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STATEMENT FOR THE RECORD

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SOCIAL SECURITY ADMINISTRATION

Chairman Larson, Acting Ranking Member Hern, and Members of the Subcommittee:

Thank you for inviting me to discuss the status of service delivery at the Social Security Administration (SSA). I am Grace Kim, Deputy Commissioner for Operations. As a former Regional Commissioner and career employee with more than 30 years of service with SSA, I know just how critical SSA's programs and services are to the public. I also understand that ensuring greater access to our services is essential—whether in-person, online, or over the phone. Today, I will share with you some of our recent service delivery successes, including welcoming people back into our offices in person without an appointment. I will also discuss the challenges we face as we work to improve service.

I want to extend my deep appreciation to the more than 43,000 dedicated employees who work in our 1,200 field offices, 24 Teleservice Centers, 8 regional Processing Centers, and support offices across the country, and the nearly 15,000 hard-working employees in the State Disability Determination Services (DDS) offices who are responsible for making medical determinations for our disability programs. Their commitment to public service, flexibility, and resilience has allowed us to continue to deliver vital Social Security services throughout the COVID-19 pandemic. Leading this team through such an unprecedented and challenging period has been a unique privilege, and I hope you will join me in letting them know we are grateful for their service to the public.

Our Agency

For more than 85 years, SSA has provided income protection for retirees, individuals with disabilities, and families that lose a wage-earner. Almost 90 percent of seniors over the age of 65 receive Social Security benefits. In fiscal year (FY) 2021, we paid more than one trillion dollars in benefits to over 70 million Social Security beneficiaries and Supplemental Security Income (SSI) recipients. In addition to financial security, our programs are also a gateway to accessing other benefit programs, such as Medicare, Medicaid, and the Supplemental Nutrition Assistance Program (SNAP).

Service Delivery During the Pandemic

In March 2020, the pandemic drove us to the unprecedented decision to direct our employees to work from home, and limit in-person services to critical situations by appointment only. This decision, while difficult, allowed us to keep our employees and the public safe while continuing to deliver critical services. We relied more heavily on online service options and rapidly shifted in-person service to service by telephone, publishing the phone numbers of local offices so communities could receive assistance from the same employees who normally see them in person, and relying on a small number of employees to work onsite to handle critical non-portable work. To provide an idea of how our service delivery shifted, we went from handling just over 20 million calls in our field offices in FY 2019 to tripling that number, handling nearly 61 million calls in FY 2021, and from seeing 43 million people in our field offices to seeing about 1 million people in person. Account registrations for our online [my Social Security](#) portal increased from over 7 million new registrations in FY 2020 to over 9.5 million new registrations in FY 2021.

In FY 2021, we:

- Completed nearly 10 million claims for benefits;
- Posted over 277 million earnings items to workers' records;
- Processed nearly 12 million original and replacement Social Security card applications;

- Processed nearly 290 million online transactions; and,
- Completed nearly 511,000 full medical continuing disability reviews and nearly 2.4 million non-medical redeterminations of eligibility, safeguarding the integrity of benefit programs by confirming eligibility, improving payment accuracy for both overpayments and underpayments, and preventing fraud.

While many were able to reach us online and by phone, we know that in-person field office visits are the primary way many people access our services. Our field offices are an especially important option for people facing barriers to access our programs and services. For people experiencing homelessness, mental illness, limited English proficiency, or transitioning between incarceration and temporary living arrangements, and in need of Federal, State, and local benefits, our field offices are especially vital. We took steps and worked closely with advocates to reach these customers. We expanded outreach, including through media and targeted mailers, made technological improvements to improve online service delivery, and started new initiatives such as working towards streamlining and digitizing the SSI application. We will continue this work, as we know more can be done to reach individuals facing barriers.

Restoring In-Person Services

When we limited in-person service in 2020, we adapted policies and business processes and quickly deployed technology solutions, which enabled us to maintain services and keep everyone safe. Our highest priority during this unprecedented time was to provide mission-critical services while ensuring the health and safety of the public and our employees. This included maximizing remote work during the height of the pandemic and implementing policy and process flexibilities.

While many customers embraced the convenience of online or telephone service, that is not an option for everyone or for every type of service. **We were acutely aware that we were not fully meeting the needs of people who face barriers or who need in-person service to conduct their business.** From the start, we knew we needed to restore in-person services when it was safe to do so and after meeting our labor obligations.

We actively engaged with all three of our labor unions on workplace safety and reentry issues. As of January 19, 2022, we successfully reached mutual agreements with all three of our unions on our reentry plan, and I want to thank AFGE for working with Operations to safely return our employees and restore service. The Acting Commissioner and other executives reentered on December 1, 2021, and we achieved agency-wide reentry on March 30, 2022, which allowed us to provide ample notice for our employees and ensure that strong safety measures were in place.

I am pleased—and relieved—to share that reentry has gone smoothly, and we resumed in-person field office services, including welcoming people without an appointment, on April 7, 2022. As we expand our in-person services, we are working to return our performance closer to pre-pandemic levels. Our goal is to provide services the public expects and needs in order to access the benefits for which they are eligible. However, we are contending with several significant obstacles, including resource constraints.

Over the last month, I have seen firsthand that our field employees are not just ready and able to serve the public with compassion and professionalism, many of them are excited to see customers in person. Our field office workers care about helping people and they believe in our mission. Some managers were so thrilled to welcome employees back that they literally rolled out a red carpet. We

have offices where *every* employee returned onsite, giving up a telework day, because they missed one another and serving the public in person. I am uplifted by reports from new supervisors who had never met their employees in person and from new employees who had never taken face-to-face customer interviews – all profoundly grateful for the opportunity to interact in person.

Direct customer service can be challenging but it is also rewarding. One new employee shared her experience and the sense of purpose that came from helping a homeless gentleman who does not have access to the internet or phone file for retirement benefits that will enable him to find housing. In another office, a customer tearfully approached the desk and explained, “My daughter just died from COVID. My granddaughter is living with me now, and I need to file to be her payee.” This overwhelmed customer was quickly assisted by a specialist who provided service with compassion and kindness. In fact, the trending word in field office visitor customer service feedback is kindness. We are public servants, and we are working to ensure we provide exceptional service to the public who depend on us.

While we have yet to see the same number of customers we averaged before the pandemic, our careful reentry planning is paying off – so far. I greatly appreciate the thoughtful insight from advocates, managers, and unions to help us think carefully about every decision and to develop solutions to emerging problems. Our experienced managers understand the communities they serve, and we developed strategies they are empowered to employ depending on local conditions, while working through their leadership to ensure consistency. For example, local managers can recall employees from telework or focus on quick services and scheduling appointments to maximize the number of people they can help. At headquarters, we track when and how our managers are recalling individuals or scheduling appointments, which helps us monitor circumstances on the ground. This information may help guide future service adjustments.

We have learned a great deal during the pandemic and are applying that knowledge to our reentry. As a result, we are operating in reentry differently than we did pre-pandemic and during the pandemic. While some offices continue to see lines, we are employing new strategies to serve people visiting our offices as efficiently as possible. We continue to encourage people to first go online and call us, including to schedule an appointment, which prevents individuals from waiting in long lines outside offices, reduces office wait times, and allows us to better serve everyone who requires in-person service, including people who cannot access computers or telephones.

The agency is in a formal evaluation period through the end of the fiscal year. The evaluation period will be used to develop, assess and, if necessary, adjust any personnel or operational policies to provide public service and accomplish our mission as well as, or better than, before the pandemic. It will inform our future operating posture to improve the customer experience and maximize workplace flexibilities for our employees to help us retain and recruit topnotch employees.

We know that people waited a long time to see us in person, and we anticipate increased demand for our services, such as requests for replacement Social Security Number (SSN) cards and increases in individuals filing disability applications. We will use new strategies, combined with careful central monitoring of workloads and field office operations, to meet the demand. This includes setting public expectations about in-person services and encouraging alternative service delivery channels. As we have implemented many strategies to better serve our customers, we continue to face many challenges. The funding we received for FY 2022 has required us to postpone planned customer service improvements.

Critical Resource Needs

Our employees are doing their part to restore and improve service, working within our current funding levels. To fully meet our standards and the public's expectations for customer service, however, we will need more resources.

While we appreciate the increase over FY 2021, the FY 2022 appropriation of \$13.3 billion is not sufficient. This budget limits our capacity to provide service to the millions of people who are applying for SSN cards; retirement, survivors, and disability benefits; and Supplemental Security Income benefits for people who are aged, blind, and disabled. Our funding has remained relatively flat for the previous four years, and appropriations for base administration have failed to cover our fixed costs over the past decade. For instance, the \$411 million increase in FY 2022 does not fully pay for cost increases of approximately \$550 million to cover employee pay raises, step increases, and Federal Employees Retirement System contributions. Of the \$411 million increase we received, over 30 percent covered increased funding for our program integrity workloads, requiring us to prioritize stewardship over other essential workloads. We are also absorbing costs related to expanding in-person services, such as COVID-19 testing, facilities cleaning, more guards, and information technology (IT).

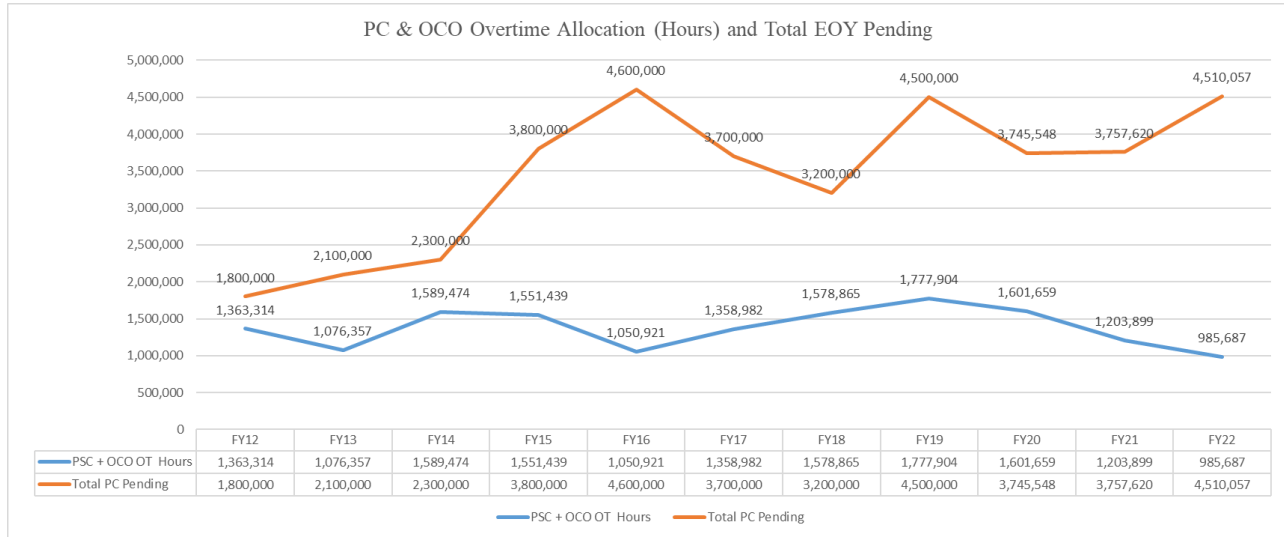
To fund these expenses and our fixed costs, we are delaying critically needed hires, reducing much needed overtime, and postponing select IT improvements. These delays in hiring and technology modernization, coupled with reduced overtime, are resulting in growing backlogs, which have reached unacceptable levels, and a deterioration in service. Less staff and delayed technological upgrades also mean we are not fully prepared to handle potential surges of people returning to our offices for in-person service.

Our employees are one of our greatest assets to help us address these unprecedented demands. We are facing our lowest staffing level in 25 years. This is driven by insufficient funding over multiple years to hire the level of staff needed, and higher than average attrition rates across the agency. Our funding level will constrain our ability to add the necessary staff to reduce the backlogs that have built up during the pandemic. It will also affect employee morale, which is already at a very low level, as demonstrated by the Federal Employee Viewpoint Survey and recent Pulse Surveys.

Because of the FY 2022 funding level, we were forced to implement a temporary hiring freeze, including all external Federal hires and DDS hires. In our front-line components such as Field Offices, Teleservice Centers, and Processing Centers, attrition is nearly 7 percent so far this fiscal year, or 2,900 losses. The highest rate is in our Teleservice Centers at over 12 percent to date. At this pace, we believe we will lose over 4,500 front-line operations employees this year, which is 1,000 more losses than we experienced before the pandemic. This would equate to an annualized attrition rate of 11 percent, or about 4 percentage points higher than our historical average.

In our State DDSs, where medical decisions are adjudicated, attrition is also unprecedented, at over 25 percent. These complex jobs require about two years of training. The loss of experienced examiners significantly affects the ability to train new employees and complete program integrity workloads, such as continuing disability reviews, which are generally performed by more experienced examiners due to their complexity. We are working with the States to understand the underlying reasons.

We are also severely limiting our use of overtime, which reduces our ability to compensate for staff losses. Reduced overtime in our Processing Centers is contributing to our current 4.5 million pending actions, which are up from 3.2 million at the end of 2018. We expect pending cases to surpass our 2016 record high of 4.6 million by the end of the fiscal year.



Additionally, the lack of overtime opportunities and the increasing workloads have resulted in low morale, with our employees reporting they feel overworked, overwhelmed, and exhausted.

We are at a crossroads. The cumulative impact will increase our customers’ wait times for in-person and phone service, increase claims processing times, and lead to increases in pending workloads. As we dig out from the effects of the pandemic, we must have sustained funding for the public to have continued confidence not just in our agency, but in government. We know people need our help, and Congress recognizes the importance of our local offices to communities. None of us think it is okay for applicants to wait six months for a decision on their disability application, but that is the level of service Congress and the public should expect absent sufficient resources. It will take a multi-year effort and adequate funding to restore pre-pandemic initial claim wait times. We hope we can work with you to resolve these funding challenges and restore the level of service the public requires.

The FY 2023 President’s Budget requests \$14.8 billion, an increase of over \$1.4 billion from our FY 2022 funding level. The President’s Budget funds staffing and overtime to address higher volumes of work and allows us to replace actual and projected staffing losses from FY2022, which will help restore our workforce and mitigate the growth in our pandemic-related backlogs. It will also help us better balance our service and stewardship work by providing for more frontline workers to serve the public. Full funding of the FY 2023 President’s Budget will put us on a path to rebuild and improve service for the millions of Americans who count on us.

Service Delivery Enhancements

Technology investments are critical to improve service and address tight resources now and in the future. We have made some key improvements but there is more work to be done and several investments supporting our reentry have been delayed due to funding shortfalls. Below are some of our recent accomplishments:

- *Secure Online Services.* More than 64 million Americans have registered for a secure personal account in the *my Social Security* portal. In FY 2021, we changed our registration process to make it easier for most customers to sign up to use our electronic services. To increase secure registration options for individuals registering for a *my Social Security* account, we added a driver’s license verification option available to individuals residing in 43 states and the District of Columbia, covering approximately 83 percent of the population, which improved the registration rate by approximately 20 percent. We also partnered with the General Services Administration’s Login.gov service to allow Login.gov users access without having to create another identity credential.
- *Internet SSN Replacement Card.* We continue to collaborate with the States to expand our internet SSN replacement card application. This process allows for U.S. citizens over the age of 18 with a driver’s license or state ID to request a replacement SSN card if they do not need to make any changes to their record. Currently, 47 states and the District of Columbia participate in the application. We anticipate continued expansion this year. Additionally, in April we implemented the following enhancements that will allow us to assist more customers with enumeration-related business online:
 - U.S. citizens¹ with a marriage certificate issued from Arkansas can now request a “name-change” replacement card due to marriage only. Arkansas is the first state to partner with SSA to provide this option. We look forward to other states joining this initiative to help their citizens.
 - We released a new online application that allows U.S. citizens and non-citizens to begin their application for an original or replacement SSN card online, and identifies the evidence needed for an original or replacement SSN card before coming to the local SSA office to complete the application process, which reduces their office visit time and helps ensure they arrive with the right evidence.
- *Electronic Protective Filing Tool.* In March 2022, we implemented an online service option that enables individuals and third parties to express their intent to file for SSI and other benefits. This tool “protects” the earliest date SSA may use to pay benefits if an applicant is eligible for SSI or Social Security and ensures that the applicant receives all eligible benefits. This new resource is the first step toward expanding our online SSI services. Since its implementation just a few weeks ago, almost 57,000 customers have used the tool to start the application process.
- *Hearings and Appeals Case Processing System (HACPS).* Vendors who participate in our disability hearings process and have cases processed in HACPS can now file invoices electronically, view call orders and invoices, and receive electronic notification of payments.
- *Online Forms.* Beneficiaries can now complete continuing disability Form SSA-455 Disability Update Report online, upload supporting documentation, and electronically sign and transmit the form in real-time and employees can review virtually. Beneficiaries can also

¹ Customers are still required to provide information from their state issued driver’s license (DL) or I.D. issued from any of the 47 jurisdictions currently participating in our DL/ID verification service.

now apply online to enroll in Medicare Part B (Supplementary Medical Insurance) based on a Special Enrollment Period.

- *Access to Electronic Files.* Unrepresented claimants can now securely view and download their electronic files via [my Social Security](#). If they do not have a [my Social Security](#) account, they may receive a copy of their file via secure email.
- *Notices.* We continue to expand the availability of electronic notices through [my Social Security](#) and now offer customers the choice to opt-out of receiving mailed notices they can receive electronically through the portal.
- *SocialSecurity.gov Website Redesign.* We launched a test site for ssa.gov that includes streamlined content and a redesigned home page. We will use customer feedback from online surveys and focus groups to adjust and improve the beta site. In FY 2022, we plan to transition the final redesigned ssa.gov website into production.
- *Online “Voice of Customer” Feedback.* We established a centralized feedback collection supporting all service channels and are using that feedback to improve our service strategies across all channels.
- *my Social Security Claims Status Tracker Releases.* This allows individuals who have a [my Social Security](#) account to check the status of their pending or recently adjudicated claims online.
- *Electronic Remittances.* In addition to making several public-facing improvements to our agency’s manual remittance process, in 2021 we launched Online Bill Pay, which allows us to receive remittances from individuals wanting to pay amounts owed electronically. Through the week ending April 29, 2022, we have recovered \$133 million in online remittances through Pay.gov.
- *Redesigned Social Security Statement.* In October 2021, we released our redesigned *Social Security Statement* to make it easier for people to see their earnings information and estimates of future benefits. We added fact sheets, tailored to a person’s age and earnings history. Based on stakeholder feedback, we developed a new fact sheet entitled, “Supplemental Security Income and Other Benefits – Information For People With Limited Earnings Fact Sheet.”
- *Mobile Visitor Check-In.* In April 2022, we enhanced our Mobile Visitor Intake Process Check-In system, which allows visitors to check-in for in-office appointments from their mobile device.

These new tools provide our customers with more efficient, easy-to-understand service, but we must continue to modernize. Due to our insufficient budget, we have already had to make cuts to our IT investments, which limits how quickly we can develop and implement improvements. For example, we want to fully invest in tools that enable enterprise scheduling and self-scheduling of appointments. We want to improve services for Appointed Representatives and expand access to their clients’ electronic folders. We are working to reduce the time it takes to pay representatives’ fees, and to fully modernize our legacy claims systems. As we modernize our policies to eliminate

wet signatures and transition to electronic evidence, we have opportunities to keep customers who want to do business with us online in an online service channel. However, right now, we are forced to choose between hiring employees or investing in systems improvements, and we need sufficient funding to do both.

Continuing Service Challenges: Phone Services, Expanding Access for Individuals Experiencing Barriers, and Workload Backlogs

Telephone Service

When one of our service channels experiences difficulties, the other channels become more stressed. We have had many conversations with Congress about problems with telephone service, and we have also been transparent with the public that we are operating on outdated phone systems, and they may experience trouble. During the pandemic, we redirected in-person service to telephone service. This necessary shift happened at a time when we are transitioning to a modern telecommunications platform. Our Next Generation Telephony Project (NGTP) is replacing our three legacy telephone systems (800 Number, Field Offices, and Headquarters) with a single platform.

However, high call volumes during the pandemic have challenged the capacity of our transition platform for the 800 Number. Excessive spikes in callers waiting in the queue have overwhelmed our interim platform, disrupting our service. It is our priority to improve this situation, and we have dedicated resources to do so. Acting Commissioner Kijakazi has personally met with our vendors' executives to ensure they understand what is at stake when people cannot reach us and to impress upon them the need for 800 Number stability. In addition, we are consulting with experts from the United States Digital Service for support. To mitigate the potential for disruption in service during this transition, we are currently capping the number of callers waiting in the 800 Number queue at the recommendation of our vendors as we work to implement NGTP. While limiting the number of people who can wait on hold may occasionally result in customers receiving a busy signal, it has helped ensure people already holding can complete their business without disruption. Thankfully, telephone service has been stable since we reentered our offices and restored walk-in service.

In early 2023, we expect the 800 Number to be updated. We expect the single platform phone system to be more efficient than our current platforms, provide more self-service opportunities for the public, improve performance management, and reduce the time it takes to implement future process improvements. We are also closely monitoring our progress as we implement NGTP and are committed to ensuring the public receives the telephone service they require. In particular, our new Agency Priority Goal challenges us to reduce average wait times to less than 12 minutes by the end of 2023.

Improving Access for People Facing Barriers

A pressing concern while our field offices were closed to walk in traffic was how to ensure customers who need us most could reach us, as we are experiencing decreases in disability applications. This potential service gap is a key reason why we needed to reenter our offices as soon as possible, once we met our labor obligations and provided employees ample notice to prepare. We established a new Agency Priority Goal to address the decline in receipts during the pandemic and improve equity in our SSI program through increased outreach and improved benefit delivery, including to communities of color and underserved communities, by increasing the number of all SSI

applications by 15 percent, restoring rates closer to pre-pandemic levels, and by increasing the number of SSI applications from underserved communities by 25 percent, relative to a 2021 baseline.

Another major effort includes streamlining and improving our SSI application policies and processes to deliver an application that is user-centered, responsive, intuitive, equitable, easy to use, and accessible online. Additionally, we continue to raise awareness of our benefit programs to eligible groups, including homeless individuals, seniors, children, and adults with disabilities, through targeted outreach and media campaigns, such as:

- In FY 2021, we initiated the Special Mailer project² for Title II beneficiaries 18 and older, whose monthly benefits are less than the maximum Federal SSI benefit. The mailer encouraged these beneficiaries to apply for SSI. To date, we have mailed approximately 665,000 notices, resulting in over 42,000 applications. We approved more than 18,000 individuals for additional benefits averaging \$216 per month, for a total of nearly \$4 million SSI benefits paid. We are releasing an additional 735,000 mailers to potential beneficiaries in 2022.
- We regularly release Dear Colleague Letters to share information and materials about specific agency programs and initiatives. Since March 2021, we released nearly 70 letters to advocates, organizations, and representatives on relevant topics such as COVID-19 and service delivery options, people facing barriers, Economic Impact Payments, and Social Security scam warnings.
- We publish guest articles on our *Social Security Matters* blog, which highlight the knowledge and expertise of these groups and cover various topics such as [people facing homelessness and children with disabilities](#).
- We hosted several [National Disability Forums](#)³ (NDF), which serve to engage stakeholders including advocates and the public on issues related to our disability programs early in the policy development process. Through these forums, we obtain perspective, which helps us develop responsive and efficient policies.
- In FY 2021, we implemented a paid digital media campaign in English and Spanish to promote SSI for both children and general audiences. The performance of this campaign, using social media and search engine marketing, met or exceeded our benchmarks. For example, the rate at which people click on our search engine marketing ads is nearly 19 percentage points higher than the average for Federal agencies. As of January 28, 2022, our campaign generated over 207 million impressions, creating awareness of the SSI program. Those ads were directly responsible for over 2.1 million visits to our website. Visitors then took steps to learn more about SSI and how to apply, including nearly 285,000 downloads of our informational resources and approximately 188,000 clicks on our links to apply.
- In June 2021, we began airing our television and radio public service announcement (PSA), “The Life of a Child,” in English and Spanish. The PSAs target parents and caregivers of children

² We released notices in English and Spanish and include a dedicated 800# hotline to address inquires and assist potential applicants in determining their eligibility for SSI benefits.

³ We generally present three NDFs annually. During the pandemic, we held two NDFs about COVID that addressed long-term effects and the mental health impact and one entitled “Equity in SSA Programs: Hidden Barriers”. The latest NDF, held February 17, 2022, was entitled “Equitable Access to SSA Disability Programs for LGBTQIA+ Communities” and was based on [EO 13988](#).

with disabilities to increase awareness and applications for SSI. To date, the PSAs have generated over 59 million total impressions.⁴

We are also working on expanding our use of video technology as a service option. Video provides a convenient option that may reduce how far people need to travel to receive service, keeps people who remained concerned about visiting our offices due to COVID-19 safe, and helps maximize our resources including redirecting work to less busy offices. We also continue to offer telephone and video hearings to claimants who prefer these options, which may reduce the time they wait for a hearing. We are safely reopening our hearing offices to in-person service, focusing first on individuals who have been waiting for a hearing because they declined telephone and online video hearing options and people who are experiencing certain circumstances like homelessness.

We also have been working closely with advocates to strengthen access to our programs and services for people facing barriers. For example, we implemented a Third-Party SSI Claims Taking Campaign. We created a liaison position to work directly with advocacy organizations to assist with claims taking or provide us with leads. Specifically, we established Vulnerable Population Liaisons (VPL) and Vulnerable Populations Experts (VPE) in our field offices. These employees work directly with community partners that have agreed to take and submit applications for SSI, provide information sufficient to establish a lead or protective filing, or refer potential applicants to us. To support this effort, we:

- Designated 675 VPLs who receive completed applications as part of their regular workload. They also identify potential errors and review with the submitter or refer recurring issues to local management and Public Affairs Specialists (PAS) or Area Work Incentives Coordinators (AWIC) who provide additional discussion or training for the organization.
- Designated 100 VPEs to coordinate the campaign broadly by providing technical guidance and support to the VPLs. The VPEs also perform quality control reviews and offer training to the organizations in coordination with the PASs and AWICs.
- Directed our Regional Communications Directors to serve as ombudsmen to address complex or unresolved issues raised by our community-based partners.

Workload Backlogs

The pandemic disrupted many of our workloads. Policy flexibilities and workarounds, combined with a lack of staffing and overtime, have resulted in re-work and delays. In our Processing Centers we have a backlog of adjudicated claims that require evidence and verifications; internet claims are taking longer to process in our Workload Support Units due to increased volumes; and our Field Offices are struggling to balance intake with program integrity and other workloads, such as claims and post-entitlement workloads. We also have a growing backlog of disability cases. Staffing challenges, coupled with the anticipated increase in claims now that we have expanded in-person services, is contributing to delays in disability claims processing.

Additionally, claims pending levels and processing times are increasing; over the last two years, we have experienced a growing backlog of disability cases at the initial and reconsideration levels

⁴ This refers to the number of times the PSAs could be watched or heard.

pending at the State DDSs and increased delays in applications and appeals being sent for medical determinations. People are waiting an average of six months for an initial decision on their disability application. These backlogs and delays are largely due to hiring challenges that started during the pandemic, combined with higher than expected attrition and an additional backlog in claims we may receive through the end of FY 2023.

The initial disability claims pending level has increased to almost 840,000 as of April 2022, more than 200,000 cases higher than prior to the pandemic at the end of FY 2019. The average initial claims wait time through April 2022 was almost 177 days compared to 120 days in September 2019.

We acknowledge that it is challenging for individuals to wait over six months on average to receive a disability decision. We have made it a priority to improve the average processing time for initial claims generally and work down older cases, even as we expect to see more initial claims. Our new Agency Priority Goal to improve processing time for initial disability claims reflects this commitment. However, it will take a multi-year effort and adequate funding to restore pre-pandemic average initial disability claims wait times.

We are also working with the States on improvements. For example, we:

- Increased Consultative Examination (CE) availability, including expanding the use of telehealth (virtual) CEs and the recruitment of additional CE providers;
- Supplied the State DDSs with policy and procedural reminders, and guides for improved case processing;
- Updated and implemented training for both new and experienced staff to ensure consistent, quality determinations aligned with the national transition to a new, streamlined Disability Case Processing System, which will help ensure we can make timely, consistent medical determinations⁵;
- Released more forms online such as the SSA-1696 *Appointment of Representative*, SSA-820/SSA-821 *Work Activity Report(s)* and SSA-455 *Disability Update Report*.

We are struggling to find solutions to significant problems like staffing shortages to help us address workload backlogs. We have experienced a marked decrease in the number of applications we receive for entry-level positions and higher attrition, particularly for disability examiner positions in the State DDSs, which has made it harder to hire qualified candidates in a timely manner.

Conclusion

The pandemic upended our traditional service delivery model. Operating differently highlighted opportunities to improve, and we continue to build upon what we learned over the last two years. As we reopen our field offices, I ask for your support to help us continue to direct people who can access us online or by telephone to try those options first before coming to our offices in person, especially without an appointment. This strategy is critical to preventing long lines, including outside of offices

⁵ We are transitioning the modernized Disability Case Processing System to all State DDSs by the end of FY 2022, and to all Federal Units thereafter. Additionally, we are prioritizing our oldest cases first.

while we continue to physically distance, and allowing us to serve people who cannot use other options.

Reopening our offices, however, does not alleviate the significant challenges we face to restore service delivery to the standards the public expects. We cannot dig out from pandemic related backlogs and restore service when we are provided with a budget that will not cover those costs. We need sustained and adequate resources to fully address hiring and workload challenges, an aging legacy IT infrastructure, complex program policy, and an overarching need to modernize. The President's 2023 Budget will help us meet our goals, by covering fixed cost increases and providing resources to hire, pay overtime, and continue to improve our IT systems. I thank the Subcommittee for your continued support, and I will be happy to answer any questions you may have.