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APPROPRIATION LANGUAGE

SUPPLEMENTAL SECURITY INCOME PROGRAM

For carrying out titles XI and XVI of the Social Security Act, section 401 of Public Law 92-603, section 212 of Public Law 93-66, as amended, and section 405 of Public Law 95-216, including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, [\$40,158,768,000] \$46,210,256,000¹ to remain available until expended: Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury: Provided further, That not more than \$86,000,000 shall be available for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act and remain available through September 30, [2023] 2024.

For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.

For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year [2022] 2023, [\$19,600,000,000] \$15,600,000,000, to remain available until expended. (*Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 2021.*)

¹ Includes \$18 million of SSI program effects related to the Afghan Special Immigrant Visa (SIV) and Liberian Deferred Enforced Departure (DED) programs.

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LANGUAGE ANALYSIS

The appropriation language provides us with the funds needed to carry out our responsibilities under the Supplemental Security Income (SSI) program. This includes the funds needed to pay Federal benefits, administer the program, and provide beneficiary services to recipients. The budget authority for these activities is made available until expended, providing us the authority to carryover unobligated balances for use in future fiscal years. Furthermore, a portion of this funding is made available for us to conduct research and demonstration projects, which is available for 3 years, providing us the authority to carryover unobligated balances into the next 2 fiscal years.

In addition, the language provides us with indefinite authority beginning June 15, in the event Federal benefit payment obligations in FY 2022 are higher than expected, and we do not have sufficient unobligated balances to cover the difference. Consistent with previous years, the appropriation also includes an advance appropriation for Federal benefit payments in the first quarter of FY 2023 to ensure the timely payment of benefits in case of a delay in the FY 2023 appropriations bill.

Table 2.1—Appropriation Language Analysis

Language provision	Explanation
“For carrying out titles XI and XVI of the Social Security Act... including payment to the Social Security trust funds for administrative expenses incurred pursuant to section 201(g)(1) of the Social Security Act, \$46,210,256,000, to remain available until expended.”	Appropriates funds for Federal benefit payments, administrative expenses, beneficiary services, and research and demonstration projects under the SSI program. We may carryover unobligated balances for use in future fiscal years.
"Provided, That any portion of the funds provided to a State in the current fiscal year and not obligated by the State during that year shall be returned to the Treasury."	Ensures that States do not carry unobligated balances of Federal funds into the subsequent fiscal year. Applies primarily to the beneficiary services activity.
<i>Provided further</i> , That not more than \$86,000,000 shall be available for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act and remain available through September 30, 2024.	Specifies that not more than \$86 million of the SSI appropriation is available for research and demonstration projects. We may carryover unobligated balances through September 30, 2024, at which point, funds are expired.
"For making, after June 15 of the current fiscal year, benefit payments to individuals under title XVI of the Social Security Act, for unanticipated costs incurred for the current fiscal year, such sums as may be necessary.”	Provides an indefinite appropriation to finance any shortfall in the definite appropriation for benefit payments during the last months of the fiscal year.
"For making benefit payments under title XVI of the Social Security Act for the first quarter of fiscal year 2023, \$15,600,000,000, to remain available until expended."	Appropriates funds for benefit payments in the first quarter of the subsequent fiscal year. Ensures that recipients will continue to receive benefits during the first quarter of FY 2023 in the event of a temporary funding delay.

GENERAL STATEMENT

The SSI program guarantees a minimum level of income to financially needy individuals who are aged, blind, or disabled. The program was created in 1972 by Title XVI of the Social Security Act and payments began January 1974. It is Federally-administered and funded from general revenues.

Prior to the establishment of the SSI program, the Social Security Act provided means-tested assistance through three separate programs—Old-Age Assistance, Aid to the Blind, and Aid to the Permanently and Totally Disabled. Federal law only established broad guidelines, with each state largely responsible for setting its own eligibility and payment standards. The SSI program was established to provide uniform standards across States.

**Table 2.2—Summary of Appropriations and Obligations¹
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate²	Change
Appropriation	\$61,414,889	\$60,058,768	\$65,810,256	+ \$5,751,488
Obligations	\$60,766,122	\$60,768,529	\$67,819,582	+ \$7,051,053
First Quarter Advance Appropriation for Subsequent Fiscal Year	\$19,900,000	\$19,600,000	\$15,600,000	- \$4,000,000

PROGRAM OVERVIEW

Eligibility Standards

As a means-tested program, individuals must have income and resources below specified levels to be eligible for benefits. Program rules allow some specific categories of income and resources to be either totally or partially excluded.³ The process of evaluating eligibility and payment levels for the SSI program and addressing the accuracy of payments is inherently complex due to the program rules.

An individual’s benefit payment is reduced dollar for dollar by the amount of their “countable income”—income less all applicable exclusions—in a given month. Income in the SSI program includes “earned income” such as wages and net earnings from self-employment; and “unearned income” such as Social Security benefits, unemployment compensation, deemed income from a

¹ Does not include state supplementary payments and reimbursements or the corresponding state supplement user fee collections; user fees are included in the Limitation on Administrative Expenses (LAE) appropriation.

² The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

³ The ABLE Act of 2014 created a new type of tax-advantaged account that has a limited effect on an individual’s eligibility for the SSI program and other Federal means-tested programs.

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spouse or parent, and the value of in-kind support and maintenance such as food and shelter. Different exclusion rules apply for different types of income.

Benefit Payments

We estimate we will pay \$62.7 billion in Federal benefits to approximately 8 million SSI recipients in FY 2022. Including state supplementary payments, we expect to pay a total of \$65.4 billion and administer payments to over 8 million recipients.

Federal benefit payments represent approximately 93 percent of Federal SSI spending. Administrative expenses represent about 7 percent of spending; beneficiary services and research and demonstration projects make up the remaining less than half a percent.

Incentives for Work and Opportunities for Vocational Rehabilitation

The SSI program is designed to help recipients with disabilities achieve independence by encouraging and supporting their attempts to work. The program includes a number of work incentive provisions that enable recipients who are blind or disabled to work and retain benefits. The program also includes provisions to help disabled beneficiaries obtain vocational rehabilitation and employment support services. These provisions were revised by legislation establishing the Ticket to Work program, which is discussed in more detail in the Beneficiary Services section.

State Supplementation

Supplementation is mandatory for certain recipients who were on State rolls just prior to the creation of the Federal program on January 1, 1974. Otherwise, States are encouraged to supplement the Federal benefit and may elect to have us administer their State supplementation program. States that choose to have us administer their program reimburse us in advance and we make the payment on behalf of the State. Participating States also reimburse us for the cost of administering their program, based on a user fee schedule established by the Social Security Act. The user fee is \$12.49 per SSI check payment in FY 2021 and is expected to increase to \$12.85 in FY 2022. The Department of the Treasury receives the first \$5.00 of each fee and we retain the amount over \$5.00. Additional information regarding State supplementation can be found within the LAE section.

Coordination with Other Programs

We play an important role in helping States administer Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Provisions in the SSI statute ensure that payments made by States or under the Social Security program are not duplicated by SSI benefits.

Generally, SSI recipients are categorically eligible for Medicaid. States may either use SSI eligibility criteria for determining Medicaid eligibility or use their own, provided the criteria are no more restrictive than the State's January 1972 medical assistance standards.

SSI recipients may also qualify for SNAP. We work with SSI applicants and recipients in a variety of ways to help them file for SNAP, including informing them of their potential benefits, making applications available to them, and in some cases helping them complete their

applications in our field offices. We also share applicant data with a number of States in support of SNAP.

Key Initiatives

We continue to pursue efforts to ensure the proper management and stewardship of the SSI program. This includes a focus on reducing the major factors affecting payment accuracy, processing CDRs and non-disability redeterminations, combatting fraud, improving our debt collection tools, and using our data matching systems to detect changes in circumstances that could affect SSI eligibility. Further information on these programs can be found in our Improper Payments exhibit and the Program Integrity exhibit of the LAE section. Additional detail is also included in our Annual Performance Report (APR) and Agency Financial Report (AFR)¹.

Outreach to Vulnerable Populations

During the pandemic, we experienced a reduction in applications for benefits, particularly SSI and disability benefits, and we are concerned that there may be hundreds of thousands of vulnerable Americans who needed our help but were unable to reach us due to pandemic operating procedures. We have developed several initiatives to expand access to the program, including streamlining the SSI application, enlisting the assistance of third parties, promoting our programs through paid social media, television, and radio advertising, and sending out targeted mailers to groups most likely to be eligible for SSI. Further information on our efforts to reach vulnerable populations can be found in our SSI Outreach to Vulnerable Populations exhibit in the LAE section of this Congressional Justification.

¹ Both the APR and AFR can be viewed online at <https://www.ssa.gov/agency/budget-and-performance.html>

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FY 2022 PRESIDENT'S BUDGET REQUEST

The SSI appropriation includes funds for Federal benefit payments, administrative expenses, beneficiary services, and research and demonstration projects. In total, the FY 2022 President's Budget request is \$65,810,256,000. However, this includes \$19,600,000,000 appropriated for the first quarter of FY 2022 in the FY 2021 appropriation. The appropriation language provides us with our remaining appropriation for FY 2022, \$46,210,256,000—the total amount requested for FY 2022 less the advance already appropriated.

Similarly, in addition to the amount above, the request includes an advance appropriation of \$15,600,000,000 for Federal benefit payments in the first quarter of FY 2023. This advance is to ensure recipients continue to receive their benefits at the beginning of the subsequent fiscal year in case there is a delay in passing that year's appropriation.

Table 2.3—Appropriation Detail ^{1,2}
(in thousands)

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate³	Change
Advance for Federal Benefits ⁴	\$19,700,000	\$19,900,000	\$19,600,000	
Regular for Federal Benefits	\$37,282,000	\$35,733,919	\$41,091,142	
Subtotal Federal Benefits	\$56,982,000	\$55,633,919	\$60,691,142	+ \$5,057,223
Base Administrative Expenses	\$3,063,766	\$3,004,410	\$3,601,459	+ \$597,049
Program Integrity (Base)	\$221,420	\$225,207	\$197,677	- \$27,530
Program Integrity (Adjustment)	\$1,001,703	\$1,064,232	\$1,028,978	- \$35,254
Subtotal Administrative Expenses	\$4,286,889	\$4,293,849	\$4,828,114	+ \$534,265
Beneficiary Services	\$45,000	\$45,000	\$205,000	+ \$160,000
Research and Demonstration	\$101,000	\$86,000	\$86,000	+ \$0
Subtotal Advanced Appropriation	\$19,700,000	\$19,900,000	\$19,600,000	
Subtotal Regular Appropriation	\$41,714,889	\$40,158,768	\$46,210,256	
Total Appropriation	\$61,414,889	\$60,058,768	\$65,810,256	+ \$5,751,488
Advance for Subsequent Year	\$19,900,000	\$19,600,000	\$15,600,000	- \$4,000,000

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplementary user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

⁴ Amount provided or requested in the previous year's appropriation bill.

BUDGETARY RESOURCES

The SSI annual appropriation consists of a regular appropriation made available by the current year's appropriation bill and an advance made available by the prior year's appropriation. This advance is for Federal benefit payments in the first quarter of the subsequent fiscal year to ensure recipients continue to receive their benefits in case there is a delay in passing that year's appropriation bill. The FY 2022 President's Budget is \$65,810,256,000, including \$19,600,000,000 appropriated in the FY 2021 appropriation.

Table 2.4—Amounts Available for Obligation^{1,2}

	(in thousands)		
	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate ³
Regular Appropriation	\$41,714,889	\$40,158,768	\$46,210,256
Advanced Appropriation	\$19,700,000	\$19,900,000	\$19,600,000
Total Annual Appropriation	\$61,414,889	\$60,058,768	\$65,810,256
Federal Unobligated Balance	\$4,166,076	\$4,823,933	\$4,114,172
Recovery of Prior-Year Obligations	\$9,090	\$0	\$0
Subtotal Federal Resources	\$65,590,055	\$64,882,701	\$69,924,428
State Supp. Reimbursements	\$2,534,160	\$2,566,000	\$2,797,000
State Supp. Unobligated Balance	\$214,203	\$212,699	\$213,699
Total Budgetary Resources	\$68,338,418	\$67,661,400	\$72,935,127
Federal Obligations	\$60,766,122	\$60,768,529	\$67,819,582
State Supp. Obligations	\$2,535,664	\$2,565,000	\$2,760,000
Total Obligations	\$63,301,786	\$63,333,529	\$70,579,582
Federal Unobligated Balance	\$4,823,933	\$4,114,172	\$2,104,846
State Supp. Unobligated Balance	\$212,699	\$213,699	\$250,699
Total Unobligated Balance	\$5,036,632	\$4,327,871	\$2,355,545

The SSI annual appropriation was \$61.4 billion in FY 2020. The enacted FY 2021 appropriation is \$60.1 billion. We have the authority to carry over unobligated balances for use in future fiscal years for Federal benefit payments, administrative expenses, and beneficiary services because

¹ Does not include State supplementary user fees; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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the amounts appropriated are made available until expended. We carried over approximately \$4.8 billion in Federal unobligated balances into FY 2021. We expect to carry over approximately \$4.1 billion into FY 2022, and use about \$2 billion in carryover funds.

In addition to these appropriated amounts, we have spending authority in the amount of the advance reimbursement we receive from States to pay their State supplementary benefits. Because States reimburse us in advance, we carry over the amount received for the October 1 payment, reimbursed at the end of September in the prior fiscal year, for use in the subsequent fiscal year.

ANALYSIS OF CHANGES

The FY 2022 request represents an increase of approximately \$5.8 billion from the FY 2021 level. The majority of the increase in our funding request is mainly due to a thirteenth monthly SSI benefit payment in FY 2022.

We plan to use unobligated balances to partially fund Federal benefits, beneficiary services, research and demonstration projects, and administrative expenses in FY 2021 and FY 2022. We plan to use approximately \$710 million in unobligated balances and recoveries in FY 2021 and approximately \$2 billion in FY 2022.

Federal Benefit Payments

The FY 2022 request for Federal Benefit payments is \$5.1 billion more than the FY 2021 level. We increased the FY 2022 request for Federal benefit payments mainly due to an extra federal benefit payment in FY 2022. The increase in Federal benefit payments is bolstered by the the January COLA and partially offset by an increase in carryover spending and the impact of Old-Age, Survivors, and Disability Insurance (OASDI) COLAs on concurrent SSI/OASDI recipients. Since OASDI benefits are counted as income in the SSI program, the annual OASDI COLA decreases the SSI benefit payment for concurrent recipients.

We estimate the first quarter advance for FY 2023 will be \$4 billion less than that of FY 2022. Monthly SSI benefit payments are made on the first of the month, unless the first falls on a weekend or Federal holiday. In that case, the payment is made on the prior business day at the end of the previous month. When October 1 falls on a weekend or Federal holiday, the payment is made in the prior fiscal year at the end of September. This timing of payments results in 11, 12, or 13 payments in a given fiscal year, and three or four in a given quarter. The first quarter in FY 2023 will only have three benefit payments, instead of the usual four payments because October 1, 2022, falls on a Saturday.

Administrative Expenses

The FY 2022 request for administrative expenses is \$534 million more than the FY 2021 level. We expect to use \$110 million in carryover funds in FY 2021 and \$53 million in carryover funds in FY 2022 to cover estimated obligations. By analyzing a number of factors including applications, award and termination rates, and funding for program integrity initiatives, we estimate the number of SSI recipients will increase in FY 2022 from the FY 2021 level. The increase in funding for FY 2022 will help us address these growths.

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Beneficiary Services

We are requesting \$205 million in new authority for FY 2022. This is \$160 million more than our FY 2021 appropriation. Our estimate reflects the use of all carryover in FY 2021, a steady level of vocational rehabilitation reimbursement awards, and Ticket payments to Employment Networks under the Ticket to Work program. The FY 2022 request funds an estimated 40 percent increase in obligations above the FY 2021 level.

Research and Demonstrations

The FY 2022 request for research and demonstration projects is identical to the FY 2021 level. We expect to use \$41 million in carryover funds in FY 2021 and \$10 million in carryover funds in FY 2022 in addition to our requested appropriation to cover our estimated obligations.

Table 2.5—Summary of Changes^{1,2}

	(in thousands)		
	FY 2021 Enacted	FY 2022 Estimate ³	<i>Change</i>
Appropriation	\$60,058,768	\$65,810,256	+ \$5,751,488
Obligations Funded from Prior-Year Unobligated Balances and Recoveries net of estimated carryover from appropriation	+ \$709,761	+ \$2,009,326	+ \$1,299,565
Estimated Federal Obligations	\$60,768,529	\$67,819,582	+ \$7,051,053

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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Table 2.6—Explanation of SSI Budget Changes from FY 2021 to FY 2022
(in thousands)

	FY 2021 Obligations	<i>Change</i>
Federal Benefit Payments	\$55,633,919	
• COLA – 2.3% beginning January 2022		+\$1,530,000
• Net change due to annualized closings and awards		+\$1,160,000
• Effect of OASDI COLA for concurrent SSI/OASDI Recipients		-\$379,000
• October FY 2023 payment obligated during FY 2022		+\$4,228,000
• Increase in base funding for the effects related to the Afghan SIV and Liberian DED programs		+\$18,000
Federal Benefit Payments – Carryover	\$485,081	
Administrative Expenses	\$4,293,849	
• Increase in base funding		+\$534,265
Administrative Expenses – Carryover	\$120,966	
• Decrease in amount of carryover funding planned for obligation in FY 2021		-\$57,466
• Transfer to Beneficiary Services from carryover	-\$11,000	
Beneficiary Services	\$45,000	
• Increase in base funding		+\$160,000
Beneficiary Services – Carryover	\$74,000	
• Decrease in amount of carryover funding planned for obligation in FY 2022		-\$112,000
Research and Demonstration	\$86,000	
Research and Demonstration – Carryover	\$40,714	
• Decrease in amount of carryover funding planned for obligation in FY 2022		-\$30,746
Total Obligations Requested, Net Change	\$60,768,529	+\$7,051,053

NEW BUDGET AUTHORITY AND OBLIGATIONS BY ACTIVITY

The table below displays budget authority and obligations for the five main SSI activities – Federal benefit payments, administrative expenses, program integrity, beneficiary services, and research and demonstration.

Table 2.7—New Budget Authority and Obligations by Activity^{1,2}
(in thousands)

	FY 2020 Actual	FY 2021 Enacted³	FY 2022 Estimate^{4,5}
<u>Federal Benefit Payments</u>			
Appropriation	\$56,982,000	\$55,633,919	\$60,691,142
Obligations	\$56,161,568	\$56,119,000	\$62,676,000
Monthly Check Payments	12	12	13
<u>Base Administrative Expenses</u>			
Appropriation	\$3,063,766	\$3,004,410	\$3,601,459
Obligations	\$3,192,682	\$3,114,376	\$3,653,959
<u>Program Integrity (Base)</u>			
Appropriation	\$221,420	\$225,207	\$197,677
Obligations	\$221,420	\$225,207	\$197,677
<u>Program Integrity (Allocation Adjustment)</u>			
Appropriation	\$1,001,703	\$1,064,232	\$1,028,978
Obligations	\$1,001,703	\$1,064,232	\$1,028,978
<u>Beneficiary Services</u>			
Appropriation	\$45,000	\$45,000	\$205,000
Obligations	\$121,182	\$119,000	\$167,000
<u>Research and Demonstration</u>			
Appropriation	\$101,000	\$86,000	\$86,000
Obligations	\$67,567	\$126,714	\$95,968
Total Appropriation	\$61,414,889	\$60,058,768	\$65,810,256
Total Federal Obligations	\$60,766,122	\$60,768,529	\$67,819,582

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ We expect to use carryover of prior year unobligated balances and recoveries for FY 2021 obligations as follows: Federal benefits, \$485 million; beneficiary services, \$74 million; administrative expenses, \$110 million; and research and demonstration, \$41 million.

⁴ In addition to the FY 2022 President’s Budget request, we expect to use carryover of prior year unobligated balances and recoveries for FY 2022 obligations as follows: Federal benefits, \$1.985 billion; administrative expenses, \$53 million; and research and demonstration, \$10 million.

⁵ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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NEW BUDGET AUTHORITY AND OBLIGATIONS BY OBJECT

In the table below, “Other Services” includes administrative expenses, program integrity, and beneficiary services.

Table 2.8—New Budget Authority and Obligations by Object ^{1,2}
(in thousands)

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate
<u>Other Services³</u>			
Appropriation	\$4,331,889	\$4,338,849	\$5,033,114
Obligations	\$4,536,987	\$4,522,815	\$5,047,614
<u>Federal Benefits and Research</u>			
Appropriation	\$57,083,000	\$55,719,919	\$60,777,142
Obligations	\$56,229,135	\$56,245,714	\$62,771,962
Total Appropriation	\$61,414,889	\$60,058,768	\$65,810,256
Total Obligations	\$60,766,122	\$60,768,529	\$67,819,582

¹ Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

² Totals may not add due to rounding.

³ The administrative portion of these services includes the SSI’s prorated share of unobligated LAE money that has been converted into no-year IT funds. It is not part of the annual administrative appropriation.

BACKGROUND

AUTHORIZING LEGISLATION

The SSI program is authorized by Title XVI of the Social Security Act. Section 1601 of the Act authorizes such sums as are sufficient to carry out the Title.

Table 2.9—Authorizing Legislation

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate¹	FY Amount Authorized
Title XVI of the Social Security Act, Section 401 of P.L. 92-603 and Section 212 of P.L. 93-66, as amended, and Section 405 of P.L. 92-216 ²	\$61,414,889,000	\$60,058,768,000	\$65,810,256,000	<i>Indefinite</i>
First Quarter Advance Appropriation for Subsequent Fiscal Year	\$19,900,000,000	\$19,600,000,000	\$15,600,000,000	---

¹ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

² Does not include State supplementary payments and reimbursements or the corresponding State supplement user fee collections; user fees are included in the LAE appropriation.

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APPROPRIATION HISTORY

The table below displays the President's Budget request, amounts passed by the House and Senate, and the actual amount appropriated, for the period FY 2010 to FY 2021. Indefinite budget authority is requested when actual Federal benefit payments exceed the amounts available for Federal benefit payments in a given fiscal year.

Table 2.10—Appropriation History¹

Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
Q1 Advance	\$16,000,000,000	\$16,000,000,000	\$16,000,000,000	\$16,000,000,000
Current Year	\$40,513,000,000	--- ²	\$40,513,000,000 ³	\$39,983,273,000 ⁴
2011 Total	\$56,513,000,000	---	\$56,513,000,000	\$55,983,273,000
Q1 Advance	\$13,400,000,000	---	\$13,400,000,000	\$13,400,000,000
Current Year	\$38,083,000,000 ⁵	--- ⁶	\$37,922,543,000 ⁷	\$37,582,991,000 ⁸
2012 Total	\$51,483,000,000 ⁹	---	\$51,322,543,000	\$50,982,991,000
2012 Indefinite	No Data	No Data	No Data	\$560,000,000
Q1 Advance	\$18,200,000,000	---	\$18,200,000,000	\$18,200,000,000
Current Year	\$40,043,000,000 ¹⁰	--- ¹¹	\$40,043,000,000 ¹²	
2013 Total	\$58,243,000,000 ¹⁴		\$58,243,000,000	\$50,982,991,000
2013 Rescission				\$32,779,347,000
2013 Sequester ¹⁵				
Q1 Advance	\$19,300,000,000		\$19,300,000,000	\$19,300,000,000
Current Year	\$40,737,000,000 ¹⁶		\$40,568,741,000 ¹⁷	\$41,249,064,000 ¹⁸
2014 Total	\$60,037,000,000 ¹⁹		\$59,868,741,000	\$60,549,064,000
Q1 Advance	\$19,700,000,000		\$19,700,000,000	\$19,700,000,000
Current Year	\$40,927,000,000			\$41,232,978,000 ²⁰
2015 Total	\$60,627,000,000	No Data	No Data	\$60,932,978,000 ²¹
Q1 Advance	\$19,200,000,000			\$19,200,000,000
Current Year	\$46,422,000,000	\$46,232,978,000 ²²	\$46,110,777,000 ²³	\$46,305,733,000 ²⁴
2016 Total	\$65,622,000,000	\$65,432,978,000	\$65,310,777,000	\$65,505,733,000 ²⁵
Q1 Advance	\$14,500,000,000			\$14,500,000,000
Current Year	\$43,824,868,000	\$43,162,469,000 ²⁶	\$43,618,163,000 ²⁷	\$43,618,163,000 ²⁸
2017 Total	\$58,324,868,000	\$57,662,469,000	\$58,118,163,000	\$58,118,163,000 ²⁹
Q1 Advance	\$15,000,000,000			\$15,000,000,000
Current Year	\$38,557,000,000	\$38,591,635,000 ³⁰	\$38,450,927,000 ³¹	\$38,487,277,000 ³²
2018 Total	\$53,557,000,000	\$53,591,635,000	\$53,450,927,000	\$53,487,227,000 ³³

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Fiscal Year	Budget Estimate to Congress	House Committee Passed	Senate Committee Passed	Enacted Appropriation
Q1 Advance	\$19,500,000,000			\$19,500,000,000
Current Year	\$41,208,000,000	\$41,251,000,000 ³⁴	\$41,390,721,000 ³⁵	\$41,366,203,000 ³⁶
2019 Total	\$60,708,000,000	\$60,751,000,000	\$60,890,721,000	\$60,866,203,000³⁷
Q1 Advance	\$19,700,000,000			\$19,700,000,000
Current Year	\$41,832,000,000	\$41,938,540,000 ³⁸	-- ³⁹	\$41,714,889,000 ⁴⁰
2020 Total	\$61,532,000,000	\$61,638,540,000		\$61,414,889,000⁴¹
Q1 Advance	\$19,900,000,000			\$19,900,000,000
Current Year	\$40,308,177,000	\$40,172,492,000 ⁴²	\$40,136,324,000 ⁴³	\$40,158,768,000 ⁴⁴
2021 Total	\$60,208,177,000	\$60,072,492,000	\$60,036,324,000	\$60,058,768,000⁴⁵
Q1 Advance	\$19,600,000,000			
Current Year	\$46,210,256,000 ⁴⁶			
2022 Total	\$65,810,256,000			
Q1 Advance	\$15,600,000,000			
Current Year				
2023 Total				

¹ Does not include State supplementary payments and reimbursements or the corresponding State user fee collections; user fees are included in the LAE appropriation.

² The House Committee on Appropriations did not report a bill.

³ S. 3686.

⁴ The Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10). Of this amount, \$3,493,273,000 was available for administrative expenses. The amount does not include a rescission of \$6,987,000 for SSI administrative expenses and \$72,000 for research and demonstration projects in accordance with P.L. 112-10.

⁵ Of this amount, not to exceed \$10,000,000 was for Supplemental Security Income Program-related performance-based awards for Pay for Success projects and not more than \$10,000,000 was to provide incentive payments and to conduct a rigorous evaluation of a demonstration project designed to improve the outcomes for SSI child recipients and their families.

⁶ The House Committee on Appropriations did not report a bill. Appropriations Chairman Rehberg introduced H.R. 3070, which included \$38,062,428,000 for fiscal year 2012. Of this amount, not more than \$17,428,000 was made available for research and demonstrations under sections 1110 and 1114 of the Social Security Act and remain available until the end of fiscal year 2013. Up to \$10,000,000 of the research funds were to provide incentives payments and to conduct a rigorous evaluation of a demonstration project designed to improve the outcomes for SSI child recipients and their families. In addition, H.R. 3070 included \$18,200,000,000 for benefit payments for the first quarter of fiscal year 2013.

⁷ S. 1599.

⁸ Consolidated Appropriations Act, 2012 (P.L. 112-74). Of this amount, not more than \$8,000,000 was made available for research and demonstrations under sections 1110 and 1144 of the Social Security Act. The amount does not include a rescission of \$6,377,000 for SSI administrative expenses and \$2,000 for research and demonstration projects in accordance with P.L. 112-74.

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- ⁹ The President's Budget proposed to provide \$140 million in cap adjustment funding in FY 2012, consistent with section 251(b)(2)(B) of the Balanced Budget and Emergency Deficit Control Act of 1985, as amended. Of the \$140 million, the SSI portion totaled \$46 million.
- ¹⁰ Of this amount, not more than \$48,000,000 was for research and demonstrations under sections 1110, 1115 and 1144 of the Social Security Act.
- ¹¹ The House Committee on Appropriations did not report a bill. The Committee posted a draft bill which included \$39,335,614,000 for fiscal year 2013. Of this amount, not more than \$8,000,000 was made available for research and demonstrations under sections 1110 and 1144 of the Social Security Act and to remain available until the end of fiscal year 2014. In addition, the draft bill included \$19,300,000,000 for benefit payments for the first quarter of fiscal year 2014.
- ¹² S. 3295.
- ¹³ Consolidated and Further Continuing Appropriations Act, 2013 (P.L. 113-6).
- ¹⁴ The President's Budget proposed to provide \$266 million in mandatory administrative funding in FY 2013. Of the \$266 million, the SSI portion totals \$106 million.
- ¹⁵ SSI was exempt from sequestration in FY 2013.
- ¹⁶ Of this amount, not more than \$54,000,000 is for research and demonstrations under sections 1110, 1115 and 1144 of the Social Security Act.
- ¹⁷ S. 1284.
- ¹⁸ Consolidated Appropriations Act, 2014 (P.L. 113-76).
- ¹⁹ The President's Budget proposed to provide \$1.2 billion in mandatory administrative funding in FY 2014. Of the \$1.2 billion, the SSI portion totals \$587 million.
- ²⁰ Consolidated and Further Continuing Appropriations Act, 2015 (P.L. 113-235).
- ²¹ Of this amount, not more than \$48,000,000 is for research and demonstrations and not more than \$35,000,000 is for early intervention demonstrations under sections 1110, 1115 and 1144 of the Social Security Act.
- ²² H.R. 3020.
- ²³ S. 1695
- ²⁴ Consolidated Appropriations Act, 2016 (P.L. 114-113).
- ²⁵ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110,1115, and 1144 of the Social Security Act.
- ²⁶ H.R. 5926.
- ²⁷ S. 3040.
- ²⁸ Consolidated Appropriations Act, 2017 (P.L. 115-31).
- ²⁹ Of this amount, not more than \$58,000,000 is for research and demonstrations under sections 1110,1115, and 1144 of the Social Security Act.
- ³⁰ H.R. 3358.
- ³¹ S. 1771.
- ³² Consolidated Appropriations Act, 2018 (P.L. 115-141).
- ³³ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110,1115, and 1144 of the Social Security Act.
- ³⁴ H.R. 6470.
- ³⁵ S. 3158.
- ³⁶ Department of Defense and Labor, Health and Human Services, and Education Appropriations Act, 2019 and Continuing Appropriations Act, 2019 (P.L. 115-245).
- ³⁷ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110,1115, and 1144 of the Social Security Act.
- ³⁸ H.R. 2740.
- ³⁹ The Senate Committee on Appropriations did not report a bill. The Committee posted a draft bill which mirrored the FY 2020 President's Budget request for \$41,832,000,000.
- ⁴⁰ Further Consolidated Appropriations Act, 2020 (P.L. 116-94)
- ⁴¹ Of this amount, not more than \$101,000,000 is for research and demonstrations under sections 1110,1115, and 1144 of the Social Security Act.

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⁴² H.R. 7614.

⁴³ The Senate Committee on Appropriations did not report a bill but provided a draft showing \$40,136,324,000.

⁴⁴ Consolidated Appropriations Act, 2021 (P.L. 116-260)

⁴⁵ Of this amount, not more than \$86,000,000 is for research and demonstrations under sections 1110, 1115, and 1144 of the Social Security Act.

⁴⁶ The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

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FEDERAL BENEFIT PAYMENTS

Authorizing Legislation: Section 1602, 1611, and 1617 of the Social Security Act.

PURPOSE AND METHOD OF OPERATION

The SSI program was established to pay needy aged, blind and disabled individuals a minimum level of income through Federally-administered monthly cash payments. In many cases, these payments supplement income from other sources, including Social Security benefits and State programs. In FY 2022, we estimate benefit payments will total approximately \$62.7 billion for approximately 8 million Federal SSI recipients.

Table 2.11—Federal Benefit Payments: New Budget Authority and Obligations¹
(in thousands)

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate²	Change
Appropriation	\$56,982,000	\$55,633,919	\$60,691,142	+ \$5,057,223
Obligations Funded from Prior-Year Unobligated Balance and Recoveries	\$0	\$485,081	\$1,984,858	+ \$1,499,777
Obligations	\$56,161,568	\$ 56,119,000	\$62,676,000	+ \$6,557,000
Advance for subsequent fiscal year	\$19,900,000	\$19,600,000	\$15,600,000	- \$4,000,000

RATIONALE FOR BUDGET REQUEST

We are requesting \$61 billion in new budget authority for Federal benefit payments in FY 2022. We increased the FY 2022 request for Federal benefit payments mainly due to an additional benefit payment in FY 2022.

We estimate benefit payments based on a number of interrelated factors including the number of SSI recipients, number of applications, award and termination rates, cost-of-living adjustments, maximum benefit rates, average payment amounts, and number of payments per fiscal year.

¹ Federal benefit numbers reflect the most recent estimates from our Office of the Chief Actuary.

² The FY 2022 Federal Benefit Payment total includes \$18 million of SSI program effects related to the Afghan SIV and Liberian DED programs.

SSI RECIPIENT POPULATION

The number of Federal SSI recipients has decreased from 8.1 million in FY 2017 to an estimated 7.8 million in FY 2021, but is expected to increase to 7.9 million in FY 2022. The estimated increase in Federal recipients in FY 2022 represents a 1.3 percent increase over the FY 2021 level. We estimate the number of SSI recipients by analyzing a number of factors including applications, award and termination rates, and funding for program integrity initiatives.

Table 2.12—SSI Recipients, Actual ¹
(average over fiscal year, in thousands)

	FY 2017	FY 2018	FY 2019	FY 2020
Aged	1,114	1,119	1,114	1,109
Blind or Disabled	6,986	6,924	6,842	6,802
Total Federal	8,100	8,043	7,957	7,911
<i>Year-to-Year Change</i>	<i>- 0.7%</i>	<i>- 0.7%</i>	<i>- 1.1%</i>	<i>- 0.6%</i>
State Supplement Only	162	158	151	146
Total Federally Administered	8,262	8,202	8,108	8,057

In addition to Federal SSI recipients, we currently administer State supplementary payments for 20 States and the District of Columbia. We administer payments for approximately 1.4 million State supplement recipients, of which approximately 150,000 do not receive a Federal SSI benefit and only receive the State supplementary payment.

Table 2.13—SSI Recipients, Projected ¹
(average over fiscal year, in thousands)

	FY 2021 Estimate	FY 2022 Estimate	Change
Aged	1,084	1,100	+ 1.5%
Blind or Disabled	6,704	6,791	+ 1.3%
Total Federal	7,789	7,891	+ 1.3%
State Supplement only	143	148	+ 3.5%
Total Federally Administered	7,931	8,038	+ 1.3%

¹ Totals may not add due to rounding.

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SSI Disabled vs. Aged Recipient Population

The number of Federal blind or disabled SSI recipients as a percentage of all Federal SSI recipients gradually decreased from 86.2 percent in FY 2017 to 86.0 percent in FY 2020 and is projected to increase slightly to 86.1 percent in FY 2021 and remain stable in FY 2022.

Table 2.14—Blind or Disabled Recipients as a Percentage of Total ¹
(average over fiscal year, in thousands)

Fiscal Year	Total Federal	Aged	Blind or Disabled	Blind or Disabled as % of Total
2017	8,100	1,114	6,986	86.2%
2018	8,043	1,119	6,924	86.1%
2019	7,957	1,114	6,842	86.0%
2020	7,911	1,109	6,802	86.0%
2021 Estimate	7,789	1,084	6,704	86.1%
2022 Estimate	7,891	1,100	6,791	86.1%

Concurrent SSI/OASDI Recipients

SSI recipients also receiving Old-Age and Survivors Insurance (OASI) or DI benefits have their SSI benefit reduced, less applicable exclusions, by the amount of their OASDI benefit. Approximately 33 percent of all SSI recipients (including those only receiving a State supplement) also receive Social Security benefits. Approximately 57 percent of the SSI aged and 30 percent of the SSI blind and disabled populations receive concurrent payments.

¹ Totals may not add due to rounding.

BENEFIT PAYMENTS

Maximum Monthly Federal Payments

The maximum monthly Federal benefit rate (FBR) is increased each January when there are increases in the cost-of-living. There is a 1.3 percent cost of living increase in calendar year (CY) 2021. An increase of 2.3 percent is projected for January 2022. The FBR increased from \$783 for an individual and \$1,175 for a couple for CY 2020 to \$794 for an individual and \$1,191 for a couple in CY 2021. We estimate the FBR will increase to \$812 for an individual and \$1,218 for a couple in CY 2022. The COLA will be effective in January 2022, raising the maximum benefit rate to higher levels than the first 3 months of the fiscal year.

Table 2.15—Maximum Benefit Rates

	FY 2021		FY 2022	
	First 3 Months	Last 9 Months	First 3 Months	Last 9 Months
Individual	\$783	\$794	\$794	\$812
Couple	\$1,175	\$1,191	\$1,191	\$1,218

Average Monthly Benefit Payments

The amount actually paid to a recipient can vary from the FBR based on their income received (e.g., earnings and Social Security benefits) and the living arrangement of the recipient (e.g., residence in one’s own home, the household of another person, or in a nursing home which meets Medicaid standards). The average monthly benefit is expected to increase from \$586 in FY 2020 to \$593 in FY 2021 and \$609 in FY 2022. The increase in the average benefit payment is driven by COLAs and recipient population characteristics.

Table 2.16—Average Monthly Benefit Payments

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Aged	\$421	\$432	\$445
Blind or Disabled	\$612	\$619	\$636
All SSI Recipients	\$586	\$593	\$609

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Cost of Living Adjustments

When applicable, COLAs increase both the maximum and average monthly benefit payment. However, for concurrent SSI/OASDI recipients, increases in SSI benefit payments are partially offset by increases in Social Security benefits resulting from the same COLA. Social Security benefits are counted as income in the SSI program. Therefore, any increase in Social Security benefits resulting from the annual COLA increases countable income in the SSI benefit computation.

Program Integrity Funding

Annual benefit payment estimates are dependent on us performing a certain level of SSI CDRs and redeterminations. Specifically, the FY 2022 estimate assumes we will conduct approximately 307,000 SSI CDRs and 2,900,000 non-medical redeterminations.

Timing of Monthly Benefit Payments

Monthly SSI benefit payments are made on the first of the month, unless the first falls on a weekend or Federal holiday. In that case, the payment is made on the prior business day at the end of the previous month. When October 1 falls on a weekend or Federal holiday, the payment is made in the prior fiscal year at the end of September. This timing of payments results in 11, 12, or 13 payments in a given fiscal year.

Table 2.17—Check Payments by Fiscal Year

	Number of Check Payments	Federal Benefit Obligations
FY 2013	12	\$52,782,740,412
FY 2014	12	\$53,849,499,196
FY 2015	12	\$54,706,388,183
FY 2016	13	\$59,044,228,391
FY 2017	12	\$54,729,471,841
FY 2018	11	\$50,949,421,097
FY 2019	12	\$55,590,534,196
FY 2020	12	\$56,161,567,718
FY 2021	12	\$56,119,000,000
FY 2022	13	\$62,658,000,000

ADMINISTRATIVE EXPENSES

Authorizing Legislation: Sections 201(g)(1) of the Social Security Act.

PURPOSE AND METHOD OF OPERATION

Administrative expenses for the SSI program are funded from general revenues. Section 201(g)(1) of the Social Security Act provides that administrative expenses for the SSI program, including Federal administration of State supplementary payments, may be financed from the Social Security trust funds with reimbursement, including any interest lost, to the trust funds from general revenues.

This appropriation funds the SSI program share of administrative expenses incurred through the LAE account. Amounts appropriated are available for current-year SSI administrative expenses, as well as for prior-year administrative expenses that exceeded the amount available through this account for the prior year. If those excess prior year amounts were paid out of the Social Security trust funds, then current year SSI funds must be used to reimburse these trust funds with interest.

The legislative history of the 1972 amendments (which established this funding mechanism) indicates a desire to obtain economy of administration by giving us the responsibility for the SSI program because of its existing field office network and its administrative and automated data processing facilities. Because of the integration of the administration of the SSI and Social Security programs, it was desirable to fund them from a single source (the LAE account). This process requires that the trust funds and the SSI account pay their appropriate shares to the LAE account, which in turn manages the administrative expenses on behalf of the paying accounts. The determination is based on a Government Accountability Office approved method of cost analysis of the respective expenses of the SSI and Social Security insurance programs, and statute mandates a final settlement by the end of the subsequent fiscal year.

**Table 2.18—Administrative Expenses: New Budget Authority and Obligations
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	<i>Change</i>
Total Appropriation	\$4,286,889	\$4,293,849	\$4,828,114	+ \$534,265
Obligations Funded from Prior-Year Unobligated Balance	+ \$128,916	+ \$109,966	+ \$52,500	- \$57,466
Obligations	\$4,415,805	\$4,403,815	\$4,880,614	+ \$476,799

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RATIONALE FOR BUDGET REQUEST

SSI's administrative budget is driven by the programs we administer—both in terms of the amount of work performed and the number of people needed to process it—and by our continuing efforts to improve service, stewardship, and efficiency.

The FY 2022 request for SSI administrative expenses is \$4.8 billion. This appropriation is used to reimburse the trust funds for the SSI program's share of administrative expenses. This amount includes \$1.2 billion specifically for FY 2022 SSI program integrity activities.

These amounts exclude funding made available in the LAE account from State user fees for our expenses for administering SSI state supplementary payments. The LAE account assumes funding of up to \$138 million in FY 2022 to administer SSI state supplementary payments.

BENEFICIARY SERVICES

Authorizing Legislation: Sections 1148 and 1615(d) of the Social Security Act

PURPOSE AND METHOD OF OPERATION

Beneficiary services consist of the Vocational Rehabilitation (VR) and Ticket to Work (TTW) programs. The objective of the programs is to help disabled individuals return to work. The trust funds and general revenues fund beneficiary services. The Office of Management and Budget (OMB) directly apportions the trust funds' portions of beneficiary services and they are not part of this appropriation request. The general revenues fund beneficiary services for disabled Supplemental Security Income (SSI) recipients as described below.

**Table 2.19—Beneficiary Services: New Budget Authority and Obligations
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	<i>FY 2021 to FY 2022 Change</i>
Appropriation	\$45,000	\$45,000	\$205,000	+ \$160,000
Prior-Year Unobligated Balances and Recoveries	\$139,813	\$63,631	\$631	-\$63,000
Transfer of Unobligated Federal Benefit funds to Beneficiary Services ¹	\$0	\$11,000	\$0	-\$11,000
Total Budgetary Resources	\$184,813	\$119,631	\$205,631	+ \$86,000
Obligations	\$121,182	\$119,000	\$167,000	+ \$48,000

Under the VR program, we repay State VR agencies for the reasonable and necessary costs of services that successfully help disabled recipients return to work. VR agencies are successful when a disabled recipient performs substantial gainful activity (SGA) for a continuous period of 9 out of 12 months.² VR agencies can serve as Employment Networks (ENs) in the TTW program or under our VR reimbursement program.

Under the TTW program, authorized by the Ticket to Work and Work Incentives Improvement Act of 1999 (P.L. 106-170), we pay ENs for providing vocational rehabilitation, employment, and other support services to disabled SSI recipients. These recipients select an EN, which we

¹ Due to higher anticipated obligations in FY 2021, we may require a reapportionment from OMB later in FY 2021. Increased productivity in processing Ticket and VR payments is driving the increase in obligations. We expect a continued increase in VR payments as we address the backlog of VR claims. We will reassess the transfer amount as we receive more data.

² In 2021, we consider non-blind and blind disabled recipients to be performing SGA if they earn more than \$1,310 and \$2,190 per month, respectively.

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pay when EN services result in prescribed work milestones and outcomes that may reduce reliance on Federal cash benefits.

Ticket payments, unlike VR reimbursement awards, are not based on the costs of specific services provided by the EN. We pay ENs using either an outcome-milestone payment method or an outcome-only payment method.

We base Ticket payment amounts for SSI recipients on the prior year's average disability benefit payable under Title XVI. While we previously made Ticket payments only upon request, we now also initiate payments to ENs when information in our records indicates the recipient has achieved the prerequisite earnings and all other requirements qualifying the EN for a payment are met.

RATIONALE FOR BUDGET REQUEST

We are requesting \$205 million in new budget authority for beneficiary services in FY 2022. The FY 2022 forecast is based on an econometric model which uses prior payments as well as historical economic and demographic characteristics to predict future spending. Due to the uncertainty surrounding the effects of COVID-19 on the economy, we used values in the model that more closely aligned with our expectations for the payments based on FY 2020 receipts. The FY 2022 request funds an estimated 40 percent increase in obligations above the FY 2021 level. This increase in the FY 2022 budget authority for beneficiary services also accounts for an upcoming contract to process VR payments, as well as having minimal carryover into FY 2022.

Automation of payments through Ticket to Work resulted in an initial increase in the amount paid to ENs and VRs. While we saw an initial increase in the amount of Ticket to Work payments, this amount has stabilized in recent years, and we anticipate this amount to remain the same in FY 2021 and FY 2022.

In FY 2017, we implemented the Internet Ticket Operations Provider Support System (iTOPSS) that improves automation for the VR program. As a result of this new system, we witnessed an increase in the number of claims submitted by VRs, which led to an increase of backlogged claims awaiting payment processing. To address this backlog, we now require VRs to submit proof of earnings with reimbursement claims. We also follow up to obtain supplemental information from VRs after 30 days instead of 75 days. We expect to continue to carry a backlog until we can secure additional contractor resources to process the VR payment workload. The upcoming Ticket Program Manager (TPM) contract includes a new task to process VR payments. Once SSA awards the new TPM contract, and after a three-month transition period, we expect the contractor to staff the workload in order to process payments within 30 days of receipt. The contractor resources will result in an increase in the amount paid to VRs in FY 2022. Considering all the factors above, and assuming that more beneficiaries will return to work, we estimate an increase in cost reimbursement awards and the same number of milestone and outcome payments in FY 2022.

We continue our efforts to improve management and oversight of the VR and Ticket programs to ensure effectiveness. These efforts are solidified in the current EN agreements and include ongoing quality reviews of State reimbursement claims and internal audits of the agency's

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payment process. ENs and VRs help our beneficiaries attain higher levels of sustained employment success.

Table 2.20—SSI VR Reimbursement and Ticket to Work Payments¹

	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
<u>Vocational Rehabilitation</u>			
SSI Only Reimbursement Awards	7,311	6,657	10,002
SSI/DI Concurrent Reimbursement Awards	4,195	3,820	5,739
Total Reimbursement Awards	11,506	10,477	15,741
VR Obligations (in thousands)	\$105,987	\$96,500	\$145,000
<u>Ticket to Work</u>			
SSI Only Milestone Payments	5,677	8,406	8,219
SSI Only Outcome Payments	17,368	25,717	25,146
SSI/DI Concurrent Milestone Payments	6,834	10,119	9,894
SSI/DI Concurrent Outcome Payments	7,701	11,403	11,150
Total Ticket Payments	37,580	55,645	54,409
Ticket Obligations (in thousands)	\$15,195	\$22,500	\$22,000
Total VR Awards & Ticket Payments	49,086	66,122	70,150
Total Obligations (in thousands)	\$121,182	\$119,000	\$167,000

ADDITIONAL INFORMATION ON VR COST REIMBURSEMENT AND TICKET TO WORK PROGRAMS

The State VR agency may decide on a case-by-case basis whether to receive compensation under the long standing VR cost reimbursement payment option or one of the two TTW payment methods described below. VR agencies have 90 days after they open a case (ticket assignment) to decide if they want to be reimbursed for their expenses under the Cost Reimbursement program or if they want to be paid under the Ticket program. Most agencies select cost reimbursement as the initial payment option and then switch to Ticket after further evaluation of a case. Regardless of the payment method the State VR agency chooses, the recipient must have agreed to use the Ticket with the State VR agency for the agency to be eligible for either type of payment.

Outcome-Milestone Payment Method:

- There are two phases of outcome-milestone payments. Phase I allows 4 payments, and Phase II allows 18 payments.

¹ Totals may not add due to rounding.

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- We begin paying the EN when the recipient successfully achieves certain predetermined work-related milestones while still receiving Federal benefits.
- We stop paying milestone payments and begin outcome payments when the recipient's monthly Federal cash benefits are not payable because of work and earnings.

Outcome-Payment Method:

- Outcome payments are payable for a maximum of 60 months (consecutive or otherwise).
- We begin issuing monthly outcome payments after the individual's monthly Federal cash benefit payments cease and the individual earns above the SGA level in a month.
- The dollar amounts of the monthly outcome payments are larger when the EN elects not to receive milestone payments while the recipient still receives benefits.

When a State VR agency provides services to a recipient under the cost reimbursement payment option, and the recipient later seeks support services from an EN, we may pay the State VR agency and the EN for sequential periods of service. However, the EN is not eligible for Phase I Ticket payments, since the State VR agency would have provided initial services.

RESEARCH, DEMONSTRATION PROJECTS, AND OUTREACH

Authorizing Legislation: Sections 1110, 1115, and 1144 of the Social Security Act.

PURPOSE AND METHOD OF OPERATION

We conduct extramural research, demonstrations, and outreach under Sections 1110, 1115, 1144, and 234 of the Social Security Act (Act). Projects funded under Section 234 are essential to our demonstration portfolio, but as they are part of the mandatory budget, we are not including them in our appropriations request.

**Table 2.21 - Research, Outreach, and Demonstration Projects:
Budget Authority and Obligations
(in thousands)**

	FY 2020 Actual	FY 2021 Enacted	FY 2022 Estimate	Change
Appropriation	\$101,000	\$86,000	\$86,000	\$0
Obligations Funded from Prior-Year Unobligated Balance and Recoveries	\$31,947	\$65,380	\$26,644	-\$38,736
Total Budgetary Resources	\$132,947	\$151,380	\$112,644	-\$38,736
Total Obligations¹	\$67,567	\$124,736	\$95,968	-\$28,768
Total Unobligated Balance	\$65,380	\$26,644	\$16,676	-\$9,968

Section 1110 of the Act provides the Commissioner of Social Security the authority to conduct broad-based, cross-programmatic projects for the Old-Age, Survivors, and Disability (OASDI) and Supplemental Security Income (SSI) programs. This section provides for waiver authorities for the SSI program, as well as projects dealing with specific SSI issues. Under Section 1110, we fund a range of extramural projects: disability and retirement policy research, demonstration projects to test creative and effective ways to promote greater labor force participation among people with disabilities (including early intervention rehabilitation strategies), evaluations of proposed or newly enacted legislative changes, and projects to maintain and improve basic data about our programs and beneficiaries.

Section 1115 provides the Secretary of Health and Human Services (HHS) with the funding and authority to waive compliance with Medicaid requirements to enable States to participate in our specific research and disability demonstration projects. There are currently no research projects funded under this section.

Section 1144 requires us to conduct outreach to individuals with Medicare who are potentially eligible for State-administered Medicaid programs or Medicare prescription drug subsidies under

¹ The FY 2021 obligation is the current estimate and does not match the \$126.7 million in the FY 2022 President’s Budget.

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Medicare Part D. We identify these potential beneficiaries, inform them about these programs, and notify State Medicaid agencies. The Centers for Medicare & Medicaid Services, within HHS, oversees both the Medicare and Medicaid programs.

Section 234 gives the Commissioner of Social Security the authority to conduct research and demonstration projects testing alternative Disability Insurance (DI) benefit rules. We use trust fund monies, which are permanently appropriated and not part of our request, to conduct various demonstration projects, including projects that examine alternative program rules for treating work activity of individuals entitled to DI benefits. Section 234 covers both applicants and current beneficiaries of the program. We currently have authority to commence new projects under Section 234, as amended by the Bipartisan Budget Act of 2015 (BBA). Our current authority is limited to voluntary participation of applicants and beneficiaries that requires informed written consent and requires us to complete all projects by December 31, 2022.

RATIONALE FOR BUDGET REQUEST

We are committed to improving the equity, quality, consistency, and timeliness of our disability decisions; maximizing efficiencies throughout the disability program; enhancing employment support programs to create new opportunities for returning beneficiaries to the workforce; and providing the public with accurate, clear, and up-to-date information. Our research activities are critical to our efforts in all three areas.

In FY 2022, we estimate that we will need \$86 million in new budget authority for traditional research activities under Sections 1110 and 1144.

Our FY 2022 budget request builds upon the progress we have made with specific initiatives and also reflects a significant commitment to data development, modeling efforts, and retirement and financial literacy policy research that informs decision-makers of changes to improve the solvency of the Old-Age and Survivors Insurance (OASI) and DI Trust Funds.

Extension of 234 Authority

In addition to the Section 1110 and 1144 projects, we are interested in working with Congress to extend Section 234 authority in order to provide sufficient time to conduct ongoing and new demonstrations.

The table and discussion that follows provides more details on the research and outreach efforts we plan to fund in FY 2022.

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Table 2.22—Major Research Areas, Outreach, and Demonstration Obligations and New Budget Authority (in thousands)^{1,2}

	Obligations ³		
	FY 2020 Actual	FY 2021 Estimate	FY 2022 Estimate
Improving the Way We Do Business	\$46,178	\$102,742	\$71,463
Retaining Employment and Talent After Injury/Illness Network (RETAIN)	\$381	\$32,182	\$0
Ticket to Work Notice Optimization	\$330	\$0	\$0
Supported Employment Demonstration (SED)	\$0	\$1,559	\$0
Advisory Services to Assist SSA with Disability Issues	\$4,521	\$2,933	\$4,607
Disability Analysis File (DAF)	\$873	\$908	\$1,081
Analyzing Relationships between Disability, Rehabilitation, and Work (ARDRAW)	\$300	\$300	\$300
BPA for Time Sensitive Research Projects	\$1,926	\$2,471	\$2,000
National Beneficiary Survey (NBS)	\$1,088	\$227	\$56
Disability Research Survey	\$0	\$7,000	\$7,000
Disability Perceptions Survey	\$1,084	\$63	\$5,000
New and Emerging Research – Disability	\$3	\$181	\$2,000
NIH IAA for Data Analytics/FAB Development	\$3,728	\$4,195	\$4,500
Work Disability Functional Assessment Battery (WD-FAB) Data Collection	\$1,491	\$0	\$0
Occupational Information Systems (OIS) and Vocational Information Tool (VIT)	\$30,452	\$37,023	\$38,873
Exits from Disability Evidence Study	\$0	\$7,700	\$0
Interventional Cooperative Agreement Program (ICAP)	\$0	\$6,000	\$6,045
Deliver Services Effectively	\$6,111	\$6,618	\$8,723
Understanding America Study (UAS) Enhancements	\$3,000	\$3,002	\$5,002
Data Development in an Enterprise Business Platform (EBI)	\$2,000	\$2,000	\$2,000
Medicare Outreach (1144)	\$1,111	\$1,616	\$1,721
Ensuring Stewardship	\$15,278	\$15,376	\$15,782
Census Surveys	\$950	\$950	\$950
Data Development	\$182	\$271	\$677
Health & Retirement Study (HRS) and Supplement Retirement and Disability Research Consortium (RDRC)	\$4,155	\$4,155	\$4,155
	\$9,991	\$10,000	\$10,000
Total Research Obligations	\$67,567	\$124,736	\$95,968
New Budget Authority	\$101,000	\$86,000	\$86,000

¹ Does not include funding authorized under section 234.

² Totals may not add due to rounding.

³ This amount includes obligations funded from prior-year unobligated balances.

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Improving the Way We Do Business

Promoting Work through Early Interventions Project (PWEIP)

The PWEIP is a joint undertaking between SSA and the Administration for Children and Families (ACF) within HHS. The project will identify, select, and evaluate programs likely to improve the employment and economic outcomes of individuals who have not yet applied for SSI and have little or no work history, current or foreseeable disabilities, and ties to U.S. safety net programs. Evaluations of programs will include impact assessments and implementation research. A select number of evaluations will also include a cost analysis.

In FY 2019, we developed and entered into a jointly financed cooperative arrangement with ACF and transferred \$25 million to support the evaluation and/or service provisions of selected intervention programs. In FY 2020, we worked with ACF to engage in site assessment and selection activities for programs to participate in an evaluation under ACF's Building Evidence on Employment Strategies (BEES) and Next Generation of Enhanced Employment Strategies (NextGen) projects.

We approved seven programs that will participate in BEES or NextGen and will be supported with SSA's transferred funds. The onset of the COVID-19 pandemic in FY 2020 and its continuation into FY 2021 has led to delays in, or suspension of, some study activities, as selected programs needed to alter their operations in response to the pandemic. Depending on the trajectory of the pandemic and continued implications for selected programs, by the end of FY 2021 we anticipate completing program selection, preparing evaluation design and analysis plans for a majority of the selected programs, and launching study enrollment at a majority of the selected programs. During FY 2022, we expect all selected programs will have launched study enrollment and will be actively engaged in study activities. These activities will continue beyond FY 2022, given study enrollment periods vary by program and given the potential for continued study delays due to COVID-19.

Retaining Employment and Talent After Injury/Illness Network (RETAIN) Demonstration

The RETAIN demonstration is a joint demonstration between the Department of Labor (DOL) and SSA. The demonstration is developing, implementing, evaluating, and scaling effective stay-at-work and return-to-work early intervention strategies to support injured or ill workers in employment, including workers with COVID-19-related illnesses. The ultimate policy goal is to reduce long-term disability, including the need for DI or SSI benefits, and increase labor force participation among those individuals.

Eight States (California, Connecticut, Kansas, Kentucky, Minnesota, Ohio, Vermont, and Washington) were initially awarded up to \$2.5 million dollars for 24-month pilot grants. These States used their funds in a variety of ways to improve the early coordination of health care and employment-related supports and services, train health care providers in occupational best practices, and facilitate communication and return-to-work efforts between workers, their employers, and their health care providers.

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In FY 2019, we awarded a competitive contract to evaluate the RETAIN State awards and began working with State awardees to finalize project designs and prepare for the implementation of an initial pilot. Due to the COVID-19 pandemic, DOL issued a series of extensions to the Phase 1 and Phase 2 project timelines. In FY 2020, the evaluation contractor provided technical assistance and continued to assess the evaluability of the Phase 1 projects. Under the new timeline, the evaluation contractor produced an evaluability assessment report to aid DOL and SSA in selecting a subset of the Phase 1 States for full-implementation in Phase 2. In FY 2021, five of the Phase 1 States were competitively awarded grants under Phase 2 of the demonstration, in order to expand Phase 1 projects by improving the coordination of health care and employment-related supports and services to new geographic areas and larger populations within these States. In FY 2022, grantees will begin recruiting participants into the full program, and the evaluation contractor will begin administering surveys to both enrollees and service providers. Grantees will enroll participants into the RETAIN demonstration until summer of FY 2024 and provide services through summer of FY 2025. DOL will maintain a technical assistance contract to support RETAIN grantees and SSA will maintain a contract for conducting a rigorous evaluation of the projects. The evaluation contractor will produce an interim impact report in FY 2025 and final evaluation impact reports in FY 2026.

Promoting Readiness of Minors in SSI (PROMISE)

PROMISE is a joint pilot demonstration project with the Department of Education (ED), HHS, and DOL. The goal is to test interventions that improve the health, education, and post-school outcomes of children who receive SSI, including the completion of postsecondary education and employment. We also hope to improve family or household outcomes through improved services and supports, such as education and job training for parents.

In FY 2013, we awarded a contract to evaluate the PROMISE model demonstration projects. We released an interim service and impact report in FY 2019 and expect to produce a final evaluation report in FY 2022.

Ticket to Work (TTW) Notice Optimization

In the TTW Notice Optimization project, we are testing modified versions of the notices we send to beneficiaries and testing changes to the notice schedule to determine if the changes reduce the barriers to assigning a Ticket. The new notices provide simpler, plain language information about the Ticket program and the potential benefits of and process of assigning a Ticket. The new notices will be mailed over a period of 18-months and outcomes will be measured at 9-months post-mailing for each individual.

In FY 2019, we analyzed administrative data to identify response patterns to past mailings and characteristics associated with TTW participation and work. We also worked with the General Services Administration's (GSA) Office of Evaluation Sciences to develop prototype notices.

In FY 2020, we continued to work with GSA to finalize the notice prototypes to send beneficiaries (upon award, one year after award, and two years after award) and developed the evaluation design. We wrote the notices, otherwise known as the "Good News" notices that

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individuals receive when awarded disability, to comply with plain language guidelines and potentially improve participation in the Ticket program. We also registered the study with the American Economic Association randomized study trial registry. We worked with SSA's Office of Systems to modify the system needed to randomize notice mailings and began mailing out notices in September 2020.

In FY 2021, we continue testing prototype notices and conducting data analyses. We extended the mailings from 9 months to 18 months. As such, we will continue to send the revised notice to a random sample of beneficiaries at different intervals (after award, and the first and second year award anniversaries). Along with GSA, we will conduct the final analyses of the new mailings in FY 2022.

Supported Employment Demonstration (SED)

While many demonstrations for existing DI beneficiaries have shown positive results (e.g., increased earnings), they have not identified interventions that would return beneficiaries to substantial and sustained employment. Research indicates that health problems materialize in advance of complete disability onset and that earnings begin to decline well before DI benefits are awarded. The SED evaluates whether offering evidence-based packages of vocational, medical, and mental health services to recently denied DI and SSI applicants (ages 18 to 50 with a mental impairment) can reduce the demand for DI benefits. The SED provides participants with long-term employment services and intensive behavioral health and related services beyond what is available through their existing health plans.

We awarded a contract to implement and evaluate the SED in August 2016. The contractor completed enrollment in FY 2019. In FY 2020, all sites continued to deliver interventions and the contractor continued to conduct regular monitoring and fidelity site visits that include ethnographic observations and interviews with key informants and participants. In FY 2021, the study moved to virtual activities and data collection processes, due to COVID-19 restrictions, as full interventions continued. In FYs 2020 and 2021, participants began transitioning out of the study after 3 years of services; transitions continue until March 2022 when interventions end. The timeline for the study was extended by four months (from August to December 2022) to accommodate COVID-19-associated delays and earlier start-up delays. A special topics report, presenting and analyzing effects of innovative enrollment and study retention strategies developed for the study, will be delivered in the third quarter of FY 2021. We will receive the final evaluation reports (impact and cost-benefit analyses) and data files for the SED in the first quarter of FY 2023. The study ends December 31, 2022.

Advisory Services to Assist SSA with Disability Projects/National Academies of Science (NAS) Multi-Year Contract with NAS

In FY 2018, we awarded and are currently engaged in a five-year contract with the NAS Health and Medicine Division to conduct research and answer specific questions related to medical and vocational assessment at steps three, four, and five of the sequential evaluation process. Information for NAS assures our disability evaluations reflect the latest changes in knowledge and practice in a wide range of medical disciplines and provides support for making data-driven

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changes to our regulations and policies. The current contract also provides for Federal Advisory Committee Act (FACA) compliant Consensus Committees of medical and other experts to evaluate the effectiveness of our disability programs for adults and children.

NAS established a new standing committee of medical, vocational, and other experts to assist with policy issues. Per our requirements, NAS will also establish and manage FACA compliant consensus study committees; organize and lead workshops with subject matter experts; and plan and organize outreach conferences with members of the public.

In FY 2020, we awarded the following task orders to:

- Create a consensus committee to provide information on immune disorders other than Human Immunodeficiency Virus. We will use the information as we consider updating the criteria for evaluating these disorders under the Listing of Impairments (listings).
- Create a fast-track consensus committee on hearing testing in persons with single-sided and bilateral cochlear implantation. We will use this information to increase the applicability of the criteria we use to evaluate hearing loss treated with cochlear implantation under the listings.
- Plan and conduct a public workshop comprised of health care and allied professionals to discuss current status of organ transplants. We believe that the field of transplantation has evolved to the point where updated information could provide us with valuable information that we would use to enhance our medical evidence and documentation policies.
- Create a consensus committee to provide information on the current status of the diagnosis, treatment, and prognosis of connective tissue disorders, including Ehlers-Danlos syndrome and Marfan syndrome, and the relative levels of functional limitation typically associated with disorders, common treatments, and other considerations. We will use this information to determine our need to issue additional policy guidance in this area and identify any necessary changes to our criteria for evaluating connective tissue disorders in the listings.
- Create a consensus committee to perform a peer review of Abt Associates' Synthesizing Information about Vocational Preparation Requirements, Occupational Tasks, and Required Functional Abilities in the Standard Occupational Classification (SOC) System. We will consider the information from this report as we explore the potential to use the content of Abt's report to inform adjudicators about the cognitive, social interactive, and adaptability requirement of occupations.

In FY 2021, we are considering the following task orders to:

- Create a consensus committee to provide information on new or improved diagnostic or evaluative techniques. This information will enable us to effectively evaluate the severity of impairments, particularly in the CDR process.
- Plan and conduct a public workshop comprised of health care and allied professionals and researchers to explore and discuss the long-term effects of COVID-19. This information will provide us with evidence about the long-term health effects of COVID-19, the effectiveness and availability of treatments, how to best evaluate the long-term

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impact of the virus on survivors' ability to work, and whether additional agency-sponsored research is needed.

- Create a consensus committee on infants with extremely low birth weight and infants who are small for gestational age. This information will enable us to assess functional limitations in children with disorders that affect their development accurately.
- Plan and conduct a public workshop comprised of health care and allotted professionals to obtain information about the recent advances in the utilization of tele-presence and videoconference technology to deliver remote healthcare services. This information would assist us in determining whether it is appropriate to expand use of telehealth and videoconference technology as a way to perform consultative examinations.

In FY 2022, we are considering the following task orders to:

- Create a consensus committee on the potential beneficial effects of work for individuals with mental impairments. Because a significant percentage of the applications we receive for disability benefits involve mental impairments, and because these impairments pose unique considerations related to a person's ability to work, we seek to obtain information about the potential benefits of work for this population and whether there are specific characteristics of jobs that increase the likelihood of successful employment.
- Create a consensus committee on growth impairments in children, including those resulting from congenital disorders. This information will enable us to accurately assess functional limitations in children with disorders that affect their growth.
- Plan and conduct a public workshop comprised of health care and allied professionals to discuss the current state of stem cell-based treatments. This is a rapidly evolving field of medicine where updated information could provide us with valuable evidence that we would use to enhance our medical evaluation and documentation policies.

Disability Analysis File (DAF)

Our data are drawn from distinct administrative systems that underlie and support our programs. These data are generally available to researchers only as raw, unformatted, and undocumented extracts. Administrative data are critical for our understanding of beneficiaries with disabilities. They provide detailed data on the entire population and allow for the analysis of small subpopulations that cannot generally be studied with survey data, which is based on population samples. The DAF takes data from our ten most relevant administrative files and creates an annual formatted database that is ready for analysis, easy to use, and includes thorough documentation. The DAF focuses on data needed to answer questions about disability and work. The DAF is also designed to be complementary to the National Beneficiary Survey (NBS), which provides data on disability and work that is not available from our administrative sources. When combined, the DAF and NBS provide a complete picture of demographics, benefits, work, and work attitudes for all SSI and DI beneficiaries with disabilities.

We use the DAF for internal research and to support demonstration development and evaluation. For example, we use the DAF to examine the costs and benefits of the TTW program, the effectiveness of TTW mailings, and the characteristics associated with successful return to work

by beneficiaries. In particular, we developed two research papers on the impact of the TTW program. The first paper uses a completion of a trial work period to adjust for serious work effort to estimate the impact of TTW services. The second paper uses the discontinuation of TTW information to new beneficiaries in 2012 to estimate the TTW service effect. We expect to publish both papers in FY 2021.

We also use the DAF to model and forecast Employment Network and Vocational Rehabilitation payments under the TTW program. Further, we use the DAF to support oversight by the Social Security Advisory Board (SSAB), our Office of the Inspector General (OIG), OMB, Congress, the Government Accountability Office, and others. Additionally, we allow non-SSA researchers to use the DAF, primarily through the Retirement and Disability Research Consortium (RDRC). Since 2015, 49 research papers have used DAF data in their analyses with 11 new papers in 2020. We also created a public-use version of the DAF, which is available at www.data.gov. There has been significant interest in using the public use DAF file, with average downloads of 80 per month in 2020. In FY 2022, we will continue to build both the full DAF file and the public use version of the DAF.

Analyzing Relationships between Disability, Rehabilitation, and Work (ARDRAW)

The ARDRAW small grant program provides one-year stipends to graduate-level students to conduct research on beneficiaries' experience with work, disability, rehabilitation, and employment support. We awarded the grant management agreement for ARDRAW in August 2016. ARDRAW is renewable on a yearly basis for up to five years. The program provides an opportunity to support scholars pursuing careers in public policy research, who have a special interest in our beneficiaries' quality of life and DI program issues.

In FY 2020, we received applications for the fourth ARDRAW cohort and received the final projects from the third ARDRAW cohort. In FY 2021, we will receive final projects from the fourth ARDRAW cohort and request applications for the fifth and final cohort of ARDRAW student researchers. For FY 2022, we had planned to award a new grant agreement to continue the ARDRAW program, but have decided to extend the project for an additional year.

For more information, please see the ARDRAW website: <https://ardraw.policyresearchinc.org>.

Blanket Purchase Order Agreement for Time Sensitive Research Projects

In FY 2018, we awarded a Blanket Purchase Agreement (BPA) aimed at providing an alternate research channel for policy and program assessments and studies related to social science, medical, or vocational rehabilitation topics. This BPA supports projects that are smaller in scope and less resource intensive than some of our more traditional contracts and allows for multiple research projects to occur simultaneously in relatively short timeframes. We can expect deliverables in the range of 4 to 6 months, which is considerably quicker than the 18-plus months expected from traditional contracts. We build an interactive process with the contractors as the projects proceed, which provides us with the ability to course-correct as the work progresses. The BPA also provides the option to contract with a trusted agent to develop and assess research questions, provide subject matter expertise, and evaluate research products to support policy

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decisions. The use of a trusted agent is optional and will be considered on a case-by-case basis, dependent upon the nature or sensitivity of the research topics.

We awarded five studies in FY 2020. Topic areas included:

- Research to identify performance indicators for use in the representative payee program based on the Nursing Home Compare database.
- Research to identify new performance factors for representative payee research on creditor payees & for using credit data of payee organizations.
- Evaluation of the TTW employment network payment structure.
- Evaluation of the work incentives planning and assistance (WIPA) service model.
- Research on the impact of selected work-related physical and mental limitations to identify applicants' mental limitations that cannot be captured using a standard questionnaire.

We are once again conducting a needs assessment to determine the focus areas for studies that will use FY 2021 funding. We anticipate comparable project topics for FY 2021 and FY 2022 to support our research and regulatory and subregulatory policy efforts.

National Beneficiary Survey (NBS)

The NBS collects data from a nationally representative sample of DI beneficiaries and SSI recipients on a wide range of topics not available in our administrative data or in other public databases. These data include health and functional status, health insurance coverage, interest in work, barriers to work, use of services, work history, income, and experience with Social Security programs. The collection of these data improves our ability to conduct useful analyses regarding the factors that facilitate DI beneficiary and SSI recipient employment and, conversely, factors that impede their efforts to maintain employment.

Our researchers and analysts, along with researchers at other Federal agencies and academic institutions, use NBS data extensively to evaluate the TTW program and other DI and SSI work incentive programs and policies. In addition, we are able to provide timely information to Congress and other stakeholders for purposes of policymaking, budgetary review, program evaluation, service improvement, and oversight. The NBS is used to support both internal and external analyses of our disability programs. Since 2015, 58 research papers used the NBS data in their analyses.

The NBS gathers information through three samples. One is a nationally representative sample of DI beneficiaries and SSI recipients—called the Representative Beneficiary Sample (RBS)—which collects information on their health and well-being, employment-related goals and activities, and usage of programs and services. Through an additional sample of beneficiaries who have succeeded in earning amounts sufficient to have benefits suspended due to work—called the Successful Workers Sample (SWS)—the 2017 NBS included, for the first time, a large-scale focus on beneficiaries who have experienced employment success. The 2019 NBS was comprised of both the RBS and SWS components and also included a longitudinal sample of successful workers who were part of the 2017 SWS.

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In FY 2020, we completed administration of the 2019 NBS, conducted quality reviews of the 2019 data, and developed a public use file available conveying the results of the 2017 NBS, thereby facilitating additional research on the beneficiary population. In FY 2021, we will develop a user's guide, codebook, and data files conveying information and results from the 2019 round of the NBS. Upon completion of these activities, we will post the 2019 NBS public use file and associated documentation on our website. In FY 2022, we will produce final statistical weights for the 2019 NBS SWS and begin development of final data files and documentation covering all rounds of the NBS in preparation for contract closeout.

Reports and public use files containing data from prior rounds of the NBS are available on www.data.gov and our website at: <http://www.ssa.gov/disabilityresearch/nbs.html>.

Disability Research Surveys

We are developing a new set of surveys, namely the Disability Research Surveys (DRS), that will broaden the scope of information we collect about beneficiaries. This new set of surveys will include three separate surveys: one NBS and two new surveys. The NBS provides information of representative cross-sectional samples of all adult DI beneficiaries and SSI recipients with disabilities and beneficiaries who leave the programs due to successful work. One of the two new surveys will collect information on the characteristics, recent employment experiences, service receipt, and experiences during the application and post-application process of new cohorts of awarded and denied applicants. The subject of the third survey will be determined at a future date. We will request funding for these three surveys separately. In late FY 2021, we plan to award the contract for the NBS survey.

The NBS is the first survey under the new contract and will be fielded in FY 2023. The second survey will be a survey of recent applicants, to be funded in FY 2023 and fielded in FY 2025. We will determine the final survey in the future based on topics of greatest interest at that time. Possible topics include, but are not limited to, the homeless or other vulnerable populations or youth transition to work. We anticipate funding the final survey in FY 2024 and fielding in FY 2026.

Disability Perceptions Survey (DPS)

In FY 2020, we awarded a contract for the DPS. This survey will gather information on knowledge, perceptions, and opinions working-age adults have about the DI program.

New and Emerging Research – Disability

This category includes projects that provide broad program analysis and development in support of the DI and SSI programs. These projects typically include studies of program policy issues, the identification of trends in the disability programs, the formulation of agency policy regarding cross-cutting programs or issues related to disability and/or income assistance programs including those of racial equity outlined in Executive Order 13958, and the development and implementation of policy and procedures on DI and SSI work incentives.

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Projects that originate in this category may not be included in previous budget planning activities. The New and Emerging Research – Disability line item allows us to allocate funding to cover the costs of (a) small initiatives or (b) initial project development for larger initiatives. If SSA assesses that a project will translate into a larger, multi-year initiative, the project will receive its own line item in future budget planning activities. Factors that determine this transition include project scope, duration, and cost.

SSA-NIH Research on Data Analytics and the Work Disability-Functional Assessment Battery (WD-FAB)

Under an Interagency Agreement (IAA), the National Institutes of Health (NIH) Clinical Center provides in-depth analysis of our existing data and continues to provide us support related to testing the WD-FAB in our continuing disability review (CDR) process. The WD-FAB may provide uniform information about individuals' self-reported functional ability that we can use to inform our disability data collection and determination processes.

In FY 2020, NIH started an analysis of baseline WD-FAB scores collected during the SED project, along with other SSA data such as residual functional capacity (RFC) assessments, to evaluate how WD-FAB scores and functional status more broadly changes over time. We expect this analysis to be completed in FY 2021. NIH also developed natural language processing methods to characterize and extract functional language information from medical evidence. As a part of this research effort, NIH provided additions to the initial version of the functional terminology ontology, provided at the end of FY 2019, that contained information associated with the Mobility domain of the International Classification of Functioning, Disability and Health (ICF) framework. NIH also expanded their functional terminology ontology to include information from the ICF's Self-care/Domestic life domain and developed an initial draft of information for the mental functioning domains of the ICF (e.g., Interpersonal Interactions and Relationships).

In FY 2021, NIH will continue their WD-FAB related work by providing an analysis of functions over time by evaluating WD-FAB data collected during the SED project along with other SSA administrative data to analyze how WD-FAB scores change over time. The findings from this analysis may have implications on future studies of the WD-FAB with SSA populations, such as the testing of the WD-FAB within our CDR process. NIH will also continue to expand upon their work to develop natural language processing methods to assist us in identifying functional terminology within the unstructured text of medical evidence, as well as provide us with an expanded and revised version of a functional terminology ontology originally delivered at the end of FY 2019. This research will require NIH to evaluate the Mobility domain methods already provided to SSA in FY 2020 using SSA's RFC data for comparison and demonstrate how their Interpersonal Interactions and Relationships classification models relate to our criteria for the medical listings around interacting with others.

In FY 2022, NIH will conduct the initial analysis of the WD-FAB data collected in FY 2021 and FY 2022. After the WD-FAB data collection is complete, NIH will provide us with an analysis report comparing WD-FAB data to our CDR predictive model scores, responses to CDR Mailer (Form SSA-455) questions, and CDR full medical review outcomes for participating SSA beneficiaries. Once received, we will use the report's evidence and findings to evaluate the

value and feasibility of incorporating the WD-FAB into our CDR business process. NIH will also continue to expand upon their work to develop natural language processing methods to assist us in identifying functional terminology within the unstructured text of medical evidence as well as provide us with an expanded version of the functional terminology ontology developed to inform our disability determination process.

Work Disability - Functional Assessment Battery (WD-FAB) Data Collection

In FY 2020, we awarded a contract to support WD-FAB administration and data collection efforts associated with the study testing the WD-FAB within our CDR process (mentioned in the previous section). This data collection will provide data to examine the potential uses and value of the WD-FAB in our CDR process. We will administer the WD-FAB to a sample of our beneficiaries on two occasions during FY 2021 and FY 2022. NIH will use this data in work identified in the prior section.

Occupational Information System (OIS) and Vocational Information Tool (VIT)

In 1991, DOL stopped updating the DOT and replaced it with the Occupational Information Network (O*NET), a system that was developed as a career exploration tool, but does not measure strength and physical requirements of work in a way that our disability rules require. We are developing a new OIS that could replace the DOL's Dictionary of Occupational Titles (DOT) as the primary source of occupational information in our disability adjudication process.

We began collaborating with DOL's Bureau of Labor Statistics (BLS) in FY 2012 to develop the Occupational Requirements Survey (ORS) to collect updated information on the requirements of work in the national economy. We will use the ORS data, along with specified information from other occupational sources, to create the new OIS. The OIS will classify occupations using the Standard Occupational Classification System (SOC) and include ORS data elements to measure the physical, mental/cognitive, and environmental requirements of work in the national economy, as well as the education and training needed to gain average proficiency in a job. The OIS will be housed, accessed, and operationalized through the VIT, a web-based information technology platform.

In FY 2020, BLS collected data for the second year of the five-year update. During the first year of the update, SSA and BLS determined that the updated sample design was collecting data across a broader range of occupations as intended. SSA and BLS held quarterly executive meetings to discuss data collection, project planning, and potential BLS research, including small domain estimation and disclosure limitation methods, and collaborated to produce a project development plan that ensures the ORS meets the needs of SSA. At the end of FY 2020, BLS began data collection for the third year of the five-year update. SSA activities related to VIT development included developing functionality that will facilitate matching claimant functional limitations to ORS requirements.

In FY 2021, as part of the five-year update, BLS will complete the third year of data collection, publish data from the second year of collection, and begin the fourth year of data collection. BLS and SSA executives will continue quarterly meetings and will reach agreement on the proposed changes for measurement objectives for the second five-year update that begins in

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FY 2024. BLS will produce a detailed project plan that specifies development activities and timelines for research and testing of the agreed upon changes. SSA will also analyze ORS first and second wave microdata to determine the number of workers in the national economy who fulfill combinations of RFC and Specific Vocational Preparation (SVP)¹ elements and the most prevalent occupations of those workers. VIT development will include upgrading the system's architecture to comply with SSA's new user experience framework and conducting detailed user experience testing.

In FY 2022, BLS will complete the fourth year of data collection, publish data from the third year of the collection, and begin the fifth year of data collection. BLS will conclude the update in FY 2024.

Exits from Disability Evidence Study

Based on medical improvement, we terminate the benefits of thousands of DI beneficiaries and SSI recipients each year. However, many individuals whose benefits are terminated later return to disability programs. About 30 percent of adult SSI-only recipients and 20 percent of DI-only working beneficiaries who stop receiving benefits because of medical improvement return to these programs within eight years. Among the working DI beneficiaries whose benefits stop, few maintain employment or work above common thresholds of self-sufficiency.

In FY 2019, we conducted a Technical Expert Panel (TEP) to discuss options for a demonstration to support individuals exiting DI due to medical improvement. The TEP recommended we study the services this population needs to support continued or improved self-sufficiency.

Based on the TEP's recommendation, we plan to initiate a study to collect information about the service, medical, and employment needs of working-age adults (i.e., 18 to 64 years of age) exiting Social Security disability programs because of medical improvement. It also serves to produce testable policy recommendations that help the study population become self-sufficient. The study will involve conducting qualitative and quantitative data activities, including focus groups and a survey, to gather information about the needs of Exiters and Possible Exiters from the DI and SSI disability programs after a determination of medical improvement. Furthermore, this effort will involve small-scale use of Motivational Interviewing to gain more insight about their needs and barriers with respect to promoting sustained and substantial work activity leading to self-sufficiency among this population.

During FY 2020, we began study planning and market research in preparation for awarding a contract to conduct a study. In FY 2021, we will award a contract for the study and in FY 2022 we will clear all data collection activities, per the Paperwork Reduction Act and finalize the schedule with the contractor. We expect to complete all study activities by the end of FY 2024.

¹ SSA defines Specific Vocational Preparation as the amount of time required to learn the techniques, acquire information, and develop the facility needed for average performance in a specific job-worker situation. See POMS § [DI 25001.001A.77](#), effective May 30, 2018.

Interventional Cooperative Agreement Program (ICAP)

Due to increased attention from policymakers on the employment of individuals with disabilities and their participation in the DI and SSI programs, we propose the establishment of a cooperative agreement program to allow us to collaborate with States, private foundations, and others who have the interest and ability to identify, operate, and partially fund interventional research.

The research and interventions under this program will target the increased employment and self-sufficiency of individuals with disabilities (whether beneficiaries, applicants, or potential applicants of the DI or SSI programs) that could lead to a reduction in DI or SSI participation. Other research priorities include helping claimants in vulnerable populations apply for or appeal decisions for DI and SSI benefits and conducting outreach to children with disabilities who are potentially eligible to receive SSI. This program will provide a process through which we can systematically review demonstration proposals from outside organizations and enter into agreements to collaborate with these non-Federal groups. The cooperative agreements will provide the mechanism for data sharing for evaluation purposes and allow for program waivers that are consistent with current demonstration waiver authorities. This work will complement and be coordinated with our own demonstrations and partnerships with other Federal agencies. This cooperative agreement program does not conflict with our other research grant programs—ARDRAW and the RDRC—which focus on “observational” or “survey” research as contrasted with “experimental” research.

The awards will be tiered, with funding eligibility and level of funding based upon the level of evidence that currently exists for the proposed intervention (i.e., feasibility studies with no causal evidence would be eligible for smaller awards than studies scaling up or otherwise implementing interventions that qualify as “effective” according to a statistical and evaluation criteria). The one-year base period of each grant will support the development of data sharing agreements, project planning, evaluation design, and other administrative aspects of the agreement. If, at the end of the first year, the planning process results in an evaluable project, grants may be extended for up to four additional years. In FY 2021, we plan to pilot this program with at least two cooperative agreements. In FY 2022, we will conduct start-up activities with the initial awardees and solicit applications for additional projects.

Deliver Services Effectively

Understanding America Study (UAS) Enhancements

The Understanding America Study (UAS) is an innovative, nationally representative longitudinal internet panel. Through a jointly financed cooperative agreement with the National Institute of Aging (NIA), our support will allow the grantee to maintain and expand the sample size by the end of the grant to 10,000 panel members. It will also allow for additional data improvements that support policy-relevant research and evidence-based decision-making.

The UAS planned improvements allow us to make more informed decisions about initiating new policies, procedures, and educational products designed to enhance retirement security and administer the program. For example, we use the data to better understand communications

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preferences of the public, and we used the longitudinal data to inform the new *Social Security Statement* supplemental fact sheets that were released in the *my Social Security* portal in FY 2021. The UAS data is also available for internal and external researchers to use in addressing research questions. For example, the Financial Literacy and Education Commission and other Federal agencies used data from the UAS in their publications about consumer debt, the public's knowledge of Social Security programs, and sources of the public's financial advice. Lastly, we have used the UAS data to publish several research papers on Social Security program knowledge, retirement savings behavior, and the relationship between debt and retirement preparedness.

Data Development in an Enterprise Business Intelligence (EBI) Platform

The EBI Platform, together with our Office of Retirement and Disability Policy's (ORDP) Analytics Research Center (ARC), provide advanced analytics and data integration tools for efficient access and analysis of agency records to support data driven decision-making. Our research funding supports a subset of activities to enhance research and statistical functions conducted by our Office of Research, Evaluation and Statistics (ORES); primarily the publication of statistics from administrative records.

Some of our legacy processes used for producing statistics still require significant manual intervention. We generate reports and data files monthly, quarterly, yearly, and on an ad-hoc basis. Modernized applications automate the processes, which we use to create statistical data, tables, and reports for research. Modernization processes have improved report and data production efficiency and accuracy.

In FY 2020, we enhanced earnings statistical publications processes including:

- Modernizing earnings data development processes to reduce errors and improve efficiency and accuracy in production of earnings publications.
- Modernizing and automating earnings statistical publications, including more than 15 source files, and over 130 statistical tables.
- Development of a new 'Earning Geography' process to assign a single State and county geography code for publication tables. The new process improves the accuracy of SSA's geography data.

In FYs 2021 and 2022, we will continue to build tools to enhance our research and statistical reports. Modernization efforts will focus on enhancing and standardizing obsolete data collecting methodologies with the use of modern statistical analytical tools such as Statistical Analysis Software (SAS).

FY 2021 work will include:

- Modernization and development of automation processes including streamlining current business processes for the OASDI publication processes. OASDI statistics provide statistical characteristics of beneficiaries—for example, age, sex, income, and type of disability—and the type of benefits they receive (retired-worker, survivors, disabled-

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worker benefits, and so on) including statistics by State, county and congressional district.

- Efforts also include the development of automated processes for converting OASDI flat files to SAS Datasets; developing automated processes for cleansing, validating, and summarization of data files for reporting and distribution for internal and external customers; and generating monthly reports including Totalization report, IRMAA Statistics, 1-A Supplement report, and a report for our Office of Financial Policy and Operations. We will also develop an OASDI/SSI Ad-Hoc Programming Environment within SAS Data Integration Studio program software.
- Additionally, we will continue to maintain existing automated publication processes for Windfall Elimination Provision and Government Pension Offset (WEP-GPO), SSI, Earning Geography (GEO), Earning Publication, and Representative Payee. Our work will support ORES staff on ongoing production of publications and critical ad-hoc research projects, which includes partnerships with ORES staff and SAS contractors using Enterprise Business Intelligence (EBI) tools. EBI tools help support the production of statistics or data extracts.

FY 2022 work will include:

- Efforts will include development of automated processes for generation of over a thousand OASDI statistical tables, publications, and reports.
- Modernization and automation of Cell Suppression methods and end-to-end validation processes for over a thousand OASDI statistical tables, publications, and reports.
- Maintenance and upgrade of WEP-GPO, SSI, Earning GEO, Earning Publication and Representative Payee automated publication process from SAS 9.4 M5 version to SAS 9.4 M7 (latest version of SAS).

Medicare Outreach – Section 1144

We target outreach to income-tested Medicare eligible beneficiaries and beneficiaries who have experienced an income decrease. Rather than notify all potentially eligible beneficiaries each year, we annually notify 20 percent of those who previously received an outreach letter, have not received the benefits, and continue to meet the income test.

The passage of the Medicare Prescription Drug, Modernization, and Improvement Act of 2003, P.L. 108-173, expanded the existing cost-sharing outreach requirements of Section 1144 to include outreach to beneficiaries who were potentially eligible for the Medicare prescription drug card transitional assistance. Outreach now includes the subsidized Medicare Prescription Drug coverage program that replaced the transitional program. Since 2002, we have provided outreach letters to beneficiaries with incomes below 135 percent of the poverty level. The letters cover help with “traditional” Medicare, and since 2006, include information about subsidized prescription drug coverage, when appropriate.

In addition, we must share lists of individuals potentially eligible for cost sharing with State Medicaid agencies. The major objective of these projects is to increase the enrollment of eligible

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individuals with low income into programs that assist Medicare beneficiaries with their out-of-pocket medical expenses, including prescription drug coverage premiums.

Congress further amended Section 1144 with the passage of P.L. 110-275, the Medicare Improvements for Patients and Providers Act of 2008. This law deemed every Medicare Prescription Drug low-income subsidy (Extra Help) application filed with SSA to be a protective filing for the State-administered Medicare Savings Program (MSP), unless the claimant objects. Since FY 2010, HHS fully reimburses our costs in an amount not to exceed \$3 million per year.

In FY 2020, we mailed approximately 1.8 million outreach letters to those who potentially qualified for MSP or Medicare prescription drug coverage low-income subsidy. In FYs 2021 and 2022, we anticipate approximately the same number of mailings, and factor in a contingency amount for possible increases in enrollment, beneficiaries who experience an income decrease, and other expected expenses such as an increase in postage.

Ensuring Stewardship

Census Surveys

The Census Bureau's Survey of Income and Program Participation (SIPP) is the foundation for much of our policy analysis and modeling efforts. Improving the overall quality of data obtained from the Census Bureau surveys enhances the quality and reliability of the analyses we conduct. We particularly support efforts to improve the quality and content of data that are directly relevant to analyses of the Social Security and SSI programs. In addition, we support efforts by the Census Bureau to improve the ability to match their survey data to our administrative data on benefits and earnings. We rely upon SIPP data matched to our records to study OASI, DI, SSI, and related programs, along with the effect of changes to them on individuals, the economy, and program solvency.

In FY 2019, we developed new questions relating to disability, pensions, and duration of marriage. In FY 2020, the Census Bureau developed and tested this new content and updated training materials for data collection. FY 2021 will be the first production implementation of the new SIPP content in data collection and processing. Beginning in FY 2022, the SIPP content will be stabilized in collection and processing.

Data Development

One of the main objectives of our extramural research program is to provide information for decision-makers on the OASI, DI, and SSI programs. As part of this effort, we develop and maintain a series of detailed, statistical databases drawn from our major administrative data systems and prepare a broad range of statistical tables. As one of 13 Federal statistical agencies, we also produce statistical compilations and publications, and develop information for research, evaluation, and models using survey data collected by SSA, other Federal agencies, and Federally-sponsored institutions.

In FY 2021, we will enter into a new agreement with the Census Bureau called the "Ask US" Panel (i.e., Census Address-and Probability-Based Online Panel). The focus of the interagency

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agreement is to collaborate to design, build, and maintain an address-based, probability-based online research panel that will be available for the Federal Statistical System to conduct robust public opinion and methodological research. The Census Bureau, in collaboration with several federal statistical agencies, has entered into a collaborative agreement with RTI (formerly Research Triangle Institute) to build this panel. Our partnership with Census allows the use of a readily-available government-wide, government-vetted online research panel to conduct regular (e.g., *Statement* surveys) as well as emergency rapid-response (e.g., COVID-19 research) survey needs so that we would not need to continually go through the process and costs of choosing and paying outside vendors to conduct our survey research needs. This partnership would also allow us to engage with Census and other agencies in shaping many of the details for how the new panel is built and maintained. Finally, the partnership will facilitate both longitudinal and quick turnaround, probability-based research that many government agencies are interested in conducting. This objective supports the Commission on Evidence-Based Policy Making recommendations ([Commission on Evidence-Based Policymaking \(CEP\) | The Administration for Children and Families \(hhs.gov\)](#)) in several ways:

- Promotes a multi-year learning agenda that supports the generation and use of evidence;
- Enables coordination of the Federal government's evidence-building activities across departments; and
- Streamlines the approval processes for new data collections and using existing flexibilities in procurement policy.

This online research panel will also facilitate longitudinal and near real-time measurement of key areas of interest to statistical agencies, including:

- Privacy and confidentiality opinions and preferences;
- Public attitudes towards data collection and use of administrative records;
- Methodological choices regarding online instrument design decisions;
- Survey design choices regarding wording and contact timing; and
- Messaging strategies to increase response rates.

This project also funds activities central to our role as a Federal statistical agency: the creation of data needed to inform policymakers about important programs, efforts to make data more widely accessible or usable for policy research purposes, and collaboration with other agencies (to study issues of policy relevance and to improve data quality and methods of data analysis).

In FY 2022, we will enter into a new agreement with the Bureau of Census for the Household Pulse Survey (HPS). The HPS provides data on a wide range of social and economic dimensions of American life as a result of the COVID-19 pandemic and recovery, including employment status, income loss, spending, application and receipt of benefits, mental health and access to care, educational disruptions, housing and food security, ability to telework, and travel practices. The Census Bureau produces and releases HPS data weekly for the nation, each State, and the 15 largest metro areas in the United States. The Census Bureau is the designated federal statistical agency conducting this survey and the HPS was designed in collaboration BLS; the Bureau of Transportation Statistics (BTS); the Centers for Disease Control and Prevention (CDC); the National Center for Education Statistics (NCES); the Department of Housing and Urban

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Development (HUD); the National Center for Health Statistics (NCHS); SSA; and the USDA Economic Research Service (ERS). The Census Bureau consolidates content requests from these partner agencies into one effort, meeting a range of time-sensitive data needs while minimizing overall burden.

We are using data from the HPS to evaluate trends in benefit applications during the COVID-19 pandemic and recovery, including applications for Social Security, SSI, and Medicare benefits. The data also allow us to examine how COVID-19 is affecting vulnerable populations (Blacks, Hispanics, elderly, low income, poor health, lower educated). These survey findings may also help us in explaining the recent drop in claims by examining data for those who delay claims due to the pandemic.

Other Data Development projects that we are currently funding include:

- Committee on National Statistics of the National Research Council—provides support to the Committee to improve statistical methods and information on which public policy decisions are based. Recent Committee topics include survey options, redesigning the Consumer Expenditure Surveys, and improving healthcare cost projections for the Medicare population.
- National Longitudinal Survey of Youth (NLSY79) — an interagency collaboration with BLS. The collaboration adds questions to an existing NLSY79 survey that can provide unique insights about how early and mid-life events or experiences affect claiming for Social Security benefits, savings, retirement, as well as program knowledge.

In addition to these specific projects, we will respond to new needs and opportunities for expansion and improvement of data as they arise.

Health and Retirement Study (HRS) and Supplement

The University of Michigan's Health and Retirement Study (HRS) surveys more than 22,000 Americans over the age of 50 every 2 years and provides an ongoing source of longitudinal data for research on retirement and aging. The study describes Americans' transition from work to retirement and provides data on health and economic well-being after retirement that is not available in our program data. HRS data help us assess a wide range of issues, including pre-retirement saving, health insurance and pension coverage, employment and retirement patterns, and projected benefits of disabled and retired workers. Through jointly financed cooperative agreements with NIA, we have supported the HRS from its inception. HRS has become the premier source of data on the retirement-age population, especially when linked with our administrative records on benefits and earnings.

We use the HRS for research projects we fund through the RDRC and by our staff in conducting research on topics including disability, pension participation, differences in contributions to tax-deferred savings accounts among different birth cohorts, and retirement income resources of near-retirees. For example, in FY 2021, our researchers will continue to use the HRS for a study analyzing the accuracy of our Income of the Aged publications and for a study measuring total retirement resources (wealth and income) from 1992-2016, including in-kind transfer payments.

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The HRS data we support is also available for outside researchers to use. In FY 2022, researchers will continue to use the HRS to better understand the population aged 50 and older.

Retirement and Disability Research Consortium (RDRC)

The RDRC is one of our key tools for maintaining a strong capability to produce a large body of policy-relevant research on Social Security programs. The RDRC comprises four competitively selected research centers based at the University of Michigan, Boston College, the National Bureau of Economic Research (NBER), and the University of Wisconsin. These research centers are broadly charged with planning, initiating, and maintaining a high quality, multidisciplinary research program that covers retirement, disability, and Social Security program issues. The centers perform valuable research and evaluation of retirement and disability policy, disseminate results, provide training awards, and facilitate the use of our program data by outside researchers.

We awarded the current set of five-year cooperative agreements for the RDRC at the end of FY 2018, with activities beginning in FY 2019. These centers have greatly expanded the amount of policy research on Social Security-related issues and have responded to our specific analytical needs. The research results of the RDRC are widely reported in professional journals, conferences, leading newspapers, radio, and television programs.

FY 2020 funding supports 66 projects to be conducted in FY 2021—compared with 59 projects conducted in FY 2020—on a variety of topics relating to retirement, disability, and Social Security. With the enacted funding in FY 2021 and estimated budget for FY 2022, we anticipate funding around the same number of projects in the next two years. At the broadest level, RDRC proposed research and activities must be relevant to at least one of our program areas or populations. Because specific research needs evolve over time, we provide a list of research focal areas each year. Focal areas for projects to be conducted in FY 2022 include: trends in disability (i.e., the factors that influence disability awards and duration on the disability rolls); work in the modern economy; disabled beneficiaries and return-to-work; informing the economic and demographic assumptions underlying trust fund projections; improving our communication and outreach; the economic security of our beneficiaries; understanding disparities by race and ethnicity; and improving service delivery. Within each topic, we provided the centers with specific research questions for them to consider when developing their research proposals.

In addition to supporting research activities, the RDRC will continue to prepare future experts on retirement and disability issues and policy through research training fellowships, dissertation support, pre- and post-doctoral fellowships, early investigator grants, and junior scholar workshops.

RELATED FUNDING SOURCES

The Commissioner of Social Security has the authority to conduct research and demonstration projects under Section 234 of the Act. We use trust fund monies to conduct various demonstration projects, including alternative methods of treating work activity of individuals entitled to DI benefits. These demonstration projects, authorized under the 1999 Ticket to Work

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Act and the BBA of 2015, are funded from the trust funds and are not part of the annual research appropriation request. OMB apportions Section 234 funds. The BBA provided authorization to initiate such projects until December 31, 2021, and to carry out such projects through December 31, 2022.

Benefit Offset National Demonstration (BOND)

The Benefit Offset National Demonstration (BOND) tests the effect of a \$1-for-\$2 offset of benefits for DI beneficiaries when earnings are above the substantial gainful activity (SGA) level.

We published the final evaluation report in FY 2019. We will continue to provide work incentive counseling services to the remaining BOND participants through FY 2022. We extended the contract to provide these services until the last BOND participant is no longer eligible for the offset in late 2022.

Promoting Opportunity Demonstration (POD)

Section 823 of the BBA amended Section 234 of the Act and instructed us to carry out a demonstration project testing a \$1-for-\$2 benefit offset. This project differs from BOND in several ways. Among these differences, POD applies a monthly offset to earnings above either a standard threshold (the Trial Work Period level) or an itemized Impairment Related Work Expenses (IRWE) level. Participation is voluntary and individuals can withdraw from the project at any time.

Project implementation is nearing completion, as participation for beneficiaries in the POD ends June 2021. The effects of COVID-19 on POD will affect the interpretation of the final 2020 impact estimates due to the resulting economic recession and increased unemployment rate. However, we will continue to provide benefits counseling and process offsets for participants. We recently released three evaluation reports:

- [Recruitment and Random Assignment Report](#)
- [Effectiveness of Reminder Messages for Recruitment](#)
- [POD BOND Comparison Report](#)

The final survey of participants will be completed in FY 2021 and we will complete the evaluation in FY 2022.

Lessons Learned from SSA Demonstrations

For more than 30 years, we have conducted several tests of new policies and programs to improve beneficiary work outcomes. These demonstrations have covered most aspects of the DI and SSI programs and populations and have addressed topics including family supports, children, informational notices, changes to benefit calculations, and a variety of employment services and program waivers. These demonstrations generate many reports about which policies worked and which did not, but there has yet to be a synthesis of the findings from the entire body of work, apart from a few cursory reviews in academic survey articles or brief reports. There remains a

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need for a comprehensive review to identify cross-demonstration lessons about which policies, programs, or other operational decisions would provide effective support for disability beneficiaries who want to work.

We plan to synthesize the lessons learned from these tests to highlight promising strategies policymakers could implement. By taking stock of the full lessons learned from these demonstrations, policymakers will have an understanding of what has been tested and whether and why those policies were effective. In turn, this understanding will enable us to implement policies that work in multiple settings, propose alternatives to policies that may not have worked for identifiable reasons, and identify policies and strategies for future demonstrations. The synthesis will help us identify new policies that build on prior research and ways to implement demonstrations (in terms of methodology and analytical approaches) that maximize the amount of usable information within reasonable timeframes and budgets.

We awarded a contract in FY 2020 and will hold a state-of-the-science meeting in June 2021. We will disseminate the findings more broadly through early FY 2022.

Table 2.23—Current Research Projects Obligations through FY 2020
(in thousands)

	Years	Total
Improving the Way We Do Business		\$450,511
Promoting Work through Early Interventions Projects (PWEIP)	2019	\$25,000
Retaining Employment and Talent After Injury/Illness Network (RETAIN)	2019-2020	\$42,730
Advisory Services to Asst. SSA with Disability Issues	2008-2020	\$29,871
Disability Analysis File (DAF)	2008-2020	\$15,895
Analyzing Relationships between Disability, Rehabilitation and Work: A Small Grant Program (ARDRAW)	2016-2020	\$1,500
BPA Time Sensitive (previously Research and Innovation Lab)	2018-2020	\$3,922
National Beneficiary Survey	2008-2020	\$19,623
Disability Perceptions Survey	2020	\$1,084
New and Emerging Research Disability	2008-2020	\$7,131
NIH Research on Data Analytics and the Functional Assessment Battery (FAB)	2008-2020	\$28,634
Work Disability Functional Assessment Battery (WD-FAB) Data Collection	2020	\$1,491
Occupational Information System and Vocational Info Tool	2012-2020	\$175,682
Ticket to Work Notice Optimization	2020	\$330
Promoting Readiness of Minors in SSI (PROMISE)	2012-2019	\$22,763
Supported Employment Demonstration	2016-2019	\$74,855
Deliver Services Effectively		\$42,631
Understanding America Survey	2009-2020	\$17,698
Enterprise Business Platform	2015-2020	\$9,449
Medicare Outreach (1144)	2008-2020	\$15,484

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	<u>Years</u>	<u>Total</u>
Ensuring Stewardship		\$188,926
Census Surveys	2008-2020	\$9,550
Data Development ¹	2008-2020	\$5,669
Health and Retirement Study (HRS) and Supplement	2008-2020	\$52,662
Retirement and Disability Research Consortium ²	2008-2020	\$121,045
Total Section 1110 and 1144 Obligations		\$682,068
Benefit Offset National Demonstration (BOND)	2008-2020	\$133,095
Promoting Opportunity Demonstration (POD)	2016-2019	\$47,481
Lessons Learned from SSA Demonstrations	2020	\$787
Total Section 234		\$ 181,363

ADMINISTRATION OF OUR RESEARCH ACTIVITIES

To implement these demonstrations and Section 1110 and 1144 extramural research projects, we need to continue to hire and develop staff able to test creative and effective ways to reform the disability and retirement programs for a modern labor market and promote greater labor force participation of people with disabilities. The ability to design and implement rigorous research and demonstration projects requires employees with unique skill sets in program administration, policy design, project management, research and evaluation, and problem solving.

Our primary research components are housed within ORDP. ORDP is responsible for all major activities in the areas of strategic and program policy planning, policy research and evaluation, statistical programs, and overall policy development, analysis and implementation. Within ORDP, the Office of Research, Demonstration, and Employment Support; the Office of Disability Policy; and the Office of Research, Evaluation, and Statistics share the responsibility of administering projects funded under our research appropriation.

Office of Research, Demonstration, and Employment Support (ORDES) - ORDES conducts research and analysis related to the DI and SSI programs. ORDES implements demonstration projects to test changes to the disability programs primarily aimed at improving program administration and supporting employment. ORDES also conducts research, analysis, evaluations, and statistical modeling that support our goals to strengthen our DI programs and improve program integrity. ORDES is also responsible for the collection of new occupational information to support our disability programs.

Office of Disability Policy (ODP) - ODP oversees and supports the planning, development, evaluation, and issuance of substantive regulations, policies, and procedures for our DI

¹ Data Development now reflects total obligations for current research projects only.

² The Disability and Research Consortium (DRC) and the Retirement Research Consortium (RRC) were separate grant programs until FY 2017.

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programs; development and promulgation of policies and guidelines for use by State, Federal, or private contractor providers who implement the disability provisions of the Act; evaluation of the effects of proposed legislation and legislation pending before Congress to determine the impact on the disability programs; and the coordination of interrelated policy areas. ODP uses research to identify opportunities for policy improvement; to keep medical, childhood, DI, and CDR policies up to date; and to make informed DI policy decisions.

Office of Research, Evaluation, and Statistics (ORES) - ORES is a Federal statistical unit responsible for the production and dissemination of research, statistics, and data on Social Security programs. ORES meets these responsibilities through four primary functions:

- **Research and Evaluation** – ORES produces findings on the Social Security retirement, DI, and SSI programs from research conducted both through intramural research and extramural funding. Examples include original research published by ORES researchers, grants to support data development such as the HRS, grants through the RDRC; funding support for the UAS and HRS; and evaluation of the effects of Social Security research and public-use surveys.
- **Data Development** – ORES develops program and survey data to support our research and statistical objectives. These activities include providing administrative data to internal and external partners to support program research, developing administrative linkages to external data sources (e.g., the HRS), and partnering with entities to enhance data supporting program research (e.g., IAAs to develop data resources).
- **Statistics** – as a principal statistical unit of the U.S. Federal Government, ORES publishes a variety of statistics on our programs and beneficiaries using both administrative data and survey data. These activities include publishing a number of standing statistical publications, making custom estimates upon request, providing statistics based on administrative data to internal and external partners, and being an active participant in the community of Federal statistical agencies (e.g., interaction with the Committee on National Statistics and coordination with the Interagency Council on Statistical Policy).
- **Dissemination** – maintaining a schedule of research and statistical publications allows ORES to both achieve agency goals and meet requirements for Federal statistical units. ORES statisticians and researchers collaborate with the dissemination team to provide reliable data about key Social Security program variables (e.g., trends in applications, benefits, earnings, etc.), information about the design of social insurance programs around the world to support comparative research, as well as social and behavioral research related to our programs.

RESEARCH INVESTMENT CRITERIA

We support research that fosters a better understanding of the socio-economic status and other characteristics of Americans under the program we administer; how changes in demography and the economy might alter the well-being of the program and those it covers; the interrelationships between the program and other private and public programs; and the impact of the program on the overall economy. Within this framework, our extramural program places the best available

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evidence into the hands of policymakers to inform policy development and program administration. We have established guidelines for developing, managing, and vetting projects for potential inclusion in our long-term research and demonstration agenda. We employ a variety of methods to ensure we meet the funding requirements of the sections of the Act that authorize our extramural research and demonstration activities and our extramural research activities meet high standards for relevance, quality, and performance.

Relevance

The primary purpose of our extramural research is to support evidence-building to inform the improvement of our programs. We seek to support research and demonstrations that clearly connect with this goal. A fundamental step in our review is assuring that each project responds to issues facing the OASDI and/or SSI programs, with priority towards contemporaneous challenges. Our review process includes obtaining the advice and recommendations of researchers with technical expertise, program managers, and agency executives. We also receive input on our research program from the Social Security Advisory Board. The extramural research budget undergoes both our careful scrutiny and that of external monitoring authorities.

Internal reviews also help to ensure that funded activities reflect our strategic goals and objectives and help us respond to legislative requirements and address high-priority issues. Many of our extramural research activities are directed toward providing policymakers and the public with the analytical and data resources they need to assess our current programs and the implications of reform proposals.

Our budget request reflects our support of the Administration's and Congress' ongoing goals to provide opportunities for individuals with disabilities to maximize their self-sufficiency through work and to increase the American public's basic financial management skills. For example, through the RETAIN project, we are working collaboratively with DOL to test interventions that will improve the ability of individuals to remain in the labor force when they acquire an illness or injury.

We are also working with DOL and with HHS' Administration for Children and Families to test early intervention and return-to-work services for individuals who may be potential future applicants for DI or SSI.

Quality

Our extramural program provides access to analysts at top research institutions from around the country to expand our base of expertise to produce the best evidence in support of our program. We use a competitive, merit-based, peer reviewed procurement process to ensure that our extramural research program selects the most appropriate individuals and techniques to produce high quality results. We award our extramural research projects conducted by private-sector organizations through competitive contracts, grants, or cooperative agreements. As a result, our extramural program features internationally recognized scholars including many that have held important Federal posts (e.g., Council of Economic Advisors) and received significant recognition for their research contributions (e.g., the John Bates Clark Medal).

We also use Technical Expert Panels to review projects while they are in progress to provide feedback and suggestions to the agency. These panels include internal experts in relevant disciplines, such as statistics, economics, and survey design. They help ensure that our sponsored research projects are methodologically sound and consistent with professional standards. The research projects we sponsor through the RDRC are often discussed in formal seminars or workshops, as well as published in top peer-reviewed scientific journals.

Performance

We carry out our extramural research and evaluation projects primarily through contracts, jointly funded cooperative agreements, and grants that identify specific deliverables and timetables. The agency has sent a strong message to contractors that they must complete projects on time and within budget. Contracting officers, contracting officer's representatives, analysts, and senior executives monitor the progress of all research contracts and agreements. These agreements are also subject to audits by the Office of the Inspector General.

Consistent with the Administration's encouragement to support evidence-based evaluations, we produce reports and data files for each research and evaluation project in an effort to determine whether existing or proposed programs work as designed. Where appropriate, we make these reports publicly available or announce their availability in the *Social Security Bulletin* and online.¹ The RDRC also disseminates output at annual meetings, online, and through a variety of publications, workshops, and conferences. Finally, our research projects are widely cited in both peer-reviewed publications and the mainstream press.

¹ Our extramural partners often publish supported research in scholarly journals. Recent examples include, but are not limited to: Rennane, Stephanie (2020). "A Double Safety Net? Understanding Interactions between Disability Benefits, Formal Assistance, and Family Support." *Journal of Health Economics*, <https://doi.org/10.1016/j.jhealeco.2019.102248>; Börsch-Supan, Axel, Tabea Bucher-Koenen, and Felizia Hanemann (2020) "Early Determinants of Work Disability in an International Perspective." *Demography*, <https://link.springer.com/article/10.1007/s13524-020-00902-7>; Coile, Courtney, Mark Duggan, and Audrey Guo (2020) "To Work for Yourself, for Others, or Not at All? How Disability Benefits Affect the Employment Decisions of Older Veterans." *Journal of Policy Analysis and Management*, <https://doi.org/10.1002/pam.22261>; Quinby, Laura D., Alicia H. Munnell, Wenliang Hou, Anek Belbase and Geoffrey T. Sanzenbacher (2020) "Participation and Pre-Retirement Withdrawals in Oregon's Auto-IRA." *The Journal of Retirement*, <https://doi.org/10.3905/jor.2020.1.069>; Munnell, Alicia H., Abigail N. Walters, Anek Belbase, and Wenliang Hou (2020). "Are homeownership patterns stable enough to tap home equity?" *The Journal of the Economics of Ageing*, <https://doi.org/10.1016/j.jeoa.2020.100277>; Maurer, Raimond and Olivia Mitchell (2020). "Older peoples' willingness to delay social security claiming." *Journal of Pension Economics and Finance*, <https://doi.org/10.1017/S1474747219000404>; Been, Jim, Susann Rohwedder, and Michael Hurd (2020). "Does Home Production Replace Consumption Spending? Evidence from Shocks in Housing Wealth in the Great Recession," *The Review of Economics and Statistics*, <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7597678>; Haurin, Donald, Stephanie Moulton, Cäzilia Loibl, Julia K Brown (2020). "Debt Stress and Debt Illusion: The Role of Consumer Credit, Reverse and Standard Mortgages," *The Journals of Gerontology*, <https://doi.org/10.1093/geronb/gbaa167>; Loibl, Cäzilia, Stephanie Moulton, Donald Haurin & Chrisse Edmunds (2020) "The role of consumer and mortgage debt for financial stress." *Aging & Mental Health*, <https://doi.org/10.1080/13607863.2020.1843000>.

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