government-wide strategies, including GSA’s login.gov service. We are also looking to expand use of infrastructural platform services to manage credentials issued to non-organizational users. We will use a Commercial Off-the-Shelf product to provide centralized identity, credential, and access management (ICAM) capabilities to services that require identity support.

FY 2022 Additional Modernization Investments

Debt Management Product (DMP) - \$21.0 million

In addition to developing a new DMS, we are also focused on modernizing the way we do business and the services we provide to the public. This includes updating our accounting and reporting for delinquent and unproductive debts via PDWO, streamlining our current manual remittance process (Lockbox), and providing modern platforms and electronic services for those individuals seeking to pay SSA (Pay.gov and electronic remittances).

In FY 2022, the DMP will continue development of a streamlined, modernized enterprise DMS that will enable us to more effectively and efficiently post, track, collect, and report our overpayment activity. The DMP will improve service delivery to the public and other agencies by providing clear and accurate debt management information to overpaid individuals, organizations, auditors, and partner agencies.

In addition to continued development of the modern system, DMP plans to focus on the following through FY 2022:

- Continue to expand our use of the U.S. Bank Lockbox services to process paper remittances; and
- Upgrade our Pay.gov online form and expand capabilities for the Social Security Electronic Remittance System used in SSA’s field offices.

We estimate the continued modernization of SSA’s manual remittance processes will reduce our centralized manual remittance workload by over 90 percent upon full implementation. Continued modernization of our DMS, policies, and business processes will provide opportunities to do business efficiently.

Representative Payee Legislative Changes - \$7.9 million

This major investment funds the effort to align with the Strengthening Protections for Social Security Beneficiaries Act of 2018. The Act improves and strengthens the representative payee program by strengthening oversight, reducing the burden on families improving customer service, improving beneficiary protections, and limiting overpayment liability for children in the child welfare system.

Through FY 2022, we will:

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- Implement enhancements to the Representative Payee Monitoring Tool that will make it easier for the State protection and advocacy groups to complete the required payee reviews (Section 101);
- Implement enhancements to the electronic Representative Payee System misuse application to greatly improve the application used to process rep payee misuse allegations, improving our ability to address misuse (Section 101);
- Continue to support States as they join the children in foster care data exchange (Section 103);
- Transition the data exchange with the States to the modernized data exchange process. (Section 103);
- Continue to implement functionality to support States' liability for overpayments for children in foster care to ensure proper assignment of overpayment liability (Section 104);
- Implement the advance designation annual notice to inform beneficiaries of their advance designations. This annual notice will remind users of their advance designation, in case they may want to update the designation, which helps ensure we have the most current information (Section 201);
- Implement automated background checks for payees who have never had one, improving our ability to ensure our beneficiaries have a suitable representative payee (Section 202); and
- Continue to provide listings of representative payees who have a rep payee so technicians can resolve these cases and ensure beneficiaries have a suitable representative payee (Section 203).

Disability Case Processing System 2 (DCPS2) - \$8.3 million

We continue to implement a common, national DCPS2. DCPS2 is part of an enterprise-wide integration of electronic case processing systems across our offices and State disability determination services (DDS). It yields substantial benefits to the government and citizens, including more efficient case processing, enhanced security, improved citizen service, reduced administrative costs, more consistent policy-based decisions through use of case analysis tools, and nationally implemented software enhancements and modifications as required by evolving laws, regulations, and policy.

In FY 2022, we plan to complete DCPS2 deployment to the remaining DDSs, as well as ensure successful transitions to full DCPS2 utilization.

Data Exchange Product - \$4.5 million

This investment will create the Enterprise Data Exchange Network (EDEN). EDEN will provide a holistic data exchange foundation that will generate greater value for our customers and maximize our return on investment. EDEN will reduce and centralize the many different systems and applications that process and manage data exchanges.

The EDEN product will provide data exchange customers, both internal and external, with a centralized, interactive, and dynamic user-friendly experience for requesting, sending, receiving, and administering incoming and outgoing data exchanges.

In FY 2022, we plan to work on the following Data Exchange Product activities:

- **Verification Service:** Ability to complete and implement enhancements to verification matching logic and migration of legacy verification systems;

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- **Data Exchange Gateway:** Ability to add data exchanges from internal applications and migration planning of legacy applications; and
- **Customer Connection:** Ability to implement Federal and State Data Exchange workflows for account requests, feasibility, and agreement creation.

Anti-Fraud Product - \$6.3 million

Anti-fraud systems provide a means to prevent, detect, respond, and report possible fraud through efficient collaboration across the agency and with external partners. The Anti-Fraud Product provides the technology necessary to fully support our anti-fraud program across all lines of business; this technology is easy to use, allows a feedback loop, and enables us to operate with speed and flexibility.

As this product line matures, it will strengthen our ability to prevent fraud. We will continue and expand the Allegation Referral and Intake System to meet future needs for Operational and Investigations Case Management through a combination of products. Lastly, we intend to use our Business Intelligence tools against the data from all of these products to help strengthen our anti-fraud efforts.

Electronic Evidence Acquisition Product - \$19.0 million

The Electronic Evidence Acquisition product is new in FY 2021. It will transform and unify Evidence Acquisition by building enterprise solutions and optimizing collection and use of electronic evidence across the agency to reduce burden and determination time.

To date, our medical evidence initiatives have exceeded our goals for both pieces of electronic medical evidence received and percentage of medical evidence received electronically.

Benefits of a unified evidence acquisition product include decreased determination time, empowerment of Artificial Intelligence tools such as IMAGEN and INSIGHT due to increases in structured data, greater ability to identify complete records during first interactions, reducing rework for adjudicators, and provide ability to leverage real-time analytics to identify claims that may be handled quickly.

In FY 2022, we plan to implement the Electronic Evidence Acquisitions Product.

Electronic Records Management Product - \$7.5 million

This investment supports our implementation of OMB/National Archives and Records Administration (NARA) initiatives identified in the OMB/NARA Memorandum M-19-21, and Presidential Memorandum - Managing Government Records. These initiatives require all Federal agencies to manage both permanent and temporary email records in an accessible electronic format and manage all permanent and temporary electronic records in an electronic format. We have taken steps to manage all permanent records electronically and a majority of our temporary records electronically by December 31, 2022.

FY 2022 Infrastructure Investments

Network - \$382.0 million

The Network standard investment provides secure, easy-to-use, and fast electronic service via the internet through telephone services, wide area network, and video teleconferencing systems. This

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investment allows us to maintain current systems and to continue enhancing and refreshing telecommunications equipment, as well as provides ongoing improvement of connectivity and bandwidth for data, voice, and video communications. It benefits the public as an effective, efficient, economical, and secure method of providing both digital and online services. With our network technology, our National 800 Number handled approximately 34 million calls in FY 2020, and we are estimating an increase to 36 million in FY 2021.

We will transition to the Next Generation Telephony Project (NGTP), a unified communication platform, beginning with the transition of all telephones from field offices and headquarters to the new system in FY 2021. We are also transitioning the National 800 Number platform to a new vendor with a focus on new technology and an enhanced caller experience as part of NGTP. This project will provide hardware, software, hardware and software maintenance, managed services, change requests, and relocation services.

Data Center - \$599.1 million

Our data centers maintain data repositories and acceptable service level availabilities for our services to the public. We continue to meet increasing online public service demands and exceed our 99.8 percent operational service level targets. The data centers ensure the availability, changeability, stability, and security of our IT architecture across the agency.

Two key design objectives for the build of our data center fabric were to improve resilience and availability. To operate in a cloud model, IT infrastructure must be geo-dispersed and always available. We are increasingly serving our customers with improved online and mobile offerings, and our systems-of-record capabilities must be highly available. We have already realized a 0.4 percent improvement in availability with the data center fabric.

We, with the support of OMB and Congress, have made significant investments in our data center fabric. Continual improvements to the data center fabric are necessary to support our IT modernization. We are striving to go beyond the Data Center Optimization Initiative, established in OMB Memorandum M-19-19, recognizing the scale of our data center fabric requirements and the scope of our IT modernization efforts. We are using standards-based metrics to measure and manage the data center fabric. We have a comprehensive data center infrastructure management program in place and are replacing all of our IT Operations Management technologies and practices in a multi-year effort that is essential to effectively managing our IT capabilities in a hybrid cloud ecosystem. Our FY 2022 data center request includes a necessary storage refresh.

End User - \$155.9 million

The End User standard investment provides us with productivity software and desktops, laptops, and other computing equipment required to meet growing workload demands for our approximately 61,000 Federal employees across the nation. As service demand increases, our End User investment improves access to our infrastructure and provides the desktop capability and capacity to increase the performance of internal systems.

Platform - \$13.1 million

The Platform standard investment provides enterprise-wide platform capability that includes database, middleware, mainframe database, and mainframe middleware.

Application - \$114.7 million

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The Application standard investment supports enterprise-wide software to support our IT operations. This includes the analysis, design, development, code, test, and release services associated with application development. This includes a focus on User-Centered Development, Testing, and Standards, ensuring that applications are Section 508 compliant and comply with Enterprise Architecture standards. These centralized services are critical for implementation of new functionality, including public-facing applications.

FY 2022 Cybersecurity Investments

IT Security and Compliance - \$165.1 million

Cybersecurity is vital to protecting the personally identifiable information of everyone we serve. Maintaining the public's trust in our ability to protect sensitive data housed in our systems requires continuous monitoring of threats and continual improvement and strengthening of our cybersecurity program. Through constant assessment of the threat landscape and use of advanced cybersecurity controls, we can better protect against cybersecurity incidents and risks. Our cybersecurity program identifies and achieves a balance between protection and productivity by taking a risk-based approach that focuses on continuous improvement, and we have a proven record of successfully meeting or exceeding Federal cybersecurity performance measures.

In May 2021, President Biden issued an Executive Order on Improving the Nation's Cybersecurity. While we are well positioned to implement the additional measures under this Executive Order, we must be vigilant and protect against network intrusions and improper access of data by strengthening our defensive cyber capabilities, sharing cyber threat information with our Federal and industry partners, and making new investments required to move toward a Zero Trust Architecture that focuses on the secure flow of information from the network perimeter across the enterprise.

As cyberattacks continue to evolve and become increasingly aggressive and sophisticated, we will constantly assess the threat landscape, utilize advanced cybersecurity controls in the creation of modernized IT systems, and continue to align our resources to more effectively and expeditiously identify, manage, and remediate critical and high vulnerabilities to better protect against cybersecurity incidents and risks.

In FY 2022, we are expanding on the ICAM and Credential Management program, targeting privileged accounts utilized in managing our network and infrastructure. We are developing a comprehensive Risk Management program to determine gaps and ensure decisions are based on risk. We continue to strengthen our protection over our IT assets and will complete enhancements to our Supply Chain Risk Management procedures to meet Federal guidance. In addition, we will continue to provide security awareness and training through security communications, outreach, mandatory training, and social engineering exercises.

FY 2022 Investments Supporting Existing Applications

The scope of our programs is immense, and IT is vital to nearly every aspect of the work we do to serve the public. We must maintain stable and secure access to existing applications in order to serve the public. We have grouped our application-based investments into two portfolios: Agency Programmatic Applications and Administrative Applications.

Agency Programmatic Applications - \$343.5 million

The Agency Programmatic Applications IT portfolio includes investments for technology and software used by employees to serve the public, initiatives enabling the public to conduct online

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transactions with us, and the applications and transactions we make with other government agencies. Investment areas include the following:

- Anti-Fraud
- Data Exchange
- Disability Claim Processing
- Earnings
- Electronic Services
- Enumeration
- Medical Evidence Processing
- Notice Improvement
- Payment Accuracy
- Reimbursable Services
- Title II Processing
- Title XVI Processing

Agency Administrative Applications - \$114.3 million

The Agency Administrative Applications IT portfolio includes initiatives for administrative services and support systems. This includes investments that ensure compliance with applicable accounting principles, develop and maintain electronic personnel functions, records management requirements, and define required E-Government contributions.

- Business Intelligence-Data Analytics
- E-Government Initiatives¹
- Financial Systems
- Human Resource Investments
- Legal/Public Disclosure Processing
- Records Management

FY 2022 IT Governance and Support Investments

Delivery - \$27.4 million

This Technology Business Management (TBM)-aligned standard investment provides management and resources to support our IT operations, including enterprise-wide product and project management resources to assist with agile development, and our Investment Management Tool used for project management reporting. This investment drives product strategy and operations, facilitates accessibility and user/customer experience, and develops the framework and governance standards for Product and Project Management.

IT Management - \$125.5 million

The IT Management standard investment captures all costs associated with IT Management and Strategic Planning (including Chief Information Officer (CIO) and other senior leadership full-

¹ Note that the Integrated Award Environment E-Government initiative includes the funding required to reimburse a proportional share of the costs to GSA for extending DUNS support, allowing additional time for implementation of the Unique Entity Identifier (UEI).

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time equivalent costs), Enterprise Architecture, Capital Planning, IT Budget/Finance, IT Vendor Management, general IT policy and reporting, and IT Governance.

This investment is responsible for establishing and executing processes in direct support of CIO authority enhancements per the Federal Information Technology Acquisition Reform Act (FITARA). We have leveraged the authorities afforded by FITARA to improve how we acquire, manage, and organize our IT investments.

In addition, we have adopted TBM standard IT Tower and Cost Pools, and reported categorized IT costs across the entire IT Portfolio. Using TBM has given us a consistent approach for categorizing the IT budget year over year, and a level of granularity that provides leadership with a greater level of insight into spending patterns.

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Appendix A: FY 2022 Agency IT Portfolio Summary Data

FY 2022 Agency IT Portfolio Summary	Total Cost			Internal Labor			External Labor			ITS Funds		
	2020	2021	2022	2020	2021	2022	2020 ¹	2021 ²	2022	2020	2021	2022
Costs in Millions												
IT Portfolio Total	\$2,399.48	\$1,993.18	\$2,159.76	\$591.57	\$629.34	\$646.76	\$439.67	\$367.15	\$355.00	\$1,368.24	\$996.68	\$1,158.00
IT Modernization	\$201.17	\$215.64	\$116.91	\$62.16	\$101.51	\$109.11	\$124.05	\$110.05	-	\$14.96	\$4.08	\$7.80
IT Modernization - Retired Investment ³	\$82.50	-	-	\$62.16	-	-	\$5.38	-	-	\$14.96	-	-
IT Modernization - Benefits	\$23.09	\$42.33	\$20.02	-	\$22.22	\$20.02	\$23.09	\$20.11	-	-	-	-
IT Modernization - Cross Cutting	\$17.12	\$34.76	\$19.30	-	\$10.82	\$11.50	\$17.12	\$19.86	-	-	\$4.08	\$7.80
IT Modernization - Cybersecurity	\$4.90	\$10.86	\$6.18	-	\$6.18	\$6.18	\$4.90	\$4.68	-	-	-	-
IT Modernization - Disability	\$28.99	\$58.75	\$27.52	-	\$26.28	\$27.52	\$28.99	\$32.47	-	-	-	-
IT Modernization - Earnings and Enumeration	\$13.88	\$30.43	\$14.94	-	\$16.00	\$14.94	\$13.88	\$14.43	-	-	-	-
IT Modernization - Service Delivery	\$30.69	\$38.51	\$28.95	-	\$20.01	\$28.95	\$30.69	\$18.50	-	-	-	-
Agency Programmatic Applications	\$288.66	\$264.94	\$343.52	\$168.13	\$162.19	\$159.41	\$91.33	\$65.40	\$152.31	\$29.20	\$37.34	\$31.79
Anti-Fraud	\$15.48	\$13.37	\$16.03	\$8.40	\$7.21	\$7.18	\$4.27	\$2.04	\$4.67	\$2.81	\$4.12	\$4.18
Anti-Fraud Enterprise Solution	\$2.76	-	-	\$2.30	-	-	-	-	-	\$0.46	-	-
Anti-Fraud Support Systems	\$8.46	\$9.62	\$9.74	\$6.10	\$5.49	\$5.60	\$0.01	\$0.01	\$0.01	\$2.35	\$4.12	\$4.14
Anti-Fraud Product	\$4.26	\$3.75	\$6.29	-	\$1.73	\$1.58	\$4.26	\$2.03	\$4.66	-	-	\$0.05
Data Exchange	\$7.69	\$8.68	\$10.08	\$4.99	\$7.35	\$7.15	\$2.70	\$1.33	\$2.93	-	-	-
Data Exchange Product	\$2.64	\$3.06	\$4.53	\$0.05	\$1.83	\$1.70	\$2.58	\$1.23	\$2.83	-	-	-
Data Exchange Support Systems	\$5.05	\$5.62	\$5.56	\$4.93	\$5.52	\$5.46	\$0.12	\$0.10	\$0.10	-	-	-
Disability Claim Processing	\$93.16	\$79.05	\$76.07	\$44.20	\$40.97	\$37.84	\$36.64	\$23.37	\$26.98	\$12.32	\$14.71	\$11.25
BBA Section 823 - Promoting Opportunity Demo	\$0.16	\$0.10	\$0.15	\$0.15	\$0.09	\$0.15	\$0.01	\$0.00	\$0.00	-	-	-
DDS Automation	\$13.55	\$9.57	\$8.01	\$1.71	\$1.44	\$0.59	\$1.79	\$1.52	\$1.53	\$10.05	\$6.61	\$5.89
Disability Case Processing System	\$41.27	\$30.52	\$8.26	\$10.08	\$10.64	\$8.26	\$31.19	\$19.88	-	-	\$0.01	-
Disability Claim Processing Applications	\$35.02	\$34.69	\$33.24	\$29.38	\$24.77	\$24.84	\$3.36	\$1.83	\$3.04	\$2.27	\$8.09	\$5.36
Disability Quality Review (DQR)	\$3.04	\$4.17	\$4.32	\$2.75	\$4.03	\$4.01	\$0.29	\$0.14	\$0.32	-	-	-
Unprocessed Medical Cessations - Enhancements	\$0.12	-	-	\$0.12	-	-	-	-	-	-	-	-
IT Modernization - Disability	-	-	\$22.08	-	-	-	-	-	\$22.08	-	-	-
Earnings & Enumeration	\$12.10	\$13.27	\$27.77	\$10.10	\$11.50	\$11.56	\$2.01	\$1.77	\$16.21	-	-	-
Earnings Support Systems	\$8.85	\$9.83	\$9.90	\$7.51	\$8.62	\$8.70	\$1.34	\$1.20	\$1.20	-	-	-
Enumerations Support Systems	\$3.25	\$3.44	\$3.43	\$2.59	\$2.87	\$2.86	\$0.67	\$0.57	\$0.57	-	-	-
IT Modernization - Earnings and Enumeration	-	-	\$14.43	-	-	-	-	-	\$14.43	-	-	-
FY 2022 Agency IT Portfolio Summary (Costs in Millions)	Total Cost			Internal Labor			External Labor			ITS Funds		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
Electronic Services	\$52.56	\$30.45	\$73.89	\$34.93	\$18.74	\$20.10	\$9.52	\$4.86	\$47.39	\$8.11	\$6.86	\$6.40
Customer Engagement Tools	\$3.18	-	-	\$3.18	-	-	-	-	-	-	-	-
Electronic Services	\$31.85	\$21.38	\$22.18	\$18.39	\$13.77	\$15.03	\$7.09	\$2.34	\$2.35	\$6.36	\$5.27	\$4.80
IT Modernization - Cross Cutting	-	-	\$19.86	-	-	-	-	-	\$19.86	-	-	-
IT Modernization - Cybersecurity	-	-	\$4.23	-	-	-	-	-	\$4.23	-	-	-
IT Modernization - Service Delivery	-	-	\$18.50	-	-	-	-	-	\$18.50	-	-	-

Limitation on Administrative Expenses

FY 2022 Agency IT Portfolio Summary Costs in Millions	Total Cost			Internal Labor			External Labor			ITS Funds		
	2020	2021	2022	2020	2021	2022	2020 ¹	2021 ²	2022	2020	2021	2022
My SocialSecurity Services	\$7.95	-	-	\$7.95	-	-	-	-	-	-	-	-
Rep Payee Legislation	\$7.97	\$7.81	\$7.90	\$3.84	\$3.80	\$3.89	\$2.38	\$2.41	\$2.41	\$1.75	\$1.60	\$1.60
Rep Payee Support Systems	\$1.61	\$1.26	\$1.22	\$1.56	\$1.16	\$1.18	\$0.05	\$0.10	\$0.04	-	-	-
Medical Evidence Processing	\$10.50	\$17.35	\$18.98	\$3.88	\$10.81	\$9.04	\$6.62	\$4.00	\$5.75	-	\$2.54	\$4.19
ERE for Experts	\$1.72	-	-	\$1.72	-	-	-	-	-	-	-	-
Health Information Tech (HIT)	\$2.16	-	-	\$2.16	-	-	-	-	-	-	-	-
Electronic Evidence Acquisition Products	\$6.62	\$17.35	\$18.98	-	\$10.81	\$9.04	\$6.62	\$4.00	\$5.75	-	\$2.54	\$4.19
Notice Improvement	\$7.56	\$8.14	\$8.33	\$6.50	\$7.27	\$7.40	\$1.06	\$0.87	\$0.93	-	-	-
Notice Improvements	\$7.56	\$8.14	\$8.33	\$6.50	\$7.27	\$7.40	\$1.06	\$0.87	\$0.93	-	-	-
Payment Accuracy	\$26.35	\$30.86	\$31.23	\$13.39	\$18.10	\$18.31	\$12.96	\$12.76	\$12.91	-	-	-
Debt Management Product	\$17.24	\$20.88	\$20.99	\$4.96	\$8.61	\$8.71	\$12.27	\$12.27	\$12.27	-	-	-
Payment Accuracy Support Systems	\$9.12	\$9.97	\$10.24	\$8.43	\$9.49	\$9.60	\$0.69	\$0.49	\$0.64	-	-	-
Reimbursable Services	\$22.78	\$25.09	\$21.93	\$5.53	\$5.57	\$5.75	\$11.29	\$10.40	\$10.40	\$5.95	\$9.11	\$5.78
Reimbursable Services	\$22.78	\$25.09	\$21.93	\$5.53	\$5.57	\$5.75	\$11.29	\$10.40	\$10.40	\$5.95	\$9.11	\$5.78
Title II & XVI Processing	\$40.49	\$38.68	\$59.21	\$36.22	\$34.67	\$35.08	\$4.27	\$4.01	\$24.13	-	-	-
Title II Processing Applications	\$24.69	\$22.77	\$23.14	\$21.91	\$20.13	\$20.50	\$2.78	\$2.64	\$2.64	-	-	-
Title XVI Processing Applications	\$15.80	\$15.91	\$15.96	\$14.31	\$14.54	\$14.58	\$1.49	\$1.37	\$1.38	-	-	-
IT Modernization - Benefits	-	-	\$20.11	-	-	-	-	-	\$20.11	-	-	-
Agency Administrative Applications	\$108.54	\$104.02	\$114.27	\$47.50	\$52.18	\$51.19	\$36.40	\$26.70	\$32.56	\$24.64	\$25.15	\$30.52
Business Intelligence-Data Analytics	\$46.45	\$44.98	\$46.67	\$19.14	\$22.40	\$19.67	\$22.43	\$16.20	\$19.26	\$4.87	\$6.39	\$7.74
Business Intelligence - Data Analytics	\$46.45	\$44.98	\$46.67	\$19.14	\$22.40	\$19.67	\$22.43	\$16.20	\$19.26	\$4.87	\$6.39	\$7.74
E-Gov	\$1.76	\$1.81	\$1.76	-	-	-	-	-	-	\$1.76	\$1.81	\$1.76
Budget Formulation and Execution LoB	\$0.06	\$0.06	\$0.06	-	-	-	-	-	-	\$0.06	\$0.06	\$0.06
Disaster Assistance Improvement Plan	\$0.06	\$0.06	\$0.06	-	-	-	-	-	-	\$0.06	\$0.06	\$0.06
E-Rulemaking	\$0.03	\$0.03	\$0.03	-	-	-	-	-	-	\$0.03	\$0.03	\$0.03
Federal PKI Bridge	\$0.21	\$0.23	\$0.23	-	-	-	-	-	-	\$0.21	\$0.23	\$0.23
Financial Management LoB	\$0.07	\$0.07	\$0.07	-	-	-	-	-	-	\$0.07	\$0.07	\$0.07

Limitation on Administrative Expenses

FY 2022 Agency IT Portfolio Summary (Costs in Millions)	Total Cost			Internal Labor			External Labor			ITS Funds		
	2020	2021	2022	2020	2021	2022	2020	2021	2022	2020	2021	2022
FOIA Portal	\$0.05	\$0.05	\$0.05	-	-	-	-	-	-	\$0.05	\$0.05	\$0.05
Geospatial LoB	\$0.03	\$0.03	\$0.03	-	-	-	-	-	-	\$0.03	\$0.03	\$0.03
GovBenefits.gov	\$0.39	\$0.41	\$0.36	-	-	-	-	-	-	\$0.39	\$0.41	\$0.36
Human Resources LoB	\$0.14	\$0.14	\$0.14	-	-	-	-	-	-	\$0.14	\$0.14	\$0.14
Integrated Award Evt	\$0.72	\$0.72	\$0.72	-	-	-	-	-	-	\$0.72	\$0.72	\$0.72
Financial Systems	\$36.11	\$32.80	\$35.50	\$14.07	\$14.49	\$16.45	\$7.55	\$6.35	\$6.91	\$14.49	\$11.96	\$12.14
Financial Management Systems	\$36.11	\$32.80	\$35.50	\$14.07	\$14.49	\$16.45	\$7.55	\$6.35	\$6.91	\$14.49	\$11.96	\$12.14
Human Resources	\$16.15	\$17.67	\$19.33	\$9.78	\$11.91	\$11.73	\$2.85	\$1.91	\$2.65	\$3.52	\$3.86	\$4.95
Human Resources Services Portal	\$0.01	-	-	\$0.01	-	-	-	-	-	-	-	-
Human Resources Support Systems	\$16.14	\$17.67	\$19.33	\$9.78	\$11.91	\$11.73	\$2.85	\$1.91	\$2.65	\$3.52	\$3.86	\$4.95
Legal-Public Disclosure Processing	\$4.82	\$2.25	\$3.49	\$2.69	\$1.24	\$1.16	\$2.13	\$1.01	\$2.33	-	-	-
LAWS - Critical Needs	\$2.69	\$0.33	\$0.33	\$2.69	\$0.33	\$0.33	-	-	-	-	-	-
OGC Product	\$2.13	\$1.92	\$3.16	-	\$0.91	\$0.83	\$2.13	\$1.01	\$2.33	-	-	-
Records Management	\$3.24	\$4.51	\$7.52	\$1.81	\$2.14	\$2.18	\$1.44	\$1.24	\$1.41	-	\$1.14	\$3.93
Electronic Records Management Product	\$3.24	\$4.51	\$7.52	\$1.81	\$2.14	\$2.18	\$1.44	\$1.24	\$1.41	-	\$1.14	\$3.93
Infrastructure	\$1,497.50	\$1,109.11	\$1,266.99	\$165.25	\$169.17	\$171.61	\$120.14	\$107.07	\$110.32	\$1,212.10	\$832.86	\$985.06
Application	\$114.47	\$113.95	\$114.68	\$36.49	\$38.90	\$39.02	\$59.71	\$54.18	\$57.01	\$18.27	\$20.86	\$18.66
Data Center and Cloud	\$488.93	\$481.57	\$599.07	\$65.15	\$71.33	\$73.26	\$29.69	\$28.20	\$28.99	\$394.09	\$382.04	\$496.82
End User	\$245.72	\$144.69	\$155.94	\$37.22	\$34.11	\$33.90	\$7.63	\$8.57	\$7.45	\$200.88	\$102.01	\$114.59
Network	\$632.46	\$357.17	\$381.95	\$21.21	\$21.84	\$22.46	\$17.30	\$11.96	\$12.59	\$593.95	\$323.38	\$346.91
Platform	\$11.26	\$9.42	\$13.06	\$3.07	\$0.67	\$0.68	\$5.81	\$4.16	\$4.28	\$2.38	\$4.58	\$8.10
Output	\$4.65	\$2.32	\$2.29	\$2.11	\$2.32	\$2.29	-	-	-	\$2.53	-	-
IT Governance and Support	\$156.40	\$143.71	\$152.93	\$106.68	\$105.19	\$107.89	\$34.72	\$22.49	\$24.37	\$14.99	\$16.04	\$20.67
Delivery	\$36.81	\$24.82	\$27.44	\$7.41	\$4.68	\$3.93	\$21.16	\$10.42	\$11.33	\$8.24	\$9.72	\$12.18
IT Management	\$119.59	\$118.90	\$125.49	\$99.27	\$100.50	\$103.95	\$13.56	\$12.07	\$13.04	\$6.75	\$6.32	\$8.50
Cybersecurity	\$147.23	\$155.76	\$165.14	\$41.84	\$39.10	\$47.54	\$33.04	\$35.45	\$35.45	\$72.34	\$81.21	\$82.15
Digital Identity	\$9.56	-	-	\$5.15	-	-	-	-	-	\$4.41	-	-
IT Security & Compliance	\$137.67	\$155.76	\$165.14	\$36.69	\$39.10	\$47.54	\$33.04	\$35.45	\$35.45	\$67.94	\$81.21	\$82.15

¹ Includes \$427.9 million obligated in FY 2020 for the FY 2021 period of performance, and \$11.8 million obligated in FY 2020 for the FY 2020 period of performance.

² Includes \$365 million obligated in FY 2021 for the FY 2022 period of performance, and \$2.1 million obligated in FY 2021 for the FY 2021 period of performance.

³ Note that the IT Modernization single major investment was split into 6 major investments for the FY 2022 submission, following the IT Modernization 2020 update. This line includes the internal labor and ITS costs incurred in FY 2020, as well as external labor obligated in FY 2020 for the FY 2020 period of performance.

Note: Totals may not add due to rounding.

Limitation on Administrative Expenses

Appendix B: Required Tables and Statements

Information Technology Costs

Dollars In Millions	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Cloud Service Provider	\$27	\$24	\$34
Contractor Services	\$697	\$659	\$660
Hardware	\$392	\$194	\$275
IT Service / Subscription	\$7	\$15	\$12
Software	\$365	\$344	\$396
Telecom Usage	\$319	\$128	\$135
Total	\$1,808	\$1,364	\$1,513

Note: Totals may not add due to rounding

Workyear Count by Portfolio

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
IT Modernization	385	608	629
Agency Programmatic Applications	1,051	980	929
Agency Administrative Applications	300	318	301
Infrastructure	1,024	1,013	990
IT Governance and Support	661	630	622
Cybersecurity (IT Security & Compliance)	259	234	274
Total	3,678	3,782	3,746

Note: Totals may not add due to rounding.

Other SSA Expenses/Service Fees Related to E-Government Projects

Dollars in Thousands	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Recruitment One-Stop	\$476	\$483	\$500
E-Payroll	\$21,240	\$22,490	\$23,801
E-Travel	\$400	\$750	\$750
Total	\$22,116	\$23,723	\$25,051

Note: Totals may not add due to rounding.

Protecting Privacy

Our IT budget submission is a reflection of and by-product of privacy requirements identified and implemented through our various IT governance processes, primarily the IT Investment Process (ITIP), and Systems Development Lifecycle (SDLC). Our Senior Agency Official for Privacy is an active member of the ITIP Investment Review Board, which governs the IT Investment Management Process, focusing primarily on up-front investment planning, which allows for privacy risks, mitigating controls, and requirements to be considered early in the IT investment lifecycle. We have also integrated necessary privacy requirements into the release-

Limitation on Administrative Expenses

planning phase of our SDLC. This requirement ensures that all new or modified systems or other IT resources, regardless of whether they support the creation, collecting, use, processing, storing, maintenance, dissemination, disclosure, or disposal of personally identifiable information, undergo necessary privacy compliance assessments to ensure relevant requirements and where applicable, associated costs are identified and implemented.

Table 3.27 - LAE Expired Balances & No-Year IT Account
(in thousands)

<u>LAE Expired Accounts</u>	<u>Amounts</u>
LAE unobligated balance from FY 2016-2019	\$260,500
LAE unobligated balance available from FY 2020	\$143,100
Total LAE unobligated balance from FY 2016-2020	\$403,600 ¹
Amounts projected for prior year adjustments	-\$284,600 ²
Total LAE unobligated balance available for transfer from FY 2016-2020	\$119,000
 No-Year ITS Account	
Carryover from funds transferred in FY 2019 for FY 2020	\$206,689
Carryover from FY 2019 (Unobligated Balances)	\$4,114
Total carryover from FY 2019 to FY 2020	\$210,803
Funds transferred in FY 2020 for FY 2020	\$199,600
Total FY 2020 no-year ITS funding available	\$410,403
FY 2020 Obligations	-\$379,368
Total carryover into FY 2021	\$31,036
Funds available for transfer in FY 2021 for FY 2021	\$119,000
Total FY 2021 no-year ITS funding available	\$150,036

¹ Reflects adjustments to the unobligated balances for these years. Balances as of December 31, 2020.

² It is essential that these funds remain in the expired LAE accounts (FYs 2016-2020) to cover potential upward adjustments and avoid an anti-deficiency violation.

Limitation on Administrative Expenses

Table 3.28 - Total IT Modernization Plan by Domain

Dollars in Millions	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
Business Domain	\$33.6	\$100.5	\$109.3	\$134.7	\$140.2	\$67.1	\$585.5
Communication	\$1.9	\$9.1	\$6.2	\$7.0	\$8.7	\$4.6	\$37.5
Disability	\$16.1	\$43.4	\$44.6	\$57.6	\$58.8	\$27.5	\$248.0
Earnings	\$3.1	\$12.5	\$16.4	\$17.7	\$18.8	\$9.9	\$78.5
Enumeration	\$3.4	\$9.6	\$10.8	\$10.4	\$11.6	\$5.0	\$50.9
Benefits	\$9.2	\$25.9	\$31.3	\$42.0	\$42.3	\$20.0	\$170.7
Data, PMO, Infrastructure	\$12.8	\$38.4	\$35.0	\$30.9	\$26.1	\$14.7	\$157.9
Data	\$5.7	\$10.1	\$8.9	\$11.2	\$12.3	\$5.3	\$53.6
Infrastructure	\$7.1	\$27.1	\$24.5	\$14.6	\$13.5	\$8.9	\$95.7
PMO / Senior Tech	\$0.0	\$1.2	\$1.6	\$5.0	\$0.3	\$0.5	\$8.6
Service Delivery	\$0.0	\$0.0	\$0.0	\$30.6	\$38.5	\$28.9	\$98.1
Cybersecurity	\$0.0	\$0.0	\$0.0	\$4.9	\$10.9	\$6.2	\$21.9
IT Mod Total	\$46.5	\$138.9	\$144.3	\$201.1	\$215.6	\$116.9	\$863.3

Note: Totals may not add due to rounding

Table 3.29 - IT Modernization Plan by Funding Source

Dollars in Millions	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	Total
\$415M Special Appropriation	\$0.0	\$44.4	\$138.1	\$111.2	\$121.3	\$0.0	\$415.0
LAE Funds ^{1/}	\$46.5	\$94.4	\$6.2	\$89.9	\$94.4	\$116.9	\$448.3
Total^{2/}	\$46.5	\$138.9	\$144.3	\$201.1	\$215.6	\$116.9	\$863.3

1/ Includes \$8 million from dedicated funding to reduce the hearings backlog in FY 2017 and \$9 million in FY 2018.

2/ Totals may not add due to rounding.

Appendix C: Additional Cybersecurity Requirements

Continuous Diagnostics and Mitigation (CDM)

CDM is a collaborative program with the Department of Homeland Security (DHS) that automates critical aspects of Federal agency cybersecurity programs to provide continuous monitoring functions to agencies.

We will improve Configuration Settings Management capabilities by implementing new functionality to measure the actual state of compliance for our assets. We have adopted Defense Information Systems Agency Security Technical Implementation Guides and agency tailored security configurations to define our desired state for the agency's approved platforms. These are fundamental steps before we can begin analysis and prioritization of the data produced from the tools. We are working with the CDM integrators to produce an actionable dataset for remediation teams to use to resolve compliance issues on the network.

We continue to improve our implementation of the Hardware Asset Management (HWAM) capability, which provides automated capabilities to detect information technology (IT) assets as they are introduced to the network. Our Vulnerability Management capabilities and HWAM tools are leveraged with our agency-wide IT Asset Management tools and Risk Management program as a precursor to implementing network segmentation and a Network Access Control solution.

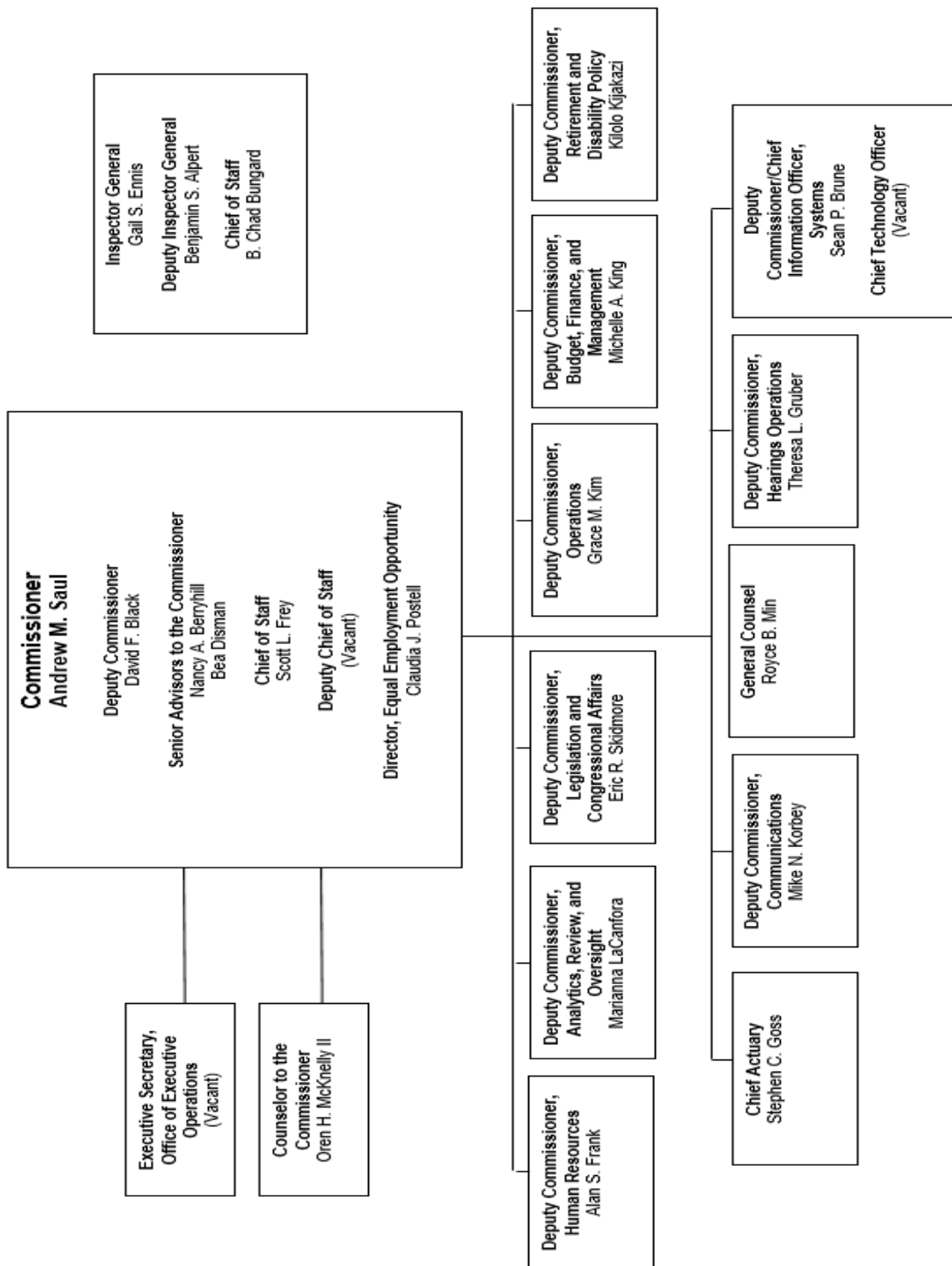
We are improving the Software Asset Management capabilities by implementing new technical solutions via CDM to inventory all installed software on systems. This is a fundamental step necessary to implement application whitelisting. Application whitelisting will prevent the installation and execution of unauthorized software and malicious software (malware) on our network. Unauthorized software applications expose us to the potential of malware (virus, worms, Trojan) attacks that quickly spread and do harm to the confidentiality, integrity, and availability of our systems across our enterprise. Software whitelisting only allows authorized software ('whitelist') to install and run on systems. Software whitelisting prevents unauthorized software and malware from installing and running on systems, which provides further protection from the damaging effects of malware. In FY 2020, we implemented blacklisting to help improve application control on the network.

SSA Measurable Reductions of Risk

We have developed and maintain a cybersecurity strategic plan to assist in prioritizing spending requests. This plan is informed by our Federal Information Security Management Act of 2002 (FISMA) audit results, our internal self-assessment, and is in alignment with the National Institute of Standards and Technology Cybersecurity Framework. This common framework is used across Federal agencies, including the Office of Management and Budget in spending categorization, DHS in risk assessments, and agency Inspector Generals for FISMA compliance.

SSA ORGANIZATIONAL CHART

SOCIAL SECURITY ADMINISTRATION



For the full agency organization chart, please visit <https://www.ssa.gov/org/ssachart.pdf>

MAJOR BUILDING RENOVATIONS AND REPAIR COSTS

We have maintained a record of accomplishment in real property efficiency. We continue to achieve our Reduce the Footprint standards. Our major building costs are associated with our ongoing efforts to optimize space at our headquarters campus and regional facilities, and reduce our reliance on leased space where it makes business sense. This exhibit describes our FY 2022 major building costs and provides an update on our on-going major building renovations and repairs funded in previous years.

FY 2022 Major Building Renovation Costs

The Budget assumes \$100 million for new major building renovations and repairs. Additional details will be forthcoming, and could include projects such as the Frank Hagel Building (Richmond CA).

Update of Ongoing Projects (Funded in Prior Years)

Arthur J. Altmeyer Building (Altmeyer): We will complete the modernization of the Altmeyer building by June 1, on schedule and within budget, in collaboration with the General Services Administration (GSA). In FY 2016, we received \$150 million to modernize the building, which was built in 1959 and is one of the two original buildings on our headquarters campus. The funding enabled us to complete major upgrades to address health and safety issues, meet current accessibility standards, and provide a comfortable, energy efficient working environment that meets 21st century standards. The modernization project also enabled us to improve space utilization, resulting in a net gain of approximately 300-350 seats on campus.

Perimeter East Building (PEB): The PEB is located on our main campus in Woodlawn, Maryland. In FY 2019, we completely renovated the PEB third floor, repurposing this area from an information technology environment to office space. The space provides an efficient layout for approximately 500 additional occupants.

With completion of the third floor, we began planning to renovate the fourth floor, including infrastructure upgrades necessary to support additional occupants in the building. In FY 2021, we completed the design of the fourth floor and have moved into the construction phase. We anticipate completing the fourth floor renovations in FY 2023. The PEB renovations are critical to our plan to create additional capacity for employee seating on campus and reduce our reliance on leased space in the Woodlawn area.

National Capital Region: We currently occupy approximately 334,900 USF in two leases in Northern Virginia, which house multiple agency components. In June 2021, we will vacate one of the two leases and consolidate staff into the remaining lease, which will expire on October 1, 2024. We are currently working with GSA to pursue a prospectus-level lease for the lease replacement. We will also incorporate occupants from our 250 E Street facility in Washington, DC, into the new lease.

Auburn Teleservice Center (Auburn, Washington): GSA is disposing of the property located at 1901 C St. SW, Auburn, Washington, where one of our mega teleservice centers is located, along with a regional training center and interactive video training studio. These components currently occupy approximately 149,350 USF. However, we have determined that we only need approximately 42,000 USF in a new lease, reducing our portfolio by approximately 107,000 USF. The Public Buildings Reform Board has committed to funding our move, tenant improvement, and furniture costs. Pre-planning, schedule, and cost information for this project are still in development.

Limitation on Administrative Expenses

PHYSICAL INFRASTRUCTURE

Table 3.30—FY 2020 Physical Infrastructure Costs by Component
(dollars in thousands)¹

The following tables satisfy a portion of the Report on LAE Expenditures Congressional reporting requirement.

Components	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities ²	Operations & Maintenance of Equipment	Total
LAE One Year					
Office of Operations	\$528,310	\$31,705	\$188,467	\$33	\$748,516
Office of Systems	\$0	\$1	\$0	\$0	\$1
Office of Hearings Operations	\$111,788	\$4,567	\$36,635	\$3	\$152,993
Office of Human Resources	\$0	\$28	\$268	\$0	\$296
Office of Retirement and Disability Policy	\$0	\$11	\$6	\$0	\$17
Office of Communication	\$0	\$0	\$3	\$0	\$3
Office of Analytics, Review and Oversight	\$3,106	\$207	\$353	\$0	\$3,666
Office of Budget, Finance, and Management	\$0	\$267	\$3	\$0	\$270
DCBFM - Agency Level	\$70,496	\$139,341	\$127,967	\$314	\$338,118
Office of General Counsel	\$2,031	\$16	\$153	\$0	\$2,200
Disability Determination Services	\$0	\$26,029	\$200	\$0	\$26,229
Information Technology Systems	\$0	\$121,656	\$0	\$555,428	\$677,084
Social Security Advisory Board	\$251	\$3	\$10	\$2	\$267
Subtotal LAE One Year	\$715,983	\$323,833	\$354,065	\$555,780	\$1,949,661
LAE No Year					
Delegated Buildings	\$0	\$17,669	\$45,698	\$0	\$63,367
Altmeyer Renovation	\$0	\$0	\$0	\$21	\$21
Information Technology Systems	\$0	\$162,773	\$0	\$216,595	\$379,368
IT Modernization	\$0	\$0	\$0	\$84,370	\$84,370
National Support Center	\$0	\$0	\$0	\$5	\$5
Subtotal LAE No Year	\$0	\$180,442	\$45,698	\$300,991	\$527,131
LAE Multi Year					
Program Integrity ³	\$0	\$0	\$0	\$114,036	\$114,036
CARES Act	\$0	\$9,736	\$16	\$2,420	\$12,173
Subtotal LAE Multi Year	\$0	\$9,736	\$16	\$116,456	\$126,208
Grand Total	\$715,983	\$514,010	\$399,779	\$973,228	\$2,603,001

¹ Totals may not add due to rounding.

² Includes guard services.

³ Of the \$114 million in Program Integrity, \$7 million are FY 2019/2020 multi-year funds and \$107.1 million are FY 2020/2021 multi-year funds.

Limitation on Administrative Expenses

Table 3.31—FY 2021 Estimated Physical Infrastructure Costs by Component
(dollars in thousands)^{1,2}

Components	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities	Operations & Maintenance of Equipment	Total
LAE One Year					
Office of Operations	\$527,630	\$39,796	\$182,505	\$29	\$749,960
Office of Systems ³	\$0	\$2	\$0	\$0	\$2
Office of Hearings Operations	\$111,644	\$5,733	\$35,476	\$2	\$152,855
Office of Human Resources	\$0	\$35	\$260	\$0	\$295
Office of Retirement and Disability Policy	\$0	\$14	\$6	\$0	\$20
Office of Communication	\$0	\$0	\$3	\$0	\$3
Office of Analytics, Review and Oversight	\$3,102	\$260	\$342	\$0	\$3,704
Office of Budget, Finance, and Management	\$0	\$335	\$3	\$0	\$339
DCBFM - Agency Level	\$70,405	\$174,902	\$123,919	\$268	\$369,494
Office of General Counsel	\$2,029	\$20	\$148	\$0	\$2,197
Disability Determination Services	\$0	\$32,672	\$194	\$0	\$32,866
Information Technology Systems	\$0	\$152,703	\$0	\$474,902	\$627,605
Social Security Advisory Board	\$272	\$4	\$10	\$2	\$288
Subtotal LAE One Year	\$715,083	\$406,477	\$342,864	\$475,203	\$1,939,628
LAE No Year					
Delegated Buildings	\$0	\$16,701	\$43,194	\$0	\$59,895
Information Technology Systems ³	\$0	\$25,139	\$0	\$77,635	\$102,774
IT Modernization	\$0	\$0	\$0	\$67,092	\$67,092
National Support Center	\$0	\$0	\$2,861	\$0	\$2,861
Subtotal LAE No Year	\$0	\$41,840	\$46,055	\$144,727	\$232,622
LAE Multi Year					
Program Integrity	\$0	\$0	\$0	\$117,246	\$117,246
Subtotal LAE Multi Year	\$0	\$0	\$0	\$117,246	\$117,246
Grand Total	\$715,083	\$448,318	\$388,919	\$737,176	\$2,289,496

¹ Totals may not add due to rounding.

² Includes guard services.

³ The ITS budget funds all information technology projects for the Agency. The Office of Systems is a staff component that is responsible for the Information Management and Information Technology programs.

Limitation on Administrative Expenses

Table 3.32—FY 2022 Estimated Physical Infrastructure Costs by Component
(Dollars in thousands)^{1,2}

Components	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities	Operations & Maintenance of Equipment	Total
LAE One Year					
Office of Operations	\$545,339	\$46,095	\$188,405	\$37	\$779,876
Office of Systems ³	\$0	\$2	\$0	\$0	\$2
Office of Hearings Operations	\$115,392	\$6,640	\$36,623	\$3	\$158,657
Office of Human Resources	\$0	\$41	\$268	\$0	\$309
Office of Retirement and Disability Policy	\$0	\$17	\$6	\$0	\$22
Office of Communication	\$0	\$0	\$3	\$0	\$3
Office of Analytics, Review and Oversight	\$3,206	\$301	\$353	\$0	\$3,860
Office of Budget, Finance, and Management	\$0	\$388	\$3	\$0	\$392
DCBFM - Agency Level	\$72,768	\$202,585	\$127,925	\$348	\$403,627
Office of General Counsel	\$2,097	\$24	\$153	\$0	\$2,273
Disability Determination Services	\$0	\$37,844	\$200	\$0	\$38,044
Information Technology Systems	\$0	\$176,873	\$0	\$617,132	\$794,005
Social Security Advisory Board	\$274	\$5	\$10	\$3	\$292
Subtotal LAE One Year	\$739,076	\$470,815	\$353,948	\$617,523	\$2,181,363
LAE No Year					
Delegated Buildings	\$0	\$17,184	\$44,444	\$0	\$61,629
Information Technology Systems ³	\$0	\$25,133	\$0	\$77,616	\$102,750
Subtotal LAE No Year	\$0	\$42,318	\$44,444	\$77,616	\$164,378
LAE Multi Year					
Program Integrity	\$0	\$0	\$0	\$146,636	\$146,636
Subtotal LAE Multi Year	\$0	\$0	\$0	\$146,636	\$146,636
Grand Total	\$739,076	\$513,132	\$398,392	\$841,775	\$2,492,376

¹ Totals may not add due to rounding.

² Includes guard services.

³ The ITS budget funds all information technology projects for the Agency. The Office of Systems is a staff component that is responsible for the Information Management and Information Technology programs.

Limitation on Administrative Expenses

Table 3.33—FY 2020 Physical Infrastructure Costs by Region
(Dollars in thousands)¹

Regions	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities ²	Operations & Maintenance of Equipment	Total
Boston	\$26,503	\$2,142	\$11,301	\$1	\$39,946
New York	\$82,850	\$6,182	\$43,152	\$8	\$132,192
Philadelphia	\$58,138	\$5,522	\$35,171	\$10	\$98,841
Atlanta	\$125,160	\$15,399	\$34,677	\$8	\$175,244
Chicago	\$93,301	\$10,810	\$34,701	\$7	\$138,819
Dallas	\$68,051	\$5,713	\$23,941	\$8	\$97,713
Kansas City	\$29,281	\$3,512	\$12,980	\$1	\$45,774
Denver	\$15,600	\$1,438	\$7,854	\$0	\$24,893
San Francisco	\$104,611	\$9,723	\$41,638	\$0	\$155,972
Seattle	\$25,975	\$1,661	\$8,632	\$14	\$36,282
Headquarters³	\$86,513	\$451,909	\$145,732	\$973,169	\$1,657,324
Total	\$715,983	\$514,010	\$399,780	\$973,228	\$2,603,001

Table 3.34—FY 2021 Estimated Physical Infrastructure Costs by Region
(Dollars in thousands)^{4,5}

Regions	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities ⁶	Operations & Maintenance of Equipment	Total
Boston	\$26,469	\$1,868	\$10,994	\$0	\$39,332
New York	\$82,746	\$5,392	\$41,980	\$6	\$130,123
Philadelphia	\$58,065	\$4,816	\$34,216	\$8	\$97,105
Atlanta	\$125,003	\$13,431	\$33,735	\$6	\$172,175
Chicago	\$93,184	\$9,429	\$33,758	\$5	\$136,376
Dallas	\$67,966	\$4,982	\$23,291	\$6	\$96,245
Kansas City	\$29,244	\$3,064	\$12,627	\$1	\$44,936
Denver	\$15,580	\$1,255	\$7,641	\$0	\$24,476
San Francisco	\$104,479	\$8,480	\$40,507	\$0	\$153,466
Seattle	\$25,942	\$1,448	\$8,397	\$11	\$35,799
Headquarters	\$86,404	\$394,153	\$141,773	\$737,132	\$1,359,462
Total	\$715,083	\$448,318	\$388,919	\$737,176	\$2,289,496

¹ Totals may not add due to rounding.

² Includes guard services.

³ Includes DDS, SSAB, ITS, NSC, IT Modernization, Program Integrity, and Delegated Buildings.

⁴ Totals may not add due to rounding.

⁵ Includes DDS, SSAB, ITS, and Delegated Buildings.

⁶ Includes guard services.

Limitation on Administrative Expenses

Table 3.35—FY 2022 Estimated Physical Infrastructure Costs by Region
(Dollars in thousands)^{1,2}

Regions	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities³	Operations & Maintenance of Equipment	Total
Boston	\$27,358	\$2,138	\$11,262	\$0	\$40,758
New York	\$85,522	\$6,171	\$43,002	\$7	\$134,703
Philadelphia	\$60,013	\$5,513	\$35,049	\$9	\$100,584
Atlanta	\$129,197	\$15,373	\$34,557	\$7	\$179,133
Chicago	\$96,311	\$10,792	\$34,581	\$6	\$141,689
Dallas	\$70,246	\$5,703	\$23,858	\$7	\$99,814
Kansas City	\$30,226	\$3,506	\$12,935	\$1	\$46,668
Denver	\$16,103	\$1,436	\$7,827	\$0	\$25,366
San Francisco	\$107,985	\$9,706	\$41,493	\$0	\$159,184
Seattle	\$26,813	\$1,658	\$8,602	\$12	\$37,085
Headquarters	\$89,304	\$451,137	\$145,226	\$841,724	\$1,527,391
Total	\$739,076	\$513,132	\$398,392	\$841,775	\$2,492,376

¹ Totals may not add due to rounding.

² Includes DDS, SSAB, ITS, and Delegated Buildings

³ Includes guard services.

SOCIAL SECURITY ADVISORY BOARD

This Budget includes \$2.7 million for the Social Security Advisory Board in FY 2022. The *Social Security Independence and Program Improvements Act of 1994* established a bipartisan, seven-member board to advise the President, the Congress, and the Commissioner of Social Security on policies related to Social Security's Old-age, Survivors, and Disability Insurance (OASDI) program, and the Supplemental Security Income (SSI) program.

According to the statute, the specific functions of the Board include: (1) analyzing the Nation's retirement and disability systems and making recommendations with respect to how the OASDI and the SSI programs, supported by other public and private systems, can most effectively assure economic security; (2) studying and making recommendations relating to the coordination of OASDI and SSI with programs that provide health security; (3) making recommendations to the President and to the Congress with respect to policies that will ensure the solvency of the OASDI program, both in the short-term and the long-term; (4) making recommendations with respect to the quality of service that the Administration provides to the public; (5) making recommendations with respect to policies and regulations regarding the OASDI and the SSI programs; (6) increasing public understanding of Social Security; (7) making recommendations with respect to a long-range research and program evaluation plan for the Administration; (8) reviewing and assessing any major studies of Social Security as may come to the attention of the Board; and (9) making recommendations with respect to such other matters as the Board determines to be appropriate.

The Board is required by law to meet at least four times per year and currently holds 2-day meetings every other month supplemented with field visits and regular conference calls. For more detailed information about the Board, please see the Board's website at www.ssab.gov.

Limitation on Administrative Expenses

Table 3.36 – SSAB Budget Authority by Object Class and Staffing

Object Class	FY 2020 Actual	FY 2021 Estimate	FY 2022 Request¹
Salaries	\$1,320,100	\$1,405,000	\$1,570,000
Benefits	\$401,600	\$444,000	\$470,000
Subtotal, Compensation	\$1,721,700	\$1,849,000	\$2,040,000
Travel	\$17,600	\$25,500	\$69,500
Rent, Communications, Utilities	\$254,400	\$272,000	\$274,250
Printing & Reproduction	\$0	\$500	\$250
Consultants & Contracts	\$436,800 ²	\$340,000	\$305,000
Supplies	\$13,000	\$8,000	\$8,000
Equipment	\$4,300	\$5,000	\$3,000 ³
Total, All Objects	\$2,447,800	\$2,500,000	\$2,700,000
Staffing Levels			
Full-time, Permanent Staff	10	12	11
Part-time, and other Special Government Employees, Temporary Staff	1	0	1
Board Members	2 ⁴	7	7

Note: Totals may not add due to rounding.

¹ The FY 2022 budget estimates are calculated based upon the statutory number of seven Board members. The actual appointment date is unknown as well as travel expenses, and the level of activity of any new appointees.

² In FY 2020, the higher level in consultants and contracts was due to a comprehensive IT Systems Security contract that coincided with an office renovation that was paid for by SSA (who is the signer of the SSAB office lease) through an SSA account established when SSAB's lease was renewed. This IT contract included a new phone and audio/visual system, Internet service enhancements, physical security features, maintenance for office system inventories, and licenses and subscriptions, with some device and software upgrades. It also included an Interagency Agreement for a system security project.

³ IT equipment and software that is now included in the IT contract resulted in a decrease in this category.

⁴ In FY 2020, there were five Board members appointed to the Board. This number reflects the number of Board members paid in the last pay period of FY 2020.

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APPROPRIATION LANGUAGE

For expenses necessary for the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978, [~~\$30,000,000~~] \$32,000,000, together with not to exceed [~~\$75,500,000~~] \$80,000,000, to be transferred and expended as authorized by section 201(g)(1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund: *Provided, That \$2,000,000 shall remain available until expended for information technology modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with information technology modernization.*

In addition, an amount not to exceed 3 percent of the total provided in this appropriation may be transferred from the “Limitation on Administrative Expenses”, Social Security Administration, to be merged with this account, to be available for the time and purposes for which this account is available: *Provided, That notice of such transfers shall be transmitted promptly to the Committees on Appropriations of the House of Representatives and the Senate at least 15 days in advance of any transfer. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021.)*

GENERAL STATEMENT

OVERVIEW

The FY 2022 President's Budget for the SSA Office of the Inspector General (OIG) is \$112 million in total budget authority and 484 FTE. The OIG intends to obligate \$124.1 million, and operate with 537 FTE, which includes a transfer of dedicated program integrity allocation adjustment funds from the SSA LAE account as described below.

With these resources, the OIG will conduct comprehensive oversight of SSA, which operates a nearly \$13 billion annual budget, and each year, processes about \$1 trillion in Social Security benefits for our citizens, including some of our nation's most vulnerable, representing about a quarter of all Federal spending.

The Budget supports OIG investments in staffing and resources necessary to oversee an agency that provides services to over 70 million people each year. We have identified six categories of significant SSA management challenges, specifically (1) SSA's response to the Novel Coronavirus (COVID-19) pandemic, (2) improve administration of the disability program, (3) improve the prevention, detection, and recovery of improper payments, (4) improve service delivery, (5) protect the confidentiality, integrity, and availability of SSA's information systems and data, and (6) modernize information technology (IT).

In FY 2020, the OIG identified \$29 in returns to the government through investigative recoveries and audit findings, for every \$1 received through our appropriation. To compare, the wider OIG community's aggregate FY 2020 budget of approximately \$3.1 billion represented an approximate \$17-to-\$1 return-on-investment ratio, according to the Council of the Inspectors General on Integrity and Efficiency (CIGIE) FY 2020 Annual Report to the President and Congress. We attribute our significant returns to successfully identifying areas within SSA that are in most need of oversight and improvement.

Reports of Social Security-related and government imposter scams¹ have increased at alarming rates; in FY 2019, the OIG received about 478,000 allegations, then 718,000 in FY 2020, and already more than 400,000 in FY 2021 (through March 2021). The OIG considers stopping government imposter scams critical; therefore, in FY 2020, the OIG committed approximately 30 percent of the OIG workforce to combat these scams, including public outreach, deterrence, allegation processing, and investigative and audit work. We have designed a multi-faceted public awareness campaign to alert citizens about the prevalence of these scams, focusing on media outreach, coordination with major United States (U.S.) retailers, and partnerships with Federal agencies. On the investigative front, we have combatted these scams in several ways, including working with prosecutors to charge

¹ Social Security-related and government imposter scams refer to in-person phone calls, robocalls, texts, emails, or mailings that use a false premise involving a Social Security number, account, or benefits to convince potential victims to provide personally identifiable information or money.

alleged perpetrators; warning gateway carriers that they have pervasive scam robocall issues on their networks; using real-time allegation data to work with major telecom carriers to terminate, or “disrupt,” suspected fraudulent numbers; and agreeing to share allegation data with the Federal Trade Commission (FTC), which will provide hundreds of law enforcement agencies timely access to the fraud data we collect. To support our ongoing efforts to combat Social Security-related and government imposter scams and other complex, high-impact investigations, the OIG budget provides increased funding for additional specialized investigative staffing and related outreach and communications support.

The Coronavirus Disease 2019 (COVID-19) pandemic has substantially, and potentially permanently, transformed Federal agency business processes and customer service. SSA continues to maximize protections to its employees and the public by reducing certain workloads and minimizing in-office activity and services. The OIG is engaged with the agency as it begins recovery of services and operations, and we are providing oversight over SSA’s *Coronavirus Aid, Relief, and Economic Security (CARES) Act* responsibilities. For FYs 2021, 2022, and potentially 2023 and beyond, we will continue conducting oversight related to the COVID-19 pandemic and investigating allegations of fraud tied to COVID-19 pandemic relief programs, funds, and related scams.

Oversight of SSA’s IT functions and security is among the OIG’s top priorities. Almost all of SSA’s benefits transactions are electronic, and SSA houses sensitive information for nearly every U.S. citizen—living and deceased. As SSA continues its \$863 million IT-modernization effort, sufficient OIG oversight of SSA’s IT functions, development, and security requires specialized staff and additional resources. OIG will utilize the specialized staff and additional resources to monitor the agency’s progress on these significant IT development efforts and its compliance with Federal information security standards.

The FY 2022 Budget includes \$112 million for OIG direct appropriations, a 6 percent increase from 2021, and includes appropriation language to indicate that \$2 million remain available until expended for IT modernization. OIG’s internal IT systems have not been updated in over 15 years and are nearing end-of-life. A dedicated IT modernization account will support OIG software and hardware spending to support increased remote work capabilities for emergency situations, dedicated funding for the enhancement of the OIG’s key systems, risk assessment and data analytics software, and increased staffing to fill needs related to software development, project management, and systems security.

In addition to the request for \$112 million in direct appropriations, the Budget allows SSA to transfer up to \$12.1 million of its dedicated program integrity funds in SSA’s Limitation on Administration Expenses (LAE) account, an increase of \$0.9 million from FY 2021, to the OIG for the cost of jointly operated anti-fraud CDI units. Including the transfer, this is a six percent increase over FY 2021.

The Budget continues the OIG’s efforts to rebuild its capacity by providing an increase in base resources and in the transfer. Prior to FY 2019, we had seen staffing and corresponding investigative accomplishments steadily decrease as we had prioritized expanding the jointly operated Cooperative Disability Investigations (CDI) Program. The transfers received from

SSA's program integrity fund in FY 2019 and FY 2020 to fund CDI units afforded the OIG the ability to replace some staff that the organization shifted to the CDI Program. The 2021 transfer funds our CDI unit team leader costs, allowing us to fund other high priority activities. In FY 2019, the increase in dedicated funding resulted in an increase of non-CDI fraud prosecutions for the first time since FY 2012. The Budget continues this trend.

The OIG budget also includes \$850,000 for training, which satisfies the organization's FY 2022 training requirements. In FY 2022, OIG will contribute an estimated \$403,200 to the Council of the Inspectors General on Integrity and Efficiency (CIGIE), as requested by CIGIE.

In summary, the Budget will provide necessary funding to carry out the OIG's major and supplemental investigative, audit, and legal initiatives, continue our efforts to combat Social Security-related and government imposter scams, oversee SSA's response to COVID-19, support the OIG's IT functions efforts and oversee SSA's IT modernization and security, and meet the legislative mandate to expand CDI coverage for all 50 States and U.S. territories. The initiatives section discusses some of our planned activities with proposed 2022 funding.

Table 4.1—Justification

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	FY21 to FY22 Change
FTE	519	513	537	24
Appropriation	\$105,500,000	\$105,500,000	\$112,000,000	\$6,500,000
Transfer Authority ¹	\$ 176,000	-	-	-
Reimbursable Authority ²	\$10,000,000	\$11,200,000	\$12,100,000	\$900,000
Reimbursable Authority Carryover ³	\$660,000	\$609,000 ⁴	\$1,386,000 ⁵	\$777,000
Total Authority	\$116,336,000	\$117,309,000	\$125,486,000	\$8,177,000
Unobligated balance lapsing	-\$418,000	-	-	-
Total Obligations⁶	\$115,309,000	\$115,923,000	\$125,486,000	\$9,563,000

¹ In FY 2020, SSA-OIG provided consultation services for the performance of SSA contract audits of State DDSs, and SSA reimburses SSA-OIG for these services through an annual transfer.

² For FY 2020, the Budget transferred \$10 million to the SSA-OIG from SSA's LAE program integrity (PI) allocation adjustment funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increased to \$11.2 million in FY 2021 and \$12.1 million in FY 2022.

³ SSA OIG's PI allocation adjustment is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six months of the following fiscal year. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader operating costs.

⁴ Updated carryover due to technical adjustments.

⁵ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. SSA OIG does not estimate any carryover from FY 2022 to FY 2023.

⁶ Updated for unobligated balance carryover and does not match Budget Appendix.

FY 2022 MAJOR INITIATIVES

Combating Social Security-Related and Government Imposter Scams

In the first half of FY 2021, the OIG received more than 400,000 allegations of Social Security-related and government imposter scams. These insidious scams are typically in-person phone calls or robocalls, are widespread across the United States, and generally come from overseas. They target American consumers to request payment via cash, gift cards, or other unconventional methods to purportedly pay a fine, resolve a problem, or secure assistance. These scams diminish the public's trust in the Social Security Administration and in the government's ability to prevent this pervasive fraud and protect vulnerable citizens and their resources.

Since the beginning of FY 2019, more than 100 OIG employees, or approximately 20 percent of the organization's total workforce, have contributed to efforts to combat these scams, including public outreach, deterrence, allegation processing, and investigative work. In FY 2020, the OIG dedicated an estimated \$4.1 million in human capital resources and extended hotline call center operations and allegations processing.

We have designed a multi-faceted public awareness campaign to alert citizens about the prevalence of these scam calls. We coordinated National "Slam the Scam" Day on March 4, 2021 with SSA, FTC, and other entities, and the event generated news coverage in USA Today, CNBC, AARP, Forbes, The Hill, and other major outlets. SSA, the OIG, and the U.S. Postal Inspection Service worked together to place dual-branded digital or hardcopy posters in all U.S. post offices warning the public about Social Security-related phone scams. More recently, we worked with major retailers such as CVS and Walmart to provide scam awareness information in stores across the country.

On the investigative front, we established the Major Case Unit (MCU) in October 2019 to centralize investigative, analytical, and legal resources, and better coordinate with other Federal and State agencies, including the Department of Justice's Transnational Elder Fraud Strike Force. The MCU implemented a three-tiered investigative approach, focusing on (1) the international-based call centers and those U.S.-based carriers that facilitate the calls' entry into the U.S. telephone network; (2) the money mule networks that collect, launder, and move money defrauded from victims; and (3) the scammers' ability to reach U.S. consumers.

The OIG is currently pursuing nearly 35 major criminal investigations involving companies and individuals who are engaged in or profit from these scam calls, and we have contributed to more than 24 arrests, with many resulting in criminal prosecution. In second quarter FY 2020, we began sending warning letters to gateway carriers for which our analysis indicates a pervasive robocall issue on their network. As a result of one warning letter, one carrier terminated relationships with eight customers that collectively had passed over 27 million calls in a single day.

Further, in November 2019, the OIG launched a dedicated web-based form to collect targeted phone scam information directly from the public. We have received over 300,000 complaints via the dedicated form since its launch. From the form, we are able to collect "call back" numbers in

real time, and we work with major telecom carriers to terminate suspected fraudulent numbers. To date, we have referred 103,879 unique phone numbers for termination to their FCC-assigned telecommunication service provider.

The dedicated web form has also allowed the OIG to share phone scam allegations with other law enforcement agencies. For example, we recently entered into an agreement to share form data with the FTC's Consumer Sentinel program, which will provide hundreds of law enforcement agencies timely access to the fraud data we collect, and improve FTC's consumer-protection efforts.

In FY 2022, we anticipate fully staffing the MCU with investigators and analysts to analyze phone scam allegations, develop investigative leads, deploy effective investigative strategies, and expand the capacity of the MCU to address other complex, multi-jurisdictional investigative challenges. We also anticipate adding personnel to support related outreach and collaboration efforts needed to combat Social Security-related and government imposter scams.

Oversight of SSA's COVID-19 Response and Recovery

The FY 2022 Budget would allow the OIG to continue appropriate oversight audit work of SSA's *CARES Act* funding and other relief law requirements. We would also use FY 2022 funds to continue audit activities related to the agency's actions and responses arising from the COVID-19 pandemic that may have had an impact on the agency's internal and external stakeholders. This work would include assessing SSA's re-opening preparedness, the impact of suspended workloads, and SSA Disability Determination Services' (DDS) preparedness and response capabilities. We also plan to conduct new and ongoing reviews of SSA's operational response to the COVID-19 pandemic and assess its future preparedness, including issues pertaining to SSA's emergency response readiness, continuity of operations and service, safety and security of the public and employees, and IT security and privacy concerns related to remote operations. We would also leverage data on SSA's COVID-19 actions and response to make recommendations to improve future service delivery and reduce future operation disruptions and costs.

With regard to investigations, we are participating in 28 COVID-19 fraud workgroups and collaborating with other Federal law enforcement entities on joint investigations related to the COVID-19 pandemic. Since the outset of the COVID-19 pandemic, we have received over 26,000 fraud allegations referencing COVID-19 related relief programs and funds. In FY 2022, we will continue investigating COVID-19 pandemic-related fraud schemes and assist with related prosecution efforts. We anticipate using FY 2022 funds to cover the costs of these ongoing investigative activities, substantial human capital resources, and other operational needs.

IT Modernization and Increase Data Analytics Capabilities

IT Modernization: To keep pace with current IT trends and technologies necessary to support efficient and effective OIG audit and investigative functions, the OIG requires additional IT staff to handle responsibilities including IT support and services, systems development and infrastructure maintenance, information security and compliance, and cybersecurity

initiatives. Currently, an OIG IT staff of about 30 employees supports OIG IT functions nationwide. The OIG requires additional IT professionals, trained and skilled in these areas, to support current and future workloads.

Based on the planned implementation of a new OIG investigative case management system and critical administrative applications with new databases and business-process-management tools, we will need to enhance our skillset in those areas. For FY 2022, we will need funding to expand our knowledge of these critical technologies.

Data Analytics: The OIG collects a significant amount of management information related to Social Security’s programs and operations, and data analytics tools would help us leverage that information to support and enhance investigative, audit, and strategic initiatives. Powered by artificial intelligence algorithms that can quickly analyze large data sets, these tools would help us proactively identify potential targets of suspected large-scale Social Security fraud, and flag potential vulnerabilities in Social Security’s systems for audit review. For example, analytics could improve the fraud-allegation triage process, reducing our reliance on human capital to conduct this workload, and expediting and enhancing the organization’s ability to detect and prevent Social Security fraud, waste, and abuse.

The OIG requires additional IT staff, including specialized data architects and scientists, and additional funding to procure, implement, and store state-of-the-art data analytics tools. Additionally, we require funding to train and develop a formal data analytics group that would focus on developing capabilities to support an array of OIG investigative, audit, and strategic efforts. We have met with several other agencies, including the Department of Health and Human Services’ OIG, to understand other organizations’ current data analytics capabilities and assess the resources needed to establish our own analytics operation.

Enhancing Cybersecurity Oversight and Increasing Cyber Investigative Casework

Enhancing Cybersecurity Oversight: Federal information systems—and the information they hold—are targets of cyber-attacks. Breaches at Federal agencies have underscored the importance of securing government systems and protecting sensitive information. It is imperative that Federal agencies have robust vulnerability management and intrusion-detection programs. SSA must implement a strong information security program to detect and prevent intrusions. Our prior audit and investigative work has revealed serious concerns with the security of SSA’s information systems.

SSA is also developing systems in the cloud, which creates security concerns with housing sensitive agency information in public clouds. As SSA expands its services and systems, it is important that it implement security during the development process. In addition, SSA faces challenges in executing and implementing major IT projects and delivering expected functions on schedule and within budget.

To augment our audit staff and fill critical skill gaps, the OIG seeks to contract with cybersecurity experts to take an in-depth look at SSA’s cybersecurity and systems development efforts. We plan to conduct the following contractor audits.

- **Federal Information Security Modernization Act of 2014 (FISMA) Oversight** – FISMA requires that the OIG, or an independent external organization as determined by the OIG, annually assess the effectiveness of SSA’s information security policies, procedures, and practices on a representative subset of SSA’s information systems. We plan to work with a contractor to conduct the FISMA evaluation.
- **Data Exchanges** – Data exchange is primarily the one- or two-way electronic sharing of individual or aggregated personally identifiable information (and/or other information with a government or private entity. SSA is a government leader in data exchange, with many computer matches and real-time exchanges. We plan to ask the contractor to determine the security of SSA’s data exchanges with third parties.
- **Ransomware Response and Prevention** – Ransomware is a type of malicious software, or malware, designed to deny access to a computer system or data until a ransom is paid. It typically spreads through phishing emails or by unknowingly visiting an infected website and can be devastating to an individual or an organization. We plan to ask the contractor to assess SSA’s overall ransomware prevention and response strategy.
- **Workforce Planning** – We plan to ask the contractor to determine the effectiveness of SSA’s workforce planning, both strategic and operational, specifically related to maintaining an IT workforce.

Increasing Cyber and Electronic Investigative Casework: The OIG’s Digital Forensics Division (DiFD) provides computer forensic support to OIG components. The DiFD also conducts computer intrusion and cyber-crime investigations into abuses of SSA systems, programs, and resources. The DiFD is comprised of highly skilled personnel who receive extensive training in cyber investigations, computer forensics, and mobile device extractions. In FY 2020, the DiFD has provided forensic and online investigative support for nearly 82 investigations and processed more than 23 terabytes of data.

In FY 2020, the DiFD launched initiatives focused on increasing its capacity to evaluate and investigate cyber intrusions and other cybercrimes committed against SSA. SSA’s cybersecurity modernization efforts and use of advanced analytics has bolstered its ability to pick out patterns of anomalous behavior in agency networks, applications, and users across the enterprise. Along with SSA, the OIG is a participant on the Insider Threat Hub. During FY 2020, these efforts have resulted in the DiFD receiving five referrals, two of which the DiFD and SSA’s Insider Threat Hub evaluated jointly. The DiFD provides technical information to enhance security awareness training and information security controls. As SSA continues to develop its Insider Threat Program and cyber-threat detection capabilities, referrals to the DiFD are expected to increase through FY 2022.

We continue to see a notable shift toward cases involving electronic communications. As a result, we have invested in technical examination platforms that encompass digital communications technologies - smart phones, tablets, and electronic personal assistance devices. In FY 2022, we anticipate the need for Offsite Data Disaster Recovery (ODDR) infrastructure hardware and security, as well as additional equipment for the forensics network to expand and grow a live offsite data store for data retention/recovery in the event of a natural or man-made disaster.

Detecting and Preventing Disability Fraud: Cooperative Disability Investigations

The CDI Program is a critical SSA anti-fraud initiative that combats fraud, waste, and abuse within SSA's disability programs. CDI units, consisting of personnel from SSA, the OIG, State DDS agencies, and local law enforcement, investigate initial and continuing disability claims when fraud is suspected. Stopping an improper payment before it occurs, or as soon as it is suspected, is in the best interest of the agency, the OIG, and the American public. From inception in FY 1998 through March 2020, CDI efforts nationwide resulted in \$4 billion in projected savings to SSA's Title II and Title XVI disability programs, and \$3 billion in projected savings to related Federal and State benefit programs.

As of October 2020, the CDI Program consisted of 49 units covering 45 States, the District of Columbia, and the Commonwealth of Puerto Rico, in addition to the U.S. Virgin Islands, Guam, American Samoa, and the Northern Mariana Islands. The *Bipartisan Budget Act of 2015* (BBA) mandated nationwide coverage of the CDI Program by FY 2022 in areas where there is cooperation with local law enforcement agencies. The Budget supports the expansion to meet the deadline.

In support of this mandate, SSA opened one CDI unit during the first half of FY 2016, one unit in FY 2017, three units in FY 2018, and three units in FY 2019. We opened four units in FY 2020 and we are on track to continue expanding coverage by the end of FY 2021. As the CDI Program grows, we continue to strategically add OIG staff to support the organization's mission both in the field and at headquarters. The transfers from the SSA LAE account have been integral in allowing us to replace those resources diverted to the program.

The intent of the transfer from LAE is to support the OIG's CDI unit costs, similar to how dedicated PI funding covers SSA's CDI unit costs as well. As the OIG was ramping up the program, the OIG had been projecting CDI costs based only on OIG Team Leaders. Upon reflection, the cost of operating the OIG's Cooperative Disability Investigations Division (CDID), a headquarters division that provides dedicated strategic, operational, and administrative efforts to monitor and support the CDI Program and its expansion, fits within the scope as well. The CDID's increasingly important role to maintaining program uniformity and attracting and retaining local partners will continue to grow over time. The CDID's major functions include:

- recruiting potential local law enforcement partners,
- developing policies that promote consistency of operations and investigations,
- promoting compliance with Attorney General and CIGIE Quality Standards,
- facilitating Memoranda of Understandings between CDI partners, and
- overseeing the U.S. Marshals special deputation of law enforcement partners for expanded jurisdiction to investigate disability fraud.

Beginning in FY 2022, the OIG will begin using transfer funding to charge for CDID costs in addition to supporting CDI unit team leaders.

SSA'S SIGNIFICANT MANAGEMENT CHALLENGES

OIG annually identifies the most significant management challenges facing SSA based on congressional mandates and its audit and investigative work. These challenges are:

1. SSA's Response to the 2019 Novel Coronavirus Pandemic,
2. Improve Administration of the Disability Program,
3. Improve the Prevention, Detection, and Recovery of Improper Payments,
4. Improve Service Delivery,
5. Protect the Confidentiality, Integrity, and Availability of SSA's Information Systems and Data, and,
6. Modernize Information Technology (IT).

A summary of each management challenge is discussed below:

Challenge #1: *SSA's Response to the 2019 Novel Coronavirus Pandemic*

On March 13, 2020, the President declared the COVID-19 outbreak a national emergency. The Office of Management and Budget encouraged all Federal agencies to maximize telework to ensure employees' safety while serving the public and conducting mission-critical functions. In response to the declaration, and to ensure the safety of its customers and employees, SSA limited its field office operations to in-person service by appointment only for certain dire need situations and maximized telework. SSA had to ensure the vast majority of its approximately 62,000 employees had the resources needed to telework so it could help manage the increased customer traffic to its online services and 800-number. Similarly, SSA assisted State disability determination services (DDS) in shifting their staffs to telework and obtaining necessary resources so they could continue making disability determinations, but not all DDS employees were able to telework. The reduced staffing meant DDSs were processing fewer cases and SSA had over 160,000 more initial disability claims pending at the end of FY 2020 than it did at the beginning of the fiscal year. Before the release of Executive Order 13924, Regulatory Relief to Support Economic Recovery, SSA took actions that aligned with the intent of the Order. For example, SSA temporarily suspended processing and collecting overpayments. SSA also suspended processing medical CDRs that could result in benefit cessation as part of its response to COVID-19. Effective August 31, 2020, SSA resumed processing most workloads it had suspended in its initial response to the pandemic, including CDR cessations, redeterminations and other actions that may result in a reduction, suspension, or termination of benefits.

Challenge #2: *Improve Administration of the Disability Program*

To better serve its customers, SSA needs to address increasing pending initial disability claims and continuing disability reviews (CDR), reduce pending hearings, and develop better strategies to help disabled beneficiaries return to work. Before the COVID-19 pandemic began, SSA reduced the number of initial disability claims pending from almost 708,000 at the end of FY 2012 to almost 594,000 at the end of FY 2019, and eliminated the backlog of full medical CDRs in FY 2018. COVID-19 pandemic responses, such as DDS closures and delayed consultative examinations, posed challenges to the initial disability claims process. From February to September 2020, claims pending levels increased 21 percent to over 763,000. In March 2020,

SSA suspended processing medical CDRs that could result in benefit cessation. The number of full medical CDRs SSA processed monthly decreased from over 57,000 in February 2020 to under 19,000 in July 2020, before rising to nearly 41,000 in September 2020. While SSA has continued to reduce hearings pending levels, it still has a backlog of pending cases.

Congress directed SSA to implement employment support programs to help disabled individuals return to work. To date, these programs have helped only a small percentage of disabled individuals return to work. While SSA has set goals to increase the number of participating beneficiaries, few eligible beneficiaries used their Tickets for vocational or employment services. Specifically, approximately 3 percent of Ticket-eligible beneficiaries assigned their Tickets or placed them in-use in FY 2020, similar to the percent of individuals who assigned their Tickets in recent years. When we reviewed another employment support program, the Plan to Achieve Self-Support, SSA could not provide costs incurred, savings, or return-to-work participant outcomes even though SSA implemented the program in 1972. SSA needs to 1) renew its focus on reducing and eliminating the initial disability claims and CDR backlogs; 2) implement and monitor initiatives designed to improve timeliness and reduce the hearings backlog; 3) focus resources on capacity issues to better balance processing times and hearing office workloads; and 4) continue creating new opportunities for returning beneficiaries to work and ensure measurement of costs, savings, and effectiveness are part of the design of such initiatives.

Challenge #3: *Improve the Prevention, Detection, and Recovery of Improper Payments*

SSA is responsible for issuing approximately \$1 trillion in benefit payments, annually. Given the amounts involved, even the slightest error in the overall payment process can result in millions of dollars in over- or underpayments. In its FY 2020 Agency Financial Report, SSA estimated it had made approximately \$7.9 billion in improper payments in FY 2019. Preventing improper payments is more advantageous than detecting them after they are made since additional resources are not spent recovering the overpayments or processing additional payments to rectify underpayments. Beneficiaries and recipients are required to report to SSA any change in circumstances that may affect their benefits; however, they do not always comply. Therefore, obtaining data from external sources, such as other Federal agencies, State agencies, and financial institutions, is critical to prevent and detect improper payments. We believe SSA needs to 1) identify and prevent improper payments through automation and data analytics; 2) expand efforts to collect data from reliable third-party sources that would aid SSA in mitigating discrepancies that can occur when beneficiaries or recipients self-report information; and 3) address the root causes of improper payments to prevent their occurrence.

Challenge #4: *Improve Service Delivery*

The COVID-19 pandemic greatly curtailed field office service, placing greater stress on other service methods. In a July 2020 audit, we noted that wait times at 9 of SSA's 10 regions increased between FYs 2010 and 2019. Moreover, the number of field office visitors who waited for longer than 1 hour for service increased from 2.3 to 4.2 million. In a May 2020 audit, we concluded that, between FYs 2010 and 2019, calls to the National 800 Number resulted in more busy messages and hang-ups without the caller receiving service, the number of calls employees answered decreased, and callers waited longer for service. Additionally, effective

March 31, 2020, SSA temporarily changed its telephone services, including decreased hours for its 800-number, in response to the COVID-19 outbreak. SSA continues to explore ways to improve the customer service experience by providing convenient and secure online self-service options, many of which are accessed through beneficiaries' my Social Security accounts. However, our audit work found SSA's controls for the my Social Security portal had not prevented some individuals from fraudulently establishing accounts or submitting direct deposit transactions. SSA also faces a challenge to its ability to provide service because of an expected retirement of experienced staff. SSA expects that more than 21,000 of its 62,000 employees will retire within the next 5 years. These retirements, along with regular attrition, will cause a loss of institutional knowledge and potentially impair succession management and knowledge transfer.

Challenge #5: *Protect the Confidentiality, Integrity, and Availability of SSA's Information Systems and Data*

SSA must ensure its information systems are secure and sensitive data are protected. Disruptions to the integrity or availability of its information systems would dramatically affect SSA's ability to serve the public and meet its mission. Also, SSA's systems contain personally identifiable information, such as the Social Security number (SSN), which if not protected, could be misused by identity thieves. In its most recent report for the *Federal Information Security Modernization Act of 2014* (Pub. L. No. 113-283), Grant Thornton LLP identified a number of deficiencies in SSA's information security program, potentially limiting its ability to protect the confidentiality, integrity, and availability of SSA's information systems and data. Furthermore, for systems that promote public access, such as SSA's my Social Security, agencies must ensure that identity proofing, registration, and authentication processes provide assurance of identity consistent with security and privacy requirements, in accordance with Federal standards and guidelines. However, SSA relies on companies that have had breaches, such as Equifax, and there have been several breaches of personal data across the globe and continuous misuse of SSNs across industries. SSA needs to address the deficiencies identified by the independent auditor and ensure the electronic services it provides are secure, and comply with Federal security requirements.

Protecting the SSN and properly posting the wages reported under it are critical to ensuring SSN integrity and eligible individuals receive the full benefits due them. Accuracy in recording number-holder information is critical because SSA and other agencies rely on information to verify employment eligibility, ensure successful processing of wage reports, and terminate payments to deceased beneficiaries. Accuracy in recording workers' earnings is critical because SSA calculates benefit payments based on an individual's earnings over his/her lifetime. As such, properly assigning SSNs only to those individuals authorized to obtain them, protecting SSN information once SSA assigns the numbers, ensuring number-holder information is complete in its systems, and accurately posting the earnings reported under SSNs are critical responsibilities.

Challenge #6: *Modernize Information Technology (IT)*

SSA's aging infrastructure is increasingly difficult and expensive to maintain. SSA continues relying on outdated applications and technologies to process its core workloads, and knowledge of its dated applications and legacy infrastructure will diminish as developers retire. While SSA has taken an incremental approach to IT modernization by replacing systems' components rather than whole systems, this approach is no longer viable. Technology is advancing faster than SSA can incrementally modernize. SSA developed a roadmap to spend \$863 million through FY 2022 to modernize some of its systems, but budget constraints have forced it to use much of its IT funding—\$2 billion in FY 2020—to operate and maintain existing systems. SSA's Chief Information Officer has acknowledged the Agency must undertake a larger, multi-year effort. In October 2017, SSA published and began implementing its IT Modernization Plan. This multi-year modernization effort is fundamental to the overall ability to improve service to the public. SSA also developed a new IT Investment Process that it expects will improve how it manages and invests in IT. SSA needs to prioritize IT modernization activities to ensure available resources lead to improvements with the greatest impact on SSA's operations and the service it provides the public. SSA also needs to ensure its IT planning and investment control processes are effective.

MONETARY BENEFITS

In FY 2020, OIG issued 46 audit reports with recommendations, identifying nearly \$2.3 billion in questioned costs and over \$700 million in Federal funds that could be put to better use. OIG also effected 725 criminal convictions, and obtained a return of over \$259 million in monetary accomplishments, comprising over \$109 million in SSA recoveries, restitutions, fines, settlements, and judgments, and over \$150 million in projected SSA savings. Additionally, OIG successfully resolved 48 civil monetary penalty actions against individuals who made false statements, representations, or omissions to obtain, retain, or convert Social Security benefits (violating Section 1129 of the Social Security Act), imposing more than \$2.7 million in penalties and assessments. Overall, in FY 2020, the OIG identified \$29 in returns to the government for every \$1 it received through its appropriation.

TRANSFER AUTHORITY

The budget request includes language providing authority to transfer an amount of up to 3 percent of the total OIG appropriation from SSA's LAE appropriation. This language provides the flexibility to meet unanticipated funding requirements and to ensure that adequate resources are available to meet program objectives. The request is consistent with similar authority to transfer funds between appropriations provided to other departments and agencies in appropriation language.

In addition, the Budget includes language to transfer up to \$12.1 million in program integrity allocation funds to the SSA OIG from SSA's LAE account to fund the cost of jointly operated cooperative disability investigations (CDI) units. This anti-fraud activity is an authorized use of the allocation.

BUDGETARY RESOURCES

The OIG annual appropriation consists of appropriations from both the general fund and the trust funds. The President’s Budget request for FY 2022 consists of \$32,000,000 appropriated from the general fund, and \$80,000,000, which will be transferred and expended as authorized by Section 201(g) (1) of the Social Security Act from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

Table 4.2—Amounts Available for Obligation
(In thousands)

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Budget
General Funds Annual Appropriation	\$30,000	30,000	\$32,000
Trust Funds Annual Transfer	\$75,500	\$75,500	\$80,000
Total Base Appropriation	\$105,500	\$105,500	\$112,000
Transfer Authority ¹	\$ 176	-	-
Reimbursable Authority ²	\$10,000	\$11,200	\$12,100
Reimbursable Authority Carryover ³	\$660	\$609 ⁴	\$1,386 ⁵
Total Budgetary Resources	\$116,336	\$117,309	\$125,486
Total Obligations ⁶	\$115,309	\$115,923	\$125,486
Unobligated balance lapsing	\$ 418	-	-

¹ Beginning in FY 2020, SSA-OIG provided consultation services for the performance of SSA contract audits of State DDSs, and SSA reimburses SSA-OIG for these services through an annual transfer.

² For FY 2020, the Budget includes language allowing the transfer of \$10 million to the SSA-OIG from SSA’s LAE program integrity (PI) allocation funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increases to \$11.2 million in FY 2021 and \$12.1 million in FY 2022.

³ SSA OIG’s PI allocation is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six (6) months of the following fiscal year. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader Operating Costs.

⁴ Updated carryover due to technical adjustments.

⁵ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. SSA-OIG does not estimate any carryover from FY 2022 to FY 2023.

⁶ Updated for unobligated balance carryover assumptions and does not match Budget Appendix.

ANALYSIS OF CHANGES

The FY 2022 budget represents an increase of \$6.5 million to the Total Appropriation and \$0.9 million to the Reimbursable Obligation for a total increase of \$7.5 million from the FY 2021 Budget. Increases in base expenses for employee salaries and benefits will be offset by reductions in other objects.

Table 4.3—Summary of Changes (in thousands)

	FY 2021 Estimate	FY 2022 Budget	FY21 to FY22 Change
General Fund Appropriation	\$30,000	\$32,000	\$2,000
Trust Fund Appropriation	\$75,500	\$80,000	\$4,500
Total Appropriation	\$105,500	\$112,000	\$6,500
Reimbursable Obligation ¹	\$9,814	\$12,100	\$2,286
Reimbursable Carryover ²	\$609 ³	\$1,386 ⁴	\$777
Total Obligations	\$115,923	\$125,486	\$9,563

¹ For FY 2021, the Budget includes language allowing the transfer of \$11.2 million to the SSA-OIG from SSA's LAE program integrity (PI) allocation funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increases to \$12.1 million in FY 2022. Updated for unobligated balance carryover assumptions and does not match Budget Appendix.

² SSA-OIG's PI allocation is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six (6) months of the following fiscal year. Updated for unobligated balance carryover assumptions and does not match Budget Appendix. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader Operating Costs. FY 2022 planned obligations have been updated to reflect current assumptions and do not match Budget Appendix.

³ Updated carryover due to technical adjustments.

⁴ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. SSA-OIG does not estimate any carryover from FY 2022 to FY 2023.

Table 4.4—Explanation of OIG Budget Changes¹

	FY 2021 Base		Change from Base	
	WYs (FTEs)	Budgetary Resources	WYs (FTEs)	Budgetary Resources
<u>BUILT-IN INCREASES</u>				
Base Payroll Expenses	518		+24	
	(513)		(+24)	
• <i>Change in base payroll expenses related to career ladder promotions and within-grade increases</i>	---	\$71,659,000	---	+ \$5,437,000
• <i>Change in base expenses for employee benefits including health benefits and new employees hired under the Federal Retirement Employees System</i>	---	\$31,491,000	---	+ \$2,425,000
• <i>All other payroll changes, including overtime and awards</i>				
Non-Payroll Costs - All other built-in non-payroll changes, travel management support and equipment	---	\$7,933,000	---	+ \$309,000
* Rent	---	\$4,730,000	---	+ \$116,000
Subtotal, Built-in increases	518	\$115,813,000	+24	+\$8,287,000
	(513)		(+24)	
<u>PROGRAM INCREASES</u>				
Subtotal, Program Increases	---	---	---	\$ 0
Total Increases	518	\$115,813,000	+24	+\$8,287,000
	(513)		(+24)	

Table Continues on the Next Page

¹ Totals may not add due to rounding. The table does not include the estimated transfer authority.

	FY 2021 Base		Change from Base	
	WYs (FTEs)	Budgetary Resources	WYs (FTEs)	Budgetary Resources
<u>BUILT-IN DECREASES</u>				
Base Payroll Expenses —Decrease in all other payroll costs	518 (513)	<i>\$103,150,000</i>	+24 (+24)	
Non-Payroll Costs	---	<i>\$7,933,000</i>		
Rent	---	<i>\$4,730,000</i>		
Subtotal, Built-in decreases	---	<i>\$115,813,000</i>	---	<i>\$0</i>
<u>PROGRAM DECREASES</u>				
Decrease in costs for training, other support, services, and supplies	---	---	---	---
Subtotal, Program Decreases	---	---	---	<i>\$0</i>
Total Decreases	---	<i>\$115,813,000</i>	---	<i>\$0</i>
Net Change	518 (513)	<i>\$115,813,000</i>	+24 (+24)	<i>\$0</i>

BUDGET AUTHORITY BY ACTIVITY

The table below displays budget authority, split by type of funding, and obligations. This table also includes FTEs.

**Table 4.5—Budget Authority by Activity
(In thousands)**

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Budget
General Funds	\$30,000	\$30,000	\$32,000
OASDI Trust Fund Transfers	\$75,500	\$75,500	\$80,000
Total Appropriation	\$105,500	\$105,500	\$112,000
Transfer Authority ¹	\$176	-	-
Reimbursable Authority ²	\$10,000	\$11,200	\$12,100
Reimbursable Authority Carryover ³	\$660	\$609 ⁴	\$1,386 ⁵
Total Budgetary Authority	\$116,336	\$117,309	\$125,486
Total Obligations ⁶	\$115,309	\$115,923	\$125,486
Unobligated balance lapsing	\$418	\$0	\$0
FTEs	519	513	537

¹ Beginning in FY 2020, SSA-OIG provided consultation services for the performance of SSA contract audits of State DDSs, and SSA reimburses SSA-OIG for these services through an annual transfer.

² For FY 2020, the Budget includes language allowing the transfer of \$10 million to the SSA-OIG from SSA's LAE program integrity (PI) allocation funds for jointly operated Cooperative Disability Investigations (CDI) units. The authority increases to \$11.2 million in FY 2021 and \$12.1 million in FY 2022.

³ SSA OIG's PI allocation is an 18-month account. The carryover represents the unobligated funds that will be obligated within the first six (6) months of the following fiscal year. From FY 2019 – FY 2021, OIG is only charging for CDI Team Leader Operating Costs.

⁴ Updated carryover due to technical adjustments.

⁵ Updated carryover estimate to reflect more accurate projections. Carryover is higher than anticipated due to pandemic effects. Do not estimate any carryover from FY 2022 to FY 2023.

⁶ Updated for unobligated balance carryover and transfer assumptions and does not match Budget Appendix.

BUDGET RESOURCES BY OBJECT

The table below displays the breakdown of budget resources by object class.

Table 4.6—Budget Resources by Object¹

	FY 2020	FY 2021	FY 2022	<i>FY21 to FY22 Change</i>
Full-time permanent	\$68,389,000	\$69,818,000	\$75,194,000	+ \$5,376,000
Other than full-time permanent	\$673,000	\$681,000	\$730,000	+ \$49,000
Other compensation	\$1,096,000	\$1,160,000	\$1,172,000	+ \$12,000
Subtotal, Personnel Compensation	\$70,158,000	\$71,659,000	\$77,096,000	+ \$5,437,000
Civilian personnel benefits	\$30,404,000	\$31,491,000	\$33,916,000	+ \$2,425,000
Total, Compensation and Benefits	\$100,562,000	\$103,150,000	\$111,012,000	+ \$7,862,000
Travel	\$1,743,000	\$1,696,000	\$1,838,000	+ \$142,000
Transportation of things	\$34,000	\$43,000	\$43,000	\$0
Rental payments to GSA	\$4,251,000	\$4,250,000	\$4,354,000	+ \$104,000
Rental payments to others	\$102,000	\$0	\$0	\$0
Communications, utilities, and others	\$589,000	\$507,000	\$512,000	+ \$5,000
Printing and reproduction	\$1,000	\$10,000	\$10,000	\$0
Other services	\$4,104,000	\$3,536,000	\$3,577,000	+ \$41,000
Supplies and materials	\$160,000	\$135,000	\$136,000	+ \$1,000
Equipment	\$3,764,000	\$2,591,000	\$2,665,000	+ \$74,000
Insurance Claims	\$ -	\$2	\$2	\$0
Adjustments	-\$384,000	-\$107,000	-\$49,000	\$58,000
Total Budgetary Resources	\$114,926,000	\$115,813,000	\$124,100,000	\$8,287,000

¹ Totals may not add due to rounding.

BACKGROUND

AUTHORIZING LEGISLATION

The Office of the Inspector General is authorized necessary expenses to carry out the provisions of the Inspector General Act of 1978, as amended.

Table 4.7—Authorizing Legislation

	FY 2020 Enacted	FY 2021 Enacted	FY 2022 Authorized	FY 2022 Estimate
Office of the Inspector General (P.L. 116-260)	\$105,500,000	\$105,500,000	Indefinite	\$112,000,000

APPROPRIATION HISTORY

The table below displays the President’s budget request, amounts passed by the House and Senate, and the actual amount appropriated for the period FY 2004 to FY 2021.

Table 4.8—Appropriation History Table

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
General Funds	\$25,000,000	\$24,500,000	\$20,863,000	\$24,355,400
Trust Funds	\$65,000,000	\$63,700,000	\$61,597,000	\$63,324,200
2004 Total	\$90,000,000	\$88,200,000 ¹	\$82,460,000 ²	\$87,679,600³
General Funds	\$26,000,000	\$25,748,000	\$26,000,000	\$25,542,000
Trust Funds	\$66,000,000	\$65,359,000	\$66,000,000	\$64,836,100
2005 Total	\$92,000,000	\$91,107,000 ⁴	\$92,000,000 ⁵	\$90,378,100⁶
General Funds	\$26,000,000	\$26,000,000	\$26,000,000	\$25,740,000
Trust Funds	\$67,000,000	\$66,805,000	\$67,000,000	\$65,736,000
2006 Total	\$93,000,000	\$92,805,000 ⁷	\$93,000,000 ⁸	\$91,476,000⁹
General Funds	\$27,000,000	\$26,435,000	\$25,740,000	\$25,902,000
Trust Funds	\$69,000,000	\$67,976,000	\$65,736,000	\$66,149,000
2007 Total	\$96,000,000	\$94,411,000 ¹⁰	\$91,476,000 ¹¹	\$92,051,000¹²
General Funds	\$27,000,000	\$27,000,000	\$28,000,000	\$25,988,901
Trust Funds	\$68,047,000	\$68,047,000	\$68,047,000	\$65,926,000
2008 Total	\$95,047,000	\$95,047,000 ¹³	\$96,047,000 ¹⁴	\$91,914,901¹⁵
General Funds	\$28,000,000	--	\$28,000,000	\$28,000,000
Trust Funds	\$70,127,000	---	\$70,127,000	\$70,127,000
2009 Total	\$98,127,000	--- ¹⁶	\$98,127,000 ¹⁷	\$98,127,000¹⁸
ARRA ¹⁹	N/A	N/A	N/A	\$2,000,000
General Funds	\$29,000,000	\$29,000,000	\$29,000,000	\$29,000,000
Trust Funds	\$73,682,000	\$73,682,000	\$73,682,000	\$73,682,000
2010 Total	\$102,682,000	\$102,682,000 ²⁰	\$102,682,000 ²¹	\$102,682,000²²
General Funds	\$30,000,000	---	\$30,000,000	\$28,942,000
Trust Funds	\$ 6,122,000	---	\$76,122,000	\$73,535,000
2011 Total	\$106,122,000	--- ²³	\$106,122,000 ²⁴	\$102,477,000²⁵
General Funds	\$30,000,000	---	\$28,942,000	\$28,887,000
Trust Funds	\$ 7,113,000	---	\$73,535,000	\$73,396,000
2012 Total	\$107,113,000	--- ²⁶	\$102,477,000 ²⁷	\$102,283,000²⁸
General Funds	\$30,000,000	---	\$28,887,000	\$27,376,000
Trust Funds	\$77,600,000	---	\$73,396,000	\$72,557,000
2013 Total	\$107,600,000	--- ²⁹	\$102,283,000 ³⁰	\$99,933,000³¹
General Funds	\$30,000,000	---	\$29,689,000	\$28,829,000
Trust Funds	\$75,733,000	---	\$74,972,000	\$73,249,000
2014 Total	\$105,733,000	---	\$104,670,000 ³²	\$102,078,000³³

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Office of the Inspector General

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
General Funds	\$29,000,000	\$28,829,000		\$29,000,000
Trust Funds	\$75,622,000	\$74,249,000		\$74,350,000
2015 Total	\$104,622,000	\$103,078,000 ³⁴		\$103,350,000³⁵
General Funds	\$31,000,000	\$30,000,000	\$28,829,000	\$29,787,000
Trust Funds	\$78,795,000	\$78,795,000	\$74,521,000	\$75,713,000
2016 Total	\$109,795,000	\$108,795,000 ³⁶	\$103,350,000 ³⁷	\$105,500,000³⁸
General Funds	\$31,000,000	\$29,787,000	\$29,787,000	\$29,787,000
Trust Funds	\$81,000,000	\$75,713,000	\$75,713,000	\$75,713,000
2017 Total	\$112,000,000	\$105,500,000 ³⁹	\$105,500,000 ⁴⁰	\$105,500,000⁴¹
General Funds	\$30,000,000	\$29,796,270	\$29,796,270	\$30,000,000
Trust Funds	\$75,500,000	\$74,987,280	\$74,987,280	\$75,500,000
2018 Total	\$105,500,000	\$104,783,550 ⁴²	\$104,783,550 ⁴³	\$105,500,000⁴⁴
General Funds	\$30,000,000	\$31,000,000	\$30,000,000	\$30,000,000
Trust Funds	\$75,500,000	\$77,500,000	\$75,500,000	\$75,500,000
2019 Total	\$105,500,000	\$108,500,000 ⁴⁵	\$105,500,000 ⁴⁶	\$105,500,000⁴⁷
General Funds	\$30,000,000	\$31,000,000	\$30,000,000	\$30,000,000
Trust Funds	\$75,500,000	\$77,500,000	\$75,500,000	\$75,500,000
2020 Total	\$105,500,000	\$108,500,000 ⁴⁸	\$105,500,000 ⁴⁹	\$105,500,000⁵⁰
General Funds	\$33,000,000	\$31,000,000	\$30,000,000	\$30,000,000
Trust Funds	\$83,000,000	\$77,500,000	\$75,500,000	\$75,500,000
2021 Total	\$116,000,000	\$108,500,000 ⁵¹	\$105,500,000 ⁵²	\$105,500,000⁵³

¹ H.R. 2660.

² S. 1356.

³ Consolidated Appropriations Act, 2004 (P.L. 108-199). The \$24,500,000 in general funds and \$63,700,000 in trust funds included in the language for this account for FY 2004 were reduced by \$144,600 and \$375,800, respectively, in accordance with P.L. 108-199.

⁴ H.R. 5006.

⁵ S. 2810.

-
- ⁶ Consolidated Appropriations Act, 2005 (P.L. 108-447). The \$25,748,000 in general funds and \$65,359,000 in trust funds included in the language for this account for FY 2005 were reduced by \$206,000 and \$522,900, respectively, in accordance with P.L. 108-447.
- ⁷ H.R. 3010.
- ⁸ H.R. 3010, reported from Committee with an amendment.
- ⁹ Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2006 (P.L. 109-149). The \$26,000,000 in general funds and \$66,400,000 in trust funds included in the language for this account for FY 2006 were reduced by \$260,000 and \$664,000, respectively, in accordance with the Emergency Supplemental Appropriations Act to Address Hurricanes in the Gulf of Mexico and Pandemic Influenza, 2006 (P.L. 109-148).
- ¹⁰ H.R. 5647.
- ¹¹ S. 3708.
- ¹² Revised Continuing Appropriations Resolution, 2007 (P.L. 110-5).
- ¹³ H.R. 3043.
- ¹⁴ S. 1710.
- ¹⁵ Consolidated Appropriations Act, 2008 (P.L. 110-161). The \$26,451,000 in general funds and \$67,098,000 in trust funds included in the language for this account for FY 2008 were reduced by \$462,099 and \$1,172,000 respectively, in accordance with P.L. 110-161.
- ¹⁶ The House Committee on Appropriations did not report a bill.
- ¹⁷ S. 3230.
- ¹⁸ Omnibus Appropriations Act, 2009 (P.L. 111-8).
- ¹⁹ OIG received \$2,000,000 through the American Recovery and Reinvestment Act of 2009 (P.L. 111-5). OIG will conduct necessary oversight and audit of SSA programs, projects, and activities, assessing whether SSA used the resources as intended by the Act, and will identify any instances of fraud, waste, error, and abuse.
- ²⁰ H.R. 3293.
- ²¹ H.R. 3293, reported from Committee with an amendment.
- ²² Consolidated Appropriations Act, 2010 (P.L. 111-117).
- ²³ The House Committee on Appropriations did not report a bill.
- ²⁴ S. 3686.
- ²⁵ Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10). The \$29,000,000 in general funds and \$73,682,000 in trust funds included in the language for this account for FY 2011 were reduced by \$58,000 and \$147,000 respectively, in accordance with P.L. 112-10.
- ²⁶ The House Committee on Appropriations did not report a bill. Appropriations Chairman Rehberg introduced H.R. 3070, which included \$30,000,000 from general funds and \$77,113,000 from trust funds, totaling \$107,113,000.
- ²⁷ S. 1599.
- ²⁸ Consolidated Appropriations Act, 2012 (P.L. 112-74). The \$28,942,000 in general funds and \$73,535,000 in trust funds included in the language for this account for FY 2012 were reduced by \$55,000 and \$139,000 respectively, in accordance with P.L. 112-74.
- ²⁹ The House Committee on Appropriations did not report a bill. The Committee posted a draft bill which included \$28,887,000 from general funds and \$77,600,000 from trust funds, totaling \$106,487,000.
- ³⁰ S. 3295.
- ³¹ Consolidated Appropriations Act, 2013 (P.L. 113-6). The \$69,557,000 in trust funds included in the language for this account for FY 2013 were increased by \$3,000,000 to \$72,557,000 as a transfer from SSA to OIG.
- ³² S. 1284.
- ³³ Consolidated Appropriations Act, 2014 (P.L. 113-76).

³⁴ H.R. 5464.

³⁵ Consolidated Appropriations Act, 2015 (P.L. 113-235).

³⁶ H.R. 3020

³⁷ S. 1695.

³⁸ Consolidated Appropriations Act, 2016 (P.L. 114-113).

³⁹ H.R. 5926.

⁴⁰ S. 3040.

⁴¹ Consolidated Appropriations Act, 2017 (P.L. 115-31).

⁴² Further Additional Continuing Appropriations Act, 2018 (P.L. 115-56). Funding includes a rescission of 0.6791% of FY 2017 appropriation. The \$30,000,000 in general funds and \$75,500,000 in trust funds included in the language for this account for FY 2018 were reduced by \$415,284 and \$301,166 respectively, in accordance with P.L. 115-56.

⁴³ Further Additional Continuing Appropriations Act, 2018 (P.L. 115-56). Funding includes a rescission of 0.6791% of FY 2017 appropriation. The \$30,000,000 in general funds and \$75,500,000 in trust funds included in the language for this account for FY 2018 were reduced by \$415,284 and \$301,166 respectively, in accordance with P.L. 115-56.

⁴⁴ Consolidated Appropriations Act, 2017 (P.L. 115-56).

⁴⁵ H.R. 6157.

⁴⁶ H.R. 6157.

⁴⁷ Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245).

⁴⁸ H.R. 1865.

⁴⁹ H.R. 1865.

⁵⁰ Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2020 (P.L. 116-94).

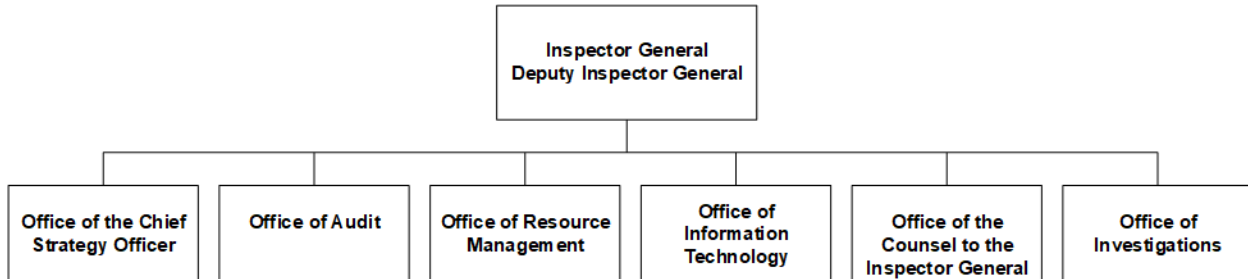
⁵¹ H.R. 133.

⁵² H.R. 133.

⁵³ Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021 (P.L. 116-260).

OIG'S ORGANIZATIONAL STRUCTURE AND MISSION

GENERAL PURPOSE



As mandated by the *Inspector General Act of 1978*, as amended, OIG's mission is to protect the integrity of SSA's programs. By conducting independent and objective audits, evaluations, and investigations, OIG works to ensure public confidence in the integrity and security of SSA's programs and operations, and works to protect them against fraud, waste, abuse, and mismanagement. OIG provides timely, useful, and reliable information and advice to Administration officials, Congress, and the public.

OIG is composed of six components: The Office of the Chief Strategy Officer, the Office of Audit, the Office of Investigations, the Office of Information Technology, the Office of Counsel to the Inspector General, and the Office of Resource Management.

Office of the Chief Strategy Officer

Directs OIG internal and external communications, leads strategic planning efforts, develops and directs OIG's enterprise risk management program, and coordinates with SSA, Congress, and other stakeholders.

Office of Audit

Conducts comprehensive financial, information technology, and performance audits and evaluations of SSA's programs and operations, and makes recommendations for improvement.

Office of Resource Management

Provides administrative and management support across the organization, including formulating and executing the OIG budget, overseeing facility and property management, performing quality and compliance reviews, and performing human resource support activities.

Office of Information Technology

Manages OIG’s technology and data analytics functions, and coordinates multiple cybersecurity oversight responsibilities

Office of the Counsel to the Inspector General

Provides independent legal advice and counsel to the IG and all components; develops training for OIG employees; assists OIG managers with adverse personnel actions; represents OIG in litigation; oversees and administers SSA’s Civil Monetary Penalty program, and serves as SSA’s Whistleblower Coordinator.

Office of Investigations

Conducts investigations on allegations of fraud and misconduct related to SSA programs, operations, and employees. Operates the OIG fraud hotline and oversees the Cooperative Disability Investigations program.

RATIONALE FOR THE BUDGET REQUEST

The budget request for FY 2022 is \$112,000,000, an increase of \$6.5 million from the FY 2021 appropriations. Moreover, the FY 2022 budget request will provide funding for a 542 FTE staffing level, payroll increases (e.g., within-grade increases, scheduled promotions, health benefits, etc.), and other related support costs.

For FY 2022, the Budget proposes for the transfer of \$12.1 million to the Office of the Inspector General from SSA’s LAE program integrity allocation funds to support OIG’s CDI unit costs. This is an increase of \$0.9 million from FY 2021 and will provide funding for CDI unit team leaders, payroll increases, and other related support costs, including CDID costs.

Table 4.9—Detail of Full-Time Equivalent Employment and Workyears

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
FTEs	519	513	537
Overtime/Lump Sum Leave	4	5	5
Total	523	518	542

Table 4.10—Average Grade and Salary

	FY 2020 Actual
Average ES	\$181,112
Average GS	13
Average GS	\$118,907
Salary	

Annual Performance Plan Fiscal Years 2021–2022



Annual Performance Plan for Fiscal Year 2022

Revised Performance Plan for Fiscal Year 2021

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A Message from the Commissioner



I am pleased to present the Social Security Administration’s *Annual Performance Plan for Fiscal Year 2022 and Revised Performance Plan for Fiscal Year 2021*, which details our priorities and goals for the next two fiscal years.

My top priority remains improving public service. We continue our efforts to improve service and our customers’ experience by reducing wait times and backlogs, supporting outreach to vulnerable populations who may be eligible for our programs, and investing in our information technology (IT) modernization efforts. Modernizing our IT is the key to making critical, lasting improvements in service.

We must also balance our stewardship responsibilities by completing our cost-effective program integrity workloads. Most notably, we are moving closer to our goal of eliminating the disability hearings backlog in fiscal year 2022. The hearings backlog is now at its lowest level in 20 years.

Based on internal evaluations, I affirm that the performance data in this report is complete, reliable, and accurate.

Respectfully,



Andrew Saul

Baltimore, Maryland
May 28, 2021

Our Mission

Deliver quality Social Security services to the public.

Our Programs

Few government agencies affect the lives of as many people as we do. We administer three programs under the Social Security Act, as amended:

- **Old-Age and Survivors Insurance:** Established in 1935, the Old-Age and Survivors Insurance (OASI) program provides retirement and survivors benefits to qualified workers and their family members. In fiscal year (FY) 2022, we estimate paying OASI benefits to nearly 57 million beneficiaries on average each month, and we estimate paying over \$1 trillion to OASI beneficiaries through the fiscal year.
- **Disability Insurance:** Established in 1956, the Disability Insurance (DI) program provides benefits for workers who become disabled and their families. In FY 2022, we estimate paying DI benefits to nearly 10 million beneficiaries on average each month, and we estimate paying over \$150 billion to DI beneficiaries through the fiscal year.
- **Supplemental Security Income:** Established in 1972, the Supplemental Security Income (SSI) program provides financial support to aged, blind, and disabled adults and children who have limited income and resources. In FY 2022, we estimate paying SSI benefits to nearly 8 million recipients on average each month (approximately 2.7 million of whom concurrently receive OASI or DI benefits), and we estimate paying nearly \$63 billion in SSI Federal benefits and State supplementary payments through the fiscal year.

In addition, we support national programs administered by other Federal and State agencies, as required by law, such as Medicare, *Employee Retirement Income Security Act of 1974*, *Coal Act*, Supplemental Nutrition Assistance Program (formerly Food Stamps), *Help America Vote Act*, State Children's Health Insurance Program, E-Verify, Medicaid, and Federal Benefits for Veterans.

We administer our programs in accordance with law and regulations. We have implemented enterprise risk management processes to improve the effectiveness of our organization and program administration. Our goals are informed by strategic opportunities as well as our assessment of program evaluations and identified risks.

Our Organization

Approximately 61,000 Federal employees and 15,000 State employees serve the public from a network of more than 1,500 offices across the country and around the world. Most of our employees directly serve the public or provide support to employees who do.

The COVID-19 pandemic continues to significantly affect our operations and how we serve the public. Our highest priority during this difficult and unprecedented time is to provide mission-critical services while ensuring the health and safety of the public and our employees in a mostly virtual work environment. We continue to accelerate our planning and implementation of alternative electronic and virtual services, as well as expand use of data exchanges to obtain evidence.

Our National 800 Number callers can conduct various business transactions by speaking directly with a customer service representative or through our 24-hour automated services, which include requesting benefit verification letters, ordering replacement Medicare cards, and obtaining claim status. In addition, we published local office telephone numbers, allowing our field office employees to handle significantly more phone calls while maintaining a low busy rate. Our processing centers (PC) handle the most complex benefit payment decisions, in addition to issuing benefit payments after appeals decisions, determining and collecting debt, correcting records, and perform program integrity work.

State agency disability determination services (DDS) make disability determinations for initial claims, reconsiderations, and continuing disability reviews (CDR). Disruptions from the COVID-19 pandemic negatively affected pending initial disability claims cases, which increased significantly. We are increasing processing capacity to address the large backlog of initial disability claims and an anticipated spike in claims, but, it will take a sustained, multi-year effort to work down the backlog of initial disability claims.

During the pandemic, applications for disability benefits, particularly for Supplemental Security Income (SSI), have declined. We are working closely with other government agencies and third-party organizations in local communities to help us reach at-risk persons, including individuals facing homelessness, with low income, with limited English proficiency, or with mental illness.

Administrative law judges (ALJ) in our hearings offices and administrative appeals judges in our Appeals Council decide appealed cases. In response to the pandemic, we transitioned to holding only voluntary telephone hearings, allowing us to continue to hear cases remotely. At the end of FY 2020, we rolled out the Microsoft (MS) Teams platform to remotely conduct video hearings, allowing applicants and their representatives to participate from any private location where they have access to a camera-enabled smart phone, tablet, or computer. We continue to make progress toward our goal of eliminating the disability hearings backlog. The hearings backlog is now at its lowest level in 20 years.

Despite the challenges of the COVID-19 pandemic, we continue to meet many of our service goals—improving National 800 Number wait times and reducing busy signals, reducing the backlogs in our processing centers, and accelerating our IT modernization plans to make service more customer-centric.

While the COVID-19 pandemic has presented many challenges, it also illuminated opportunities and drove creative solutions to provide alternate service options to the public, lessening the need for people to visit a local office. We have quickly made paper processes electronic and added online service options.

For more information about our organization and its functions, visit our organizational structure webpage at www.ssa.gov/org.

Agency Plans and Performance

This Annual Performance Plan addresses the goals, strategic objectives, and strategies in our *Agency Strategic Plan for Fiscal Years 2018–2022* as required by the Government Performance and Results (GPR) Modernization Act of 2010. We evaluate our progress by the performance measures and targets for each strategic objective.

Cross-Agency Priority Goals

Per the GPR Modernization Act of 2010 requirement to address Cross-Agency Priority Goals in the agency strategic plan and the annual performance plan, please refer to www.performance.gov for our contributions to those goals and progress, where applicable.

Agency Priority Goals

As required by the GPR Modernization Act of 2010, we established three agency priority goals (APG) for FYs 2020–2021:

1. Improve customer service in the hearings process by prioritizing those individuals who have waited the longest for a hearing decision.
2. Improve the integrity of the Supplemental Security Income program by focusing our efforts on reducing overpayments.
3. Improve the customer experience by reducing the Average Speed of Answer on the National 800 Number.

The APGs are 24-month goals reflecting the priorities of our executive leadership, as well as those of the Administration. Our FYs 2022–2023 APGs are currently under development and will be available in the next Annual Performance Plan and Report. To access our APGs visit www.performance.gov.

Strategic Goal 1: Deliver Services Effectively

We must be able to deliver our services effectively whether it is in-person, on the telephone, or online. As we interact with the public every day, our employees experience firsthand the impact of our programs. We understand that doing our work well matters. We also know that advancements in technology provide opportunities to do business differently, and often more efficiently and conveniently.

Strategic Objective 1.1: Improve Service Delivery

Lead: Deputy Commissioner for Operations and Deputy Commissioner for Hearings Operations

Strategies

- Advance and update the Compassionate And REsponsive Service (CARES) plan to address the number of pending hearings decisions and lengthy wait times
- Implement a comprehensive approach to reduce the number of pending PC actions
- Increase the use of online services

Key Initiatives

Reduce the Hearings Backlog

Eliminating the hearings backlog and reducing the time it takes to get a hearing decision remains one of our most critical priorities. Our CARES plan is a multi-pronged approach to eliminate the hearings backlog through increased decisional capacity, business process efficiencies, and IT innovations. With our CARES plan, the special hearings backlog funding we received, and our dedicated employees, we are significantly reducing the average wait for a hearing decision. From September 2017 through April 2021, we have reduced the average monthly wait time for a hearing by 310 days. The average wait time in FY 2021 is at the lowest level since FY 2001. We expect to eliminate the hearings backlog in FY 2022.

- In FY 2021, we project 370,000 hearings pending and an annual average processing time of 310 days. However, by September 30, 2021, we will reduce the monthly average wait time to 305 days.
- In FY 2022, we will reduce the monthly average wait time to 250 days by September 30, 2022. We are preparing for an influx of hearings requests in anticipation of the DDSs processing increased volumes of initial disability claims and reconsiderations. We will closely monitor the impact of additional disability applications on our appeals process to avoid creating new backlogs.

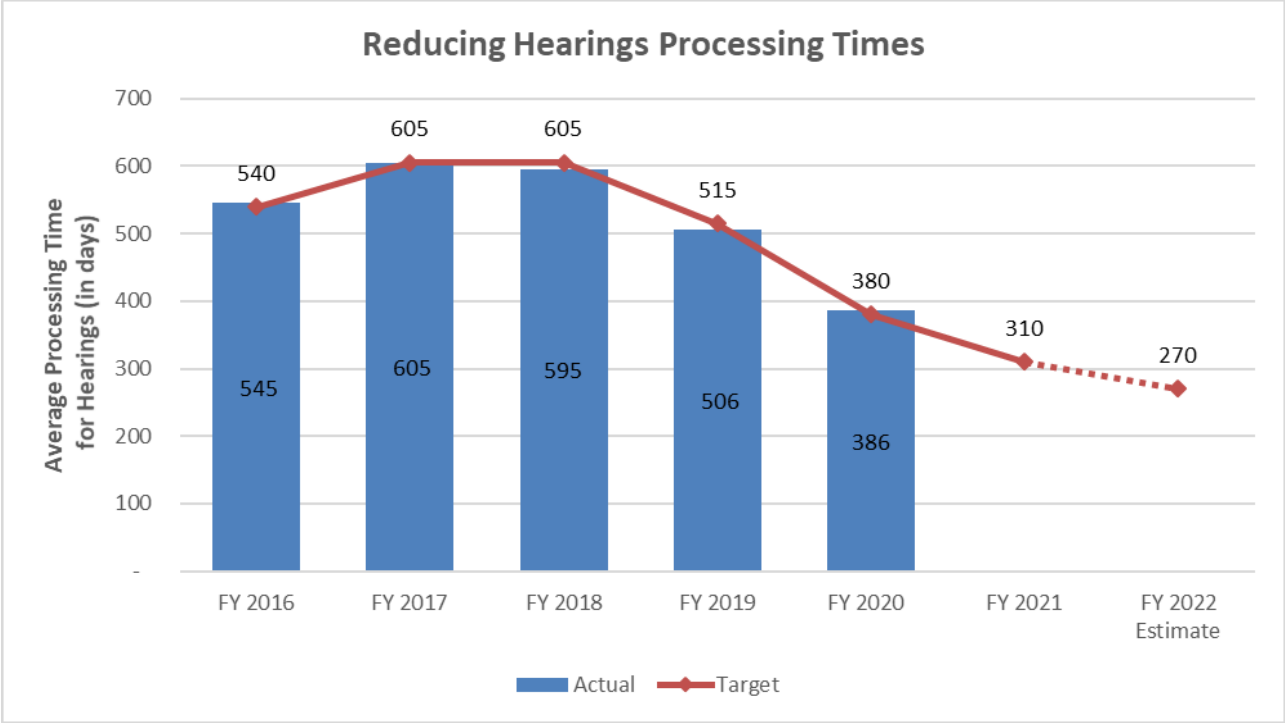


Figure 1. The average number of days a person waits for a decision by an ALJ for cases closed in each fiscal year from 2016 to 2022.

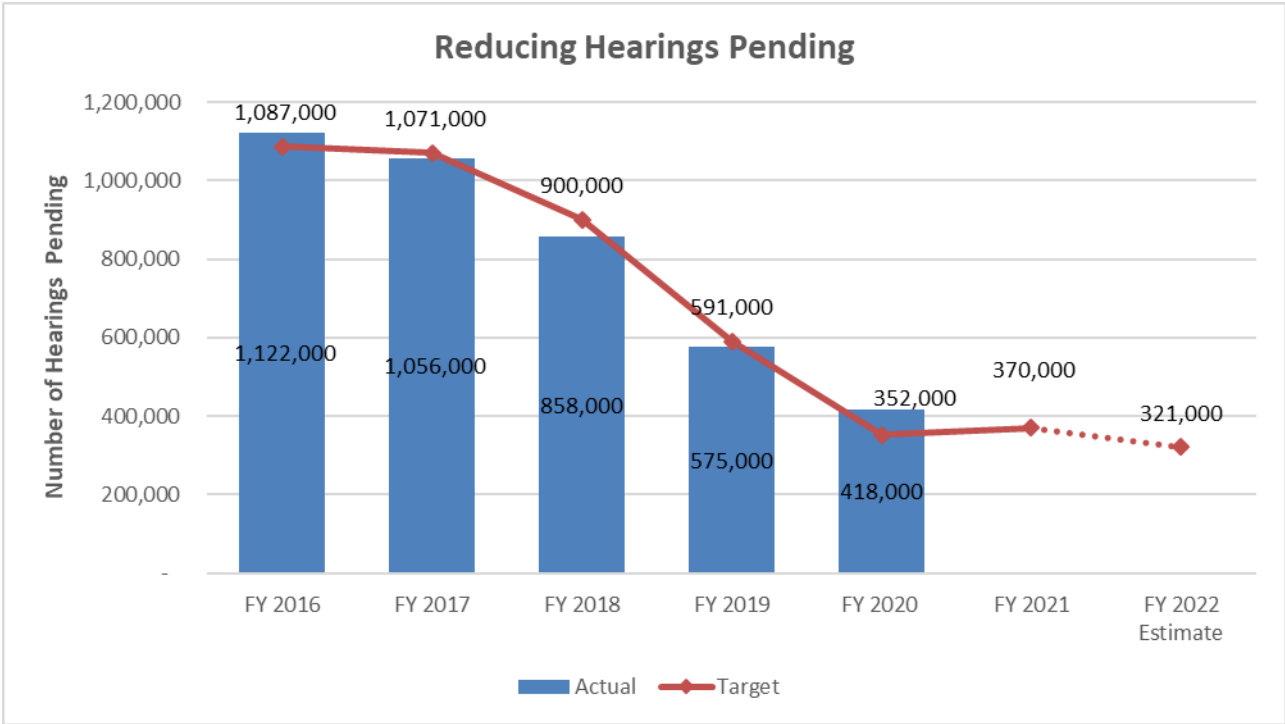


Figure 2. The number of hearings pending in the Office of Hearings Operations at the end of each fiscal year from 2016 to 2022.

Improve 800 Number Services

Millions of our customers depend on our National 800 Number technicians to answer important questions; therefore, we are focused on improving the timeliness of our National 800 Number average speed of answer¹ and average busy rate (ABR).² We will continue to improve service and reduce wait times through targeted hiring, improving training methods, and additional automated services through our Next Generation Telephony Project.

- In FY 2021, we will continue to focus on improving automated services and our Interactive Voice Response applications, allowing more callers to take advantage of self-service options to quickly answer their questions without the need to wait for a telephone agent.
- In FY 2022, we plan to reduce wait times to 12 minutes and reduce the ABR to one percent.

Reduce the Processing Center Backlog

The PCs remain focused on reducing the backlog of pending actions. In FY 2021, we completed a multiphase program debt write off project to analyze debt we determined to be delinquent and uncollectible, for potential termination of collection. By terminating collection activity on uncollectible debts, we will better reflect current receivables on our financial statements. We have permanently removed over 400,000 actions from the PC pending backlog. This action moved these debts to the next stage in the debt collection process. While we are terminating active collection efforts, the debt will remain on the individual's agency record for future collection, where appropriate and applicable. If eligible, we will refer these delinquent debts to the Treasury Offset Program for external collection action.

- In FY 2021, we are maintaining staffing for the PCs and instituting workflow enhancements and quality initiatives to improve overall performance.
- In FY 2022, we plan to reduce the number of manual actions required by PC technicians and improve payment timeliness through automation.

¹ The Average Speed of Answer is the average amount of time callers wait in queue to be answered by an agent. Wait time begins when the call is placed in queue and ends when the agent answers.

² The Agent Busy Rate is the percentage of calls routed for live agent service that encounter a busy call back message.

Expand Video Service Delivery

Video service delivery (VSD) allows us to balance our workloads, reduce wait times, and provide a face-to-face service option, particularly for individuals living in rural areas. We offer VSD in over 800 convenient locations across the country such as our field offices, hospitals, libraries, community centers, American Indian tribal centers, homeless shelters, and other government agencies. VSD offers high-resolution magnification and black light capability, allowing for in-depth review of the security features and authenticity of the evidence presented. While VSD requires individuals to go into a locations that offer VSD service, MS Teams³ allows the public to engage in face-to face service with our employees from any location. We began rolling out MS Teams for video hearings, representative payee monitoring, and certain social security number (SSN) transactions.

- In FY 2021, we will deploy MS Teams to 100 percent of our frontline employees. We will also continue to partner with other organizations (e.g., U.S. Department of Veterans Affairs, U.S. Department of Health and Human Services, and tribal governments) to expand VSD service to 15 additional sites.
- In FY 2022, we will deploy MS Teams to all remaining SSA and DDS employees. We also plan to expand VSD services to 60 additional field offices and third-party sites throughout the nation.

Online Options for New Social Security Numbers and Replacement Cards

The number one reason individuals visit our field offices is to replace an SSN card. Last year, due to the pandemic, we processed about 7 million applications for SSN replacement cards in our field offices. We are expanding service options so that members of the public do not need to visit an office for this service. For example, adult U.S. citizens who meet certain criteria may apply for a replacement card using our internet Social Security Number Replacement Card (iSSNRC) online application, which can be accessed with a *my Social Security* account. We have a data exchange agreement with the American Association of Motor Vehicle Administrators to verify the identity of iSSNRC applicants online by matching State driver's license data.

- In FYs 2021 and 2022, we will continue to expand iSSNRC as this is the most convenient replacement process for our clients.

³ MS Teams is a unified communication and collaboration platform that combines persistent workplace chat, video meetings, file storage, and application integration. In most cases, non-SSA external users of MS Teams do not need additional downloaded software—they can access it using an existing device and internet connection.

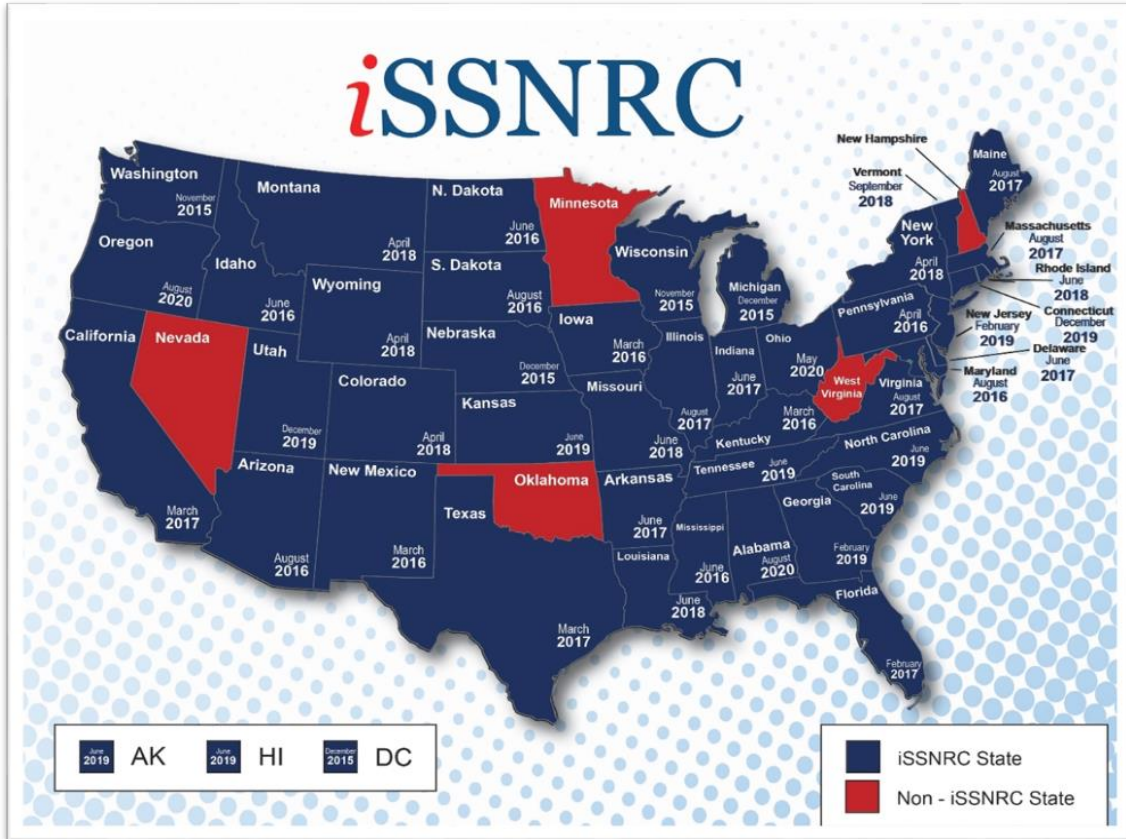


Figure 3. Forty-five States and the District of Columbia have the iSSNRC option available. Minnesota, Nevada, New Hampshire, Oklahoma, and West Virginia do not yet have the iSSNRC option.

Performance Measures

Performance Measure 1.1a: Improve customer service in the hearings process by prioritizing those individuals who have waited the longest for a hearing decision (APG)

Fiscal Year	2018	2019	2020	2021
Target	Complete 97% of cases that begin the fiscal year 430 days old or older (~374,000 cases)	Complete 95% of cases that begin the fiscal year 350 days old or older (~355,000 cases)	Decide 98% of cases that begin the fiscal year 270 days old or older (~235,000 cases)	Decide 98% of cases that begin the fiscal year 190 days old or older (~232,000 cases)
Performance	98%	98%	92%	TBD

Data Definition: The target represents the percentage of aged cases completed.

Performance Measure 1.1b: Improve the customer experience by reducing the Average Speed of Answer on the National 800 Number (APG)

Fiscal Year	2018	2019	2020	2021
Target	25 minutes	13 minutes	17 minutes	15 minutes
Performance	24 minutes	20 minutes	16 minutes	TBD

Data Definition: The target represents the average amount of time it takes to answer a call once it routes to an agent for service.

Performance Measure 1.1c: Improve customer service by reducing the number of actions pending at the processing centers

Fiscal Year	2018	2019	2020	2021	2022
Target	3.3 million	2.9 million	5.5 million	4.2 million	4.14 million
Performance	3.2 million	4.5 million	3.75 million	TBD	TBD

Data Definition: The target represents the total number of pending actions in all of the processing centers at the end of the fiscal year.

NEW: Performance Measure 1.1d: Expand video service delivery

Fiscal Year	2021	2022
Target	Implement MS Teams to 100% of frontline employees	Implement MS Teams to 100% of SSA and DDS employees

Data Definition: The target represents the implementation of a unified communication and collaboration platform that includes workplace chat, video meetings, file storage, and application integration.

Strategic Objective 1.2: Expand Service Delivery Options

Lead: Deputy Commissioner for Operations

Strategies

- Respond to customer feedback on how we connect with the public and improve the customer experience
- Strengthen and enhance the *my Social Security* login and registration process
- Add additional services to *my Social Security*

Key Initiatives

Enhance the Online Experience

We continue to explore ways to enhance the customer service experience by providing convenient, user-friendly, and secure online self-service options. Transforming our digital services is the next step to improve our service to the public. Now that many of our applications

are online, we are determining what services we should add, and how we can make our existing electronic services easier to use. We are also exploring customer-centered work processes that offer more self-service options and reduce wait times.

- In FY 2021, we will implement a *beta* site for ssa.gov that includes streamlined content and a redesigned home page and web template.⁴ We will utilize customer feedback, solicited from online surveys and focus groups, to make appropriate adjustments to the *beta* site. We expect to increase the customer satisfaction score for the redesigned test site by two points compared to the ssa.gov satisfaction score for the prior year.
- In FY 2022, we plan to transition the final redesigned ssa.gov website into production based on feedback on the *beta* site.

Enhance *my* Social Security

my Social Security is our online portal that provides a convenient, safe option for people to conduct business with us or view their Social Security records. *my* Social Security offers a broad range of services including changing an address or direct deposit information, getting personal retirement benefit estimates, and requesting a replacement SSN card. *my* Social Security's user-friendly design allows access from various devices. Since we implemented *my* Social Security, we have registered over 57 million users.

- In FY 2021, we will continue expanding user features for representative payees, enhance the ability to track claim status, and develop a new retirement benefit application.
- In FY 2022, we plan to continue expanding the ability to apply for benefits, and provide individual representative payees the ability to verify a beneficiary's SSN and benefits.

⁴ Our *beta* site will be part of ssa.gov to enable the public to use the website as an alternative to, and in parallel with, the production site. The public will be able to distinguish between the *beta* and production sites to ensure they know they are visiting a trusted site.

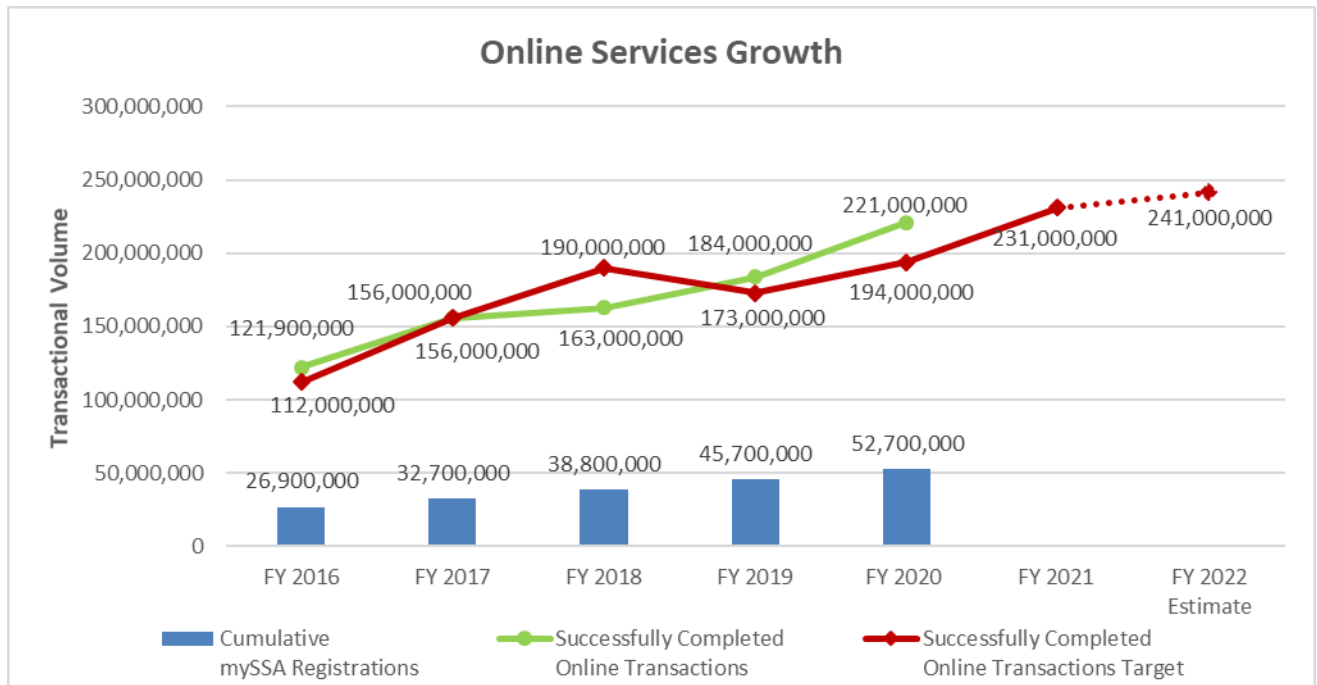


Figure 4. The cumulative number of *my Social Security* (mySSA) registrations, successfully completed online transactions targets, and successfully completed online transactions from FYs 2016 to 2022.

Enhance Online Appeals

We are improving the iAppeals online application process for people who are appealing an agency decision for non-medical issues such as overpayments or Medicare premium rates. Our enhancements will integrate iAppeals Medical and iAppeals Non-Medical via an authenticated claimant and appointed representative portal.

- In FYs 2021 and 2022, we plan to initiate discussions for a new feature using a single application that will route beneficiaries and appointed representatives to the appropriate medical or non-medical appeal; and allow beneficiaries and appointed representatives to view online previously submitted information.

Performance Measures

Performance Measure 1.2a: Redesign our website to enhance the user’s online experience

Fiscal Year	2020	2021	2022
Target	Implement a redesigned ssa.gov web template and home page	Implement a <i>beta</i> site for ssa.gov with updated content and a redesigned template and home page. Achieve a two-point increase in customer satisfaction with the redesigned home page of the <i>beta</i> site.	Implement final redesigned website and achieve a two-point increase in customer satisfaction over the prior year.
Performance	We completed the content audit for the full informational site, completed the new information architecture and design, and completed the retirement path updates.	TBD	TBD

Data Definition: The target represents implementation of a redesigned *beta* ssa.gov web template and home page.

Performance Measure 1.2b: Maintain customer satisfaction with our online services above Verint ForeSee’s Threshold of Excellence (80)

Fiscal Year	2018	2019	2020	2021	2022
Target	Satisfaction rating of 85.0 for online services	Satisfaction rating of 85.0 for online services	Satisfaction rating of 85.0 for online services	Satisfaction rating of 85.0 for online services	Satisfaction rating of 85.0 for online services
Performance	Satisfaction rating of 83.5 for online services	Satisfaction rating of 83.1 for online services	Satisfaction rating of 84.5 for online services	TBD	TBD

Data Definition: The target represents the combined fiscal year average customer satisfaction ratings for these eight online services: Business Services Online, iClaim Disability, Medicare Extra Help, iClaim RIB, iAppeals, *my* Social Security, Retirement Estimator, and SSA Main Page.

Performance Measure 1.2c: Increase the number of successfully completed online transactions

Fiscal Year	2018	2019	2020	2021	2022
Target	Increase the number of successfully completed online transactions by 35 million over the prior year (~190 million)	Increase the number of successfully completed online transactions by 10 million over the prior year (~173 million)	Increase the number of successfully completed online transactions by 10 million over the prior year (~194 million)	Increase the number of successfully completed online transactions by 10 million over the prior year (~231 million)	Increase the number of successfully completed online transactions by 10 million over the prior year (~241 million)
Performance	163 million	184 million	221 million	TBD	TBD

Data Definition: The target represents the total the number of online transactions successfully completed. Note, this is the fiscal year total of transactions completed on ssa.gov (e.g., address changes, claims filed, replacement SSN cards).

Strategic Goal 2: Improve the Way We Do Business

Improving the way we do business is imperative to delivering services effectively to the public. We must continuously evaluate our policies and business processes using data and modern methods to ensure we meet service demands and reinforce efficient and effective service. Recognizing that our current technology infrastructure and existing business systems would not allow us to serve the public the way we want or the way they expect, we developed, and have since updated, a plan to modernize our IT systems. This multi-year modernization effort is fundamental to our overall ability to improve service to the public.

Strategic Objective 2.1: Streamline Policies and Processes

Lead: Deputy Commissioner for Retirement and Disability Policy

Strategies

- Expand our use of electronic medical evidence
- Strengthen employment support programs
- Explore program and policy areas where rules and agency practices need to be modernized
- Modernize the Social Security Statement to increase the public's understanding of our programs

Key Initiatives

Expand Access to Electronic Medical Evidence

We depend on healthcare providers to provide the medical records we need to determine whether a claimant is disabled. Expanding the use of electronic medical evidence makes it easier for medical providers to submit evidence, allows disability adjudicators to efficiently navigate the record to identify pertinent information, and improves the disability determination process through use of data analytics.

- In FY 2021, we plan to increase the percentage of medical evidence received electronically by onboarding new partners to exchange medical records.
- In FY 2022, we plan to release a pilot to allow disability applicants to use approved healthcare providers' patient portals to access and authorize the collection of their medical data in real-time.

Increase the Number of People with Disabilities Who Return to Work

Many beneficiaries who are disabled want to work and may attain self-sufficiency with adequate support. The Ticket to Work program and the Vocational Rehabilitation (VR) cost reimbursement program help beneficiaries transition to employment and reduce reliance on

disability benefits. We continue to improve our outreach to beneficiaries about employment support programs. Ongoing mailings, marketing efforts, monthly webinars, and an interactive presence on social media have led thousands of beneficiaries to connect with employment networks and State VR agencies to get the services they need to return to work.

- In FYs 2021 and 2022, we plan to continue our outreach efforts to beneficiaries through ongoing mailings, marketing efforts, webinars, and social media. To maximize participation rates and earnings outcomes, we continued to test and apply changes to our Ticket to Work program notices. Learn more about Ticket to Work success stories on our website at choosework.ssa.gov/success-stories/index.html.

Develop an Occupational Information System

We often need information about work to make a disability determination, but job requirements and the types of jobs in the workforce change over time. Since FY 2015, Department of Labor's Bureau of Labor Statistics (BLS) has used the Occupational Requirements Survey (ORS) to collect occupational information. As part of our development of a new Occupational Information System, we partnered with BLS to use their occupational data in our disability adjudication process to make consistent, better-informed disability decisions. After an initial three years of data collection (Wave 1), BLS began collecting occupational data on a five-year cycle. Wave 2 collection began in 2018, and Wave 3 collection will begin in late FY 2023.

- In FY 2021, BLS will collect data for the third year of Wave 2 and publish ORS estimates from the second year
- In FY 2022, BLS will collect data for the fourth year of Wave 2 and publish estimates from the third year.

Update the Listing of Impairments

The Listing of Impairments describes disabling impairments for each of the major body systems. We continue to make significant progress in updating these listings to reflect advances in medical knowledge, and we plan to continue the three to five-year review cycle.

- In FY 2021, we plan to prepare a final rule for the digestive disorders and skin disorders body systems, and a proposed rule for the cardiovascular disorders body system.
- In FY 2022, we plan to prepare a final rule for the cardiovascular disorders body system. We also plan to explore revising other listings as appropriate.

Modernize the Social Security Statement

To improve customer service and the public's understanding of our programs, we are modernizing the *Social Security Statement*. The modernized *Statement* will not only provide the users with their earnings records, Social Security and Medicare taxes paid, and future benefit estimates, it will also provide access to retirement planning tools, calculators, supplemental fact

sheets, and other applicable information. We will customize the supplemental fact sheets based on the user’s age and earnings history, providing a more personalized experience. The fact sheets will assist individuals with retirement planning and learning about benefit eligibility.

- In FY 2021, we will provide the redesigned *Statement* and fact sheets to all users in the *my Social Security* portal. We will also begin mailing the redesigned *Statement* and supplemental fact sheets.
- In FY 2022, we plan to continue our *Statement* modernization efforts and solicit, receive, and assess feedback from the public, stakeholders, and advocates.

Performance Measures

Performance Measure 2.1 a: Implement a New Framework for the Acquisition of Electronic Medical Evidence

Fiscal Year	2021	2022
Target	Implement Phase I of the Electronic Evidence Acquisition (EEA) framework	Complete implementation of the Electronic Evidence Framework

Data Definition: The target represents Phase I of the EEA program includes establishing an MI framework; implementing a Structured Data store; and establishing connections with Electronic Health Records vendors and Health Information Exchanges.

Performance Measure 2.1 b: Increase the percentage of beneficiaries whose successful work outcomes within three years of assignment resulted in a payment to an Employment Network (EN) or State Vocational Rehabilitation (VR) agency

Fiscal Year	2020	2021	2022
Target	7.1%	7.2%	7.0%
Performance	8.8%	TBD	TBD

Data Definition: The target represents the percentage of beneficiaries assigned a Ticket to Work to an EN or State VR agency within the last three years and who also generated a payment in the current fiscal year.

Performance Measure 2.1c: Update the Listing of Impairments

Fiscal Year	2018	2019	2020	2021	2022
Target	Publish a Notice of Proposed Rulemaking to revise three body systems in the Listing of Impairments	Publish a final rule to revise the musculoskeletal disorders system, and a proposed rule for the cardiovascular, digestive, and skin body systems	Publish a final rule for the musculoskeletal body system and a proposed rule for the cardiovascular disorders body system	Prepare a proposed rule for the cardiovascular disorders body system and prepare a final rule for the digestive disorders and skin disorders body systems	Prepare a proposed rule for updates to the special senses disorders body system with minor associated updates to the mental and neurological disorders body systems, and prepare a final rule for the cardiovascular disorders body system
Performance	The Notice of Proposed Rulemaking is in process, with a publication goal of early to mid FY 2019	The proposed rule for the digestive and skin disorders body systems was published in the <i>Federal Register</i> on 7/25/2019	We published the final rule for the musculoskeletal body system in the <i>Federal Register</i> on 12/03/2020	TBD	TBD

Data Definition: The target represents the number of proposed and final rules we will submit to OMB for review and approval to publish in the *Federal Register*.

Strategic Objective 2.2: Accelerate Information Technology Modernization

Lead: Deputy Commissioner for Systems

Strategies

- Modernize IT infrastructure to respond to evolving business needs
- Build modern applications that improve the customer and employee experience
- Strengthen our cybersecurity program, and modernize our cybersecurity infrastructure
- Modernize disability case processing

Key Initiatives

Information Technology Modernization

Nearly four years ago, we began a multi-year [IT Modernization Plan](#) (www.ssa.gov/open/materials/IT-Modernization-Plan.pdf), supported by \$415 million in dedicated appropriations from Congress. We continually review our modernization plan to

ensure it is flexible to keep up with rapid technology changes and future customer needs. In 2020, we updated our plan, building on our progress in addressing foundational modernization needs and incorporating input from public and private technology experts, our frontline employees, and the public we serve.

Our *IT Modernization Plan, 2020 Update* (www.ssa.gov/open/materials/IT-Modernization-Plan-2020-Update.pdf) emphasizes our focus on service modernization, which includes building additional online services; improving and expanding automated services available through our National 800 Number; and providing additional self-service and expedited services in our field offices.

- In FY 2021, we will:
 - Modernize our claims-taking process, improve the quality of the data we use to make decisions on eligibility and payment, and improve our communications with beneficiaries and recipients.
 - Enhance our online claim status system by providing our My Application Status (myAPS)⁵ customers more detailed information, including what to expect next and an estimated claim processing time.
 - Consolidate data, improve data integrity and access, and improve database support by using modern relational database formats and techniques.
- In FY 2022, we will build additional online and self-help services, and improve and expand our National 800 Number automated services.

Strengthen Our Information Security Program and Privacy Programs and Modernize Our Cybersecurity and Privacy-enhanced Risk Management Infrastructure

Maintaining the public’s trust in our ability to protect sensitive data housed in our systems requires continuous monitoring of threats and continual improvement and strengthening of our cybersecurity and privacy programs. We emphasize the importance of information security and privacy through ongoing operational refinement and maturation of security and privacy components in accordance with government regulations.

- In FY 2021, we will continue to align our practices with the National Institute of Standards and Technology (NIST) Cybersecurity Framework and Special Publication 800 – 53 Revision 5, Security and Privacy Controls for Information Systems and Organizations, and other Federal initiatives. We will create customized training for personnel with significant cybersecurity responsibilities to identify, evaluate, and

⁵ My Application Status (myAPS) allows registered *my Social Security* users filing for benefits to check the status of their claims online.

mitigate security and privacy risks before they occur. We also plan to implement the Information System Security Officer governance program to fully monitor and maintain security controls.

- In FY 2022, we will continue to implement automated access control for our Identity Credential and Access Management programs. We will also continue aligning our cybersecurity and privacy programs and practices with Federal guidelines, establishing the flexibility to adjust to various forms of cybersecurity threats and privacy risks.

Modernize Disability Case Processing

We are improving disability case processing through our enterprise-wide efforts to develop and implement modern, national claims processing systems that will seamlessly interact with each other from initial claim filing through a final appeal decision. We are replacing aging systems to provide more efficient and consistent case processing, improve our customer’s experience, and reduce administrative costs. We are working to integrate the Disability Case Processing System (DCPS2), Hearings and Appeals Case Processing System (HACPS), and the Quality Review Case Processing Systems across our offices and State DDSs

We are bringing decision support tools using Artificial Intelligence technologies, machine learning, and predictive analytics to many aspects of the disability determination process to improve decisional accuracy and policy compliance.

- In FYs 2021 and 2022, we plan to continue our DCPS2 deployment and transitional efforts to all DDSs. We also plan to continue the nationwide rollout of HACPS, which will increase the accuracy and efficiency of disability case processing for our hearings offices and Appeals Council.

Performance Measures

Performance Measure 2.2a: Expand Self-Service for Claims Status Inquiries

Fiscal Year	2020	2021	2022
Target	Implement event-based emails to SSA customers	Develop claim status enterprise service and update myAPS online service with new features	Integrate claim status enterprise service with all remaining service channels
Performance	Implemented event-based emails	TBD	TBD

Data Definition: The target represents our goal to implement new functionality that allows our customers to receive proactive, consistent, and informative claims status updates.

Performance Measure 2.2b: Provide uninterrupted access to our systems during scheduled times of operations

Fiscal Year	2018	2019	2020	2021	2022
Target	99.90% availability	99.90% availability	99.90% availability	99.90% availability	99.90% availability
Performance	99.95% availability	99.95% availability	99.84% availability	TBD	TBD

Data Definition: The target represents the average percentage of availability of our systems infrastructure.

Performance Measure 2.2c: Maintain effective cybersecurity and privacy programs

Fiscal Year	2018	2019	2020	2021	2022
Target	Achieve an overall score of “managing risk” on the Federal Cybersecurity Risk Management Assessment ⁶	Achieve an overall score of “managing risk” on the Federal Cybersecurity Risk Management Assessment	Achieve an overall score of “managing risk” on the Federal Cybersecurity Risk Management Assessment	Achieve an overall score of “managing risk” on the Federal Cybersecurity Risk Management Assessment	Achieve an overall score of “managing risk” on the Federal Cybersecurity Risk Management Assessment
Performance	Managing Risk score achieved	Managing Risk score achieved	Managing Risk score achieved	TBD	TBD

Data Definition: The target represents our annual overall risk score from the Federal Cybersecurity Risk Assessment.

⁶ Presidential Executive Order 13800, *Strengthening the Cybersecurity of Federal Networks and Critical Infrastructure*, and OMB Memorandum M-17-25 require Federal agencies and departments to implement risk management measures, and require OMB to evaluate Federal agencies on how they are managing their cybersecurity risk. Risk ratings are based on capabilities defined in the NIST Cybersecurity Framework. Potential risk ratings range from (1) High Risk, to (2) At Risk, or (3) Managing Risk.

Strategic Goal 3: Ensure Stewardship

We take the stewardship of our programs seriously, and we are committed to sound management practices. To ensure stewardship and the efficient administration of our programs, we will focus our efforts in three major areas: improving program integrity, enhancing our fraud prevention and detection activities, and improving workforce performance and increasing accountability.

Strategic Objective 3.1: Improve Program Integrity

Lead: Deputy Commissioner for Analytics, Review, and Oversight

Strategies

- Collaborate with partners to address improper payments
- Address the root causes of improper payments to prevent their recurrence
- Modernize our debt management and debt collection business processes

Key Initiatives

Promote Timely Wage Reporting

Changes in a person's work and wages are a leading cause of improper payments in the DI and SSI programs. Currently, we use a number of sources to verify wage amounts, including pay stubs submitted by recipients, annual earnings data from the Internal Revenue Service, and payroll information from The Work Number. However, verifying wages is a manual process, and we continue to rely on beneficiaries to self-report wages.

Over the years, we created a few automated methods to improve wage reporting for SSI recipients. We implemented a telephone wage reporting system that allows recipients to call in their wages, and a wage reporting application for smartphone users. We implemented an online tool, myWageReport (myWR), for DI beneficiaries to report earnings electronically on computers, mobile devices, and smartphones through [my Social Security](#). We also expanded myWR to allow SSI recipients, their representative payees, or their deemors (i.e., an ineligible spouse or parent living with the recipient) to report earnings electronically.

- In FY 2021, we plan to increase the number of wage reports we process using all SSI wage reporting options.
- In FY 2022, we plan to expand our management information capabilities for myWR.

Modernize our Debt Management System

Currently, we use numerous systems to record, track, and manage our OASDI and SSI overpayments. We have begun a multi-year initiative to develop a streamlined, modernized

enterprise Debt Management System (DMS) to enable us to more effectively and efficiently post, track, collect, and report our overpayment activity.

- In FY 2021, we will implement a new online remittance option for repaying OASDI and SSI overpayments.
- In FY 2022, we will continue development of a streamlined, modernized enterprise DMS that will enable us to more effectively and efficiently post, track, collect, and report our overpayment activity.

Performance Measures

Performance Measure 3.1a: Improve the integrity of the Supplemental Security Income program by focusing our efforts on reducing overpayments (APG)

Fiscal Year	2018	2019	2020	2021
Target	94.00% (O/P)	94.00% (O/P)	94.00% (O/P)	94.00% (O/P)
Performance	91.77% (O/P)	91.87% (O/P)	TBD	TBD

Data Definition: The target represents our annual overpayment accuracy rate findings from our stewardship review of non-medical aspects of the SSI program. (The overpayment (O/P) accuracy rate is the percentage of all dollars paid that are free of O/P errors.)⁷

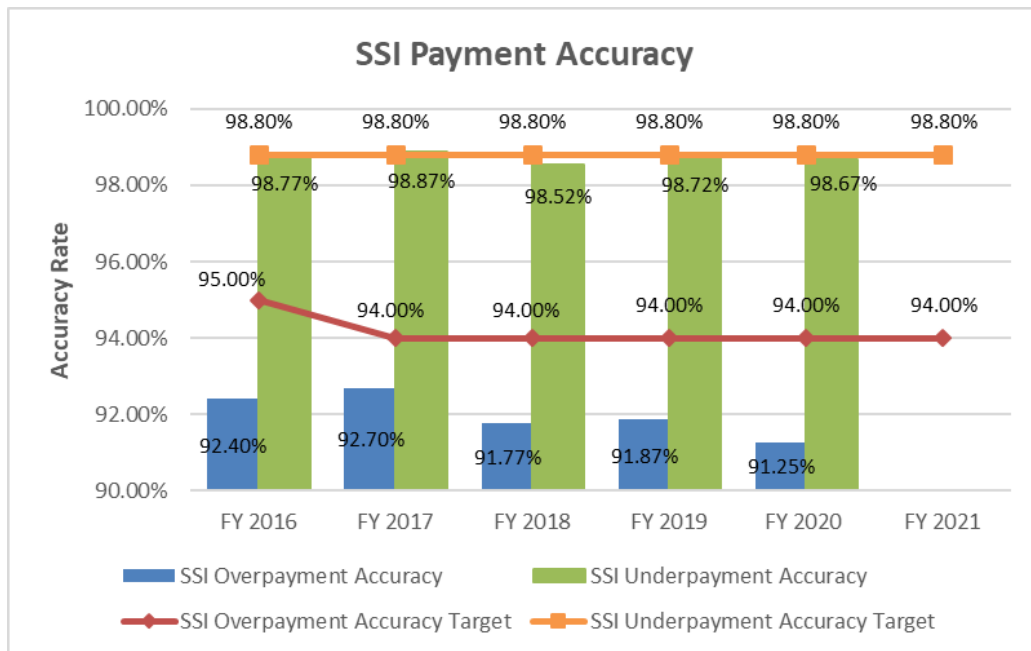


Figure 5. The SSI overpayment and underpayment accuracy rates and targets from FYs 2016 to 2022.

⁷ “Ensure Stewardship” is a Strategic Goal in our [Agency Strategic Plan for Fiscal Years \(FY\) 2018–2022](https://www.socialsecurity.gov/agency/asp). Each year, we report improper payment findings, both overpayments and underpayments, from our stewardship reviews of the non-medical aspects of the OASI, DI, and SSI programs.

Performance Measure 3.1b: Maintain a high payment accuracy rate by reducing overpayments, in the Old-Age, Survivors, and Disability Insurance program

Fiscal Year	2018	2019	2020	2021	2022
Target	99.80% (O/P)	99.80% (O/P)	99.80% (O/P)	99.80% (O/P)	99.80% (O/P)
Performance	99.77% (O/P)	99.80% (O/P)	TBD	TBD	TBD

Data Definition: The target represents the annual overpayment (O/P) accuracy rate findings from our stewardship reviews of the non-medical aspects of the OASDI program.⁸

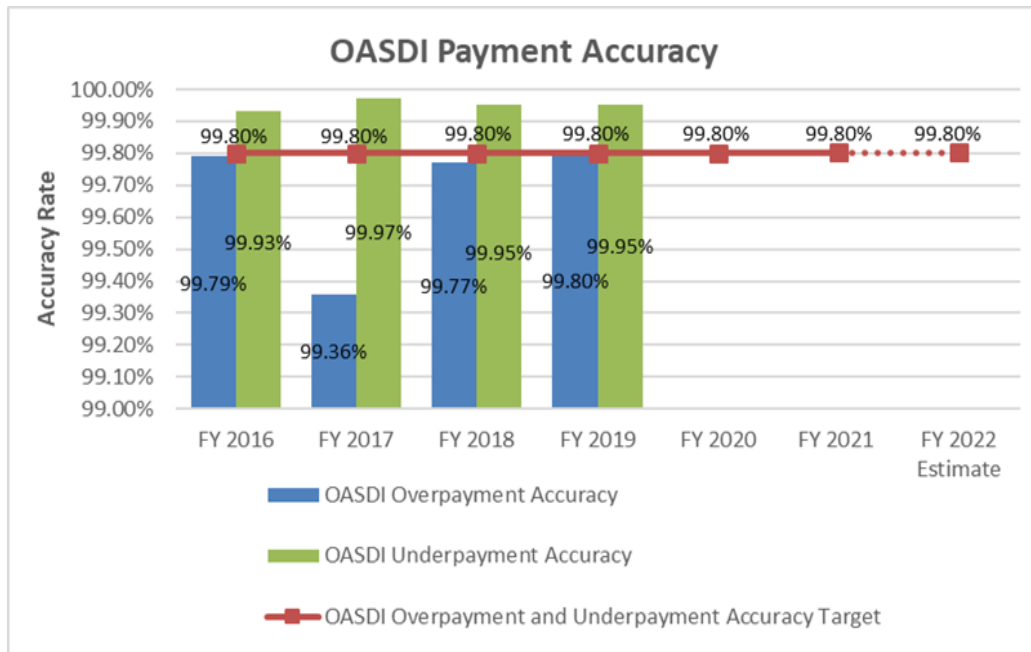


Figure 6. The OASDI overpayment and underpayment accuracy rates and targets from FYs 2016 to 2022.

⁸ “Ensure Stewardship” is a Strategic Goal in our [Agency Strategic Plan for Fiscal Years \(FY\) 2018–2022](http://www.socialsecurity.gov/agency/asp). Each year, we report improper payment findings, both overpayments and underpayments, from our stewardship reviews of the non-medical aspects of the OASI, DI, and SSI programs.

Performance Measure 3.1c: Ensure the quality of our decisions by achieving the State disability determination services decisional accuracy⁹ rate for initial disability decisions

Fiscal Year	2018	2019	2020	2021	2022
Target	97% net accuracy	97% decisional accuracy	97% decisional accuracy	97% decisional accuracy	97% decisional accuracy
Performance	98% net accuracy	97% decisional accuracy	96% decisional accuracy	TBD	TBD

Data Definition: The target represents the percentage of correctly decided cases compared to all sampled cases.

Performance Measure 3.1d: Modernize our Debt Management System

Fiscal Year	2019	2020	2021	2022
Target	Implement online debt collection for benefit overpayments	Develop functionality to send an email confirmation as part of our online remittance application	Deploy a new online payment process	Implement the new modernized DMS
Performance	Developed the initial release of an online remittance application, which provides individuals with the ability to access a payment portal and make payments via the Department of the Treasury’s Pay.gov website	We delayed the implementation of the online remittance (iPaySSA) application while we reassessed potential risks	TBD	TBD

Data Definition: The target represents our goal to develop a streamlined modernized enterprise DMS that enables us to more effectively and efficiently post, track, collect, and report our overpayment activity. As part of our progress towards implementation, we will develop functionality for an optional email confirmation.

⁹ Decisional accuracy reflects all DDS medical determinations in which the determination was policy compliant at the time of the quality review and the initial determination did not change after obtaining additional documentation because of a quality review. Net accuracy is the percentage of correct initial State disability determinations and is based on the net error rate (i.e., the number of corrected deficient cases with changed disability decisions), plus the number of deficient cases not corrected within 90 days from the end of the period covered by the report, divided by the number of cases reviewed.

Strategic Objective 3.2: Enhance Fraud Prevention and Detection Activities

Lead: Deputy Commissioner for Analytics, Review, and Oversight

Strategies

- Expand the use of data analytics and increase internal and external partnerships
- Develop and conduct regular fraud risk assessments of our programs

Key Initiatives

Expand Our Cooperative Disability Investigations Program

With the Office of the Inspector General, we jointly operate cooperative disability investigations (CDI) units with State DDSs, and State and local law enforcement. Generally, these units investigate suspected fraud before the agency awards benefits and during the CDR process. See Figure 7. We currently have 49 units covering 44 States, the District of Columbia, the Commonwealth of Puerto Rico, and the U.S. territories of Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands.

- In FY 2021 we plan to provide CDI coverage to 47 states with the addition of Maine, Vermont, and Connecticut.
- In FY 2022, we plan to provide CDI coverage to the three remaining States (Pennsylvania, Delaware, and Alaska) with the goal of covering all States and U.S. territories by October 1, 2022.



Figure 7. The CDI unit coverage through FY 2020.

Enhanced Fraud Prevention and Detection Activities

We are focusing on a holistic analytical approach to our fraud risk management and prioritizing our anti-fraud efforts consistent with the Payment Integrity Information Act of 2019 and the Government Accountability Office Framework for Managing Fraud Risks in the Federal Programs.

We continue to expand the use of data analytics and predictive modeling to enhance fraud prevention and detection in our programs. With these models, we can better identify suspicious and evolving patterns of activities in our workloads, allowing us to proactively detect and prevent fraud before issuing payments.

Between FYs 2018 and 2020, we completed fraud risk assessments in key areas including disability, electronic services, and the representative payee program. The completed assessments were consistent with the Enterprise Fraud Risk Management (EFRM) strategy, established in FY 2019. We also developed strategies to mitigate specific risks identified in those assessments, improving our ability to proactively detect and prevent fraud.

- In FY 2021, we will initiate additional risk assessment activities, in areas such as employee fraud and the Title II program,¹⁰ consistent with our EFRM strategy. We will continue our 5-year project to enhance our fraud allegation referral process, providing additional functionality for users and enhancing our management information capabilities.
- In FY 2022, we plan to initiate fraud risk assessments for our enumeration workload and the debt management process.

Performance Measures

Performance Measure 3.2a: Expand our CDI coverage

Fiscal Year	2018	2019	2020	2021	2022
Target	Add three CDI units	Add three CDI units	Add two to four CDI units	Add two to four CDI units	Add two to four CDI units
Performance	Added three CDI units	Added three CDI units	Added four CDI units	TBD	TBD

Data Definition: The target represents the number of additional CDI units needed to cover the 50 States, the District of Columbia, Puerto Rico, Guam, American Samoa, the Northern Mariana Islands, and the U.S. Virgin Islands.

¹⁰ The Title II program is also referred to as the Federal old age, survivors, and disability insurance (OASDI) benefits program. While the Title II program includes benefits administered for disability insurance, the Title II fraud risk assessment does not cover disability. We completed the DI risk assessment separately in December 2017.

Performance Measure 3.2b: Mature the Enterprise Fraud Risk Management Program

Fiscal Year	2018	2019	2020	2021	2022
Target	Operationalize the Anti-Fraud Enterprise Solution (AFES) and implement eServices analytics	Complete eServices risk assessment, develop disability fraud risk profile, implement anti-fraud disability analytics	Complete the eServices fraud risk profile, the administrative issues fraud risk profile, and the representative payee fraud risk assessments	Complete the representative payee fraud risk profile, the SSI fraud risk assessment, and the employee fraud risk assessment	Complete the SSI fraud risk profile, the employee fraud risk profile, and the Title II fraud risk assessment
Performance	We have not fully implemented the AFES, but we deployed our first disability fraud analytic model and improved our eServices analytics and fraud detection	We completed the eServices risk assessment, developed the disability fraud risk profile, and implemented disability analytics	We completed the eServices fraud risk profile, the administrative issues fraud risk profile, and the representative payee fraud risk assessment	TBD	TBD

Data Definition: The target represents our EFRM strategy to systematically assess fraud risks and determine whether any specific risks require additional actions to further reduce the likelihood or impact of that risk.

Strategic Objective 3.3: Improve Workforce Performance and Increase Accountability

Lead: Deputy Commissioner for Human Resources

Strategies

- Enhance accountability for managing performance through program and automation improvements
- Align employee development with agency succession plans
- Invest in training and support for managers to effectively address performance and conduct challenges

Key Initiatives

Strengthen the Performance Management Process

The electronic 7B (e7B) application provides the ability to complete and track employee performance management documents and required acknowledgement statements (e.g., systems access, and handling of personally identifiable information), which were previously maintained in paper form. The application allows employees and management to electronically deliver and sign these documents, and enhances management and employee accountability.

We have also established a program to provide supervisors with the tools to address employee performance. The program consists of manager and employee relations specialist cohorts, which meet regularly to discuss actual cases with associated challenges and issues to better equip managers to address potential and current performance and conduct matters. This program is highly interactive, includes case scenarios to identify solutions, and covers the full scope of performance and conduct issues.

- FY 2021, we plan to have 97 percent of all required signed employee acknowledgements maintained in our e7B system. In addition, we will continue to evaluate the effectiveness of our supervisor support program using a pre-and post-test protocol with the participants.
- In FY 2022, we plan to continue tracking performance documents through the e7B and continue evaluating the program.

Execute Talent Management and Succession Planning

Our goal is to continue to increase the proficiency of our leadership cadre and pipeline to enhance their readiness to fill potential gaps in leadership and critical positions. In FY 2020, we announced selectees for the National Leadership Development Program (NLDP).

- In FY 2021, we will begin assignments for our inaugural NLDP Track 1 (GS 15) and Track 2 (GS 12–14) selectees. We will also announce selections, complete competency baselines, and begin assignments for Track 3 (GS 8–11) selectees.
- In FY 2022, we will reduce leadership competency gaps among at least 90 percent of NLDP participants.

Invest in Training and Support for Managers

We are responsible for providing the training necessary for managers and supervisors to enable our employees to carry out their duties and provide the level of service the public expects and deserves. In FY 2019, we launched and updated our National Leadership Essentials for New Supervisors (LENS) curriculum to train new managers and supervisors on management laws and responsibilities, in conjunction with SSA and OPM's policies and procedures. New supervisors are enrolled in training within 90 days of their appointment. They are expected to complete LENS training within one year of their supervisory appointment. In FY 2020, we began developing Leadership Fundamentals, a new multi-year online and self-paced curriculum that provides sequential training for managers within the first three years of their supervisory role.

- In FY 2021, we will develop online lessons that will encompass the first full year of the Leadership Fundamentals curriculum.
- In FY 2022, we will begin implementation of the first year curriculum and develop the training that will encompass years two and three of Leadership Fundamentals.

Performance Measures

Performance Measure 3.3a: Strengthen manager accountability for effective performance management

Fiscal Year	2018	2019	2020	2021	2022
Target	90% of performance-related documents completed and tracked electronically through our e7B system	93% of performance-related documents completed and tracked electronically through our e7B system	95% of required signed employee acknowledgements maintained in our e7B system	97% of required signed employee acknowledgements maintained in our e7B system	Discontinued
Performance	We completed and tracked 92% of performance-related documents in e7B.	94%	97%	TBD	Not Applicable

Data Definition: The target represents the percentage of required employee acknowledgements that are completed and tracked electronically through our e7B system.

Performance Measure 3.3b: Enhance the leadership pipeline through a modernized national leadership development program

Fiscal Year	2018	2019	2020	2021	2022
Target	Review readiness of at least 95% of career executives	Launch a redesigned national leadership development program	Identify competency baselines in national leadership development program (NLDP) participants	Begin assignments for NLDP Tracks 1, 2 and 3	Reduce leadership competency gaps of at least 90% of NLDP participants
Performance	We reviewed 99% of career executives.	Launch Complete	Competencies Identified	TBD	TBD

Data Definition: The target represents the release of an NLDP, which includes developing program graduates by increasing their baseline competency and reducing competency gaps.

Performance Measure 3.3c: Ensure new supervisors receive timely training to improve their leadership skills and competencies

Fiscal Year	2019	2020	2021	2022
Target	At least 90% of new supervisors enroll in supervisor training within 90 days and complete training within one year of the effective date of their supervisory appointment	At least 95% of new supervisors enroll in supervisor training within 90 days and complete training within one year of the effective date of their supervisory appointment	At least 95% of new supervisors enroll in supervisor training within 90 days and complete training within one year of the effective date of their supervisory appointment	At least 95% of new supervisors enroll in supervisor training within 90 days and complete training within one year of the effective date of their supervisory appointment
Performance	84% of supervisors enrolled within 90 days	100% of supervisors enrolled within 90 days and 98% completed training within one year	TBD	TBD

Data Definition: The target represents the percentage of new supervisors enrolled in supervisor training within the first 90 days and complete training within one year of the effective date of their supervisory appointment.

Strategic Objective 3.4: Improve Organizational Effectiveness and Reduce Costs

Lead: Deputy Commissioner for Budget, Finance, and Management and Deputy Commissioner for Retirement and Disability Policy

Strategies

- Align our real estate footprint with current and future business needs
- Streamline our organization and how we manage workloads
- Improve strategic partnerships with other government and private entities

Key Initiatives

Reduce Our Real Property Footprint

We are reducing our real property footprint as we renovate existing buildings and renew lease agreements. Our goal is to reduce our footprint by 1,850,000 useable square feet (USF) over the next several years. We continue to evaluate the impact of the COVID-19 pandemic on space.

- In FY 2021, we will achieve an 87,000 USF reduction.¹¹

Expand Strategic Partnerships with External Partners

We provide SSN verifications and exchange birth, death, prisoner, and benefit payment information, as permitted under law, with Federal, State, and private partners. Our data exchanges improve organizational effectiveness and reduce costs by providing reliable data to determine benefits and improve administrative processes, which in turn saves costs and reduces improper payments.

- In FY 2021, we will implement systems functionality and pursue a computer-matching agreement to process U.S. citizen and non-citizen data.
- In FY 2022, we will continue to pursue new data exchange partners from government and private sectors.

Develop a New Electronic Consent-Based Social Security Number Verification Service

We continue our stewardship efforts to reduce fraud through modernizing digital services and expanding public-private partnerships. The electronic Consent-Based Social Security Number Verification (eCBSV) service is a fee-based SSN service that allows permitted entities to verify if an individual's SSN, name, and date of birth combination matches our records consistent with the Economic Growth, Regulatory Relief, and Consumer Protection Act.

- In FY 2021, we plan to expand the number of permitted entities and complete all remaining service development activities.

¹¹ The Altmeyer building is expected to return to the portfolio in FY 2021.

Performance Measures

Performance Measure 3.4a: Reduce our real property footprint

Fiscal Year	2018	2019	2020	2021	2022
Target	Achieve a 55,000 USF reduction	Achieve a 25,000 USF reduction	Achieve a 19,500 USF reduction	Achieve a 87,000 USF reduction	Discontinued
Performance	Achieved a 182,040 USF reduction	Achieved a 39,205 USF reduction	Achieved a 89,406 USF reduction	TBD	Not Applicable

Data Definition: The target represents the actual space occupied. Usable square footage does not include common areas of a building such as lobbies, restrooms, stairwells, storage rooms, and shared hallways.

Performance Measure 3.4b: Implement the Electronic Consent-Based Social Security Number Verification Service

Fiscal Year	2020	2021	2022
Target	Implement eCBSV services for 10 permitted entities selected and enrolled during the initial enrollment period	Implement a second release of eCBSV services for additional permitted entities that applied during the July 2019 initial enrollment period	Discontinued
Performance	Implemented eCBSV services for 8 permitted entities	TBD	Not Applicable

Data Definition: The target represents the enrollment of a permitted entity (i.e., financial institution or service provider, subsidiary, affiliate, agent, subcontractor, or assignee) as defined by section 509 of the Gramm Leach Bliley Act, governing the treatment of nonpublic personal information about consumers by financial institutions, which applied in the July 2019 initial enrollment period.

Budgeted Workload Measure Results

In addition to the performance measures and targets we develop to demonstrate our incremental efforts to achieve our strategic goals, we have a number of budgeted workload performance measures that represent how much of our core workloads we will complete each year and how efficiently and effectively we complete this work. While budgeted workload measures support our strategic goals and objectives, the targets and outcomes are directly affected by our funding level each year. Thus, we present our budgeted workload measures separately in the following table.

Retirement and survivor claims completed

Fiscal Year	2018	2019	2020	2021	2022
Target	5,801,000	6,009,000	6,222,000	6,243,000	6,486,000
Performance	5,862,065	6,020,702	6,120,255	TBD	TBD

Initial disability claims receipts¹²

Fiscal Year	2018	2019	2020	2021	2022
Target	2,476,000	2,295,000	2,399,000	2,491,000	3,111,000
Performance	2,353,970	2,345,615	2,212,858	TBD	TBD

Initial disability claims completed

Fiscal Year	2018	2019	2020	2021	2022
Target	2,300,000	2,295,000	2,289,000	2,333,000	2,757,000
Performance	2,306,570	2,310,057	2,037,356	TBD	TBD

Initial disability claims pending

Fiscal Year	2018	2019	2020	2021	2022
Target	699,000	565,000	704,000	921,000	1,275,000
Performance	565,013	593,944	763,747	TBD	TBD

¹² The estimates for disability claims receipts and claims pending in FY 2021 are highly variable due to the uncertainties surrounding the impact of COVID-19 on potential claimants.

Average processing time for initial disability claims

Fiscal Year	2018	2019	2020	2021	2022
Target	111 days	113 days	125 days	171 days	149 days
Performance	111 days	120 days	131 days	TBD	TBD

Disability reconsiderations receipts

Fiscal Year	2018	2019	2020	2021	2022
Target	540,000	635,000	664,000	685,000	814,000
Performance	552,755	566,462	567,800	TBD	TBD

Disability reconsiderations completed

Fiscal Year	2018	2019	2020	2021	2022
Target	518,000	597,000	554,000	601,000	761,000
Performance	541,806	544,148	552,601	TBD	TBD

Disability reconsiderations pending

Fiscal Year	2018	2019	2020	2021	2022
Target	129,000	153,000	244,000	228,000	280,000
Performance	115,028	133,503	143,781	TBD	TBD

Average processing time for disability reconsiderations

Fiscal Year	2018	2019	2020	2021	2022
Target	105 days	102 days	105 days	152 days	133 days
Performance	103 days	109 days	122 days	TBD	TBD

Hearings receipts

Fiscal Year	2018	2019	2020	2021	2022
Target	582,000	511,000	464,000	417,000	545,000
Performance	567,911	510,901	428,810	TBD	TBD

Hearings completed

Fiscal Year	2018	2019	2020	2021	2022
Target	738,000	779,000	688,000	465,000	594,000
Performance	765,554	793,863	585,918	TBD	TBD

Hearings pending

Fiscal Year	2018	2019	2020	2021	2022
Target	900,000	591,000	352,000	370,000	321,000
Performance	858,383	575,421	418,313	TBD	TBD

Annual average processing time for hearings decisions¹³

Fiscal Year	2018	2019	2020	2021	2022
Target	605 days	515 days	380 days	310 days	270 days
Performance	595 days	506 days	386 days	TBD	TBD

National 800 Number calls handled

Fiscal Year	2018	2019	2020	2021	2022
Target	33,000,000	36,000,000	36,000,000	36,000,000	36,000,000
Performance	31,910,965	33,496,515	34,480,132	TBD	TBD

National 800 Number average speed of answer

Fiscal Year	2018	2019	2020	2021	2022
Target	25 minutes	13 minutes	17 minutes	15 minutes	12 minutes
Performance	24 minutes	20 minutes	16 minutes	TBD	TBD

¹³ Average processing time for hearings is an annual figure. We estimate end of year (September) processing time for hearings to be 305 days and 250 days for FYs 2021 and 2022, respectively.

National 800 Number agent busy rate

Fiscal Year	2018	2019	2020	2021	2022
Target	16%	9%	12%	2%	1%
Performance	14.7%	14.1%	7.4%	TBD	TBD

Periodic continuing disability reviews completed

Fiscal Year	2018	2019	2020	2021	2022
Target	1,990,000	1,803,000	1,803,000	1,595,000	1,771,000
Performance	2,286,326	1,939,167	1,492,926	TBD	TBD

Full medical continuing disability reviews

Fiscal Year	2018	2019	2020	2021	2022
Target	890,000	703,000	703,000	495,000	671,000
Performance	896,508	713,156	463,264	TBD	TBD

Supplemental Security Income non-medical redeterminations completed

Fiscal Year	2018	2019	2020	2021	2022
Target	2,900,000	2,822,000	2,150,000	2,360,000	2,900,000
Performance	2,913,443	2,666,287	2,153,109	TBD	TBD

Social Security numbers completed

Fiscal Year	2018	2019	2020	2021	2022
Target	17,000,000	17,000,000	18,000,000	13,000,000	19,000,000
Performance	17,082,844	17,646,561	12,906,716	TBD	TBD

Annual earnings items completed

Fiscal Year	2018	2019	2020	2021	2022
Target	281,000,000	285,000,000	288,000,000	284,000,000	267,000,000
Performance	284,306,239	288,089,658	288,748,604	TBD	TBD

Social Security Statements issued¹⁴

Fiscal Year	2018	2019	2020	2021	2022
Target	14,000,000	15,000,000	14,000,000	15,000,000	15,000,000
Performance	14,971,689	11,347,689	19,285,438	TBD	TBD

Disability determination services production per workyear

Fiscal Year	2018	2019	2020	2021	2022
Target	302	302	304	264	293
Performance	310	303	255	TBD	TBD

Office of Hearings Operations production per workyear

Fiscal Year	2018	2019	2020	2021	2022
Target	103	105	106	80	103
Performance	98	111	93	TBD	TBD

¹⁴ The Social Security Statements Issued measure includes paper statements only; it does not include electronic statements issued. We send paper statements to individuals aged 60 and over. In FY 2020, [my Social Security](#) users accessed their Social Security Statements 64 million times.

Major Management and Performance Challenges

As we strive to improve our performance, we face a variety of challenges. Each year, the Office of the Inspector General (OIG) identifies our top management and performance challenges. In addition, our leadership also identifies challenges, which often overlap with the OIG report. A listing of acronyms for the responsible officials is in Appendix D, Summary of Key Management Officials' Responsibilities.

Challenges Identified by the Office of the Inspector General

In FY 2020, OIG identified six top management issues for our agency.

1) SSA's Response to the 2019 Novel Coronavirus Pandemic

Components: DCARO, DCBFM, DCHO, DCHR, DCO, DCRDP, DCS, and OIG

Challenge: On March 13, 2020, the President declared the COVID-19 outbreak a national emergency. The Office of Management and Budget encouraged all Federal agencies to maximize telework to ensure employees' safety while serving the public and conducting mission-critical functions. This was a daunting challenge for an agency that, before the pandemic, served over 40 million customers a year in its field offices.

Actions we are undertaking to address this challenge include:

- Improve 800 Number Services;
- Expand Video Service Delivery;
- Online Options for New Social Security Numbers (SSN) and Replacement Cards;
- Enhance *my Social Security*;
- Strengthen Our Information Security and Privacy Programs and Modernize Our Cybersecurity and Privacy-Enhanced Risk Management Infrastructure; and
- Enhance Fraud Prevention and Detection Activities.

2) Improve Administration of the Disability Programs

Components: DCO, DCHO, DCRDP, DCS, DCHR, DCARO, and DCBFM

Challenge: SSA continues to face challenges with pending disability hearings and related processing times, and the COVID-19 pandemic renewed challenges with pending disability claims and CDRs. Continued focus is necessary to simplify work incentive regulations and create new opportunities for returning beneficiaries to work.

Actions we are undertaking to address this challenge include:

- Reduce the Hearings Backlog;

- Expand Video Service Delivery;
- Expand Access to Electronic Medical Evidence;
- Increase the Number of People with Disabilities Who Return to Work;
- Develop an Occupational Information System;
- Update the Listing of Impairments; and
- Modernize Disability Case Processing.

3) Improve the Prevention, Detection, and Recovery of Improper Payments

Components: DCRDP, DCBFM, DCO, DCHO, DCS, OCACT, DCCOMM, OGC, DCARO, and OIG

Challenge: SSA is responsible for issuing approximately \$1 trillion in benefit payments annually. Given the amounts involved, even the slightest error in the overall payment process can result in millions of dollars in over or underpayments.

Actions we are undertaking to address this challenge include:

- Promote Timely Wage Reporting;
- Modernize our Debt Management System;
- Expand our Cooperative Disability Investigations Program;
- Enhanced Fraud Prevention and Detection Activities; and
- Expand Strategic Partnerships with External Partners.

4) Improve Service Delivery

Components: DCO, DCHO, DCBFM, DCRDP, DCHR, and DCS

Challenge: SSA faces growing workloads as experienced employees are expected to retire while it pursues its mission to deliver quality service to the public.

Actions we are undertaking to address this challenge include:

- Reduce the Hearings Backlog;
- Improve 800 Number Services;
- Reduce the Processing Center Backlog;
- Expand Video Service Delivery;
- Online Options for New Social Security Numbers (SSN) and Replacement Cards;
- Enhance the Online Experience;
- Enhance *my Social Security*;
- Enhance Online Appeals;
- Update the Listing of Impairments;
- Modernize the Social Security Statement;

- Strengthen the Performance Management Process; and
- Execute Talent Management and Succession Planning.

5) Protect the Confidentiality, Integrity, and Availability of The Social Security Administration’s Information Systems and Data

Component: DCS, DCARO, and DCO

Challenge: SSA must ensure its information systems are secure and sensitive data are protected.

Actions we are undertaking to address this challenge include:

- Strengthen Our Information Security and Privacy Programs and Modernize Our Cybersecurity and Privacy-Enhanced Risk Management Infrastructure;
- Expand our Cooperative Disability Investigations Program;
- Enhance Fraud Prevention and Detection Activities; and
- Expand Strategic Partnerships with External Partners.

6) Modernize Information Technology

Component: DCS

Challenge: SSA must modernize its IT to accomplish its mission despite budget and resource constraints.

Actions we are undertaking to address this challenge include:

- Online Options for New Social Security Numbers (SSN) and Replacement Cards;
- Enhance *my Social Security*;
- Enhance Online Appeals;
- Accelerate Information Technology Modernization;
- Strengthen Our Information Security and Privacy Programs and Modernize Our Cybersecurity and Privacy-Enhanced Risk Management Infrastructure; and
- Modernize Disability Case Processing.

Additional Challenges Identified by Our Leadership

Prevent Fraud, Waste, and Abuse

Components: DCO, DCARO, DCRDP, DCBFM, DCS, and OIG

Fraud, waste, and abuse erode the public’s trust in our ability to efficiently and effectively provide vital services. Fraud prevention is critical to conserving valuable resources and meeting our mission to meet the changing needs of the public.

Actions we are undertaking to address this challenge include:

- Expand Our Cooperative Disability Investigations Programs;
- Enhance Fraud Prevention and Detection Activities; and
- Expand Strategic Partnerships with External Partners.

Have Enough Employees with the Right Skills in the Right Place at the Right Time

Component: DCHR

Employee turnover challenges our ability to retain and develop empowered, knowledgeable, compassionate, and engaged employees. Having employees with the right skills in the right place at the right time is critical to our mission.

Actions we are undertaking to address this challenge include:

- Strengthen the Performance Management Process;
- Execute Talent Management and Succession Planning; and
- Invest in Training and Support for Managers.

Meet Future Service Delivery Needs

Components: DCO, DCHO, DCS, and DCRDP

The service delivery expectations of our customers are constantly evolving. We must improve our current services and develop new service delivery options to continue to meet customer needs.

Actions we are undertaking to address this challenge include:

- Expand Video Service Delivery;
- Online Options for New Social Security Numbers (SSN) and Replacement Cards;
- Enhance the Online Experience;
- Enhance *my Social Security*;
- Enhance Online Appeals; and
- Modernize the Social Security Statement.

Keep Pace in the Disability Program with Medicine, Technology, and the World of Work

Components: DCRDP, DCHO, DCO, and DCS

Medicine, technology, and the nature of work are constantly evolving. We must create an agile and responsive organization committed to keeping pace with those changes and maximizing efficiencies throughout the disability program.

Actions we are undertaking to address this challenge include:

- Expand Access to Electronic Medical Evidence;
- Develop an Occupational Information System;
- Update the Listing of Impairments; and
- Modernize Disability Case Processing.

Appendix A: Program Evaluations

We routinely conduct studies and surveys to evaluate the effectiveness of our programs. Continuous evaluation of program data, research, and analysis assist us in identifying strengths and weaknesses in our programs. Information from the program evaluations assist us in developing strategies to address the major challenges we face and improve the day-to-day administration of our programs. We complete many of our evaluations annually, while others may be quarterly, biennial, triennially, or one-time efforts. We have included a summary of findings for the most current reports available.

Annual Evaluation Plan (Annually)

As required by the Foundations for Evidence-Based Policymaking Act of 2018, we developed a *FY 2022 Evaluation Plan* that describes our program evaluations to support our *FYs 2018–2022 Agency Strategic Plan* or to lay the foundation for our *FYs 2022–2026 Learning Agenda*. Our plan does not describe the entire set of evaluations that we will conduct in FY 2022; rather it describes the most significant program evaluations that we will complete during the year. The plan is available on our website at www.ssa.gov/data.

Evaluation	Description
Strategic Goal 1 – Deliver Effective Services	
Verint ForeSee Experience Index E-Government Report (Quarterly)	Measures customer satisfaction with government websites.
National 800 Number Caller Survey (Ad Hoc)	Measures customer satisfaction with our 800 number telephone service.
Prospective Client Survey (Biennially)	Queries people between ages 50 and 64 to identify service expectations and preferences of the upcoming wave of retirees.
Retirement Application Survey (Biennially)	Measures customer satisfaction with the retirement application process and identifies service expectations and preferences for future service among recent retirees.

Strategic Goal 2 – Improve the Way We Do Business

<p>Evaluation of the Ticket to Work and Other Employment Support Programs (Continuously)</p>	<p>Examines employment patterns and outcomes of disabled beneficiaries, including those beneficiaries who use employment services such as the Ticket to Work, Partnership Plus, and Work Incentives Planning and Assistance programs. We completed an independent 10-year evaluation of the Ticket to Work (TTW) program in 2013, which produced seven reports. Since 2013, we have transitioned to evaluating TTW and other employment support programs through internal research, funding collaborative and external research through our Retirement and Disability Research Consortium, and other grant programs.</p>
<p>Federal Information Security Modernization Act Report (Annually)</p>	<p>Reports to Congress whether our overall information technology security and privacy programs and practices comply with the Federal Information Security Modernization Act of 2014.</p>
<p>Department of Homeland Security (DHS) Risk Management Assessment (Quarterly)</p>	<p>Responds to the OMB and DHS-generated DHS Risk Management Assessment as required by Executive Order 13800 and outlined in OMB Memoranda M-17-25 to provide an assessment of risk for each agency based on information submitted by agencies for the Federal Information Security Management Act CIO metrics, which leverage the NIST Cybersecurity Framework.</p>
<p>Pre-Effectuation Review of Disability Determinations (Annually)</p>	<p>Assesses the accuracy of DDS initial and reconsideration adult disability allowances as required in the Social Security Act.</p>
<p>Safeguard Security Report (Annually)</p>	<p>Provides examples of our policies and procedures to demonstrate how we safeguard personally identifiable information and Federal tax information. We submit this report to the Internal Revenue Service (IRS) on an annual basis.</p>

Safeguard Review (Triennially)	Evaluates the use of Federal tax information and the measures we employ to protect this information. This review is an onsite evaluation completed in collaboration with the IRS.
Strategic Goal 3 – Ensure Stewardship	
Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds (Annually)	Reports annually to Congress on the financial and actuarial status of the two Social Security trust funds.
Annual Report to Congress on Medical Continuing Disability Reviews (Annually)	Provides summary information on medical continuing disability reviews (CDR) conducted for a completed fiscal year. The report includes actuarial estimates of the net Federal lifetime benefit reductions in OASDI, SSI, Medicare, and Medicaid benefits resulting from the reviews conducted during that fiscal year.
Annual Report of the Supplemental Security Income Program (Annually)	Reports annually to the President and Congress on the status of the SSI program and provides 25-year projections of program participation and costs.
Enumeration Accuracy Report (Triennially)	Reports the accuracy of Social Security numbers (SSN) assigned during the fiscal year.
Evaluation of the Continuing Disability Review Enforcement Operation Predictive Model (Annually)	Evaluate the results of a predictive model used to score work issue CDR cases to ensure that we prioritize and work first cases most likely to result in overpayments. Our tracking and evaluation each year indicate the need for improved coordination with the processing centers in reviewing cases based on the scores' priority order.
Federal Employee Viewpoint Survey (Annually)	Assesses employee perspectives of organizational performance across several major human capital areas: recruitment,

	development, performance culture, leadership, job satisfaction, and personal work experiences.
Human Capital Evaluations (Annually)	Monitors and evaluates how well human capital policies and programs support our mission accomplishments. This evaluation is a critical step in assessing organizational performance and determining how to improve processes. Our Human Capital Evaluation System (HCES) also helps leadership assess the impact of human capital strategies designed to achieve agency goals.
Management Directive 715 Report (Annually)	Provides the status of our efforts to establish and maintain effective equal employment affirmation actions programs under Section 715 of Title VII of the Civil Rights Act of 1964 and effective affirmation action programs under Section 501 of the Rehabilitation Act of 1973.
Targeted Denial Review (Annually)	Assesses the accuracy of reconsideration disability denials made by the DDS.
Retirement, Survivors, and Disability Insurance Stewardship Review (Annually)	Measures the accuracy of payments to persons receiving Social Security retirement, survivors, or disability benefits by reviewing all non-medical factors of eligibility and entitlement.
Supplemental Security Income Stewardship Review (Annually)	Measures the accuracy of payments to persons receiving SSI benefits by reviewing all non-medical factors of eligibility and payment.
Supplemental Security Income Transaction Accuracy Review (Annually)	Reviews non-medical aspects of eligibility to evaluate the adjudicative accuracy of SSI initial claims, redeterminations, and limited issues to ensure compliance with operational policy.

Retirement, Survivors, and Disability Insurance Transaction Accuracy Review (Triennially)	Reviews non-medical factors of eligibility to evaluate recently processed retirement, survivors, and disability insurance claims to ensure compliance with operational policy.
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Appendix B:

How We Ensure Our Data Integrity

We are committed to providing consistent, reliable, and valid data. We have internal controls to ensure that our data are quantifiable, verifiable, and secure. Our internal systems and controls include:

- Audit trails;
- Integrity reviews;
- Separation of duties;
- Restricted access to sensitive data;
- Reviews at all levels of management; and
- Validation and verification in our System Development Life Cycles.

These same controls support the Commissioner's Federal Managers' Financial Integrity Act Assurance Statement.

Data Integrity Systems and Controls

We gather performance data using automated management information and other workload measurement systems. We evaluate the data in terms of four quality dimensions:

- Accuracy – Measures how well data adheres to specification (e.g., definitions, rules, and policies);
- Consistency – Measures consistency in internal and external reporting of data;
- Completeness – Measures missing occurrences or attributions of the data; and
- Timeliness – Measures the currency of the data (i.e., data are up-to-date and reporting occurs on time).

We conduct quality evaluations based on established internal methodologies. As we introduce new performance measures, we perform a comprehensive data assessment using the four quality dimensions. From the assessment results, we establish a baseline. After establishing the baseline, we automate continuous monitoring to sustain high-quality data. Continuous monitoring allows us to follow data trends and proactively remediate potential issues.

In our data quality program, we derive several accuracy and public satisfaction measures from surveys and work samples. These measures provide confidence levels of 95 percent or higher.

As part of our fiduciary responsibility to the public, we use an audit trail system (ATS) to protect our records and taxpayer funds from improper use. The ATS collects and maintains detailed information about our internal and public transactions. We store the data from programmatic and select Internet applications, so we can review transactions for fraud and abuse.

Audit of Our FY 2020 Financial Statements

The Chief Financial Officers Act of 1990 requires the OIG or an independent external auditor that it selects to audit our financial statements. OIG selected Grant Thornton LLP to conduct the FY 2020 audit.

The auditor found we fairly presented the basic financial statements, in all material respects, in conformity with accounting principles generally accepted in the United States of America for Federal entities. This finding marks the 27th consecutive year that we received an unmodified audit opinion. The auditor also found that our agency maintained, in all material respects, effective internal control over our financial reporting.

The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. The audit did not find instances of noncompliance with laws, regulations, or other materials tested.

Appendix C:

Summary of Key Management Officials' Responsibilities

Commissioner of Social Security (COSS) is a Senate-confirmed position. The COSS manages all agency programs and staff.

Deputy Commissioner of Social Security (DCOSS) is a Senate-confirmed position, authorized to act on behalf of the COSS. Also serves as the Chief Operating Officer, responsible for improving agency management and performance.

Chief Actuary (OCACT) plans and directs program actuarial estimates and analyses for our programs and for any proposed changes in programs and trust funds. OCACT provides technical and consultative services to the COSS, the Board of Trustees of the Social Security Trust Funds, Congress, and their respective staffs.

General Counsel (GC) advises the COSS, DCOSS, and all subordinate organizational components (except the Inspector General) on legal matters. GC also oversees the implementation of privacy protections and ensures that all privacy requirements are met, serving as the Senior Agency Official for Privacy.

Inspector General (IG) is a Senate-confirmed position that promotes economy, efficiency, and effectiveness in administering our programs and operations, and prevents and detects fraud, waste, abuse, and mismanagement.

Deputy Commissioner for Analytics, Review, and Oversight (DCARO) oversees the review of program quality and effectiveness and makes recommendations for program improvement utilizing feedback from the adjudication of cases, predictive modeling, and other advanced data analysis techniques. DCARO also serves as the Chief Data Officer; coordinates the agency's anti-fraud initiatives; responds to the recommendations of external monitoring authorities; and serves as the accountable official for improper payments.

Deputy Commissioner for Budget, Finance, and Management (DCBFM) directs our comprehensive management programs including budget, financial policy, acquisition, grants, facilities and logistics management, and security and emergency preparedness. DCBFM also serves as the Chief Financial Officer, Performance Improvement Officer, the Program Management Improvement Officer, and the responsible official for Enterprise Risk Management and the Digital Accountability and Transparency Act.

Deputy Commissioner for Communications (DCCOMM) conducts our national public information and outreach programs, and fosters the transparency of our operations.

Deputy Commissioner for Hearings Operations (DCHO) administers our nationwide hearings program in accordance with relevant Federal laws.

Deputy Commissioner for Human Resources (DCHR) administers our human resources programs, including training, human capital initiatives, personnel and employee relations, labor management, and civil rights and equal opportunity. DCHR also serves as the Chief Human Capital Officer and the senior accountable official on employee engagement initiatives.

Deputy Commissioner for Legislation and Congressional Affairs (DCLCA) develops and conducts our legislative program, serves as our liaison to Congress, and analyzes legislative and regulatory initiatives.

Deputy Commissioner for Operations (DCO) directs our network of field offices, National 800 Number teleservice centers, and processing centers. DCO also oversees the Chief Business Office and the State disability determination services.

Deputy Commissioner for Retirement and Disability Policy (DCRDP) advises the COSS on major policy issues and is responsible for all activities in the areas of program policy planning, policy research and evaluation, statistical programs, and overall policy development, analysis, and implementation. DCRDP serves as liaison with the Centers for Medicare and Medicaid Services and leads our efforts to improve the clarity, tone, and readability of our notices. DCRDP also leads our efforts in implementing the Evidence-Based Policymaking Act of 2018.

Deputy Commissioner for Systems (DCS) directs the strategic management of our systems and databases, which includes the development, validation, and implementation of new systems. DCS directs operational integration, strategic planning processes, and implementation of a systems configuration program. DCS is responsible for implementing the agency's IT Modernization Plan. DCS also serves as the Chief Information Officer.



Social Security Administration
Fiscal Year 2020
Bipartisan Budget Act of 2015 Section 845(a) Report

Bipartisan Budget Act Reporting Requirements

Section 845(a) of the Bipartisan Budget Act of 2015 (BBA 845(a)) requires the Social Security Administration (SSA) to include in our annual budget a report on our activities to prevent fraud and improper payments. This report satisfies that requirement with respect to SSA's activities conducted in FY 2020 and gives information on SSA's expected activities in this area for FY 2021. BBA 845(a) directs the agency to include in this report the following:

- The total amount spent on fraud and improper payment prevention activities;
- The amount spent on cooperative disability investigations (CDI) units;
- The number of cases of fraud prevented by CDI units and the amount spent on such cases;
- The number of felony cases prosecuted under section 208 and the amount spent by our agency in supporting the prosecution of such cases;
- The number of such felony cases successfully prosecuted and the amount spent by our agency in supporting the prosecution of such cases;
- The amount spent on and the number of completed:
 - Continuing disability reviews (CDR) conducted by mail;
 - Redeterminations (RZ) conducted by mail;
 - Medical CDRs conducted pursuant to sections 221(i) and 1614(a)(3)(H) of the Social Security Act (Act);
 - RZs conducted pursuant to section 1611(c) of the Act; and
 - Work-related CDRs to determine whether earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity (SGA);
- The number of cases of fraud identified resulting in benefit termination as a result of medical CDRs, work-related CDRs and RZs, and the amount of resulting savings for each such type of review or RZ; and
- The number of work-related CDRs in which a beneficiary improperly reported earnings derived from services for more than three consecutive months, and the amount of resulting savings.

A brief overview of our programs and anti-fraud activities as well as information required by BBA 845(a) follows.

Overview of Our Programs

Considered one of the most successful large-scale Federal programs in our Nation's history, the Old-Age, Survivors, and Disability Insurance (OASDI) programs provide social insurance for most of our population. Workers earn coverage for retirement, survivors, and disability benefits by working and paying Social Security taxes on their earnings. About 9 out of 10 individuals age 65 and older receive Social Security benefits. The disability insurance (DI) program provides benefits to people who cannot work because they have a medical condition that is expected to last at least one year or result in death. Individuals who have worked long enough and paid Social Security taxes and certain members of their families can qualify for DI benefits.

We also administer the Supplemental Security Income (SSI) program, which provides monthly payments to people with limited income and resources who are aged, blind, or disabled. Adults and children under the age of 18 can receive payments based on their own disability or blindness. General tax revenues fund the SSI program.

We pay benefits to about 70 million OASDI beneficiaries and SSI recipients on average each month. We paid over \$1.1 trillion in FY 2020.

Our Anti-Fraud Efforts

Combatting fraud is an agency priority. We have centralized our anti-fraud efforts to take advantage of data analytics and predictive models to prevent fraud, ensure consistent anti-fraud policies, refine employee training, and solidify relationships with other Federal, State, and private partners to identify individuals who wrongfully obtain OASDI and SSI payments.

In FY 2018, we established a Deputy Commissioner-level organization - the Office of Analytics, Review, and Oversight (OARO). Under OARO, we aligned our anti-fraud programs, quality reviews, audits, appellate operations, business improvements, and advanced data analytics. By realigning our organizational structure, we maximized our resources, streamlined collaborative efforts, and centralized the oversight of the agency's anti-fraud efforts consistent with the Fraud Reduction and Data Analytics Act of 2015 and the Government Accountability Office's report, *A Framework for Managing Fraud Risks in Federal Programs*.

Fraud threats are constantly evolving, and we must continuously enhance our anti-fraud efforts to strengthen our ability to detect, deter, and prevent attempts to defraud agency programs.

In FY 2020, we continued our efforts to review potentially fraudulent eServices transactions in order to detect and mitigate fraud committed through the mySSA portal. We continue to develop and refine business processes to improve the efficiency and effectiveness of our eServices reviews. Additionally, we began collaborations with several agencies to identify opportunities for data exchange agreements that will allow us to continue to improve our fraud detection and mitigation efforts.

In accordance with our Enterprise Fraud Risk Management (EFRM) strategy, which establishes a business process and long-term schedule for completing fraud risk assessments across our major

program areas, we have completed four fraud risk assessments and have developed mitigation strategies to further reduce specific risks identified in those assessments. We plan to complete nine fraud risk assessments. Once we complete all initial fraud risk assessments, we will conduct ongoing reassessments of each area at least every three years. In addition to the pre-planned fraud risk assessments listed in the EFRM, we conduct ad hoc fraud risk assessment at the request of other SSA components.

Our Improper Payment Prevention Initiatives

In FY 2019, we implemented a plan to further reduce and prevent improper payments. We established a new Improper Payment Prevention team under OARO to focus solely on developing innovative and effective strategies to mitigate the root causes of our improper payments.

We reestablished the Improper Payments Oversight Board (IPOB) and developed the IPOB Charter, establishing Deputy Commissioner-level responsibility for reviewing, approving, and implementing all improper payment initiatives.

We also established a formal Improper Payment Alignment Strategy (IPAS) that we will use to obtain agency-wide engagement and agreement on actions needed to remedy improper payment issues. IPAS outlines how we determine underlying causes of errors, develop corrective actions with key stakeholders, and identify cost-effective actions to reduce improper payments. IPAS will also serve as a template to ensure we considered and evaluated all required factors before implementing a corrective action. We will conduct annual reviews to evaluate the success of our initiatives, and as needed implement new strategies to address the root causes of improper payments.

In FY 2020, we began laying the groundwork by creating IPASs on the leading causes of improper payments identified through our stewardship reviews. We continued to align our enterprise investments with our improper payments prevention strategies. Additionally, we continued our collaboration with federal partners, stakeholders, and beneficiaries to work toward our agency Strategic Goal 3: Ensure Stewardship.

Bipartisan Budget Act Reporting Requirements

Total Expenditures on Fraud and Improper Payment Prevention Activities¹

We take our responsibility to safeguard the integrity of Federal benefit programs to better serve recipients seriously. In FY 2018, we issued the Agency Strategic Plan for Fiscal Years 2018-2022.² We streamlined our focus and migrated the Fraud and Improper Payment Prevention activities objective from the former goal, Strengthen the Integrity of Our Programs into Strategic Goal 3: Ensure Stewardship. This goal has four objectives:

¹ For more information on our improper payment prevention activities, refer to the Payment Integrity section of the Fiscal Year 2020 Agency Financial Report at <https://www.ssa.gov/finance/>.

² For more information on the Agency's Strategic Plan for FY 2018-2022, refer to <https://www.ssa.gov/agency/asp/>.

- 3.1 Improve Program Integrity;
- 3.2 Enhance Fraud Prevention and Detection Activities;
- 3.3 Improve Workforce Performance and Increase Accountability; and
- 3.4 Improve Organizational Effectiveness and Reduce Costs.

Our FY 2020 total operating expense for the Ensure Stewardship strategic goal was \$2.387 billion. These expenditures included key program integrity (PI) workloads and other stewardship activities, some of which are specific to our anti-fraud efforts. Distinguishing between specific efforts to reduce fraud and improper payments is challenging, as both are key elements of our program integrity workloads. Most improper payments we detect do not involve any evidence of intent to commit fraud. Rather, they involve complex rules about eligibility for program benefits and delays in receiving information about changes in beneficiaries' circumstances.

Although we lack the level of detailed data necessary to compute the specific expenditures for each of our anti-fraud-related activities, each year, we verify that we distribute the total correct costs to the proper goals. Additionally, during 2017, we modified our process to better track the SSA costs separately for CDI units. We began to identify agency and disability determination services' (DDS) CDI payroll and other object costs through specific and separate common accounting numbers. We determined the proportion of costs already distributed to the PI workloads and removed those costs from the CDI costs to avoid double counting. All PI workloads fall under our strategic goal to Ensure Stewardship.

Total Expenditures on CDI Units, the Number of Cases of Fraud Prevented by CDI Units, and the Amount Spent on Such Cases

The CDI program is a key anti-fraud initiative that plays a vital role in combatting fraud, similar fault, and abuse in our disability programs. CDI units investigate claimants and beneficiaries, as well as third parties who we suspect commit or facilitate disability fraud. The units consist of personnel from our agency, the Office of the Inspector General (OIG), DDSs, and State and local law enforcement. CDI units investigate initial disability claims and post-entitlement events involving suspected fraud.

We continue to expand our CDI program and are on track to meet our goal of providing CDI coverage to all 50 states and U.S. territories by October 1, 2022. We currently have 49 units, covering 44 states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, Northern Mariana Islands, and the U.S. Virgin Islands.

In FY 2020, we spent a total of approximately \$39.5 million to operate our CDI units, of which \$29.8 million was SSA's cost, and \$9.7 million³ was OIG's cost. These expenditures included personnel costs, training, travel, facilities, and equipment. In FY 2020, CDI investigations resulted in the cessation or denial of 1,729 claims and 77 judicial actions (i.e., sentencing, pre-trial

³ The FY 2020 appropriations language provides that SSA may transfer up to \$10 million to the SSA OIG for the operation of the CDI units (Pub. L. No. 116-94). This anti-fraud activity is an authorized use of the cap adjustment.

diversion, civil settlement, and civil monetary penalties), which contributed to OIG projecting more than \$108 million in savings to SSA programs and monies⁴ of \$37.4 million.

We do not track CDI-related costs on a per-investigation basis. We estimate the average cost per CDI investigation is \$20,233 based on 1,954 CDI investigations closed during FY 2020.

For FY 2021, we plan to spend a total of approximately \$41 million to operate our CDI units, of which approximately \$29.8 million is SSA's cost, and \$11.2 million⁵ was transferred to OIG.

The Number of Felony Cases Prosecuted under Section 208 and the Amount Spent in Supporting the Prosecution of Such Cases; the Amount of Such Felony Cases Successfully Prosecuted and the Amount Spent in Supporting the Prosecution of Such Cases⁶

Our employees refer allegations of potential fraud to OIG for investigation. OIG conducts criminal investigations and refers cases to U.S. Attorney's Offices (USAOs) within the Department of Justice (DOJ), or to State and local prosecuting authorities, for prosecution.⁷ We primarily rely on the USAOs to prosecute Social Security fraud, which is a Federal crime. The federal prosecutors have discretion whether to accept fraud cases for prosecution and what Federal statutes to charge.⁸ As an initiative to increase Federal Social Security fraud prosecutions, the Office of the General Counsel has provided DOJ with attorneys who are sworn in and serve as Special Assistant United States Attorneys (SAUSAs) in multiple USAOs throughout the country. The SAUSAs focus is solely to prosecute Social Security fraud. The goal of this initiative is to increase the number of prosecutions for fraud involving Social Security programs.

Since FY 2003, SAUSA prosecutions have resulted in federal court orders of over \$310 million in restitution and more than 2,100 convictions. We ended FY 2020 with 28 SAUSAs in 25 Federal judicial districts. In FY 2020, our SAUSAs successfully prosecuted 246 criminal cases under section 208 of the Act [42 U.S.C. §408] and other statutes.⁹ Based on these cases, federal courts ordered payment of over \$25.9 million in restitution to the Government, over \$16 million of which was to SSA's Trust Funds. The estimated FY 2020 costs of SAUSAs to obtain these convictions was \$5,267,732, including the salary and benefit costs of these attorneys.

Program Integrity Expenditures and Numbers

⁴ SSA monies include recoveries, restitution, fines, penalties, judgments and settlements.

⁵ The FY 2021 appropriations language provides that SSA may transfer up to \$11.2 million to the SSA OIG for the operation of the CDI units (Pub. L. No. 116-261). This anti-fraud activity is an authorized use of the cap adjustment.

⁶ Consistent with our 2019 report, this section of our report focuses on how SSA expended funds made available for the prosecution of fraud in the programs and operations of SSA by SAUSAs

⁷ This report does not include financial information pertaining to the success of OIG investigations.

⁸ Social Security fraud criminal cases are prosecuted under many different fraud statutes. Because this report is limited to cases prosecuted under section 208 (42 USC 408) and its functional equivalent, 18 USC 641 (theft of public funds), it does not represent the total number of Social Security cases involving fraud against our programs successfully prosecuted. To learn more about OIG's activities and investigations, please see: OIG's *Semiannual Reports to Congress* at <https://oig.ssa.gov/newsroom/semiannual-reports>.

⁹ Our SAUSAs sometimes exercise their discretion to charge 18 USC 641 rather than 42 USC 408 for the same fraudulent conduct to enhance the agency's prospect of obtaining court-ordered restitution, which is mandatory under section 641 and discretionary under section 408.

We take seriously our responsibilities to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve recipients. We conduct continuing disability reviews (CDRs) to ensure that only beneficiaries who still qualify to receive benefits under the OASDI and SSI programs continue to receive them benefits (includes both medical and work CDRs). For those receiving SSI, we also perform non-medical redeterminations to determine whether recipients continue to meet the program's income and resource limits.

Periodic Medical Continuing Disability Reviews

The American public expects and deserves outstanding stewardship of the Social Security Trust Funds and general revenues that finance our programs. One of our most important program integrity tools is the medical CDR. CDRs are periodic reevaluations to determine whether disabled beneficiaries continue to be eligible for benefits because of their medical conditions. We schedule almost all medical CDRs based on a beneficiary's likelihood of experiencing medical improvement (MI) rather than on suspicion or evidence of fraud. A finding of MI does not mean the beneficiary committed fraud; however, our ability to perform additional CDRs may allow us to detect potentially fraudulent or suspicious activities. There are no improper payments associated with medical CDRs. Benefits for individuals who have medically improved are improper only if the agency fails to suspend payment after we fully complete the CDR appeals process or the individual fails to cooperate with the CDR.

When an adult beneficiary's medical review diary matures, we conduct periodic CDRs using one of two methods: a full medical review or an abbreviated review mailer. We decide which method to use after we profile all cases and identify individuals with a higher probability of no longer meeting our standard of disability and the likelihood of MI related to the beneficiary's ability to work. For individuals with a higher likelihood of MI, we send their cases to the DDSs for full medical reviews. For individuals with a lower likelihood of MI, we send a mailer and use information gathered to determine any indication of MI. If we find an indication of MI, we then send the case to a DDS for a full medical review. If there is no indication of MI, we set a new medical review diary and schedule the case for a future CDR. Every year, we refresh the case priority selections based on the results of a predictive statistical scoring model. Due to the COVID19 pandemic, we had temporarily suspended certain workloads, including medical CDRs and CDR cessations during part of FY 2020. Additionally, we temporarily had suspended consultative examinations (CE) which affected DDS workloads, including CDRs. These workloads resumed by the end of FY 2020.

We conduct some CDRs outside the centralized process based on events, such as voluntary or third party reports of MI. We send these CDRs to the DDSs for full medical reviews. In addition, there is a subset of cases where the medical review diary matures, but we curtail further development for technical reasons, such as the suspension or termination of benefits for non-medical reasons. Current estimates indicate that CDRs conducted in 2022 will yield a return on investment (ROI) of about \$9 on average in net Federal program savings over 10 years per \$1 budgeted for dedicated program integrity funding, including OASDI, SSI, Medicare and Medicaid program effects.

Work-Related Continuing Disability Reviews

When a disabled OASDI beneficiary is receiving benefits and earning wages, we review his or her case to determine if the beneficiary is performing SGA, and if eligibility for benefits should continue. We commonly refer to this process as a “work CDR”.

The table below reflects actual CDR workload volumes for FY 2020.

FY 2020			
Actual Volumes	Title II	Title XVI	TOTAL
Full Medical CDRs	179,188	284,076	463,264
CDR Mailers	790,405	239,257	1,029,662
Work CDRs	232,505	-	232,505

Note: The split of full medical CDRs between titles II and XVI for FY 2020 is estimated.

In FY 2020, we spent \$477 million¹⁰ on periodic medical CDRs, which included the cost of CDR mailers. We spent an additional \$221 million¹¹ on work CDRs.

We learn about work activity in two primary ways: self-reported wages and earnings enforcements. We initiate work CDRs when beneficiaries directly self-report their work or earnings as required by law. DI beneficiaries must report any changes in work activity, and we must determine whether such work constitutes SGA. DI beneficiaries report work activity through their local field offices or by calling the National 800 Number. In September 2017, we expanded the options to report work by creating an Internet reporting application—myWageReport (myWR). In June 2018, we began to accept SSI and concurrent (DI/SSI) reports of earnings through myWR. The application not only allows DI beneficiaries and representative payees to report wages to us, it also provides a receipt of the report.

We also generate work CDRs through earnings enforcement. The Continuing Disability Review Enforcement Operation (CDREO) uses annual Internal Revenue Service (IRS) earnings to identify records likely to have large overpayments. We also initiate work CDRs based on quarterly earnings received by the Office of Childhood Support Enforcement. The quarterly earnings are timelier than IRS data and allow us to learn about unreported work activity sooner. Section 824 of the BBA also provides us the ability to contract with third party payroll providers to obtain monthly payroll data.

¹⁰ This figure represents the total workload costs chargeable to PI, CARES Act efforts, and our Information Technology modernization (IT Mod) efforts. The total amount includes \$218 million in costs allocated to DI, retirement and survivors insurance (RSI), and hospital insurance/supplementary medical insurance/Part D (HI/SMI/Part D) and \$259 million in costs allocated to SSI.

¹¹ This figure represents the total workload costs chargeable to PI, CARES Act, and IT Mod. This figure includes about \$94 million in costs allocated to DI, \$63 million in costs allocated to RSI, and \$64 million in costs allocated to HI/SMI.

In FY 2019, we awarded a contract to build an information exchange for monthly earnings data from third party payroll data providers. We will use the monthly earnings obtained from the payroll provider(s) to identify work CDRs. In FY 2020, we began to plan the integration of information exchange within our systems. We look forward to incorporating the monthly data into our enforcement operation by the end of FY 2021.

The following table reflects enacted CDR workload volumes for FY 2021.

FY 2021			
Estimated Volumes	Title II	Title XVI	TOTAL
Full Medical CDRs	177,876	317,124	495,000
CDR Mailers			1,100,000
Work CDRs year-to-date (YTD) ⁱ	147,440		147,440
<i>i/We do not develop official volume projections for work CDRs; therefore, we have included our most recent FY 2021 YTD figures, which are through March.</i>			

In FY 2021, we anticipate spending a total of approximately \$703 million¹² on full medical CDRs, CDR mailers, and work CDRs. Since work CDRs are not an agency-controlled workload, we do not develop official volume projections for that workload in a given fiscal year. Historically, work CDR volumes are consistently 250,000–300,000 annually.

In formulating the budget, we fully incorporate the projected costs of work CDRs into the total projected costs for CDRs.

Supplemental Security Income Non-Medical Redeterminations (RZ)

Another important program integrity workload is the SSI RZ, conducted under section 1611(c) of the Act, which is a periodic review of non-medical eligibility factors, such as income and resources. The RZs can identify overpayments, underpayments, or both.

Changes in recipients’ living arrangements, income, and resources can affect both their eligibility for SSI and the amount of their payments. To ensure the accuracy of SSI payments, we conduct scheduled or unscheduled RZs at periodic intervals that vary depending on the likelihood of payment error. We select most scheduled reviews using a predictive statistical model that we implement each year to prioritize reviews with the highest expected overpayment amount. We conduct other scheduled RZs as a limited review of a certain aspect of eligibility, resulting primarily from a computer match against other data sources. Typically, information reported by

¹² This figure includes an estimated \$253 million in costs allocated to SSDI, RSI, and HI/SMI/Part D and \$450 million in costs allocated to SSI.

recipients, representative payees, or other third parties results in the initiation of an unscheduled RZ.

RZs are a key workload that ensures the integrity of the SSI program, and maintains and improves payment accuracy. We estimate that non-medical RZs conducted in 2022 will yield a ROI of approximately \$3 on average of net Federal program savings over 10 years per \$1 budgeted for dedicated program integrity funding, including SSI and Medicaid program effects.

Effective October 2008, we ceased conducting SSI RZs via mail, as we determined they were not cost effective.

In FY 2020, we spent \$743 million¹³ to conduct 2,153,109 SSI RZs pursuant to section 1611(c) of the Act.

In FY 2021, we plan to spend \$736 million to conduct 2,360,000 SSI RZs.

The Number of Cases of Fraud Identified for Which Benefits Terminated Due to Medical CDRs, Work-Related CDRs, and Redeterminations, and the Amount of Resulting Savings for Each Such Type of Review or Redetermination

We do not track the number of instances of identified fraud where we terminated benefits because of medical CDRs, work CDRs, or RZs. On January 18, 2020, the Office of Program Integrity implemented the Allegation Referral Intake System to replace our fraud referral process. Neither our fraud referral form nor our case management systems capture these specific events. We will include this data element on our list of future enhancements to the system.

The Number of Work-Related CDRs in Which a Beneficiary Improperly Reported Earnings Derived from Services for More Than Three Consecutive Months and the Amount of Resulting Savings

Since DI beneficiaries are not required to report earnings monthly, we define “improperly reports earnings” to mean a DI beneficiary who reports inaccurate information or does not report a change in work activity. We identify non-reporters through our IRS earnings match, commonly referred to as CDREO. The number of cases alerted through CDREO in FY 2020 was 222,591.¹⁴

¹³ This figure represents the total workload costs chargeable to PI, CARES Act efforts, and our IT Mod efforts.

¹⁴ Historically, about 40 percent of these alerted cases result in completed work CDRs.

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