



For Immediate Release
May 23, 2007

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Funding Social Security's Administrative Costs: Will the Budget Meet the Mission?
Hearing before the Senate Committee on Finance
Opening Statement of Senator Max Baucus (D-Mont.)

The book of Leviticus commands: "You shall not insult the deaf, or place a stumbling block before the blind."

Today we will examine the stumbling blocks that the Government places before Americans with disabilities, as they seek help from Social Security.

Today's hearing will focus on the long waits that people must endure before they receive Social Security disability benefits. And today we will talk about ways to fix the problem.

It sometimes takes four years for Social Security to finally approve disability benefits. By definition, the people applying for these benefits are not able to work. So they have no earnings while they wait. But they still have to pay for food, housing, and medicine. As a result of these delays, some lose their homes, their health, and their families.

Listen to what one Montanan wrote in an affidavit to the Social Security Administration:

"I was living in a mold-infested camp trailer for over 1 year without running water or a bathroom or cooking facilities. Now I live in an 8-foot-by-20-foot building and I still do not have running water or a bathroom. . . . I am only able to afford food by way of food stamps. I have been unable to pay car insurance. I have been unable to pay my treating physicians for nearly four years, and I beg for the money for gas to drive to any appointments. . . . I experience constant backaches. I can't walk, sit, or stand comfortably. I hurt all of the time, and I can no longer afford my medications. . . . I don't have any way to continue to receive treatment."

Listen to Susan Gobbs, an attorney in Helena, Montana. She wrote:

"[W]e have an average of ten clients who die every year from conditions related to their disability, waiting for hearings. We routinely have clients who are living on the streets, or in their cars, waiting for hearings."

Last year, the Committee heard from Erwin Hathaway about the hardships that he and his family endured. He waited four years until his benefits were approved.

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The former Commissioner of Social Security, Jo Anne Barnhart, produced a study of why it takes so long to decide these cases. She found that one of the critical factors was the huge backlogs of cases waiting for either initial examinations or for appeals hearings before administrative law judges.

At the beginning of 2002, there were 436,000 cases pending for appeals hearings. By the end this year, Social Security expects that there will be 752,000 cases pending. That's an increase of 72 percent. As a result, it can take years to get a decision.

More than one in ten of those waiting for hearings are veterans. Many of these vets have risked everything for their Country. This is a poor way for the Government to treat men and women who have served our Country in the Armed Forces.

One reason that these backlogs exist is that there are not enough staff to process the cases and the appeals. The reason for the shortage of staff is that the appropriations process does not give Social Security enough money to run its programs properly. And a key reason that appropriations are tight is the administration's effort to constrain overall domestic spending.

Funding is also insufficient for Social Security to adequately fulfill its other responsibilities. Phone service in local offices is abysmal. Waiting times for walk-in service in the local offices are long and growing. On top of that, Social Security has new workloads with Medicare Parts B and D and with processing Social Security cards.

Many jobs are not getting done at all. Social Security is not processing beneficiaries' reports on changes in their earnings. And that leads to overpayments.

And Social Security is not doing as many Continuing Disability Reviews and Supplemental Security Income redeterminations as it could. Not doing those jobs is penny wise and pound foolish. Every dollar spent on Continuing Disability Reviews saves \$10. And every dollar spent on Supplemental Security Income redeterminations saves \$7. We have to do better.

So let us stop the Government from putting stumbling blocks in front of Americans with disabilities. Let us do what we can to promote adequate funding to get the job done. And let us do what we can to help these Americans with disabilities to save their homes, their health, and their families.

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