

**Questions for the Record Subsequent to the March 24, 2009, Hearing
Before the House Committee on Ways and Means
Subcommittees on Social Security and Income Security and Family Support**

with AFGE rebuttal to Commissioner's response incorporated

- 1. You stated in your testimony that by the end of the current year, the ALJ-to-staff ratio in SSA's hearing offices will be 4.5 to 1. However, some have suggested that the ratio should be higher – as high as 5.25 to 1 – especially given the importance of working down the backlog quickly. Do you agree that hearing office productivity could be increased if the ALJ-to-staff ratio were higher than 4.5 to 1?**

Because of the economic downturn, we are seeing an increase in the number of initial disability applications filed, which will ultimately lead to more requests for hearings. In addition to improving our business process and productivity, we will need more administrative law judges (ALJs) and staff to support them to process the projected increase in receipts.

However, it is not simply the number of staff in a hearing office that determines the most efficient hearing office composition, it is also the mix of employees in the particular office. We believe that, as long as we can provide the right combination of job functions, a ratio of 4.5 support staff – such as case pullers and decision writers – for each ALJ will allow us to continue reducing the backlog. Our goal for this year and into the next is to ensure that all offices have the most efficient mix of staff needed to support the ALJs. The American Recovery and Reinvestment Act (ARRA) funding will help us hire these critical additional support staff.

With the right mix of critical support staff and the addition of 148 new ALJs whom we are hiring this month, we anticipate seeing an accelerating decrease in the disability hearings backlog. The number of pending hearings has dropped five months in a row and is down for the year, and we should be able to continue to make progress even in the face of the current economic downturn.

Your timely support of the President's FY 2010 budget will enable us to hire ALJs and hearing office support staff earlier in the fiscal year, which will allow these new employees to complete training and become productive in processing workloads earlier in the fiscal year.

Congressional testimony from the Association of Administrative Law Judges/International Federation of Professional and Technical Employees (AALJ/IFPTE) has consistently called upon SSA to hire more support staff, so that sufficient numbers of cases can be properly prepared to keep ALJs busy conducting hearings, and so that decisions can be drafted and cases adjudicated to pay or denial more promptly after the hearings. Congress should take special note of this, since the

AALJ/IFPTE is the union representing the ALJs, not the support staff which is primarily represented by AFGE. ALJs too often have to delay scheduling because cases are not ready, and claimants who have waited years for a hearing have to wait months more for a final decision. The shortage of support staff is so severe that field office, teleservice center, and quality review employees have been taken away from their regular duties to fill the need. ALJs are paid two to three times more than the support staff, so it makes little sense for taxpayers to pay premium pay to have the ALJs perform these functions themselves.

Strong consideration should be given to reinstating something like the very successful Adjudicative Officer initiative, piloted during the Clinton Administration, which provided for non-attorneys to develop cases, and then write decisions on those that could be approved without a hearing. Instead, the Agency has rushed to implement unproven and problem-plagued electronic case-pulling and case processing systems, which have often created inaccurate and incomplete records, and interfered with production more than they have helped. Until SSA once again fully involves the employees who do the work in designing and implementing new technologies and work methods, through their AALJ/AFPTE and AFGE representatives, the Agency will continue to waste money and deliver disappointing results.

2. We understand that you have taken measures to better balance workloads between hearing offices, but significant imbalances remain. What further measures will you take to balance hearing office workloads? To what extent are staffing allocations driven by space limitations rather than workloads, and what are you doing to change this?

We actively monitor receipts and pending cases and redistribute workloads as we detect imbalances in one hearing office compared to others. We can permanently transfer cases, realign service areas, and temporarily transfer some workloads in order to balance workloads among our offices.

In addition to these workload management techniques, we are developing computer modeling methods to forecast workload anomalies so that we can develop proactive management plans to address changing workloads in our hearing offices. These computer models will enable us to more quickly recognize and respond to potential bottlenecks to alleviate uneven case receipts.

We allocate staff based on not only the location of the most severe backlogs, but also the location of available space. Since we are often unable to increase the size of our offices due to space constraints, redistributing work among our offices is the most effective way to address these imbalances in the short-term.

AFGE is finding that space for relocated offices and new offices is being acquired by SSA that is barely adequate for existing staff, much less the increased staff needed to address future workloads. Leases are typically for 5 years firm, with an option to

extend for 5 more years. Relocation costs are high, and moving offices disrupts production, so it's important to get it right the first time. There is little or no room for expansion, and the Agency should have foreseen the need for growth years ago, based on the aging of the American workforce into their most disability-prone years. The recession only exacerbates the problem, as desperate workers increasingly file for disability benefits.

SSA is a customer of GSA in the space acquisition process, and should insist that current and future needs can be met in new space, and that expansion is possible in the initial acquisition, or that supplemental space is quickly acquired as needed. Moving work to distant offices is not the long-term solution, as clients have the right to a face-to-face hearing, often their only opportunity to meet with a decision-maker. The Agency is obligated to pay for travel and lodging so that clients, medical experts, and vocational experts can appear at hearings.

3. Do you have a plan to increase Disability Determination Services capacity over the next few years so that SSA can handle both the anticipated increase in incoming disability claims and an increase in continuing disability reviews?

We are committed to expanding staff in the DDSs and in the federal units that augment the DDSs to help us process the additional initial disability claims we are receiving as a result of the economic downturn. The number of pending initial claims will rise dramatically in a relatively short period of time. In response, we are developing an aggressive strategy to process these claims accurately and efficiently without sacrificing other important disability workloads, such as continuing disability reviews and reconsiderations.

We are still evaluating other options for policy, procedural, and automation changes to help reduce this workload more quickly and expect to release a more detailed plan by the end of the summer.

The Agency worked with AFGE to pilot the very successful Disability Claims Manager position during the Clinton years, which allowed field office employees to make medical decisions on selected cases, rather than hand them off to state agencies for processing. Communication with claimants was superior to the traditional process, and even those whose claims were disallowed were more satisfied with the outcome, resulting in fewer appeals filed by applicants who had no chance of meeting the requirements for entitlement. The need for such a position is greater now than ever before, and Congress should also give serious consideration to federalizing the DDS function. Many states are furloughing DDS examiners, and failing to hire enough additional ones to keep up with increasing initial claims, reconsiderations, and continuing disability reviews, due to state budget woes, even though the DDS function is fully-funded by SSA. There are wide disparities among the states in terms of processing times and allowance rates. SSA needs to gain control of its national disability programs, and create stability and uniformity, through federalization.

- 4. Testimony from the Consortium for Citizens with Disabilities Social Security Task Force stated that they had “received complaints from representatives that, in some cases, ALJs are discouraging claimants from exercising their right to an in-person hearing.” What are SSA’s policies in this area, and what actions are you going to take in light of these allegations?**

Claimants have an absolute right to appear in person before an ALJ, and we do nothing to discourage them from exercising this right. On April 17, 2009, the Chief ALJ sent a memorandum to this effect to all ALJs.

We offer claimants the opportunity to participate in hearings using video conferencing. For many claimants video conferences are more convenient and often save them the costs of transportation to the hearing site. In addition, many claimants with certain psychological conditions or mobility limitations prefer video hearings. We expect more claimants to choose this option as we expand our pilot to allow claimants to choose video hearings from their representatives’ offices. Video conferencing also gives us more flexibility in scheduling hearings, allows a broader range of expert testimony, particularly in those geographic areas where access to experts is limited, and improves our efficiency by minimizing the need for extensive travel by our ALJs.

By this response, the Agency at least implies that it is, in fact, encouraging clients to utilize video conferencing. Observations made on a flat screen are in no way equivalent to those made face-to-face in a hearing room. Applicants with limited mobility, and those with mental impairments, benefit in particular when they can be observed in three dimensions, face-to-face. There is much more potential for fraud by “stand-ins” who may be utilized by unscrupulous applicants or attorneys when client identities are not validated in person.

- 5. You mentioned in your testimony that you would begin posting updates on the backlog on the internet. Would you include data on the actual monthly average processing times for each hearing office in the country, so that Members and the general public can see how their areas are progressing?**

We are currently determining what data would be most useful to post on the internet. We anticipate finalizing our selections and posting this information sometime during June or July. When posted, the data will be available at www.socialsecurity.gov.

In addition, we are preparing individualized pamphlets for each State, detailing our progress through the second quarter of FY 2009 toward reducing the hearings backlog.

Last fall, after a protracted FOIA battle with SSA, the Oregonian obtained national and local level data on appeal processing times and individual ALJ allowance and denial rates, and posted the information to its website. There were startling differences between offices and ALJs. Since the Agency collects and can provide this

data to a Portland newspaper, there is no reason why it shouldn't be provided to Congress on an ongoing basis. It is highly unlikely that the kind of detail that the Oregonian posted will ever appear on www.ssa.gov.

6. At the end of FY 2009, what do you expect the level of pending hearings to be? The level of pending initial claims? How do these compare to the pending level for hearings and initial claims at the end of FY 2008?

Our original budget estimate was that at the end of FY 2009, we would have about 754,600 cases pending hearings, slightly fewer than our FY 2008 pending level of 760,813 cases. As of the end of May 2009, we are below that number – with 750,601 cases. The level of pending hearings has dropped each of the last 5 months, and if this trend continues through the end of this fiscal year, we expect to continue to drive the pending level lower by the end of the year, probably between 740,000 and 745,000 cases. While we are adjudicating more cases than we did last year, we are still focusing on the oldest hearing cases, which are generally more complicated and take longer to adjudicate. In addition, due to the recession, we are receiving more requests for hearings than we had planned for when we originally submitted our budget.

Due to the economic downturn, we are experiencing an unprecedented rise in initial claims at the DDS level, and we expect to see our highest-ever level of receipts in FY 2009. This increase far exceeds our processing capacity. While we are taking steps to increase our capacity to process this additional work (see our response to Question 3), we will not be able to keep up with the surge of claims. For the January through the end of May period, our receipts are up over 12 percent over last year's, and the number of applications pending in the DDSs has grown over 25 percent, from 556,000 to 702,448.

The wave of initial claims and reconsiderations at the DDSs this year will soon make its way to the offices of hearings and appeals. Unfortunately, SSA never finished work on the "process unification" effort that it initiated with AFGE in the 1990s. We are not making the right decision the first time on nearly enough cases. Applicants come to us "knowing" from the beginning, based on what they have heard from others, that their claims will be denied the first and second times, and that they will need to file hearings to receive justice. They ask us whether the Agency denies their claims and reconsideration requests in order to save money, and hopes that applicants will just give up, or even die, in the two or three year period after a claim is filed. It is hard to convince them otherwise, with two-thirds of initial claims denied, and two-third of hearings allowed. Congress should insist that SSA work with employees and their representatives to create more consistency between decisions made at the DDS and ALJ levels, and between decisions made by individual adjudicators.

7. Labor-management relations at SSA have been increasingly strained. What efforts are you making to improve this situation?

We maintain ongoing dialogue with all four unions that represent our employees: the Association of Administrative Law Judges/International Federation of Professional and Technical Engineers (AALJ/IFPTE); the American Federation of Government Employees (AFGE), the National Federation of Federal Employees (NFFE), and the National Treasury Employees Union (NTEU). We continue to foster our relationships with the unions through daily interaction, face-to-face meetings, increased communication, and information sharing with union leadership and representatives.

We have also formed joint union-management committees with three of the four unions – AALJ/IFPTE, AFGE, and NTEU – and established subcommittees to address a number of topics – such as health and safety, judicial technology, etc. – that both union and management officials have agreed are essential for joint resolution. These committees meet at agreed-upon intervals, ranging from one to six times a year. We also initiate and offer briefings for the AFGE General Committee, the IFPTE Labor/Management Committee, and the NTEU Labor Management Relations Committee on an as-needed basis.

AFGE, AALJ/IFPTE, and the AFL-CIO stand shoulder-to-shoulder in calling for the resignation of Commissioner Astrue, or his removal for neglect and malfeasance in administering SSA programs. Congress should be very concerned about the harm being done to the public, but also about the broken labor-management relationships. The AFGE perspective on these matters can be found at:

www.preserveyoursocialsecurity.org

- 8. In your written statement, you said you were working with GSA to “...expedite opening 10 new hearing offices.” We understand that, in some areas with particularly heavy workloads, if there is adequate space in existing SSA facilities such as a hearing office, you plan to increase hearing capacity by temporarily offering dedicated space in such facilities where claimants can take part in video-hearings conducted by ALJs located elsewhere. Is this correct? What are these locations? When do you expect the 10 new hearing offices you described in your testimony to be open? Will all of these hearing offices be full service offices that process appeals and conduct in-person hearings?**

Due to the many obstacles to expanding the hearing offices, the location and size of the hearing offices are essentially the same as they were twenty years ago, even though the demographics of the claimant population have changed dramatically. In our recent expansions, we have considered the changed demographics, which is why we have expanded primarily in the Manufacturing Belt and Southeast.

We are now on track to establish not just 10, but 13 new hearing offices and 5 satellite offices by the end of FY 2010. These full-service offices will be located in areas with the greatest need.

The following table shows our plans for new and expanded facilities.

New Hearing Offices	New Satellite Offices (SO) & Expansions ¹
Atlanta South, GA Tallahassee, FL St. Petersburg, FL Fayetteville, NC Akron, OH	Boise, ID – (Permanent Remote Site ² (PRS) to SO) – New SO Sioux Falls, SD – SO Expansion Anchorage, AK – (PRS to SO) – New SO Rochester, NY- SO expansion Ft Myers, FL - (PRS to SO) – New SO

¹ A satellite office (SO) is located in leased space and provides workload support to its parent hearing office. It is generally staffed with one to three ALJs, decision writers, other support staff, and usually but not always, one management official. Hearings are scheduled and held daily and both video and face-to-face hearings are held if the SO is video equipped.

² A permanent remote site (PRS) is generally leased space consisting of one or two hearing rooms, at least one of which is video equipped. Hearings may be held with the judge present or by video.

New Hearing Offices (Cont)	New Satellite Offices (SO) & Expansions (Cont)
Livonia, MI Toledo, OH Mt. Pleasant, MI Madison, WI Topeka, KS Danville, IL/ Portage, IN Auburn, WA Phoenix, AZ	Harlingen, TX – (PRS to SO) – New SO

At the hearing we indicated that we had a preliminary plan to establish a Satellite Office in Gary, IN and we now believe this office will be in Valparaiso, IN. In some regions, depending on the need and the resources available, we established claimant-only hearing sites in local field offices. A claimant-only hearing site generally consists of leased space with one to four video-equipped rooms. Field office employees are available to assist claimants, if necessary. A claimant and his or her representative come to the site for a video hearing, and an ALJ conducts the hearing from a distant hearing office or National Hearing Center. Although some of these video sites are up and running, we are testing various business processes to determine which will best serve our employees and the public. We have also added a larger hearing room at some of these sites in case an ALJ needs to hold a face-to-face hearing.

The GSA space acquisition process takes 15 to 18 months. Various market conditions also affect the acquisition process, such as zoning requirements, building codes, the location and amount of space needed, the vacancy rates in the specific area, community concerns, the economic conditions of the area, and the availability of credit for potential developers and lessors. GSA has committed to SSA that it is fully capable to support the SSA new requirements for additional space.

The Anchorage “satellite office” has now been designated a full hearing office, but will have only 2 ALJs, one of whom will now be designated the Chief ALJ, and therefore responsible for managing the office. This Chief ALJ will therefore not be able to do as many hearings as would be possible if the Seattle Hearing Office Chief ALJ managed an Anchorage satellite office. There will be 7 support staff. Auburn will have a mid-sized hearing office within a GSA complex that includes a GSA office, a large SSA teleservice center, a DVA claim processing facility, and a number of warehouses. None of the other components serves the public face-to-face, and it appears impossible for the Agency to establish an office at this location that satisfies the GSA/SSA Office of Hearings and Appeals Space Allocation Standards requirements for security and suitability, without very expensive alterations to the converted warehouse building selected. Commissioner Astrue visited the SSA teleservice center earlier this year, and decided on the spot that a hearing office should be added there as soon as possible. No SSA official who accompanied him dared to raise an objection.

9. You have testified that the accuracy rate for online applications was comparable to that of claims filed in an office or over the telephone. Because a trained, experienced SSA claims representatives (CR) reviews each claim before it is adjudicated, we would expect these rates to be similar. However, you have also said you are moving SSA towards auto-adjudication, where some claims will be processed to completion and payment without review by SSA staff.

a. What is the pre-review accuracy rate for claims filed over the internet? In other words, how accurate are claims filed over the internet *before* an SSA employee reviews them and recontacts the applicant?

We do not conduct pre-adjudicative accuracy reviews for any claims, including those filed over the internet. Our employees do review every claim for completeness, to make sure we have the information required to adjudicate the claim in compliance with our policies. We also perform management integrity reviews in field offices. After adjudication we perform the ongoing, formal *Transaction Accuracy Review*, which ensures our employees adjudicate claims in accordance with agency policy and procedures.

Based on the *Transaction Accuracy Review*, in FY 2008, we found no statistically significant difference in the accuracy rate between field office claims and internet claims. This review did not include claims filed through our new, improved internet application, the iClaim, which was not operational until December 2008. The iClaim application is more user-friendly and includes more guidance for the applicant. Thus, we expect similar, or even better, accuracy rates for iClaim compared to the prior internet application.

Transaction Accuracy Reviews (TAR) are a poor substitute for the much more comprehensive and rarely done full Stewardship Reviews, which require redevelopment of the application from scratch and comparison to the claim record. TAR looks only at selected parts of the electronic claim record, and if they look good the case is considered accurate. By the time the TAR review has been done, of course, a Claims Representative (CR) has had a chance to make changes.

What the Agency does not reveal in its response is that Office of Quality Programs (OQP) reviewers can see a list of every change made to the Modernized Claims System (MCS), and could easily collect data about which parts of the application needed to be changed in order to allow the claim to be processed, if asked to do so. They can also open the MCS Development Worksheet to see which documents were requested by the CR, and how long it took to receive them, and the electronic notice depository to see the correspondence sent to the applicant.

SSA has mandated that CRs must receive Internet claims into MCS within 5 days, and are expected to clear them within the Agency's processing time goals,

though they rarely have time set aside to accomplish these tasks within their interview schedules. Too often, the pressure to quickly process high volumes of cases leads to shortcuts and failure to afford due process. Missing application questions are answered by CRs with no claimant contact, so that a case will clear. Policies that require CRs to attempt personal contacts before denying claims for failure to provide required evidence, and to assist those who need it (especially the mentally disabled, homeless, and non-English-speaking) are too often ignored. Copies of correspondence requesting evidence, and of award/denial notices, are supposed to be retained electronically, but are sometimes missing. Code M5 and M6 disability denials, for failure to provide required evidence, are especially problematic, and a special study should be done. Applicants who are unaware that their claims or appeals have been denied, and inquire about status more than 65 days after a denial is processed, will start over with a new claim and are likely to lose benefits. When Internet applicants are not given a fair chance to comply with Agency requirements, or even issued a denial notice so that they can appeal, something has gone terribly wrong.

Responsibility for a culture that values only speed and production, at the expense of due process and the accuracy of decisions and payments, lies with the SSA Headquarters top-down hierarchy. The goals that they set for themselves and for their subordinates have perverted the Agency's mission of getting the right amount in benefits, to the right person, on time. Employees are trained to serve their bosses, not the public. They should be rewarded for detecting and correcting errors early and for assisting applicants, even if timeliness and productivity measures are affected, and for ensuring that applicants know their rights and responsibilities. Instead, they receive cash awards for meeting goals that are not reasonably attainable, and for helping their superiors look good, and there is a reason that there is little or no review done of the quality of their work. The result is that we spend too much time trying to collect overpayments, and in processing claims and appeals that should not have been needed. Public confidence in SSA, and in the programs it runs, erodes further.

Limited data provided to AFGE in the fall of 2008 did reveal that there were problems with accuracy involving the iteration of Internet claims that preceded iClaims. Since Agency policies have now "dumbed-down" the iClaims application and MCS, we believe that Stewardship Reviews that include contact with claimants would expose serious iClaims decisional and payment deficiencies. We urge the Committee to demand that substantial numbers of such reviews be done immediately as an OQP special study, with raw data as well as study reports supplied to Congress and to the GAO. Congressional and GAO oversight is especially needed now, because President Obama has not yet nominated either an Inspector General, or a Principle Deputy Commissioner, for SSA. AFGE is concerned that the independence of the SSA OIG Audit function, and of the OQP, has been severely compromised.

b. Does the pre-review accuracy rate differ between retirement and disability claims?

As noted above, this information is not available.

c. What is reviewed in determining whether a claim is “accurate” – is it simply the dollar amount of the benefit paid, or does it extend to reviewing whether SSA policy was correctly applied?

Our reviews look at both the dollar amounts paid and how accurately our policies are applied. A claim is “accurate” when we make the correct payment according to our policies and procedures. A claim is not accurate if our policies and procedures were not correctly applied, resulting in an incorrect award, denial, or payment (either overpayment or underpayment).

“Dollar Accuracy” reflects overall dollars paid compared to overall dollars that should have been paid on a small sample of cases, and is the basis for reporting 99.8% payment accuracy to Congress, which is very misleading. The percentage of cases paid accurately is no longer reported, despite repeated criticism of SSA by GAO for not disclosing this data. SSA refuses, perhaps because only 92% of cases were decided and paid correctly when such data was collected (but not reported) in the 1990s for Retirement and Survivors Insurance (RSI) claims. Social Security Disability and Supplemental Security Income case accuracy for non-medical factors of entitlement are likely worse than they are for RSI claims.

d. Does SSA conduct reviews where the entire claim is redeveloped? If so, what is the accuracy rate in this type of review, and do internet claims (both pre-review and post-review by a CR) have the same accuracy rate as in-person or telephone claims?

During our ongoing, formal *Stewardship Review*, we redevelop entire claims to determine if payment is correct. We review a random sample of records of beneficiaries in current pay. The review also involves extensive public contact, including at-home interviews in 25 percent of sampled Title II cases, and 100 percent of sampled Title XVI cases. Since the purpose of the *Stewardship Review* is to provide a payment accuracy measurement for all Title II and Title XVI outlays, we do not identify whether claims were filed in person, over the phone, or over the Internet. Our FY 2008 accuracy rate for overpayments was 99.67 percent and 99.92 percent for underpayments.

This summer, we will begin a new assessment that blends the protocols of the *Transaction Accuracy Review* mentioned in (a) above and the *Stewardship Review*. We plan to pull a sample of recently-adjudicated internet claims each month, make home visits to ensure the claims were filed by proper applicants,

and then redevelop the cases to ensure that we paid the correct amount of benefits for the reviewing period.

Stewardship review data is aggregated, and therefore does not identify the percentage of individual cases decided and paid correctly. The Committee should request the raw case-by-case data before aggregation. A detailed description of the new “blended” reviews should be requested, to determine whether they will clarify what is really going on, or further obfuscate matters. SSA should also be asked whether the \$5 tolerance is still being applied, which deems that cases are accurately paid if the monthly benefit issued is within \$5 of the correct amount. GAO criticized SSA for applying this tolerance, but SSA refused to change its ways.

10. In your oral testimony, you announced that in May 2009, SSA would introduce a new version of iClaim designed to reduce the need for employees to contact applicants.

- a. Is it true that under your current procedures, a CR reviews each claim prior to adjudication to verify that all factors of entitlement are met and all relevant issues are developed? When the new version of iClaim is released, will this change? If not, do you anticipate changing that procedure in some future release? What criteria will have to be met for a claim to be adjudicated without CR review?**

Currently, claims representatives (CR) review all benefit applications for accuracy and develop for possible entitlements to other types of benefits. If we need to clarify the information provided or if other entitlements exist, the CR will contact the claimant so that he or she can make an informed decision about applying for benefits.

The May 2009 iClaim enhancement did not eliminate the need for a trained CR to review the claim. We do not anticipate eliminating full claims review by CRs in the foreseeable future. Each applicant has his or her own set of unique, and sometimes complex, circumstances (e.g., earnings, age discrepancies, marriage situations, Medicare/Medicaid coverage issues, etc.).

Full automation of the adjudicative process for all applicants would require:

- 1) a high-level authentication policy that minimizes risk and ensures that information housed in our records is disclosed only to the proper persons;
- 2) ‘smart’ programming that would allow iClaim to screen applicants as effectively as a CR to determine what types of other benefits they may be eligible for and allow applicants to file for these additional benefits; and
- 3) conversion of the web-based iClaim application beyond its current function as a simple data-collector to a system with the ability to process an application to pay status.

CRs cannot identify and properly develop entitlement to other benefits if iClaims questions are incorrectly worded, are not answered, or are not answered correctly. The question in an RSI claim about disability asks whether the applicant is unable to work, and would be answered “no” by an individual who is working below substantial gainful activity levels and thus potentially eligible, so a disability claim would not be developed by a CR reviewer. Information about each prior marriage is no longer requested in the “dumbed-down” iClaim, creating potential loss of benefits for the applicant and former spouses, and concealing invalid marriages and allegedly terminated marriages that remain in effect.

Employees have been directed not to question the applicant’s choice to file for one type of benefit when two or more kinds are potentially available, even if it appears that the applicant’s choice may be disadvantageous. Many applicants do not understand how work and earnings affect their entitlement to payments, or their choice of the month of election (MOE) to start benefits. Under the Agency’s “Financial Literacy Policy, we have been explicitly instructed not to question the MOE selected or the choice made to file for one type of benefit rather than another. This is resulting in more underpayments, overpayments, and record numbers of withdrawn applications when beneficiaries discover that they are being overpaid due to work and earnings, or chose the wrong type of benefit or MOE. Applicants whose children are no longer minors or students in the MOE they selected for themselves, and do not know that they and their children could have been entitled for earlier months with a different MOE, do not list the children at all, answering “no” to the question asking about possible entitled children. There can also be loss of benefits for a spouse. Disability applicant often decline Medicare, not understanding that disabled beneficiaries can receive it.

In the January 30, 1997 report and recommendations to SSA and AFGE leadership, the AFGE/SSA Third Party Assistance Team responded to the question “What procedures should be developed to ensure the claimant is properly advised of rights and responsibilities (e.g. failure to report events) and what procedures should be in place to ensure that these rights (e.g. protected filing date) are protected?” The response begins “We have a consensus, supported by OGC, that it is solely SSA’s responsibility to advise claimants of their rights and responsibilities, and that no third party can stand in place of SSA as an official source when misinformation is alleged or occurs. Section II.A. of the MOU (tab C) provides for direct contact with applicants by SSA employees to achieve this goal. To ensure that all beneficiaries whose claims are filed by third parties are advised of their reporting responsibilities, TPAT recommends that an SSA employee make direct verbal contact at the earliest possible point after the application is received by SSA.”

In two SSA/AFGE conference calls regarding iClaims, in the fall of 2008, the Union asked why the Agency was failing to fulfill its legal obligations under the Social Security Act that are described above with regard to Internet claims, that SSA's top lawyer had agreed must be satisfied, but we could not get an answer to this critical question either time. We asked for a third call to discuss this and other outstanding questions, but no additional opportunities were provided. We believe that it is essential that this question be answered, and ask the Congress to demand that an answer finally be provided by SSA. There have been no amendments to the Social Security Act since January 1997, and no regulations promulgated, that eliminate the Agency's obligations to advise claimants of their rights and responsibilities, through direct contact, as part of the claims process.

On one hand, the Commissioner correctly states that each applicant has his or her own set of unique and sometimes complex circumstances that require CR review. On the other hand, SSA advertises that applicants can file online for RSI benefits in 15 minutes, presumably speed-reading numerous fact sheets and quickly following links so that they can seek out and try to make sense of complex rules and processes. Agency decision-makers who have rushed to implement iClaims either have no real understanding of the complexities of the programs they are responsible for administering, or they just don't care if claims are decided and paid correctly. Neither ignorance, nor lack of concern, is acceptable.

The Agency admits here that they do not authenticate the identities of applicants, something that SSA's own systems Architectural Review Board members have expressed concerns about, since verification of identity without authentication does not meet accepted standards for electronic business transactions. The few items of identifying information (including the Social Security Number) needed to file online are easily obtained from online public records and other sources. It is estimated that 40% of the general population has been victimized by identity theft. There is enormous potential for fraud in iClaims. Our CRs frequently learn that children and spouses frequently file online in place of the proper applicant, sometimes without their knowledge. We know of one case in which a son filed a retirement claim on the record of his deceased father, who had died in a foreign country. With no international death match protocols established, benefits might have been sent to the son for many years via Direct Deposit without anyone detecting it, had a reviewing CR not contacted the applicant to and discovered the fraud. Following an investigative series in the Baltimore Sun in the 1990's, SSA was forced to pull online access to Personal Earnings and Benefit Estimate Statements (PEBES) because the Agency had failed to authenticate the identity of users. Isn't it far more important to authenticate the identities of those who are applying for monthly benefits?

- b. Will the new version of iClaim detect all possible protective filing dates? For example, will it detect protective filing based on a statement made on an Social Security Number other than the applicant's own?**

No, the new version of iClaim considers protective filing dates for the number holder based only on calls to the National 800-Number Network and partially completed iClaim applications. The iClaim software cannot consider other written protective filings or any verbal intent to file, nor can it consider potential entitlement on someone else's record. CRs must still review all possible avenues for protective filing for benefits on the same, or other, SSNs.

- c. It is our understanding that the iClaim internet filing process does not allow an applicant to compare potential entitlements and benefit amounts if they file on their own versus on a spouse's record, such as would be the case of a retired worker who is also a widow and is eligible to file on either record. Is that correct? What fraction of retirees is potentially entitled on the record of a current or former spouse (please provide separate figures for men and women)? Are CRs who review iClaims required to recontact a claimant if there is a potential entitlement on another person's record, to ensure that the claimant is making a fully-informed decision? Please provide a list of situations where an individual applying for benefits using iClaims could be eligible on another record, or would need to choose between two different benefits. Also, please describe whether the iClaim system provides benefit amount information for these other benefits, and, if not, explain how the applicant gets the information needed to make a fully informed decision.**

The iClaim application itself does not provide the information that would allow applicants to compare potential entitlements and benefit amounts on their own records to those they might be due on a spouse's or ex-spouse's record. However, the iClaim application contains links to information about various aspects of retirement and disability benefits. In addition, our website also provides fact sheets and links to other sources that explain benefit types and filing options. As dual-entitlement situations are extremely complicated, in these situations a claims representative will contact an applicant to fully explore the options available.

We do not have statistics on beneficiaries who are potentially entitled on other records. In December 2008, 6.4 million beneficiaries received both a retired-worker benefit and a benefit as a spouse or former spouse. Of these, 6.2 million were female and about 135,000 were male. We give applicants the tools to make an informed decision about when they are entitled to receive benefits on more than one record.

The iClaim is not just a retirement application – it acts as protective filing for all benefits to which the applicant may be entitled. Our policy instructs employees to develop for all potential entitlements. Thus, our employees review every iClaim application for entitlement to other benefits and, if other potential entitlements exist, contact applicants to ensure they make an informed decision about other benefits.

Most applicants will not spend hours reading fact sheets and following links on the Internet, and not everything is there. Our CRs receive 17 weeks of intensive training followed by a lengthy mentoring period, and take 4-5 years to become fully proficient. They then receive near-daily PolicyNet instructions regarding changes in rules and regulations that are not made available to the public, and the Internet site is not regularly updated to reflect the changes.

As noted earlier, CRs will not always contact applicants to explore dual entitlement, because iClaims application questions and answers do not always provide enough information to identify potential entitlements. The Commissioner mentions dual entitlement to receive retirement and spouse benefits, but does not mention an applicant's option to file for spouse benefits only at full retirement age, and for retirement benefits later to take advantage of Delayed retirement Credits (DRCs). The iClaim has no DRC question, and an applicant who files for both benefits at full retirement, or retirement rather than just spouse benefits, could end up receiving as much as 32% less each month than the maximum amount payable, starting at age 70. As the Agency response indicates, a retirement application is considered a protective filing for all benefits. What goes unstated is that if only a retirement application is filed, a paragraph in the retirement benefit award letter "closes out" all other possible entitlements, disposing of the protective filing. If a CR discovers that a spouse benefit application would have been more advantageous than a retirement benefit application that has been filed, the Agency's "Financial Literacy" policy prohibits the CR from questioning the claimant's choice, and from helping him or her to make the right decision.

There are many scenarios under which applicants may be dually-entitled. The following list includes some of the most common:

- Applicants for retirement or disability benefits on their own record may also be entitled on their spouses' or divorced spouses' records. The iClaim application serves as an application for both benefits.
- Applicants for spouses' benefits via iClaim may also be entitled to retirement or disability benefit on their own record. The iClaim application serves as an application for both benefits.
- Applicants for retirement or disability benefits may also be entitled as parents, widow(er)s, divorced widow(er)s, disabled widow(er)s, or divorced disabled widow(ers). In these cases, a separate survivor application is always necessary; survivor applications are not available through the iClaim process.

- d. Will the process for determining whether an individual wants to apply for the Low-Income Subsidy (LIS) for Medicare Part D change in this new release or future releases? If so, please elaborate on what changes are planned and describe how any new process will ensure that any individual who wants to apply for LIS will have the opportunity to do so.**

The process will not change. Currently, when an applicant files for benefits via iClaim and is found eligible for Medicare, our automated screening process identifies claimants who are potentially eligible for LIS, and we mail them an application.

Additionally, our online retirement applications contain a link to information about how to apply online for LIS, and our website also explains that applicants may file for LIS through our National 800-Number Network or in any of our field offices.

The automated screening for LIS is a post-entitlement process that takes place after an applicant files and is awarded benefits, often many months later. Applicants who file with CR assistance are screened immediately and, if eligible for LIS, these low income beneficiaries receive help with paying their prescription drug plan premiums in the earliest possible month of entitlement.

From Mr Kind:

- 1. The Milwaukee SSA hearing office has one of the worst wait times – 594 days – and Madison's office has only had two judges. I am glad to hear that Madison will become a full hearing office with 6 judges, but in the meantime, many hearings have been transferred to offices outside the state. In my district, cases in the Eau Clair office were transferred to Los Angeles West last year. SSA's hearing backlog reduction information for state hearing offices only presents information for hearings conducted in Milwaukee and Madison and do not reflect all the hearings requested by Wisconsin residents. I appreciate that my**

offices still receives updates on those cases that have congressional inquiries, but what are SSA's plans to improve reporting on hearings by state of residency rather than just by hearing office location?

We monitor our ALJs' pending cases on a daily basis to determine which hearing offices are in need of assistance. We use the same monitoring criteria to determine which hearing offices are in a position to provide assistance. To balance workloads, we realign service areas or transfers cases as needed.

For example, the Minneapolis hearing office usually handles hearing requests from Eau Claire, Wisconsin, which is close to the Minnesota border. However, since the daily pending and receipts per ALJ were above the national average in the Minneapolis hearing office and below the national average in the Los Angeles West hearing office, we decided to reassign cases from the Minneapolis hearing office, including cases from Eau Claire, to Los Angeles West. We made this decision in order to improve service for claimants in Wisconsin who had requested a hearing.

Our ability to shift our workloads regionally and nationally provides us with greater flexibility to work down the backlog. Such realignment can lead to anomalies in case load statistics as work is shifted between states. On a regular basis, we do provide written updates to Members of Congress of our initiatives in their states. We monitor hearing offices but do not generate recurring reports for specific areas each office serves. Some locations are served by multiple hearing offices. In order to track cases from these areas, we would need to combine data from multiple offices, which would result in data that could not be ascribed to any specific office. This process would hamper our ability to identify and address problems. Therefore, we have no plans to report on hearings by state of residency.

- 2. SSA has seen declines in the number of staff, particularly in field offices, in recent years. I am pleased to hear that new staff members are being hired, but I would like to hear more about where the new staff will be located. SSA expects to hire 5,000 to 6,000 new employees and knowing the details on the distribution of new hires and SSA expansion is important to my office.**

In total, we will hire over 7,000 new employees in FY 2009, which includes both new positions and replacements for employees who left while we were operating under a continuing resolution. The majority of these new hires will go to our front-line operations – our field offices, call centers, hearings offices, and the state agencies where we provide direct service to the public. Hiring will be spread throughout the country, with approximately 3,500 hires for our field offices, teleservice centers, and processing centers; 1,500 hires for our hearing offices; and 1,900 hires for the State DDSs. We are also planning to hire another 600 employees at the end of FY 2009 in the DDSs, as advance hires for FY 2010.

Since March, when we received ARRA funding, we have hired a total of 1,761 new employees and the DDSs have hired 273 new employees. Our Office of Disability

Adjudication and Review has hired 684 employees, including seven located in Wisconsin.

- 3. The testimony from Mr. Bertoni of the Government Accountability Office highlights a dramatic increase in the backlog since 1999. In 1999 and 2000, hearings accounted for a minority of the backlog, while today they count for a majority of the backlog. The SSA plan highlights Quick Disability Determination as one method to mitigate backlog at the hearings level. What other approaches will SSA take to stop the backlog before it gets to the hearing level?**

Modernizing the disability process allows us to award benefits as early in the disability determination process as possible, preventing cases from unnecessarily adding to the hearing backlog. This modernization includes:

- eCAT: Early indications show that our electronic claims analysis tool (eCAT) improves the quality of disability determinations by helping adjudicators work through the policy aspects of claims adjudication to yield consistent, policy-compliant outcomes and better service to claimants. We expect the use of eCat will produce well-reasoned determinations with easy-to-understand explanations of how we reached our decision. We believe that eCAT, currently a pilot in Virginia, Connecticut, Colorado, and Michigan, has the potential to improve productivity and be a valuable training tool for new adjudicators. We plan to expand eCAT to Louisiana in June.
- Electronic Screening: This screening allows us to quickly identify and allow cases involving diseases and conditions that are clearly disabling.

Electronic screening relies on key words that CRs are trained to use in order to identify medical conditions that are clearly disabling. Disability iClaim applicants may use different terms to identify their conditions, and their cases will not be flagged electronically for expedited Quick Disability Decision processing. This disadvantages iClaim applicants as compared to claimants who apply with CR assistance.

- Electronic Medical Records: A new paradigm for accessing electronic medical records allows us to make exponential improvements in the speed and quality of our decisions. Chasing down scattered paper medical records requires an enormous amount of time and results in additional cost, error, and delay. We plan to expand this highly successful pilot.
- Integrated Disability Process: This process will ensure that we apply our disability policies and procedures consistently. As part of this initiative, we will:
 - improve the collection and use of information found in medical source statements;
 - streamline the development of a claimant's past work;

- improve our handling of subsequent disability applications filed while an earlier application is pending before the Appeals Council; and
 - unify our core disability policy training so that all disability case adjudicators are trained with the same materials.
- Update and Expand the Listing of Impairments: We are updating and expanding our medical listings to reflect advances in medicine and to improve the accuracy and consistency of disability determinations. We plan to update all of our listings by the end of FY 2010 and at least every 5-7 years thereafter. We also plan to expand the listings to include rare diseases and conditions that clearly represent permanently disabling conditions.
 - Occupational Information System: We are developing a new occupational information system to replace the Dictionary of Occupational Titles (DOT). The DOT, which was created by the Department of Labor (DOL), has been a cornerstone of our disability policy. However, the DOL has not updated the DOT since 1991 and has no plans to do so. DOL's replacement for the DOT, O*NET, does not serve our purposes. We must have accurate vocational information so that we can base our disability determinations on current job requirements.

Applicants who fend for themselves through iClaims often provide sketchy vocational information, find the work questions odd and puzzling, and do not understand the importance in the medical determination process of providing complete information. Assessment of vocational factors by DDS often makes the difference between an allowance and a denial. Applicants whose claims are disallowed may have to wait years before an ALJ makes a proper assessment, with taxpayers funding the travel expenses and services of a certified vocational expert at a hearing.

In December 2008, we established the Occupational Information Development Advisory Panel to advise us on creating an occupational information system tailored to our disability policy. This panel held meetings in February and April and has two more meetings scheduled for this year. In FY 2010, we will begin to identify the physical and mental abilities and skill levels required by current occupations, develop the means of gathering occupational information, and research assessment of residual functional capacity.

We also awarded contracts in August 2008 to help us evaluate an outside entity's compilation of updated occupational information that is similar to the DOT. An independent third party will evaluate this information and assess whether the product meets our criteria for use in our disability programs. If the product meets our criteria, we could use this updated occupational information while we continue our work to develop a new occupational information system tailored for SSA.

From Mr. Yarmuth:

1. What explanation do you have for the increase in the average processing times (in days) for the hearing office in Louisville, KY from 449 days to 526 days over the past year?

There are a number of reasons why the average processing time has increased in Louisville. One of the chief ways that we are working down the backlog is by shifting workloads among hearing offices, moving cases from some of the offices most in need of assistance to others that have some capacity to help. This initiative helps balance our workloads. In FY 2008, we transferred 826 cases from the Cincinnati, OH hearing office to the Louisville, KY hearing office. Cincinnati's daily pending and receipts per ALJ were well above the national average, while Louisville's numbers were well below the national average. Due to the transfer, the number of pending cases, average processing time, and monthly receipts have increased for the Louisville hearing office.

In addition, the Louisville office has focused on processing cases that have waited the longest for a hearing decision. These cases are often very time-consuming and complex, but it is imperative that we process them. Through April 2009, the Louisville hearing office decided and closed 1,016 (91 percent) of its targeted 850-day cases. Processing a large number of older cases increases average processing times.

Finally, the Louisville hearing office lost one ALJ in May 2008 and gained a newly-hired ALJ in July 2008, whom we expect to become increasingly productive this year. The loss of an experienced ALJ affected pending times as the experienced ALJ decided 224 cases during the first six months of FY 08, an average of 37.33 dispositions per month, while the new ALJ was in training.

2. Given this increase, what is the Administration doing to alleviate the problem in Louisville?

In addition to hiring the new ALJ, the Louisville hearing office also gained an experienced ALJ in April 2009. Eight ALJs now serve the office, up from seven at the close of the FY 08.

Based on recent analysis of pendings and receipts, we reversed the workload realignment in the Louisville hearing office effective March 20, 2009. We expect this action to reduce the pending cases and monthly receipts for the Louisville hearing office.

3. What change should we expect to see in the averaging processing time in the upcoming year?

Due to the increase in hearing requests and our continued focus on completing aged cases, we estimate that our processing time will be about 516 days and our pending will be about 740,000 to 745,000 cases at the end of FY 2009.

This year we budgeted for an average processing time of about 516 days. But at present, we are doing much better than that. Preliminary data shows a current average processing time of about 494 days through this fiscal year to date. We are beginning to see an increase in claims due to the economic downturn. We will continue our focus on the most aged cases which may lead to a slight increase in average processing times toward the end of the fiscal year. We expect to continue our progress with the backlog reduction plan in FY 2010, focusing in particular on decreasing pending case levels and improving average processing time.

4. What is different between the hearing office in Dallas North, TX and Louisville, KY that would contribute to the large difference in average processing time (155 days)? What enabled the Dallas north office to decrease its processing time over the past year by 66 days?

In general, the Dallas North hearing office has a greater proportion of “less-aged” cases, those cases pending less than 270 days, than does the Louisville hearing office. These less-aged cases tend to be easier to clear and, thus, improve an office’s average processing time.

The Louisville hearing office has also cleared more aged cases than Dallas. The Dallas North hearing office has closed 750 aged cases, (about 20 percent of its total dispositions) compared to the Louisville HO which has closed 1,016 aged cases (over 40 percent of its total dispositions). The emphasis on clearing these aged cases results in increased average processing time in the Louisville office, but better serves claimants who have waited years for a decision.

From Mr. Pomeroy:

1. **Commissioner, I recall your first hearing before this subcommittee. I appreciate your assurance that SSA has a plan to eliminate the backlog by 2013 which still leaves way too many disabled Americans waiting for the benefits that they have earned through years of work. Congress has provided SSA with additional funding in the last two budgets and in the Recovery package over and above what you requested to address this urgent need. I personally have pushed OPM to deliver two registers with an adequate number of Administrative Law Judge (ALJ) candidates for SSA to hire. I learned from the experience with the frozen ALJ register that the Subcommittee needs to verify progress. *Fiscal Year 2008 Annual Report for ODAR* included a small graph showing projected hearing pending levels decreasing to about 400,000 in a straight line from its peak. So far the improvement for the additional funding has not been significant. Please provide the Subcommittee with details on the plan's targets for each of the next five fiscal years for the following:**
 - a. **Year End Pending Case Level**
 - b. **Dispositional Goal**
 - c. **Average Hearing processing Time for the year**
 - d. **ALJ Staffing Level, and**
 - e. **Number of Support Staff and ratio per ALJ**

The following table details the plan's targets regarding pending level, dispositions, processing time and average ALJs On-Duty:

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Year End Pending Case Level	754,600	726,800	676,900	580,000	454,300
Disposition Goal	647,200	725,800	785,900	795,900	795,700
Average Hearing Processing Time for the Year	516	508	476	416	326
Average ALJs On-Duty	1,182	1,341	1,442	1,442	1,442

Hearings received beginning October 2013 will have an average processing time of 270 days, which we believe is the optimal processing time. In addition, for FY 2010 through FY 2013, our plan supports a support staff ratio per ALJ of at least 4.6 to 1. Of course, full funding of our plan is crucial to achieving our hearings goals.

It is cruel and insensitive to characterize a 9-month wait for a hearing as "optimal." By the time a hearing is filed, an applicant will have waited over 6 months on average for decisions on an initial claim and a reconsideration request. It will take a month or more after the hearing is held before a decision is rendered, and any benefits paid. How many people, in today's economy, can go 16 months without income or health

insurance without losing their life savings, their homes, and perhaps their families or even their lives? SSA did better 9 years ago, and should have loftier public service goals for Fiscal Year 2014.

- 2. How many full-time equivalents (FTEs), in addition to current staffing levels, would be required in the Field Offices to address all their responsibilities? To reach these staffing levels how many more FTEs would the Field Offices require above the level of hiring that you are planning for FY 2009? How many hires above replacement level would the Field Offices receive if SSA is funded at the full FY 2010 President's Budget request of \$11.6 billion? Will you be able to place additional employees in every Field Office nationwide?**

In FY 2009, we will hire over 6,000 new employees between March and the end of this fiscal year, replacing all staffing losses and adding critical new positions. We will assign the majority of these new employees to our front-line operations, where they will directly assist the American public. Although these new employees will help us improve the overall level of service, we will have a backlog of approximately 900 work years in post-entitlement work in FY 2009, i.e., actions we take after a claimant is awarded such as changes of address, stewardship reviews, etc.

It is quite telling that the Commissioner intends to allow for even fewer Stewardship Reviews, the only reviews that comprehensively assess the quality of benefit claims. Until SSA honestly and accurately begins to measure the quality of a significant sample of claims, and provides meaningful feedback to the employees who provide service, how are we to improve processes, prevent more errors, and avoid re-working cases? There is no evidence that any real quality review and assessment has been done of the 2,000,000+ iClaims already filed this calendar year.

If we are funded at the full FY 2010 President's Budget, we will hire approximately 5,800 employees in FY 2010, replacing all staffing losses and filling 1,300 new positions, with the majority of the hires working in front-line positions. We will add 600 new workers in the DDSs and add about 700 new employees in the hearings offices. We will place these employees in the offices with the greatest need. Most field offices have received or will be adding additional staff, but not all will, due to changes in workloads, real estate constraints, and other issues.

It's not good enough for the "majority" of new hires to be placed in "front-line" operations. All of them, and more, are needed to provide direct public service. Many of the high-paid redundant staff and management personnel should be converted to direct service delivery positions, as was done by the Clinton Administration. Unfortunately, SSA often includes administrative aides, supervisors, assistant managers, managers, deputy area directors, area directors, and Regional Office staff in their "front-line" definition. The incumbents of these positions rarely, if ever, deal directly with the Agency's clients. We urge the Committee to ask precisely which positions are included as "front-line", why they are needed, and how many of each SSA intends to fill. For the past 8 years, we saw each staff and management position

filled as it became vacant, and new ones created, while thousands of positions truly involved in delivering direct service were lost to attrition. The Commissioner projects that there will be no new positions added in Fiscal Year 2010 in the 1300 field offices, or to improve 800# access and service, if the President's budget request is passed by Congress. That request, of course, is based on the Commissioner's request made to OMB, which does not adequately address the escalating deterioration of service delivered through the SSA Field Operations Component.

3. What are your plans to address the high telephone busy rates and long waiting times in Field Offices? What is the resource level Field Offices need to address the high telephone busy rates and long waiting times?

We are committed to meeting standards for good customer service, although it is difficult to set fixed goals for an acceptable level of busy rate or waiting time. External factors that drive our workload include: funding, economic conditions, call volumes and other factors. In support of our commitment to improve service, we hired 628 new national 800 number teleservice representatives in FY 08, and we plan to hire over 550 more this fiscal year. These additional national 800 number hires will provide us with increased answering capacity and enable us to begin handling calls to our field offices that would otherwise have encountered a busy signal.

In addition to manpower, we need to harness new technologies to improve our service. We will use automation to improve our field office telephone service and support our website visitors. Our current telephone system has reached the end of their lifespan and is being replaced. The new system will provide a unique toll-free telephone number for each field office and allow callers to contact their local office from anywhere in the country without long distance charges.

We are expanding our Field Office Automation (starting this year with 119 offices) and Forward-on-Busy projects (soon to be in 200 field offices) to additional field offices over the next 3 years. Expanding these projects will allow people who call our field offices access to services now available on the national 800 number.

Visitors to SSA field offices frequently complain about the frustration and time wasted when they are forced to listen to an eServices sales pitch and offered automated options that they do not want to use, or that have nothing to do with the reason they called, before being allowed access to a live agent when they call the toll-free number. Those who prefer to call their local office will increasingly be directed to the 800# system, which doesn't have the capacity to handle their regular business. It is no wonder that record numbers of clients are walking into our field offices without appointments, waiting hours to be serve.

The Voice Over Internet Protocol system being rolled-out in field offices now, and to be installed in teleservice centers and throughout SSA in the future, is widely criticized by field office employees and by the National Council of Social Security Management Associations. The reaction from headquarters is surprise, even

disbelief. They are being told that the quality of voice transmission is often very poor, that too many callers are being queued up and then dropping off in frustration, or are being dropped inexplicably by the system while on hold or in mid-call. When the computer system goes down, neither ingoing nor outgoing calls can be made. Public complaints are mounting. The fact remains that many field offices have not been answering their general inquiry lines at all for some time, due to chronic staffing shortages, which creates more unscheduled visits to field offices.

- 4. You have mentioned the increase in the number of Internet Social Security claims in the last year. We have heard of people leaving the Field Offices without a claim being taken because they are encouraged to file on the Internet rather than waiting. Is this occurring in Field Offices? You indicated that Americans should be able to choose how they receive assistance from SSA whether it is in person, over the phone, or over the Internet – and shouldn't all of these choices be timely, efficient, and accurate?**

We do not refuse service to anyone visiting local field offices. Our employees inform visitors of the available service delivery options: in-person interview, with or without an appointment, online, or over the telephone. We work diligently to make each option as timely, efficient, and accurate as possible.

This is the Agency's mantra, but it is misleading, and for some locations it does not reflect what is really happening. It is an indisputable fact that SSA has been aggressively marketing eServices to the public, including iClaims, through all available media and at considerable expense. Choices of service delivery method are not at all presented equally, with eServices clearly communicated by SSA as its preferred option, and clients tell us that they feel they are being steered away from assistance by an SSA employee, and toward electronic self-service. AFGÉ surveys and other contacts with employees confirm that, in some offices, clients are turned away when things get busy, or they are directed to a computer set up in the open reception area, to conduct their confidential business in full view of other visitors.

- 5. Your plans indicate moving the Social Security Administration to a more high tech environment with at least half of SSA claims being filed via the Internet. What do you see as the role of Field Offices in the future as you increase the number of Internet claims? Do you see Field Offices being closed and SSA consolidating operations to handle Internet claims?**

We do not foresee closing or consolidating any field offices as a result of internet use, even if that use increases dramatically. In fact, we continue to open new offices. Over the next few years, we will be opening three new field offices in Rio Rancho, NM, McAllen, TX, and Mechanicsville, MD and several new Social Security card centers in Houston, TX, Minneapolis, MN, and Philadelphia, PA. We continue to expand and improve our service delivery options for the public, including the ability

to file claims online, and are pleased with the public's response. As we move into the future, increasingly our claimants will want to search for information and pursue claims online.

Traffic in our field offices is increasing due to the large number of eligible retirees and the increasing number of disability applicants. Alternative service options offer convenience to our claimants and save us valuable resources by reducing traffic in our field offices to the extent possible. With less traffic in the field offices, our technicians can devote more time to reviewing and processing claims, as well as providing in-person and telephone service for those who wish to use those types of service.

Since over 2,000,000 iClaims have already been filed this year, AFGE is very concerned that, once the serious deficiencies have been revealed, they will all have to be reviewed and re-worked. That would be an embarrassment for the Obama Administration and the Congressional oversight committees in place when the problems first emerged, as well as for SSA and its employees whose reputations have already been damaged because of the well-publicized service deterioration of recent years. Most importantly, workers who have paid into the system all of their lives, and their families, deserve to receive the high quality service that they have already paid for, and the Trust Funds and taxpayers need protection from fraud and the accumulation of more uncollectible overpayments. How can an overpaid beneficiary be found at fault, and required to repay benefits received, if reporting responsibilities were never properly explained? With pensions and investments disappearing, why should beneficiaries receive less than they are entitled to receive because their rights were not explained to them?

AFGE respectfully requests that the Ways and Means Committee immediately order a comprehensive investigation by the GAO, and schedule service delivery hearings to which AFGE is invited to testify, as soon as possible.

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