

**Opening Statement of Social Security Subcommittee Ranking Member Xavier Becerra**

*Social Security Subcommittee Hearing on Social Security Disability Insurance*

*Committee on Ways and Means*

March 20, 2012

(Remarks as Prepared for Delivery)

“Mr. Chairman, thank you for calling this third hearing in our series examining the Social Security Disability Insurance system.

“Social Security Disability (DI) is an earned benefit – only Americans who work and pay into the system can receive benefits if they suffer a work-ending disability.

“Even so, requirements for receiving benefits are very tough – only the very sickest and most disabled Americans qualify. In fact, the majority of Americans with disabilities do not meet Social Security’s strict eligibility standard. To qualify, applicants must submit detailed medical and other evidence demonstrating that they are either dying or too sick or disabled to work at all, and that their condition will last more than a year. Moreover, in deciding whether someone can work, SSA considers not just the individual’s previous job or occupation, but whether there is any job in the national economy that they could do despite their medical condition. Individuals who don’t meet these criteria are not eligible for any disability assistance from Social Security.

“Evaluating whether an individual is so sick or disabled that he or she cannot work is a difficult task, involving complex evaluations of medical evidence and other factors. The state agencies who conduct this evaluation on behalf of SSA decide millions of claims each year, using only the evidence that is in the file and without conducting an interview of the applicant. The state disability determination service (DDS) workers generally do a good job processing this tremendous workload, but given the complexity of evaluating how a medical condition may affect someone’s ability to work, it is important to maintain an effective and accessible appeals process.

“DI benefits aren’t very generous – a typical worker receives about \$13,000 a year – but because they are too sick to work at all, the benefits are a lifeline for these Americans and their families. We owe it to these Americans to pay their benefits when they need them – one in seven beneficiaries dies within a year of being awarded benefits. And we owe it to all the American workers who pay in to Social Security to safeguard their contributions and pay only those who meet the strict standard.

“Social Security’s operating budget is lower today than it was in 2010 because of decisions made in the Congressional appropriation process.

“As I’ve said before, I think we owe it to the hundreds of millions of Americans who pay into or receive Social Security to hold hearings specifically on these critical operating budget issues. Americans’ contributions into the Social Security Trust Fund are what pays for Social Security’s operating expenses. Budget cuts have real consequences, now and in the future.

“Initial disability claims, the topic of this hearing, are a good example. With an aging population and the worst recession since the Great Depression, the Social Security Administration receives over 3 million applications for disability benefits a year – an average of nearly 13,000 claims a day. Right now, it takes SSA an average of 111 days to make a decision on a disability application.

“Due to budget cuts, SSA has been operating under a hiring freeze, which means there are fewer workers to process claims, assist the public, and safeguard the Trust Fund than there were in 2011. The state DDS offices which evaluate applications have lost more than 10 percent of their staff compared to last year. This is the equivalent of about 2,000 skilled workers – many of whom have years of experience. As a result, the amount of time it takes to make a decision on an application is rising, as is the backlog of people waiting for a decision, which is

currently about 750,000 disabled individuals.

“Mr. Chairman, I look forward to hearing from our distinguished witnesses.”