



**CONSORTIUM FOR CITIZENS
WITH DISABILITIES**

September 27, 2006

The Honorable William H. Frist
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Harry Reid
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Thad Cochran
Chairman
Committee on Appropriations
United States Senate
Washington DC 20510

The Honorable Robert C. Byrd
Ranking Member
Appropriations Committee
United States Senate
Washington DC 20510

Dear Senators Frist, Reid, Cochran, and Byrd,

As the Senate prepares to take action on the appropriations bill for fiscal year 2007, we urge you to provide at least the President's budget request of \$9.494 billion for the Social Security Administration's Limitation on Administrative Expenses (LAE). In addition, we urge you to remove SSA's LAE from the limits placed on the discretionary budget.

The Consortium for Citizens with Disabilities 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 XVI Supplemental Security Income program and the Title II disability programs.

The budget request for SSA covers the cost of administering Social Security programs, including the Old Age, Survivors, and Disability Insurance programs (Title II) and the Supplemental Security Income (SSI) program. Together these programs provide benefits for more than 50 million Americans. SSA's administrative budget must cover the costs of processing claims for retirement, survivors, and disability benefits, deciding who is disabled, conducting continuing disability reviews, ensuring appropriate payment amounts, adjusting overpayments, providing service to the public through SSA's 800 number and its more than 1,300 field offices throughout the country, running the Ticket to Work program and other work incentive programs, issuing Social

Security numbers, and generally ensuring that the Social Security programs are implemented properly.

SSA Commissioner Jo Anne Barnhart has indicated that the funding level of \$9.093 billion, included in the Senate Committee Report of the Labor, Health and Human Services, and Education and Related Agencies Appropriations bill, will require SSA to cut an additional 4,000 workyears beyond the already budgeted 1 for 3 replacement rate for staffing levels for FY 2006 and 2007. This level of funding, \$401 million below the President's budget request, would require ten days of SSA agency-wide furloughs. These furloughs would mean that SSA field offices, processing centers, and telephone service centers throughout the country would be closed. Beneficiaries and claimants would be unable to access important services provided by SSA such as filing new applications, filing appeals, reporting non-receipt of monthly benefit checks, and other actions critical to their well-being. The impact of these furloughs would also extend beyond the actual dates of closure, as they would increase backlogs and delays even after the agency had reopened.

SSI and Title II cash benefits, along with the related Medicaid and Medicare benefits, are the means of survival for many with severe disabilities. Without adequate appropriations to fund the Social Security Administration, people with severe disabilities will experience longer delays in accessing these critical cash and medical benefits.

With the increasing numbers of baby boomers who are applying for retirement and disability benefits, it is essential not only that SSA have the staffing and technological resources in future years as the numbers continue to increase, but also right now. Without necessary funding now, SSA will not be able to make the technological improvements needed to ensure that SSA can handle these growing caseloads in a timely fashion.

In addition, it is critical that SSA have adequate funds to conduct large numbers of continuing disability reviews and redeterminations. Without adequate administrative resources, over time, the failure to conduct CDRs will have the effect of undermining the integrity of the process and the disability programs. Congress and the public need the reassurance about the integrity of the system that comes from ongoing, regular reviews to determine the continuing eligibility of beneficiaries with disabilities.

We also urge you to separate SSA's LAE budget authority from the Section 302(a) and (b) allocations for discretionary spending. The funds for Title II LAE are ultimately paid out of the Social Security Trust Funds, while general revenues are used to reimburse the Trust Funds for LAE costs associated with the Supplemental Security Income (SSI) program. SSA's administrative expenses are approximately 2% of benefit payments paid annually. The size of SSA's LAE is driven by the number of administrative functions SSA conducts in order to serve its current beneficiaries and applicants. It is time that Congress removed this administrative function from the

discretionary budget that supports other important functions and programs. SSA's LAE would still be subject to the annual appropriations process and Congressional oversight.

Failure to include adequate funds for SSA's administrative expenses will result in hardship for millions of Americans who are aged or disabled and need SSA's help. It is imperative that SSA be provided with the funds to do its job. We urge you to ensure that, at a minimum, the additional \$401 million be appropriated.

Sincerely,

Marty Ford
The Arc and United Cerebral Palsy Disability Policy Collaboration

Ethel Zelenske
National Organization of Social Security Claimants' Representatives

Alaine Perry
United Spinal Association

Co-Chairs, Social Security Task Force

cc: The Honorable Arlen Specter
The Honorable Tom Harkin
The Honorable Jo Anne B. Barnhart