

**Statement of Carolyn W. Colvin
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United States Social Security Administration
Nominee for Commissioner
United States Social Security Administration**

Before the Committee on Finance

July 31, 2014

Chairman Wyden, Ranking Member Hatch, and members of this Committee, I am honored and grateful to appear before you today as President Obama's nominee to be Commissioner of the Social Security Administration (SSA).

It is a privilege to have the opportunity to continue leading SSA, an organization that I hold in high esteem and one that touches the lives of so many people across all stages of life. My passion for the work of the agency comes from my many years of serving those most in need. Throughout my career, I have led numerous government agencies. I can confidently say that SSA has some of the most customer-focused, most compassionate employees in all of government.

During fiscal year (FY) 2013, we paid over \$850 billion in benefits to a monthly average of more than 62 million beneficiaries – the scope of what we do is truly enormous. Behind each of these numbers, however, is the personal story of a person in transition. We encourage staff to remember this and to remain focused on why we are in government – to serve. If you were to stop by one of our offices on any given day, you might see a grandmother retiring after a long and successful career, a new bride changing her name on her Social Security card, a man whose disability ended his career too soon, or perhaps a low-income mother filing for assistance to help take care of a disabled child. It is both a humbling and rewarding experience to go to work every day knowing that what my colleagues and I do profoundly helps those around us.

I would like to begin by sharing a bit of my background with you. Then, I will highlight a few of our accomplishments since I returned to SSA in January 2011. I will finish by describing some of the challenges I see ahead and how the next Commissioner should meet them.

Background

I am very fortunate to have spent so much of my life working on issues that matter so much to me. My true calling has been public service. To that end, I have spent my career leading Federal, State, and local health and human service organizations that provide critical safety-net services to those most in need. Quite often, I have had to navigate these organizations through periods of change and uncertainty. While change is not always easy, it is often necessary to meet the needs of the public and balance resource demands. It is gratifying to look back and see evidence of progress and growth at the various agencies where I have held leadership positions

over the years. These experiences and challenges have all helped prepare me for the tremendous opportunity to lead SSA.

My prior work experience has also taught me how much our programs benefit those in need and how important our role is. We must always work diligently to address the needs of the most vulnerable in our communities – our seniors, individuals with disabilities, struggling families and children. This is SSA’s mission. For almost 79 years, SSA has maintained President Roosevelt’s great vision “...for giving some measure of protection to the average citizen and to his family against the loss of a job and against poverty-ridden old age.” As the agency’s leader, I am dedicated to ensuring that we continue that commitment.

I was honored by President Obama’s confidence and the Senate’s concurrence on December 22, 2010 when I was confirmed as Deputy Commissioner. Since February 14, 2013, I have served as the Acting Commissioner of Social Security.

As Acting Commissioner, I have focused on providing the public responsive customer service; demonstrating good stewardship by providing the American taxpayer the maximum value for the resources entrusted to us; and employing every available means to prevent waste, fraud, and abuse, and to prosecute those responsible when it does.

Previously, I have held a number of key executive positions at SSA. Through these various positions, I gained a deep and lasting appreciation of the important role Social Security plays in the lives of all Americans. This experience has served me well in my current role as Acting Commissioner where I also serve as a member of the Social Security Board of Trustees.

Outside of SSA, I have also served in a variety of executive positions with State and local government, including Director of Human Services for the District of Columbia, Director of the Montgomery County Department of Health and Human Services, Chief Executive Officer of AMERIGROUP Community Care of the District of Columbia, and Special Assistant to the Secretary of Maryland’s Department of Transportation. In addition, I served as the Secretary of Maryland’s Department of Human Resources. As with my federal experience, my time with State and local government provided a foundation of public service that has both guided and inspired me.

I attended Morgan State University in Baltimore, Maryland, where I earned both a Bachelor of Science degree and a Master of Business Administration. Additionally, I have completed the Senior Executives in State and Local Government Program at Harvard University, and the Maryland Leadership and the Greater Baltimore Leadership Programs.

Accomplishments

Strategic Planning

One of my top priorities since becoming the Acting Commissioner has been to position SSA so it can adapt to a rapidly changing world and continue to provide excellent service to future generations. While SSA has always planned ahead, we have not always engaged in true long-range, strategic planning. This is why, in 2013, I established the position of the Chief Strategic

Officer, who reports directly to me and is responsible for the development of strategy and promotion of innovation in performance and service delivery across SSA.

I am pleased to report that we are well on our way toward developing a long-range plan. We will engage with members of Congress, our employees, our employee unions, management associations, advocates, and the public we serve as we develop that plan.

Program Integrity

I am committed to protecting SSA's programs from waste, fraud, and abuse. When I appeared before this Committee for my confirmation as Deputy Commissioner in 2010, I asked to serve as SSA's Accountable Official for Improper Payments, and I am grateful to have held that role since I returned to SSA. In this capacity, I have provided executive oversight of our program integrity activities and pushed for the development of new and innovative ways to prevent, detect, and recover improper payments.

We continue to make progress in improving program integrity. Our Retirement, Survivors, and Disability Insurance (RSDI) program continues to be among the most accurate among Federal agencies that measure improper payments. While our biggest challenge for addressing improper payments has been our means-tested Supplemental Security Income (SSI) program—which is prone to error due in part to its complex eligibility rules—I am pleased to report that SSI program integrity has substantially improved as well. Our SSI overpayment rate decreased from 10 percent in fiscal year 2008 to around 6 percent last year.

We appreciate Congress' ongoing support for our continuing disability reviews and our SSI redeterminations, which ensure that beneficiaries continue to meet our program rules. These reviews save billions of program dollars with only a comparatively small investment of administrative funds. These reviews, in tandem with our other program integrity initiatives, are critical in ensuring our ongoing improvements in program integrity.

Service Delivery

SSA has always been known as a “can-do” agency with great public service. But I would be remiss if I did not acknowledge that budgets in recent years have challenged our ability to maintain the level of service the public expects and deserves. These lean budgets have forced us to make difficult choices and to cut back on some services.

However, I want to assure you that we are fully committed to providing face-to-face service to members of the public who want or need it. We recognize the importance of providing direct service to the public. We have no plans to abandon our network of field offices. They have been the hallmark of our service for almost 80 years.

At the same time, I am pleased with the progress we have made with expanding our electronic services. We have created secure, effective, and convenient electronic services and marketed them to individuals who want to do business with us online, and it has paid off. For example, as of June 2014, over 12.5 million users had registered for *my Social Security* online accounts, an increase of over twenty fold since its launch two years prior.

In addition to our online services, we are utilizing video technology to enhance our service delivery options. Video technology gives us an efficient way to deliver face-to-face service to remote, rural, and underserved communities, whose residents might otherwise have to travel long distances to reach us. Further, we continue to expand our use of video interpreter services to ensure easy access to our services for the hearing-impaired.

Intragovernmental Collaboration

As Acting Commissioner, I relish the opportunity to collaborate with my colleagues across the government and contribute toward improving the overall efficiency and effectiveness of our service to the public. I am particularly proud of our collaboration with the Department of Veterans Affairs (VA) and Department of Defense (DoD). My colleagues at these agencies and I regularly communicate and implement projects that improve our service to America's veterans. I want to highlight a couple of these projects.

First, we share medical records with the VA when veterans who file for disability compensation indicate that they have also filed for or are receiving disability benefits from us. These records allow the VA to process the veteran's claim more quickly. We have devoted significant resources to responding to the VA's requests for medical records as quickly as possible.

In addition, we are exchanging data with the VA and DoD to expedite the disability claims of veterans identified as Wounded Warriors who were disabled while on active duty. Regardless of where or how the injury occurred, we move these claims to the front of the line for a decision. Additionally, in March 2014, we expanded this process to veterans who are rated 100 percent permanently and totally disabled by the VA.

I also want to highlight two other initiatives aimed at increasing coordination and collaboration. First, I am proud to be the co-goal leader for the President's Management Council workgroup on customer service. The purpose of this inter-agency group is to improve the quality, timeliness, and customer satisfaction of service government-wide.

Finally, we have thousands of data exchange agreements with Federal, State, local, and foreign governmental entities. Data received from external exchange partners allows us to pay benefits accurately, efficiently and timely. By efficiently sharing data with other agencies and private organizations through our electronic verification services (where allowed by law), we help them to efficiently administer their programs and reduce the number of field office visits and 800 number calls.

Challenges Ahead

SSA's employees are its greatest asset. The last few years have been difficult, and I have witnessed our employees make often-heroic efforts to serve our customers quickly and compassionately, in spite of growing workloads and tight budgets. I want to take this opportunity to let them know how much I appreciate everything they do. If confirmed, it would be my greatest honor to continue to lead this remarkable organization.

SSA has many challenges ahead of it. If confirmed, I look forward to addressing them. First, we must create a long-term plan that will serve as a roadmap for applying new technologies and developing new services. We must adapt to a rapidly changing world and continue to provide excellent service for generations to come.

We must make informed decisions and wise investments in technology. I am proud of the progress we have made in developing and marketing high quality electronic services. I am excited about our plans to make more of our services available for individuals who want to do business with us online. If confirmed, I will continue to work aggressively to increase the agency's use of innovative technology that maximizes our return on the taxpayers' investment. One of our current examples is our successful effort to exchange electronic health records, which allows our employees to work more efficiently with improved quality.

As I indicated earlier, I am committed to fighting waste, fraud, and abuse and have significantly expanded efforts at the agency to do so. I am equally committed to ensuring that the people who come to us in tremendous need receive the benefits for which they are eligible as quickly as possible. If confirmed, I will continue to ensure that we balance timely, high quality service with our program integrity responsibilities.

We must do more to help individuals with significant disabilities succeed in the workforce. Accordingly, the President's FY 2015 budget contains a proposal requesting resources and demonstration authority for us to work in partnership with other agencies to test early intervention strategies to help people with disabilities remain in the workforce.

Finally, if confirmed, I will continue to advocate for sustained and adequate funding, without which our service suffers. As you know, our administrative costs represent only 1.4 percent of the benefits we pay annually – a track record that no private insurance company can match. We have proven year after year that we are good stewards of our resources. In the past few years, limited funding and sequestration have constrained our ability to meet our mission, and we have had to cut back on services. The FY 2014 funding level positions us to begin to restore services to the public and also increase our program integrity efforts. I ask you to support the President's FY 2015 budget request, which will allow us to continue to restore services and improve our program integrity efforts.

Conclusion

The Commissioner of Social Security is responsible for working with Congress to improve the nation's Social Security programs. The Commissioner is also responsible for leading a large, complex, and diverse agency with many employees in every State, all of whom strive daily to make sure that we deliver benefits to the right person, in the right amount, at the right time.

I believe that my policy-making experience, management expertise, problem-solving skills, and passion for the work make me well suited to be Commissioner of this wonderful agency. I can assure you that I am deeply committed to administering the nation's Social Security programs in an efficient and effective manner, and maintaining diligent stewardship of tax and general funds and the trust of the American people.

Thank you for the opportunity to appear before you today. I am deeply honored by this opportunity to further my life's work in service to the American people. I ask for your support. I would be happy to answer any questions you may have.