



SOCIAL SECURITY ADMINISTRATION

Funding Highlights:

- Provides \$12.5 billion for the Social Security Administration, an 8 percent increase, targeted at reducing backlogs and improving service for the American public.
- Expands program integrity efforts to make sure payments are made to the right person and in the right amount.
- Restructures Federal Wage Reporting.

The President believes that all Americans should be able to retire with dignity. He is committed to protecting Social Security and working in a bipartisan manner to preserve its original purpose as a reliable source of income for American seniors. The Social Security Administration (SSA) administers the Old Age, Survivors, and Disability Insurance program and the Supplemental Security Income (SSI) program. In 2009, more than 51 million retired or disabled workers, survivors, and their families received over \$659 billion in benefit payments. Nearly 8 million Americans received SSI benefits totaling \$49 billion.

Protects Social Security. The President recognizes that Social Security is indispensable to workers, people with disabilities, seniors, and survivors and is probably the most important and most successful program that our country has ever established. Based on current forecasts, Social Security can pay full benefits until 2037. The President is committed to making sure that Social Security is solvent and viable for the American people, now and in the future. He is strongly opposed to privatizing Social Security

and looks forward to working in a bipartisan way to preserve it for future generations.

Provides an 8 Percent Funding Increase to Provide Services Faster and Reduce Backlogs. This year, SSA will process almost 5 million retirement, survivor, and Medicare claims; 3.3 million disability claims; and over 326,000 Supplemental Security Income (SSI) aged claims. The Budget proposes \$12.5 billion for SSA, an increase of \$930 million, or (8 percent), above the 2010 enacted level of \$11.6 billion. This amount includes resources to increase staffing in 2011 and will allow SSA to provide services faster with a focus on key service delivery areas, such as processing initial retirement and disability claims, and disability appeals. At the end of 2010, the initial disability claims backlog is expected to reach record highs with over one million people waiting for a decision. This is unacceptable. The 2011 Budget funds SSA to lower the backlog below one million by processing over three million claims. The Budget also allows SSA to continue to reduce the appeals hearing backlog. By hearing approximately 799,000 cases in 2011, the backlog will

fall to 657,000 hearings pending. In addition, the Budget also includes resources to enable SSA to more effectively and efficiently verify hundreds of millions of Social Security Numbers and issue about 19 million Social Security cards.

Increases Significantly Program Integrity Efforts. SSA's program integrity efforts are part of a strong framework for making sure the Government is spending tax dollars efficiently and that benefits are paid only to those beneficiaries who are eligible and are paid in correct amounts. The President's 2011 Budget provides \$796 million for SSA program integrity, including an over 9 percent increase in the level of medical Continuing Disability Reviews over the prior year. Continuing Disability Reviews make sure

that Disability Insurance and SSI recipients continue to meet the medical criteria for those programs.

Restructures the Federal Wage Reporting Process. The President's 2011 Budget proposes to restructure the Federal wage reporting process by reverting to quarterly wage reporting. Currently, wages are reported to the Federal Government once a year. Increasing the timeliness of wage reporting would enhance tax administration, improve program integrity for a range of programs, and facilitate implementation of automatic workplace pensions. The Administration will work with the States so that the overall reporting burden on employers is not increased.

Social Security Administration
(In millions of dollars)

	Actual 2009	Estimate	
		2010	2011
Spending			
Discretionary Budget Authority:			
Limitation on Administrative Expenses (LAE) Base ^{1,2}	10,285	11,281	12,195
Office of Inspector General	100	103	106
Research and Development	28	42	36
Total, Discretionary budget authority	10,413	11,426	12,338
<i>Memorandum:</i>			
<i>Budget authority from American Recovery and Reinvestment Act</i>	<i>1,092</i>	<i>—</i>	<i>—</i>
Total, Discretionary outlays	10,163	11,124	12,142
<i>Memorandum: Outlays from American Recovery and Reinvestment Act ...</i>	<i>165</i>	<i>389</i>	<i>31</i>
Mandatory Outlays:			
Old-age, Survivors, and Disability Insurance	664,732	702,582	729,523
Supplemental Security Income	44,906	47,478	52,761
Special Benefits for Certain World War II Veterans	9	9	8
Offsetting collections	-24,452	-28,006	-30,285
Legislative proposals	—	12,543	569
All other	20,838	24,440	26,889
Total, Mandatory outlays	706,033	759,046	779,465

Social Security Administration—Continued
(In millions of dollars)

	Actual 2009	Estimate	
		2010	2011
<i>Memorandum: Outlays from American Recovery and Reinvestment Act ...</i>	13,079	300	45
Total, Outlays	716,173	770,379	791,681

¹ The LAE account includes funding from the Hospital Insurance and Supplementary Medical Insurance trust funds for services that support the Medicare program, including implementation of Medicare Reform.

² This amount reflects offsetting collections from SSI State Supplemental Fees.