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APPROPRIATION LANGUAGE/BACKGROUND

AUTHORIZING LEGISLATION

The LAE account is authorized by section 201(g) of the Social Security Act. The authorization language makes available for expenditure, out of any or all of the Trust Funds, such amounts as Congress deems appropriate for administering Title II, Title VIII, Title XVI, and Title XVIII of the Social Security Act for which we are responsible and Title XVIII of the Act for which the Secretary of the Department of Health and Human Services is responsible.

Table 3.1—Authorizing Legislation
(Dollars in thousands)

	2019 Amount Authorized	2019 Enacted ^{1,2}	2020 Amount Authorized	2020 Enacted ^{3,4}	2021 Amount Authorized	2021 Estimate ^{5,6}
Title II, Section 201(g)(1) of the Social Security Act	Indefinite	\$12,876,945	Indefinite	\$12,870,945	Indefinite	\$13,351,473

¹ The Consolidated Appropriations Act, 2019 (P.L. 115-245) appropriated this amount. The total includes \$45,000,000 to remain available until expended for information technology (IT) modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with IT modernization. The total also includes \$100,000,000 in available funding through September 30, 2020, for activities to address the hearings backlog within the Office of Hearings Operations. The total also includes \$1,683,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,410,000,000 in funds outside the discretionary caps, as authorized by the BBA of 2015 (P.L. 114-74) to remain available for 18 months through March 31, 2020. P.L. 115-245 allows SSA to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated cooperative disability investigations units in FY 2019.

² The total includes \$134,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act, P.L. 108-203 (SSPA).

³ The Further Consolidated Appropriations Act, 2020 (P.L. 116-94), appropriated this amount. The total includes \$45,000,000 to remain available until expended for IT modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with IT modernization. The total includes \$100,000,000 in available funding through September 30, 2021, for activities to address the hearings backlog within the Office of Hearings Operations. The total also includes \$1,582,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,309,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L. 114-74) to remain available for 18 months through March 31, 2021. P.L. 116-94 allows SSA to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated cooperative disability investigations units in FY 2020.

⁴ The total also includes \$130,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

⁵ The FY 2021 Budget proposes that the total requested LAE budget authority of \$13.351 billion be offset by fees collected for replacement Social Security cards (estimated at \$270 million). The total includes \$1,575,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs, comprised of \$273,000,000 in base funding and \$1,302,000,000 in funds outside the discretionary caps, as authorized by the BBA of 2015 (P.L. 114-74) to remain available until March 31, 2022. The Budget proposes allowing SSA to transfer up to \$11.2 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated cooperative disability investigations units in FY 2021.

⁶ The total includes up to \$135,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

Limitation on Administrative Expenses

APPROPRIATION LANGUAGE

For necessary expenses, including the hire of two passenger motor vehicles, and not to exceed \$20,000 for official reception and representation expenses, not more than [\$12,739,945,000] \$13,215,473,000 may be expended, as authorized by section 201(g)(1) of the Social Security Act, from any one or all of the trust funds referred to in such section *or from the fees authorized by the fifth paragraph under this heading, except that any amounts derived from such fees are only available for the issuance of replacement Social Security cards*: Provided, That not less than [\$2,500,000] \$2,700,000 shall be for the Social Security Advisory Board [: [*Provided further*, That \$45,000,000 shall remain available until expended for information technology modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with information technology modernization: Provided further, That \$100,000,000 shall remain available through September 30, 2021, for activities to address the disability hearings backlog within the Office of Hearings Operations]: Provided further, That unobligated balances of funds provided under this paragraph at the end of fiscal year [2020] 2021 not needed for fiscal year [2020] 2021 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: Provided further, That the Commissioner of Social Security shall notify the Committees on Appropriations of the House of Representatives and the Senate prior to making unobligated balances available under the authority in the previous proviso: Provided further, That reimbursement to the trust funds under this heading for expenditures for official time for employees of the Social Security Administration pursuant to 5

Limitation on Administrative Expenses

U.S.C. 7131, and for facilities or support services for labor organizations pursuant to policies, regulations, or procedures referred to in section 7135(b) of such title shall be made by the Secretary of the Treasury, with interest, from amounts in the general fund not otherwise appropriated, as soon as possible after such expenditures are made.

Of the total amount made available in the first paragraph under this heading, not more than [\$1,582,000,000] *\$1,575,000,000*, to remain available through March 31, [2021] *2022*, is for the costs associated with continuing disability reviews under titles II and XVI of the Social Security Act, including work-related continuing disability reviews to determine whether earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity, for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, for the cost of co-operative disability investigation units, and for the cost associated with the prosecution of fraud in the programs and operations of the Social Security Administration by Special Assistant United States Attorneys: *Provided*, That, of such amount, \$273,000,000 is provided to meet the terms of section 251(b)(2)(B)(ii)(III) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, and [\$1,309,000,000] *\$1,302,000,000* is additional new budget authority specified for purposes of section 251(b)(2)(B) of such Act: *Provided further*, That, of the additional new budget authority described in the preceding proviso, up to [\$10,000,000] *\$11,200,000* may be transferred to the "Office of Inspector General", Social Security Administration, for the cost of jointly operated co-operative disability investigation units: *Provided further*, That such transfer authority is in addition to any other transfer authority provided by law: *Provided further*, That the Commissioner shall provide to the Congress (at the conclusion of the fiscal year) a report on the obligation and expenditure of

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these funds, similar to the reports that were required by section 103(d)(2) of Public Law 104–121 for fiscal years 1996 through 2002.

In addition, [~~\$130,000,000~~] *\$135,000,000* to be derived from administration fees in excess of \$5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended: Provided, That to the extent that the amounts collected pursuant to such sections in fiscal year [2020] *2021* exceed [~~\$130,000,000~~] *\$135,000,000*, the amounts shall be available in fiscal year [2021] *2022* only to the extent provided in advance in appropriations Acts.

In addition, up to \$1,000,000 to be derived from fees collected pursuant to section 303(c) of the Social Security Protection Act, which shall remain available until expended.

The Commissioner of Social Security shall charge a \$25 fee for the issuance of a replacement Social Security card if an individual requests the issuance of such card in a field office of the Social Security Administration and a \$7 fee if an individual requests the issuance of such card online: Provided, That any fees collected pursuant to the matter preceding this proviso shall be deposited in this account and shall be available subject to the restrictions in the first paragraph under this heading: Provided further, That the Commissioner may not charge such a fee for the issuance of a new Social Security card. (Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2020.)

LANGUAGE ANALYSIS

The Limitation on Administrative Expenses (LAE) appropriation language provides us with the funds needed to administer the Old Age and Survivors Insurance (OASI), Disability Insurance (DI), and Supplemental Security Income (SSI) programs, and to support the Centers for Medicare and Medicaid Services in administering their programs. The LAE account is funded by the OASI, DI, and Medicare trust funds for their shares of administrative expenses, by the General Fund of the Treasury for the SSI program’s share of administrative expenses, and

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through applicable user fees. The language provides the limitation on the amounts that may be expended, in total from these separate sources, for our administrative expenses.

We are requesting a total of \$1,575,000,000 in dedicated program integrity funding, including funding for full medical Continuing Disability Reviews (CDRs), SSI non-medical redeterminations of eligibility (redeterminations), work related CDRs, cooperative disability investigation (CDI) units, and fraud prosecutions by Special Assistant United States Attorneys (SAUSAs). The FY 2021 program integrity request, which proposes funding to remain available through March 31, 2022, is comprised of \$273,000,000 in base funding to meet the terms of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, and \$1,302,000,000 in additional new budget authority for the full authorized level cap adjustment level for 2021. In FY 2021, the Budget provides for the transfer of up to \$11.2 million from the program integrity cap adjustment funds to the Inspector General (OIG) to fund CDI unit team leaders. This is an authorized use of the cap adjustment.

In addition to the appropriated amounts, we are requesting to spend up to \$135,000,000 in SSI State Supplement user fees and up to \$1,000,000 in non-attorney representative fees.

Table 3.2—Appropriation Language Analysis

Language Provision	Explanation
<i>“or from the fees authorized by the fifth paragraph under this heading, except that any amounts derived from such fees are only available for the issuance of replacement Social Security cards”</i>	The language allows us to use fees collected for replacement Social Security cards for the cost of processing such replacement card requests.
<i>“Provided further, That unobligated balances of funds provided under this paragraph at the end of fiscal year [2020] 2021 not needed for fiscal year [2020] 2021 shall remain available until expended to invest in the Social Security Administration information technology and telecommunications hardware and software infrastructure, including related equipment and non-payroll administrative expenses associated solely with this information technology and telecommunications infrastructure: Provided further, That the Commissioner of Social Security shall notify the Committees on Appropriations of the House of Representatives and the Senate prior to making unobligated balances available under the authority in the previous proviso...”</i>	The language allows us to carryover unobligated balances for non-payroll automation and telecommunications investment costs in future fiscal years.

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Language Provision	Explanation
<p>“Of the total amount made available in the first paragraph under this heading, not more than [\$1,582,000,000] <i>\$1,575,000,000</i>, to remain available through March 31, [2021] <i>2022</i>, is for the costs associated with continuing disability reviews under titles II and XVI of the Social Security Act, including work-related continuing disability reviews to determine whether earnings derived from services demonstrate an individual's ability to engage in substantial gainful activity, for the cost associated with conducting redeterminations of eligibility under title XVI of the Social Security Act, for the cost of co-operative disability investigation units, and for the cost associated with the prosecution of fraud in the programs and operations of the Social Security Administration by Special Assistant United States Attorneys: <i>Provided</i>, That, of such amount, \$273,000,000 is provided to meet the terms of section 251(b)(2)(B)(ii)(III) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended, and [\$1,309,000,000] <i>\$1,302,000,000</i> is additional new budget authority specified for purposes of section 251(b)(2)(B) of such Act: <i>Provided further</i>, That, of the additional new budget authority described in the preceding proviso, up to [\$10,000,000] <i>\$11,200,000</i> may be transferred to the “Office of Inspector General”, Social Security Administration, for the cost of jointly operated co-operative disability investigation units: <i>Provided further</i>, That such transfer authority is in addition to any other transfer authority provided by law: <i>Provided further</i>, That the Commissioner shall provide to the Congress (at the conclusion of the fiscal year) a report on the obligation and expenditure of these funds, similar to the reports that were required by section 103(d)(2) of Public Law</p>	<p>The language appropriates \$1,575,000,000 of dedicated program integrity funding to remain available through March 31, 2022, for full medical CDRs, redeterminations, work related CDRs, CDI units, and fraud prosecutions by Special Assistant United States Attorneys. That amount comprises a base of \$273,000,000 and the authorized 2021 level of \$1,302,000,000 for the purposes of an adjustment to the discretionary spending limit as provided in section 251(b)(2)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended by the Bipartisan Budget Act of 2015. In FY 2021, we may transfer up to \$11.2 million from the program integrity cap adjustment funds to the Inspector General (OIG) to fund CDI unit team leaders. This is an authorized use of the cap adjustment.</p>

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Language Provision	Explanation
104–121 for fiscal years 1996 through 2002.”	
“In addition, [\$130,000,000] <i>\$135,000,000</i> to be derived from administration fees in excess of \$5.00 per supplementary payment collected pursuant to section 1616(d) of the Social Security Act or section 212(b)(3) of Public Law 93–66, which shall remain available until expended: <i>Provided</i> , That to the extent that the amounts collected pursuant to such sections in fiscal year [2020] <i>2021</i> exceed [\$130,000,000] <i>\$135,000,000</i> , the amounts shall be available in fiscal year [2021] <i>2022</i> only to the extent provided in advance in appropriations Acts.”	The language makes available up to \$135,000,000 collected from States for administration of their supplementary payments to the SSI program. This assumes the fee will increase from \$12.41 per check in FY 2020 to \$12.71 in FY 2021 according to increases established by statute. We receive the amount collected above \$5.00 from each fee.
“In addition, up to \$1,000,000 to be derived from fees collected pursuant to section 303(c) of the Social Security Protection Act, which shall remain available until expended.”	The language provides for the use of up to \$1,000,000 derived from fees charged to non-attorneys who apply for certification to represent claimants.
<i>“The Commissioner of Social Security shall charge a \$25 fee for the issuance of a replacement Social Security card if an individual requests the issuance of such card in a field office of the Social Security Administration and a \$7 fee if an individual requests the issuance of such card online: Provided, That any fees collected pursuant to the matter preceding this proviso shall be deposited in this account and shall be available subject to the restrictions in the first paragraph under this heading: Provided further, That the Commissioner may not charge such a fee for the issuance of a new Social Security card.”</i>	The language provides fees that we will charge for replacement Social Security cards. If the Social Security card issuance request is made in a field office, the fee will be \$25, whereas, Social Security card issuance requests made online will have a \$7 fee. The issuance of a new Social Security card will have no fee.

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SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEE REPORTS

The table below includes the significant items requested in House Report 116-62 and the joint explanatory statement accompanying the Further Consolidated Appropriations Act, 2020 (Public Law 116-94).

Table 3.3—Significant Items in Appropriations Committee Report

<u>Continuing Disability Reviews</u>	<u>Actions Taken or To Be Taken</u>
The agreement directs SSA to include in its next continuing disability review (CDR) report to Congress an evaluation of its CDR prioritization models and a cost-benefit analysis of how it uses estimated savings in determining which beneficiaries receive a full-medical CDR. Additionally, the agreement requests in the fiscal year 2021 Congressional Justification, the process by which SSA intends to pace its CDR workload to properly manage Limitation on Administrative Expenses funding.	We will include information in our next CDR report to Congress to satisfy this requirement. Please see the Program Integrity exhibit in the Limitation on Administrative Expenses (LAE) section of this Congressional Justification (CJ) for additional information on our CDR workload.
<u>Disability Case Processing System (DCPS)</u>	<u>Actions Taken or To Be Taken</u>
SSA is encouraged to engage with States to explore all possible options for modernization of the case processing system, to align with the needs of each State, so long as such options have similar or better functionality as DCPS, similar or lower costs to DCPS, and are consistent with Federal procurement and security standards. SSA should continue to provide regular updates on the effort to upgrade DCPS, including the cost and anticipated timeline of the project, and efforts by SSA to engage stakeholders, including any barriers to implementation.	We will continue to engage with all our stakeholders and provide regular updates on our efforts to upgrade DCPS.
<u>Disability Hearings Backlog</u>	<u>Actions Taken or To Be Taken</u>
The agreement encourages SSA to include comprehensive information in its existing reports to Congress on the specific policies SSA has implemented, or has considered, to streamline the disability determination and adjudication process. When considering or implementing changes, SSA should ensure due	We will include information in existing reports to Congress.

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<p>process, and that applicants have a full and adequate opportunity to present their claims.</p>	
<p style="text-align: center;"><u>Field Office Closures</u></p> <p>While SSA's Inspector General reviews decisions to close field offices, the Commissioner is strongly encouraged to take every action possible to maintain operations at the offices under review. SSA is expected to support front line operations. As part of the fiscal year 2021 Congressional Justification, SSA should include a plan to identify opportunities for improved field office operations. Finally, SSA is strongly encouraged to ensure its policies and procedures for closing field offices include at least 120 days advance notice to the public, SSA employees, Congress, and other stakeholders. Such notice should include a rationale for the proposed closure and an evaluation of the effects on the public and SSA operations.</p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p> <p>Our fiscal year (FY) 2021 budget supports efforts to improve service in our field offices. For additional information, please refer to our Budget Overview in this CJ for more information.</p>
<p style="text-align: center;"><u>Mail and Printing Systems</u></p> <p>SSA is encouraged to consider and evaluate modernization of its mail and printing systems and contracts that could result in budgetary savings while improving fraud prevention. The agreement requests a briefing for the committees within 180 days of enactment of this Act on current mailing and printing systems and contracts, including systems or contracts relating to Social Security Cards, and any ongoing efforts to modernize or otherwise improve such systems.</p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p> <p>We will brief the Committees by the requested due date on current mailing and printing systems and contracts.</p>
<p style="text-align: center;"><u>Medical Vocational Guidelines</u></p> <p>The agreement directs SSA to provide a report to the Committees within 90 days of enactment of this Act on its plan and timetable for updating and modernizing medical vocational guidelines and to engage appropriate Committees of jurisdiction prior to making any changes to such guidelines.</p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p> <p>We will report to the Committees by the requested due date on modernizing medical vocational guidelines.</p>

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<p style="text-align: center;"><u>Telework</u></p> <p>SSA is urged to develop a telework plan for Operations employees as quickly as practicable and to brief the Committees on the status of efforts to reinstate telework within 60 days of enactment of this Act.</p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p> <p>We briefed the Committees on January 27, 2020.</p>
<p style="text-align: center;"><u>Video Hearings</u></p> <p>The agreement reiterates the language included under this heading in House Report 116-62, and directs SSA to provide an update in the fiscal year 2021 Congressional Justification detailing the extent to which SSA meets best practices outlined by the Administrative Conference of the U.S., and the extent to which SSA video hearings, policies, and practices are accessible to individuals with disabilities.</p> <p><i>From House Report 116-62 - The Committee is concerned that SSA’s proposal in the Notice of Proposed Rulemaking “Setting the Manner for the Appearance of Parties and Witnesses at a Hearing” (83 Fed. Reg. 57368, November 15, 2018) eliminates an individual’s right to an in-person hearing before an SSA Administrative Law Judge (ALJ). This change would deprive millions of Americans of their right to due process and could result in hearings which are less fair and less efficient. The Committee strongly urges SSA to maintain its current policy, which allows claimants to choose to use video hearings on a voluntary basis or to have an in-person hearing or proceeding if the party chooses to do so.</i></p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p> <p>We published the final rule on December 18, 2019 (84 Fed. Reg 69298). Under the final rule, we will decide how parties and witnesses will appear at a hearing before an ALJ based on several factors, but the parties to a hearing will continue to have the ability to opt out of appearing by video teleconference at the administrative law judge hearings level. This preserves an individual’s right to an in-person hearing.</p>
<p style="text-align: center;"><u>Work Incentives Planning and Assistance (WIPA) and Protection and Advocacy for Beneficiaries of Social Security (PABSS)</u></p> <p>The agreement includes \$23,000,000 for WIPA and \$7,000,000 for PABSS.</p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p> <p>We have dedicated funding for this purpose. We issued all PABSS awards notices on November 20, 2019. We plan to issue WIPA award notices in June 2020.</p>

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<u>Administrative Law Judge Selection</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee is deeply concerned about the impact of Presidential Executive Order 13843 on the judicial independence of administrative law judges (ALJs). The Order eliminates the competitive hiring process for ALJs and has the potential impact of converting independent adjudicators to political appointees, undermining longstanding principles of fair and unbiased consideration of matters of vital importance to the American people. ALJs must be independent decision-makers and it is the Committee’s expectation that SSA maintain the highest standards for appointment of ALJs. The Committee directs SSA to submit a report within 60 days of enactment of this Act to the Committees on Appropriations, Ways and Means, and Oversight and Reform, explaining the process, qualification standards, and criteria used to recruit, evaluate and hire ALJs under the executive order.</p>	<p>We will submit a report to the Committees by the requested due date.</p>
<u>Beneficiary Education</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee recommends SSA include more complete information on the basic coverage decision individuals must make when turning age 65 and enrolling in Medicare. Notifications and informational materials shared with individuals as they become Medicare-eligible or re-enroll in Medicare should clearly explain the basic decision that must be made when electing Medicare coverage. This information currently presents information on Medicare Parts A and B (or “Original Medicare”) but falls short in explaining the full options available to beneficiaries under Medicare, such as the opportunity to enroll in Part C and D, as well as supplemental coverage options (Medigap) should beneficiaries select Original Medicare. The Committee also recommends SSA include additional language to clarify the basic coverage options available to individuals provided on its website, www.ssa.gov/benefits/medicare and refer</p>	<p>We have taken the following actions to ensure public awareness about Medicare:</p> <ul style="list-style-type: none"> • Updated the Medicare Benefits webpage (https://www.ssa.gov/benefits/medicare) in October 2019. • Released Social Security Matters blogs, Medicare, A Simple Explanation (https://blog.ssa.gov/medicare-a-simple-explanation) on October 24, 2019 and Sign Up for Medicare and Estimate Medicare Costs (https://blog.ssa.gov/sign-up-for-medicare-and-estimate-medicare-costs) on November 7, 2019 to more than 364,000 subscribers. • Updated coverage language in the publications titled <i>Medicare, Apply Online for Medicare, Understanding the Benefits, What You Need to Know - Retirement & Survivors</i>, and <i>Retirement Benefits</i>; the updates will be published in January 2020. • Produced social media posts that link to the Centers for Medicare and Medicaid Services’

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<p>beneficiaries to CMS for more information on the benefits and limitations of coverage options.</p>	<p>(CMS) Medicare pages and ssa.gov/benefits/Medicare throughout the year, including during the Medicare Open Enrollment and General Enrollment Periods.</p> <ul style="list-style-type: none"> Released 12 social media posts on Facebook and Twitter in English and 6 posts in Spanish for the most recent Open Enrollment Period. <p>We will continue to collaborate with CMS on ways to better educate the public about Medicare and update informational materials as appropriate.</p>
<p>Collective Bargaining</p>	<p>Actions Taken or To Be Taken</p>
<p>The Committee strongly supports the rights of federal employees to bargain collectively. Presidential Executive Orders 13836, 13837, and 13839 undermine those rights, which is why a Federal court invalidated many provisions of those executive orders and enjoined Federal agencies from implementing them. The Committee is very concerned about reports that SSA, during recent contract negotiations with its union, insisted on proposals that closely resemble the invalidated provisions of the executive orders. The Committee understands that several of the articles still in dispute have been referred to the Federal Service Impasses Panel (FSIP) and are awaiting a final determination. Within 30 days of enactment of this Act, the Committee directs SSA to submit a report and brief the Committees on Appropriations, Ways and Means, and Oversight and Reform on all articles in dispute with the unions as of April 16, 2019. The report shall include the modifications SSA made to each of the articles in dispute in order to comply with the court order. Additionally, it is the Committee’s understanding that parties can continue to discuss open matters while awaiting a final determination from FSIP. The Committee directs SSA to do so and to engage the Federal Mediation and Conciliation Service (FMCS) in order to address these issues through mediation.</p>	<p>We continue to work closely with each of our three unions. We have fully agreed-upon and signed contracts with the National Treasury Employees Union (NTEU) and the American Federation of Government Employees (AFGE); therefore, this language would no longer apply to those unions. Combined, AFGE and NTEU represent over 45,000 SSA employees—over 95 percent of our bargaining unit employees. SSA and International Federation of Professional and Technical Engineers (IFPTE) agreed to over 20 articles at the negotiating table over the course of several months of bargaining overseen by a mediator appointed by the Federal Mediation and Conciliation Service (FMCS). The FMCS mediator declared SSA and IFPTE at impasse on nine remaining articles, and the agency and IFPTE are now engaged before the Federal Service Impasses Panel (FSIP) to resolve those matters. The agency will comply with the FSIP procedures, including any dispute resolution processes ordered by FSIP. Further, the language related to the District Court ruling on the labor-relations Executive Orders is no longer valid as that ruling was overturned in the Circuit Court.</p>

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<p>SSA is directed to resume contract negotiations with its union in good faith and to present proposals that do not mirror District Court discredited provisions of the aforementioned executive orders. If after a reasonable period of good faith bargaining has been conducted, FMCS determines that a contract impasse exists, the parties will jointly select an independent mediator-arbitrator from a list of mediators-arbitrators supplied by the FMCS. Such mediator- arbitrator will conduct mediation and, if needed, an arbitration hearing with the authority to decide the final contract.</p>	
<p><u>Headache Disorders</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee supports efforts to ensure consistent decision-making with regard to how to appropriately and correctly apply the current Listing of Impairments to headache disorders-related impairments.</p>	<p>We acknowledge the Committees’ support.</p>
<p><u>Information Technology</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee continues to monitor the Information Technology Modernization Plan and remains concerned that while SSA undertakes information technology upgrades and improvements, the agency must also maintain an appropriate balance between SSA’s various service delivery options. As the agency continues to focus on modernizing information technology and systems, the Committee strongly encourages SSA to focus on enhancements that positively affect service to the public and add efficiency to administration of its programs. In addition, the Committee encourages involvement of agency front-line staff, those most familiar with the use of such programs, in all aspects of development, testing and deployment. The Committee requests an update of the plan referenced under this heading in House Report 114–699.</p>	<p>We are currently working to update our Information Technology Modernization Plan to include items that positively affect service to the public and add efficiency to administering our programs. Once we finalize our updated plan, we will provide a copy to the Committees.</p>

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<u>Mailing Paper Statements</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee is concerned that SSA is not mailing Social Security benefits and earning statements to all contributors aged 25 and older not yet receiving benefits, in accordance with Section 1143 of the Social Security Act (42 U.S.C. 1320b–13). The Administration is directed to brief the Committee within 60 days of enactment of this Act on progress to date on implementing the law as written, and to include in its fiscal year 2021 Congressional Budget Justification an estimate of costs associated with the mailing of paper statements as required by law.</p>	<p>We will brief the Committees by the requested due date. Please see the Budget Overview section of this CJ for information on Social Security Statement mailing costs.</p>
<u>Muscular Dystrophy</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee requests SSA include in the fiscal year 2021 Congressional Budget Justification the rate at which persons with Duchenne and Becker Muscular Dystrophy utilize SSA programs, particularly those focused on promoting employment and community independence such as the Ticket to Work Program.</p>	<p>Please see the Utilization of SSA Programs for Muscular Dystrophy exhibit in the LAE section of this CJ for this information.</p>
<u>Occupational Information System</u>	<u>Actions Taken or To Be Taken</u>
<p>SSA is developing a new Occupational Information System (OIS) that will replace the Dictionary of Occupational Titles as the primary source of occupational information used in SSA’s disability adjudication process. The Committee directs SSA to continue to include in its annual Report on the Occupational Information System Project the estimated costs for each future fiscal year until the project is expected to be completed, as well as the estimated cost for a five-year data refresh cycle.</p>	<p>We will continue to provide the requested information in our annual Report to Congress on the OIS project.</p>
<u>Pilot Program Metrics</u>	<u>Actions Taken or To Be Taken</u>
<p>The Committee appreciates the information on pilot program metrics provided in the fiscal year 2020 Congressional Budget Justification. The Committee expects that, prior to undertaking any new pilots, SSA will ensure</p>	<p>Please see the Pilot Program Metrics exhibit in the LAE section of this CJ for this information.</p>

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<p>that it has developed a research design that identifies a clear purpose for the pilot, key objectives and an evaluation plan, including adequate metrics to determine the pilot’s effectiveness. Metrics should be specific, quantifiable measures—accompanied by specific goals for the measures— that can be used to evaluate success. The committee reminds SSA that it uses the term “pilot” to encompass all efforts to test the effects of process changes, including “initiatives” and “tests.”</p> <p>The Committee directs SSA to submit a report to the Committees on Appropriations, the Committee on Ways and Means, and the Committee on Finance not later than 90 days after the enactment of this Act with a description of all pilots conducted in fiscal years 2019 and 2020, or proposed for fiscal year 2021; the purpose and key objectives of each pilot; its start date and timeline; which SSA components are involved in the pilot; the evaluation plan; the measures or metrics the SSA will use to evaluate the pilot; and a specific goal for each metric that will be used to determine the pilot’s effectiveness. Similar information should be provided in the fiscal year 2021 Congressional Budget Justification. All SSA pilots should be included in the requested report and justification, including those undertaken as part of the Compassionate and Responsive Service (CARES) plan and in other parts of the agency. The report (and section in the justification) does not need to include programmatic demonstrations, such as those involving changes in program eligibility rules.</p>	
<p><u>Reconsideration</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee is concerned that SSA is reinstating reconsideration in ten States despite bipartisan, bicameral concern about the quality of the reconsideration process and the delays it causes, and without any plan to improve</p>	<p>We are working to satisfy this requirement.</p>

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<p>decision-making at the initial or reconsideration levels. The Committee directs SSA to provide a plan to the Committee on Appropriations and the Committee on Ways and Means within 180 days of enactment of this Act to improve the Disability Determination Services processes, including research topics and potential pilots to improve the disability process, including the reconsideration appeal step, to help ensure the correct decision is made as early as possible, avoiding the need for eligible individuals to seek a hearing in order to receive the benefits for which they are eligible.</p>	
<p style="text-align: center;"><u>Replacement Card Fees</u></p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p>
<p>The Committee considers the proposal to charge a fee to replace a lost or stolen Social Security card incomplete and ill-considered. It is an inappropriate attempt to circumvent the Federal rulemaking process and the agency is directed not to move forward with this proposal.</p>	<p>We acknowledge the Committees' request.</p>
<p style="text-align: center;"><u>Report on LAE Expenditures</u></p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p>
<p>The Committee continues to request that the data referenced under this heading in House Report 114-699 be included in future budget justifications. In addition, the Committee requests the fiscal year 2021 Congressional Budget Justification include a historical table of costs and fiscal year 2021 requests for personnel and benefits, by major SSA component to include Operations (field offices, teleservice centers, processing centers, and regional offices); Office of Hearings Operations; Systems; Office of Analytics, Review, and Oversight; and Headquarters.</p> <p>Report on LAE Expenditures (House Report 114-699) – The Committee directs SSA to include in the fiscal year 2018 budget request the amount of funding for the following categories for fiscal years 2016-2018:</p> <ul style="list-style-type: none"> • Personnel costs by General Schedule grade, Administrative Law Judge personnel costs, Senior Executive Service 	<p>Please see Tables 3.19, 3.20 and Table 3.21 for a historical table of costs and FY 2021 requests for personnel and benefits by major SSA component.</p> <p>For Personnel costs by General Schedule grade, Administrative Law Judge personnel costs, Senior Executive Service personnel costs, and reemployed annuitant personnel costs, please see Tables 3.34 through 3.36. For personnel costs by region, please see Tables 3.37 through 3.39. For Information Technology costs broken out by hardware/software technology and upgrade/maintenance costs, please see Table 3.30. For Physical infrastructure costs by region and office function, please see Tables 3.42 through 3.47. For Overall costs for personnel, time and dollars for OASI, DI, SSI, and other SSA missions, please see Table 3.15. For Program Integrity work broken out by OASI, DI and SSI as well as types of spending, please see Table 3.23. For Disability Determination Services State costs and Federal staff costs, please see Table 3.18.</p>

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<p>personnel costs, reemployed annuitant personnel costs including the number of Full-Time equivalent for each General Schedule grade, Administrative Law Judge, and Senior Executive Service</p> <ul style="list-style-type: none"> • Personnel costs by region, including the number of General Schedule grade, Administrative Law Judge, and Senior Executive Service Full-Time Equivalent for each region • Information technology costs broken out by hardware/software technology and upgrade/maintenance costs • Physical infrastructure costs by region and office function • Overall costs for personnel, time and dollars for the administrative expenses and program operation expenses for the following programs: <ul style="list-style-type: none"> ○ OASI ○ DI ○ SSI ○ Other SSA missions, including return to work efforts • Program Integrity work broken out by OASI, DI and SSI as well as types of spending (data matching, predictive data work and data analytics) • Disability Determination Services State costs and federal staff costs- separated from other SSA administered program costs 	
<p><u>Social Media</u></p>	<p><u>Actions Taken or To Be Taken</u></p>
<p>The Committee is concerned about the proposal in the budget request to permit SSA disability adjudicators to use social media postings and other Internet-based sources as part of evaluating whether the individual meets the disability eligibility criteria. The reliability of social media is often low and hard to determine and SSA adjudicators lack the time, resources, and expertise to properly review, evaluate, and corroborate social media posts. SSA should not pursue this strategy, but</p>	<p>We acknowledge the Committees’ statement. This proposal is no longer moving forward.</p>

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<p>instead continue with its existing process of referring cases of suspected fraud to investigators at SSA’s Office of Inspector General, who are trained to investigate information found on the Internet or social media and corroborate it against other sources.</p>	
<p style="text-align: center;"><u>Vocational Experts</u></p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p>
<p>The Committee directs SSA to provide an update to the Committee on Appropriations and the Committee on Ways and Means within 90 days of enactment of this Act on the status of its plans to strengthen Vocational Expert (VE) qualification standards and to pay fees that are sufficient to hire VEs with the necessary expertise and current knowledge. The Committee directs SSA to ensure that anyone testifying as a vocational expert under a Blanket Purchase Agreement meets the qualification standards; and explain how SSA’s new fees will reflect VE qualification standards and take into account the fees paid for VE services by other Federal agencies and the private sector. The plan should be developed in consultation with knowledgeable stakeholders, including VEs.</p>	<p>We will provide an update to the Committees by the requested due date.</p>
<p style="text-align: center;"><u>Vocational Factors</u></p>	<p style="text-align: center;"><u>Actions Taken or To Be Taken</u></p>
<p>The Committee considers the recent Notice of Proposed Rulemaking “Removing Inability to Communicate in English as an Education Category” (84 Fed. Reg 1006, February 1, 2019) to be a harmful and unjustified attempt to deny Social Security and SSI disability benefits to older workers with long-term or fatal medical impairments who are severely limited in their functional capacity and who cannot communicate in English. The rule does not provide any valid evidence that there is a sufficient occupational base of jobs that this narrow group of severely disabled individuals can perform despite their pervasive limitations. The Committee understands that of the 157 organizations who submitted or signed</p>	<p>We acknowledge the Committees’ statement.</p>

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comments, all but one commented in opposition to the rule. In light of the harm that would be caused by this policy change, the Committee strongly urges SSA to withdraw this proposed rule.	
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IMPROPER PAYMENTS

We are committed to reducing improper payments. While our payment accuracy rates are very high, even a small error rate can add up to substantial improper payments due to the amount of benefits we pay. For instance, in FY 2018, we issued over \$1 trillion in benefit payments, while our combined overpayments and underpayments totaled over \$8 billion. Our internal quality reviews, which are validated by a third-party auditor, indicate that approximately 99.77 percent of our Old-Age, Survivor, and Disability Insurance (OASDI) benefit payments were free of overpayment and 99.95 percent were free of underpayment in FY 2018, the last year for which we have data. For the same year, 91.77 percent of all Supplemental Security Income (SSI) benefits were free of overpayment and over 98.52 percent were free of underpayment. One of our Agency Priority Goals is to improve the integrity of the SSI program by focusing our efforts on reducing overpayments. In FYs 2020 and 2021, our target is to achieve an SSI overpayment accuracy rate of 94 percent.

The Budget proposes to reduce improper payments in disability programs by using administrative resources to develop a uniform system of reporting in *my Social Security*. This is in addition to instituting a holistic view that provides all beneficiaries' data, including income and assets, in one electronic location, while simultaneously developing a network of automated processes across other IT platforms for work-related benefit payment adjustments, work continuing disability reviews, redeterminations, and payments to Ticket to Work providers. In addition, future related legislative changes to address the root causes of these improper payments could include requiring suspension of benefits when beneficiaries neglect to report wage and resources, and instituting mandatory training for beneficiaries on reporting requirements prior to receipt of their first benefit check.

Please refer to the Payment Integrity section of the Analytical Perspectives for more information on legislative proposals to reduce improper payments in our programs included in the Budget.

Furthermore, we have an aggressive strategy, utilizing various initiatives, to reduce improper payments:

- Determining the Value of Increasing Access to Financial Institutions Program Use;
- Identifying Non-Home Real Property;
- Enhancing the SSI Wage-Reporting Process;
- Performing Quality Reviews;
- Reducing Underpayments to Vulnerable Populations;
- Increasing Post-Entitlement Accuracy;

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- Improving Death Data Processing;
- Expanding Benefit Payment Offset;
- Developing a Debt Management Product; and
- Additional Data Exchanges to Prevent Improper Payments.

For more information about our efforts, please see our Agency Financial Report and Annual Performance Report, as well as information provided on our website at www.ssa.gov/improperpayments/index.html.

PILOT PROGRAM METRICS

The following list satisfies the request for information on agency pilot programs pursuant to House Report 116-62 accompanying the Further Consolidated Appropriations Act, 2020.

Completed Pilots

1. Proactive Analysis and Triage for Hearings (Pilot completed and implemented)

The Office of Hearings Operations (OHO), in conjunction with the Office of Analytics, Review, and Oversight (OARO), began the Proactive Analysis and Triage for Hearings (PATH) pilot in April 2017. PATH combines the use of classification algorithms and previously developed data analytic methods to identify patterns and predict the likely outcome of cases pending at the hearing level. The PATH initiative also establishes procedural rules for hearings and helps us to identify and triage cases that are most likely to result in a fully favorable decision before scheduling the case for a hearing before an administrative law judge. We review PATH cases through an informal remand to the prior adjudicative level if there is reason to believe that the revised determination could be fully favorable, or handled as an on-the-record decision prepared by a Senior Attorney Advisor (SAA).

In fiscal year (FY) 2019, we resumed the National Adjudication Team (NAT) with 24 SAAs and incorporated it into the PATH business model. The NAT consists of SAAs who screen and adjudicate cases where the evidence supports a fully favorable decision, removing those cases from the hearings backlog. Through December 2019, the NAT reviewed over 14,300 cases, reversing approximately 17 percent of the cases, and successfully issuing allowance decisions to approximately 3,000 individuals who will not have to wait for a hearing. We incorporated PATH into the OHO business process and PATH constitutes the case flow for the NAT. We will integrate PATH into our Hearings and Appeals Case Processing System at the appropriate time. This pilot is complete.

2. Pre-Hearing Development Contacts (Pilot completed and implemented)

In January 2018, we started conducting pre-hearing development contacts (PHDC) for two cohorts: all unrepresented continuing disability review (CDR) claimants between the ages of 18 and 25, and all unrepresented claimants in 12 offices with high populations of unrepresented claimants and higher than national average postponement rates. By May 2019, we expanded PHDCs for all unrepresented claimants to an additional 27 hearing offices bringing the total number of offices to 39. Of the almost 37,000 claimants we attempted to contact for a PHDC from January 2018 through August 2019, we successfully reached claimants 51 percent of the

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time. Of the tracked cases in the 12 offices conducting PHDCs for all unrepresented claimants, the postponement rate for unrepresented claimants who had a successful PHDC was approximately 44.5 percent compared to the approximately 68 percent postponement rate for unrepresented claimants that did not have a PHDC. Because of the pilot's success, we completed the pilot and integrated PHDCs into our hearing operation in FY 2019.

3. Voice to Text Pilot (Pilot completed)

In FY 2018, together with OHO, the Office of Systems (OS) evaluated and tested Voice to Text (VTT) software to determine if it could accurately transcribe hearing notes into a searchable text file. OHO uses a multi-channel Digital Recording and Processing System to record hearings. During the process of recording the hearing, Verbatim Hearing Reporter contractors spend a significant amount of time typing log notes associated to the hearing. Our objective of the VTT pilot was to determine whether a commercially available software product could automate the process of preparing hearing log notes and eliminate the time-consuming manual steps.

As part of the pilot, we evaluated multiple commercially available software products to determine if an existing product met our business needs. However, no product tested met minimum quality needs.

4. Virtual Assistant Pilot (Pilot completed)

OS, together with the Office of Operations (Operations), piloted a Virtual Assistant (VA) to integrate with our Click-to-Chat application. The objective of this pilot was to evaluate multiple commercially available software products to determine if there is a solution to meet our business needs. Under this pilot, the VA interacted with *my Social Security* customers, answering simple questions within the VA's knowledge base, allowing live customer service agents to handle more complex matters. This resulted in a complete conversation or transfer to a live agent. The VA pilot ended in September 2019.

Based on the experience from the pilot, the agency recently invested in Pega software at an enterprise level that provides Customer Engagement tools. The Pega software has an out of the box VA solution, so we no longer need to continue this pilot. We plan to develop the VA within Pega in FY 2021.

Active Pilots

5. Benefits Planning Query Pilot

Our Office of Retirement and Disability Policy (ORDP) received reports of delayed and inconsistent processing of Benefit Planning Query (BPQY) requests from employment support program service providers working with disabled beneficiaries. The BPQY is a document that contains information about a beneficiary's earnings history and assists beneficiaries to understand how future earnings may affect their disability benefits. We initiated the BPQY pilot to ensure the timely and accurate distribution of BPQYs to service providers.

Through this pilot, we will show how expedited processing of BPQY requests improves beneficiary work and earnings outcomes. Additionally, we plan to show how BPQY centralization and automation help ensure greater processing efficiency.

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We established a small cadre of centralized staff who receive and process secure BPQY requests from beneficiaries, Employment Networks (EN), Work Incentives Planning and Assistance Projects, Protection and Advocacy for Beneficiaries of Social Security, and Vocational Rehabilitation (VR) offices. The centralized staff reviews the authorization, processes the BPQY request, and emails the BPQY statement to the requestor through a secure system. The centralized process fulfills the request in a more timely, efficient, and consistent manner compared to our current business process, which requires the submission and processing of paperwork in a field office.

If the pilot is successful, we will also use our findings to support the development of a new BPQY fulfillment system currently underway, and to explore the possibility of expanding the new system nationally. Simultaneously, we will continue to collaborate with Operations to develop the organizational framework for responding to BPQY requests in a centralized location to support streamlining the fulfillment process and reducing the burden on our field offices.

Evaluation Plan/Timeline

FY 2019:

- Measure the length of time between fulfilled BPQYs and beneficiary earnings dates to determine the average time it takes to realize new earnings upon BPQY receipt.
- Compare the time taken to fulfill BPQY requests in the cadre to the time taken to fulfill BPQY requests from non-centralized Social Security Administration (SSA) offices.
- Review BPQY response times and subsequent earnings outcomes of pilot beneficiaries to determine whether shorter BPQY response times yield higher beneficiary earnings.

FY 2020:

- Gather and review data from the pilot to determine whether centralized production of BPQYs has an impact on beneficiary employment and earnings.

Measure of Success/Metrics

We will evaluate these outcomes to determine increases in employment and earnings among beneficiaries who receive the BPQY through this pilot.

6. Employment Network Marketing Pilot

In FY 2019, ORDP tested a secure process for transferring marketing information to an EN. ENs provide employment support services designed to assist disabled beneficiaries in returning to work. We invited a small sample of ENs to apply for participation in the pilot.

The goal was to increase program participation by offering ENs an opportunity to market their services directly to beneficiaries. This is the only process available for ENs to market services directly to disabled beneficiaries. We currently rely on “Good News” notices, COLA notices, and automated calls to inform beneficiaries of their eligibility to participate in the Ticket to Work (TTW) Program. These efforts directed the beneficiary to the dedicated TTW Call Center and the <https://choosework.ssa.gov/> website where beneficiaries can then obtain more information regarding potential service providers. However, these methods do not refer beneficiaries to specific service providers.

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Through the pilot, we sent participating ENs limited beneficiary contact information consisting of the name, phone number, and/or address of the disabled beneficiary using selection criteria that the ENs provide (e.g., age, zip code). ENs use the contact information in the marketing file to inform the beneficiary about the TTW program and market their services with the goal of having the beneficiary assign their Ticket to the service provider.

In the past, we distributed data on a compact disc (CD) with beneficiary information to ENs across the United States. In March 2015, we decided that providing data on a CD no longer guaranteed the protection of sensitive beneficiary information. We implemented the EN Marketing Pilot process to develop a more secure process for transferring beneficiary information to ENs. Through the pilot, we will evaluate whether this solution of sending secure, encrypted data to ENs increases Ticket Program participation or enhances EN performance.

Evaluation Plan/Timeline

FY 2019:

- Compare the earnings of a cohort of beneficiaries who received services from a pilot EN in FY 2017 and FY 2018 to the earnings of a cohort of beneficiaries who received services from a non-pilot EN.
- Compare EN performance before and after receiving marketing data through the pilot.

FY 2020:

- Review data from the pilot.

Measure of Success/Metrics

We will evaluate whether receipt of beneficiary records through the pilot resulted in ENs assigning a larger volume of Tickets and facilitating higher beneficiary earnings to individuals whose information the ENs received. We will consider the pilot successful if EN performance metrics (Tickets assigned or beneficiary earnings) increase after the pilot intervention.

7. Monthly Earnings Pilot

ORDP, Operations, OS, and OARO created a process to select disabled beneficiaries for a work CDR when a beneficiary meets specified criteria and self-reports monthly earnings based on new reporting requirements in the Bipartisan Budget Act of 2015. The Monthly Earnings Pilot (MEP) will select beneficiaries completing their ninth trial work period (TWP) month or working Substantial Gainful Activity (SGA) outside of the TWP for a work CDR.

Because monthly earnings are reported shortly after month's end, MEP allows us to identify working disabled beneficiaries sooner compared to the current CDR enforcement operation process. This will allow us to minimize improper payments to beneficiaries.

Evaluation Plan/Timeline

FY 2019:

- Select cases for a work CDR when reported earnings indicate the beneficiary has reached the ninth TWP month or is working SGA outside of the TWP.

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- Track the results of the work CDRs using the Disability Control File and information gathered during the selection process.

FY 2020:

- Determine the average amount of overpayment from cases selected by MEP.

Measure of Success/Metrics

Since MEP selects cases for a work CDR shortly after the beneficiary reports earnings from work, our goal is to reduce the amount of overpayments for the cases selected by MEP. We expect the average overpayment from the cases selected by MEP to be half the amount of the average overpayment from other projects. In FY 2019, MEP selected roughly 14,000 cases for a work CDR. We continue to track those cases.

8. Ticket to Work Notice Optimization

The Ticket to Work and Work Incentives Improvement Act of 1999 established the TTW program we currently administer. This program provides Disability Insurance (DI) and Supplemental Security Income (SSI) beneficiaries and recipients with more options for receiving employment services. We provide DI and SSI beneficiaries and recipients with a Ticket to obtain vocational rehabilitation (VR) services, employment services, and other support services from ENs or State VR agencies of their choice. Goals of the TTW program include increasing exits from the DI and SSI programs due to work, expanding the availability of services for beneficiaries, reducing dependency on disability benefits, and obtaining benefit reductions that are greater than the cost we pay for services.

Participation rates are a key factor in the program's success. Though the program has served close to 1.2 million beneficiaries and recipients since 2000, participation in the program has been relatively low in relation to the total number of beneficiaries and recipients we serve. The TTW Notice Optimization project seeks to:

- 1) Analyze data to identify unique characteristics of our Ticket population; and
- 2) Use these data in conjunction with research on behavioral aspects of changes to our TTW notice (e.g., testing the types of notices we send, the language we use, and the timing of our notices) to optimize and target our outreach to maximize TTW participation and beneficiary earnings.

Evaluation Plan/Timeline

FY 2020:

- Continue to work with the General Services Administration to finalize notice prototypes.
- Work with OS to randomize sampling and begin testing prototype notices.
- Obtain notice language approval, modify systems processes, and implement this pilot.

FY 2021:

- Continue testing prototype notices and conducting data analyses.

Measure of Success/Metrics

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We will capture data on the number of beneficiaries who we assign a Ticket, their monthly earnings, and Ticket payments. We will measure success based on increases in Ticket assignment. Currently, slightly more than 1 percent of individuals assign their Tickets in the first year. Even a small increase in Ticket assignment could lead to cost savings. Secondary outcomes of interest include earnings above substantial gainful activity and Ticket payments.

9. Wage Reporting Pilot

In July 2016, ORDP implemented a Wage Reporting Pilot. This pilot enables SSA Ticket Program Manager (TPM) payment staff (currently contracted with Maximus Federal Services) to initiate or update a work or paystub report in the eWork system for more timely adjudicative action by our field offices and processing centers. TTW program service providers who are assisting SSA beneficiaries return to work report these earnings to the TPM.

The objective of our pilot is to strengthen the integrity of our TTW program and minimize improper payments due to earnings. This objective aligns with our Agency Strategic Plan Objective 3.1 – Improve Program Integrity. Necessary and timely action taken on reported wages reduces the likelihood of improper payments to disabled beneficiaries. Submitting proof of wages through the Wage Reporting Pilot provides an efficient method for ENs to receive payment in a timely manner and subsequently supports ENs to encourage disabled beneficiaries to report wages to SSA.

Evaluation Plan/Timeline

FY 2019:

- Collect pilot Social Security Number entries in FY 2019 from TPMs.
- Research the benefit status of at least 100 disabled beneficiaries with earnings entered through the pilot and compare this cohort to 100 disabled beneficiaries with earnings not entered through the pilot.
- Evaluate how soon adjudicative decisions were made to determine if the wage reporting entries accelerated a cessation of benefits.

FY 2020:

- Continue the evaluation of work CDR outcomes.
- If effective, promote automation of the wage reporting process.

Measure of Success/Metrics

We will consider this pilot successful if it takes us fewer days to cease benefits among the group whose earnings were entered into eWork through the Wage Reporting Pilot. We are still determining if it is possible to measure differences in overpayments between these groups.

10. Event Based Marketing Pilot

In September 2019, OS began the Event Based Marketing (EBM) pilot with the goal to encourage *my Social Security* users to maximize the functionalities of our online service delivery channel targeting users who filed an authenticated internet claim (iClaim). The MyAPS application within *my Social Security* provides an additional option to check claim status versus

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calling the National 800 Number for this information or making an in person visit to a field office.

The EBM pilot will also leverage the Granicus GovDelivery Targeted Message Service (TMS) Application Programming Interface to send e-mails to inform and instruct targeted users on how to use the appropriate online services. We will notify claimants when their claim status changes, and the e-mail encourages claimants to log into their *my Social Security* account to see the updated status.

Evaluation Plan/Timeline

FY 2019:

- Develop the EBM pilot in September 2019.
- Integrate EBM into *my Social Security* in September 2019.
- Release EBM pilot to 15 percent of iClaim users in November 2019.

FY 2020:

- Evaluate message delivery results and impact on service channels; if favorable, move to next step.
- Increase production delivery to 50 percent of iClaim users by March 2020 if 15 percent message delivery and service channel impact results support the increase.
- Increase production to all iClaim users by May 2020 if 50 percent message delivery and service channel impact results support increase.
- Transition EBM out of pilot status and into full production by September 2020, pending data showing favorable customer behavior.

Measure of Success/Metrics

The TMS must be able to send e-mails to selected recipients. We will measure if events are triggered at the correct points in the business process (e.g., there is a change in status and an e-mail is generated). The system must report delivery, usage, and service channel metrics. We will measure if recipients of marketing emails use our telephone and in-person service channels less than non-recipients.

11. SSA Form 827 Pilot

In FY 2020, OS will begin a pilot to evaluate a tool that electronically recognizes and verifies information on a wet-signed form SSA-827, Authorization to Disclose Information to the Social Security Administration. We collect form SSA-827 from every disability applicant. The applicant may sign the form through attestation, thereby, capturing an electronic signature, or by signing a paper SSA-827. The form authorizes SSA to collect medical records from relevant medical, educational, and other providers. Providers have challenges with the wet-signed SSA-827 if the form is incomplete.

When we do not identify incomplete wet-signed forms before providing the form to a provider, it affects our ability to obtain necessary medical evidence and consultative exams. Delays in obtaining medical information affect the time a claimant waits for a decision and requires additional agency resources to resolve the issue.

Limitation on Administrative Expenses

We plan to evaluate an innovative Commercial Off the Shelf product from HyperScience. The HyperScience product specializes in extracting information from diverse types of documents using artificial intelligence. We will evaluate the effectiveness of the tool.

Evaluation Plan/Timeline

FY 2020:

- Identify and prepare a set of test SSA-827 documents by March 2020.
- Stand up an evaluation environment, and set up the HyperScience tool by March 2020.
- Run the test SSA-827 documents through HyperScience for six weeks to prove that the HyperScience product can identify and extract information within a wet-signed SSA-827.
- Prevent SSA systems (MegaHIT) from programmatically sending a request for Health IT data if the form is incomplete.
- Analyze results by June 2020.

Measures of Success/Metrics

We will capture data on the number of forms missing signatures and dates, as well as the number of times the tool identifies and extracts data. We will consider the tool successful if the tool can identify and extract missing information 90 percent of the time in approximately 4,500 wet-signed SSA-827s daily. In addition, we will consider this pilot successful if the tool identifies an incomplete form that prevents us from requesting HIT data in 100 percent of those cases.

12. SSA Wilkes-Barre Direct Operations Center Pilot

Each year, we receive Annual Wage Reports (AWR) from employers who are required to submit them (Forms W-3 Transmittal of Wage and Tax Statements, and W-2 Wage and Tax Statement) to SSA. Our Office of Central Operations Wilkes-Barre Direct Operations Center (WBDOC) receives the reports beginning as early as December of the previous year.

We receive approximately 2.5 million hand-written W-2/W-3 forms yearly. The WBDOC staff manually key the forms into our AWR system using a process commonly known as Key from Image (KFI)/Direct Data Entry (DDE). Manually keyed W-2/W-3s have an approximate 40 percent accuracy rate, which require additional rework.

This pilot will test, develop, and deploy the HyperScience Handwriting Recognition tool within the AWR program to automate the KFI/DDE processes for hand-written W-2/W-3s.

Evaluation Plan/Timeline

FY 2020:

- Stand up test environment for the Hyperscience tool by March 2020.
- Conduct testing for six weeks; evaluate the accuracy rate of automated hand-written recognition.
- Reduce manual workload of data entry from hand-written forms from start to finish by using the Hyperscience tool.
- Complete ROI/cost benefit analysis by June 2020.
- Analyze results by July 2020.

Measure of Success/Metrics

Limitation on Administrative Expenses

We will consider this pilot successful if the HyperScience tool completes 90 percent of the KFI/DDE process. We also expect to achieve a 30 percent reduction in incomplete forms from the HyperScience process being returned for manual correction than those completed manually. We hope to achieve a 50 percent reduction in manual keying and automate the process to route exceptions to operators to correct data.

UTILIZATION OF SSA PROGRAMS FOR MUSCULAR DYSTROPHY

The FY 2020 Conference Report language from the House Report 116-62 requests we provide relevant data in our Congressional Justification on the rate at which persons with Duchenne and Becker Muscular Dystrophy utilize our programs, particularly those focused on promoting employment and community independence such as the Ticket to Work (TTW) Program.

We administer two programs that support individuals with disabilities. The Disability Insurance (DI) program is contributory, covering both individuals who have paid taxes into the program and their dependents. Supplemental Security Income (SSI) is a means-tested program for disabled children, disabled adults (age 18 through full retirement age [FRA]), and aged individuals.

This exhibit provides statistics on DI beneficiaries and SSI recipients who have a diagnosis code indicating muscular dystrophy as a primary or secondary impairment. Not all individuals with muscular dystrophy receive disability benefits. Some individuals may not meet the child or adult definitions of disability or may not meet other program requirements, such as having sufficient Social Security covered employment or having income or resources below the SSI thresholds.

Data on the number of individuals with muscular dystrophy in the overall United States population is incomplete, according to the Department of Health and Human Services. For context, we note that Duchenne muscular dystrophy is the most common form among children and, thus, most likely reflected in statistics on SSI children. In addition, Duchenne and Becker (which is similar to but less severe than Duchenne) muscular dystrophy primarily affect males. The Centers for Disease Control and Prevention estimates one in every 5,600 to 7,700 males aged five through 24 in the United States has Duchenne or Becker muscular dystrophy. Finally, for adults, we note the most common form of muscular dystrophy is Myotonic muscular dystrophy.¹

In December 2017, there were 37,429 DI beneficiaries and non-aged SSI recipients with a primary or secondary diagnosis of muscular dystrophy who were in current payment status (the data do not break out the type of muscular dystrophy). Among this group, 34,106 were adult beneficiaries (age 18 to FRA).²

Table 3.4—Beneficiaries with Muscular Dystrophy by Beneficiary Type in Current Pay Status, December 2017³

¹ Please see www.nichd.nih.gov/health/topics/musculardys/conditioninfo/pages/types.aspx and www.cdc.gov/ncbddd/musculardystrophy/data.html.

² Data from 2018 will be available in February 2020.

³ Program statistics were based on our tabulations of administrative records.

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Beneficiary Type	Number	Percent	Average Age at Start of Benefits
Adult (18-FRA)			
DI only ¹	21,594	57.7	37
SSI only	9,542	25.5	18
Concurrent	2,970	7.9	20
SSI child	3,323	8.9	4
Total	37,429	100.0	30²

There were 3,323 children on SSI with a diagnosis of muscular dystrophy or about one out of every 356 child recipients. Most of these children were male (74 percent); one out of every 324 male children on SSI had an impairment code indicating muscular dystrophy.

Table 3.5 provides additional information on the child population. Most began receiving benefits at a very young age. The average age for the start of benefits was four. About 37 percent of child recipients received benefits by age two, and 61 percent received benefits by age four. 87 percent of child recipients with muscular dystrophy received benefits by age eight.

Table 3.5—Age at First Benefit, Child Recipients, Ages 0-17 with Muscular Dystrophy in December 2017³

Child Age	Number	Percent
0-1	1,215	36.6
2-4	815	24.5
5-8	859	25.9
9-17	434	13.0
Total	3,323	100.0

The average age of child recipients was 11 (not shown in Table 3.5). One-quarter of child recipients were under the age of seven in December 2017, and almost three-quarters were under the age of 14.

Activities of Adult Beneficiaries with Muscular Dystrophy

The population under study includes not only adults who were in current pay in December 2017, but also adults that had benefits suspended or terminated due to work. There were 35,319 such beneficiaries with an impairment code indicating muscular dystrophy.

Among such individuals:

¹ Some of these individuals may have received benefits previously.

² Total reflects a weighted average of the age at start of benefits for adult beneficiaries only.

³ We continue to provide data from 2017 because it remains the latest available. Data from 2018 will be available in February 2020.

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- 4,815 (14 percent) participated in the TTW program, receiving services from either an Employment Network (EN) or a Vocational Rehabilitation (VR) center. The vast majority of individuals participating in TTW (93 percent) received services through VR.
- 1,213 (3 percent) had benefits suspended due to work in December 2017 or had their DI or SSI benefits terminated in the past due to work.
- 1,930 (5 percent) earned above the annualized Trial Work level¹ and 1,277 (4 percent) earned above the annualized Substantial Gainful Activity level² in 2017.
- Less than 1 percent used work incentives such as Impairment-Related Work Expenses, Blind Work Expenses, or Plans to Achieve Self-Support in 2017.

Allowance Rates for Child and Adult Beneficiaries with Duchenne Muscular Dystrophy

We also examined application records since 2008 and found 2,164 cases with Muscular Dystrophy listed as the impairment, and “Duchenne” included under the claim’s alleged description. These cases had a very high allowance rate at 87 percent. Among this group:

- Children age 1 and younger at the time of onset were allowed at a rate of 84 percent.
- The allowance rate for those between the ages of 1 and 10 was 81 percent.
- Those older than age 10 were allowed at a rate of 95 percent.

CONSULTATIVE EXAMINATIONS (CE)

In some cases, a claimant does not provide adequate evidence about his/her impairment(s) to us in order to determine whether he/she is disabled or blind. If we are unable to obtain adequate evidence from the claimant’s medical source(s), we may request to purchase a physical or mental examination or test from a medical source to provide evidence for the claim. While we manage our CE workload to an overall processing time goal for initial claims and reconsiderations, our systems do not capture the level of detail to identify the number of days for individual CE completion; therefore, we cannot provide average or accumulative number of days nationally or by State.

¹ Beneficiaries with monthly earnings of at least \$840 reached the Trial Work level in 2017.

² In 2017, we considered non-blind and blind disabled beneficiaries to be performing Substantial Gainful Activity if they earned more than \$1,170 and \$1,950 per month, respectively.

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Table 3.6 —FY 2019 CE Counts and Cost Data¹

	Annual Number of Cases with at Least One CE²	CE Rate³	CE Costs⁴	CE Cost per Case⁵
National Total (Disability Determination Services (DDS) + Federal)	1,376,588	33.5%	\$345,269,112	\$250.8
All DDS	1,374,571	34.1%	\$344,793,141	\$250.8
Boston Region	45,146	26.1%	\$9,968,784	\$220.8
Connecticut	9,951	26.5%	\$2,175,508	\$218.6
Maine	5,612	33.9%	\$1,336,818	\$238.2
Massachusetts	17,117	22.3%	\$3,537,567	\$206.7
New Hampshire	5,331	42.0%	\$997,077	\$187.0
Rhode Island	3,886	28.2%	\$981,868	\$252.7
Vermont	3,249	35.0%	\$939,946	\$289.3
New York Region	153,148	51.7%	\$35,823,011	\$233.9
New Jersey	29,373	34.7%	\$7,874,284	\$268.1
New York	111,285	51.9%	\$25,960,898	\$233.3
Puerto Rico	12,490	66.1%	\$1,987,829	\$159.2
Philadelphia Region	124,594	28.4%	\$32,573,173	\$261.4
Delaware	2,282	21.4%	\$660,566	\$289.5
District of Columbia	4,226	16.1%	\$1,338,765	\$316.8
Maryland	22,583	36.8%	\$8,007,452	\$354.6
Pennsylvania	62,324	35.8%	\$14,140,635	\$226.9
Virginia	19,606	16.9%	\$5,261,414	\$268.4
West Virginia	13,573	36.9%	\$3,164,341	\$233.1
Atlanta Region	367,889	35.8%	\$88,711,404	\$241.1
Alabama	34,370	36.3%	\$7,491,785	\$218.0
Florida	108,555	32.0%	\$28,423,173	\$261.8
Georgia	54,757	43.4%	\$14,920,605	\$272.5
Kentucky	33,606	38.4%	\$5,702,107	\$169.7
Mississippi	25,735	36.2%	\$4,499,807	\$174.9

¹ Extended Service Team (EST) CE data and costs are built into the State amounts (VA, MS, AR, OK).

² Our systems track the number of cases with at least one paid CE, not the total number of CEs ordered and completed for any given case.

³ CE rate is the number of cases for which at least one CE is ordered and paid compared to the total number of cases. This rate does not reflect the total volume of CEs ordered and paid. Our systems do not include the level of detail to identify if CEs were conducted by the treating medical provider.

⁴ CE costs represent costs for all CEs, including if there were more than one CE per case.

⁵ CE cost per case represents total CE Costs divided by the number of cases with at least one CE.

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	Annual Number of Cases with at Least One CE²	CE Rate³	CE Costs⁴	CE Cost per Case⁵
North Carolina	49,863	36.7%	\$13,439,414	\$269.5
South Carolina	24,803	36.0%	\$5,269,495	\$212.5
Tennessee	36,200	38.1%	\$8,965,018	\$247.7
Chicago Region	231,339	38.3%	\$55,023,814	\$237.8
Illinois	48,986	37.2%	\$12,101,556	\$247.0
Indiana	38,287	41.4%	\$8,787,959	\$229.5
Michigan	50,123	43.1%	\$8,777,681	\$175.1
Minnesota	14,779	31.1%	\$4,630,474	\$313.3
Ohio	55,624	34.7%	\$13,745,433	\$247.1
Wisconsin	23,540	37.4%	\$6,980,711	\$296.5
Dallas Region	181,731	29.0%	\$44,859,433	\$246.8
Arkansas	21,409	26.0%	\$4,949,351	\$231.2
Louisiana	31,255	37.7%	\$6,455,817	\$206.6
New Mexico	11,416	45.5%	\$2,741,653	\$240.2
Oklahoma	24,926	33.2%	\$5,955,084	\$238.9
Texas	92,725	28.7%	\$24,757,528	\$267.0
Kansas City Region	50,402	31.2%	\$13,421,066	\$266.3
Iowa	10,174	26.0%	\$2,799,410	\$275.2
Kansas	7,207	42.4%	\$2,093,953	\$290.5
Missouri	26,236	32.0%	\$6,464,961	\$246.4
Nebraska	6,785	42.4%	\$2,062,742	\$304.0
Denver Region	29,387	37.8%	\$12,065,878	\$410.6
Colorado	14,439	37.0%	\$6,104,832	\$422.8
Montana	2,974	34.3%	\$919,206	\$309.1
North Dakota	1,466	29.5%	\$631,087	\$430.5
South Dakota	1,554	23.9%	\$709,365	\$456.5
Utah	7,404	39.0%	\$2,879,273	\$388.9
Wyoming	1,550	43.6%	\$822,115	\$530.4
San Francisco Region	153,174	32.3%	\$37,975,541	\$247.9
Arizona	24,886	32.9%	\$6,424,754	\$258.2
California	118,395	31.3%	\$28,718,672	\$242.6
Hawaii	2,190	16.2%	\$916,452	\$418.5
Nevada	7,703	30.9%	\$1,915,663	\$248.7
Seattle Region	37,761	22.8%	\$14,371,037	\$380.6
Alaska	1,125	24.7%	\$670,675	\$596.2
Idaho	5,226	20.2%	\$1,659,206	\$317.5
Oregon	12,095	24.7%	\$4,338,443	\$358.7
Washington	19,315	24.9%	\$7,702,713	\$398.8

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	Annual Number of Cases with at Least One CE²	CE Rate³	CE Costs⁴	CE Cost per Case⁵
Federal	2,017	2.3%	\$475,971	\$236.0

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APPROPRIATION HISTORY

The table below includes the amount requested by the President, passed by the House and Senate Committees on Appropriations, and ultimately appropriated for the LAE account, including any rescissions and supplemental appropriations, for the last 10 years. The annual appropriation includes amounts authorized from SSI State Supplement user fees and non-attorney representative user fees.

Table 3.7—Appropriation History Table

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
2011	\$12,378,863,280 ¹	--- ²	\$12,377,000,000 ₃	\$11,446,500,000 ⁴
Rescission ⁵				-
Final				\$22,893,000
				\$11,423,607,000
				0
2012	\$12,522,000,000 ⁶	--- ⁷	\$11,632,448,000 ₈	\$11,474,978,000 ⁹
Rescission ₁₀				\$21,688,000
Final				\$11,453,290,000 ¹¹
2013	\$11,760,000,000 ¹²	--- ¹³	\$11,736,044,000 ₁₄	\$11,453,290,000 ¹⁵
Rescission				-\$21,394,476 ¹⁶
				-\$386,329,494 ¹⁷
Sequestration Final				\$11,045,566,321 ¹⁸
2014		--- ¹⁹	\$11,697,040,000 ₂₀	\$11,697,040,000 ₂₁
	<u>\$12,296,846,000</u>			
LAE	\$11,069,846,000 ²²			
PIAE	\$1,227,000,000 ²³			
2015	\$12,024,000,000 ²⁴	--- ²⁵	--- ²⁶	\$11,805,945,000 ²⁷
2016	\$12,513,000,000 ²⁸	\$11,817,945,000 ₂₉	\$11,620,945,000 ₃₀	\$12,161,945,000 ₃₁
2017	\$13,067,000,000 ³²	\$11,898,945,000 ₃₃	\$12,481,945,000 ₃₄	\$12,481,945,000 ³⁵
2018	\$12,457,000,000 ³⁶	\$12,392,945,000 ₃₇	\$11,992,945,000 ₃₈	\$12,872,945,000 ³⁹
2019	\$12,393,000,000 ⁴⁰	\$12,557,045,000 ₄₁	\$12,951,945,000 ₄₂	\$12,876,945,000 ⁴³
2020	\$12,773,000,000 ⁴⁴	\$13,071,945,000 ₄₅	--- ⁴⁶	\$12,870,945,000 ⁴⁷

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\$13,351,473,000⁴⁸

- ¹ Total includes \$796,000,000 in funding designated for SSI redeterminations and CDRs – \$283,000,000 in base funding and \$513,000,000 in additional funds. Includes up to \$185,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$500,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203). Includes \$1,863,280 to increase our acquisition workforce capacity and capabilities.
- ² The House Committee on Appropriations did not report a bill.
- ³ S. 3686.
- ⁴ Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10).
- ⁵ The Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10) rescinded a total of \$22,893,000. The table does not display a \$200,000,000 rescission of no-year IT funds enacted in the Additional Continuing Appropriations Amendments, 2011 (P.L. 112-6) or a \$75,000,000 rescission of no-year IT funds enacted in the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10).
- ⁶ Total includes \$938,000,000 in funding designated for SSI redeterminations and CDRs – \$315,000,000 in base funding and \$623,000,000 in additional funds. Includes up to \$163,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203). Includes \$1,863,000 to increase our acquisition workforce capacity and capabilities.
- ⁷ The House Committee on Appropriations did not report a bill. Appropriations Chairman Rehberg introduced H.R. 3070, which included \$12,041,494,000.
- ⁸ S. 1599.
- ⁹ Consolidated Appropriations Act, 2012 (P.L. 112-74). Total includes \$483,484,000 designated for SSI redeterminations and CDRs appropriated in the Disaster Relief Appropriations Act (P.L. 112-77).
- ¹⁰ The Consolidated Appropriations Act, 2012 (P.L. 112-74) rescinded a total of \$21,688,000.
- ¹¹ The FY 2012 enacted LAE Budget Authority was \$11,453,290,000. However, effective April 1, 2012, Massachusetts assumed control of its State Supplementary payments, reducing the estimated SSI user fees by approximately \$7,100,000. The resulting FY 2012 available SSI user fee funding was approximately \$154,000,000. The available FY 2012 LAE funding was approximately \$11,446,190,000.
- ¹² Total includes \$1,024,000,000 in funding designated for SSI redeterminations and CDRs – \$273,000,000 in base funding and \$751,000,000 in additional funds. Includes up to \$170,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ¹³ The House Committee on Appropriations did not report a bill. The Committee posted a draft bill which included \$10,684,414,000 for LAE.
- ¹⁴ S. 3295.
- ¹⁵ At the time we formulated the Budget we had not received a full year appropriation for FY 2013. We were operating under a 6-month CR (P.L. 112-175) that funded our operations at \$11,520,000,000, if annualized. This represents a 0.612 percent increase from the FY 2012 enacted level. A full year CR (P.L. 113-6) reduced funding to the FY 2012 enacted level of \$11,453,290,000.
- ¹⁶ Per OMB Budget Data Request 13-19, we were subject to an Across-the-Board (ATB) Reduction/Rescission of .2 percent of LAE. Both base and cap program integrity funds were exempt from this reduction.
- ¹⁷ Under P.L. 112-175, all non-SSI funding was reduced by 5 percent after sequestration was triggered by Congress.
- ¹⁸ Our funding post-sequestration (P.L. 112-175) and ATB reduction (BDR 13-19) was \$407,723,000 lower than the original CR funding level (P.L. 113-6).
- ¹⁹ The House Committee on Appropriations did not report a bill. The LAE appropriation of \$11,697,040,000 for FY 2014 was incorporated into H.R. 3547.
- ²⁰ S. 3533.
- ²¹ Consolidated Appropriations Act, 2014 (P.L. 113-76). Total includes \$1,197,000,000 designated for SSI redeterminations and CDRs. Includes up to \$171,000,000 from user fees paid by States for Federal

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- administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²² Total includes \$273,000,000 in funding designated for SSI redeterminations and CDRs. Includes up to \$173,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²³ The FY 2014 President's Budget included a legislative proposal to create a new Program Integrity Administrative Expenses (PIAE) account and provide a more reliable stream of mandatory program integrity funding. The FY 2014 PIAE request was \$1,227,000,000. With the addition of \$273,000,000 requested for program integrity as part of the LAE, the total program integrity request for FY 2014 was \$1,500,000,000.
- ²⁴ Total includes \$1,396,000,000 in dedicated funding designated for SSI redeterminations and CDRs – \$273,000,000 in base funding and \$1,123,000,000 in funds outside the discretionary caps as authorized by the Budget Control Act (BCA) of 2011 (P.L. 112-25), as well as \$131,000,000 from LAE to assist in program integrity work. Includes up to \$124,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²⁵ The House Committee on Appropriations did not report a bill.
- ²⁶ The Senate Committee on Appropriations did not report a bill.
- ²⁷ Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235). Total includes \$1,396,000,000 designated for SSI redeterminations and CDRs. Includes up to \$124,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²⁸ Total includes \$1,439,000,000 in dedicated funding designated for SSI redeterminations and CDRs – \$273,000,000 in base funding and \$1,166,000,000 in funds outside the discretionary caps as authorized by the BCA of 2011. Includes up to \$136,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ²⁹ H.R. 3020.
- ³⁰ S.1695.
- ³¹ Consolidated Appropriations Act, 2016 (P.L. 114-113). Total includes \$1,426,000,000 in funding designated for SSI redeterminations and CDRs. Includes up to \$124,000,000 from user fees paid by States for Federal administration of SSI State Supplement payments and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³² The FY 2017 request includes \$1,819,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, cooperative disability investigation (CDI) units, and the prosecution of fraud by Special Assistant United States Attorneys (SAUSAs) - \$273,000,000 in base funding and \$1,546,000,000 in funds outside the discretionary caps as authorized by the Bipartisan Budget Act (BBA) of 2015 (P.L. 114-74). Additionally, the LAE account carves out funding to support the fully loaded costs of performing 1.1 million CDRs and approximately 2.8 million SSI redeterminations, \$126,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³³ H.R. 5926.
- ³⁴ S. 3040.
- ³⁵ Consolidated Appropriations Act, 2017 (P.L. 115-31). Total includes \$90,000,000 in available funding through September 30, 2018, for activities to address the hearings backlog within the Office of Hearings Operations (formerly the Office of Disability Adjudication and Review). Includes \$1,819,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,546,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L. 114-74) to remain available until March 31, 2018. Includes \$123,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).
- ³⁶ The FY 2018 request includes \$1,735,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,462,000,000 in funds outside the discretionary caps as

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authorized by the BBA of 2015 (P.L.114-74). Includes up to \$118,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).

³⁷ H.R.3358

³⁸ S. 1771

³⁹ Consolidated Appropriations Act, 2018 (P.L. 115-141). Total includes \$280,000,000 to remain available until expended for information technology modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with information technology modernization. Total includes \$100,000,000 in available funding through September 30, 2019, for activities to address the hearings backlog within the Office of Hearings Operations. Includes \$1,735,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,462,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available for 18 months through March 31, 2019. Includes \$118,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).

⁴⁰ The FY 2019 request includes \$1,683,000,000 in dedicated funding for program integrity including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,410,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available until March 31, 2020. Beginning in FY 2019, the Budget proposes that we may transfer up to \$10,000,000 of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units. Includes up to \$134,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).

⁴¹ H.R. 6470

⁴² S. 3158

⁴³ Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245). Total includes \$45,000,000 to remain available until expended for information technology modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with information technology modernization. Total includes \$100,000,000 in available funding through September 30, 2020, for activities to address the hearings backlog within the Office of Hearings Operations. Includes \$1,683,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,410,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available for 18 months through March 31, 2020. Public Law 115-245 allows us to transfer up to \$10,000,000 of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2019. Includes \$134,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).

⁴⁴ The FY 2020 Budget proposed that the total LAE budget authority request of \$12,773,000,000 be offset by fees collected for replacement Social Security cards (estimated at \$270 million). The total includes \$1,582,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,309,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available until March 31, 2021. In FY 2020, the Budget proposed to transfer up to \$10,000,000 of program integrity cap adjustment funds in the LAE account to the OIG for the costs associated with jointly operated CDI units. Includes up to \$130,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the Social Security Protection Act (P.L. 108-203).

⁴⁵ H.R. 2740

⁴⁶ The Senate Committee on Appropriations did not report a bill. The Committee posted a draft bill, which provided the FY 2020 President's Budget request of \$12,773,000,000.

⁴⁷ Further Consolidated Appropriations Act, 2020 (P.L. 116-94). The total includes \$45,000,000 to remain available until expended for IT modernization, including related hardware and software infrastructure and equipment, and for administrative expenses directly associated with IT modernization. The total includes \$100,000,000 in available funding through September 30, 2021, for activities to address the hearings backlog

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within the Office of Hearings Operations. The total also includes \$1,582,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,309,000,000 in funds outside the discretionary caps as authorized by the BBA of 2015 (P.L.114-74) to remain available for 18 months through March 31, 2021. P.L. 116-94 allows us to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2020. The total also includes \$130,000,000 for SSI State Supplement user fees and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

⁴⁸ The FY 2021 Budget proposes that the total requested LAE budget authority of \$13,351,473,000 be offset by fees collected for replacement Social Security cards (estimated at \$270 million). The total includes \$1,575,000,000 in dedicated funding for program integrity, including the costs associated with SSI redeterminations, full medical CDRs, work CDRs, CDI units, and the prosecution of fraud by SAUSAs - \$273,000,000 in base funding and \$1,302,000,000 in funds outside the discretionary caps, as authorized by the BBA of 2015 (P.L.114-74) to remain available until March 31, 2022. The Budget proposes allowing us to transfer up to \$11.2 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FY 2021. The total includes up to \$135,000,000 for SSI State Supplement user fees, and up to \$1,000,000 from fees collected pursuant to section 303(c) of the SSPA.

SSA-RELATED LEGISLATION FROM DECEMBER 2018 TO DECEMBER 2019

FY 2020

Grant Reporting Efficiency and Agreements Transparency (GREAT) Act of 2019 (P.L. 116-103, enacted December 30, 2019)

- The bill establishes data standard requirements for Federal grant reporting and requires agencies to report audit-related information for Federal awards in an electronic format.

Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act (Pallone-Thune TRACED Act) (P.L. 116-105, enacted December 30, 2019)

- The law establishes monetary penalties for robocalls, and requires the Federal Communications Commission (FCC) to mandate telecommunications providers implement call authentication and traceback technology.
- The FCC is also required to issue rules, policies, or procedures to protect individuals from robocalls and spoofing, including texts, from an unauthenticated number.
- While the law does not require us to take any action, we will monitor our efforts to prevent robocall violations.

National Defense Authorization Act for Fiscal Year 2020 (NDAA) (P.L. 116-92, enacted December 20, 2019)

- The law includes several significant personnel provisions – most notably granting 12 weeks of paid parental leave and restricting agencies from requesting criminal history information before extending a conditional offer of employment –as well as a number of changes to general contracting authorities and procedures.

FY 2019

Creating Advanced Streamlined Electronic Services (CASES) for Constituents Act (P.L. 116-50, enacted August 22, 2019)

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- The law requires SSA and other agencies to incorporate forthcoming guidance to be developed per the law requiring agencies to accept electronic forms that allow an individual to provide consent to disclose information from or access to their records.

Taxpayer First Act (P.L. 116-25, enacted July 1, 2019)

- The bill requires the Internal Revenue Service (IRS) to notify individuals of employment-related identity theft. It also requires us, as necessary, to request annually such IRS employment-based identity theft information. Additionally, it authorizes IRS to lower the electronic wage reporting threshold.

Foundations for Evidence-Based Policymaking Act of 2018 (P.L. 115-435, enacted January 14, 2019)

- The bill expands upon prior Open Government policy initiatives and public access to Federal data assets, as well as creates new opportunities for agencies to systematically build and use evidence through such tools as a learning agenda and evaluation plan, all with an emphasis on leadership through the newly designated Evaluation Officers, Statistical Officials, and Chief Data Officers who will support and implement the Act's requirements.

Good Accounting Obligation in Government Act (P.L. 115-414, enacted January 3, 2019)

- The bill requires us to include in our annual budget justification a report on:
 - each public recommendation of the Government Accountability Office (GAO) that is classified as open or “closed, unimplemented” for a period of not less than one year from the date of the annual budget justification submission;
 - each public recommendation for corrective action from our Office of the Inspector General (OIG) for which no final action has been taken and was published not less than one year before the date of the annual budget justification submission; and
 - the implementation status of each such recommendation.
- Please see www.ssa.gov/budget/ for a link to our report.

21st Century Integrated Digital Experience Act (P.L. 115-225, enacted December 20, 2018)

- The bill requires that when we either create a public website or digital service, or redesign an existing public legacy website or digital service, to ensure that the website or service:
 - is accessible to individuals with disabilities,
 - has a consistent appearance,
 - does not overlap with or duplicate any legacy websites,
 - contains a search function,
 - is provided through an industry standard secure connection,
 - is designed around user needs,

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- provides users with the option for a more customized digital experience that allows users to complete digital transactions in an efficient and accurate manner, and
 - is fully functional and usable on common mobile devices.
- The bill also requires us to ensure that any website we make available to the public shall be in compliance with the website standards of the Technology Transformation Services of the General Services Administration (GSA).

GENERAL STATEMENT/BUDGETARY RESOURCES/PERFORMANCE

LIMITATION ON ADMINISTRATIVE EXPENSES OVERVIEW

The LAE account funds our operating expenses and our programs: the OASI and DI programs, the SSI program, certain health insurance and Medicare prescription drug functions, and the Special Benefits for Certain World War II Veterans program. With these funds, we provide service to millions of Americans in our field offices, via telephone, or through the Internet at www.socialsecurity.gov. The LAE account provides the funds we need to perform our core responsibilities, including deciding applications for benefits, conducting hearings and appeals to review disputed decisions, ensuring benefits are distributed properly, and maintaining the integrity of the trust funds.

Please see the Budget Overview for more information.

KEY ASSUMPTIONS

We formulated our budget to improve public service. We will continue to invest in our frontline offices, modernize our information technology, streamline our policies, and safeguard our programs.

The budget addresses the following key areas:

- Improving service in our field offices, our National 800 Number, digital services, and our processing centers by increasing timeliness and accuracy;
- Eliminating the disability hearings backlog in FY 2021;
- Streamlining our policies and processes;
- Continuing to execute our Information Technology Modernization plan;
- Supporting our cost-effective dedicated program integrity work, and our fraud prevention and detection activities;
- Enhancing our payment accuracy efforts (see [Social Security Improper Payments](#)); and
- Investing in cybersecurity to safeguard our data.

Please see the Key Performance Table for projected work completed for our major workloads, as well as selected production workload measures.

SIZE AND SCOPE OF OUR PROGRAMS

Our administrative budget is driven by the programs we administer—both in terms of the amount of work performed and the number of people needed to process it—and by our continuing efforts to improve service, stewardship, and efficiency.

Limitation on Administrative Expenses

Between the three major programs we administer—OASI, DI, and SSI—benefit payment outlays totaled nearly \$1.1 trillion in FY 2019; under current law, benefit payment outlays are expected to be approximately over \$1.1 trillion in FY 2020 and about \$1.2 trillion in FY 2021. This includes the State supplementary payments that we administer on behalf of some States. At about 1.1 percent of total benefit payment outlays currently estimated for FY 2021, our administrative expenses¹ continue to be a small fraction of overall program spending, demonstrating our cost-conscious approach to managing resources.

Table 3.8—Benefit Outlays²
(Dollars in billions)

	FY 2019 Actuals	FY 2020 Estimate	FY 2021 Estimate
Old-Age and Survivors Insurance	\$888.1	\$939.2	\$996.8
Disability Insurance	\$144.9	\$146.5	\$148.7
Supplemental Security Income	\$55.9	\$56.5	\$57.6
SSI State Supplementary Benefits	\$2.6	\$2.6	\$2.6
Total Outlays³	\$1,091.3	\$1,144.8	\$1,205.7

Paralleling the growth in benefit payment outlays, the number of beneficiaries and recipients of the three major programs we administer, including those only receiving a SSI State supplementary payment, is expected to increase from 71.3 million in FY 2019 to 72.6 million in FY 2020 and 73.8 million in FY 2021.

Table 3.9—Beneficiaries²
(Average in payment status, in millions)

	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
Old-Age and Survivors Insurance	53.1	54.5	55.9
Disability Insurance	10.1	10.0	9.9
Supplemental Security Income ⁴	8.1	8.1	8.0
Total Beneficiaries⁵	71.3	72.6	73.8

¹ Our calculation of discretionary administrative expenses excludes Treasury administrative expenses, which are mandatory outlays.

² Totals may not add due to rounding.

³ Benefit payment totals include \$1 million for the Special Benefits for Certain World War II Veterans program, which is not broken out separately.

⁴ SSI recipients include about 150,000 recipients each year who only receive a State supplementary payment.

⁵ Beneficiary totals include approximately 2.7 million concurrent recipients who receive SSI as well as OASI or DI.

Limitation on Administrative Expenses

FUNDING REQUEST

Our FY 2021 LAE budget request of \$13.351 billion allows us to focus on our agency priorities of improving public service, ensuring stewardship of our programs, modernizing our information technology, streamlining our policies, and continuing to safeguard our programs.

Table 3.10—Budgetary Request

	FY 2019 Actual ¹	FY 2020 Enacted ²	FY 2021 Budget ³
Budget Authority (in millions)			
Limitation on Administrative Expenses (LAE) <i>(Bipartisan Budget Act Program Integrity Level, Base and Cap, included in LAE)⁴</i>	\$12,877 <i>(\$1,683)</i>	\$12,871 <i>(\$1,582)</i>	\$13,351 <i>(\$1,575)</i>
Research and Demonstrations ⁵	\$101	\$101	\$86
Office of the Inspector General (OIG) ⁶	\$106	\$106	\$116
Total, Budget Authority (in millions)⁷	\$13,083	\$13,078	\$13,553
Workyears (WY)⁸			
Full-Time Equivalents	60,470	60,841	60,403
Overtime	3,164	1,000	700
Lump Sum Leave	198	245	245
Reimbursable Work	224	358	358
Total SSA Workyears	64,056	62,444	61,706
Disability Determination Services (DDS)	13,429	13,157	13,467
Total SSA/DDS Workyears	77,485	75,601	75,173
MACRA	6	3	-
Total SSA/DDS/MACRA Workyears	77,491	75,604	75,173
OIG	518	538	552
Total SSA/DDS/MACRA/OIG Workyears	78,009	76,142	75,725

¹ P.L. 115-245 – Consolidated Appropriations Act, 2019, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

² P.L. 116-94 – Further Consolidated Appropriations Act, 2020, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

³ The FY 2021 Budget proposes that the total requested LAE budget authority of \$13.351 billion be offset by fees collected for replacement Social Security cards (estimated at \$270 million).

⁴ FY 2019 Program Integrity funding is available for 18 months (through March 31, 2020) by P.L. 115-245. FY 2020 Program Integrity funding is available for 18 months (through March 31, 2021) by P.L. 116-94. The FY 2021 budget assumes appropriations language for FY 2021 will provide for similar 18-month authority to obligate Program Integrity funds.

⁵ Congress appropriated \$101 million in FY 2019 (available through September 30, 2021) and \$101 million in FY 2020 (available through September 30, 2022) for research and demonstration projects. The Budget proposes \$86 million in FY 2021 (available through September 30, 2023) for research and demonstration projects.

⁶ P.L. 115-245 and P.L. 116-94 allow SSA to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FYs 2019 and 2020. The Budget continues this transfer in FY 2021 at a level of up to \$11.2 million.

⁷ Numbers may not add due to rounding.

⁸ A workyear (WY) is a measure of time spent doing work or being paid for some element of time (e.g. leave). It is the equivalent of one person working for one year (2,080 hours) and may consist of regular hours, overtime, or lump sum leave, which is payment for unused annual leave upon leaving the agency. WYs include time spent in full-time or part-time employment. Full-time equivalents and overtime WYs include those funded from dedicated funding to reduce the hearings backlog, dedicated funding for IT modernization, and dedicated funding for program integrity. In addition, the WYs include those funded for reimbursable work, the Medicare Savings Program, the State Children's Health Insurance Program, and the Medicare Low-Income Subsidy Program.

Limitation on Administrative Expenses

ALL PURPOSE TABLE

Table 3.11—All Purpose Table (APT)
(Dollars in thousands)

	FY 2019	FY 2020	FY 2021	
	Consolidated Appropriations Act ^{1,2,3} P.L. 115-245	Further Consolidated Appropriations Act ^{4,5} P.L. 116-94	President's Budget ⁶	FY 2021 +/- FY 2020
Payments to Social Security Trust Funds				
Pension Reform	6,000	6,000	6,000	-
Unnegotiated Checks	5,000	5,000	5,000	-
Total PTF	\$ 11,000	\$ 11,000	\$ 11,000	\$ -
Supplemental Security Income				
Federal Benefits Payment	56,355,123	56,982,000	55,451,434 ⁷	(1,530,566)
Beneficiary Services	126,000	45,000	45,000	-
Research & Demonstration Administration ⁸	101,000	101,000	86,000	(15,000)
	4,284,080	4,286,889	4,625,743	338,854
Subtotal SSI Program Level	60,866,203	61,414,889	60,208,177	(1,206,712)
Advance from PY	(19,500,000)	(19,700,000)	(19,900,000)	(200,000)
Subtotal Current Year SSI	\$ 41,366,203	\$ 41,714,889	\$ 40,308,177	\$ (1,406,712)
New Advance SSI	\$ 19,700,000	\$ 19,900,000	\$ 19,600,000	\$ (300,000)
Limitation on Administrative Expenses				
Regular LAE				
OASDI Trust Funds	5,666,761	5,715,042	5,177,159	(537,883)
SSN Card Fee Collections	-	-	270,000	270,000
HI/SMI Trust Funds	2,459,497	2,458,514	2,833,410	374,896
Social Security Advisory Board	2,400	2,500	2,700	200
SSI	2,930,287	2,981,889	3,357,204	375,315
Subtotal Regular LAE	\$ 11,058,945	\$ 11,157,945	\$ 11,640,473	\$ 482,528
Program Integrity Funding				
OASDI Trust Funds	329,207	277,000	306,461	29,461
SSI	1,353,793	1,305,000	1,268,539	(36,461)
Subtotal Program Integrity Funding ⁹	\$ 1,683,000	\$ 1,582,000	\$ 1,575,000	\$ (7,000)
<i>Base Program Integrity</i>	<i>273,000</i>	<i>273,000</i>	<i>273,000</i>	<i>-</i>
<i>Cap Adjustment</i>	<i>1,410,000</i>	<i>1,309,000</i>	<i>1,302,000</i>	<i>(7,000)</i>
User Fees				
SSI User Fee	134,000	130,000	135,000	5,000
SSPA User Fee	1,000	1,000	1,000	-
Subtotal User Fees	\$ 135,000	\$ 131,000	\$ 136,000	\$ (5,000)
Total LAE	\$ 12,876,945	\$ 12,870,945	\$ 13,351,473	\$ 480,528
Non-PI LAE	11,193,945	11,288,945	11,776,473	487,528
Office of the Inspector General				
Federal Funds	\$ 30,000	\$ 30,000	\$ 33,000	\$ 3,000
Trust Funds	\$ 75,500	\$ 75,500	\$ 83,000	\$ 7,500
Total, OIG ¹⁰	\$ 105,500	\$ 105,500	\$ 116,000	\$ 10,500
Total, Social Security Administration, New BA	\$ 69,775,568	\$ 70,315,445	\$ 68,760,907	\$ (1,554,538)
Federal Funds	\$ 61,242,203	\$ 61,786,889	\$ 60,088,177	\$ (1,698,712)
Current Year	\$ 41,542,203	\$ 41,886,889	\$ 40,488,177	\$ (1,398,712)
New Advance	\$ 19,700,000	\$ 19,900,000	\$ 19,600,000	\$ (300,000)
Trust Funds	\$ 8,533,365	\$ 8,528,556	\$ 8,672,730	\$ (125,826)

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- ¹ P.L. 115-245 – Consolidated Appropriations Act, 2019, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization. It is included in regular LAE.
- ² The regular LAE and program integrity program splits included in this APT are different than the program splits included in the Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245) report language APT. The regular LAE program splits included in the Act report APT are 42.7%, 18.03%, and 39.27% for OASDI, HI/SMI/Part D, and SSI, respectively, whereas, the program splits included in this APT are 46.59%, 19.10%, and 34.31%. The program integrity splits included in the Act report APT are \$375 million and \$1,308 million for OASDI and SSI, respectively.
- ³ The Federal Benefits Payment total in this APT is ~\$639 million more than the Federal Benefits Payment total included in the FY 2019 Consolidated Appropriations Act (P.L. 115-245) report language APT due to a retroactive shift in SSI authority from discretionary (SSI administrative expenses) to mandatory (Federal Benefits). The total amount appropriated for SSI did not change.
- ⁴ P.L. 116-94 – Further Consolidated Appropriations Act, 2020, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization. It is included in regular LAE.
- ⁵ The program integrity program splits included in this APT are different than the program integrity program splits included in the Budget Appendix. The FY 2020 of FY 2021 Budget includes \$359 million in OASDI program integrity and \$1,223 million in SSI program integrity based upon updated estimates.
- ⁶ The FY 2021 Budget proposes that the total requested LAE budget authority of \$13.351 billion be offset by fees collected for replacement Social Security cards (estimated at \$270 million).
- ⁷ The FY 2021 Federal Benefit Payment total includes \$11 million of SSI program effects related to the Afghan Special Immigrant Visa (SIV) and Liberian Deferred Enforced Departure programs; and will not match the amount included in the President's Budget Appendix.
- ⁸ Total SSI Administration reflects the sum of SSI regular LAE and SSI Program Integrity included in the LAE section.
- ⁹ FY 2019 Program Integrity funding is available for 18 months (through March 31, 2020) by P.L. 115-245. FY 2020 Program Integrity funding is available for 18 months (through March 31, 2021) by P.L. 116-94. The FY 2021 budget assumes appropriations language for FY 2021 will provide for similar 18-month authority to obligate Program Integrity funds.
- ¹⁰ P.L. 115-245 and P.L. 116-94 allow SSA to transfer up to \$10 million of program integrity funds from the LAE account to the OIG for the costs associated with jointly operated CDI units in FYs 2019 and 2020. The Budget continues this transfer in FY 2021 at a level of up to \$11.2 million.

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SSI STATE SUPPLEMENTATION/IMPACT OF STATES DROPPING OUT

The SSI program was designed to provide a nationwide uniform floor of cash assistance to individuals who are aged, blind, and disabled, with limited income and resources. In recognizing that there were variations in living costs across the Nation, Congress added section 1618 to the Social Security Act to encourage States to supplement the Federal payment. This ensured that SSI recipients received the full benefit of each cost-of-living adjustment. States may administer their own state supplement programs or have us administer the programs on their behalf. States electing to have us administer their programs reimburse us monthly in advance for these benefit payments, and we make eligibility determinations and payments on behalf of the States.

Table 3.12—State Supplement Payments
(Dollars in millions)

	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
Federally Administered State Supplement Payments	\$ 2,569	\$ 2,595	\$ 2,640
Offsetting Collections	\$ 2,568	\$ 2,599	\$ 2,644

Participating States pay us user fees to administer their programs, based on a schedule established by the Social Security Act. The user fee was \$12.21 per SSI check payment in FY 2019 and is \$12.41 in FY 2020. We estimate that the user fee will increase to \$12.71 per payment in FY 2021. The Department of Treasury receives the first \$5.00 of each fee and we retain the amount over \$5.00. This user fee is discretionary budget authority that supplements our LAE account.

Table 3.13—SSI User Fee Collections¹
(Dollars in millions)

	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate	<i>FY 2020 to FY 2021 Change</i>
SSA User Fee Collections	\$ 128	\$ 131 ¹	\$ 135¹	+\$ 4
Treasury User Fee Collections	\$ 89	\$ 88	\$ 88	+\$ 0
Total User Fee Collections	\$ 217	\$ 219	\$ 223	+\$ 4

Impact of States Dropping Out of State Supplementation Program

Currently, we help administer the state supplementation for 20 States and the District of Columbia. However, participation in the state supplementation program is voluntary. States can

¹ The User Fee for the enacted 2020 Budget is \$130 million; the request for the FY 2021 President's Budget is \$135 million. Any fees collected in excess of the appropriated amount may be used to cover a shortfall in collections for a future year.

Limitation on Administrative Expenses

opt out of the program, but must provide notice to us at least 90 days in advance before dropping out. The result of States dropping out of the program is a loss of LAE authority in the current and possibly following fiscal year when it is too late to adjust our request. California and New Jersey are the two largest states for whom we administer state supplementation. If either State opted to administer their own state supplementation, our estimate would dramatically decrease.

Table 3.14—Estimated SSA User Fee Collections by State
(Dollars in thousands)

State	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
Arkansas	*	*	*
California	\$ 107,413	\$ 110,142	\$ 113,503
Delaware	\$ 50	\$ 51	\$ 53
DC	\$ 94	\$ 96	\$ 99
Georgia	\$ 1	\$ 1	\$ 1
Hawaii	\$ 238	\$ 244	\$ 252
Iowa	\$ 117	\$ 120	\$ 124
Kansas	*	*	*
Louisiana	*	*	*
Maryland	\$ 1	\$ 1	\$ 1
Michigan	\$ 1,021	\$ 1,046	\$ 1,078
Mississippi	\$ 1	\$ 1	\$ 1
Montana	\$ 71	\$ 73	\$ 75
Nevada	\$ 1,300	\$ 1,333	\$ 1,374
New Jersey	\$ 15,595	\$ 15,992	\$ 16,480
Ohio	*	*	*
Pennsylvania	\$ 486	\$ 499	\$ 514
Rhode Island	\$ 41	\$ 42	\$ 44
South Dakota	*	*	*
Tennessee	\$ 1	\$ 1	\$ 1
Vermont	\$ 1,325	\$ 1,358	\$ 1,400
Total	\$ 127,755	\$ 131,000	\$ 135,000

* Less than \$500

Limitation on Administrative Expenses

BUDGET AUTHORITY AND OUTLAYS

The Limitation on Administrative Expenses (LAE) account, our basic administrative account, is an annual appropriation and is financed from the Social Security and Medicare trust funds, as well as the General Fund. This account provides resources to administer the Social Security and SSI programs, as well as certain aspects of the Medicare program. We calculate the administrative costs attributable to each program using our Government Accountability Office approved cost analysis system. In FY 2009, we received additional funds from the General Fund of the Treasury, provided by the Recovery Act and the MIPPA. We also received \$98 million funded incrementally from FY 2015 to FY 2018, of which \$27 million is available until expended, for costs associated with the MACRA provisions.

CMS and SSA Cost Sharing Agreement Workgroup

The Social Security Administration's LAE account is funded by the Social Security trust funds, the General Fund, the Medicare trust funds, and applicable user fees. Section 201(g) of the Social Security Act provides that SSA determine the share of administrative expenses that should have been borne by the appropriate trust funds for the administration of their respective programs and the General Fund for administration of the SSI program. SSA and CMS are currently working together to evaluate the cost-sharing agreement that determines the portion of administrative expenses borne by the SSA and Medicare trust funds and the general fund.

Table 3.15—Budget Authority and Outlays¹
(Dollars in thousands)

	FY 2019 Actual^{2,3}	FY 2020 Enacted^{4,5}	FY 2021 Estimate^{6,7}
OASI and DI Trust Funds	\$5,995,969 ⁸	\$5,992,042 ⁹	\$5,483,620 ¹⁰
SSN Card Fee Collections	N/A	N/A	\$270,000 ¹¹
HI and SMI Trust Funds	\$2,459,496	\$2,458,514	\$2,833,410
SSA Advisory Board	\$2,400	\$2,500	\$2,700
SSI Administrative Expenses	\$4,284,080	\$4,286,889	\$4,625,743
SSI State Supplement User Fees	\$134,000	\$130,000	\$135,000

¹ Totals may not add due to rounding.

² In FY 2019, our administrative outlays were about 1.2 percent of the benefit payments we made.

³ P.L. 115-245 – Consolidated Appropriations Act, 2019, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

⁴ P.L. 116-94 – Further Consolidated Appropriations Act, 2020, provided \$100 million in dedicated funding to address the hearings backlog and \$45 million in dedicated funding for IT Modernization.

⁵ In FY 2020, our administrative outlays are about 1.1 percent of the benefit payments we plan to pay.

⁶ In FY 2021, our administrative outlays are about 1.1 percent of the benefit payments we plan to pay.

⁷ The FY 2021 Budget proposes that the total requested LAE budget authority of \$13.351 billion be offset by fees collected for replacement Social Security cards (estimated at \$270 million).

⁸ The total includes \$3,263,481 in OASI and \$2,732,488 in DI costs.

⁹ The total includes \$3,334,070 in OASI and \$2,657,972 in DI costs.

¹⁰ The total includes \$3,105,693 in OASI and \$2,377,927 in DI costs.

¹¹ The total includes \$135,000 in OASI and \$135,000 in DI costs.

Limitation on Administrative Expenses

	FY 2019 Actual^{2,3}	FY 2020 Enacted^{4,5}	FY 2021 Estimate^{6,7}
Non-Attorney Representative User Fees	\$1,000	\$1,000	\$1,000
MIPPA – LIS	N/A	N/A	N/A
MACRA	N/A	N/A	N/A
Recovery Act	N/A	N/A	N/A
Total Budget Authority	\$12,876,945	\$12,870,945	\$13,351,473
OASI and DI Trust Funds	\$5,791,000 ¹	\$5,994,600 ²	\$5,451,800 ³
SSN Card Fee Collections	N/A	N/A	\$270,000 ⁴
HI and SMI Trust Funds	\$2,602,500	\$2,457,500	\$2,816,400
SSI Administrative Expenses	\$4,467,000	\$4,285,100	\$4,597,200
SSI State Supplement User Fees	\$127,800	\$130,000	\$135,000
Non-Attorney Representative User Fees	\$1,000	\$1,000	\$1,000
MIPPA – LIS	\$39	\$5,800	\$5,800
MACRA	\$920	\$470	\$0
Recovery Act – New NSC	\$2,080	\$1,500	\$0
Total Administrative Outlays	\$12,992,339⁵	\$12,875,970	\$13,277,200

¹ The total includes \$3,224,100 in OASI and \$2,566,900 in DI costs.

² The total includes \$3,337,700 in OASI and \$2,656,900 in DI costs.

³ The total includes \$3,088,900 in OASI and \$2,362,900 in DI costs.

⁴ The total includes \$135,000 in OASI and \$135,000 in DI costs.

⁵ Due to variations in the reporting of outlays, FY 2019 outlays will not match those included in the Budget Appendix.

Limitation on Administrative Expenses

AMOUNTS AVAILABLE FOR OBLIGATION/ANALYSIS OF CHANGES

Table 3.16—Amounts Available for Obligation^{1,2}
(Dollars in thousands)

	FY 2019 ³ Actual	FY 2020 ^{4,5} Enacted	FY 2021 ^{6,7} Estimate	FY 20 to FY 21 Change
Limitation on Administrative Expenses (LAE)				
LAE Appropriation⁸	\$12,876,945	\$12,870,945	\$13,351,473	\$480,528
Unobligated Balance, start-of-year	\$715,249	\$538,626	\$292,460	-\$246,167
Unrealized Non-Attorney User Fees	-\$849	\$0	\$0	\$0
Unrealized SSI User Fees	-\$6,245	\$0	\$0	\$0
Subtotal LAE Resources	\$13,585,100	\$13,409,571	\$13,643,933	\$234,361
Unobligated Balance, lapsing	-\$163,909	\$0	\$0	\$0
Unobligated Balance, end-of-year (LAE Carryover)	-\$571,781	-\$142,460	-\$89,296	\$53,164
Total Obligations, LAE	\$12,849,410	\$13,267,112	\$13,554,637	\$287,525
American Recovery and Reinvestment Act Resources (ARRA)⁹				
National Support Center, Unobligated Balances, start-of-year	\$2,219	\$0	\$0	\$0
National Support Center Estimated Recovery/Offsetting Collections	\$0	\$190	\$0	-\$190
National Support Center Unobligated Balances, end-of-year	-\$190	\$0	\$0	\$0
Obligations, ARRA	\$2,029	\$190	\$0	-\$190
Medicare Savings Plan (MSP)				
Unobligated Balances, start-of-year	\$14,903	\$14,903	\$7,451	-\$7,451
Unobligated Balances, end-of-year	-\$14,903	-\$7,451	\$0	\$7,451
Obligations, MSP	\$0	\$7,451	\$7,451	\$0

¹ Totals may not add due to rounding.

² Table does not include reimbursables.

³ FY 2019 unobligated balances, end-of-year, include \$67 million of Program Integrity 18-month carry-out, \$90 million of Dedicated Hearings FY 19-20 multi-year carry-out, and \$142 million of IT Modernization no-year carry-out. Please note that the FY 2019 unobligated balances, end-of-year, do not match the FY 2020 unobligated balances, start-of-year, because of adjustments made after the close of the fiscal year.

⁴ FY 2020 unobligated balances, start-of-year, include \$37 million of Program Integrity 18-month carry-in and \$206 million transferred from prior-year accounts.

⁵ FY 2020 unobligated balances, end-of-year, include \$26 million of Program Integrity 18-month carry-out and \$74 million of IT Modernization no-year carry-out.

⁶ FY 2021 unobligated balances, start-of-year, include \$150 million transferred from prior-year accounts.

⁷ FY 2021 unobligated balances, end-of-year, include \$37 million of Program Integrity 18-month carry-out.

⁸ LAE Appropriation amounts displayed include \$10 million for OIG CDI team leaders in both FY 2019 and 2020 and \$11.2 million in FY 2021.

⁹ SSA received a Presidential waiver from rescission allowing for the use of ARRA NSC funds until expended.

Limitation on Administrative Expenses

	FY 2019 ³ Actual	FY 2020 ^{4,5} Enacted	FY 2021 ^{6,7} Estimate	FY 20 to FY 21 Change
Medicare Improvements for Patients and Providers Act (MIPPA) - Low Income Subsidy (LIS)				
Unobligated Balances, start-of-year	\$11,580	\$11,542	\$5,771	-\$5,771
Unobligated Balances, end-of-year	-\$11,542	-\$5,771	\$0	\$5,771
Obligations, MIPPA – LIS	\$39	\$5,771	\$5,771	\$0
State Children's Health Insurance Program (SCHIP)				
Unobligated Balances, start-of-year	\$1,975	\$1,975	\$987	-\$987
Unobligated Balances, end-of-year	-\$1,975	-\$987	\$0	\$987
Obligations, SCHIP	\$0	\$987	\$987	\$0
Medicare Access and CHIP Reauthorization Act (MACRA)				
Unobligated Balances, start-of-year	\$27,000	\$26,080	\$25,610	-\$470
Expenditure Transfers from Trust Funds	0	\$0	\$0	\$0
Unobligated Balance, end-of-year	-\$26,080	-\$25,610	-\$25,610	\$0
Obligations, MACRA	\$920	\$470	\$0	-\$470
GRAND TOTAL, OBLIGATIONS	\$12,852,397	\$13,281,982	\$13,568,846	\$286,864

Limitation on Administrative Expenses

Table 3.17—Summary of Change in Administrative Obligations from FY 2020 to FY 2021

	FY 2021 President Budget ¹				
	FY 2020		FY 2021		Change
	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)	Federal WYs Obligations (thousands)
<p><u>BUILT-IN INCREASES</u> – Built-in increases are year-over-year cost increases that are outside agency control, such as across the board Federal pay raises, changes in employee health benefit premiums, and the price of postage. These increases are not a result of changes in overall agency resources or agency program or policy changes. Most agency operational costs are captured in this category as payroll costs.</p>					
A1. <u>Payroll Expenses</u>	62,276	\$7,353,579	62,276	\$7,670,990	\$317,411
OMB Circular A-11 requirement to include an increase of no less than 1 percentage point in awards spending, as a percent of non-SES/SL/ST salary spending, from FY 2020 to FY 2021		\$45,000		\$98,000	\$53,000
Increases due to periodic step increases, health benefits, and career ladder promotions				\$97,287	\$97,287
Three-month effect of Federal pay increase effective January 2020 – 3.1%				\$53,232	\$53,232
Nine-month effect of Federal pay increase effective January 2021 – 1.0%				\$49,892	\$49,892
FERS Employer Contribution increase from 16.0% to 17.3% effective October 2020				\$64,000	\$64,000
A2. <u>Non-Payroll Costs</u> - Mandatory growth in non-payroll costs, including costs of security, guard services, postage, rent, lease renewals, etc.		\$1,961,284		\$2,054,669	\$93,384
A3. <u>State Disability Determination Services</u> Mandatory growth in state DDS costs, including pay raises and the costs of obtaining medical evidence		\$2,336,287		\$2,407,199	\$70,912
A4. <u>Mailed Social Security Statements</u>		\$7,363		\$7,692	\$328
Subtotal, Built-In Increases	62,276	\$11,658,513	62,276	\$12,140,549	\$482,035

¹ Totals may not add due to rounding.

Limitation on Administrative Expenses

	FY 2020		FY 2021		Change	
	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)
<p><u>PROGRAM CHANGES</u> – Program changes are year-over-year cost increases or decreases not captured in the section above. These result from changes in agency priorities, policy decisions, or dedicated funding.</p>						
<u>PROGRAM INCREASES</u>						
B1. <u>Net Increase in Disability Determination Services</u>				\$60,801		\$60,801
B2. <u>Pavroll Increase - Net Increase in SSA Operations WYs</u>			719	\$77,724	719	\$77,724
B3. <u>Information Technology (IT) - Base Funding</u>		\$1,135,468		\$1,175,000		\$39,352
B4. <u>OIG Reimbursable Transfer</u>		\$10,000		\$11,200		\$1,200
Subtotal, Program Increases		\$1,145,468	719	\$1,324,725	719	\$179,257
Subtotal, Gross Increases	62,276	\$12,803,981	62,995	\$13,465,274	719	\$661,292
<u>BUILT-IN DECREASES</u>						
C1. <u>Payroll Decrease - Decrease due to fewer paid day (262 paid days in FY 2020 vs. 261 in FY 2021)</u>				-\$25,922		-\$25,922
Subtotal, Built-In Decreases				-\$25,922		-\$25,922
<u>PROGRAM DECREASES</u>						
D1. <u>Pavroll Decreases – Net Decrease in SSA Non-Operations WYs</u>			-1,429	-\$191,055	-1,429	-\$191,055
D2. <u>IT Modernization out of Remaining \$325M No-Year Funds</u>	166	\$113,300	140	\$48,700	-26	-\$64,600
IT Costs in Support of IT Modernization, No-Year		\$86,500		\$25,000		-\$61,500
Payroll Costs in Support of IT Modernization, No-Year	166	\$26,800	140	\$23,700	-26	-\$3,100
D3. <u>Medicare Access & CHIP Reauthorization Act (MACRA) ¹</u>	3	\$470			-3	-\$470
D4. <u>Altmeyer</u>		\$21,149		\$7,000		-\$14,149
D5. <u>Non-Pavroll Costs</u>		\$122,785		\$100,640		-\$22,145
D6. <u>Decreases in Obligations Funded from Other Prior-Year Unobligated Balances</u>		\$387				-\$387

¹ The funding available for SSA to carry out the provisions of the Medicare Access and CHIP Reauthorization Act of 2015 amount for FY 2018 and onward is \$27 million, available until expended.

Limitation on Administrative Expenses

	FY 2020		FY 2021		Change	
	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)	Federal WYs	Obligations (thousands)
D7. <u>Decreases in IT Obligations Funded from Other Prior-Year Unobligated Balances</u> ¹		\$205,700		\$150,000		- \$55,700
Subtotal, Program Decreases	169	\$463,791	-1,289	\$115,285	- 1,458	- \$348,506
Subtotal, Gross Decreases	169	\$469,791	-1,289	\$89,363	- 1,458	- \$374,428
NO NET CHANGE - Obligations not expected to change in FY 2021 year-over-year compared to FY 2020.						
E1. <u>Medicare Improvement for Patient and Providers Act (MIPPA) - Low Income Subsidy (LIS)</u>		\$5,771		\$5,771		
E2. <u>Medicare Improvement for Patient and Providers Act (MIPPA) - Medicare Savings Program (MSP)</u>		\$7,451		\$7,451		
E3. <u>State Children's Health Insurance Program (SCHIP)</u>		\$987		\$987		
Subtotal, Net Change		\$14,209		\$14,209		
Total Obligations, Net	62,444	\$13,281,982²	61,706	\$13,568,846	- 738	+ \$286,864

¹ Estimated ITS carry-over is based on historical actuals of the total amounts available from the previous 5 fiscal years that became available for obligation gradually throughout the budget year.

² FY 2020 total obligations include \$190 million in dedicated funding to reduce the hearings backlog.

Limitation on Administrative Expenses

BUDGETARY RESOURCES BY OBJECT

Table 3.18—Budgetary Resources by Object^{1,2}
(Dollars in thousands)

	FY 2020	FY 2021	Change
Personnel Compensation			
Permanent positions	\$5,170,419	\$5,189,960	\$19,541
Positions other than permanent	\$110,253	\$110,671	\$418
Other personnel compensation	\$146,857	\$168,317	\$21,460
Special personal service payments	\$2,000	\$2,000	\$0
Subtotal, personnel compensation	\$5,429,530	\$5,470,948	\$41,419
Personnel Benefits	\$1,972,529	\$2,106,898	\$134,369
Benefits for former personnel	\$3,000	\$3,000	\$0
Travel and transportation of persons	\$14,436	\$14,174	-\$262
Transportation of things	\$4,594	\$4,511	-\$84
Rent, communications, and utilities			
Rental payments to GSA	\$747,286	\$756,874	\$9,588
Rental payments to others	\$173	\$161	-\$12
Communications, utilities, misc.	\$525,328	\$536,438	\$11,110
Printing and reproduction	\$24,323	\$23,880	-\$443
Other services (DDS, guards, etc.)	\$4,207,097	\$4,300,010	\$92,913
Supplies and materials	\$27,326	\$26,828	-\$498
Equipment	\$181,829	\$176,426	-\$5,403
Land and structures	\$74,269	\$79,718	\$5,449
Grants, subsidies and contributions	\$35,444	\$34,798	-\$646
Insurance claims and indemnities	\$28,101	\$27,589	-\$512
Interest and dividends	\$1	\$1	\$0
Financial Transfers	\$6,715	\$6,592	-\$122
Total Obligations	\$13,281,982	\$13,568,846	\$286,865
Resources not being obligated in the current year (carrying over or lapsing)	\$147,204	\$79,831	-\$67,373
Total Budgetary Resources	\$13,429,186	\$13,649,678	\$219,492
Payments to State DDS (funded from other services and Communications, utilities, and misc.)	\$2,336,287	\$2,468,000	\$131,713

¹ Totals do not include reimbursables and may not add due to rounding.

² The obligations include the base LAE appropriation, MSP, LIS, SCHIP, NSC, MACRA, the Altmeyer Renovation, and dedicated funding to address the hearings backlog and for IT modernization. Total budgetary resources in the table reflect FY 2020 and FY 2021 projections of spending by object class. Resources are not managed at the object class level and we have the flexibility within the LAE account to modify projected spending during the budget execution process.

Limitation on Administrative Expenses

ESTIMATED DISTRIBUTION OF AGENCY COSTS

Table 3.19—FY 2019 Estimated Distribution of Agency Costs^{1,2}

(Dollars in thousands)

Component	FTEs	Lump Sum	Overtime	Workyears	Payroll	Benefits	Other Objects	Total
Field Offices	27,358	72	1,471	28,901	\$2,236,025	\$760,435	\$479,258	\$3,475,718
Teleservice Centers	4,307	10	82	4,399	\$251,490	\$88,815	\$25,190	\$365,495
Regional Offices ³	1,348	9	35	1,392	\$168,712	\$57,226	\$289,662	\$515,600
Subtotal, RC Field	33,013	91	1,588	34,692	\$2,656,228	\$906,476	\$794,110	\$4,356,814
Program Service Centers and Office of Central Operations	9,467	32	1,027	10,526	\$735,836	\$222,847	\$111,579	\$1,070,262
Subtotal, Operations	42,480	123	2,615	45,218	\$3,392,064	\$1,129,323	\$905,689	\$5,427,075
Office of Hearings Operations	9,335	38	370	9,743	\$920,655	\$296,463	\$326,479	\$1,543,597
Office of Systems	3,084	10	28	3,122	\$363,292	\$115,478	\$49,891	\$528,661
Office of Analytics, Review, and Oversight	2,107	11	116	2,234	\$231,397	\$69,712	\$11,641	\$312,750
Office of General Counsel	720	3	1	724	\$93,038	\$29,647	\$45,815	\$168,501
Headquarters ⁴	2,744	13	30	2,787	\$303,605	\$122,414	\$748,275	\$1,174,295
Subtotal, SSA	60,470	198	3,160	63,828	5,304,051	1,763,037	2,087,790	9,154,878
ITS								\$1,405,965
DDS	13,149		280	13,429				\$2,281,554
Total LAE	73,619	198	3,440	77,257	\$5,304,051	\$1,763,037	\$2,087,790	\$12,842,397
OIG Transfer								\$10,000
Total, LAE and OIG Transfer								\$12,852,397

Table 3.20—FY 2020 Estimated Distribution of Agency Costs^{1,2}

(Dollars in thousands)

Component	FTEs	Lump Sum	Overtime	Workyears	Payroll	Benefits	Other Objects	Total
Field Offices	27,538	92	522	28,152	\$2,307,826	\$849,556	\$495,410	\$3,652,792
Teleservice Centers	4,780	13	50	4,843	\$293,486	\$112,446	\$26,039	\$431,971
Regional Offices ³	1,334	11	0	1,345	\$172,797	\$63,588	\$299,424	\$535,809
Subtotal, RC Field	33,652	116	572	34,340	\$2,774,109	\$1,025,590	\$820,873	\$4,620,572
Program Service Centers and Office of Central Operations	9,898	44	105	10,047	\$731,563	\$259,042	\$169,153	\$1,159,758
Subtotal, Operations	43,550	160	677	44,387	\$3,505,672	\$1,284,632	\$990,026	\$5,780,330
Office of Hearings Operations	8,816	30	150	8,996	\$896,370	\$316,003	\$322,725	\$1,535,098
Office of Systems	3,073	18	36	3,127	\$387,324	\$130,011	\$57,106	\$574,441
Office of Analytics, Review, and Oversight	2,055	12	114	2,181	\$240,705	\$75,784	\$12,174	\$328,663
Office of General Counsel	712	3	1	716	\$95,019	\$35,429	\$47,965	\$178,413
Headquarters ⁴	2,693	22	25	2,740	\$297,439	\$130,670	\$682,973	\$1,111,082
Subtotal, SSA	60,899	245	1,003	62,147	5,422,529	1,972,529	2,112,969	9,508,027
ITS								\$1,427,668
DDS	12,857		300	13,157				\$2,336,287
Total LAE	73,756	245	1,303	75,304	\$5,422,529	\$1,972,529	\$2,112,969	\$13,271,982
OIG Transfer								\$10,000
Total, LAE and OIG Transfer								\$13,281,982

¹ Excludes Reimbursables (234 in FY 2019 and 300 in FY 2020 workyears) and includes NSC, LIS, SCHIP, MACRA, and dedicated funding for OHO, IT Modernization, and Altmeyer.

² Totals may not add due to rounding.

³ Includes Field Office Guard Services in the Other Objects line.

⁴ Includes multiple items which cover expenditures for the entire agency. A few examples include: Return to Work Incentives, Department of Interior Payroll IAA for the Agency, GSA Delegations, Data Exchanges, Sustainability and Reinvestigations, Facilities and Maintenance, Employee Health Services as well as Headquarters Guard Services.

Limitation on Administrative Expenses

Table 3.21—FY 2021 Estimated Distribution of Agency Costs^{1,2}
(Dollars in thousands)

Component	FTEs ³	Lump Sum	Overtime	Workyears	Payroll	Benefits	Other Objects	Total
Field Offices	27,538	92	374	28,004	\$2,372,557	\$921,059	\$507,929	\$3,801,545
Teleservice Centers	5,531	13	36	5,580	\$347,718	\$140,824	\$26,697	\$515,239
Regional Offices ⁴	1,318	11	0	1,329	\$176,763	\$68,758	\$306,991	\$552,512
Subtotal, RC Field	34,387	116	410	34,913	\$2,897,038	\$1,130,641	\$841,617	\$4,869,296
Program Service Centers and Office of Central Operations	10,035	44	114	10,193	\$765,960	\$286,745	\$171,327	\$1,224,032
Subtotal, Operations	44,422	160	524	45,106	\$3,662,998	\$1,417,386	\$1,012,944	\$6,093,328
Office of Hearings Operations	8,176	30	100	8,306	\$859,431	\$313,350	\$329,738	\$1,502,519
Office of Systems	2,890	18	36	2,944	\$374,969	\$132,118	\$58,336	\$565,423
Office of Analytics, Review, and Oversight	1,930	12	40	1,982	\$221,593	\$77,273	\$12,465	\$311,331
Office of General Counsel	652	3	0	655	\$91,702	\$32,193	\$49,008	\$172,903
Headquarters ⁵	2,391	22	0	2,413	\$251,944	\$134,689	\$707,509	\$1,094,142
Subtotal, SSA	60,461	245	700	61,406	\$5,462,637	2,107,009	2,170,000	9,739,646
ITS								\$1,350,000
DDS	13,167		300	13,467				\$2,468,000
Total LAE	73,628	245	1,000	74,873	\$5,462,637	\$2,107,009	\$2,170,000	\$13,557,646
OIG Transfer								\$11,200
Total, LAE and OIG Transfer								\$13,568,846

¹ Excludes Reimbursables (234 in FY 2019 and 300 in FY 2020 workyears) and includes NSC, LIS, SCHIP, MACRA, and dedicated funding for OHO, IT Modernization, and Altmeyer.

² Totals may not add due to rounding.

³ In FY21, we are maintaining our FY20 staffing levels in our Operations front-line components

⁴ Includes Field Office Guard Services in the Other Objects line.

⁵ Includes multiple items which cover expenditures for the entire agency. A few examples include: Return to Work Incentives, Department of Interior Payroll IAA for the Agency, GSA Delegations, Data Exchanges, Sustainability and Reinvestigations, Facilities and Maintenance, Employee Health Services as well as Headquarters Guard Services.

Limitation on Administrative Expenses

WORKLOAD PROCESSING AND COST DISTRIBUTION ACROSS THE ORGANIZATION

As a way to provide additional transparency into how we spend resources across our agency, we are providing an example of how we process disability claims, one of our key workloads. This example demonstrates the movement of claims through multiple different organizational components within our agency as they pass through various stages of completion. Therefore, one claim or piece of work will incur costs in multiple components and also contain a portion of our agency's fixed costs (e.g., overhead costs such as rent, guard services, information technology systems). Once we assign direct costs to a particular workload, we distribute agency costs that benefit multiple workloads using generally accepted cost accounting principles of allocation.

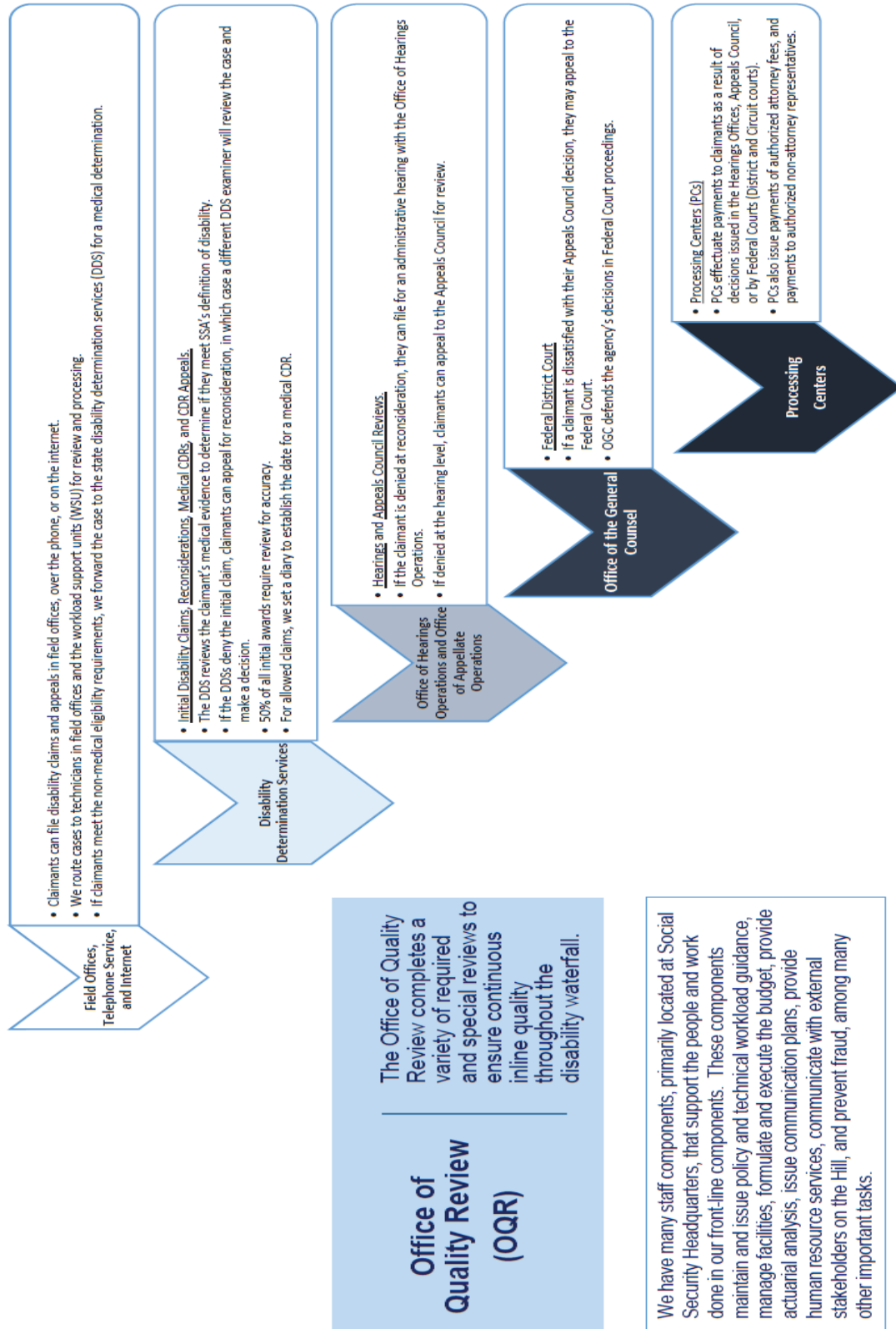
A disability applicant may file a claim in a field office where our field office staff ensures proper documentation and evaluates non-medical eligibility factors. That same claim then goes to the Disability Determination Services (DDS) for a medical determination. If the DDS issues a favorable determination, the claim then goes back to the field office for processing. In some cases where there are complex issues, such as payment offsets due to workers' compensation or other benefits, or systems limitations that require manual processing, the Processing Center (PC) will effectuate the claim. Our Office of Quality Review may also perform a review of the DDS determination prior to effectuation.

In the previous example, if the DDS issues an unfavorable determination, the disability applicant is eligible to request a hearing. A hearing request is also filed in a field office. The field office sends the case to our Office of Hearings Operations for a hearing by an Administrative Law Judge (ALJ). If the ALJ issues a favorable decision, the claim will then go to the PC where we calculate offsets, pay attorney fees, and initiate benefit payments.

We assign the costs for these completed direct work activities to the agency-level workload that they support. Agency costs that benefit multiple workloads, such as human resources, financial, and policy support, also indirectly supports the work we do, so we apply a portion of the overhead to each workload proportionally, based on the direct costs of doing the work.

The chart on the next page provides an organizational view of our disability waterfall to further illustrate an example of how work moves across components.

An Organizational View of Our Disability Work Process



Limitation on Administrative Expenses

PERFORMANCE TARGETS

The President's FY 2021 request will allow us to achieve the following key performance targets:

Table 3.22—Key Performance Targets

Workload and Outcome Measures	FY 2019 Actual	FY 2020 Enacted¹	FY 2021 Request
Retirement and Survivor Claims			
Retirement and Survivors Claims Completed (thousands)	6,021	6,222	6,354
Disability Claims			
Initial Disability Claims Receipts (thousands)	2,346	2,399	2,545
Initial Disability Claims Completed (thousands)	2,310	2,289	2,359
Initial Disability Claims Pending (thousands)	594	704	890
Average Processing Time for Initial Disability Claims (days)	120	125	129
Disability Reconsiderations			
Disability Reconsiderations Receipts (thousands)	566	664	708
Disability Reconsiderations Completed (thousands)	544	554	613
Disability Reconsiderations Pending (thousands)	134	244	339
Average Processing Time for Disability Reconsiderations (days)	109	118	119
Hearings			
Hearings Receipts (thousands)	511	464	467
Hearings Completed (thousands)	794	688	559
Hearings Pending (thousands)	575	352	259
Annual Average Processing Time for Hearings Decisions (days) ²	506	380	260
National 800 Number			
National 800 Number Calls Handled (millions)	33	36	41
Average Speed of Answer (ASA) (minutes)	20	17	11
Agent Busy Rate (percent)	14	12	7
Program Integrity			
Periodic Continuing Disability Reviews (CDR) Completed (thousands)	1,939	1,803	1,790
Full Medical CDRs (included above, thousands)	713	703	690
SSI Non-Medical Redeterminations Completed (thousands)	2,666	2,150	2,000
Selected Other Agency Workload Measures			
Social Security Numbers (SSN) Completed (millions)	18	18	18
Annual Earnings Items Completed (millions)	288	288	288
Social Security Statements Issued (millions) ³	11	14	15
Selected Production Workload Measures			
Disability Determination Services Production per Workyear	303	304	308
Office of Hearings Operations Production per Workyear	111	106	96
Other Work/Service in Support of the Public-Annual Growth of Backlog (workyears)	N/A	(1,100)	(2,500)

Limitation on Administrative Expenses

¹ FY 2020 estimates are consistent with the Enacted FY 2020 Congressional Operating Plan performance targets.

² Average processing time for hearings is an annual figure. We estimate end of year (September) processing time for hearings to be 340 days and 240 days for FYs 2020 and 2021, respectively.

³ The Social Security Statements issued performance measure includes paper statements only, and does not include electronic statements issued. In FY 2019, my Social Security users accessed their statements 56 million times, and we spent approximately \$5.842 million to send paper statements to individuals aged 60 and older who were not receiving Social Security benefits and who are not registered for a my Social Security account. We are taking the same approach in FYs 2020 and 2021 at a cost of approximately \$7.363 million in FY 2020 and \$7.692 million in FY 2021. In FY 2021, it would cost approximately an additional \$75 million to send statements to individuals aged 25 and older who are not receiving Social Security benefits and who are not registered for a my Social Security account.

Our budget is fully integrated with our Annual Performance Plan (APP), which is included as the second from last tab in this *Justification of Estimates for Appropriations Committees*, and online at [our website](#). The budget estimates are linked to the key performance measures above and support all of the more detailed measures outlined in the APP.

PROGRAM INTEGRITY

The Budget includes \$1.575 billion in dedicated funding for program integrity (PI) activities, including the costs associated with SSI redeterminations (RZ), full medical continuing disability reviews (CDR), work CDRs, Cooperative Disability Investigation (CDI) units, and the prosecution of fraud by Special Assistant U.S. Attorneys (SAUSA) - as authorized by the Bipartisan Budget Act of 2015 (P.L. 114-74). Our program integrity activities are funded as a subset of our total LAE funding. Beginning in FY 2017, our appropriation provides 18-month availability for PI funding and also limits us from using any non-PI LAE funding on PI activities.

FY 2021 is the last year of discretionary caps and the authorized cap adjustment for PI funding. Congressional action is needed to continue adequate funding levels, as shown in the 2021 Budget, which support continued PI activities and associated savings in the baseline. The Budget shows the savings that would result from the increase in CDRs and RZs made possible by the discretionary cap adjustment funding requested in 2021-2025 with supporting levels continuing through 2030. With access to the amounts proposed, we will stay on track to remain current with dedicated program integrity workloads throughout the Budget window. Please refer to the Budget Process chapter in the Analytical Perspectives for more details.

We perform CDRs to ensure that only beneficiaries who still qualify to receive benefits under the OASDI and SSI programs continue to receive them. For those receiving SSI, we also perform non-medical RZs to confirm whether recipients meet the program's income and resource limits. We achieved full CDR currency in FY 2018 and expect to maintain currency in FY 2020 and FY 2021. In order to prevent a backlog from forming, we carefully balance our workloads to remain within our total funding level. In FY 2021, the Budget funds the completion of 690,000 full medical CDRs to maintain currency and 2.0 million SSI RZs.

Limitation on Administrative Expenses

Table 3.23—Program Integrity Workloads and Funding by Source¹
(Dollars in millions)

	FY 2019 Actuals	FY 2020 Estimate	FY 2021 Estimate
Volumes			
Full Medical CDRs Completed	713,156	703,000	690,000
SSI Non-Medical RZs Completed	2,666,287	2,150,000	2,000,000
Funding^{2,3}			
Unobligated Balance, start-of-year	\$68	\$37	\$26
Dedicated Program Integrity Funding	\$1,683	\$1,582	\$1,575
Subtotal PI Resources	\$1,751	\$1,619	\$1,601
Less Unobligated Balance, end-of-	-\$37	-\$26	-\$29
Total PI Obligations⁴	\$1,714	\$1,593	\$1,572
<hr/>			
OASI	\$155	-	-
DI	\$243	\$361	\$306
SSI	\$1,154	\$1,232	\$1,266
HI	\$69	-	-
SMI	\$83	-	-
Medicare Part D	\$10	-	-
Total PI Obligations^{5,6}	\$1,714	\$1,593	\$1,572

Pacing CDR and RZ Unit Costs to Manage LAE Funding Properly

While we take many steps to ensure we analyze and budget for the costs of our CDR and SSI RZ workloads, we do not know actual costs until after the end of the fiscal year. The 18 month authority allows us the flexibility to obligate our dedicated program integrity funding responsibly. The individual unit costs of CDRs and RZs and the total number of these workloads processed, determine the actual total program integrity costs. Fluctuations in our PI unit costs occur throughout the year due to a variety of factors, such as:

¹ Totals may not add due to rounding.

² The Consolidated Appropriations Act, 2017 (P.L. 115-31) extended the availability of the FY 2017 Program Integrity funding through March 31, 2018. Appropriations for FYs 2018, 2019, and 2020 continued this language, and the Budget proposes to continue 18-month availability in the FY 2021 appropriation. Dedicated Program Integrity Funding represents the authorized level provided in BBEDCA, as amended by the Bipartisan Budget Act of 2015 (P.L. 114-74). We received the authorized amount in FY 2019 and FY 2020, and the Budget assumes the fully authorized level in FY 2021.

³ The total includes \$10 million transfers in FY 2019 and 2020, and the transfer of up to \$11.2 million in FY 2021 from LAE to the SSA's Inspector General (OIG) for CDI unit team leaders. This anti-fraud activity is an authorized use of the cap adjustment.

⁴ These totals include the combined costs of CDRs, SSI RZs, CDI units, and the SAUSAs.

⁵ Totals may not add due to rounding.

⁶ In the budget formulation of our PI workloads, we project workload costs for DI and SSI spending but not for OASI, HI, SMI, or Medicare Part D. We report these costs with the actuals.

Limitation on Administrative Expenses

- hiring and training, which can impact productivity in the work units where the PI work is done;
- Information Technology investments (e.g. timing of development);
- policy changes;
- business process changes;
- timing of work completion (e.g. work can start in prior fiscal year and clear in the next); and
- the types of cases processed in a year (e.g. processing a greater number of more time-consuming types of CDRs in a year can increase unit costs in that year).

In addition to these items that add costs to the PI workloads, it can be difficult for the agency to control closely the volume of PI work that is completed. PI work occurs all across the country in every field office, processing center, and State DDS. Some PI work must be done on demand when SSA becomes aware of an issue with a claimants situation and cannot be planned. Therefore, it is difficult to predict exact workload processing targets in advance. Due to this challenge in shutting off PI work, in 2019 we exceeded our CDR target by over 10,000 cases, which added roughly \$13 million to the total program integrity spending.

SSA tracks PI spending throughout the fiscal year and we analyze and review cyclical trends in PI costs. However, the delay in actual costs challenges our ability to forecast spending and reconcile costs timely, and we must make a conservative estimate of total expected costs at the end of the year to stay within the total available program integrity funding.

We calculate the unit costs for PI workloads using data from our Cost Analysis System. This system allocates our administrative costs to all of our workloads, including CDRs and RZs. Changes in the other agency workloads, as well as in other large agency cost categories such as IT, impact the overall total unit costs for PI workloads as well, which can make it difficult to predict end of year costs for CDRs and RZs prior to the end of the fiscal year.

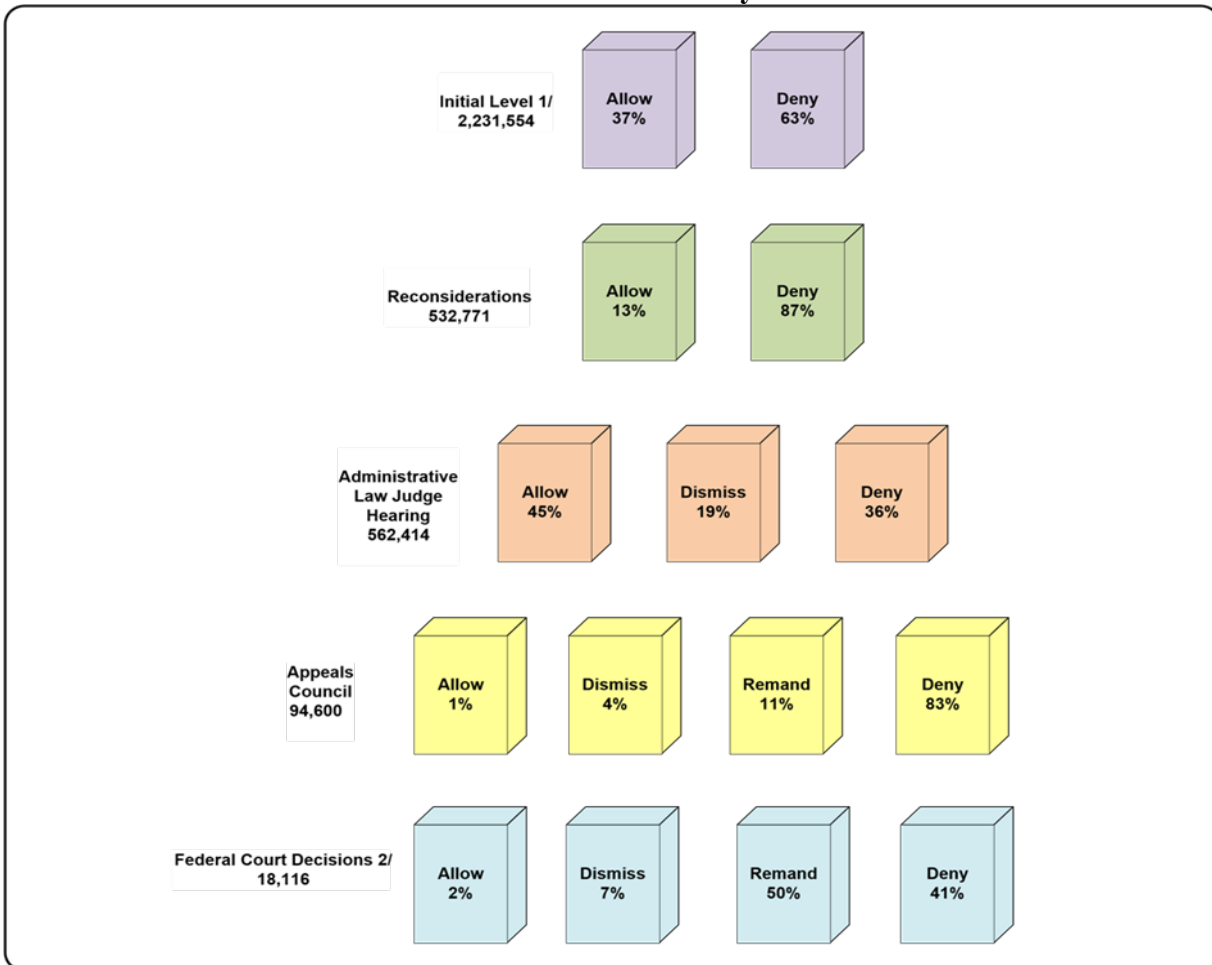
Our PI unit costs can be broken down by direct payroll, direct other objects, information technology systems (ITS), and agency shared costs that include both payroll and other objects. Our direct payroll includes costs of our employees in the front-line workload processing components like our field offices, program service centers, and State disability determination services. Other objects costs can be broken down to just direct other objects costs of our front-line workload processing components. ITS costs include all non-payroll costs associated with our IT investments. Lastly, agency shared costs include all other component costs, like headquarters components as well as a portion of rent, postage, and guards.

The PI work we plan to complete in FY 2020 and FY 2021 will keep us on pace to remain current in our CDR workload and help us balance our other work. While we strive to hit all performance targets, we will closely monitor and adjust our workload processing plans for PI workloads based on our real experience. We will also continue to consider the effects of the cost factors described above in our ongoing analysis to pace this workload and to inform our spending decisions.

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FY 2019 DISABILITY DECISION DATA

Table 3.24—Fiscal Year 2019 Disability Decision Data^{^*1,2}



Data Sources:

1. Initial and Reconsideration Data: SSA State Agency Operations Report
2. Administrative Law Judge and Appeals Council data: SSA Office of Hearings Operations (OHO) and Office of Analytics, Review, and Oversight (OARO)
3. Federal Court data: SSA Office of General Counsel

[^] Workload volumes do not align with actual performance as reported in our key performance measures table because the performance measure captures broader activity.

^{*} Includes Title II, Title XVI, and concurrent initial disability determinations and appeals decisions issued in FY 2019, regardless of the year in which the initial claim was filed, and regardless of whether the claimant ever received benefits (in a small number of cases with a favorable disability decision benefits are subsequently denied because the claimant does not meet other eligibility requirements.) Does not include claims where an eligibility determination was reached without a determination of disability. If a determination or appeals decision was made on Title II and Title XVI claims for the same person, the results are treated as one concurrent decision.

¹ About 21% of initial level denials are issued in States that use the Disability Prototype process, which eliminates the reconsideration step of the appeals process. The first level of appeal for these cases is a hearing before an Administrative Law Judge.

² Federal Court data includes appeals of Continuing Disability Reviews.

PRIORITY GOALS

To ensure our accountability to the public we serve, and as required by the GPRA Modernization Act of 2010, we established the following ambitious and outcome-focused Agency Priority Goals (APG). Our APGs help us achieve our overarching strategic goals and objectives set forth in our FY 2019–2021 Annual Performance Report (APR). These goals are:

1. Improve customer service in the hearings process by prioritizing those individuals who have waited the longest for a hearing decision.
2. Improve the integrity of the SSI program by focusing our efforts on reducing overpayments.
3. Improve the customer experience by reducing the average speed of answer on the National 800 Number.

We have specific measures and milestones to monitor our progress, and our goals reflect our Enterprise Risk Management actions. Additionally, through our quarterly internal review process, our executives have candid discussions regarding progress, any challenges we must overcome, and strategies that will support goal achievement.

Please see the FYs 2019–2021 APR for more information on APGs.

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ADDITIONAL BUDGET DETAIL

INFORMATION TECHNOLOGY

Information technology (IT) is vital to our mission. Our staff rely on our IT infrastructure to serve the public and safeguard our programs. We developed our systems over 30 years ago, and the infrastructure and application code has lagged behind as newer technologies advanced what is possible with the use of modern tools and emerging IT capabilities. Our IT infrastructure has grown increasingly complex, inefficient to meet customer demands, and costlier to maintain and secure.

Recognizing that our current technology infrastructure and existing business systems would not allow us to serve the public the way we wanted or the way they expected us to, we developed a plan to modernize our IT systems.

We initiated a multi-year *IT Modernization Plan* in FY 2018. Although the plan was established as a living document from the outset, the first and foremost goal of the plan is to improve service to the public. With Congress's support, we have made progress in transitioning to a more modern IT infrastructure with the technical flexibility necessary to adapt to future demands, and we are working to refresh the current *IT Modernization Plan* to ensure that it reflects our renewed focus on improving service to the customer.

In parallel to our *IT Modernization Plan* efforts, which primarily consist of multi-year efforts, we have also initiated a series of shorter term efforts that have already begun providing an immediate benefit to the public. These enhancements will provide the public with more and better options to conduct business with us online, by phone, and in our field offices.

The table below provides a summary-level view of the IT budget authority. We provided a detailed view of the IT budget by portfolio in Appendix A. In addition, we have included our IT Resource Statement, IT Table, FTE Count, and LAE Expired Balances table in Appendix B.

Table 3.25—Total ITS Budget Authority

(Dollars in Millions)	TAFS Code	FY 2019 Actual	FY 2020	FY 2021
ITS New Budget Authority	28198704	\$1,294	\$1,135	\$1,166
Prior Year Transfer/Carryover ¹	028X8704	\$24	\$206	\$150
ITS Reimbursables	28198704	\$5	\$20	\$9

¹ Prior to receiving our approved annual apportionments from OMB our FY 2020 carryover was \$206 million. Subsequently, we realized an additional \$5 million in carryover.

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(Dollars in Millions)	TAFS Code	FY 2019 Actual	FY 2020	FY 2021
Special Appropriation ITS (\$370 million)	028X8704	\$86	\$87	\$25
Recovery Act (NSC)	028X8704	\$2	\$0	\$0
<i>Subtotal ITS</i>		\$1,411	\$1,448	\$1,350
Internal Labor (Payroll)	28198704	\$516	\$560	\$566
Special Appropriation Internal Labor (Payroll) (\$370 million)	028X8704	\$53	\$27	\$24
<i>Subtotal Payroll</i>		\$569	\$587	\$590
Total		\$1,980	\$2,035	\$1,940

Note: Totals may not add due to rounding.

The Commissioner's top priorities are to:

- Improve Public Service;
- Modernize IT and Streamline Policies; and
- Safeguard Programs

Below, we highlight some of our IT investments that support those priorities.

Improve Public Service

Agency Website Modernization

Our SSA homepage is the first point of contact for many of our customers as they reach out to us for service.

- In FY 2020, we are redesigning our website to make it easier for the public to use.
- In FY 2021, we will procure and implement a Web Content Management System to ensure consistent web design and streamline our web site's maintenance.
- In FY 2020 and FY 2021, we will test the effectiveness of our new design by implementing it for a single self-service option available on our website.

Electronic Services – FY 2021: \$31 million

This initiative focuses on expanding online access for the public through various delivery channels, and continues the development and enhancement of our E-Government and eServices architecture. This includes:

- iClaim Anti-Fraud - Enhances authentication to ensure the security of our online claims process (iClaim).

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- Abandoned iAppeals - Prevents customers, who complete an appeal online, from unknowingly abandoning their appeals.
- Internet Social Security Number Replacement Card (iSSNRC) - With the iSSNRC online application, adults with a *my Social Security* account, who meet certain criteria, may apply for a replacement card.
 - In FYs 2020 and 2021, we will continue to expand iSSNRC to additional States. iSSNRC will be available in 48 states plus the District of Columbia by the end of 2020. Expansion to the two remaining States, New Hampshire and Minnesota, is contingent upon State-specific legislation. New Hampshire and Minnesota are in the process of making changes to participate with iSSNRC.
- Enhanced Leads and Appointment System (eLAS) - In FY 2020, we are deploying a modernized Web version of the current National 800 Number application to make it easier and more efficient when scheduling appointments for our customers.

Customer Engagement Tools – FY 2021: \$3.3 million

The Customer Engagement Tools (CET) investment establishes an enterprise product to redefine and modernize the technology and processes front line employees use to manage requests from the public. The CET will make it easier for our employees to help the public.

In FY 2019, to provide agency technicians with a comprehensive set of customer information for both Title II and Title XVI, we added personal representative payee, and legal guardian information to the Customer View. We provided the ability to initiate the Preliminary Claim Systems (PCS) process from this view, and enabled alerts to support customer service activities. For our online services, we made improvements to Click to Chat, Dynamic Help, and our online Message Center and Email Us pages.

In FY 2021, we will continue to modernize how we manage online customer service requests. It will include a new communication functionality for *my Social Security* registrants, and incorporate the use of web-based features that will enhance our ability to assist online users. Overall, this initiative will expand communication methods and provide interactive services for the public.

my Social Security Services – FY 2021: \$8.8 million

my Social Security provides a personalized, interactive, customizable, and secure one-stop shop for our public-facing electronic services. We will continue to improve the *my Social Security* user experience and add service options.

- In FY 2019, we enhanced online services for representative payees with online wage reporting and direct deposit changes for individual representative payees. We provided the ability for users to view their estimates at early retirement age, full retirement age, and delayed retirement age. In addition, we provided the ability for users to estimate and customize their retirement benefits based on projected income and specific month of election. Estimates are displayed visually on a dynamic bar graph.

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- In FY 2020, we will add a representative payee portal that will allow multiple views and strengthen and modernize how we authenticate our customers' identities to use our expanded *my Social Security* services.
- In FY 2021, we will continue expanding representative payee submission and verification features.

Next Generation Telephony Project (NGTP) – FY 2021: \$100.5 million

NGTP will replace our telephone structure with a modern unified communication platform (UCP) for the National 800 Number, over 1,200 field offices, and headquarters, replacing 120,000 telephones and reducing IT cost and increasing mission performance. In FY 2021, the transition will begin with National 800 Number sites and telephones in our field offices. NGTP will allow us to greatly improve service to our National 800 Number callers with self-service applications that will enable callers to complete automated actions without an agent. The UCP will provide streamlined menus and allow secure authentication that will support new automated features to address tasks with high agent call volumes, such as change of address, phone number, and direct deposit. We plan to make these services available in FY 2021, barring any further procurement delays.

Modernize IT and Streamline Policies

IT Modernization

We developed some of our systems over 30 years ago, and they have grown increasingly complex, inefficient to meet customer demands, and costlier to maintain. Our *IT Modernization Plan* will allow us to replace our outdated legacy systems with modern systems that will allow us to provide more and better service options to the public.

We have made tremendous progress in our modernization efforts thanks to the support of the Administration, Congress, and the hard work of our employees. In FY 2019, we successfully executed the second year of our five-year plan to modernize our legacy IT systems and business processes. We retired additional legacy systems, continued to develop the foundation for future expansion of online notices, improved the quality and efficiency of our case processing systems, and began developing modern claims intake screens for implementation next year.

- In FY 2019, we modernized our database infrastructure and support capabilities; improved access to master file data to allow the eventual retirement of legacy software; consolidated and eliminated duplicate data; expanded our enterprise data warehouse; and delivered Old Age, Survivors, and Disability Insurance (OASDI) Cost of Living Adjustment Notices online.

In FY 2020 and FY 2021, we will continue to:

- Modernize our claims-taking process, improve the quality of the data we use to make decisions on eligibility and payment, and improve how we communicate with beneficiaries and recipients;

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- Consolidate data in areas that deliver measurable business value while improving data integrity and access, and continue to improve database support by using modern relational database formats and techniques; and
- Deploy the Customer Communications Management application capability to collect and react to customer communications preference for receiving information from the agency, allowing them to receive agency correspondence via traditional mail, online, or text.

A detailed view of the IT Modernization funding profile is located in Appendix C.

Disability Case Processing System (DCPS) – FY 2021: \$7.1 million

DCPS is a modern system for use by State DDS and Federal components to process disability claims. It will replace multiple aging systems and will provide more efficient case processing, improve customer service, and reduce administrative costs.

- In FY 2019, we increased functionality as planned, and deployed DCPS to 19 additional DDS sites, bringing the total number of DCPS sites to 31. In addition, the Maine and Wyoming DDSs transitioned to only DCPS for case processing and no longer use legacy systems to process claims.
- In FY 2020 and FY 2021, we plan to continue deployment and transition in additional States. The DCPS Roadmap is included in Appendix E.

Electronic Record Express (ERE) for Experts (ERECA) – FY 2021: \$1.1 million

SSA contracts with medical experts (ME) and vocational experts (VE) to perform services such as providing testimony and responding to interrogatories. Each year the agency creates over 1 million compact discs (CD) for experts. With this investment, we will eliminate the process of creating and mailing encrypted CDs for these contractors, which will save us approximately \$6.7 million per year.

- In FY 2019, we expanded the ME and VE access to the e-Folder by allowing them access to cases at the Appeals Council level. Prior to this release, experts only had access to cases at the Hearings level.
- In FY 2020, ERECA will focus on the DCPS Web Service and the ERECA – DCPS interface.

Health Information Technology – FY 2021: \$2.4 million

This investment creates efficiencies in the disability process by obtaining medical records electronically and enhancing the ability to apply data analysis and business rules against medical evidence. Receiving medical documentation sooner and in standardized electronic formats enables claimants to receive quicker disability determinations by reducing the waiting time to receive records.

Safeguard Programs

Digital Identity – FY 2021: \$5.7 million

In order to expand the range of secure self-service options for our customers, it is critical that we develop an enhanced digital identity capability. To that end, we are incorporating data-driven, secure, privacy-enhancing solutions for identity proofing, authentication, and authorization. These efforts will benefit the public by protecting access to agency online services and preventing fraud.

In FY 2019, we partnered with an external credential service provider and collaborated on a federated approach for accessing the *my Social Security* portal. We also enhanced our existing individual authentication solutions to further our compliance with National Institute of Standards and Technology standards.

- In FY 2020, we are expanding our partnership with an external credential service provider and collaborating on a federated approach for accessing the *my Social Security* portal. We will enhance our existing individual authentication solutions to reduce our reliance upon knowledge based authentication methods, such as the out-of-wallet quizzes.
- In FY 2021, we will begin to implement in a phased and incremental approach, new authentication principles and methods that allow users easier access to online services while maintaining security.

IT Security and Compliance – FY 2021: \$131.4 million

Maintaining the public's trust in our ability to protect sensitive data housed in our systems requires continuous monitoring of threats and continual improvement and strengthening of our cybersecurity program. Through constant assessment of the threat landscape and use of advanced cybersecurity controls, we can better protect against cybersecurity incidents and risks.

The IT Security and Compliance Investment implements security policies and controls within SSA IT. It also protects IT data resources from both internal and external user threats such as unauthorized access, misuse, damage, or loss.

- In FY 2019, we limited the impact of potential cyberattacks and implemented email and network safeguards to detect and prevent malware.
- In FY 2020, we will continue to tune our cybersecurity infrastructure and ability to find and remove vulnerabilities by using automated workflows. We will automate our response processes to provide seamless integration from the identification of threats through the mitigation of vulnerabilities, as well as implement additional protections designed to limit the impact of potential cyberattacks.
- In FY 2021, the IT Security and Compliance investment will continue to modernize our security infrastructure; expand our identity management, privileged user access, secure configuration management, High Value Asset and data protection programs; and engage the Department of Homeland Security (DHS) in specific requests for service within their Continuous Diagnostics and Mitigation (CDM) program.

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Additional information regarding our Cybersecurity program is located in Appendix D.

Data Exchange – FY 2021: \$8.2 million

We provide SSN verifications and exchange birth, death, prisoner, and benefit payment information, as permitted under law, with Federal, State, and private partners, to efficiently obtain data to ensure our payment accuracy and to support the needs of other external programs. Our data exchanges improve organizational effectiveness and reduce costs by providing reliable data to determine benefits and improve administrative processes, which in turn saves costs and reduces improper payments. The Data Exchange Product investment created the Enterprise Data Exchange Network (EDEN) to reduce and centralize the many different systems and applications that process and manage data exchanges. This effort is part of a broader set of administrative actions to reduce SSA improper payments, including actions to improve timely access to wage and resource information.

- In 2019, we implemented the Foreign Travel Data application, which we built to facilitate access to DHS's Arrival and Departure Information System (ADIS) data. During an SSI redetermination, our staff can use ADIS to view foreign travel data for non-citizens and determine their SSI eligibility.
- In FY 2020, we will implement additional systems functionality and pursue a computer-matching agreement to expand the service for batch processing.
- In FY 2021, we will continue to pursue new data exchange partners from government and private sectors.

Unprocessed Medical Cessations (UMC) - FY 2021: \$0.3 million

Enhancements will establish automated solutions to prevent improper payments due to unprocessed medical cessations following CDRs in Title II, Title XVI and disability cases.

Debt Management Product - FY 2021: \$5.2 million

- Numerous systems record, track, and manage our OASDI and SSI overpayments. We have begun a multi-year initiative to develop a streamlined, modernized enterprise Debt Management System to enable us to more effectively and efficiently post, track, collect, and report our overpayment activity. iPaySSA, which provides individuals with the ability to access a payment portal and make payments via the Department of the Treasury's website, was developed in FY 2019. SSA developed additional functionality for an email receipt and plan to release the application in spring 2020.
- In FY 2020 and FY 2021, we plan to develop an electronic waiver form, SSA-632, via an Intranet overpayment waiver application for use by employees to capture, document, and support processing waiver requests. We anticipate completion of development of the minimum viable product for the new Debt Management system and transition from the legacy system by the end of FY 2021 and full system functionality by FY 2023.

Operational/Support IT Workload by Portfolio

The sections above describe new IT capabilities that we are developing to improve our ability to provide services to the public. We must also concurrently provide stable access to our existing systems used by our employees to serve the public, and we develop and maintain applications that support internal processes such as financial reporting and human resources workloads. The following section describes this work.

Agency Programmatic Applications Portfolio

The Agency Programmatic Applications portfolio encompasses investments used by employees to serve the public, initiatives enabling the public to conduct on-line transactions with SSA, and the applications and transactions we make with other government agencies. In this section, we describe the investments for ongoing support and maintenance of our existing systems.

Anti-Fraud Support Systems - FY 2021: \$16.2 million

This investment supports and maintains the legacy applications needed to provide robust and flexible fraud and abuse detection and prevention programs. This investment also supports the Anti-Fraud Enterprise Solution (AFES), which focuses on development and implementation activities for the Allegation Referral Intake System (ARIS). ARIS is a simplified interface for employees and other internal users to refer allegations of potential violations involving SSA programs and operations to the Office of the Inspector General (OIG).

Disability Claim Processing – FY 2021: \$58.3 million

These investments, which include DCPS, ensure operability of the applications used by employees to process disability claims at the initial, reconsideration, and hearings levels. Other investments include:

Bipartisan Budget Act (BBA) Section 823 - Promoting Opportunity Demonstration (POD) - FY 2021: \$0.3 million

Section 823 of the BBA of 2015 mandates that SSA conduct a demonstration to test a \$1 for \$2 benefit offset for Social Security Disability Insurance beneficiaries. The POD investment provides technology to allow us to conduct this test.

DDS Automation – FY 2021: \$10.3 million

This investment provides the DDSs with the technology needed to collect, process, maintain, share, transmit, disseminate, store, and retrieve disability claimant information electronically. DDS Automation will continue to support ongoing disability determination operations by maintaining functional and technical aspects of the DDS legacy systems until entirely replaced by DCPS. These costs will be phased out once DCPS is completely deployed to all DDSs.

Disability Claim Processing Applications – FY 2021: \$37.9 million

This investment covers multiple ongoing projects to maintain existing disability support applications for all adjudicative levels, and make modifications as needed. To a great extent, the functionality of the applications maintained in this investment is not included within the scope of DCPS.

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Earnings – FY 2021: \$8.8 million

Our Earnings applications are part of a larger IT system called the Earnings Record Management System (ERMS). ERMS processes annual W3 and W2 data for employers, third-party wage providers, and self-employed individuals who submit through the Internal Revenue Service. This system also processes corrected data and updates information on our Master Earnings File, a master database of earnings records.

Electronic Services – FY 2021: \$52.2 million

This initiative focuses on expanding online access for the public through various delivery channels. We have already highlighted the majority of investments under the priority of Improving Public Service. Some of the other Electronic Services projects are:

Rep Payee Legislative Changes – FY 2021: \$7.9 million

This major investment includes the effort to align with the Strengthening Protections for Social Security Beneficiaries Act of 2018. The Act improves and strengthens the representative payee program by strengthening oversight, reducing the burden on families improving customer service, improving beneficiary protections, and limiting overpayment liability for children in the child welfare system.

Rep Payee Support Systems - FY 2021: \$1.2 million

This investment captures ongoing activities for our existing Representative Payee systems. This includes the electronic Representative Payee System (eRPS), a web-based application that processes representative payee applications, and contains all representative payee related information. With this investment, we will implement functionality in FY 2020 to designate a rep payee in advance. This gives claimants and beneficiaries the ability to identify a rep payee should they need one in the future.

Enumeration – FY 2021: \$4.6 million

We are responsible for assigning Social Security numbers, a process called enumeration. This initiative provides routine maintenance, enhancements as required, and investigation and correction of anomalies for all current and legacy Enumeration support applications.

Notice Improvement – FY 2021: \$7.9 million

Each year, we generate over 250 million notices mailed to the public. We must maintain the notice generation systems responsible for creating this correspondence. This initiative captures the ongoing cost to maintain the applications and architectures that deliver public-facing notices such as the Cost of Living Adjustment (COLA), SSA-1099/SSA-1042 Benefit Statements, and Special Notice Option (SNO). This investment also captures the cost to implement the Social Security Number Removal Initiative (SSNRI).

Payment Accuracy Support Systems – FY 2021: \$7.5 million

This initiative maintains the legacy applications that enable us to compute, process, and disburse payments to and from program beneficiaries and recipients, representatives, and other public and private entities.

Limitation on Administrative Expenses

Title II Processing Applications - FY 2021: \$20.3 million

This initiative will maintain systems processing efficiency for the frontline employees that serve the public and ensure accuracy and timeliness of Title II payments and Medicare transactions directly to the public.

Title XVI Processing Applications – FY 2021: \$11.4 million

This initiative maintains the programmatic systems for frontline employees when processing initial claims and post-entitlement actions.

Agency Administrative Applications Portfolio

The Agency Administrative Applications portfolio includes initiatives for administrative services and support systems. This includes functional areas such as financial management, human resources, acquisitions, accounting, training, and communications.

Business Intelligence and Data Analytics – FY 2021: \$47.3 million

This investment supports the development of Business Intelligence tools, collection of management information, and the retirement of legacy systems, which will assist the agency to make better data-driven decisions. This investment includes the cost to maintain Business Intelligence architecture and migration activities.

Table 3.26—Other SSA Expenses/Service Fees Related to E-Government Projects
(Dollars in thousands)

	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
Recruitment One-Stop	\$444	\$476	\$495
E-Payroll	\$19,628	\$21,225	\$21,946
E-Travel	\$749	\$750	\$750
Total	\$20,821	\$22,451	\$23,191

Note: Totals may not add due to rounding.

E-Government Services – FY 2021: \$1.7 million

We support many E-Government initiatives. These initiatives serve individuals, businesses, and Federal employees by delivering high-quality services more efficiently and by providing services that might not otherwise be available. These initiatives are included in the agency’s IT budget.

Table 3.27—E-Government Services
(Dollars in thousands)

	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
Budget Formulation and Execution LoB	\$55	\$55	\$60
Disaster Assistance Improvement Plan	\$56	\$56	\$56
E-Rulemaking	\$30	\$29	\$28

Limitation on Administrative Expenses

Federal PKI Bridge (FPKI)	\$189	\$212	\$212
Financial Management LoB	\$67	\$67	\$67
Geospatial LoB	\$25	\$25	\$25
GovBenefits.gov	\$415	\$391	\$394
Grants.gov	\$26	\$21	\$21
Human Resources LoB	\$137	\$137	\$137
Integrated Award Environment (IAE)	\$944	\$720	\$720
Total	\$1,944	\$1,716	\$1,721

Note: Totals may not add due to rounding.

Financial Management Systems – FY 2021: \$35.9 million

This investment supports the agency's compliance with applicable accounting principles, standard, and related requirements; management control standards; and policies and requirements prescribed by OMB and the Department of the Treasury. This investment includes geospatial data management.

Human Resources Support Systems – FY 2021: \$18.9 million

This investment focuses on improving the overall effectiveness of Human Resources systems. Its objective is to leverage technology to help build a model workforce and support the ability to provide quality service to the public.

Legal Automated Workforce System (LAWS) Critical Needs – FY 2021: \$0.5 million

This investment will continue to provide critical and short-term workload management capabilities to meet Office of the General Counsel's (OGC) core business needs and agency strategic goals by providing solutions for Business Intelligence and LAWS application changes using existing architecture.

Electronic Records Management Product – FY 2021: \$8.9 million

This investment supports the agency's implementation of OMB/NARA initiatives identified in the OMB/NARA Memorandum M-12-18, and Presidential Memorandum - Managing Government Records. These initiatives require all Federal agencies to manage both permanent and temporary email records in an accessible electronic format and manage all permanent electronic records in an electronic format.

We have taken steps to manage all permanent records electronically by December 31, 2022. We expect to manage a majority of our temporary records electronically by December 31, 2022. However, resources and funding availability could extend the modification of systems and applications that create and store temporary records beyond December 31, 2022.

Infrastructure Portfolio

The Office of Systems provides critical infrastructure needed to support SSA's 10 regional offices, 8 processing centers, over 1,200 field offices, 25 teleservice centers, 5 national hearing centers, 164 hearing offices, 21 foreign offices, and 52 DDSs.

Limitation on Administrative Expenses

Services to these sites include Data Center Operations, Cloud Infrastructure, Telecommunications Management, Network Connectivity, Storage Solutions, Laptop & User Devices, 24x7x365 Monitoring of Enterprise Systems, and Tier-1 Help Desk for all IT Functionality.

Data Center and Cloud – FY 2021: \$496.6 million

The Data Center and Cloud standard investment secures and maintains demographic, wage, and benefit information for all American citizens. The core objective of the Data Center is to ensure the availability, changeability, stability, and security of SSA's IT architecture for the entire agency.

SSA has three enterprise data centers:

- The National Support Center (NSC) is an award-winning Tier 3 Data Center, opened for business in September 2014. We received American Recovery and Reinvestment Act funds to build and migrate the IT infrastructure and operations in the National Computer Center to the new data center. The NSC is a leader in the data center arena for its design, processing ability, and energy efficiencies.
- The Second Support Center provides operational assurance for the SSA. It is a fully-functional, co-processing data center operating in concert with the NSC to provide world-class IT services for the American public.
- The E-Vault provides a site to isolate and protect our data from a man-made or natural disaster. Situated 1,600 miles from SSA's eastern region data centers, the E-Vault provides a geo-dispersed, protected copy of agency data.

Provided within the Data Center investment are technical support services, technology refreshes, maintenance of the agency's data centers, IT hardware, and software. The cost of this investment includes plans to refresh our data centers' mainframe processors in FY 2021.

End User – FY 2021: \$238.9 million

The End User standard investment provides the agency with productivity software and desktops, laptops and other computing equipment required to meet our growing workload demands. This investment supports over 5,400 mobile hand-held devices, and over 129,000 laptops and workstations. As service demand increases, End User improves access to SSA's infrastructure and provides the desktop capability and capacity to increase the performance of internal systems. The budgeted cost of this investment includes ongoing laptop refreshment efforts in FY 2021.

Network – FY 2021: \$395.7 million

The Network standard investment provides secure, easy-to-use, and fast electronic services via the internet through telephone services, wide area network, and video conferencing systems. This investment allows us to maintain current systems and continue enhancing and refreshing telecommunications equipment and provides ongoing improvement of connectivity and bandwidth for data, voice and video communications. It benefits the American public as an effective, efficient, economical, and secure method of providing both digital and online services.

Limitation on Administrative Expenses

We will transition to NGTP, beginning with the transition of National 800 Number sites and telephones from field offices to the new system in FY 2021.

Under this investment, in the fall of 2019, we completed prerequisites, configuration, and required testing for a successful Authority To Operate for the SSA Office365 Infrastructure, enabling email and SharePoint site migration to the cloud.

Platform and Application – FY 2021: \$72.2 million

The Platform standard investment provides enterprise-wide platform capability that includes database, middleware, mainframe database, and mainframe middleware.

The Application standard investment supports enterprise wide software to support the agency's IT operations. This includes the analysis, design, development, code, test, and release services associated with application development. It involves a focus on user-centered development, testing, and standards; ensuring that applications are Section 508 compliant; and compliance with Enterprise Architecture standards. These centralized services are critical for implementation of new functionality, including public-facing applications.

IT Governance and Support Portfolio

The IT Governance and Support portfolio provides for enterprise-wide shared delivery capability, including the central personnel and account managers for products and services shared across the enterprise.

Delivery – FY 2021: \$31.1 million

The Delivery standard investment provides management and resources to support IT operations for the agency. This includes enterprise wide Product and Project Management resources to assist with agile development, and our Investment Management Tool used for project management reporting. This investment drives product strategy and operations, facilitates accessibility and user/customer experience, and develops the framework and governance standards for Product and Project Management.

IT Management – FY 2021: \$125.7 million

The IT Management standard investment captures all costs associated with IT Management and Strategic Planning (including CIO and other senior leadership FTE costs), Enterprise Architecture, Capital Planning, IT Budget/Finance, IT Vendor Management, general IT policy and reporting, and IT Governance.

Limitation on Administrative Expenses

Appendix A: IT Budget by Portfolio and Investment

Table 3.28—IT Budget by Portfolio and Investment

FY 2021 Agency IT Portfolio Summary Costs in Millions	Total Cost			Internal Labor			External Labor			IT Funds		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
IT Portfolio Total	\$1,979.82	\$2,035.01	\$1,939.98	\$568.52	\$587.17	\$589.99	\$383.33	\$302.41	\$203.22	\$1,027.98	\$1,145.42	\$1,146.77
IT Modernization	\$149.30	\$154.91	\$118.09	\$52.55	\$49.46	\$46.49	\$82.77	\$78.36	\$54.30	\$13.98	\$27.10	\$17.29
IT Modernization	\$149.30	\$154.91	\$118.09	\$52.55	\$49.46	\$46.49	\$82.77	\$78.36	\$54.30	\$13.98	\$27.10	\$17.29
Agency Programmatic Applications	\$289.51	\$227.33	\$211.37	\$160.87	\$161.58	\$161.13	\$105.88	\$41.30	\$23.25	\$22.77	\$24.45	\$26.99
Anti-Fraud	\$14.72	\$17.28	\$16.16	\$6.12	\$7.34	\$4.25	\$4.97	\$5.17	\$1.25	\$3.63	\$4.77	\$10.66
Anti-Fraud Enterprise Solution	\$6.13	\$6.96	\$0.00	\$1.37	\$3.04	\$0.00	\$3.53	\$3.92	\$0.00	\$1.23	\$0.00	\$0.00
Anti-Fraud Support Systems	\$8.59	\$10.32	\$16.16	\$4.75	\$4.30	\$4.25	\$1.44	\$1.25	\$1.25	\$2.40	\$4.77	\$10.66
Data Exchange	\$8.91	\$7.18	\$8.22	\$7.21	\$7.04	\$8.12	\$1.70	\$0.15	\$0.10	\$0.00	\$0.00	\$0.00
Data Exchange Product	\$0.73	\$0.22	\$0.50	\$0.59	\$0.22	\$0.50	\$0.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Data Exchange Support Systems	\$8.18	\$6.97	\$7.72	\$6.62	\$6.82	\$7.62	\$1.57	\$0.15	\$0.10	\$0.00	\$0.00	\$0.00
Disability Claim Processing	\$91.42	\$66.16	\$58.26	\$45.46	\$46.21	\$41.35	\$33.92	\$7.65	\$7.03	\$12.04	\$12.30	\$9.88
BBA Section 823 - Promoting Opportunity Demo	\$0.85	\$0.30	\$0.29	\$0.78	\$0.26	\$0.26	\$0.06	\$0.05	\$0.03	\$0.00	\$0.00	\$0.00
DDS Automation	\$13.58	\$12.96	\$10.28	\$2.18	\$2.20	\$1.86	\$0.92	\$1.11	\$0.79	\$10.48	\$9.66	\$7.62
Disability Case Processing System	\$37.85	\$13.62	\$7.10	\$9.36	\$9.08	\$2.64	\$28.49	\$4.53	\$4.44	\$0.00	\$0.01	\$0.01
Disability Claim Processing Applications	\$33.62	\$35.86	\$37.90	\$27.94	\$31.27	\$33.90	\$4.13	\$1.96	\$1.75	\$1.56	\$2.63	\$2.25
Disability Quality Review (DQR)	\$2.17	\$3.17	\$2.44	\$1.90	\$3.17	\$2.44	\$0.27	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Unprocessed Medical Cessations - Enhancements	\$3.34	\$0.25	\$0.25	\$3.29	\$0.25	\$0.25	\$0.05	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Earnings	\$8.21	\$8.36	\$8.76	\$7.19	\$7.52	\$8.16	\$1.02	\$0.84	\$0.60	\$0.00	\$0.00	\$0.00
Earnings Support Systems	\$8.21	\$8.36	\$8.76	\$7.19	\$7.52	\$8.16	\$1.02	\$0.84	\$0.60	\$0.00	\$0.00	\$0.00
Electronic Services	\$73.36	\$58.50	\$52.17	\$29.15	\$35.05	\$39.50	\$39.59	\$17.17	\$6.37	\$4.62	\$6.29	\$6.30
Customer Engagement Tools	\$6.26	\$5.60	\$3.30	\$3.95	\$3.30	\$3.30	\$2.30	\$2.30	\$0.00	\$0.00	\$0.00	\$0.00
Electronic Services	\$45.62	\$27.34	\$31.03	\$13.82	\$15.78	\$20.13	\$29.16	\$6.86	\$6.04	\$2.63	\$4.70	\$4.87
My SocialSecurity Services	\$9.50	\$12.73	\$8.78	\$5.54	\$8.78	\$8.78	\$3.95	\$3.95	\$0.00	\$0.00	\$0.00	\$0.00
Rep Payee Legislation	\$9.78	\$11.53	\$7.89	\$4.24	\$6.35	\$6.46	\$3.55	\$3.59	\$0.00	\$1.99	\$1.59	\$1.43
Rep Payee Support Systems	\$2.20	\$1.31	\$1.18	\$1.59	\$0.84	\$0.84	\$0.62	\$0.46	\$0.33	\$0.00	\$0.00	\$0.00
Enumeration	\$4.83	\$5.09	\$4.58	\$3.27	\$3.57	\$3.52	\$1.56	\$1.48	\$1.06	\$0.00	\$0.04	\$0.00
Enumerations Support Systems	\$4.83	\$5.09	\$4.58	\$3.27	\$3.57	\$3.52	\$1.56	\$1.48	\$1.06	\$0.00	\$0.04	\$0.00
Medical Evidence Processing	\$4.72	\$3.77	\$3.42	\$3.46	\$3.44	\$3.19	\$1.26	\$0.33	\$0.24	\$0.00	\$0.00	\$0.00
ERE for Experts	\$1.85	\$1.39	\$1.05	\$1.39	\$1.07	\$0.82	\$0.46	\$0.33	\$0.24	\$0.00	\$0.00	\$0.00
Health Information Tech (HIT)	\$2.87	\$2.37	\$2.37	\$2.07	\$2.37	\$2.37	\$0.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Notice Improvement	\$7.75	\$7.90	\$7.85	\$6.67	\$7.17	\$7.37	\$1.09	\$0.72	\$0.48	\$0.00	\$0.00	\$0.00
Notice Improvements	\$7.75	\$7.90	\$7.85	\$6.67	\$7.17	\$7.37	\$1.09	\$0.72	\$0.48	\$0.00	\$0.00	\$0.00
Payment Accuracy	\$17.95	\$11.95	\$12.68	\$11.57	\$11.55	\$12.40	\$6.39	\$0.39	\$0.28	\$0.00	\$0.00	\$0.00
FY 2021 Agency IT Portfolio Summary Costs in Millions	Total Cost			Internal Labor			External Labor			IT Funds		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Debt Management Product	\$9.53	\$4.63	\$5.22	\$3.67	\$4.63	\$5.22	\$5.86	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Payment Accuracy Support Systems	\$8.43	\$7.31	\$7.46	\$7.90	\$6.92	\$7.18	\$0.53	\$0.39	\$0.28	\$0.00	\$0.00	\$0.00
Reimbursable Services	\$11.68	\$8.13	\$7.59	\$2.99	\$5.94	\$6.11	\$6.22	\$1.12	\$1.34	\$2.47	\$1.06	\$0.14
Reimbursable Services	\$11.68	\$8.13	\$7.59	\$2.99	\$5.94	\$6.11	\$6.22	\$1.12	\$1.34	\$2.47	\$1.06	\$0.14
Title II Processing	\$28.49	\$21.05	\$20.27	\$23.38	\$17.22	\$17.53	\$5.11	\$3.83	\$2.75	\$0.00	\$0.00	\$0.00
PC Automation	\$0.31	\$0.00	\$0.00	\$0.31	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Title II Processing Applications	\$28.17	\$21.05	\$20.27	\$23.06	\$17.22	\$17.53	\$5.11	\$3.83	\$2.75	\$0.00	\$0.00	\$0.00
Title XVI Processing	\$17.48	\$11.97	\$11.40	\$14.42	\$9.52	\$9.65	\$3.06	\$2.45	\$1.75	\$0.00	\$0.00	\$0.00
Title XVI Processing Applications	\$17.48	\$11.97	\$11.40	\$14.42	\$9.52	\$9.65	\$3.06	\$2.45	\$1.75	\$0.00	\$0.00	\$0.00

Limitation on Administrative Expenses

FY 2021 Agency IT Portfolio Summary Costs in Millions	Total Cost			Internal Labor			External Labor			IT Funds		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Agency Administrative Applications	\$107.56	\$111.79	\$113.25	\$55.41	\$56.24	\$58.59	\$29.88	\$27.39	\$23.93	\$22.27	\$28.16	\$30.73
Business Intelligence-Data Analytics	\$44.87	\$48.78	\$47.32	\$25.26	\$27.05	\$28.33	\$16.56	\$15.81	\$13.50	\$3.05	\$5.92	\$5.49
Business Intelligence - Data Analytics	\$44.87	\$48.78	\$47.32	\$25.26	\$27.05	\$28.33	\$16.56	\$15.81	\$13.50	\$3.05	\$5.92	\$5.49
E-Gov	\$1.94	\$1.72	\$1.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.94	\$1.72	\$1.72
Budget Formulation and Execution LoB	\$0.06	\$0.06	\$0.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.06	\$0.06	\$0.06
Disaster Assistance Improvement Plan	\$0.06	\$0.06	\$0.06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.06	\$0.06	\$0.06
E-Rulemaking	\$0.03	\$0.03	\$0.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.03	\$0.03	\$0.03
Federal PKI Bridge	\$0.19	\$0.21	\$0.21	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.19	\$0.21	\$0.21
Financial Management LoB	\$0.07	\$0.07	\$0.07	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.07	\$0.07	\$0.07
Financial Management Systems	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Geospatial LoB	\$0.03	\$0.03	\$0.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.03	\$0.03	\$0.03
GovBenefits.gov	\$0.42	\$0.39	\$0.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.42	\$0.39	\$0.39
Grants.gov	\$0.03	\$0.02	\$0.02	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.03	\$0.02	\$0.02
Human Resources LoB	\$0.14	\$0.14	\$0.14	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.14	\$0.14	\$0.14
Integrated Award Evt	\$0.94	\$0.72	\$0.72	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.94	\$0.72	\$0.72
Financial Systems	\$34.63	\$35.94	\$35.89	\$13.98	\$14.76	\$15.36	\$8.23	\$7.71	\$7.43	\$12.42	\$13.48	\$13.10
Financial Management Systems	\$34.63	\$35.94	\$35.89	\$13.98	\$14.76	\$15.36	\$8.23	\$7.71	\$7.43	\$12.42	\$13.48	\$13.10
Human Resources	\$19.84	\$18.74	\$18.94	\$11.58	\$11.84	\$12.33	\$3.40	\$1.96	\$1.86	\$4.86	\$4.94	\$4.75
Human Resources Services Portal	\$0.76	\$0.03	\$0.03	\$0.76	\$0.03	\$0.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Human Resources Support Systems	\$19.08	\$18.71	\$18.91	\$10.82	\$11.80	\$12.30	\$3.40	\$1.96	\$1.86	\$4.86	\$4.94	\$4.75
Legal-Public Disclosure Processing	\$2.86	\$0.57	\$0.51	\$2.86	\$0.52	\$0.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.05	\$0.05
LAWS - Critical Needs	\$2.86	\$0.57	\$0.51	\$2.86	\$0.52	\$0.46	\$0.00	\$0.00	\$0.00	\$0.00	\$0.05	\$0.05
Records Management	\$3.42	\$6.04	\$8.87	\$1.73	\$2.08	\$2.11	\$1.69	\$1.90	\$1.13	\$0.00	\$2.06	\$5.63
Electronic Records Management Product	\$3.42	\$6.04	\$8.87	\$1.73	\$2.08	\$2.11	\$1.69	\$1.90	\$1.13	\$0.00	\$2.06	\$5.63

FY 2021 Agency IT Portfolio Summary Costs in Millions	Total Cost			Internal Labor			External Labor			IT Funds		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
Infrastructure	\$1,125.16	\$1,221.98	\$1,203.41	\$156.25	\$165.03	\$166.42	\$95.95	\$93.64	\$54.43	\$872.96	\$963.31	\$982.55
Application (S)	\$91.43	\$92.58	\$69.42	\$37.66	\$35.02	\$34.61	\$44.64	\$42.83	\$25.17	\$9.14	\$14.73	\$9.64
Data Center and Cloud (S)	\$426.34	\$440.15	\$496.57	\$37.98	\$44.19	\$44.96	\$23.58	\$23.35	\$13.71	\$364.77	\$372.62	\$437.91
End User (S)	\$156.16	\$235.02	\$238.93	\$57.47	\$57.70	\$58.48	\$10.09	\$9.98	\$5.86	\$88.61	\$167.33	\$174.58
Network (S)	\$445.98	\$451.17	\$395.70	\$19.97	\$26.88	\$27.12	\$16.68	\$16.51	\$9.69	\$409.33	\$407.78	\$358.89
Platform (S)	\$5.25	\$3.07	\$2.78	\$3.16	\$1.25	\$1.25	\$0.97	\$0.97	\$0.00	\$1.11	\$0.85	\$1.53
IT Governance and Support	\$162.70	\$173.79	\$156.78	\$107.12	\$116.75	\$118.12	\$39.32	\$34.33	\$20.35	\$16.26	\$22.70	\$18.31
Delivery (S)	\$36.22	\$36.05	\$31.12	\$6.85	\$6.48	\$6.06	\$23.78	\$20.66	\$12.21	\$5.59	\$8.91	\$12.85
IT Management (S)	\$126.48	\$137.74	\$125.65	\$100.26	\$110.27	\$112.06	\$15.54	\$13.67	\$8.14	\$10.67	\$13.79	\$5.45
Cybersecurity	\$145.58	\$145.21	\$137.10	\$36.32	\$38.11	\$39.24	\$29.53	\$27.40	\$26.96	\$79.73	\$79.70	\$70.90
Digital Identity (M)	\$4.27	\$7.30	\$5.70	\$0.23	\$3.05	\$2.14	\$4.04	\$1.50	\$1.06	\$0.00	\$2.75	\$2.50
IT Security & Compliance (S)	\$141.31	\$137.91	\$131.40	\$36.10	\$35.06	\$37.10	\$25.48	\$25.90	\$25.90	\$79.73	\$76.95	\$68.40

Appendix B: Required Tables and Statements

IT Resource Statement

In accordance with the Federal Information Technology Acquisition Reform Act (FITARA) of 2014, OMB Circular A-11, Sec. 51.3 and OMB FY 2021 IT Budget – Capital Planning Guidance, SSA is providing the following affirmations:

- a) SSA's CIO affirms he has collaborated with the SSA Senior Agency Official for Privacy (SAOP) and the SSA Chief Financial Officer (CFO) on the IT Budget submissions, and that it includes appropriate estimates of all IT resources included in the budget request.
- b) SSA's CIO affirms that he has reviewed and provided significant input in approving all IT Investments included in this budget request.
- c) SSA's CFO and CIO affirm that the CIO had a significant role in reviewing planned IT support for all major programs and significant increases and decreases in IT resources reflected in this IT budget request.
- d) SSA's CIO affirms that the agency has developed and implemented its plan to ensure that common baseline Element D ("D1. CIO reviews and approves Major IT Investment portion of the budget request") FITARA responsibilities are in place. The CIO common baseline rating is Fully Implemented for Element D.
- e) SSA's CIO certifies that IT investments are adequately implementing incremental development. SSA has implemented incremental development for 36 percent of our development IT investments.
- f) SSA's SAOP has reviewed the IT Budget submission and certifies that privacy requirements and associated costs are explicitly identified and included with respect to any IT resource that will be used to create, collect, use, process, store, maintain, disseminate, disclose, or dispose of personally identifiable information.

Limitation on Administrative Expenses

Table 3.29—LAE Expired Balances & No-Year IT Account
(Dollars in thousands)

<u>LAE Expired Accounts</u>	<u>Amounts</u>
LAE unobligated balance from FY 2015-2018	\$219,700
LAE unobligated balance available from FY 2019	\$163,800
Total LAE unobligated balance from FY 2015-2019	\$383,500 ¹
Amounts projected for prior year adjustments	-\$348,300 ²
Total LAE unobligated balance available for transfer from FY 2015-2019	\$35,200
 No-Year ITS Account	
Carryover from funds transferred in FY 2018 for FY 2019	\$36,500
Carryover from FY 2018 (Unobligated Balances)	\$4,182
Total carryover from FY 2018 to FY 2019	\$40,682
Funds transferred in FY 2019 for FY 2019	\$193,300
Total FY 2019 no-year ITS funding available	\$233,982
FY 2019 Obligations	-\$24,139
Recoveries in FY 2019	\$960
Total carryover into FY 2020	\$210,803
Funds available for transfer in FY 2020 for FY 2020	\$35,200
Total FY 2020 no-year ITS funding available	\$246,003

¹ Reflects adjustments to the unobligated balances for these years. Balances as of September 30, 2019.

² SSA must maintain some funds in the expired LAE accounts (FY 2015-2019), otherwise, we could face an anti-deficiency violation. However, we routinely evaluate our unobligated balances in each expired year to determine amounts available for transfer to no-year ITS account. SSA IT Budget planning assumes that balances will be available for IT spending, with \$150 million assumed in the FY 2021 budget.

Table 3.30—Information Technology Costs

Dollars In Millions	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
Maintenance & Lease	\$337	\$385	\$401
Contractor Support	\$559	\$599	\$491
Inter-Agency Agreement	\$7	\$7	\$7
Software	\$37	\$49	\$47
Hardware	\$139	\$208	\$242
Telecommunications	\$318	\$182	\$133
IT Service/Subscription	\$14	\$18	\$30
Total	\$1,411	\$1,448	\$1,350

Note: Totals may not add due to rounding

Table 3.31—Work Year Count by Portfolio

	FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
IT Modernization	342	310	275
Agency Programmatic Applications	1,060	1,024	967
Agency Administrative Applications	374	365	360
Infrastructure	1,018	1,034	986
IT Governance and Support	698	732	700
Cybersecurity (IT Security & Compliance)	237	239	232
Total	3,729	3,704	3,520

Note: Totals may not add due to rounding.

Direct Hire Authority

We used Direct Hire Authority in FY 2019 to fill Cybersecurity positions. In accordance with the Federal Cybersecurity Workforce Assessment Act (FCWAA), we identified work roles of critical need based on positions assigned OPM Cybersecurity Codes and determined root causes of shortages. On April 29, 2019, we provided Office of Personnel Management (OPM) with the results of this assessment in our Cybersecurity Work Roles of Critical Need relative to cybersecurity responsibilities. We are considering using direct hire authority and other authorities to fill our target of 20 percent of the critical need gaps in FY 2020 and 20 percent in FY 2021.

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Technology Business Management

To select and effectively manage investments, we developed a comprehensive investment decision making and oversight process. We evaluate the IT investment management process regularly to strengthen and improve our capability in business planning, business case formulation - including better cost and return on investment data, designing and planning IT investments, out year estimation, and more transparent reporting and oversight. Over the past few years, we began integrating our investment budgeting process to adopt Technology Business Model (TBM) in a multi-phased approach. We are leveraging TBM to standardize our categorization on IT costs, technologies, resources, applications, and services to facilitate data-driven decision-making. By adopting TBM, we gain insight into the cost make-up of IT investments that helps us strategically allocate resources and modernize our IT portfolios. In FY 2020, we have aligned all investments to IT towers and cost pools metrics in preparation for full TBM implementation. In addition, in FY 2020, we are emphasizing the requirement for investments to articulate clearly the business value they are designed to deliver, and we are requiring each investment provide a system of measures that will enable agency leadership to observe the delivery of business value as our investments are deployed. This requirement extends to infrastructure investments where the value is cost savings or foundational capability necessary to enable business-oriented investments.

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Appendix C: IT Modernization

Table 3.32—Total IT Modernization Plan by Obligation Year

Dollars in millions	FY17	FY18	FY19	FY20	FY21	FY22	Total
Business Domains (Applications)	\$33	\$101	\$111	\$103	\$86	\$50	\$483
Communication	\$2	\$9	\$10	\$6	\$9	\$6	\$42
Title II	\$3	\$19	\$27	\$22	\$21	\$11	\$103
Disability	\$16	\$43	\$47	\$42	\$25	\$13	\$186
Title XVI	\$6	\$7	\$1	\$5	\$2	\$4	\$25
Earnings	\$3	\$14	\$15	\$17	\$17	\$10	\$76
Enumeration	\$3	\$9	\$11	\$11	\$12	\$6	\$52
Data, PMO, Infrastructure	\$13	\$39	\$39	\$54	\$33	\$32	\$208
Data	\$6	\$9	\$13	\$7	\$7	\$2	\$44
PMO / Senior Tech	\$0	\$1	\$1	\$2	\$2	\$2	\$8
Infrastructure	\$7	\$29	\$25	\$45	\$24	\$28	\$158
Total	\$46	\$141	\$149	\$155	\$118	\$82	\$691

Note: Totals may not add due to rounding.

Table 3.33—Dedicated IT Modernization Plan

Dollars in millions	FY17	FY18	FY19	FY20	FY21	FY22	Total
Business Domains (Applications)	\$0	\$59	\$160	\$113	\$71	\$37	\$440
Benefits	\$0	\$15	\$32	\$27	\$23	\$12	\$109
<i>Title II</i>	<i>\$0</i>	<i>\$15</i>	<i>\$31</i>	<i>\$22</i>	<i>\$21</i>	<i>\$11</i>	<i>\$100</i>
<i>Title XVI</i>	<i>\$0</i>	<i>\$0</i>	<i>\$1</i>	<i>\$5</i>	<i>\$2</i>	<i>\$1</i>	<i>\$9</i>
Disability	\$0	\$15	\$45	\$42	\$25	\$13	\$140
Infrastructure	\$0	\$14	\$17	\$0	\$0	\$0	\$31
Communications	\$0	\$0	\$6	\$3	\$0	\$0	\$9
Earnings	\$0	\$0	\$17	\$8	\$0	\$0	\$25
Enumeration	\$0	\$0	\$11	\$6	\$0	\$0	\$17
Data, PMO, Infrastructure	\$0	\$0	\$11	\$28	\$0	\$0	\$39
Data	\$0	\$0	\$9	\$5	\$0	\$0	\$14
PMO	\$0	\$0	\$2	\$0	\$0	\$0	\$2
Infrastructure	\$0	\$0	\$0	\$23	\$0	\$0	\$23
Total	\$0	\$44	\$139	\$114	\$48	\$25	\$370

Note: Totals may not add due to rounding.

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Appendix D: Expanding CDM Program Capabilities and additional Cybersecurity Requirements

CDM is a collaborative program with the DHS that automates critical aspects of Federal agency cybersecurity programs to provide continuous monitoring functions to agencies.

We continue to improve our implementation of the Hardware Asset Management (HWAM) capability, which provides automated capabilities to detect IT assets as they are introduced to the network. Our Vulnerability Management capabilities and HWAM tools are leveraged with our agency-wide IT Asset Management tools and Risk Management program as a precursor to implementing network segmentation and a Network Access Control solution.

We will improve our Software Asset Management capabilities by implementing new technical solutions via CDM to inventory all installed software on systems. This is a fundamental step necessary to implement application whitelisting. Application whitelisting will prevent the installation and execution of unauthorized software and malicious software (malware) on our network. Unauthorized software applications expose us to the potential of malware (virus, worms, Trojan) attacks that quickly spread and do harm to the confidentiality, integrity, and availability of our systems across our enterprise. Software whitelisting only allows authorized software ('whitelist') to install and run on systems. Software whitelisting prevents unauthorized software and malware from installing and running on systems, which provides further protection from the damaging effects of malware.

Cybersecurity Reskilling

In FY 2019, we identified agency Position Descriptions that perform one or more Work Roles within the National Initiative for Cybersecurity Education (NICE) Cybersecurity Workforce Framework (NICE Framework). The NICE Framework is a government-wide standard that defines and describes cybersecurity functions and responsibilities performed by 52 IT, cybersecurity, and cyber-related Work Roles. Participants in an interagency reskilling program would receive developmental opportunities that map to one or more of the NICE Framework work roles.

High Value Asset (HVA) Protection

We have aligned our cybersecurity investments based on reducing our risk posture. For example, we have begun implementing network segmentation to further protect the majority of SSA's High Value Assets (HVA) at the network level. In addition, we have utilized threat intelligence services to aid in increased monitoring of sensitive agency data assets.

Security Operations Center (SOC)

Evolving threats continue to grow in number, complexity, and sophistication requiring the SOC to implement a strategy that automates as many of the day-to-day operational tasks as possible.

We submitted our SOC Maturation Plan to DHS in May of 2019. This plan demonstrated that the SSA Security Operations Center (SOC) has already consolidated cybersecurity operations

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functions into a unified enterprise SOC. The SOC also utilizes managed service providers for threat intelligence and Distributed Denial of Service protections.

Supply Chain Risk Management

We have an established Supply Chain Risk Management program and continually assesses its effectiveness. In 2019, we acquired several supply chain analysis tools and procured third party contractor services to assist with research and data gathering. We are awaiting further guidance because of the SECURE Technology Act to further enhance the program.

SSA Measurable Reductions of Risk

We have developed, and maintain, a cybersecurity strategic plan to assist in prioritizing spending requests. This plan is informed by our Federal Information Security Management Act of 2002 (FISMA) audit results, our internal self-assessment, and is in alignment with the NIST Cybersecurity Framework. This common framework is used across federal agencies, including OMB in spending categorization, DHS in risk assessments, and agency Inspector General's for FISMA compliance.

Protecting Privacy

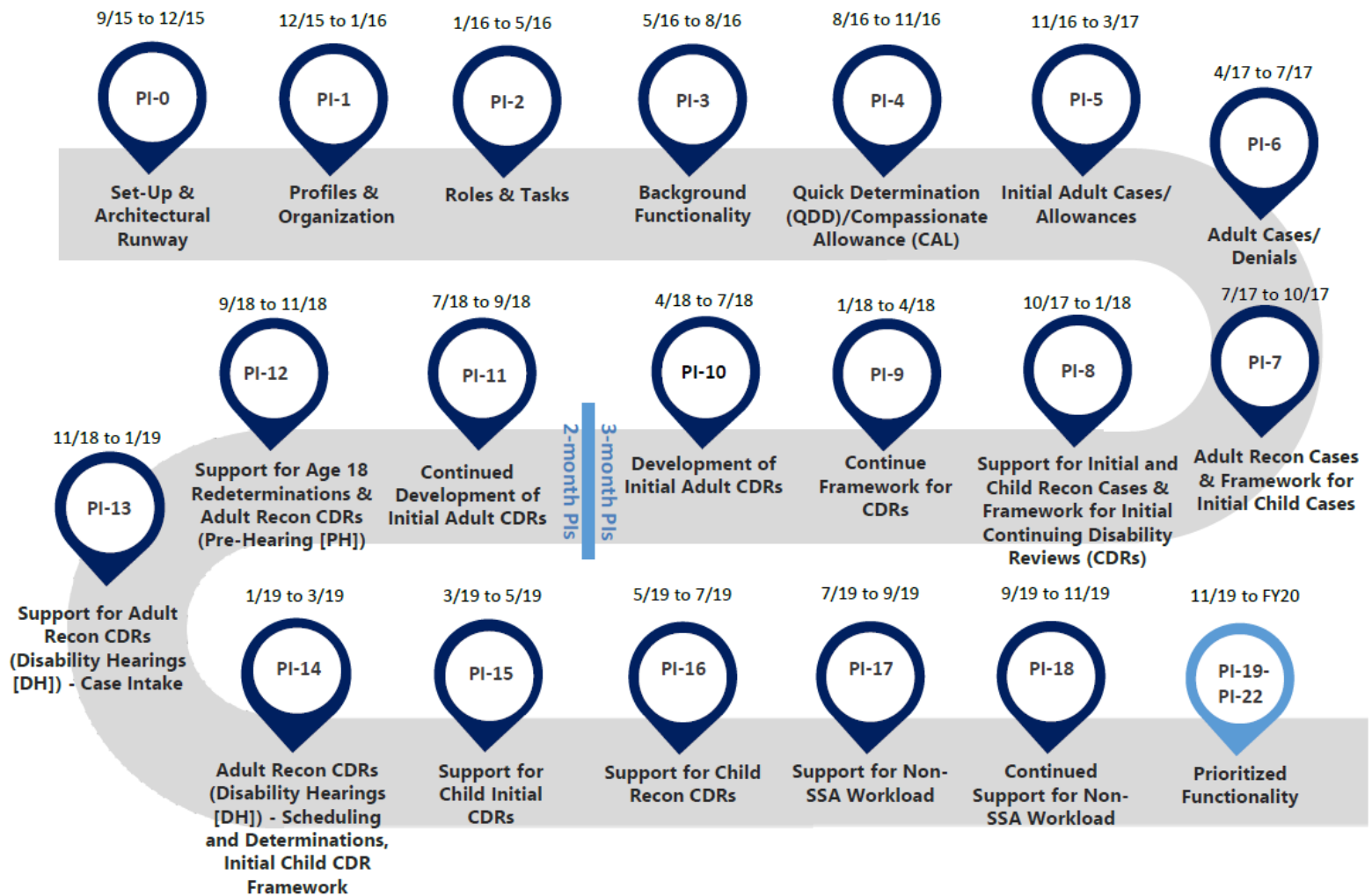
Our IT budget submission is a reflection of and by-product of privacy requirements identified and implemented through various SSA, IT governance processes, primarily the IT Investment Process (ITIP), and Systems Development Lifecycle (SDLC). Our Senior Agency Official for Privacy (SAOP) is an active member of the ITIP Investment Review Board (IRB), which governs the IT Investment Management Process, focusing primarily on up-front investment planning, which allows for privacy risks, mitigating controls, and requirements to be considered early in the IT investment lifecycle. We have also integrated necessary privacy requirements into the release-planning phase of our SDLC. This requirement ensures that all new or modified systems or other IT resources, regardless of whether they support the creation, collecting, use, processing, storing, maintenance, dissemination, disclosure, or disposal of personally identifiable information undergo necessary privacy compliance assessments to ensure relevant requirements and where applicable, associated costs are identified and implemented.

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Appendix E: DCPS

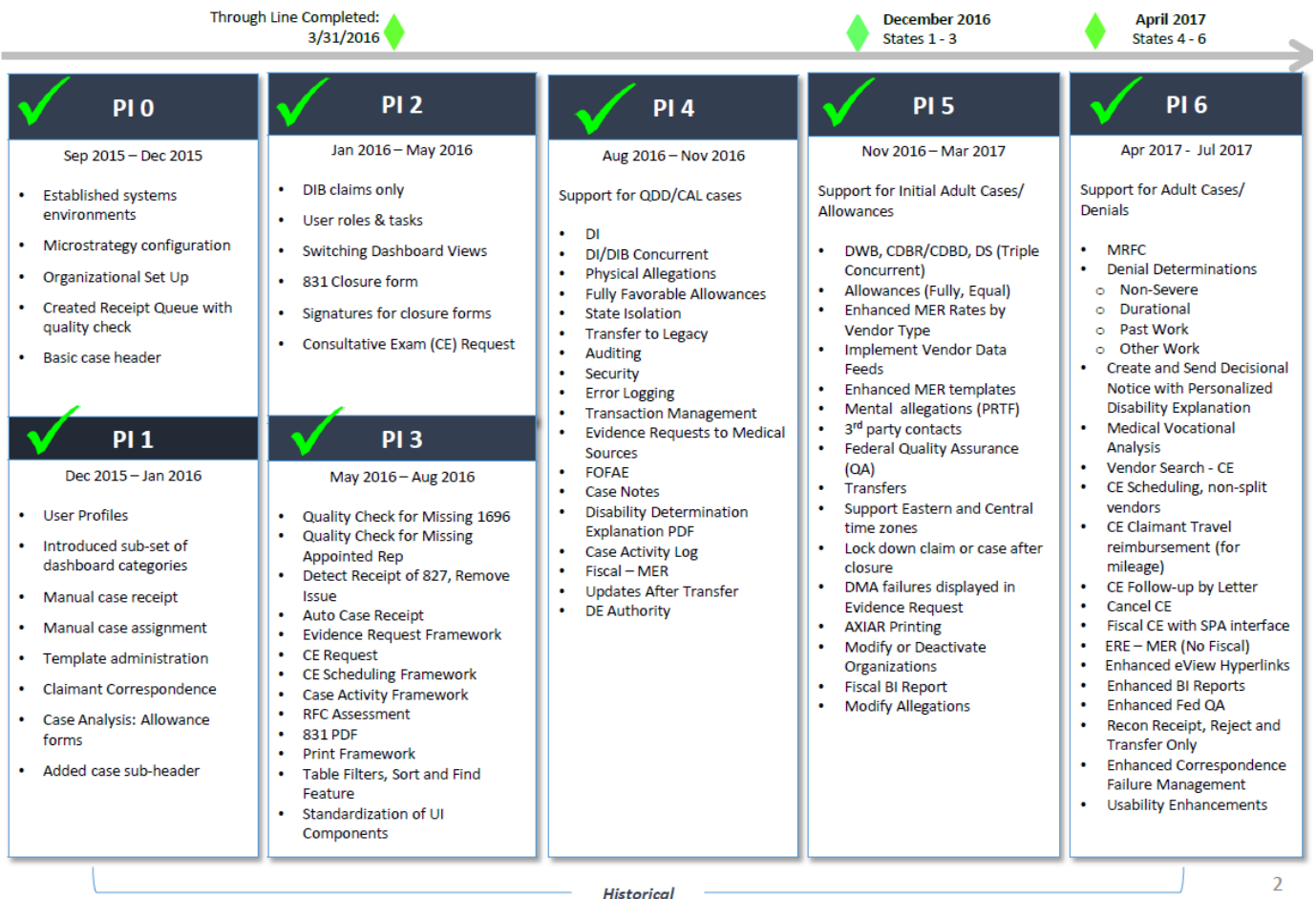
DCPS Product Road Map

Updated: 01/24/2020



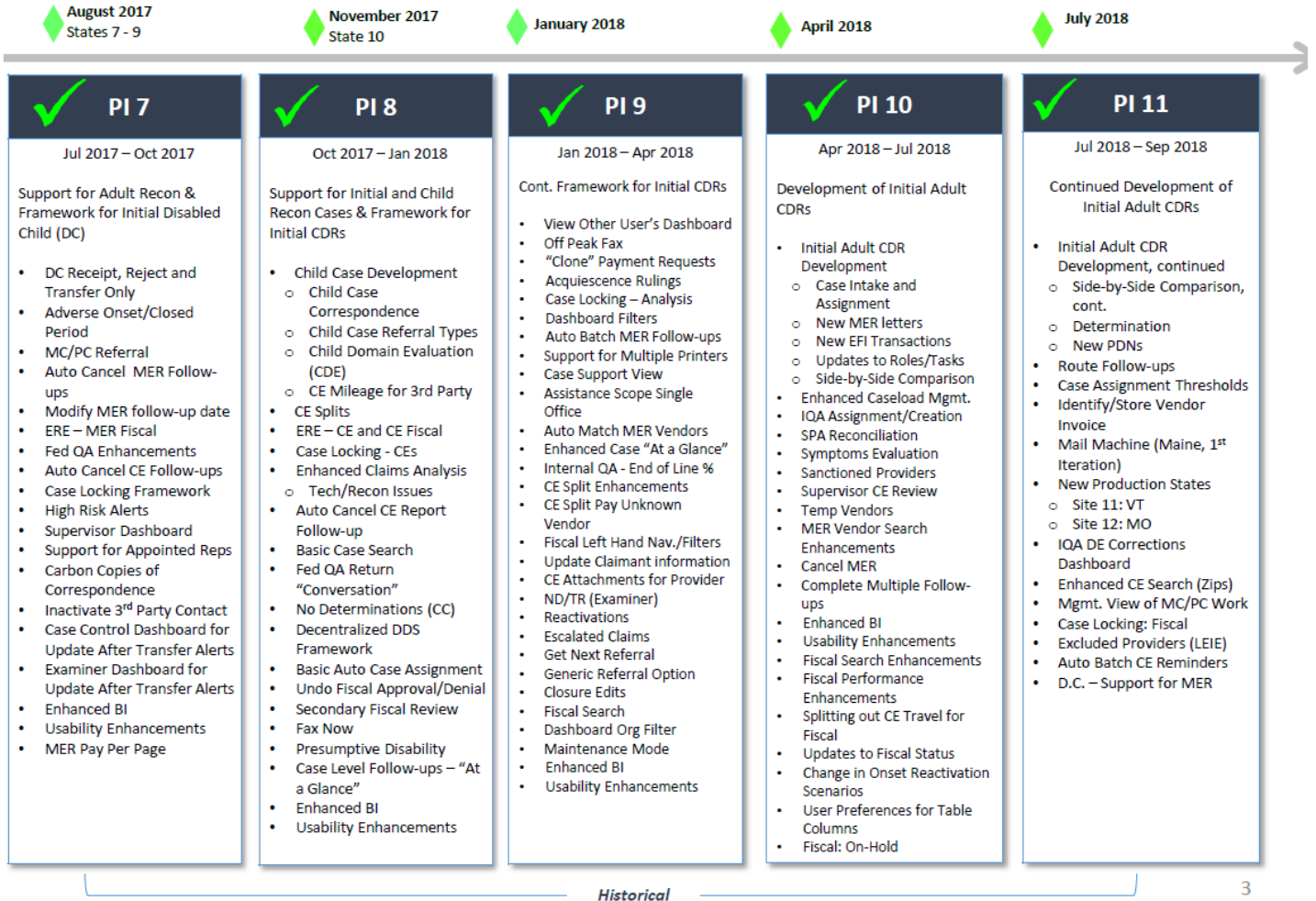
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DCPS Product Road Map



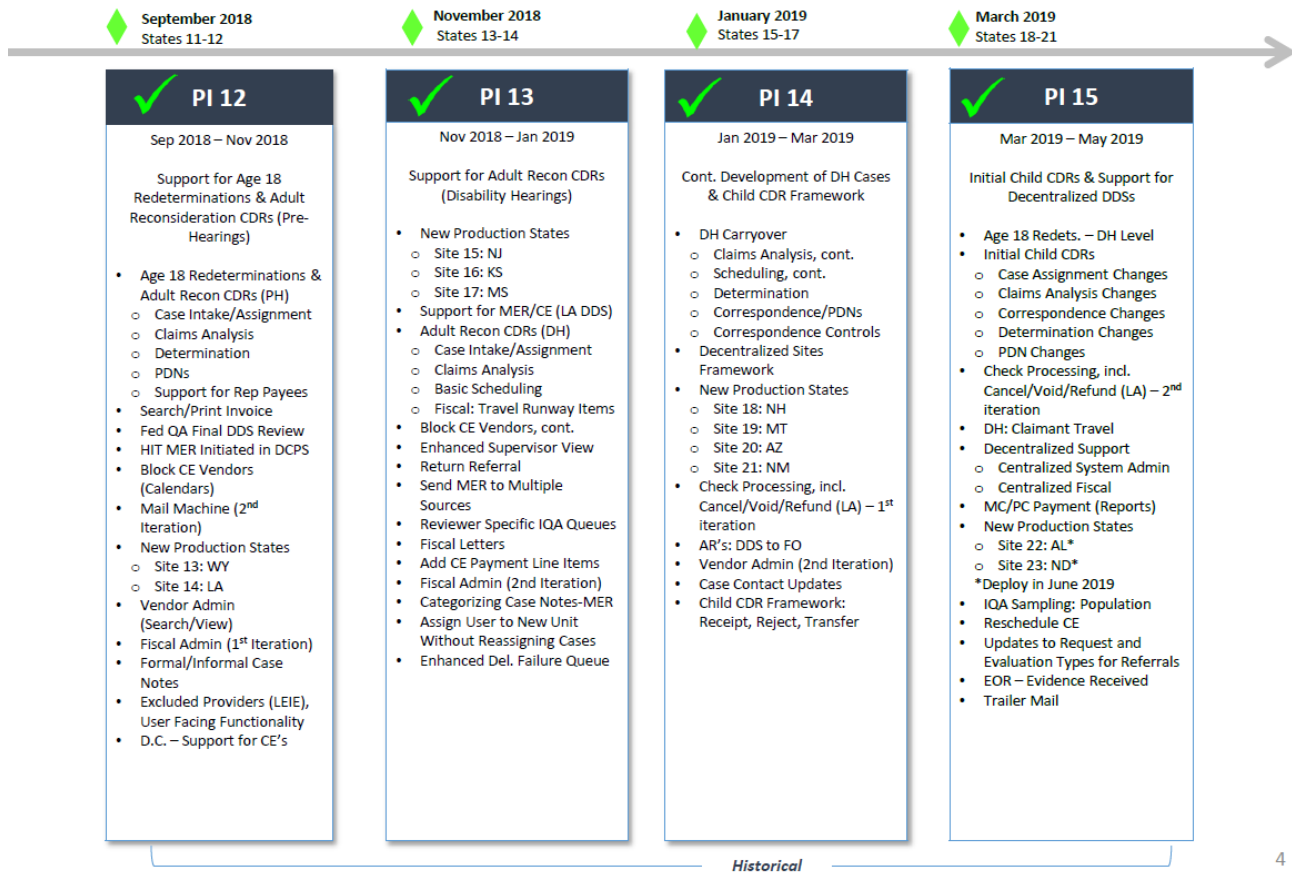
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DCPS Product Road Map



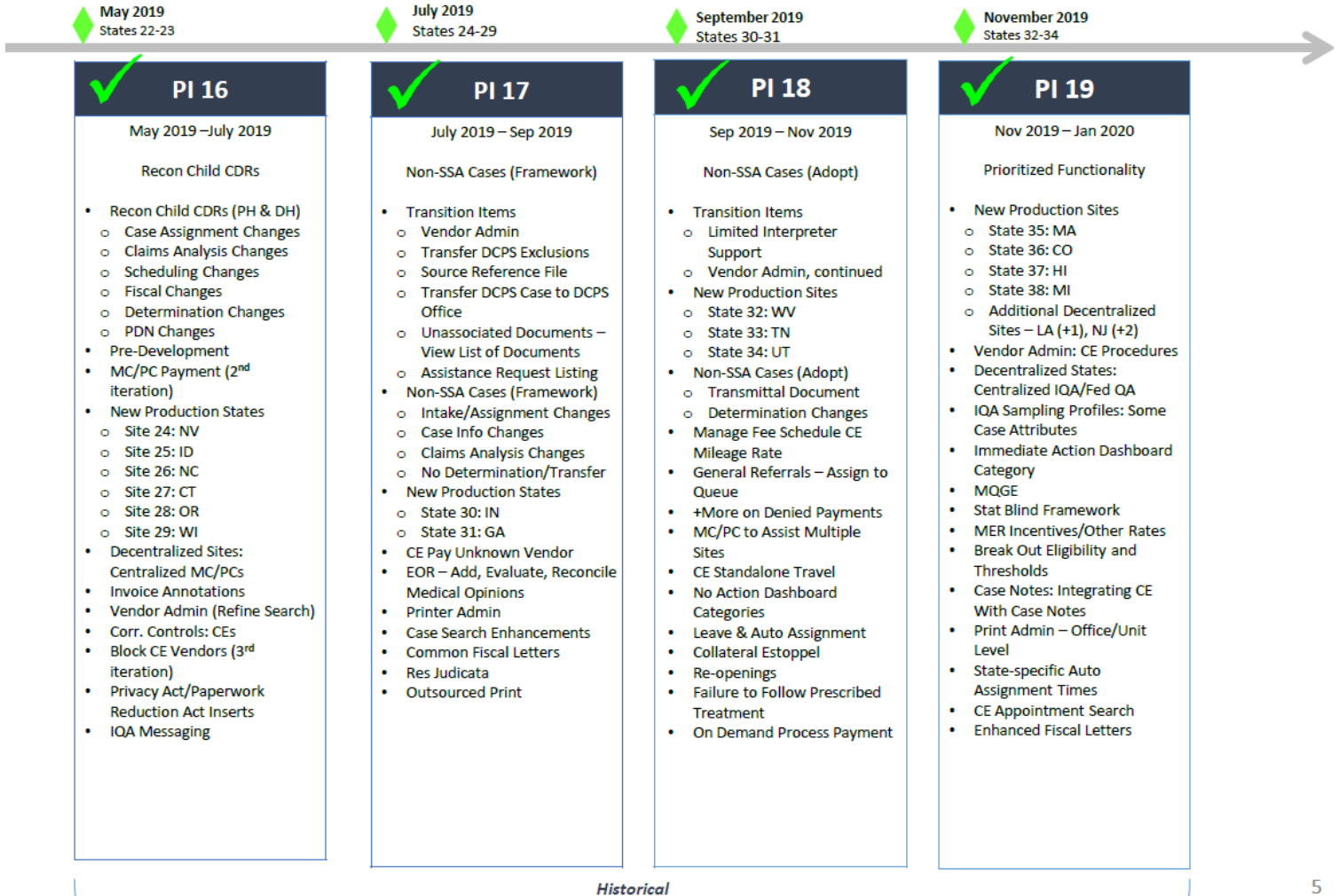
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DCPS Product Road Map



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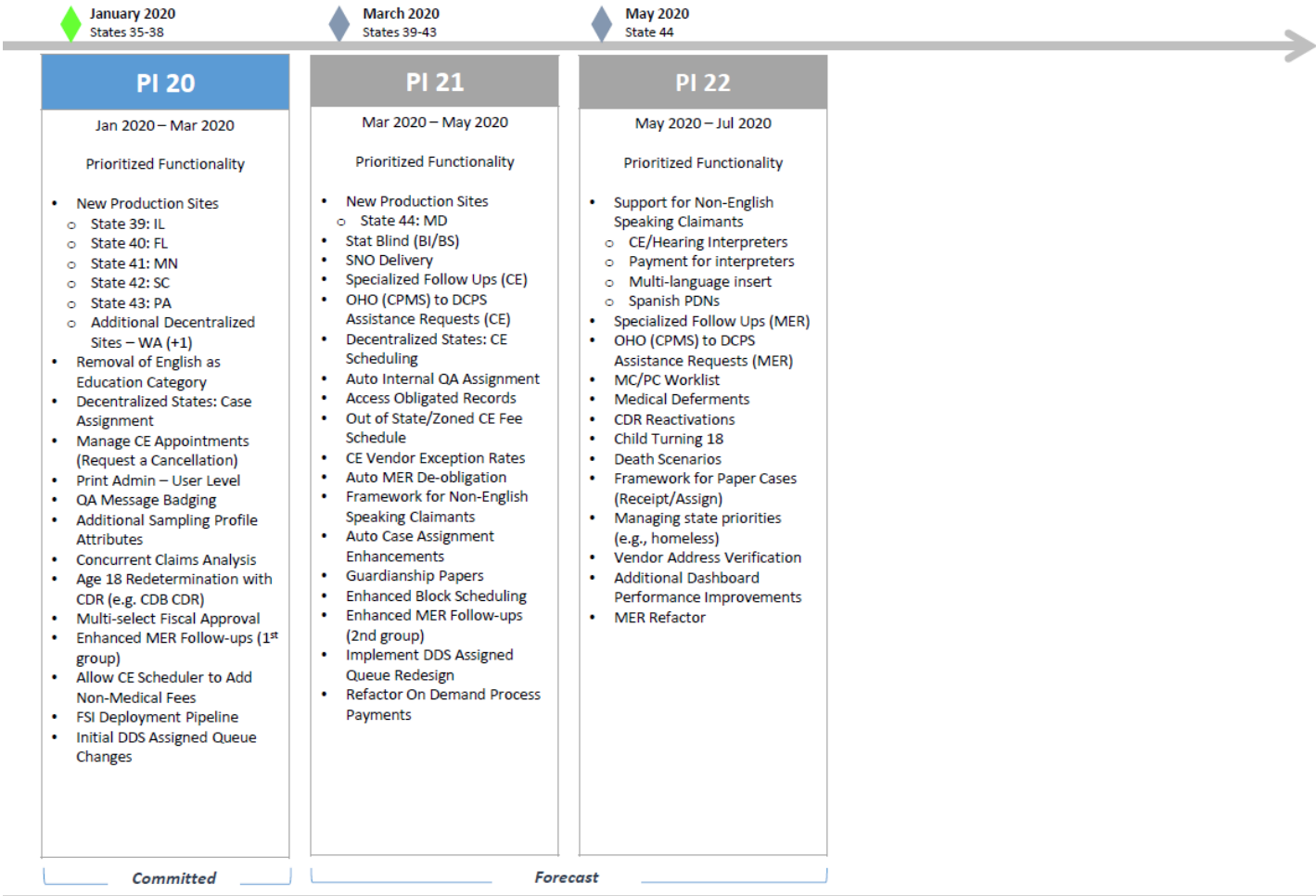
DCPS Product Road Map



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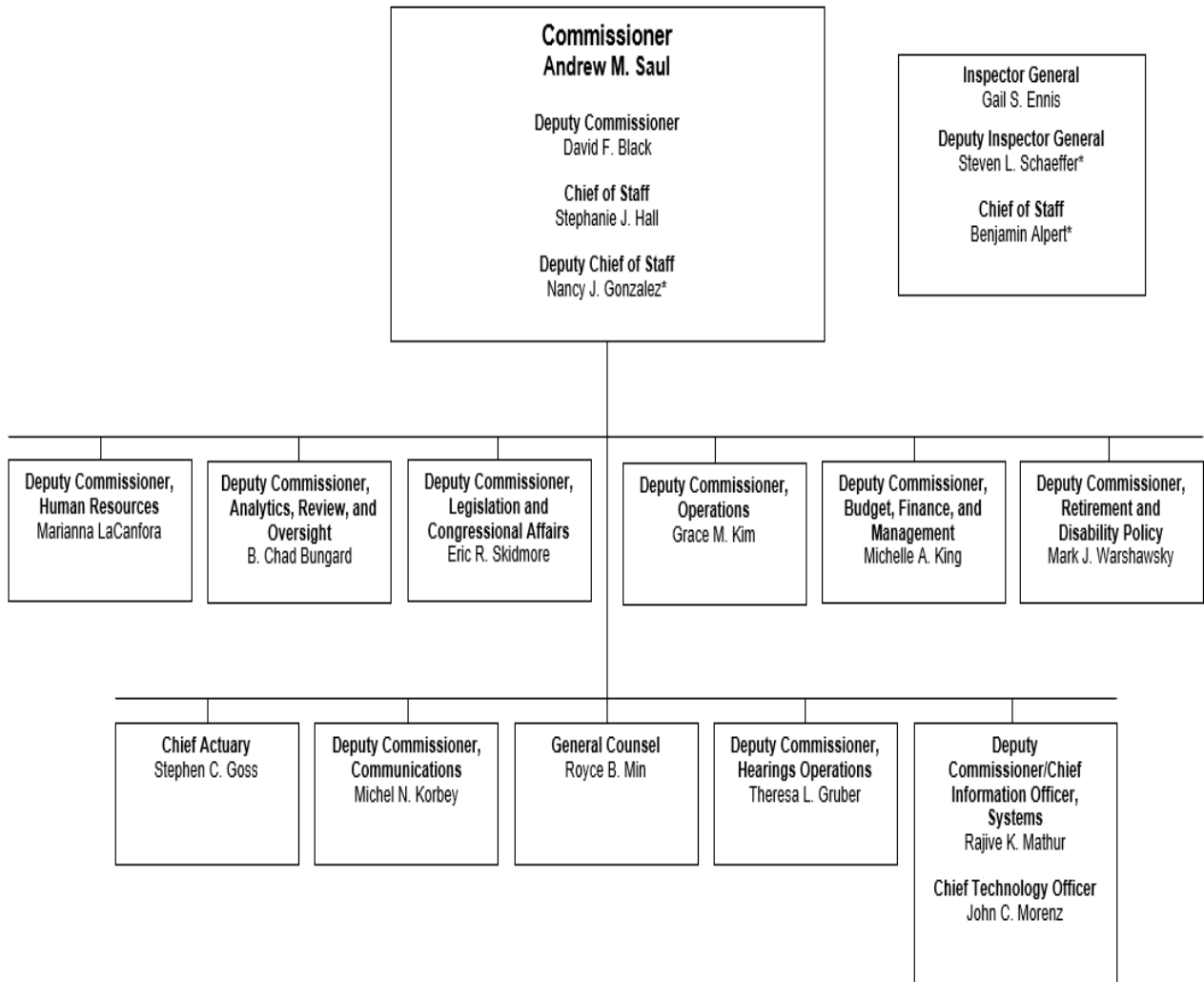
DCPS Product Road Map

PLEASE NOTE: The Road Map entries for PI 21 - PI 22 represent our plans based on the information currently available to us. It is subject to change, due to many factors including: our current velocity, our ability to estimate more accurately, and changing business priorities.



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SSA ORGANIZATIONAL CHART



For the full agency organization chart, please visit www.ssa.gov/org/ssachart.pdf.

*Acting

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EMPLOYMENT

The following tables satisfy the request for information on LAE Expenditures pursuant to House Report 116-62 accompanying the Further Consolidated Appropriations Act, 2020.

Table 3.34—FY 2019 Personnel Costs by Grade¹

General Schedule (GS) Grades	FTEs, OT, and LSL Workyears ²	Salaries	Benefits	Total
GS - 1	6	\$154,900	\$14,100	\$169,000
GS - 2	5	\$145,300	\$30,300	\$175,600
GS - 3	23	\$759,700	\$171,600	\$931,300
GS - 4	184	\$6,830,000	\$2,216,900	\$9,046,900
GS - 5	2,305	\$91,541,100	\$31,140,800	\$122,681,900
GS - 6	1,945	\$86,345,700	\$29,811,800	\$116,157,500
GS - 7	3,010	\$149,301,400	\$50,201,200	\$199,502,600
GS - 8	8,368	\$484,262,700	\$172,288,700	\$656,551,400
GS - 9	5,766	\$372,445,000	\$123,351,100	\$495,796,100
GS - 10	441	\$32,649,900	\$10,024,800	\$42,674,700
GS - 11	16,422	\$1,274,906,900	\$430,538,000	\$1,705,444,900
GS - 12	13,270	\$1,240,641,600	\$399,147,500	\$1,639,789,100
GS - 13	7,189	\$816,335,500	\$260,880,400	\$1,077,215,900
GS - 14	2,936	\$392,774,700	\$122,065,600	\$514,840,300
GS - 15	737	\$117,944,900	\$34,763,000	\$152,707,900
Subtotal GS Grades³	62,607	\$5,067,039,300	\$1,666,645,800	\$6,733,685,100
Administrative Law Judge (ALJ)	1,547	\$263,154,100	\$76,825,400	\$339,979,500
Senior Executive Service (SES)	141	\$27,084,200	\$6,893,400	\$33,977,600
All Other Pay Plans	281	\$25,733,400	\$7,964,600	\$33,698,000
Grand Total	64,576	\$5,383,011,000	\$1,758,329,200	\$7,141,340,200

¹ Data includes OIG, Delegations, and Advisory Board.

² Workyears include Full-Time Equivalents (FTEs), Overtime (OT), and Lump Sum Leave (LSL).

³ Includes \$14,538,195 for Reemployed Annuitant (RA) Personnel Costs.

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Table 3.35—FY 2020 Estimated Personnel Costs by Grade^{1, 2}

General Schedule (GS) Grades	FTEs, OT, and LSL Workyears ³	Salaries	Benefits	Total
GS - 1	6	\$158,000	\$16,000	\$174,000
GS - 2	5	\$149,000	\$35,000	\$183,000
GS - 3	23	\$777,000	\$196,000	\$973,000
GS - 4	180	\$6,976,000	\$2,537,000	\$9,513,000
GS - 5	2,251	\$93,433,000	\$35,636,000	\$129,069,000
GS - 6	1,899	\$88,217,000	\$34,114,000	\$122,331,000
GS - 7	2,940	\$152,555,000	\$57,444,000	\$209,999,000
GS - 8	8,172	\$495,371,000	\$197,167,000	\$692,537,000
GS - 9	5,631	\$380,936,000	\$141,171,000	\$522,107,000
GS - 10	431	\$33,399,000	\$11,473,000	\$44,872,000
GS - 11	16,035	\$1,304,143,000	\$492,728,000	\$1,796,872,000
GS - 12	12,959	\$1,269,090,000	\$456,790,000	\$1,725,881,000
GS - 13	7,021	\$835,006,000	\$298,566,000	\$1,133,572,000
GS - 14	2,867	\$401,781,000	\$139,700,000	\$541,482,000
GS - 15	720	\$120,651,000	\$39,771,000	\$160,422,000
Subtotal GS Grades⁴	61,139	\$5,182,643,000	\$1,907,345,000	\$7,089,988,000
Administrative Law Judge (ALJ)	1,430	\$254,848,000	\$82,389,000	\$337,238,000
Senior Executive Service (SES)	141	\$27,706,000	\$7,882,000	\$35,587,000
All Other Pay Grades	275	\$26,321,000	\$9,115,000	\$35,437,000
Grand Total	62,985	\$5,491,518,000	\$2,006,731,000	\$7,498,250,000

Table 3.36—FY 2021 Estimated Personnel Costs by Grade^{5, 6}

General Schedule (GS) Grades	FTEs, OT, and LSL Workyears ⁷	Salaries	Benefits	Total
GS - 1	6	\$160,000	\$17,000	\$177,000
GS - 2	5	\$150,000	\$37,000	\$187,000

¹ Totals may not add due to rounding.

² Data includes OIG, Delegations, and Advisory Board.

³ Workyears include Full-Time Equivalents (FTEs), Overtime (OT), and Lump Sum Leave (LSL).

⁴ Includes \$14M for Reemployed Annuitant (RA) Personnel Costs.

⁵ Totals may not add due to rounding.

⁶ Data includes OIG, Delegations, and Advisory Board.

⁷ Workyears include Full-Time Equivalents (FTEs), Overtime (OT), and Lump Sum Leave (LSL).

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General Schedule (GS) Grades	FTEs, OT, and LSL Workyears⁷	Salaries	Benefits	Total
GS - 3	23	\$785,000	\$210,000	\$996,000
GS - 4	178	\$7,051,000	\$2,719,000	\$9,770,000
GS - 5	2,228	\$94,436,000	\$38,194,000	\$132,631,000
GS - 6	1,880	\$89,165,000	\$36,563,000	\$125,728,000
GS - 7	2,910	\$154,193,000	\$61,568,000	\$215,762,000
GS - 8	8,090	\$500,691,000	\$211,321,000	\$712,012,000
GS - 9	5,574	\$385,028,000	\$151,305,000	\$536,333,000
GS - 10	426	\$33,758,000	\$12,297,000	\$46,054,000
GS - 11	15,874	\$1,318,150,000	\$528,102,000	\$1,846,252,000
GS - 12	12,829	\$1,282,721,000	\$489,584,000	\$1,772,305,000
GS - 13	6,951	\$843,974,000	\$320,001,000	\$1,163,975,000
GS - 14	2,839	\$406,097,000	\$149,729,000	\$555,826,000
GS - 15	712	\$121,947,000	\$42,626,000	\$164,573,000
Subtotal GS Grades¹	60,525	5,238,307,000	2,044,275,000	\$7,282,582,000
Administrative Law Judge (ALJ)	1,320	238,230,000	82,971,000	\$321,201,000
Senior Executive Service (SES)	141	28,003,000	8,448,000	\$36,451,000
All Other Pay Grades	271	\$26,604,000	\$9,770,000	\$36,374,000
Grand Total	62,258	\$5,531,144,000	\$2,145,463,000	\$7,676,607,000

Table 3.37—FY 2019 Personnel Costs by Region²

Regions	FTEs, OT, and LSL Workyears³	Salaries	Benefits	Total
Boston	1,954	\$174,025,600	\$57,265,800	\$231,291,400
New York	5,123	\$439,491,500	\$134,650,400	\$574,141,900
Philadelphia	7,089	\$518,580,700	\$170,708,200	\$689,288,900
Atlanta	9,114	\$669,976,200	\$231,342,400	\$901,318,600
Chicago	7,729	\$629,622,300	\$207,219,800	\$836,842,100
Dallas	4,943	\$375,772,800	\$132,046,800	\$507,819,600
Kansas City	2,922	\$215,956,400	\$73,239,900	\$289,196,300
Denver	1,201	\$101,878,600	\$34,576,000	\$136,454,600

¹ Includes \$14M for Reemployed Annuitant (RA) Personnel Costs.

² Data includes OIG, Delegations, and Advisory Board.

³ Workyears include Full-Time Equivalents (FTEs), Overtime (OT), and Lump Sum Leave (LSL).

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Regions	FTEs, OT, and LSL Workyears ³	Salaries	Benefits	Total
San Francisco	7,497	\$625,561,100	\$202,065,900	\$827,627,000
Seattle	2,071	\$165,160,500	\$55,338,900	\$220,499,400
Headquarters ¹	14,933	\$1,466,340,000	\$459,802,600	\$1,926,142,600
Total	64,576	\$5,382,365,700	\$1,758,256,700	\$7,140,622,400

Table 3.38—FY 2020 Estimated Personnel Costs by Region^{2,3}

Regions	FTEs, OT, and LSL Workyears ⁴	Salaries	Benefits	Total
Boston	1,906	\$177,555,000	\$65,359,000	\$242,913,000
New York	4,997	\$448,404,000	\$153,679,000	\$602,083,000
Philadelphia	6,914	\$529,097,000	\$194,832,000	\$723,930,000
Atlanta	8,890	\$683,563,000	\$264,035,000	\$947,599,000
Chicago	7,539	\$642,391,000	\$236,504,000	\$878,895,000
Dallas	4,821	\$383,393,000	\$150,707,000	\$534,101,000
Kansas City	2,850	\$220,336,000	\$83,590,000	\$303,926,000
Denver	1,171	\$103,945,000	\$39,462,000	\$143,407,000
San Francisco	7,312	\$638,247,000	\$230,622,000	\$868,869,000
Seattle	2,020	\$168,510,000	\$63,159,000	\$231,669,000
Headquarters ⁵	14,565	\$1,496,077,000	\$524,781,000	\$2,020,858,000
Total	62,985	\$5,491,518,000	\$2,006,731,000	\$7,498,250,000

Table 3.39—FY 2021 Estimated Personnel Costs by Region^{6,7}

Regions	FTEs, OT, and LSL Work years ⁸	Salaries	Benefits	Total
Boston	1,884	\$178,836,000	\$69,877,000	\$248,713,000

¹ The Headquarters category includes frontline workload staff located at the Wabash and Security West buildings in Baltimore. This includes some staff from the Office of Central Operations and the Office of Analytics, Review of Oversight.

² Totals may not add due to rounding.

³ Data includes OIG, Delegations, and Advisory Board.

⁴ Workyears include Full-Time Equivalents (FTEs), Overtime (OT), and Lump Sum Leave (LSL).

⁵ The Headquarters category includes frontline workload staff located at the Wabash and Security West buildings in Baltimore. This includes some staff from the Office of Central Operations and the Office of Analytics, Review of Oversight.

⁶ Totals may not add due to rounding.

⁷ Data includes OIG, Delegations, and Advisory Board.

⁸ Workyears include Full-Time Equivalents (FTEs), Overtime (OT), and Lump Sum Leave (LSL).

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Regions	FTEs, OT, and LSL Work years ⁸	Salaries	Benefits	Total
New York	4,939	\$451,640,000	\$164,303,000	\$615,943,000
Philadelphia	6,834	\$532,915,000	\$208,302,000	\$741,217,000
Atlanta	8,787	\$688,496,000	\$282,289,000	\$970,785,000
Chicago	7,452	\$647,026,000	\$252,854,000	\$899,880,000
Dallas	4,766	\$386,160,000	\$161,126,000	\$547,286,000
Kansas City	2,817	\$221,926,000	\$89,369,000	\$311,295,000
Denver	1,158	\$104,695,000	\$42,190,000	\$146,885,000
San Francisco	7,228	\$642,853,000	\$246,565,000	\$889,418,000
Seattle	1,997	\$169,726,000	\$67,526,000	\$237,252,000
Headquarters¹	14,397	\$1,506,872,000	\$561,061,000	\$2,067,934,000
Total	62,258	\$553,114,000	\$2,145,463,000	\$7,676,607,000

¹ The Headquarters category includes frontline workload staff located at the Wabash and Security West buildings in Baltimore. This includes some staff from the Office of Central Operations and the Office of Analytics, Review of Oversight.

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PHYSICIANS' COMPARABILITY ALLOWANCE (PCA) WORKSHEET

1) Department and component:

Social Security Administration

2) Explain the recruitment and retention problem(s) justifying the need for the PCA pay authority.

(Please include any staffing data to support your explanation, such as number and duration of unfilled positions and number of accessions and separations per fiscal year.)

SSA has had no medical officer (MO) accessions in FY 2020.

We continue to offer PCAs to our MOs in order to recruit and retain the highly specialized physicians that we need. MOs are critical to our mission as they possess specialized skills required to write, revise, update, and develop agency medical policy, including medical policy that is used for evaluating claims for disability benefits under the Social Security Disability Insurance program or payments under the Supplemental Security Income program.

The PCA helps to compensate for the decrease in salary that a physician accepts when becoming a civil servant. Our MOs accept a reduction in income under the General Schedule (GS) pay scale, which is capped at GS 15/step 10.

As we compete for MO services with other government agencies, PCAs continue to be important to our MOs and are a key factor in our ability to retain our current MO and recruit new ones. If we do not retain the PCA, we could lose our MO to other agencies where PCAs are offered.

3-4) Please complete the table below with details of the PCA agreement for the following years:

	PY 2019 (Actual)	CY 2020 (Estimates)	BY* 2021 (Estimates)
3a) Number of Physicians Receiving PCAs	1	1	1
3b) Number of Physicians with One-Year PCA Agreements	0	0	0
3c) Number of Physicians with Multi-Year PCA Agreements	1	1	1
4a) Average Annual PCA Physician Pay (without PCA payment)	164,200	164,200	164,200
4b) Average Annual PCA Payment	30,000	30,000	30,000

*BY data will be approved during the BY Budget cycle. Please ensure each column is completed.

5) Explain the degree to which recruitment and retention problems were alleviated in your agency through the use of PCAs in the prior fiscal year.

(Please include any staffing data to support your explanation, such as number and duration of unfilled positions and number of accessions and separations per fiscal year.)

SSA lost a medical officer to retirement in FY 2019, but anticipates continuing to offer PCA.

6) Provide any additional information that may be useful in planning PCA staffing levels and amounts in your agency.

MAXIMUM PHYSICIANS' COMPARABILITY ALLOWANCES

Table 3.40—Maximum Physicians' Comparability Allowances 1-Year Contract

CATEGORY	PHYSICIANS WITH 24 MONTHS OR LESS OF SERVICE			PHYSICIANS WITH MORE THAN 24 MONTHS OF SERVICE		
	GS-13	GS-14	GS-15/SES	GS-13	GS-14	GS-15/SES
1. Occupational Health	*	*	*	*	*	*
2a. Disability Evaluation	*	*	*	*	*	*
2b. Administration	\$8,000	\$9,000	\$10,000	\$12,000	\$18,000	\$24,000

Table 3.41—Maximum Physicians' Comparability Allowances 2-Year Contract

CATEGORY	PHYSICIANS WITH 24 MONTHS OR LESS OF SERVICE			PHYSICIANS WITH MORE THAN 24 MONTHS OF SERVICE		PHYSICIANS WITH MORE THAN 24 MONTHS BUT NOT MORE THAN 48 MONTHS OF SERVICE	PHYSICIANS WITH MORE THAN 48 MONTHS OF SERVICE
	GS-13	GS-14	GS-15/SES	GS-13	GS-14	GS-15/SES	GS-15/SES
1. Occupational Health	*	*	*	*	*	*	*
2a. Disability Evaluation	*	*	*	*	*	*	*
2b. Administration	\$12,000	\$13,000	\$14,000	\$18,000	\$24,000	\$27,000	\$30,000

* SSA currently is not experiencing any recruitment or retention problems for the categories of Occupational Health and Disability Evaluation; therefore, no related maximum allowances have been established for these categories. Maximum allowances have been set for the category of Administration because the Commissioner has determined that there is a significant problem recruiting and retaining physicians for a few positions in this category in the Office of Disability Policy.

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MAJOR BUILDING RENOVATIONS AND REPAIR COSTS

The Social Security Administration (SSA) has maintained a record of accomplishment in real property efficiency. We continue to achieve our Reduce the Footprint (RTF) standards. Our major building costs are associated with our ongoing efforts to optimize space at our headquarters campus and regional facilities, and reduce our reliance on leased space where it makes business sense.

This exhibit describes our on-going major building renovations, repairs, and other associated costs in support of our space optimization goals.

Headquarters Campus (Woodlawn, MD)

Our main campus is located in Woodlawn, Maryland and consists of 9 General Services Administration (GSA)-owned, SSA occupied buildings on approximately 280 acres. Currently, over 6,000 employees work on the main campus, which does not include the outlying leased buildings in the Woodlawn area.

We are actively pursuing opportunities at our main campus to optimize our real estate footprint by reconfiguring and consolidating space for improved space utilization. Our plan is to create a flexible, secure, sustainable campus environment for the agency with reduced reliance on leased facilities in the Woodlawn area. This plan is also consistent with the Government-wide Reduce the Footprint mandate.

The following paragraphs outline our major headquarters projects and their approximate associated cost.

Building	FY 2016 (in millions)	FY 2017 (in millions)	FY 2018 (in millions)	FY 2019 (in millions)	FY 2020 (in millions)	FY 2021 (in millions)
Altmeyer Building (Woodlawn, MD)	\$130				\$20	
Perimeter East Building (Woodlawn, MD)	\$24.9		\$47.2			\$5
West High/Low Rise Buildings (Woodlawn, MD)						\$23.3

1) **Altmeyer Building:** We are currently in the construction phase for a full modernization of the Altmeyer Building, the oldest facility on our headquarters campus.

The full modernization includes:

- Taking down the building to its support structure (concrete columns and floor slabs);

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- Fully abating any hazards (e.g., asbestos, lead paint, etc.);
- Modernizing building systems (e.g., electrical systems, heating, air conditioning, and ventilation systems, etc.); and
- Reconfiguring space to achieve a more efficient space utilization rate (UR).

GSA awarded the construction contract to Hensel Phelps in March 2018. We conducted interior demolition and abatement of hazardous materials from July 2018 through January 2019. We are now installing the building façade, which is scheduled for completion in early 2020. In conjunction with this work, interior construction is also underway.

We targeted a UR of 150 USF/per person for this project. Currently, we are on track to achieve a UR within the GSA recommended range of 150 to 200 USF/per person, which will result in a net gain of approximately 300-350 seats in the modernized building.

Once complete, the modernized building will house many of our executives, including three presidentially appointed officials. We will furnish the offices for these three officials in accordance with agency furniture standards, and we anticipate the cost of furniture will exceed \$5,000 per office.

The project is scheduled for completion in FY 2021.

Timeline and Costs

Timeline	Milestones	TBD (in millions)
FY 2016	Funding appropriated; GSA begins procurement actions for architectural and engineering (A&E) contractor; begins planning for construction manager as constructor (CMc) solicitation.	\$130 ¹
FY 2017	GSA awards construction manager as agent (CMa) contract and contract for A&E design services. GSA begins CMc procurement. Executives and staff vacate the Altmeyer Building for existing spaces around campus.	N/A
FY 2018	GSA awards CMc. A&E completes design. Executives and staff finish vacating the building and occupy swing space.	N/A
FY 2019- FY 2020	Construction begins/continues. SSA begins purchases for furniture, security systems, tenant improvement and other special requirements in the modernized Altmeyer.	\$20 ²
FY 2021	Occupy renovated building.	N/A

¹ In fiscal year (FY) 2016, we obligated \$9.1 million for Altmeyer design, \$4.4 million for CMa, \$106.6 million for construction, and \$9.7 million for swing space design and construction.

² The FY 2020 obligations represent an estimate at the point in time the budget was prepared. Funds will be applied at the end of the project for furniture, security, and other associated move-in costs.

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- 2) **Perimeter East Building (PEB):** In FY 2019, we populated the third floor of the PEB, repurposing this area from an information technology environment to office space. The new space provides a more efficient layout for approximately 500 occupants.

With the completion of the third floor, we have started planning for the renovation of the fourth floor, including infrastructure upgrades needed to support additional employees in the building. The PEB building is critical to our plan to create additional capacity for employee seating on campus and reduce our reliance on leased space in the Woodlawn area.

Timeline and Costs

Timeline	Milestones	Cost (in millions)
FY 2016	Obligated funding for construction (\$21.4 million) and for furniture design and acquisition (\$3.5 million).	\$24.9
FY 2017	Construction ongoing	N/A
FY 2018	Continuing infrastructure upgrades, fourth floor design and renovation, and parking lot study (\$41.5 million); and cafeteria renovation (\$5.7 million).	\$47.2
FY 2019	Third floor construction completed and occupied. Design and infrastructure for fourth floor.	N/A
FY 2020 – 2021	Construction, occupation of the fourth floor, and furniture.	\$5

- 3) **West High/Low Rise Buildings (WHL):** The renovation of the WHL Rise buildings is critical to completing phase four of our headquarters master plan. This project will achieve both a modernization of the buildings and an optimization of the space. Collectively, these buildings, which were built in 1973, house approximately 500 occupants; however, we expect that, following renovation, the buildings will house over 1,000. As with all modernization projects, we are targeting a UR of 150 USF per person.

The total cost of the project is approximately \$237.241 million, which includes \$208.714 million in GSA repair and alteration funding requested via the Federal Buildings Fund. With FY 2021 funding appropriated to both agencies, we estimate project completion in FY 2026.

Timeline and Costs

Timeline	Milestones	Cost (millions)
FY 2021	Obligate funding for design (\$2 million) and construction (\$21.3 million).	\$23.3
FY 2022	Begin furniture design and purchases.	\$5.2

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Regional Facilities

In addition to efforts at our headquarters campus, we are also actively pursuing opportunities to optimize our real estate footprint at regional facilities.

The following chart paragraphs describe our regional facilities projects.

Building	FY 2016 (in millions)	FY 2017 (in millions)	FY 2018 (in millions)	FY 2019 (in millions)	FY 2020 (in millions)	FY 2021 (in millions)
Harold Washington Social Security Center (Chicago, IL)		\$12.3		\$1.3		
Dallas Regional Office (Dallas, TX)	\$14.4	\$3				

- 1) Harold Washington Social Security Center (HWSSC) (Chicago, IL):** HWSSC is a 10-story building that currently houses multiple agency components including, but not limited to, a field office, a processing service center, Chicago Teleservice Center, and regional office, in approximately 515,000 USF. In FY 2018, we consolidated three offices from leased facilities into HWSSC. We continue working with GSA to consolidate existing leases, which expire intermittently over the next several years, into the HWSSC.

Timeline and Costs

Timeline	Milestones	Cost (in millions)
FY 2017	Funding needed for renovation of one floor to accommodate occupants of outlying building leases.	\$12.3
FY 2019	Furniture (including new and old de-install and removal)	\$1.3
FY 2020	Substantial Completion	N/A
FY 2021	Project Closeout	N/A

- 2) Dallas Regional Office (RO):** The Dallas RO is housed in a 13-story building in the Dallas Downtown Central Business District. The original structure was built in 1952 with improvements made over time. The building is a multi-tenant facility, with SSA occupying all or part of eight floors, and is fully leased by GSA. The Dallas RO currently occupies 174,082 USF.

On February 23, 2017, GSA awarded a new lease, which will reduce our real estate portfolio by almost 70,000 USF to 117,617 USF. We are currently working with GSA to prepare for the start of construction. We moved employees to swing space in anticipation of the first phase of construction in February 2019. We estimate completion of all phases in late FY 2020/early FY 2021.

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Timeline and Costs

Timeline	Milestones	Cost (in millions)
FY 2016	Renovations/Construction	\$14.4
FY 2017	Furniture	\$3.0
FY 2020-FY 2021	Move	N/A

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The following tables satisfy the request for information on LAE Expenditures pursuant to House Report 116-62 accompanying the Further Consolidated Appropriations Act, 2020.

Table 3.42—FY 2019 Physical Infrastructure Costs by Component
(Dollars in thousands)¹

Components	LAE One Year				Total
	Rental Payment to GSA	Communications Utilities & Misc. Charges	Operations & Maintenance of Facilities ²	Operations & Maintenance of Equipment	
Office of Operations	\$517,789	\$26,022	\$202,574	\$71	\$746,456
Office of Systems	\$0	\$1	\$2	\$0	\$3
Office of Hearings Operations	\$112,256	\$4,029	\$40,953	\$7	\$157,245
Office of Human Resources	\$0	\$6	\$219	\$0	\$225
Office of Retirement and Disability Policy	\$0	\$12	\$6	\$0	\$17
Office of Communications	\$0	\$0	\$4	\$0	\$4
Office of Analytics, Review, and Oversight	\$4,217	\$235	\$526	\$1	\$4,980
Office of Budget, Finance, and Management	\$0	\$306	\$4	\$0	\$309
Office of Budget, Finance, and Management – Agency Level	\$75,983	\$144,437	\$81,143	\$306	\$301,868
Office of the General Counsel	\$2,010	\$17	\$260	\$0	\$2,287
Disability Determination Services	\$0	\$29,601	\$198	\$0	\$29,799
Information Technology Systems	\$0	\$256,470	\$1	\$644,162	\$900,633
Social Security Advisory Board	\$258	\$3	\$8	\$0	\$269
Subtotal LAE One Year	\$712,513	\$461,140	\$325,896	\$644,546	\$2,144,094
LAE No Year					
Delegated Buildings	\$0	\$14,068	\$43,478	\$0	\$57,546
Information Technology Systems	\$0	\$24,139	\$0	\$0	\$24,139
Information Technology Modernization	\$0	\$0	\$0	\$81,374	\$81,374
Subtotal LAE No Year	\$0	\$38,207	\$43,478	\$81,374	\$163,059
LAE Multi Year					
Program Integrity ³	\$0	\$0	\$0	\$182,723	\$182,723
Subtotal LAE Multi Year	\$0	\$0	\$0	\$182,723	\$182,723
Grand Total	\$712,513	\$499,346	\$369,374	\$908,643	\$2,489,876

¹ Totals may not add due to rounding.

² Includes guard services.

³ Of the \$182.7M in Program Integrity (PI), \$18.7M are 18/19 multi-year funds and \$164.0M are 19/20 multi-year funds.

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Table 3.43—FY 2020 Estimated Physical Infrastructure Costs by Component^{1,2}
(Dollars in thousands)

Components	LAE One Year				Total
	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities	Operations & Maintenance of Equipment	
Office of Operations	\$543,067	\$26,520	\$137,567	\$61	\$707,215
Office of Systems ³	\$0	\$1	\$1	\$0	\$2
Office of Hearings Operations	\$117,736	\$4,106	\$27,811	\$6	\$149,659
Office of Human Resources	\$0	\$6	\$149	\$0	\$155
Office of Retirement and Disability Policy	\$0	\$12	\$4	\$0	\$16
Office of Communications	\$0	\$0	\$3	\$0	\$3
Office of Analytics, Review and Oversight	\$4,423	\$239	\$357	\$1	\$5,020
Office of Budget, Finance, and Management	\$0	\$312	\$3	\$0	\$315
Office of Budget, Finance, and Management - Agency Level	\$79,692	\$147,202	\$55,104	\$264	\$282,262
Office of the General Counsel	\$2,108	\$17	\$177	\$0	\$2,302
Disability Determination Services	\$0	\$30,168	\$134	\$0	\$30,302
Information Technology Systems	\$0	\$261,380	\$1	\$554,936	\$816,316
Social Security Advisory Board	\$260	\$3	\$5	\$0	\$268
Subtotal LAE One Year	\$747,286	\$469,969	\$221,314	\$555,266	\$1,993,836
LAE No Year					
Delegated Buildings	\$0	\$11,888	\$36,740	\$0	\$48,627
Information Technology Systems ³	\$0	\$43,472	\$0	\$126,509	\$169,981
Information Technology Modernization	\$0	\$0	\$0	\$66,766	\$66,766
Subtotal LAE No Year	\$0	\$55,360	\$36,740	\$193,275	\$285,374
LAE Multi Year					
Program Integrity	\$0	\$0	\$0	\$169,850	\$169,850
Subtotal LAE Multi Year	\$0	\$0	\$0	\$169,850	\$169,850
Grand Total	\$747,286	\$525,328	\$258,054	\$918,391	\$2,449,060

¹ Totals may not add due to rounding.

² Includes guard services.

³ The ITS budget funds all information technology projects for the Agency. The Office of Systems is a staff component that is responsible for the Information Management and Information Technology programs.

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Table 3.44—FY 2021 Estimated Physical Infrastructure Costs by Component^{1,2}
(Dollars in thousands)

Components	LAE One Year				Total
	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities	Operations & Maintenance of Equipment	
Office of Operations	\$550,035	\$27,803	\$141,594	\$66	\$719,498
Office of Systems ³	\$0	\$1	\$1	\$0	\$2
Office of Hearings Operations	\$119,247	\$4,305	\$28,625	\$7	\$152,183
Office of Human Resources	\$0	\$6	\$153	\$0	\$159
Office of Retirement and Disability Policy	\$0	\$13	\$4	\$0	\$17
Office of Communications	\$0	\$0	\$3	\$0	\$3
Office of Analytics, Review and Oversight	\$4,480	\$251	\$368	\$1	\$5,099
Office of Budget, Finance, and Management	\$0	\$327	\$3	\$0	\$330
Office of Budget, Finance, and Management - Agency Level	\$80,715	\$154,322	\$56,717	\$286	\$292,040
Office of the General Counsel	\$2,135	\$18	\$182	\$0	\$2,335
Disability Determination Services	\$0	\$31,627	\$138	\$0	\$31,765
Information Technology Systems	\$0	\$274,022	\$1	\$602,716	\$876,738
Social Security Advisory Board	\$262	\$3	\$6	\$0	\$270
Subtotal LAE One Year	\$756,874	\$492,698	\$227,792	\$603,075	\$2,080,440
LAE No Year					
Delegated Buildings	\$0	\$12,039	\$37,207	\$0	\$49,246
Information Technology Systems ³	\$0	\$31,701	\$0	\$92,252	\$123,953
Information Technology Modernization	\$0	\$0	\$0	\$28,698	\$28,698
Subtotal LAE No Year	\$0	\$43,740	\$37,207	\$120,950	\$201,897
LAE Multi Year					
Program Integrity	\$0	\$0	\$0	\$167,679	\$167,679
Subtotal LAE Multi Year	\$0	\$0	\$0	\$167,679	\$167,679
Grand Total	\$756,874	\$536,438	\$264,999	\$891,704	\$2,450,015

¹ Totals may not add due to rounding.

² Includes guard services.

³ The ITS budget funds all information technology projects for the Agency. The Office of Systems is a staff component that is responsible for the Information Management and Information Technology programs.

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Table 3.45—FY 2019 Physical Infrastructure Costs by Region¹
(Dollars in thousands)

Regions	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities ²	Operations & Maintenance of Equipment	Total
Boston	\$27,153	\$1,919	\$11,575	\$4	\$40,651
New York	\$81,773	\$5,630	\$35,924	\$18	\$123,345
Philadelphia	\$56,192	\$4,461	\$32,085	\$34	\$92,772
Atlanta	\$120,888	\$12,409	\$38,060	\$9	\$171,367
Chicago	\$94,137	\$9,286	\$42,475	\$10	\$145,909
Dallas	\$66,935	\$4,927	\$23,987	\$2	\$95,851
Kansas City	\$28,954	\$2,983	\$14,256	\$6	\$46,200
Denver	\$15,333	\$1,288	\$7,954	\$3	\$24,578
San Francisco	\$101,492	\$8,544	\$41,382	\$10	\$151,429
Seattle	\$25,688	\$1,461	\$9,168	\$38	\$36,354
Headquarters³	\$93,967	\$446,438	\$112,508	\$908,509	\$1,561,422
Total	\$712,513	\$499,346	\$369,374	\$908,643	\$2,489,876

Table 3.46—FY 2020 Estimated Physical Infrastructure Costs by Region^{1,2,3}
(Dollars in thousands)

Regions	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities	Operations & Maintenance of Equipment	Total
Boston	\$28,478	\$2,019	\$8,087	\$4	\$38,588
New York	\$85,764	\$5,923	\$25,097	\$18	\$116,802
Philadelphia	\$58,934	\$4,693	\$22,415	\$34	\$86,077
Atlanta	\$126,788	\$13,055	\$26,590	\$9	\$166,441
Chicago	\$98,731	\$9,769	\$29,674	\$10	\$138,185
Dallas	\$70,202	\$5,183	\$16,758	\$2	\$92,145
Kansas City	\$30,367	\$3,138	\$9,960	\$6	\$43,471
Denver	\$16,081	\$1,355	\$5,557	\$3	\$22,996
San Francisco	\$106,445	\$8,989	\$28,910	\$10	\$144,354
Seattle	\$26,942	\$1,537	\$6,405	\$38	\$34,922
Headquarters	\$98,553	\$469,667	\$78,601	\$918,255	\$1,565,076
Total	\$747,286	\$525,328	\$258,054	\$918,391	\$2,449,059

¹ Totals may not add due to rounding.

² Includes guard services.

³ Includes DDS, SSAB, ITS, and Delegated Buildings.

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Table 3.47—FY 2021 Estimated Physical Infrastructure Costs by Region^{1,2,3}
(Dollars in thousands)

Regions	Rental Payments to GSA	Communications, Utilities & Misc. Charges	Operations & Maintenance of Facilities	Operations & Maintenance of Equipment	Total
Boston	\$28,844	\$2,062	\$8,304	\$4	\$39,213
New York	\$86,864	\$6,048	\$25,773	\$18	\$118,703
Philadelphia	\$59,691	\$4,792	\$23,019	\$33	\$87,535
Atlanta	\$128,414	\$13,331	\$27,305	\$9	\$169,059
Chicago	\$99,998	\$9,976	\$30,473	\$10	\$140,456
Dallas	\$71,102	\$5,293	\$17,209	\$2	\$93,606
Kansas City	\$30,757	\$3,205	\$10,228	\$6	\$44,195
Denver	\$16,288	\$1,384	\$5,706	\$3	\$23,381
San Francisco	\$107,811	\$9,179	\$29,689	\$10	\$146,688
Seattle	\$27,287	\$1,570	\$6,577	\$37	\$35,472
Headquarters	\$99,817	\$479,600	\$80,716	\$891,573	\$1,551,706
Total	\$756,874	\$536,438	\$264,999	\$891,704	\$2,450,015

¹ Totals may not add due to rounding.

² Includes guard services.

³ Includes DDS, SSAB, ITS, and Delegated Buildings.

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SOCIAL SECURITY ADVISORY BOARD

This Budget includes \$2.7 million for the Social Security Advisory Board in FY 2021. The *Social Security Independence and Program Improvements Act of 1994* mandated the creation of a bipartisan, seven-member advisory board to advise the President, the Congress, and the Commissioner of Social Security and to make recommendations on policies and regulations relating to SSA's major programs: OASDI and SSI.

According to the statute, the specific functions of the Board include: 1) analyzing the OASDI and SSI programs, including how other public and private systems support these programs; 2) making recommendations on how to improve the economic security of millions of Americans; 3) making recommendations to the President and to the Congress on policies related to preserving the short-term and long-term solvency of the OASI and DI programs; 4) analyzing and making recommendations on the coordination of Social Security programs with other health security programs; 5) improving the quality of service to the public, and 6) improving public understanding of Social Security. The board is requesting additional resources in FY 2021 for staffing in order to increase IT systems security and support other federal compliance requirements. The Board is not requesting reception and representation authority in FY 2021.

The Board is required by law to meet at least four times per year and currently holds 2-day meetings every other month supplemented with field visits and regular conference calls. For more information about the Social Security Advisory Board, please see their website at www.ssab.gov.

Budget Authority by Object Class and Staffing

Object Class	FY 2019 Actual	FY 2020 Estimate	FY 2021 Request
Salaries	\$1,252,818	\$1,405,000	\$1,560,000
Benefits	\$346,996	\$440,000	\$435,000
Subtotal, Compensation	\$1,599,814	\$1,845,000	\$1,995,000
Travel	\$115,469 ¹	\$74,000	\$100,000
Rent, Communications, Utilities	\$264,281	\$280,000 ²	\$281,000
Printing & Reproduction	\$0	\$1,000	\$500
Consultants & Contracts	\$311,897 ³	\$260,000 ⁴	\$276,500
Equipment	\$14,684	\$25,000 ⁵	\$11,000

¹ Increase in 2019 travel due to the commissioning of the independent Technical Panel on Assumptions and Methods that completed its work by the end of FY 2019.

² Projected increase due to phone and internet service enhancements following office renovations from an SSA established when SSAB's was being renewed. The renovation money will enlarge the Board room, add some physical security features, increase bandwidth and replace the phone system, and enhance systems and video technology.

³ Increase in consultant/contract costs due to a new systems contract adding a systems plan to address federal security requirements.

⁴ Includes legal services for administrative and infrastructure issues and Department of Homeland Security costs for non-negotiable federal protection services.

⁵ Increase in IT software for Microsoft Office licenses for additional personnel, and device and software upgrade.

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Object Class	FY 2019 Actual	FY 2020 Estimate	FY 2021 Request
Supplies	\$29,658	\$15,000	\$36,000
Total, All Objects	\$2,335,803	\$2,500,000	\$2,700,000
Staffing Levels			
Full-time, Permanent Staff	9	11	12
Part-time, and other Special Government Employees, Temporary Staff	2	0	0
Board Members	4 ¹	6	7

Note: Totals may not add due to rounding.

MEDICARE ACCESS AND CHIP REAUTHORIZATION ACT (MACRA)

On April 16, 2015, the President signed the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) (Public Law 114 -10). Title V, section 501, prohibits displaying, coding, or embedding Social Security numbers (SSN) on beneficiaries' Medicare cards.

In April 2018, CMS began mailing Medicare cards with a new Medicare Beneficiary Identifier (MBI) that replaced the SSN-based Health Insurance Claim Number (HICN) to prevent fraud, fight identity theft, and keep taxpayer dollars safe. During the transition period – April 1, 2018 through December 31, 2019 – Medicare beneficiaries were able to use either the HICN or MBI to access benefits or file Medicare claims. Business partners could also use either the HICN or MBI for Medicare transactions, including billing, eligibility, and claim status during the transition period. As of January 1, 2020, the HICN can no longer be used to access benefits or for other Medicare transactions.

Congress appropriated the Social Security Administration (SSA) \$98 million to fund the implementation costs to comply with the provisions of MACRA. We received the funding incrementally through FY 2018, as follows:

- FY 2015 - \$27 million (available through FY 2018);
- FY 2016 - \$22 million (available through FY 2018);
- FY 2017 - \$22 million (available through FY 2018); and
- FY 2018 - \$27 million (available until expended).

We did not require intensive systems changes to support CMS in the SSN Removal Initiative and implementation of MACRA. However, there is some workload impact due to inquiries from the public, requests for replacement Medicare cards, and address changes.

We plan to spend about \$470,000 in FY 2020 fielding inquiries, processing requests for Medicare replacement cards, and effectuating address changes. Since Medicare beneficiaries

¹ In FY 2019, there were 5 members appointed to the Board. This number reflects the number of Board members paid in the last pay period of FY 2019.

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must start using the new Medicare card starting January 1, 2020, we do not anticipate significant workloads for these replacement cards FY 2021. We did not spend approximately \$66 million of the MACRA funds available through FY 2018. At the end of FY 2020, we estimate having \$26 million remaining.

Table 3.48—MACRA Spending

FY 2019 Actual	FY 2020 Estimate	FY 2021 Estimate
\$920,000	\$470,000	\$ -