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DATE: June 1, 1998

TO: NATIONAL COUNCIL SSMA OFFICERS AND EXECUTIVE
COMMITTEE

RE: Legislative Report #19

FY 99 Budget/Appropriations Status:

As Congress resumes after the Memorial Day recess, the Senate will begin zipping along through the appropriations bills -- Chairman Stevens has scheduled mark-ups on eleven of the thirteen bills before the end of June. The Labor/HHS/Education bill, as usual, will not be expedited because of contentious issues among legislators and between Congress and the Administration over education and other spending contained in the bill. As usual, these may not be worked out until the final days of this Congress.

Meanwhile, House appropriations committees are also having to move along on negotiations on their appropriations bills, despite the fact that the House has still not passed its overall budget plan. As soon as I have any news about the outcome for SSA's **administrative budget** in either the House or Senate bill, I will pass it along. Attached to this report is the letter NCSSMA sent to Chairman Porter (ILL) following his appropriations hearing at which Commissioner Apfel testified in support of SSA's FY 99 budget request. We also continue to work with Senate Labor/HHS/Ed Appropriations Chairman Specter (PA) on the connections between administrative spending and service delivery at SSA. The testimony Ron Niesing gave before Chairman Porter in the House has been modified for the record of the Senate proceedings and distributed to each member of the Senate counterpart committee.

Various proposals affecting **federal employees** have been advanced to the Budget Committee by Chairman Mica of the Civil Service Subcommittee would reduce **retirement benefits** under CSRS and FERS and require enrollees to pay higher dollar amounts toward **FEHBP premiums**. These proposals are particularly rankling in view of the fact that they are not called for under the five-year budget balancing plan, under which federal employees already took a hit; that the projected overall budget "surplus" projected for this year and beyond continues to grow; and that Budget Chairman Kasich and others continue to try to advance tax cuts and other ways to spend the surplus at the same time they recommend further

benefit cuts for federal employees.

While it appears that these proposals are meeting sufficient stiff opposition to keep them from advancing to inclusion in final legislation, we must be concerned that if the projected savings attached to them were incorporated into the House budget plan, we would end up in the (by now familiar) situation in which federal employee groups were asked to identify alternative methods of taking the cuts (that's how we got the current phased-in increase in your retirement contributions under the five-year budget plan). In the past, such compromises have been worked out in House-Senate conference on budget or appropriations bills. If we can keep the cuts out of the House proposals, however, we will not have to fight right down to the wire this time around. Attached to this report is a letter delivered from NCSSMA to all members of the House budget committee just prior to last week's recess. We remain in close touch with Hill staff on this and will keep SSMA members posted.

End

NCSSMA Letterhead

April 29, 1998

The Hon. John E. Porter
Chairman
Subcommittee on Labor/HHS/Education
Appropriations
2358 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Porter:

On behalf of field offices and teleservice centers across the country, I am writing to thank you for your attention to some pressing service delivery problems within SSA. We deeply appreciated your suggestion, during last week's hearing at which Commissioner Apfel testified in support of SSA's budget request, that there is a need for "better balance" and "a more comprehensive picture" of service management.

Your statement that the agency has focused narrowly on targeted performance measures, while allowing other important services to decline, reflects the experience of our members in local offices in communities throughout the U.S. They are the ones who experience on a daily basis the frustrations of not having staff to answer ringing telephones, for example, because resources have been drained away to 800 number initiatives. Although the automated telephone systems field offices are now getting will be somewhat helpful, they will not solve the problem of inadequate staffing to respond to public inquiries. We were heartened to hear Comm. Apfel agree that performance measures needed to be expanded under the agency's GPRA performance plan, and we hope to work with him to develop a more comprehensive service delivery plan for the agency.

Agency plans to allocate even more resources to the 800 number in order to take claims by telephone when a claimant first contacts the agency concern us very much. While recognizing that such a service may be appropriate in certain, limited circumstances, the agency has not properly analyzed the need for such a service nor considered the resources that would be required to offer claims on demand. Second, the current process already allows 800 number callers to set up an appointment to file a claim either in person or by telephone with their local office. This process works so well that we question the cost-effectiveness of the 800 number initiative, and we are certain that it will mean further deterioration in locally-delivered services. Thirdly, field offices are already offering this service to members of the public who directly contact our field offices either in person or by telephone.

Like you, we are very concerned about the status of disability processing, both in terms of implementation of the reengineered system and the egregious delays in appeals. Although SSA plans to move even more resources to the Office of Hearings and Appeals, the benefit of doing that is questionable, considering that despite the very significant resources shifted there in the recent past, appeals processing times are worsening. We suggest that SSA take a fresh look at workload management within OHA to identify ways to move administrative workloads to take advantage of technology and management skills elsewhere in the agency. For example, with IWS/LAN installations largely in place in the field, we believe we could help achieve faster resolution of hearings workloads if OHA's administrative workloads were shifted to us.

Again we thank you for attention to these matters and your expressions of concern to Commissioner Apfel. We would be happy to provide you at any time further information about our concerns and views.

Sincerely,

Ron Niesing
NCSSMA President

NCSSMA Letterhead

May 19, 1998

The Honorable John R. Kasich
Chairman
House Committee on the Budget
309 Cannon House Office Building
Washington, D.C. 20515

Re: FY 99 Budget Resolution

Dear Chairman Kasich:

The National Council of Social Security Management Associations represents SSA field office and teleservice managers serving the public in your district and across the country. We are the individuals responsible for serving your constituents, and those of your colleagues, in person and over the phone every day. We take very seriously our responsibilities to provide the best service possible to the American public and to act as stewards of public monies.

On behalf of those NCSSMA represents, as well as of Federal employees across all government agencies, I am writing to oppose additional civil service budget cuts in your proposed Budget Resolution. We understand the House resolution includes over three billion dollars in savings beyond the five billion dollars in cuts already borne by the federal workforce under the five-year balanced budget agreement. These additional cuts can only result in an inequitable diminishment of the basic benefits promised to us when we joined Federal service. We are particularly concerned that such cuts could result in increased employee costs for participation in the Federal Employee Health Benefits Program or reduction in our guaranteed retirement benefits.

OPM is now undertaking an analysis of total Federal compensation in comparison to the private sector and state and local government. This study will provide comprehensive information to Congress and the Administration as they consider whether there is a justification for benefit changes for the federal workforce of the future. We urge Congress to wait until that information is available before going forward with proposals to alter federal compensation for future employees.

For current employees and retirees, however, cuts in the promised benefits which we have earned breach our contract with the government regarding terms of employment. We urge this Committee and Congress as a whole to reject proposals to so unjustly and unnecessarily breach that contract.

Federal employees are responsible and accountable for operations of programs vital to the lives of the American public. In Social Security offices, we work hard every day to serve our government and its citizens. We are also charged with helping to restore confidence in the government. Yet, ironically, Congress continues to attack the people who serve government. We urge you to treat federal employees, retirees and their families with respect and fairness by dropping the additional cuts in the civil service budget from the FY 99 resolution.

Sincerely,

Ron Niesing
NCSSMA President