

The National Council of Social Security Management Associations, Inc.
GREYSTONE GROUP WASHINGTON REPORT
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Fiscal Year (FY) 2019 Appropriations Update

On Thursday, September 13, the House-Senate Conference Committee on the FY 2019 Labor-HHS-Education and Defense appropriations bills (H.R. 6157) adopted a compromise agreement that will next go to each chamber for final approval before being sent to President Trump for signature. If enacted before October 1, it will be the first time since 1996 that the Labor-HHS-Education spending bill has been completed before the start of the new fiscal year. The conference agreement also includes a Continuing Resolution (CR) through December 7, 2018, for any of the spending bills that are not signed into law before the end of the fiscal year. The Labor-HHS-Education/Defense package is expected to see a final vote in the Senate next week, with the House to follow the following week, just ahead of the September 30 end of the fiscal year deadline. The report is available [here](#).

The Labor-HHS-Education portion of the agreement would provide \$178 billion in discretionary funding, a \$1 billion increase over FY 2018. The compromise agreement provides \$12,870,945 for the Social Security Administration's Limitation on Administrative Expenses (LAE) account. While less than the Senate's recommended funding level of \$12,945,945, the conference recommendation is higher than both the President's Budget Request of \$12,387,000 and the House-passed funding level of \$12,551,045. Note that the LAE account total figure includes a \$52,000,000 reduction in program integrity funding as required by the Budget Control Act (BCA).

In written testimony submitted earlier this year to both the House and Senate, and more recently in a September 7 letter to the Chairs and Ranking Members of the House and Senate Labor-HHS-Education Appropriations Subcommittees, NCSSMA requested that the conference agreement include at least the Senate's recommended funding level, and that consideration of at least \$640 million above the FY 2018 enacted funding level be given.

While the conference agreement LAE funding level is less than NCSSMA's request, it is still an increase over the FY 2018 enacted funding level. It is also important to remember that the FY 2018 enacted funding level was an increase of \$480 million over the FY 2017 enacted funding level, a significant increase in funding, especially in the current budget environment. We will continue to provide updates as the appropriations process plays out and additional information becomes available.

The [press release](#) issued by the Senate Appropriations Committee Democrats included the following information regarding funding for the Social Security Administration:

Social Security Administration (SSA): The conference agreement provides \$520 million more than fiscal year 2017 for SSA's base operations.

Social Security Administration (SSA): The agreement provides \$12.9 billion for SSA, which is \$494 million more than the President's request and represents a \$40 million increase over fiscal year 2018 for SSA's base administrative budget. After accounting for a one-time IT modernization investment, the fiscal year 2019 funding level includes a \$275 million increase for general operations and an additional \$45 million for IT modernization. The agreement also includes \$100 million to continue to reduce the disability hearings backlog. SSA affects the lives of more than 50 million Americans receiving retirement and survivor benefits, as well as the millions applying for and receiving disability benefits.

The report also included the following language related to SSA, which may be of interest:

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SOCIAL SECURITY ADMINISTRATION (SSA)
LIMITATION ON ADMINISTRATIVE EXPENSES

Administrative Law Judges.-It is vital that Administrative Law Judges (ALJs) be independent, impartial, and selected based on their qualifications. The conferees expect SSA to maintain a high standard for the appointment of ALJs, including the requirement that ALJ s have demonstrated experience as a licensed attorney and pass an ALJ examination administered by the Office of Personnel Management.

Consultative Examinations.-The conferees support efforts by SSA to pursue, where practicable, and in conjunction with State Disability Determination Services, pilot demonstrations that would evaluate the feasibility of, potential administrative savings from, and potential for improvements in the quality of consultative examinations from the implementation of contracts for consultative examinations. In addition, the conferees request SSA include in its fiscal year 2020 Congressional Justification the following information: (1) annual number of consultative examinations, including the number for each State, (2) the percentage of applicants who require a consultative exam, and the share of those exams which are conducted by the treating medical provider, nationally and for each state, (3) the number of days for consultative examination completion nationally, including the number of days for each State, and (4) the total cost of consultative examinations nationally, including the cost of consultative examinations by State.

Disability Case Processing System (DCPS).-The conferees support efforts to modernize the case processing systems used by State Disability Determination Service agencies. Division H of the Consolidated Appropriations Act, 2018 underscored States' ability to select from all available options to modernize their case processing systems. The conferees remain concerned with the progress of the DCPS upgrade. Within 90 days from the date of enactment of this Act, SSA shall submit a report to the Committees on Appropriations of the House of Representatives and the Senate and the authorizing committees of jurisdiction. Such report shall include: (1) an update on the actions taken by SSA to permit States the ability to select from available options, including commercial off the shelf (COTS) solutions, to modernize their case processing systems, so long as the selected option has similar or better functionality as DCPS without imposing costs that are higher than using DCPS, (2) actions taken by SSA to enable COTS field production deployment, and (3) a description of any challenges, cost constraints, or legal barriers to implementation from available options.

Work Incentives Planning and Assistance (WIPA) and Protection and Advocacy for Beneficiaries of Social Security (PABSS).-The conferees include \$23,000,000 for WIPA and \$7,000,000 for PABSS.

NCSSMA Twitter Account

Reminder: NCSSMA has a Twitter account and we encourage you to join in and follow us! You can view and follow our page on your **home computer** at <http://twitter.com/NCSSMAORG> or your **personal mobile device** at <https://mobile.twitter.com/NCSSMAORG>.

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