

House of Representatives
Committee on Appropriations
Subcommittee on Labor, Health and Human Services, and Education

ORAL TESTIMONY
March 8, 2000

Chairman Porter and members of the Subcommittee, my name is Steve Korn and I am here as President of the National Association of Social Security Management Associations. I thank you for giving me the opportunity to come before you today to talk about the budgetary needs of the Social Security Administration, from the perspective of the front-line managers and supervisors who are directly responsible for delivering service to the American public.

The Social Security program has always had a special relationship with the American people. Perhaps no other federal program has been more successful at achieving its vision -- that of ensuring Americans a reliable and compassionate place to turn for help, when facing major life challenges such as retirement, disability, or death of a loved one. I have been proud of this agency, in my 24 years of service, not only because of the importance of the programs we administer, but because of the caring and professional manner which we delivered our services. I firmly believe that this level of service is greatly responsible for the overwhelming support enjoyed by the Social Security program in this country.

Today, I come before you, with a great degree of urgency, to ask your help in preserving this proud history. Quite simply, increased demand for services coupled with constricted appropriations is sapping our ability to serve the public in a manner we can continue to be proud of.

Let me give you an example. Employees in my office Vallejo, CA, are among the most dedicated and hard working public servants I have ever been associated with. Yet, at a staff meeting last week, they begged for relief from answering the public phones. They simply do not have enough time to answer the phone and get to the work on their desk -- work that directly affects whether or not one of these members of the public gets paid. No dedicated employee should have to make this decision. Yet, as the Social Security Advisory Board noted, field offices throughout the country face this same problem. And this is but one example of service delivery problems we face everyday because there is simply not enough staff to meet the full range of public demand.

These problems did not appear overnight. They began to accumulate following the 26% cut in Agency staff since the mid 1980's, which included a 30% reduction in SSA's field offices. The fact that SSA has been able to continue to deliver a level of service that is generally believed to be the best in government, is a testimony to SSA's dedicated and highly skilled workforce, as well as our Executive leadership. However, we simply do not have enough fingers remaining to hold back the water behind the dike without additional resources.

Two significant and imminent trends make addressing SSA's resource shortfall urgent. First, SSA's workload will explode. The aging of the babyboom generation is expected to increase the number of Social Security beneficiaries 55% between now and 2020. Disability beneficiaries alone will grow by 47% just in the next ten years.

Second, SSA is facing an unprecedented wave of retirements from its experienced workforce during this same ten-year period. Because of the complexity of our programs, it generally takes new front-line employees at least 3 years to learn their jobs. Experienced employees are needed to teach these new employees the job, and to maintain productivity while they are learning. We must, therefore, have the resources to hire these new employees before we lose the experienced employees they will eventually replace.

I am very pleased that Commissioner Apfel has recognized these trends. He has submitted his own budget request for \$222 million more than is contained in the President's FY 2001 budget request. This additional money will allow SSA to begin to add the staff necessary to deal with the retirement wave as well as increased demand for our services. I strongly recommend that this Committee support the Commissioner's independent request.

Finally, I would like to go on record as supporting the need to remove SSA's administrative budget from discretionary spending caps. Mr. Chairman, despite your continued strong support for our resource needs, these budget caps simply do not allow you to appropriate the funds needed to deal with the service delivery challenges we now face.

This was aptly demonstrated in the FY 2000 appropriation process that saw SSA take a \$130 million cut from the bare bones President's budget (which was already \$200 million less than the Commissioner's budget) due to budget cap restraints. This has directly resulted in a reduced level of service for those calling our 800#, and additional undetected overpayments due to fewer annual payment accuracy reviews for those receiving SSI. We must free SSA from these budget caps, if we are to remain true to our commitment to the American public.

Mr. Chairman, members of the Subcommittee, thank you again for inviting my testimony. I would be happy to answer any of your questions.