



**COMMITTEE ON FINANCE
UNITED STATES SENATE**

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STATEMENT FOR THE RECORD**

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Testimony by Grace Kim, Deputy Commissioner for Operations, Social Security Administration, before the Senate Committee on Finance, on Service Delivery

Chairman Wyden, Ranking Member Crapo, and Members of this Committee:

I am Grace Kim, Deputy Commissioner for Operations. In my current position, as a former Regional Commissioner, and as a career employee with more than 30 years of service with the Social Security Administration (SSA), I understand how vital SSA's programs and services are to the public. Thank you for the opportunity to discuss service delivery at SSA. Today, I will share some of our accomplishments and challenges as we work to keep our employees and the public safe while delivering vital services during the Coronavirus (COVID-19) pandemic.

I am honored to lead a team of over 44,000 Federal employees providing critical services across our vast network of over 1,200 community-based field offices, 24 Teleservice Centers (TSC), 8 regional Processing Centers and our support offices across the country. I am equally proud to oversee the work of the nearly 15,000 employees in the state offices responsible for making medical determinations for Social Security's disability programs. Our employees help millions of people, often at significant and stressful points of their lives, like the birth of a child, onset of a disability, retirement, or death of a loved one. During this unprecedented time, I am inspired by their resilience and dedication as we adapt our business processes to continue to meet the needs of the people we serve, especially the most vulnerable and those directly affected by the pandemic.

Our Agency

For more than 85 years, SSA has provided income protection for retirees, individuals with disabilities, or for families that lose a wage-earner. Almost 90 percent of seniors over the age of 65 receive Social Security benefits. To provide context for our services during the pandemic, I would like to highlight some of our pre-pandemic service delivery measures. In fiscal year (FY) 2019, we:

- Paid more than one trillion dollars in benefits to over 70 million Social Security beneficiaries and Supplemental Security Income (SSI) recipients;
- Assisted 43 million individuals in our community-based field offices;
- Processed 18 million applications for SSN cards; 10 million of those in our field offices;
- Handled 33 million calls on our 800-Number;
- Processed 288 million annual earnings reports in our Processing Centers; and,
- Conducted nearly 2.7 million non-medical reviews (Redeterminations and Limited Issues) and 713,000 full medical continuing disability reviews (CDR) to ensure program stewardship.

Our field offices serve a critical role for individuals experiencing homelessness, those with mental illness, people transitioning between incarceration and temporary living arrangements, and those in need of Federal, state, and local benefits, such as housing support and temporary assistance for needy families. Our programs are also a critical gateway to healthcare, including Medicare and Medicaid.

Overview: Response to the Pandemic

Since the beginning of this public health crisis, Commissioner Saul's priority has been keeping our employees and the public we serve safe. The people we serve—older individuals and people who have serious health conditions—are also often vulnerable to the most serious effects of COVID-19.

For this reason, in March 2020, we made the unprecedented decision to direct employees to work from home and limit in-person services to limited critical situations by appointment only, which allows us to implement physical distancing and limit close contact. This decision presented a significant change – to quickly shift nearly all operations to a remote work environment.

While prior to the pandemic less than 25 percent of our frontline employees had experience teleworking, all employees had laptops that enabled a rapid shift to remote work. We deployed hardware such as headsets to answer calls on agency laptops, cell phones and internet hotspots, training, and technology support to our employees. Within a few weeks, by early April 2020, we successfully redeployed over 90 percent of our Operations' employees to remote work. During this period, all SSA offices continued to provide ongoing service to the public by phone, with a small number of employees, most of them managers, onsite to handle non-portable work and critical in-office interviews.

We worked as a team to overcome challenges. For example, our 800-Number platform requires specialized equipment to enable agents to work remotely. We had approximately 1,300 of these remote answering kits for the 4,500 agents who serve the public in our TSCs, so we engineered a solution that allowed 800-Number calls to transfer to softphone technology installed on the laptops of another 2,000 agents within 10 days and the remaining 1,200 agents within 30 days. As a result, we were quickly able to reestablish our 800-Number service and provide millions of callers who need our services critical access to our telephone agents. This softphone technology also allows employees in our local offices to answer calls from the public as if they were in the office.

In the state Disability Determination Services (DDS), the component responsible for making medical determinations on our behalf, only two sites initially possessed the experience and equipment to telework when we moved to a remote work environment. However, within ten days, we established a virtual private network (VPN) solution to provide a secure option for state DDS employees to work from home using their desktop computers.

To communicate with the public, we have continued to update our website, social media, and our Social Security Matters blog, featuring posts about how to reach us, online services, and benefit programs. We marketed our field office telephone lines, so the public could directly reach employees in local offices by telephone. We posted signs in our offices, messaging the availability of services online, by mail, telephone, and limited in-office appointments. We are also working with the White House Office of Faith-Based and Neighborhood Partnerships and have entered into an unprecedented partnership with claimant advocates and other organizations to promote our services and ensure they are accessible to our most vulnerable populations.

Supporting the Public: Emergency Policies and Actions

We understand the challenges that the public has faced during the pandemic and we have been working hard to implement policies and engage in activities that support the public during this difficult time. In our field offices, we implemented emergency policy flexibilities and initially limited services to concentrate on delivering mission-critical workloads. For example, we:

- Expanded telephone attestation procedures in place of requiring wet signatures;
- Enhanced telephone authentication procedures in place of in-person identity proofing;
- Extended timeframes for the submission of evidence and appeals due to mail delays or limited access to our offices;
- Suspended policies that adversely impacted beneficiaries, such as failure to cooperate and failure to provide information;
- Expanded our evidence policy to accept secondary proof of identity for replacement SSN cards instead of requiring primary evidence such as an original driver's license or U.S. passport;
- Promoted existing policies that enabled benefit continuation throughout the administrative appeals process and expanded the ability to sign and submit certain forms online;
- Focused on key workloads during the initial weeks of the pandemic, including disability claims intake; payment for priority disability claims such as terminal illness, Presumptive Disability, Quick Disability, Compassionate Allowances, and Veterans Affairs permanent and total disability claims; and other payments and reinstatement of benefits, such as adjudicating claims allowances, reinstatements, and appeal awards;
- Prioritized Medicare enrollments and adjustments and SSI claims for those in need of Medicaid to ensure ongoing access to healthcare for seniors, individuals who have limited income and resources, children with disabilities; and,
- Limited in-person SSN replacement card services, which can be completed by mail and online in most states using our internet SSN Replacement Card application.

At the same time, we temporarily deferred specific workloads to protect beneficiaries' income and healthcare during a critical time in the pandemic, including certain program integrity

workloads and actions that rely on evidence from the claimant, third parties, and medical service providers. Given the uncertain duration of the pandemic and our stewardship obligations, we resumed processing adverse actions in September and October of 2020. We continue to apply maximum flexibility when deciding whether to extend good cause provisions related to the timely filing of applications as well as the submission of evidence, appeals, hearings, redeterminations, and continuing disability reviews.

In addition, we continue to work with our Treasury partners to ensure our beneficiaries get their economic impact payments (EIPs) quickly. From the first round of EIPs, Commissioner Saul has pushed to ensure our beneficiaries receive their payments automatically, and he continues to reach out to vulnerable populations to ensure those who qualify for payments for themselves or their dependents receive them.

To further help the public, we published an interim final rule to streamline the overpayment waiver process for beneficiaries who incurred overpayment debts between March and September 2020 due to our deferral of certain workloads. Under the streamlined waiver process, we can more quickly waive recovery upon receiving a verbal request for qualified debts.

We also minimally increased the number of employees onsite in our field offices to support non-portable work and critical in-office interviews that cannot be handled online, through the mail, or over the phone. For the small number of employees and public in our offices, we implemented health and safety protocols based on Centers for Disease Control and Prevention (CDC) guidance and model safety principles. Employees and visitors perform a self-screening for COVID-19 symptoms, and masks and physical distancing have been, and continue to be, mandatory. We provide masks and hand sanitizer for anyone entering our facilities (employees, public, and contractors), provide gloves for employees to use as desired such as for mail handling, and installed protective barriers between the public and our employees in our field offices.

Online and Virtual Service Delivery Expansion

The pandemic has presented challenges for many organizations including ours; however, it has also driven service delivery innovation. Our workforce is strongly committed to serving the public, as is evidenced by the employees who have volunteered to work onsite during the pandemic and by other employees working behind the scenes to adapt business processes and push service improvements through. We are a large organization with a nationwide footprint; yet, we have learned that we are more nimble than we realized.

We are using external online video platforms to access our customers virtually, expanding access to *my Social Security* online services, and adding options for individuals to complete, sign and submit certain forms online. We are also testing new business models for handling in-person workloads and engaging in broad and targeted outreach campaigns to reach vulnerable customers

who are seeking our services, such as elderly beneficiaries, children with disabilities, and those with limited English proficiency. For example:

- In April 2020, as unemployment nationwide spiked, we quickly implemented an online process for handling Medicare Part B Supplemental Medical Coverage (Form CMS-40B) applications for seniors suddenly unemployed and without employer-sponsored healthcare coverage. To date, more than 350,000 seniors at risk of losing their employer-sponsored healthcare have used our online and fax applications to apply for Medicare Part B Supplemental Medical Insurance coverage.
- We have continued to work with the states to expand the availability of our internet SSN replacement card application, and we are testing an online video process that allows certain U.S. citizens to apply for replacement cards remotely.
- We launched an online video solution for hearings conducted in our Office of Hearings Operations and for state Protection and Advocacy grantees conducting payee-monitoring reviews.
- We now accept electronic signatures on notices of Appointment of Representative (Form SSA-1696), allowing claimants and their representatives to submit the form electronically. We implemented an online application for representatives and their clients to complete the entire representative appointment process online.
- We implemented an electronic transfer of non-medical paper appeals from our field offices to the Office of Hearings Operations for processing.

New In-Person Service Delivery Initiatives

Some workloads continue to require in-person appointments and the inspection of original evidence. For these workloads, and for customers who may not have access or would prefer not to use technology, we are exploring several solutions. For example, we tested an evidence drop-box option in 100 high-traffic enumeration offices, offering customers a secure drop-off location for applications and original evidence documents and will continue to use this service based on local office needs. We tested an Express Interview process in 81 offices to limit in-person transaction time to reduce the risk of exposure to COVID-19, and are expanding this service option.

Outreach to Vulnerable Populations

The pandemic continues to impose hardships on our country's most vulnerable citizens, many of whom are elderly, have low-incomes, limited English proficiency, face homelessness, or suffer from mental illness. We realize that these populations may rely on in-person service, so we have made outreach to this population a priority during the pandemic. We are monitoring our progress as we continue these efforts.

To ensure awareness of and access to our benefit programs, we have worked extremely closely with the advocate community for many months. In fact, our collaboration with advocacy groups has been unprecedented—both in scope of outreach and in our commitment to ongoing dialogue. For example, we conducted a national outreach campaign blanketing thousands of organizations with information. Many of these organizations committed to broadcast our message, reaching millions of people across the nation. Likewise, we established two advocate-executive workgroups, the *Workgroup on COVID-19 Emergency Response and Service Delivery Outreach* and the *Workgroup on SSI/SSDI Administrative Simplifications and Evidence-Based Outreach*, to address outreach to vulnerable populations. Participants in these workgroups include SSA executives and a diverse group of advocates with varying missions and from numerous geographic locations who assist our applicants and beneficiaries. It has been an honor to work together with our partners in the advocacy community to reach the people we are here to serve.

We have also enhanced our communications and online content targeted to people who can help others file for benefits, resolve an overpayment debt, or appeal a decision. We added online tools and information pages to our website including:

- A national advertising campaign to support all outreach efforts on TV, radio, and social media, with special emphasis on children with disabilities;
- A dedicated webpage with resources for people helping others;
- Outreach materials for partner groups; and,
- Information for Faith-Based and Community Groups including a new toolkit in collaboration with White House Office of Faith-Based and Neighborhood Partnerships.

In March 2021, we hosted a national conference call with more than 1,500 attendees interested in learning more about how they can partner with SSA to share information about our programs, assist in taking SSI claims, or actively refer individuals potentially eligible for SSI to our field offices. Participants included representatives of the non-profit community, health care organizations, private industry, Federal, State, and local government, and Congress.

We are also conducting mailed outreach to individuals who may be eligible for SSI. Between December 2020 and March 2021, we released approximately 200,000 notices to current Social Security beneficiaries who may be eligible for SSI, encouraging them to contact us to apply. While this first effort focused on elderly and limited English proficiency populations, we are planning to continue this type of mailed outreach, by reaching out to other targeted groups in the future.

Workload Challenges

While we have implemented flexibilities and workarounds, not all of our work is portable. The ability for our employees to work virtually rests on a small number of mostly managers and volunteers handling non-portable workloads and in-person appointments. In the early days of the pandemic, out of more than 27,000 field office employees, only 2,000 were onsite daily. Over this past year, we have slowly increased onsite staff to about 3,000 employees—most of whom are managers—which represent about 10 percent of all field office employees. These employees handle an ever-increasing volume of in-person appointments each month in addition to all other non-portable workloads and their managerial responsibilities.

Limiting visitors has also resulted in an influx of incoming mail and phone calls. To illustrate the magnitude of this increase, before the pandemic, field offices scanned and uploaded about 150,000 paper documents weekly for processing. Offices are currently scanning and uploading approximately one and a half million paper documents weekly. In FY 2020, the unit time for the 47 million field office actions increased by 20 percent in part due to scanning, copying, indexing, and returning mailed documents, which significantly reduced our productivity. Throughout the pandemic we have worked hard to reduce the volume of mailed documents we receive by establishing paperless workarounds, like accepting electronic signatures, creating electronic forms, and marketing and expanding our online services, but we continue to see increases in these non-portable workloads due to the nature of our services.

Similarly, field offices are now handling three times as many phone calls as they did pre-pandemic. We are on track to answer over 60 million calls in our field offices in FY 2021—up from 20 million calls handled in FY 2019.

Further, many of the workarounds we had to put in place to enable employees to work remotely are inefficient and erode productivity. For example, when an individual mails to us inaccurate or unacceptable evidence or incomplete forms, employees must make additional contacts with the individual through mail or phone calls, requiring the employee and individual to handle documents and evidence multiple times. It is also harder to reach people when we need to re-contact them, particularly more vulnerable populations, such as those people who may have been forced to move during the pandemic and no longer receive mail at their address of record. The pervasive nature of phone scams also makes customers hesitant to take our phone calls. By comparison, before the pandemic, our employees could frequently complete all or most of a customer's business at the first point of contact, with minimal need for additional re-contacts, and the ability to quickly obtain needed documentation in our offices.

Obtaining evidence needed to adjudicate claims in both initial and post-entitlement situations has also been challenging throughout the pandemic. For example, at least 30 percent of all disability applications require a consultative examination (CE) to determine disability. The

pandemic has made it more difficult for our customers to schedule medical providers for routine appointments and access public transportation to attend scheduled meetings. Some may also have limited phone access for telehealth appointments. In addition, only about 72 percent of our CE service providers nationwide are scheduling in-person CEs. Scheduling CE appointments and obtaining evidence is taking almost twice as long now, up from 21 days before the pandemic to 37 days during the pandemic. When the Department of Health and Human Services temporarily modified the enforcement of the Privacy, Security, and Breach Notification rules under the Health Insurance Portability and Accountability Act (HIPAA), we expanded plans to use video communication technology to offer CEs via telehealth appointment, but we were constrained to only psychiatric and psychological examinations. Additionally, organizations we depend on for other types of evidence, such as schools, community and state advocates, and social service agencies, are also experiencing their own challenges adapting to the current environment.

All these challenges have strained our resources, particularly given significant increases in costs that we do not control, such as Government-wide pay increases. Moreover, due to the pandemic, some program integrity work, such as CDRs and SSI redeterminations, has slowed, which also affects our funding. We deferred these workloads in the early part of the pandemic to protect beneficiaries' income and healthcare, and to reduce the burden on the medical community, which had stopped most elective services. While we restarted these workloads at the end of FY 2020, we are handling them through the mail and over the phone. During the pandemic, these complex workloads often require multiple contacts with a beneficiary, which slows our ability to complete this work. In addition, over 30 percent of CDRs require a CE. We have focused our limited CE capacity on initial disability claims to ensure that we can provide benefits to people who qualify. As a result of these pandemic-related challenges, including the need to prioritize processing of initial disability claims in FY 2021, we reduced our planned full medical CDRs by almost 30 percent, the lowest level since FY 2013.

Conclusion

Like much of the world, we have not escaped the challenges caused by the pandemic. While we have made tremendous strides in quickly enabling a remote work posture to keep everyone safe and continue service during the pandemic, the last year has made clear that we have more work to do. We have some workloads that are not portable or are not as efficient to handle remotely, and we are working on solutions, including getting input from our unions, employees, and managers. Technology has proven vital and reminded us again that we must continue to press forward on modernization even after the pandemic.

We are doing everything we can within our available resources, but our current budget will challenge our recovery. The FY 2022 SSA discretionary request of \$14.2 billion, which is \$1.3 billion more than what we received this year to operate our agency, will strengthen our service to the public. No one anticipated the duration of the pandemic and the ongoing challenges it

presents. We hope you will consider these challenges and support this request to help us improve service.

I want to thank the public, our extraordinary employees, and you for being patient and supportive of our mission during this national emergency.

I look forward to answering any questions you may have.