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Joint Committee on Federal Social Security Amendments of 1972 - Final Report

Joint Committee on Federal Social Security Amendments

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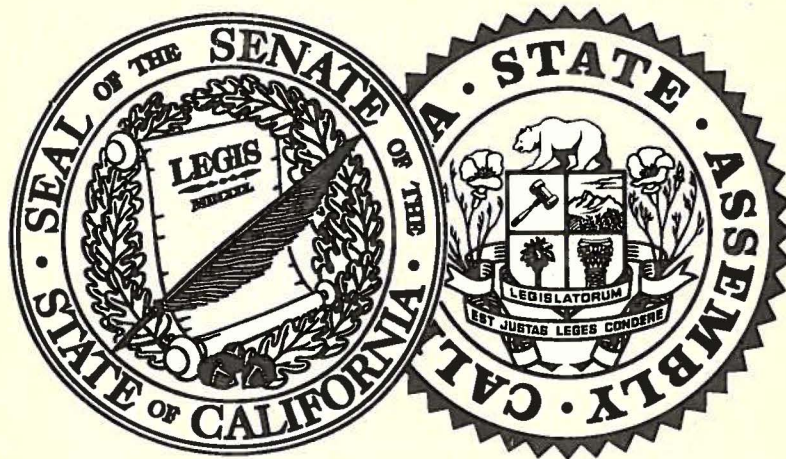
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**JOINT COMMITTEE ON FEDERAL SOCIAL
SECURITY AMENDMENTS OF 1972**

CALIFORNIA LEGISLATURE

SENATOR GEORGE R. MOSCONE, CHAIRMAN

ASSEMBLYMAN BARRY KEENE, VICE CHAIRMAN



FINAL COMMITTEE REPORT

December 31, 1975

SENATORS

Bill Greene
John F. Dunlap
Richard M. Chlade

STAFF

Jay-Allen Eisen, Committee Counsel
Todd Boley, Research Assistant
Jayme Barr, Secretary

NON-CIRCULATING

ASSEMBLYMEN

Gordon W. Duffy
Robert N. Mobley
Ronald D. Ralph

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JOINT COMMITTEE ON FEDERAL SOCIAL

SECURITY AMENDMENTS OF 1972

California Legislature

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The Joint Committee on Federal Social Security Amendments originally drafted California's extensive State Supplementary Program, under the leadership of our former State Assemblyman, now Congressman, John L. Burton. Because of the magnitude of California's investment in aiding its aged, blind and disabled --almost \$500 million last year, more than \$600 million this year --the Committee has continued to monitor the novel experience of federal administration of state monies.

We are fortunate to have regular contact with both state and federal administrative agencies. At the same time we receive requests daily from individual constituents and state and federal legislators for help in resolving SSI problems. In this way, we are able to measure the impact of policies and agency claims of improved performance against the yardstick of recipient satisfaction.

It is clear to us that after a year and a half of operation, the SSI program still has far to go before legislators, administrators, and the public can be fully confident that the program is doing the job Congress intended. In making this conclusion, we recognize the tremendous effort Social Security Administration has made taking on the program and then attempting to cope with the almost overwhelming difficulties the program has faced. Nor do we disregard the encouraging signs that the worst is now behind us.

But recent improvement still must be viewed in terms of what the Social Security Administration itself has set as its standards,

and what the public has a right to expect.

1. INADEQUATE STAFF AT SOCIAL SECURITY. Commissioner Cardwell of the Social Security Administration urges the need for additional staff to help process SSI cases. Original staffing estimates were based largely on the Title XVI program as it was originally proposed to Congress, and did not adequately take into account the many Congressional changes both before and after HR-1 finally passed. The assumption persisted that SSI cases would not take as long to process as a regular Social Security claim. We have been told that, based on these assumptions, Social Security requested 19,000 new employees to handle SSI nation-wide. The situation was worsened when Social Security's estimates of new staff needed to run SSI were woefully short of the mark. The situation was worsened when OMB made further reductions in the new employee authorization.

The program rapidly overwhelmed the staff. Overtime began a dizzying spiral upward. In the last three months of 1973, as District Offices prepared for SSI, overtime doubled over the previous quarter to almost 600,000 hours. In January, 1974 alone, the first month of SSI operations, more overtime was used than in the entire previous four months. Total overtime used by the Social Security Administration in the first year of SSI operations was more than 6,700,000 hours. This is 3 1/2 times as high as 1973's overtime, and represents the amount of work it would take a single worker almost 38 centuries to perform.

The effects of short staffing are still being felt. They

cannot be overemphasized. Inadequate staff means overworked employees who lack time for proper training, are inclined to make greater errors, are unable to adapt quickly to changes in policy or procedure, take longer to do the basic work, and are more inclined to seek other work elsewhere. As a result, the level of experience and proficiency of staff remains low.

Inadequate staff does not add to other problems; it multiplies them.

Our first recommendation, then, would be to do whatever is necessary to give Social Security Administration the basic human resources to operate the program smoothly and efficiently.

2. POOR INFORMATION FLOW AND COORDINATION WITHIN SOCIAL SECURITY. SSI was engrafted onto an administrative structure which was not prepared to deal with means tests and programs based on need. Except for the Bureau of Supplemental Security Income (BSSI), the program operates through bureaus which have existed many years, and have their own ways of doing things.

So, although BSSI is supposed to be the bureau which sets basic policy in the program, instructing staff what the policy is and how to implement it is the responsibility of the Bureau of Field Operations (BFO, formerly the Bureau of District Office Operations, BDOO). Thus, we have a tremendous duplication of efforts under which each bureau has its own manuals setting forth SSI policy--the SSI Handbook, published by BSSI, and the Claims Manual, published by BFO. Each is massive, each is updated almost daily as policy and/or procedures change.

The same is true in disability cases, which fall under the province of the Bureau of Disability Insurance (BDI). BDI is somewhat more comprehensive in its approach, establishing not only disability criteria, but actually monitoring performance of the evaluation process. BDI has its own publications dealing with the peculiarities of disability, yet these documents often repeat materials found in both the Handbook and the Claims Manual.

It has always been the intention of Social Security to integrate all of this material into the Claims Manual which will eventually become the single source of information. But for the past 18 months, and presently, policy materials relating to SSI are issued by the three bureaus already mentioned, without any indication that any one of them is overseeing the flow of information to the District Offices. Additionally, specialized units working on particular problems may send out their own infrequent instructions to staff. The information blizzard is joined by occasional gusts from regional offices which send out their own materials to cover local peculiarities of policy or procedure.

The result in the District Office is a daily avalanche of material from innumerable sources, in ever-changing formats, in which SSI policies may compete for attention with materials regarding regular Social Security and Medicare. Little wonder that it seems to take inadequate staff so long to implement changes in policy or improved procedures.

This pattern persists with respect to statistical and management data needed to assess program performance and take corrective action. Each bureau keeps its own kinds of data

and does not often, or even frequently, share this information with others. Numerous times the staff of our Committee has been told by one bureau that certain statistics are not kept and cannot be obtained, only to find that another bureau has exactly what we need.

Overall, in fact, management data about SSI has been much less than adequate. For example, one indicator of how well cases are being handled is how long it takes to process a claim from application to actual payment. While a computer-generated report has been promised since the program began, so far as we know there is nothing currently available. The computer report has been issued, but sporadically. At one point it was decided to stop publishing it altogether. It was revived in March of this year, but the only report provided us since then had the processing times crossed out with "Do Not Use" handwritten over that section.

To some extent this is explainable as a result of inadequate staff pressed to do everything possible simply to get checks to eligible recipients. But without adequate management data, it is impossible to know exactly how to improve the system to get the best use of resources.

A recent re-organization of Social Security places all of the bureaus involved in the SSI program under a single Office of Program Operations. Whether this will improve the communications between the bureaus or better co-ordinate the flow of information to the District Offices remains to be seen. It certainly represents a step in the right direction.

3. COMPUTER SYSTEMS LIMITATIONS. Commissioner Cardwell has stated that when the SSI program began, the computers were not fully able to handle the work. The computers were completely incapable of issuing checks to some kinds of cases.

Since then, new computers have been added, programs have been refined, and new procedures have been developed to correct mistakes. But still, the computers are unable to issue checks to all eligible persons.

In Region IX, for example, approximately 6-7,000 checks each month must be manually issued. This imposes burdens on all the parties concerned. The process to issue checks manually does not begin until the recipient complains to the Social Security Office. A manually-issued check will not arrive until two to three weeks later.

In one case which came to our attention, the computer had never issued a check to a woman who should have been automatically converted from the state Aid to the Disabled program when SSI began. After 15 months, the woman still had to call her Social Security office to tell them her check hadn't arrived, then wait two to three weeks for a hand-issued check. Her check for March, 1975 did not finally arrive until almost the middle of April. Everyone seemed to agree the problem was a mistake in her Social Security number as it appeared in the SSI records. But no one seemed able to correct the problem, nor did anyone ever begin the manual procedure in time to assure her of getting a hand issued check on the first of each month.

Since she did not receive a computer-generated check, she

did not receive a Medi-Cal card. California depends on Social Security for the names of all SSI recipients. But Social Security is only able to provide the names of people who get computer-generated checks.

Because the manual issuance process takes so long, the woman was given a temporary loan by her county welfare department under a unique program California instituted to deal with the problem of non-delivered SSI checks. This required the woman to travel to the next county to the nearest Social Security office to obtain necessary verification of her eligibility, then back to her home county to the nearest county welfare office. She would then have to go to a second welfare office still further away to obtain a hand-issued Medicaid card. These burdens were greatly increased by the fact that the woman is disabled and has no automobile.

We should mention that after we discussed this case in a public hearing in April, the Regional Commissioner of Social Security personally intervened, and recently told me that the woman's problems have been solved.

While this case is an extreme example, it does highlight what happens when the computer system cannot cope with a case. And, there are still major situations the computer is unable to handle. One persistent example is the married couple who both became eligible for SSI, but on different dates. Say the husband becomes an SSI recipient, and 8 months later, his wife turns 65 and also becomes eligible. At that point, the computer, which has been paying the husband dutifully, suddenly stops paying

either of them.

Another major problem with couples is what happens when one member dies. The computer is unable to adjust the grant to pay the survivor the amount to which an individual is entitled.

Special procedures have been developed for some of these situations. None of them seems to anticipate the problem, only to compensate for systems limitations when the problem arises. Usually the computer is "forced" to issue a check which its program says should not be issued, or pay a grant amount which the program says is improper.

But the basic problem persists that the computer systems are not able to cope with many common situations or everyday occurrences, with the result that checks are not properly adjusted to reflect current circumstances, or, worse, suddenly stop altogether.

4. LONG DELAYS IN PROCESSING. The most frequent complaint we hear from recipients is that Social Security seems to take so long to process SSI cases. The problem involves not only initial applications, but changes in the recipient's situation. For example, many recipients have told our staff that they fear that if they move, their SSI checks will stop since it seems to take up to 6 months for Social Security to process a change of address.

It is at the initial application point, though, that recipients have the greatest concern. This is because the person who qualifies for SSI has insufficient income to meet his or her needs. Every day of delay means another day of essential expenses that cannot be met.

Commissioner Cardwell has stated that the median time for processing aged SSI claims is now 38 days, and for disability cases it is 77 days. This does not mean that eligible individuals received payments within these times. Remember that because of human errors and computer limitations, many individuals who have been found eligible do not receive their payments.

Further, the figures Commissioner Cardwell used are medians. This means that only half the cases were processed in these periods; half took longer. In fact, some cases took more than a year to process.

Before going further, we must remind you that data has never been available to us to show how long it takes from initial application to actual payment. However, some data has been provided us. It indicates that Social Security should be far from pleased with its present performance.

Case processing is broken into several steps. First, there is the evaluation of income and resources in the District Office. Then, if the case involves a disability, it is evaluated in a separate disability determination unit operated by the state under contract with Social Security. If the case is eligible for SSI, it should be entered into the computer, and no further action is necessary. However, should the computer not be able to issue the check, the case may be sent to Data Processing for further work.

In analyzing these processes, we are relying on Social Security's "SSI-MARS Management Analysis and Review System,"

the most recent issue of which covers February, 1975.

One measure of how well cases are being processed is the number of cases which have been in the District Offices more than 20 days. Social Security has set a national goal to have only 25% of the disability workload in the District Office more than 20 days old. Yet, as of the end of February, 1975, 41.5% of the disability cases had been in the District Office more than 20 days.

In aged cases, the performance measured against Social Security's own standards was worse. The goal is to have only 10% of the aged cases pending more than 20 days. As of the end of February, however, 40.4% of the aged cases were older than 20 days, more than four times as many as Social Security would desire.

At the state agencies where disability evaluations are performed, the goal is to have only 7.5% of the caseload pending more than 45 days. Actual performance at the end of February indicated the goal was far from being met, with 20.4% of cases having been at the state agency more than 45 days.

At Data Processing, which attempts to do whatever is necessary to get the computer to pay problem cases, no processing goals have been set. Two measurements are used, however, the number of cases pending more than 30 days, and the number which have been pending more than 90 days. At the end of February, there were more than 202,000 cases at BDP. 59.2% of them had been there more than 30 days, and almost half of these, 26.9% of the BDP caseload, had been there more than

three months.

In Region IX, the Bureau of Disability Insurance regularly samples SSI cases to track processing times. (We might mention this as another example of poor inter-bureau coordination of effort and communication, since none of the other bureaus seems to be able to provide the same information for their processes, nor, as far as we know, do they make use of the BDI data. In fact, when our staff asked for similar data nationally, we were told that the central office does not make a similar compilation.)

In February, 1975, in Region IX, median processing time was 70 days, slightly better than the national median. Remember, though, that half the cases took longer than 70 days. How much longer is graphically shown by the figure that 34% of the cases had taken more than three months, and took up to 372 days--a year and a week--to process. This meant that at least one case processed in February, 1975 was an individual who had first applied for SSI in January, 1974. (In January, 1975, at least one case was completed which had been opened 406 days earlier--some time in November or December, 1973.)

Interestingly, although the disability evaluation program operated by the state is frequently blamed for the long delays in processing disability cases, the Social Security District Offices have had cases pending there longer than any at the state agency. Some cases languished in the District Offices as long as 330 days, while none was at the state agency more than 286 days.

These processing time statistics are dramatically underscored by the requirements the Secretary of HEW imposed on the

states in processing these very cases in their state welfare programs. Under the Secretary's regulations, except in unusual situations, the states were required to process claims for aid to the aged within 30 days of application, and disability cases in 60 days.

Measured against any standards, Social Security Administration still is not responding adequately to the concerns of Congress or the needs of recipients in processing its caseloads.

5. POOR INTERGOVERNMENTAL OPERATIONS. It is unfortunate but true that the various federal and state governmental agencies involved in SSI administration have less than perfect relationships.

More pervasive, however, is the inadequate co-ordination between the two levels of government. The result is the creation of large administrative gaps through which recipients too often fall. Representatives of our state's welfare agency will tell about the tremendous problems which exist trying to have Social Security offices refer SSI recipients to state service and aid programs for which the recipients qualify.

We have already mentioned the problem California has trying to issue Medical cards automatically to all SSI recipients. Because Social Security's data exchange does not include recipients who are not paid automatically by the computer, as many as 10,000 recipients a month are not issued Medi-Cal cards to which they are entitled. They must obtain confirmation of their SSI eligibility, then obtain a Medi-Cal card which the county must issue by hand.

The disabled and elderly cannot easily tolerate the inconvenience of this burdensome procedure especially when it must be done month after month. (The state, by the way, has its own burdens, to the tune of more than \$1 million spent hand issuing Medi-Cal cards to SSI recipients who were not included on Social Security's data tapes.)

Another extremely annoying example is the notice about Medicaid sent to all persons in states where Social Security administers the state supplement. The notice tells the unfortunate recipient that "An agency of your State will get in touch with you about the Medicaid program in your state. You don't need to do anything more about Medicaid until you hear from them"

This is completely misleading. In the first place, Social Security has never instructed the states to seek out SSI ineligible and enroll them in Medicaid. Worse, the states have no way to find these people, since Social Security only sends the states lists of eligible individuals, and does not provide the names of persons denied SSI or terminated from the program. As a result, thousands of elderly, blind, and disabled individuals each month are wrongly advised not to apply for medical assistance for which they may be eligible, and which they may desperately need.

State officials in California pressed Social Security to change this deceptive practice. We do not know if other states have made similar attempts. But, in California, the process of trying to tell recipients the truth has involved negotiations

between the state and federal governments which have gone on for almost a year. First, Social Security had to be convinced that it had a responsibility not to mislead recipients, and to tell them directly that they should contact the state to obtain medical assistance. Then the state had to decide what language Social Security should use in making the referral. So far as we are aware at the Joint Committee, the negotiations are still incomplete, and Social Security continues to deceive thousands of recipients each month.

6. HARSH AND COMPLEX POLICIES. Commissioner Cardwell continues to stress the complexity of the SSI program. The Secretary's regulations do little to ease the problem. As an example, we encourage you to read the regulations dealing with individuals living in someone else's household. Congress has required that grants to these individuals be reduced 1/3 to account for the value of room and board contributed to them by the head of the household. As an exercise in futility, we encourage you to read the regulations which are supposed to tell you who gets reduced 1/3 and who doesn't. You will find them in the Claims Manual at Section 12310, and the SSI Handbook at Section 6065.

To see how unusually restrictive the administrative interpretation of Congressional policy can be, we can think of no better example than the rules regarding income "deemed" to be available to an SSI recipient from a spouse or parent with whom the recipient lives. In Section 1614(f) of the Social Security Act, Congress directed the Secretary to establish policies regarding deeming, leaving to administrative discretion

the question of how much of a spouse or parent's income should be deemed available to the SSI recipient. Without questioning the Congressional decision to deem income available to a recipient in this situation, there are serious problems in the manner the Secretary has adopted to implement the policy.

For example, consider a husband and wife living together. The husband does not meet any categorical qualification for SSI, and has income from a private pension. The wife is sufficiently disabled to receive SSI, but some of the husband's income is deemed available to her. In computing the amount deemed available to the wife, the Secretary has decided that the husband shall live on \$73 a month. All the rest of his income is deemed to be his wife's.

The regulations do not explain how it was decided the husband should have a standard of living only half as much as an SSI recipient is paid. In states which supplement the federal payment, the husband's living standard is even less in comparison to the amounts paid SSI recipients. In California, \$73 a month is less than 1/3 of what a single SSI recipient is paid.

But the real point is that, by allowing the husband only \$73 a month for his living costs, most of his income is deemed available to his wife, who may thus be ineligible for SSI. In states which supplement the SSI grant, the couple may be forced to live on less than the comparable grant standard. In California, eligible couples currently receive \$440 a month. This is the minimum California considers an adult married couple requires to meet their needs. Yet, in our example, if the ineligible

husband has a private pension of only \$328 a month, his disabled wife cannot receive SSI. Both are forced to live on a monthly amount more than 25% below the grant standard. Many people working in agencies which directly serve the elderly have expressed their belief that this policy encourages elderly couples to separate.

In the case of eligible disabled or blind children, income is "deemed" available from parents. A person over 18, however, is considered an adult, and no income is deemed available even though the individual lives with his or her parents. A disabled person of age 19 can receive SSI while living at home regardless of the parents' income. (Although the grant may be reduced 1/3 in this situation because the individual is living in the household of another.)

However, Congress has defined "child" to include students between 18 and 21 years old. The Secretary's regulations interpret this to penalize individuals in this age group while they attend school, by classifying them as "children", and deeming income to them from their parents.

A dismaying example of the result has occurred several times in San Francisco. Federal, state and private agencies have educational programs to help the trainable mentally retarded acquire sufficient skills to become self-supporting. The programs are often designed particularly to serve the retarded between ages 18 and 21. However, as soon as the individual enrolls in this program, the Secretary classifies him or her as a "child", and deems income available from the parents. The result in many cases is termination of the grant.

In short, the policy encourages those who might be trained to be self-sufficient to remain idle, while at the same time discouraging them from obtaining education benefits designed to help them become, at least partly, if not totally, self-supporting.

Altogether, the regulations governing SSI can be complex, harsh, and self-defeating.

7. EMERGENCY AID PROGRAMS INADEQUATE TO THE NEED. Three programs exist to help SSI recipients in dire financial emergencies.

First, a person eligible for SSI may receive a \$100 advance on the first SSI check. Although not even half the SSI payment amount in California, this short-term solution has helped many of the constituents who have contacted the Joint Committee about problems getting checks once they have been found eligible.

But it is small help in the face of administrative delays that can mean many months before the first SSI check is finally issued by the computer, if it is issued at all.

A second program will allow a disabled applicant to receive assistance for up to 90 days if the individual is "presumptively" eligible for SSI. Frankly, we have never understood why Congress denied this same benefit to the elderly and the blind. But until very recently, the Secretary's regulations made it unavailable to all but a very few of the disabled. Until three months ago, to be presumptively eligible an applicant had to have (1) a leg amputated at the hip, (2) any two limbs amputated, or (3) total deafness. The regulations were recently modified to

include the more compelling cases of terminal cancer, or total hospital confinement after a serious accident.

But the great problem here is the fact that the benefits are only available for 3 months. With half the disability cases taking more than 77 days, and more than a third still unresolved after 3 months, and some taking more than a year, the 90 day limitation is clearly insufficient. Congress should strongly consider amending the Act to allow presumptive eligibility payments through the time that a final decision as to eligibility for SSI has been made.

The third program to help individuals in financial emergencies is the replacement of lost or stolen checks. There are two problems here. First, the program only helps people whose checks have actually been issued by the computer. It is not available to that large group to whom the computer is unable to issue checks at all because of systems limitations. These individuals must wait through long delays while their checks are manually processed. This is what happened to the woman referred to earlier whose checks never arrived for fifteen consecutive months. The process to issue a check manually, by the way, is grossly misnamed the "One Time Payment" procedure, even though in many cases "One Time Payments" are made several more times than once.

The second problem with the lost or stolen check replacement program is that, while faster than manually issuing checks, it still takes 7-10 days. These are days in which the recipient is unable to pay rent, or buy food. A delay of a few days is critical in the life of the needy at the economic margin of

subsistence.

I strongly endorse Congressional and Legislative efforts to vest Social Security with whatever authority is needed to provide checks to all eligible persons whose grants do not arrive on time within 24 hours of the recipient's notice to Social Security.

8. COST OF LIVING ESCALATORS ON RESOURCE LIMITATIONS.

Congress wisely provided that the purchasing power of SSI grants would not be eroded by inflation, and built into the Act an automatic cost-of-living provision.

At the same time, nothing was done to recognize that the purchasing power of the income and resources of recipients--the "means", which are the subject of the means test--is reduced by a rising cost of living. A cash reserve of \$1,500 today will purchase much less than the same money would have bought 18 months ago. On the other hand, to purchase what \$1,500 would provide in January, 1974 an individual today has to spend over \$1700.

On the other hand, some resources, particularly real property, tend to increase in value over time. This is in large degree simply another aspect of inflation, since to purchase the same piece of property requires an ever greater number of dollars whose purchasing power is diminishing.

By not allowing resource limitations to increase at the same rate as the cost of living, Congress restricts the SSI program to people who have assets whose real ability to provide an alternative means of support is steadily diminishing.

Thus people who have assets of fixed value, such as cash, which are over the resource limits, may be ineligible today, even though their assets would not support them at the same level \$1,500 would have provided yesterday. Individuals with assets whose value increases over time, such as real property, may be eligible for SSI today, and ineligible tomorrow. This is exactly what can happen to some property-owning recipients in San Francisco this year when the city reappraises the value of their homes.

An obvious and simple answer is to provide in the statute for the same cost of living escalator on resource limits that is given in the grant itself.

9. FISCAL RESTRICTIONS ON STATE SUPPLEMENTATION. Finally, we come to one of the most troubling concerns of the California legislature. To illustrate the problem, consider the grant in California to a single aged individual, presently \$259 a month. Of this, the federal government pays \$151, or approximately 60%. The state pays the remaining \$108, or around 40%. Yet, at the end of last calendar year, of total expenditures on cash grants to the elderly, blind and disabled, California had spent almost 60%, while the federal government spent just over 40%.

The primary reason this occurred is that income of recipients goes first to offset the federal contribution. Not until an individual has \$151 in chargeable income is the state able to reduce its contribution to the grant. On the other hand, a person with more than \$151 chargeable income receives a grant paid entirely by the state, and nothing from the federal government. This is true in each of the 32 states which provide mandatory or

optional supplements above the SSI grant.

To put the matter in perspective, the situation can be viewed in light of the former programs where state and federal governments shared equally in the grant, and in any offsetting recipient income. Had this experience continued under SSI, California's adult aid expenditures in calendar 1974 would have been approximately \$80 million less than we actually spent. This would be about what the state would have to pay under the former sharing formula in order to provide its SSI recipients true cost of living adjustments in their grants.

Under the present system, however, every dollar above the SSI level must be paid by the state. So, if California were to increase SSI grants to account for cost of living changes over the past 18 months, the state would have to bear the entire cost, presently estimated at about \$170 million. The Legislature is now trying to cope with the problem of assuring the purchasing power of the grant is not eaten away by inflation, and trying to pay for it.

The federal "hold harmless" provision does not offer any real help to the state. The Congressional formula protects the state up to the level of adult aid grants in 1972. But California had law going back 13 years which raised its adult grants every year to account for cost of living increases. Many other states had similar provisions. The hold harmless provision which is based on 1972 grant levels offers the state no help in trying to hold grants at the levels paid in 1973.

Nor does the hold harmless provision offer any assistance to

the state which wishes to increase its present level of state supplementation to account for rising living costs.

Various proposals have been made to build into the hold harmless formula protection for cost-of-living increases in state supplementation. It is this Committee's understanding that Congress is currently considering several different proposals which would insure that a cost-of-living increase is received by all SSI beneficiaries.

The State of California has a keen interest in assuring California's elderly, blind and disabled, that inflation will not rob them of the ability to purchase the basic necessities of life. With Congressional help, we can assure the citizens of California and all other states that they will be able to continue to afford the cost of simply staying alive.

SUMMARY. In short, the SSI program has yet to fulfill the promise of HR-1. Understaffing, poor administrative operations, and computer limitations seriously hamper the ability to process cases quickly and accurately. Poor inter-governmental working relationships create huge gaps into which many recipients fall, failing to receive adequate help from either federal or state agencies. Inadequate programs to aid those in financial crisis, and harsh, unduly complex regulations make it unnecessarily difficult for the elderly, blind, or disabled in need to receive assistance. Fiscal restrictions impose tremendous financial burdens on states which supplement SSI, and may cause grants to be eaten away by inflation.

It is clear that more, much more, needs to be done legislatively and administratively. Strong, direct, immediate action

is needed to unsnarl the massive foul-ups which still hinder the effectiveness of SSI.

We do have one particular suggestion in this regard we wish to give special emphasis.

As Commissioner Cardwell noted, one of the greatest factors contributing to the problems of SSI has been the administrative process within Social Security Administration. While the Agency staff are conscientiously trying to do their best, the structure and procedures of the Social Security Administration often seem to stand in the way of the best intentions. Commissioner Cardwell has acknowledged many of these difficulties, and has stated that a task force organized and supervised by the Agency is now working on the problem.

We respectfully urge that this is not enough.

The Administrative problems which create so much misery for SSI recipients are shared by Social Security recipients as well. These problems are different in the SSI case only because the recipient lacks adequate, if any, alternative means of support. Many, if not most, of these problems predate the SSI. We're sure that each of you has direct knowledge of the massive difficulties your constituents faced trying to obtain Social Security benefits, long before there was an SSI program.

We are greatly concerned, therefore, that any "in-house" appraisal of needed administrative reforms will be too vulnerable to the myopia to which all of us are prone after years of doing a job in a set way using the only tools we have available. It may never occur to us that a single, different tool can help us

do the work faster and better. Or, if the idea does occur, it is too often rejected simply because it is different or because we just don't know how to change.

We suggest, then, that a first priority for Congress should be to authorize a private, highly reputable management analysis consulting group to make a full-scale, in-depth study of the structure and procedures of the entire Social Security Administration, with particular emphasis on the SSI program. This review should then be reported back to Congress to enable you to evaluate the recommendations, monitor their implementation, and make any needed legislative changes.

We cannot stress too much the need to take all steps to assure that the administrative mechanism is in the best of condition. Any legislative program must always depend on an efficient, smoothly functioning administrative agency to be effectively implemented. Simply put, you need good tools to do a good job.

The investment in such an intensive, thorough appraisal could bring immeasurable returns in helping the SSI program fulfill the goals set by Congress, better aid to the needy, and create confidence that the program is adequately and conscientiously serving the public. It can help assure that we can soon add SSI to the long list of proud accomplishments in government efforts to serve the needs of the citizens.