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SOCIAL SECURITY ADMINISTRATION

Continuing Leadership Focus Needed to Modernize How SSA Does Business

Why GAO Did This Study

SSA provides vital benefits and services that affect the lives of many Americans. In fiscal year 2017, it paid out nearly $1 trillion in retirement and disability benefits to 67 million beneficiaries, and an average of 420,000 people call or visit one of its 1,200 field offices each day.

However, SSA has struggled to manage its disability workloads, maintain program integrity, and modernize its service delivery and information technology systems. GAO has issued a number of reports on these challenges, and placed SSA's disability programs on GAO's High Risk List, in part due to challenges with workloads and claims processing.

GAO was asked to testify on challenges facing SSA. This statement summarizes ongoing SSA challenges described in SSA's strategic plan and past GAO work in three areas: 1) managing disability workloads and ensuring program integrity; 2) modernizing physical infrastructure and service delivery methods; and 3) modernizing information technology.

Although GAO is not making recommendations in this statement, our prior work included recommendations to help SSA address these challenges, many of which SSA has agreed with and initiated actions on. SSA provided technical comments on a draft of this statement, which we incorporated, as appropriate.

What GAO Found

GAO's prior work and Social Security Administration's (SSA) strategic plan for fiscal years 2018-2022 highlight significant demographic and technological challenges facing the agency. For example, SSA's workloads are increasing due to 80 million baby boomers entering their disability-prone and retirement years, and institutional knowledge and leadership at SSA will be depleted due to an expected 21,000 employees retiring by the end of fiscal year 2022. GAO's prior work has identified related management challenges and opportunities for SSA to further modernize and improve its disability programs, service delivery, and information technology (IT) systems.

- **Managing disability workloads and program integrity.** SSA has long struggled to process disability claims and, more recently, appeals of denied claims, in a timely manner. Consistent with our 2013 recommendation, SSA produced a broad vision for improving service delivery, including ensuring prompt and accurate disability decisions. However, SSA is still developing concrete plans to implement its vision. Although SSA has initiatives underway to improve appeals backlogs, GAO reported that some of SSA's appeals initiatives are either contingent on additional funding or have met with limited success when tried in the past. GAO's prior work also identified other challenges related to SSA's disability programs, and actions SSA could take, for example, to modernize disability criteria, prevent and recover overpayments, and manage fraud risks.

- **Modernizing physical infrastructure and service delivery.** Advances in technology have the potential to change how and where SSA delivers its services. For example, individuals can now apply for some disability benefits online rather than in person. However, GAO found that SSA did not have readily available data on problems customers had with online applications or why staff support was needed. Additionally, the agency had not established performance goals to determine whether new service delivery options, such as off-site kiosks, are succeeding. In addition, we found that SSA has not developed a long-term plan for its building space that, among other things, includes a strategy for downsizing offices to better reflect changes in service delivery. We recommended SSA improve building plans and do more to assess and monitor service delivery, with which SSA agreed.

- **Modernizing information technology.** SSA's legacy IT systems are increasingly difficult and expensive to maintain and GAO identified SSA's needed investment in infrastructure operations and maintenance as among the 10 largest expenditures at federal agencies in fiscal year 2015. GAO recommended SSA identify and plan to modernize or replace legacy systems, in accordance with forthcoming Office of Management and Budget guidance. SSA agreed, and reported that it is finalizing its Information Technology Modernization Plan.

Continuing focus by SSA leadership is critical to addressing these broad and long-term challenges and effectively delivering benefits and services to the many Americans who depend on SSA programs.

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