



Social Security, an Agency in Crisis:

Supplemental Funding Request

Over the past decade, the limitation that Congress imposed on the Social Security Administration (SSA) administrative expenses (“LAE”)ⁱ have not met the growing needs of rising beneficiaries. Since 2010, SSA’s inflation adjusted budget has been slashed by 17 percent. Baby boomers are turning age 65 at a rate of 10k a day and the number of beneficiaries is rapidly increasing, yet slashed budgets for SSA have meant the loss of 10,000 workers. Cuts from the Continuing Resolution (CR) are forcing SSA to suspend new hires and limit overtime. In 2010, SSA was the 2nd best place to work amongst large federal agencies but has declined to the worst where it is now 17th out of 17. Attrition rates among SSA employees are soaring and 54% of current workers are making plans to leave the agency within the next year. All of this has had disastrous effects on customer service:

- ❖ Initial disability claims processing time has increased by 99% since 2018, from 111 days (3.4 months) to 221 days (7.2 months) as of July 2023ⁱⁱ.
- ❖ Average wait times for calls to be answered on the 1-800 number have increased by 115% since 2019, from an average of 20 minutes in 2019 to 43 minutes as of June 2023.ⁱⁱⁱ
- ❖ The disability claims pending at the state-run Disability Determination Services are now over 1 million.^{iv}
- ❖ There are a million internet claims pending with only 900 employees at the workload support units to process them.
- ❖ Disability reconsideration processing time has increased by 78% since 2018. It took on average 102.7 days then; in FY 22 it took an average of 182.7.^v
- ❖ There are now 4.2 million backlogged items pending at the Payment Centers.^{vi}

78% of Americans agree that SSA deserves more funding to meet public need, it is imperative that Congress act accordingly and fully fund SSA. Congressional reports show that 20% of calls coming into lawmakers’ offices are related to Social Security benefits and service.

To improve customer service and fix the recruitment and retention crisis inflecting SSA, Congress should enact a \$20 billion supplemental funding package for SSA to use over the next 10 years, like the recent supplemental funding provided to the IRS. Importantly, unlike the IRS funding, this money comes out of Social Security’s dedicated revenue and so, does not add even a penny to the deficit. This funding would be available to revitalize SSA beyond the annual LAE and would be partially offset by an increased ability to reduce the \$21.6 billion in overpayments incorrectly issued and future overpayment prevention.

Supplemental funding for SSA could allow the agency to replace the 10,000 workers lost since 2010 (\$2.5 billion). It could help alleviate its recruitment and retention problems by implementing competitive benefits (\$3.2 billion). This would allow SSA to provide the help with childcare and student loans that nearly every other federal agency offers, reinstate a popular vision assistance program for employees who suffer from using agency equipment, improve mental health support, and increase transit and parking subsidies to cover employee costs more effectively. \$3 billion would allow the agency to modernize its technology to better serve the public, including an improved phone system to answer calls and improved interface technology with other government agencies to streamline the claims processing system. Finally, \$2 billion of this supplemental funding could be used to increase field office security with additional bag checks, screening equipment and guards, addressing the increased severity and volume of threats employees face due to frustrated customers experiencing vital service delays.

ⁱ Technically, Congress does not appropriate SSA’s budget. Rather, it limits how much of Social Security’s accumulated surplus (currently at \$2.8 trillion) SSA can spend each year.

ⁱⁱ <https://www.SSA.gov>

ⁱⁱⁱ <https://www.ssa.gov/open/data/800-number-average-speed-to-answer.html>

^{iv} <https://www.cbpp.org/blog/after-years-of-budget-cuts-increased-funding-would-help-social-security-administration-restore>

^v https://www.ssa.gov/open/data/disability_reconsideration_average_processing_time.html

^{vi} <https://www.ssa.gov/budget/assets/materials/2024/2024BO.pdf>