



**CONSORTIUM FOR CITIZENS  
WITH DISABILITIES**

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Subcommittee on Human Resources**

**The Use of Technology to Improve the Administration of  
SSI's Financial Eligibility Requirements  
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**Testimony of Marty Ford  
Social Security Task Force  
Consortium for Citizens with Disabilities**

Contact:  
Marty Ford  
Director, Public Policy Office  
The Arc of the United States  
Phone: (202) 783-2229  
Fax: (202) 534-3731  
Email: [ford@thearc.org](mailto:ford@thearc.org)

**ON BEHALF OF:**

Association of University Centers on Disabilities  
Bazelon Center for Mental Health Law  
Community Legal Services of Philadelphia  
Easter Seals  
Health and Disability Advocates  
National Alliance on Mental Illness  
National Association of Councils on Developmental Disabilities  
National Association of Disability Representatives  
National Organization of Social Security Claimants' Representatives  
The Arc of the United States  
National Disability Rights Network  
United Cerebral Palsy  
United Spinal Association

## **TESTIMONY OF MARTY FORD ON BEHALF OF THE SOCIAL SECURITY TASK FORCE, CONSORTIUM FOR CITIZENS WITH DISABILITIES**

Chairman Davis, Ranking Member Doggett, and Members of the Subcommittee, thank you for the opportunity to provide testimony for this hearing on the use of technology to improve the administration of the Supplemental Security Income (SSI) financial eligibility requirements.

I am the Director of the Public Policy Office of The Arc of the United States. I am also a member of the Consortium for Citizens with Disabilities (CCD) Social Security Task Force. CCD is a working coalition of national consumer, advocacy, provider, and professional organizations working together with and on behalf of the 54 million children and adults with disabilities and their families living in the United States. The CCD Social Security Task Force focuses on disability policy issues in the Title II disability programs and the Title XVI Supplemental Security Income (SSI) program.

The focus of this hearing is extremely important to people with disabilities. SSI cash benefits, along with the related Medicaid benefits, are the means of survival for over 8 million individuals with severe disabilities. SSI benefits help people with significant disabilities meet their basic needs for housing, food, and clothing, and secure essential services and medical care. SSI benefits also play a central role in helping people with significant disabilities live in the community, rather than in restrictive, costly institutions.

Proper administration of SSI benefits is critical and has long been of interest to the CCD Social Security Task Force. Other witnesses on this panel are able to testify about the more technical aspects of the Social Security Administration's technological initiatives related to the SSI program's financial eligibility requirements. My testimony will focus on the perspective of SSI beneficiaries and on the recommendations of the CCD Social Security Task Force for ways to enhance SSA's use of technology to improve the experience and outcomes of SSI beneficiaries.

### **1. Proper and timely application of the SSI financial eligibility criteria is important. The SSI program is a very complex program to administer.**

As Social Security Administration (SSA) Deputy Commissioner Carolyn Colvin has noted in past testimony, the SSI program is very complex and benefits can change each month due to income and resource fluctuations and changes in living arrangements.<sup>1</sup> There are complex program rules and delays in receiving income data. The agency has struggled over the years to improve its accuracy rate for SSI payments – both for overpayments and for underpayments. Earlier this year, Deputy Commissioner Colvin noted that “In the SSI program, 93.3 percent of all payments were free of an overpayment, and 97.6 percent of all payments were free of an underpayment, a significant improvement from FY 2008.”<sup>2</sup> She also noted that given the complexity of the statutes governing the disability programs and the volume of work, some overpayments are unavoidable. The complexity of the return-to-work provisions is exacerbated when a beneficiary receives both SSDI and SSI, because the beneficiary is subject to two different sets of rules. About 30 percent of Title XVI beneficiaries aged 18-64 also receive Title II benefits.<sup>3</sup>

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<sup>1</sup> Statement of Carolyn W. Colvin, Deputy Commissioner, Social Security Administration, before the House Committee on Ways and Means, Subcommittee on Social Security and Subcommittee on Oversight, June 14, 2011.

<sup>2</sup> Statement of Carolyn W. Colvin, Deputy Commissioner, Social Security Administration, before the House Committee on Ways and Means, Subcommittee on Social Security, January 24, 2012.

<sup>3</sup> Table V.F1.—Percentage of SSI Federally-Administered Recipients in Current-Payment Status with Participation in Selected Programs Based on SSA Administrative Records, December 2011. In Social Security Administration (2012). 2012 Annual Report of the SSI Program.

While SSA recognizes that the SSI program rules are challenging for administrators of the program, we believe that the program is much more difficult for SSI beneficiaries to understand and follow accurately. SSI applicants and beneficiaries are under tremendous financial stress when they apply for SSI and while they are using SSI benefits (the maximum federal SSI benefit of \$698 per month pays only about 75 percent of the Federal poverty level for an individual). They often experience other stressful situations, including food insecurity, possible homelessness, and personal and family crisis due to economic hardship. For some, the very disability for which they have turned to the SSI program adds its own pressures to the situation and, in some cases, makes navigating the complexity of the SSI program extremely difficult.

**2. Technology can play a role in helping to accomplish proper and timely application of the SSI financial eligibility criteria.**

Commissioner Michael Astrue and Deputy Commissioner Colvin have testified about SSA's Access to Financial Institutions (AFI) project and the SSI Telephone Wage Reporting (SSITWR) system. Commissioner Astrue has made a strong commitment to improve and expand the technology used in the disability determination process. SSA has implemented a number of significant technological improvements that have helped claimants and their representatives and have made the process more efficient for SSA employees.

The CCD Social Security Task Force generally supports SSA's efforts to improve the disability claims process, so long as they do not infringe on claimants' rights. We have also always supported SSA's work in conducting continuing disability reviews and redeterminations to ensure continued integrity of the SSI and Social Security disability programs. We recognize that technology can improve the Administration's efforts in these areas.

However, it is important to remember that many SSI applicants and beneficiaries lack electronic access to SSA or may not be able to understand or navigate electronic communications. For example, a recent study by the Department of Commerce found that 46 percent of households headed by a person with a disability did not have a computer at home, compared to 20 percent of homes where the head of household had no disability.<sup>4</sup> Sadly, our burgeoning electronic world is creating new barriers for people unable to cognitively and/or financially keep pace.

The complexity of the SSI program and the requirements placed on beneficiaries for reporting and maintaining compliance with SSI rules, combined with a push for increased use of technology, will place increased pressures on those SSI beneficiaries who are unable to navigate in an electronic world. This will require an increased commitment on the part of the Administration and the Congress to recognize the increasing difficulties for these beneficiaries and to work to find solutions for them.

For these reasons, we believe that SSA must exercise caution to ensure that beneficiaries are protected, particularly where they are unable to navigate the system and need assistance in correcting errors. While there may be ways to improve the process from the perspective of the Administration, the bottom line evaluation must be how the process affects the very claimants and beneficiaries for whom the system exists. We believe that the critical measure for assessing initiatives for achieving

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<sup>4</sup> U.S. Department of Commerce (2011). Exploring the Digital Nation: Computer and Internet Use at Home. Accessed July 15, 2012 at [http://www.ntia.doc.gov/files/ntia/publications/exploring\\_the\\_digital\\_nation\\_computer\\_and\\_internet\\_use\\_at\\_home\\_11092011.pdf](http://www.ntia.doc.gov/files/ntia/publications/exploring_the_digital_nation_computer_and_internet_use_at_home_11092011.pdf).

administrative efficiencies must be the potential impact on claimants and beneficiaries. Proposals for increasing administrative efficiencies must bend to the realities of beneficiaries' lives and accept that people face innumerable obstacles when they apply for and rely upon disability benefits. SSA must continue, and improve, its established role in ensuring that beneficiaries are fully protected in the process and must design its rules and procedures to reflect this administrative responsibility.

### 3. **Recommendations.**

SSA and Congress can work together to make it easier for SSI beneficiaries to navigate the system. Improvements to the process will reduce the time and effort that both beneficiaries and SSA must devote to the financial eligibility process, improve accuracy and timely access to benefits, and in particular will assist SSI beneficiaries who are exploring opportunities to work. On behalf of the CCD Social Security Task Force, I am pleased to offer the following recommendations.

#### **a. Provide adequate administrative resources for SSA.**

Foremost, SSA requires adequate administrative resources to effectively administer the SSI program including the program's financial eligibility requirements.

For many years, SSA did not receive adequate funds for its mandated services. Between FY 2000 and FY 2007, the resulting administrative funding shortfall was more than \$4 billion. We thank this Committee for its efforts to provide SSA with adequate funding for its administrative budget. Between 2008 and 2010, Congress provided SSA with the necessary resources to start meeting its service delivery needs. With this funding, SSA was able to hire thousands of needed new employees. There can be no doubt that this additional staff greatly enhanced SSA program operations.

Unfortunately, SSA's administrative budget (Limitation on Administrative Expenses or LAE) has been inadequate in recent years. SSA has received virtually no increase in its LAE since 2010. In FY 2011, SSA's appropriation was a small decrease from the FY 2010 level and the FY 2012 appropriation was only slightly above the FY 2010 level.

Commissioner Astrue recently testified about the negative effects of cutbacks in SSA's administrative funds for Fiscal Year 2012 on the agency's ability to complete all of its post-entitlement work, including SSI status changes, and on the agency's resources for Information Technology (IT) investments.<sup>5</sup> We urge Congress to provide SSA with adequate resources to carry out all necessary program functions.

#### **b. Use enhanced automation to improve customer service and outcomes for beneficiaries.**

As highlighted during this hearing, in recent years SSA has developed a number of automated tools to increase efficiency in handling an ever-increasing workload in times of declining administrative resources. SSA can expand on its efforts to use technology to improve the experience and outcomes of beneficiaries in several ways.

First, SSA should provide an option for individuals to complete an application for SSI online. Currently, applicants for Social Security Title II disability benefits can file online. Applicants for

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<sup>5</sup> Statement of Michael J. Astrue, Commissioner, Social Security Administration, before the Finance Committee of the U.S. Senate, May 17, 2012.

Title XVI benefits can fill out a Disability Report online, but must schedule an appointment with their local SSA field office to complete their application. Although the SSI eligibility criteria are complex, both SSI applicants and SSA would benefit from the availability of an option to complete the entire SSI application online. This option would be particularly helpful for individuals filing a concurrent application for Title II and Title XVI benefits.

Additionally, SSA needs to develop a better earnings reporting and recording system – including providing an option for online wage reporting for SSI recipients – that allows the agency to promptly adjust benefit payments. Unfortunately, adjustment of benefits is one area that has slipped due to staffing shortages. When a beneficiary faithfully notifies SSA of earnings or other changes that may reduce benefit payment amounts, it may be months or years before SSA sends an overpayment notice, demanding repayment of sometimes tens of thousands of dollars of accrued overpayments. Beneficiaries are shocked to receive these notices, when they reasonably assumed that SSA had processed the information they submitted. It is challenging, if not impossible, for someone subsisting on benefits alone to repay the overpayments. Many people with disabilities are wary of attempting to work out of fear that this may give rise to an overpayment. It is important to note that, in and of themselves, overpayments do not indicate fraud or abuse as beneficiaries are encouraged to work if they are able. The problems arise when reported earnings are not properly recorded and monthly overpayments are not properly adjusted. Improving SSA's earnings reporting and recording system will reduce overpayments and remove barriers for beneficiaries who wish to attempt to work.

SSA also should consider using its Continuing Disability Review Enforcement Model to help prevent overpayments before they happen. The Continuing Disability Review Enforcement Model is a computer algorithm that determines which disability cases should be prioritized for review to minimize large overpayments due to income from earnings, and initiate recovery efforts. This tool is an excellent example of how technology can increase efficiency and program integrity. SSA should also use it to target beneficiaries most in need of counseling about their benefits and reporting responsibilities, to prevent overpayments before they happen.

SSA also needs to enhance the use and operation of its toll free 1-800 telephone number. SSA directs many activities to this toll free number, from initiating a claim for benefits to reporting a change of address. Currently SSI-only beneficiaries can use the 1-800 number to report earnings, but SSDI beneficiaries cannot. Additionally, there is no "handshake" between the computer system used by SSA's 1-800 number staff and the systems used by local field and hearing offices. As a result, reports made by claimants via the 1-800 number often fail to be relayed to local field office and Office of Disability Adjudication and Review (ODAR) personnel. This can have terrible consequences. For example, if a claimant's change of address is not communicated to the local field or hearing office, the claimant may fail to receive notice of a hearing or of required appointments, which can result in delay and/or denial of benefits. Current beneficiaries may not receive notice of SSA's intention to terminate benefits. Enhancements to the 1-800 number can help prevent these kinds of problems.

Additionally, as SSA ramps up its technology for identifying potential income and resource eligibility issues, there is a long overdue need to establish an automated process for logging in appeals of adverse determinations and for having an automated process that assures continuation of benefits unchanged when an appeal or request for waiver is timely filed.

Finally, I would like to reiterate that SSA will need adequate administrative funding to make many of these improvements in automation possible.

Additionally, as noted above, many people with disabilities lack Internet access and remain unlikely to obtain information and access services through SSA's website. Even as SSA seeks to direct claimants to its website, it should continue to display and provide written publications in local field offices so that individuals lacking Internet access or computer proficiency are not at a disadvantage.

**c. Ensure continuation of the Work Incentive Planning and Assistance (WIPA) and Protection and Advocacy for Beneficiaries of Social Security (PABSS) programs.**

The WIPA and PABSS programs, established in 1999, provide critically important employment services that help beneficiaries of Social Security's SSDI and SSI disability programs attain greater economic self-sufficiency.

WIPA grants go to local non-profits and other agencies to support outreach, education, and benefits planning services for SSI and SSDI beneficiaries about work incentives and services for finding, maintaining, and advancing in employment. WIPA grantees inform beneficiaries about the impact that employment will have on their disability income and medical coverage, and address many of the real fears that individuals have about going to work at the risk of losing health coverage.

PABSS provides a wide range of services to SSI and SSDI beneficiaries. This includes information and advice about obtaining vocational rehabilitation and employment services, information and referral services on work incentives, and advocacy or other legal services that a beneficiary needs to secure, maintain, or regain gainful employment.

The continued existence of the WIPA and PABSS programs is under serious threat. Although authorization for both programs expired on September 30, 2011, SSA was able to set aside funding to sustain the PABSS program until September 30, 2012 and the WIPA program until June 30, 2012. The recent expiration of funding for the WIPA program already has resulted in the layoffs of many well-trained employees. The impending expiration of funds for the PABSS program makes it impossible for PABSS agencies to engage in budget and planning activities and creates significant employment uncertainty for the PABSS advocates.

The CCD Social Security Task Force supports measures to continue the WIPA and PABSS programs, such as H.R. 6061, the *WIPA and PABSS Continuation of Services Act of 2012*, which would ensure SSA's authority to continue to provide funding for the programs.

**d. Update the SSI asset and savings limits.**

Congress should raise the SSI asset limit and income disregards and index them annually for inflation. The monthly unearned income disregard for an individual has remained at \$20 and the earned income disregard for an individual has remained at \$65 plus one-half of remaining earnings since the inception of the SSI program in 1972.<sup>6</sup> Similarly, the SSI asset limit of \$2,000 for an individual or \$3,000 for a couple has not changed since 1989. Neither the income disregards nor the asset limit are indexed for inflation.

The extremely low income disregards mean that many SSI beneficiaries' earnings trigger an overpayment for even relatively modest amounts of work. Nearly half (about 45 percent) of SSI

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<sup>6</sup> U.S. House of Representatives, Committee on Ways and Means (2008) *Background Material and Data on the Programs within the Jurisdiction of the Committee on Ways and Means*.

beneficiaries who work earn less than \$200 per month.<sup>7</sup> Increasing the earned income disregard and indexing it for inflation would help beneficiaries and make it easier for them to work. For SSA, it has the potential to reduce the agency's administrative workload for these low-wage earners, reduce overpayments, and perhaps lead to administrative savings.

Raising the asset limit and income disregards will also provide working beneficiaries the opportunity to save for home ownership, education, or retirement, and will protect their access to Medicaid.

For these reasons, we recommend raising both the asset limit and income disregards to the amounts that they would have been if indexed since their inception.

**e. Support demonstrations that would benefit concurrent beneficiaries.**

Concurrent beneficiaries of SSI and SSDI face a particularly complex set of earnings and asset rules. Demonstrations allow SSA to test additional ways to help beneficiaries navigate the system, including through program simplification and the use of technology. Currently, SSA has demonstration authority for its Title XVI programs, but demonstration authority for the Title II programs needs to be extended. Congress should extend SSA's Title II demonstration authority and should support innovative proposals such as the Work Incentives Simplification Pilot.

**4. Conclusion.**

In summary, I would like to emphasize the need for SSA to have adequate administrative resources, to use technology in ways that improve customer service and outcomes for beneficiaries, to continue the WIPA and PABSS programs, to look at making it easier for SSI beneficiaries to work by raising the SSI income exclusions and asset limit and indexing them for inflation, and to support demonstrations that would benefit concurrent SSI and SSDI beneficiaries.

Thank you for the opportunity to testify on behalf of the Consortium for Citizens with Disabilities Social Security Task Force on this important topic. I look forward to answering any questions you may have.

**Submitted on behalf of:**

Association of University Centers on Disabilities  
Bazelon Center for Mental Health Law  
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Health and Disability Advocates  
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<sup>7</sup> Table 46. Blind and disabled recipients who work and their average earnings, by selected characteristics. In Social Security Administration (2011). SSI Annual Statistical Report, 2010.