



**Congressional
Research Service**

Informing the legislative debate since 1914

Social Security Administration (SSA): Trends in the Annual Limitation on Administrative Expenses (LAE) Appropriation

Updated September 17, 2024

Congressional Research Service

<https://crsreports.congress.gov>

R47097

CRS REPORT

Prepared for Members and
Committees of Congress



R47097

September 17, 2024

William R. Morton
Analyst in Income Security

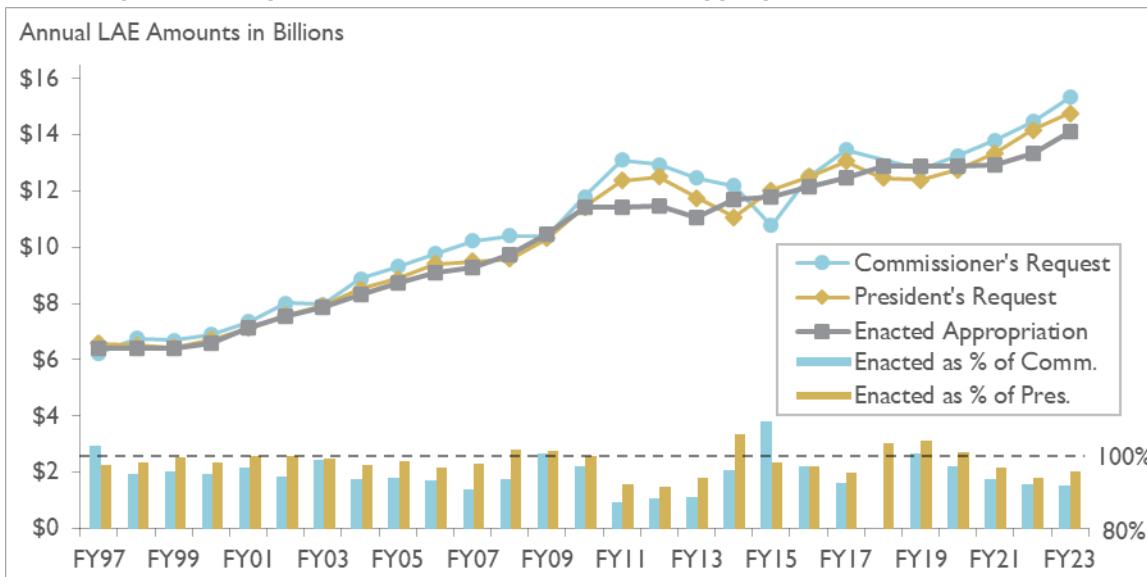
Social Security Administration (SSA): Trends in the Annual Limitation on Administrative Expenses (LAE) Appropriation

The Social Security Administration (SSA) is responsible for administering two federal entitlement programs that provide income support to qualified individuals: Social Security and Supplemental Security Income (SSI). In FY2023, Social Security and SSI combined paid nearly \$1.4 trillion in benefit payments to an average of about 71.3 million unique beneficiaries. Administering these programs requires SSA each year to process more than 9 million benefit applications and appeals, handle tens of millions of phone calls, complete more than 100 million post-entitlement actions, perform about 4 million program integrity reviews, and mail about 350 million notices. SSA also supports the administration of Medicare through a variety of activities, such as processing enrollment for most parts of the program, as well as determining and withholding premiums from Social Security benefit payments for applicable Medicare beneficiaries.

Although benefit payments for SSA's programs are considered mandatory spending and thus are not controlled by appropriations acts, the agency requires annual discretionary appropriations to carry out its programs and to support the administration of Medicare and various other programs and laws. With limited exceptions, SSA's administrative expenses are funded by appropriations to its Limitation on Administrative Expenses (LAE) account, nearly all of which are provided as part of the annual appropriations process. The annual LAE appropriation is a discretionary lump-sum appropriation composed of funds from the Social Security and Medicare trust funds for their respective shares of administrative expenses, the general fund for SSI's share of administrative expenses, and a portion of user fees collected for SSA's administration of certain activities. SSA's annual LAE appropriation is traditionally provided under the Related Agencies section of the annual Departments of Labor, Health and Human Services, and Education, and Related Agencies appropriations act. The annual LAE appropriation was \$14.127 billion for FY2023, the most recently completed fiscal year at the time of publication.

Figure S1 compares the commissioner of Social Security's request, the President's request, and the enacted level for the annual LAE appropriation for FY1997-FY2023 in nominal (i.e., current) dollars, with some adjustments. The Social Security Act requires the commissioner to prepare an independent budget and for the President to submit it to Congress, without revision, together with the President's budget. The commissioner's request was first submitted for FY1997. Since then, the commissioner's request has exceeded the President's request for all but two fiscal years: FY1997 and FY2015. (The FY2018 commissioner's request is not shown because the President did not submit it.)

Figure S1. Requested and Enacted Annual LAE Appropriation, FY1997-FY2023

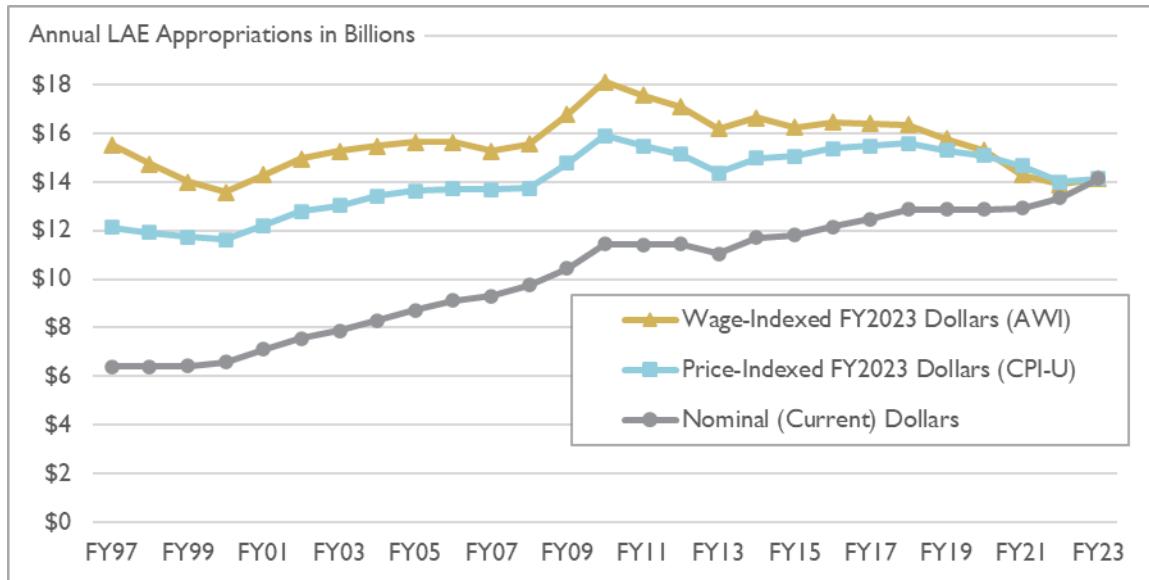


Source: CRS analysis of SSA's congressional budget justifications and unpublished data provided by SSA to CRS on April 3, 2023.

The enacted appropriation has exceeded the commissioner's request for FY1997, FY2009, FY2015, and FY2019 only. The enacted appropriation has exceeded the President's request for FY2008, FY2009, FY2014, FY2018, FY2019, and FY2020 only.

Figure S2 shows the trend in the annual LAE appropriation in nominal dollars, price-indexed FY2023 dollars, and wage-indexed FY2023 dollars. The price-indexed line is adjusted for inflation using the Bureau of Labor Statistics' (BLS') Consumer Price Index for All Urban Consumers (CPI-U), and the wage-indexed line is adjusted for wage growth using SSA's Average Wage Index (AWI). The nominal line shows an increase in the annual LAE appropriation between FY1997 and FY2023, with notable increases in FY2008, FY2009, FY2010, FY2014, and FY2023. The price-indexed line also shows an increase in the annual LAE appropriation between FY1997 and FY2023 but at a more moderate rate relative to the nominal line, with notable increases in FY2009 and FY2010 followed by a notable decrease in FY2013, a notable increase in FY2014, and a notable decrease in FY2022. The wage-indexed line shows a decrease in the annual LAE appropriation between FY1997 and FY2023, with notable increases in FY2009 and FY2010 followed by notable decreases in FY2013 and FY2021.

Figure S2. Annual LAE Appropriation, in Nominal and Price/Wage-Indexed FY2023 Dollars, FY1997-FY2023



Source: CRS analysis of SSA's congressional budget justifications, BLS's CPI-U data, and SSA's AWI data.

The percentage change in the annual LAE appropriation is sensitive to the indexing measure and review period used. For example, using price-indexed FY2023 dollars (i.e., adjusted for inflation), the annual LAE appropriation increased by 3.2% between FY2007 and FY2023 but decreased by 11.2% between FY2010 and FY2023. On the other hand, using wage-indexed FY2023 dollars (i.e., adjusted for wage growth), the annual LAE appropriation decreased during both of these periods but by notably different magnitudes: a 7.5% decline between FY2007 and FY2023 versus a 22.1% decline between FY2010 and FY2023. The use of different indexing measures and review periods may result in noticeably different percentage changes in the annual LAE appropriation and thus potentially different interpretations of the trend in the appropriation.

Contents

Introduction	1
Overview of SSA	1
Programs	2
Administrative Responsibilities	3
Social Security and SSI.....	4
Medicare	5
Other Responsibilities.....	5
Service Delivery Methods.....	6
Overview of the LAE Account and the Annual LAE Appropriation.....	6
Components of the Legislative Text of the Annual LAE Appropriation.....	7
Funding Sources.....	9
Use of LAE Funding	11
Trends in the Annual LAE Appropriation	13
Historical Trends: FY1997-FY2023	14
Recent Trends: FY2012-FY2023	20
Trends in Selected Metrics and Workloads: FY2012-FY2023	25

Figures

Figure 1. Percentage Distribution of the Annual LAE Appropriation, by Funding Source, FY2023.....	10
Figure 2. Estimated Percentage Distribution of Overall LAE Funding, by Major Workload, FY2023	12
Figure 3. Estimated Percentage Distribution of Overall LAE Funding, by Major Expense Category, FY2023	13
Figure 4. Requested and Enacted Annual LAE Appropriation, FY1997-FY2023	15
Figure 5. Annual LAE Appropriation, in Nominal and Price/Wage-Indexed FY2023 Dollars, FY1997-FY2023.....	17
Figure 6. Percentage Distribution of the Annual LAE Appropriation, by Funding Source, FY1997-FY2023	19
Figure 7. Overall LAE Funding, by Type of Appropriation, FY1997-FY2023.....	20
Figure 8. Annual LAE Appropriation, by Major Funding Component, FY2012-FY2023	21
Figure 9. General LAE Funding, in Nominal and Price/Wage-Indexed FY2023 Dollars, FY2012-FY2023	22
Figure 10. Total Dedicated Program Integrity (PI) Funding, in Nominal and Price/Wage-Indexed FY2023 Dollars, FY2012-FY2023.....	23
Figure 11. Average Monthly Number of SSA Beneficiaries, by Type, FY2012-FY2023	26
Figure 12. Selected Types of Cases Received by SSA (Receipts), FY2012-FY2023	28
Figure 13. Selected Types of Cases Completed by SSA, FY2012-FY2023.....	29
Figure 14. Selected Types of Cases or Actions Pending Before SSA, FY2012-FY2023	30
Figure 15. Selected Types of Program Integrity (PI) Activities Completed, FY2012-FY2023.....	31

Figure 16. Full Medical Continuing Disability Reviews (CDRs), by Status, FY2012-FY2023.....	32
Figure 17. SSA Full-Time Permanent Staff, SSA Work Years, and State DDS Work Years, FY2012-FY2023	33
Figure 18. State Disability Determination Services (DDS) and SSA Office of Hearings Operations (OHO) Production per Work Year, FY2012-FY2023	34
Figure A-1. Initial Disability Claims Pending, FY2008-FY2023.....	35
Figure A-2. Hearings Pending, FY2008-FY2023.....	35
Figure A-3. Average Processing Time for Initial Disability Claims and Hearings, FY2008-FY2023	36
Figure B-1. Annual LAE Appropriation, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY1997-FY2023.....	46

Tables

Table 1. SSA Beneficiaries and Benefit Payments, by Program, FY2023	3
Table 2. Components of the Legislative Text of the Annual LAE Appropriation, FY2023	9
Table 3. Annual LAE Outlays as a Share of SSA Benefit Payments, by Program, FY2023	11
Table 4. Percentage Change in the FY2023 Annual LAE Appropriation Relative to Selected Earlier Fiscal Years, in Nominal and Price/Wage-Indexed FY2023 Dollars	18
Table 5. Percentage Change in the Annual LAE Appropriation Between FY2012 and FY2023, in Nominal and Price/Wage-Indexed FY2023 Dollars, by Major Funding Component	22
Table 6. Comparison of the Maximum Permitted and Appropriated Amounts of Adjustment Program Integrity (PI) Funding, FY2012-FY2023.....	24
Table B-1. Requested and Enacted Annual LAE Appropriation, FY1997-FY2023	37
Table B-2. Commissioner's Request for the LAE Account, FY1997-FY2023	39
Table B-3. President's Request for the LAE Account, FY1997-FY2023.....	41
Table B-4. Annual LAE Appropriation, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY1997-FY2023.....	43
Table B-5. Distribution of the Annual LAE Appropriation, by Funding Source, FY1997-FY2023.....	47
Table B-6. Overall LAE Funding, by Type of Appropriation, FY1997-FY2023	49
Table B-7. Annual LAE Appropriation, by Major Funding Component, FY2009-FY2023	51
Table B-8. General LAE Funding, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY2009-FY2023	53
Table B-9. Total Dedicated Program Integrity (PI) Funding, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY2009-FY2023	55
Table C-1. Enacted Annual LAE Appropriation, by Component, FY2009-FY2023.....	58

Appendices

Appendix A. Supplemental Workload Figures	35
Appendix B. Data Underlying LAE Figures	37
Appendix C. Supplemental LAE Tables.....	57

Contacts

Author Information.....	59
-------------------------	----

Introduction

The Social Security Administration (SSA) is responsible for administering Social Security and Supplemental Security Income, which are the nation's primary income support programs for older adults and individuals with disabilities. As part of its duties, SSA takes benefit applications and determines program entitlement or eligibility, holds hearings and other appeals, completes program integrity reviews of certain beneficiaries, issues new and replacement Social Security number cards, and posts workers' earnings to their Social Security records. SSA is also responsible for supporting the administration of a number of non-SSA programs and laws, such as Medicare, and provides and verifies data for a variety of purposes.

Benefit payments for SSA's programs are considered mandatory spending, which means that such spending is controlled by each program's authorizing statute—not by appropriations acts.¹ However, the resources to carry out SSA's programs—as well as to support the administration of Medicare and other priorities—are generally considered discretionary spending and thus are controlled by appropriations acts.² Nearly all of SSA's administrative expenses are funded by appropriations to its Limitation on Administrative Expenses (LAE) account, and almost all of the funding for the LAE account is provided each year as part of the annual appropriations process.

This report examines trends in SSA's annual LAE appropriation through FY2023, which is the most recently completed fiscal year at the time of publication.³ It begins with an overview of SSA and its administrative responsibilities. Next, the report provides an overview of the LAE account and the annual LAE appropriation. After that, it provides data on historical and recent trends in the annual LAE appropriation. Finally, the report examines recent trends in selected SSA metrics and workloads. The data underlying the appropriations figures can be found in **Appendix B**.

Overview of SSA

SSA is an independent agency in the executive branch headed by the commissioner of Social Security.⁴ SSA became an independent agency on March 31, 1995.⁵ Prior to that time, SSA was a component of the Department of Health and Human Services (HHS). SSA employs over 61,000 federal workers and supports about 15,000 state Disability Determination Services (DDS) personnel who conduct disability determinations on SSA's behalf.⁶ SSA has 1,232 field offices across the United States, as well as 10 regional offices, 24 teleservice centers, eight processing

¹ See CRS Report R44582, *Overview of Funding Mechanisms in the Federal Budget Process, and Selected Examples*.

² See CRS Report R46240, *Introduction to the Federal Budget Process*.

³ For information on the FY2024 annual LAE appropriation, see CRS Report R47746, *Social Security Administration (SSA): FY2024 Annual Limitation on Administrative Expenses (LAE) Appropriation: In Brief*.

⁴ Social Security Act, Title VII (42 U.S.C. §§901 et seq.). See SSA, "Commissioner," <https://www.ssa.gov/agency/commissioner/>.

⁵ SSA, "Brief Graphic Organizational History," <https://www.ssa.gov/history/orghist.html>.

⁶ SSA, *Annual Performance Plan for Fiscal Year 2025, Revised Performance Plan for Fiscal Year 2024, and Annual Performance Report for Fiscal Year 2023*, March 11, 2024, p. 6, <https://www.ssa.gov/budget/assets/materials/2025/2025APR.pdf> (hereinafter *Annual Performance Report FY2023-FY2025*). DDSs are state agencies that conduct disability determinations on behalf of, and under an agreement with, SSA. State DDS personnel are state employees, and their salaries and related activities are fully funded by the federal government, subject to certain conditions. State DDS agencies are required to conduct disability determinations in accordance with the requirements of the Social Security Act, as well as SSA's regulations and sub-regulatory guidance. For more information on DDSs, see Social Security Advisory Board, *Social Security and State Disability Determination Services Agencies: A Partnership in Need of Attention*, April 6, 2023, <https://www.ssab.gov/research/social-security-and-state-dds-agencies-partnership-in-need-of-attention/>.

centers, 162 hearing offices, and a number of other offices.⁷ SSA's headquarters campus is located in Woodlawn, MD, which is outside of Baltimore.

Programs

SSA is charged with administering two federal income support programs established under the Social Security Act:⁸

- Old-Age, Survivors, and Disability Insurance (OASDI), commonly known as Social Security (Title II);⁹ and
- Supplemental Security Income (SSI) for the Aged, Blind, and Disabled (Title XVI).¹⁰

Social Security is a social insurance program that provides insured workers and their eligible family members with a measure of protection against the loss of earnings due to the worker's retirement, disability, or death.¹¹ Workers obtain insurance protection (i.e., insured status) by working for a sufficient number of years in jobs covered by Social Security and subject to its payroll tax. Benefits are based on the worker's career-average earnings in jobs covered by Social Security, and the program is financed primarily by payroll taxes, which are credited to the Social Security trust funds. SSA's congressional budget justification typically displays the Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) components as separate programs.¹²

In contrast, SSI is a public assistance program that provides a guaranteed minimum income to individuals who have income and resources (i.e., assets) within prescribed limits and who are age 65 or older, are blind, or have a qualifying disability.¹³ SSI provides a flat benefit, which is reduced by any countable income, and the program is financed by appropriations from the general fund.¹⁴ Some states complement federal SSI payments by providing state supplementary payments (SSPs), which are financed solely with state funds. States may elect to have SSA administer the SSPs on their behalf, provided they pay a user fee on each SSP to the federal government.

⁷ SSA, *Annual Statistical Supplement*, 2023, November 2023, Table 2.F1, <https://www.ssa.gov/policy/docs/statcomps/supplement/2023/2f1-2f3.html>. *Teleservice centers* are responsible for answering calls to SSA's toll-free, national 800-number. *Processing centers* perform a variety of administrative functions, such as authorizing Social Security benefit payments, handling complex Social Security claims, processing Medicare enrollments, providing support for the national 800 number, correcting records, and processing certain post-entitlement workloads (e.g., debt collection, program integrity activities). Processing centers include SSA's six designated program service centers, the Office of Earnings and International Operations, and the Office of Disability Operations. Note: SSA's *Annual Statistical Supplement* uses the term *program service centers* instead of *processing centers*.

⁸ Social Security Act, §701 (42 U.S.C. §901). SSA also administers the Special Benefits for Certain World War II Veterans program. See Social Security Act, Title VIII (42 U.S.C. §§1001 et seq.). The program paid benefits to 56 beneficiaries on average in FY2023 and is not examined in this report. For more information, see SSA, *Special Benefits for Certain World War II Veterans*, <https://www.ssa.gov/pubs/EN-05-10158.pdf>. For data on the program, see SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2025*, March 11, 2024, "Budget Summary Table and Other Key Tables," Table i.8, <https://www.ssa.gov/budget> (hereinafter *FY2025 Congressional Justification*).

⁹ 42 U.S.C. §§401 et seq.

¹⁰ 42 U.S.C. §§1381 et seq.

¹¹ See CRS In Focus IF10426, *Social Security Overview*.

¹² See, for example, SSA, *FY2025 Congressional Justification*, "Budget Overview," p. 4.

¹³ See CRS In Focus IF10482, *Supplemental Security Income (SSI)*.

¹⁴ U.S. Department of the Treasury, "The General Fund," <https://www.fiscal.treasury.gov/general-fund/>.

Both Social Security and SSI are individual entitlements, meaning that the federal government is obligated to pay benefits to individuals who meet the entitlement or eligibility requirements specified in each program's authorizing statute.¹⁵ Entitlement spending is a form of mandatory spending and is not controlled by the annual appropriations process.¹⁶ In FY2023, Social Security and SSI combined paid more than \$1.4 trillion in benefit payments to an average of nearly 71.3 million unique beneficiaries (Table 1).

Table 1. SSA Beneficiaries and Benefit Payments, by Program, FY2023

Program	Average Monthly Number of Beneficiaries (in Thousands)	Total Benefit Payments (in Millions)
Social Security (OASDI)	66,294	\$1,341,569
OASI	57,529	\$1,192,126
DI	8,765	\$149,443
SSI	7,516	\$63,154
Federal Recipients	7,382	\$60,031
SSP-Only Recipients	134	\$3,123
Concurrent Beneficiaries	-2,532	—
Total (Unduplicated)	71,278	\$1,404,723

Source: CRS, based on Social Security Administration (SSA), *Justification of Estimates for Appropriations Committees, Fiscal Year 2025*, March 11, 2024, "Budget Overview," Figure 1, and "Budget Summary Table and Other Key Tables," Table i.7, <http://www.ssa.gov/budget/> (hereinafter FY2025 Congressional Justification).

Notes: OASDI = Old-Age, Survivors, and Disability Insurance. OASI = Old-Age and Survivors Insurance. DI = Disability Insurance. SSI = Supplemental Security Income. SSP = state supplementary payment. Components may not sum to totals due to rounding. "Benefit Payments" are reported in outlays. The duplicated total number of beneficiaries in FY2023 was 73.810 million (66.294 million Social Security beneficiaries plus 7.516 million SSI recipients). "Concurrent Beneficiaries" are individuals who qualify for benefits under both Social Security and SSI. These individuals are counted twice in the duplicated total and thus must be subtracted out to produce the unduplicated total (73.810 million total beneficiaries minus 2.532 million concurrent beneficiaries counted twice equals 71.278 million total unduplicated beneficiaries). "SSP-Only Recipients" are SSI recipients who are eligible for a federally administered SSP but are ineligible for a federal SSI payment. The data in the table exclude SSP-only recipients who are eligible for a state-administered SSP.

Administrative Responsibilities

SSA is tasked with numerous administrative responsibilities related to its own programs as well as certain administrative responsibilities associated with other programs and laws. This report

¹⁵ See Congressional Budget Act of 1974, §3(9) (2 U.S.C. §622(9)) for the definition of *entitlement authority*. Congress retains the right to modify provisions of the Social Security Act at any time, which may affect the benefits that current or future beneficiaries receive. See Social Security Act, §1104 (42 U.S.C. §1304).

¹⁶ CRS Report RS20129, *Entitlements and Appropriated Entitlements in the Federal Budget Process*. Funding for Social Security benefits is provided by permanent and indefinite appropriations to the Social Security trust funds. See Social Security Act, §201 (42 U.S.C. §401), and P.L. 98-21 §121(e) (42 U.S.C. §401 note). Funding for SSI benefits is provided by mandatory appropriations from the general fund in annual appropriations acts. Because spending on SSI benefits is controlled by the program's authorizing statute but funding is provided by annual appropriations acts, SSI is known as an *appropriated entitlement*. See Social Security Act, §§1601-1602 (42 U.S.C. §§1381 and 1381a).

organizes SSA's administrative responsibilities into three categories: (1) Social Security and SSI, (2) Medicare, and (3) other responsibilities.

Social Security and SSI

SSA performs a variety of administrative activities related to the Social Security and SSI programs. This report focuses on the following workloads for Social Security and SSI:

- **Initial claims.** SSA takes benefit applications, determines entitlement or eligibility, and processes awards and denials for a myriad of different claims. In FY2023, SSA completed nearly 6.7 million Social Security retirement and survivor claims and almost 2.0 million initial disability claims under Social Security and SSI.¹⁷
- **Appeals.** SSA employs a three-step administrative appeals process: (1) reconsideration, (2) a hearing before an administrative law judge, and (3) review before the Appeals Council. Claimants who exhaust the administrative appeals process may file suit against SSA in federal court. Virtually all appeals concern disability claims. In FY2023, SSA completed over 483,000 reconsiderations, nearly 378,000 hearings, almost 80,000 Appeals Council reviews, and more than 15,000 federal court appeals.¹⁸
- **Program integrity activities.** SSA periodically reviews the ongoing eligibility of Social Security disability beneficiaries and SSI recipients. The agency conducts continuing disability reviews (CDRs) to reevaluate the medical eligibility of Social Security disability beneficiaries and SSI blindness or disability recipients. SSA also conducts SSI nonmedical redeterminations to reevaluate the financial eligibility of all SSI recipients. In FY2023, SSA completed over 550,000 full medical CDRs and more than 2.5 million SSI nonmedical redeterminations.¹⁹
- **Social Security numbers (SSNs) and earnings records.** SSA assigns SSNs to nearly all U.S. citizens and certain noncitizens under several different application processes and provides replacement cards upon request. In addition, SSA tracks the earnings of most workers for purposes of determining entitlement to Social Security and computing Social Security benefit amounts. In FY2023, SSA completed over 18 million original and replacement SSN applications and posted more than 304 million earnings items to workers' records.²⁰
- **Post-entitlement services.** After an individual is awarded benefits, SSA performs an array of post-entitlement services, such as issuing emergency payments, recomputing benefits, and updating bank account or address information. SSA performs over 100 million post-entitlement actions each year.²¹

¹⁷ SSA, *Annual Performance Report FY2023-FY2025*, p. 49. The 6.7 million figure includes Medicare-only initial benefit claims.

¹⁸ SSA, *Annual Performance Report FY2023-FY2025*; and SSA, *Agency Financial Report, Fiscal Year 2023*, November 14, 2023, p. 10, <https://www.ssa.gov/finance/>.

¹⁹ SSA, *Annual Performance Report FY2023-FY2025*, p. 51.

²⁰ Ibid.

²¹ SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2022*, May 28, 2021, “Budget Overview,” p. 7, <https://www.ssa.gov/budget/> (hereinafter FY2022 Congressional Budget Justification).

Medicare

SSA provides key support to HHS and the Centers for Medicare and Medicaid Services (CMS) in administering portions of Medicare.²² Specifically, SSA takes benefit applications, determines entitlement or eligibility, and processes enrollment for Part A (Hospital Insurance), Part B (Supplementary Medical Insurance), and the Low-Income Subsidy (LIS) for prescription drug coverage under Part D, also known as Extra Help.²³ SSA also withholds applicable Medicare premiums from Social Security benefit payments for most Part B enrollees and those Part D enrollees who request it, determines income-related monthly adjustment amounts (IRMAAs) for Part B and Part D premiums, and notifies Medicare beneficiaries annually of changes to their Part B and Part D premiums, including IRMAAs.²⁴ Moreover, SSA conducts reconsiderations of entitlement to Part A and Part B, performs eligibility redeterminations and appeals for the LIS, and processes requests for Medicare replacement cards.²⁵ Further, SSA is responsible for notifying low-income Medicare beneficiaries about the LIS and Medicare Savings Programs.²⁶

Other Responsibilities

SSA also supports the administration of a number of other programs and laws, such as Medicaid, the Supplemental Nutrition Assistance Program, E-Verify, the Help America Vote Act, the State Children's Health Insurance Program, the Employee Retirement Income Security Act, the Railroad Retirement Act, and the Coal Industry Retiree Health Benefit Act. SSA also provides data on benefits, earnings, and prisoner status to certain federal and state agencies. Moreover, SSA shares its full file of death information with certain federal and state agencies, as well as its

²² For more information on Medicare, see CRS Report R40425, *Medicare Primer*. When Medicare was established in 1965, the Secretary of the Department of Health, Education, and Welfare (HEW, now HHS) tasked SSA with administering the program. In 1977, HEW transferred responsibility for administering Medicare to the newly established Health Care Financing Administration (HCFA, now CMS) but continued to require SSA to administer key portions of the program on behalf of HCFA. When legislation was enacted in 1994 to make SSA an independent agency (effective March 31, 1995), lawmakers required SSA to continue performing those functions that the agency was responsible for conducting on behalf of HHS prior to the legislation's enactment. However, lawmakers provided that SSA and HHS may alter the terms of their previous agreement with respect to any of those functions performed by SSA on behalf of HHS. See P.L. 103-296, §105(a)(2) (42 U.S.C. §901 note), and HHS, CMS, *Why Is CMS in Baltimore?*, <https://www.cms.gov/About-CMS/Agency-Information/History/downloads/CMSInBaltimore.pdf>.

²³ For more information on SSA's administrative responsibilities related to Medicare, see CMS, *Brief Summaries of Medicare & Medicaid*, November 1, 2023, p. 23, <https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/brief-summaries-medicare-medicaid>. For data on LIS eligibility determinations, see SSA, "Annual Data for Extra Help with Medicare Prescription Drug Plan Costs," <https://www.ssa.gov/open/data/Data-about-Extra-Help-with-Medicare-Prescription-Drug-Plan-Cost.html>.

²⁴ About 68% of Medicare Part B enrollees had their Part B premiums withheld from their Social Security benefit payments in 2021. (See CRS Report R40082, *Medicare Part B: Enrollment and Premiums*.) The share of non-LIS enrollees in Part D drug plans who had their Part D premiums withheld from their Social Security benefit payments was 22% in 2021 and 2022 and 21% in 2023. (See Boards of Trustees of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, *2022 Annual Report of the Boards of Trustees of the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund*, June 2, 2022, p. 144, and subsequent editions, <https://www.cms.gov/data-research/statistics-trends-and-reports/trustees-report-trust-funds>). The number of Medicare beneficiaries affected by the Part B IRMAA was 4,635,801 in 2020 and 4,669,359 in 2021, and the number of Medicare beneficiaries affected by the Part D IRMAA was 3,760,399 in 2020. (See SSA, *2022 Social Security/SSI/Medicare Information*, p. 3, and subsequent editions, <https://www.ssa.gov/legislation/resources.html>)

²⁵ For data on Medicare replacement card requests filed online, see SSA, "Monthly Data for Medicare Replacement Card Applications Filed via the Internet," <https://www.ssa.gov/open/data/medicare-replacement-card-online-apps.html>.

²⁶ For data on low-income Medicare beneficiary outreach notices, see SSA, "Annual Data for Outreach to Low-Income Medicare Beneficiaries Extra Help and Medicare Savings Programs L447 and L448 Notices," <https://www.ssa.gov/open/data/medicare-mailings-by-zipcode.html>.

public Death Master File with other agencies and authorized private entities.²⁷ Further, SSA verifies SSNs for a myriad of different purposes on behalf of governments, qualified institutions, and employers. In FY2023, SSA performed nearly 2.4 billion SSN verifications for employers.²⁸

Service Delivery Methods

SSA interacts with the public in a variety of different ways, including in-person contact at field offices, over the phone via the agency's national 800 number, online through ssa.gov, and through the mail. In FY2023, SSA served about 30 million visitors in its field offices, handled about 30 million calls through its national 800 number, processed over 401 million online transactions, mailed approximately 350 million notices, and mailed about 15 million Social Security Statements.²⁹

Overview of the LAE Account and the Annual LAE Appropriation

SSA's administrative expenses are traditionally funded by appropriations to its LAE account, which is authorized under Section 201(g)(1) of the Social Security Act.³⁰ The LAE account finances most of SSA's activities related to Social Security, SSI, Medicare, and selected other administrative responsibilities.³¹ In other words, the LAE account funds nearly all of SSA's administrative expenses. That said, a small portion of SSA's administrative expenses is not funded by the LAE account. For example, SSA's Office of the Inspector General (OIG) is funded by appropriations to a separate OIG account,³² and some of SSA's other responsibilities are funded by reimbursable agreements with third parties.³³ Further, SSA's research and demonstration budget is funded primarily by appropriations to the SSI account.³⁴ These non-LAE funding sources are not examined in this report.

Funding for the LAE account typically consists of (1) appropriations provided as part of the annual appropriations process (i.e., funding provided in regular appropriations acts); (2) funding carried over from prior fiscal years into the current fiscal year (i.e., multi-year or no-year funding); and (3) appropriations provided outside of the annual appropriations process (i.e., discretionary funding provided in supplemental appropriations measures or mandatory funding

²⁷ See CRS Report R46640, *The Social Security Administration's Death Data: In Brief*.

²⁸ SSA, *Agency Financial Report, Fiscal Year 2023*, p. 10.

²⁹ SSA, *FY2025 Congressional Justification*, "Budget Overview," Figure 7, p. 17; SSA, *Agency Financial Report, Fiscal Year 2023*, p. 10; and testimony of Oren "Hank" McKnelly II, executive counselor to the commissioner, SSA, in U.S. Congress, House Committee on Oversight and Accountability, Subcommittee on Government Operations and the Federal Workforce, *Oversight of Federal Agencies' Post-Pandemic Telework Policies: Part II*, 118th Cong., 1st sess., November 29, 2023, https://www.ssa.gov/legislation/testimony_112923.html.

³⁰ 42 U.S.C. §401(g)(1).

³¹ Some of SSA's other responsibilities are funded by mandatory appropriations to the LAE account.

³² SSA, *FY2025 Congressional Justification*, "Office of the Inspector General." The OIG account is funded by appropriations from both the general fund and the Social Security trust funds. The amount transferred from the Social Security trust funds is also authorized under Social Security Act, §201(g)(1) (42 U.S.C. §401(g)(1)).

³³ SSA, OIG, *Reimbursement for Data Exchanges with Third Parties*, May 8, 2015, <https://oig-files.ssa.gov/audits/full/A-03-14-24027.pdf>.

³⁴ SSA, *FY2025 Congressional Justification*, "Supplemental Security Income Program." The annual SSI appropriation finances most of SSA's research and demonstrations, while transfers from the Social Security trust funds finance applicable Social Security disability demonstrations conducted under Social Security Act, §234 (42 U.S.C. §434).

provided in other laws).³⁵ This report refers to the amount of funding provided to SSA's LAE account each year in regular appropriations acts under the heading "Limitation on Administrative Expenses" as the *annual LAE appropriation*. Nearly all of the funding for the LAE account each fiscal year is attributable to the annual LAE appropriation, which is a discretionary lump-sum appropriation.³⁶ Although the annual LAE appropriation is structured as a limitation on the amounts that can be spent from the Social Security trust funds, the Medicare trust funds, and the general fund for SSA's applicable administrative expenses, the Government Accountability Office notes that the "LAE still constitutes an appropriation because it provides budget authority for the agency to incur obligations and to make payments from the Treasury for specified purposes."³⁷ Since becoming an independent agency, SSA's annual LAE appropriation has been provided under the Related Agencies section of the annual Departments of Labor, Health and Human Services, and Education, and Related Agencies (LHHS) appropriations act.³⁸

This report focuses on funding provided to the LAE account each fiscal year as part of the annual appropriations process (i.e., the annual LAE appropriation).³⁹ However, in limited instances, the report examines all funding obligated or provided to the LAE account during the fiscal year, referred to as *overall LAE funding* (i.e., the annual LAE appropriation for the fiscal year *plus* applicable carryover LAE funding from prior fiscal years *plus* appropriations to the LAE account provided outside of the annual appropriations process during the fiscal year).⁴⁰

Components of the Legislative Text of the Annual LAE Appropriation

For more than a decade, the legislative text of the annual LAE appropriation has consisted of four paragraphs. Since FY2017, the first paragraph has provided funding for what this report refers to as the *main LAE*, which funds (1) the base LAE and (2) certain program integrity (PI) activities.⁴¹

³⁵ For more information on appropriations concepts, see CRS Report R47106, *The Appropriations Process: A Brief Overview*.

³⁶ SSA has historically obligated nearly all of its annual LAE appropriation each year. See SSA, OIG, *The Social Security Administration's Use of the Limitation on Administrative Expenses Appropriation*, September 14, 2011, p. 2, <https://oig-files.ssa.gov/audits/full/A-15-11-21170.pdf>.

³⁷ U.S. Government Accountability Office (GAO), *Social Security Administration—Work Incentives Planning and Assistance Program (WIPA) and Protection and Advocacy for Beneficiaries of Social Security Program (PABSS)*, B-323433, August 14, 2012, p. 3, <https://www.gao.gov/assets/b-323433.pdf>.

³⁸ CRS Report R47345, *Labor, Health and Human Services, and Education: FY2023 Appropriations*.

³⁹ Data presented in this report on the *annual LAE appropriation* reflect the amount of new budget authority provided to the LAE account for the fiscal year indicated as part of the annual appropriations process. *Budget authority* is authority provided by federal law to enter into contracts or other financial *obligations* that will result in immediate or future expenditures (or *outlays*) involving federal government funds. See GAO, *A Glossary of Terms Used in the Federal Budget Process*, GAO-05-734SP, September 2005, pp. 20-21, <https://www.gao.gov/assets/gao-05-734sp.pdf>.

⁴⁰ Data presented in this report on *overall LAE funding* reflect either (1) the total amount of funding obligated against all appropriations available to the LAE account for the fiscal year indicated or (2) the total amount of new budget authority provided to the LAE account during the fiscal year indicated as part of the annual appropriations process or via measures outside of the annual appropriations process. Unless otherwise noted, overall LAE funding excludes funds provided to SSA for work performed on behalf of another entity under a reimbursable agreement.

⁴¹ For FY2012-FY2016, the first paragraph of the legislative text of the annual LAE appropriation provided funding for the base LAE only, while the second paragraph generally provided funding for base PI funding and adjustment PI funding. For FY2009-FY2011, the first paragraph provided funding for the base LAE, which included base PI funding, while the second paragraph provided adjustment PI funding. For FY2003-FY2008, no adjustment PI funding was authorized for SSA, and the equivalent of base PI funding was included in the base LAE. For FY1996-FY2002, the first paragraph provided funding for the base LAE and base PI funding, while subsequent paragraphs specified the amount of base PI funding in the first paragraph and provided adjustment PI funding.

The *base LAE* (also known as the *regular LAE*) constitutes the bulk of SSA's discretionary administrative funding. The base LAE is equal to the main LAE *less* total dedicated PI funding (discussed below). Most of the funding for the base LAE is not designated for particular activities and thus can be used to finance SSA's administrative responsibilities for Social Security, SSI, and Medicare as the agency sees fit. However, the first paragraph usually contains a number of provisos that *set aside* specific amounts for designated priorities, such as the Social Security Advisory Board and, more recently, efforts to address the hearings backlog.⁴² Set-aside amounts in the first paragraph for provisos represented less than 1% of the base LAE in FY2023.

Since FY2017, the second paragraph of the annual LAE appropriation has specified the amount of the main LAE in the first paragraph that is dedicated to certain PI activities, such as CDRs and SSI nonmedical redeterminations. The Budget Control Act of 2011 (BCA; P.L. 112-25) reestablished statutory discretionary spending limits (also known as *caps*) for FY2012-FY2021 and provided adjustments to those caps to accommodate additional spending on certain SSA PI activities up to a specific amount each year. This *adjustment PI funding* was effectively exempt from the statutory discretionary spending caps but was conditioned on lawmakers first providing at least \$273 million in *base PI funding*, which was subject to the statutory discretionary spending caps. Since FY2017, the second paragraph has specified the amount of *total dedicated PI funding* available from the main LAE in the first paragraph (i.e., the combined amount of base PI funding and adjustment PI funding), as well as the specific amounts designated for base PI funding and adjustment PI funding. The *statutory* discretionary spending caps and SSA PI adjustments under the BCA expired at the end of FY2021. However, these adjustments were continued in the *procedural* budget enforcement associated with the budget resolutions and the LHHS appropriations acts for FY2022 and FY2023.⁴³ The Fiscal Responsibility Act of 2023 (FRA; P.L. 118-5) reestablished statutory discretionary spending caps and SSA PI adjustments for FY2024 and FY2025.⁴⁴

The third and fourth paragraphs of the annual LAE appropriation have traditionally provided funding from a portion of the *user fees* collected for SSA's administration of SSPs under the SSI program⁴⁵ and certifications of non-attorney claimant representatives.⁴⁶ The amounts of funding provided in the third and fourth paragraphs of the annual LAE appropriation are *in addition to* the amount of funding provided in the first paragraph of the annual LAE appropriation. Since FY2017, the total annual LAE appropriation has been equal to the main LAE specified in the first paragraph *plus* the user fees specified in the third and fourth paragraphs.

Table 2 shows the components of the legislative text of the annual LAE appropriation in the FY2023 LHHS appropriations act. The amount of the base LAE is the difference between the amounts in line 1 (main LAE) and line 3 (total dedicated PI). The amount of the total annual LAE is the sum of the amounts in line 1 (main LAE), line 6 (SSI SSP user fees), and line 7 (non-

⁴² Traditionally, the first paragraph of the legislative text of the annual LAE appropriation contains a proviso specifying that any unobligated balances at the end of the fiscal year not needed during the fiscal year are to remain available until expended to invest in SSA's information technology (IT) and telecommunications hardware and software infrastructure. This type of carryover funding is known as *no-year IT funding*. See SSA, OIG, *The Social Security Administration's Limitation on Administrative Expenses Appropriation's Transfer Authority*, October 31, 2011, <https://oig-files.ssa.gov/audits/full/A-15-11-01117.pdf>.

⁴³ See CRS Report R47029, *Labor, Health and Human Services, and Education: FY2022 Appropriations*; and CRS Report R47345, *Labor, Health and Human Services, and Education: FY2023 Appropriations*.

⁴⁴ See 2 U.S.C. §901(b)(2)(B).

⁴⁵ SSA, *FY2025 Congressional Justification*, "Limitation on Administrative Expenses," pp. 130-131.

⁴⁶ SSA, "Direct Payment to Eligible Non-Attorney Representatives," <https://www.ssa.gov/representation/nonattyrep.htm>.

attorney representative user fees). The base LAE, total dedicated PI, base PI, and adjustment PI components are labeled “non-add” because they are included in the main LAE component and thus are not added to the total annual LAE.

Table 2. Components of the Legislative Text of the Annual LAE Appropriation, FY2023

Line #	Source in Legislative Text or Line # Calculation	Component	Amount
1	Paragraph 1	Main LAE	\$13,985,978,000
2	Line 1 – line 3	Base LAE (non-add)	\$12,201,978,000
3	Paragraph 2	Total dedicated PI (non-add)	\$1,784,000,000
4	Paragraph 2	Base PI (non-add)	\$273,000,000
5	Paragraph 2	Adjustment PI (non-add)	\$1,511,000,000
6	Paragraph 3	SSI SSP user fees	\$140,000,000
7	Paragraph 4	Non-attorney representative user fees	\$1,000,000
8	Line 1 + line 6 + line 7	Total annual LAE	\$14,126,978,000

Source: CRS analysis of pp. 447-448 of the Consolidated Appropriations Act, 2023 (P.L. 117-328).

Notes: LAE = Limitation on Administrative Expenses. PI = program integrity. SSI = Supplemental Security Income. SSP = state supplementary payment. “Non-add” amounts are displayed for clarification purposes. These amounts are not added to the total. Data reflect new budget authority provided by the annual LAE appropriation only. The first paragraph sets aside \$2.7 million for the Social Security Advisory Board (SSAB) and \$55.0 million for efforts to address the disability hearings backlog (available through September 30, 2024). These set-aside amounts on a combined basis represented less than 1% of the base LAE. An additional proviso specified that unobligated balances provided under the first paragraph at the end of FY2023 that are not needed for the fiscal year shall remain available until expended for information technology (IT) and telecommunications hardware and software infrastructure. The second paragraph specified that total dedicated PI funding shall remain available through March 31, 2024. It also specified that up to \$15.1 million may be transferred from the adjustment PI funding portion of the annual LAE appropriation to the Office of Inspector General account for the cost of jointly operating antifraud cooperative disability investigation units.

Funding Sources

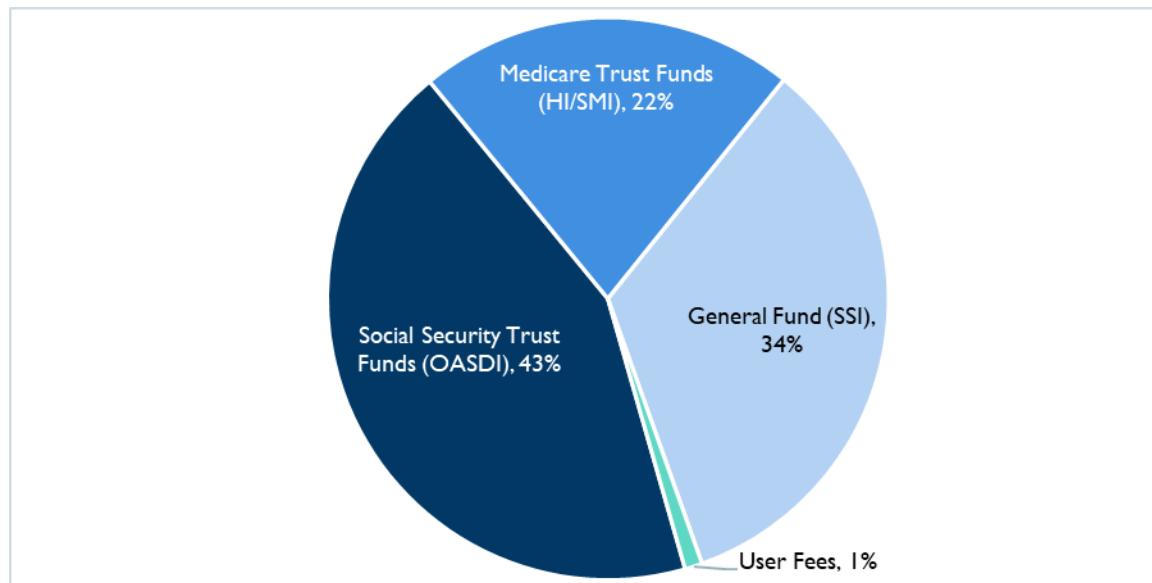
Figure 1 shows the percentage distribution of the annual LAE appropriation for FY2023 by funding source. The largest share of funding for the annual LAE appropriation came from the Social Security trust funds (43%) followed by the general fund for SSI (34%) and then the Medicare trust funds (22%).

Section 201(g)(1) of the Social Security Act provides an authorization of appropriations out of the Social Security and Medicare trust funds for such sums as lawmakers deem appropriate to pay for the costs of administering the parts of Social Security, SSI, and Medicare for which SSA is responsible.⁴⁷ LAE funding attributable to Social Security and Medicare is provided directly from the Social Security and Medicare trust funds, respectively. LAE funding attributable to SSI is

⁴⁷ 42 U.S.C. §401(g)(1) (“There are hereby authorized to be made available for expenditure, out of any or all of the Trust Funds, such amounts as the Congress may deem appropriate to pay the costs of the part of the administration of this title [Social Security], title VIII [Special Benefits for Certain World War II Veterans], title XVI [Supplemental Security Income], and title XVIII [Medicare] for which the Commissioner of Social Security is responsible”). For purposes of the LAE’s authorization of appropriations, the term *Trust Funds* means the Social Security and Medicare trust funds. For more information on Special Benefits for Certain World War II Veterans, see footnote 8.

initially appropriated from the Social Security trust funds.⁴⁸ SSI's annual appropriation from the general fund,⁴⁹ which is also provided by the annual LHHS appropriations act, is later used to reimburse the Social Security trust funds for LAE funding attributable to SSI.⁵⁰ SSA uses its Cost Analysis System to assign LAE-based expenses among the four trust funds and the general fund.⁵¹ This assignment is initially made on an estimated basis and later reconciled at the end of the year to reflect actual expenses.⁵² Separate authorizations of appropriations govern user fees collected for SSA's administration of SSPs under the SSI program and certifications of non-attorney claimant representatives.⁵³

Figure 1. Percentage Distribution of the Annual LAE Appropriation, by Funding Source, FY2023



Source: SSA, FY2025 Congressional Justification, "Limitation on Administrative Expenses," Table 3.13.

⁴⁸ Social Security Amendments of 1972 (P.L. 92-603), §305(b) (42 U.S.C. §401 note).

⁴⁹ SSI's annual appropriation from the general fund is primarily a mandatory appropriation used to pay for benefits and certain other expenses. The conference report accompanying the Balanced Budget Act of 1997 (P.L. 105-33) specifies that the portion of SSI's annual appropriation for administrative expenses is scored as discretionary spending. See U.S. Congress, Conference Committee, *Balanced Budget Act of 1997*, conference report to accompany H.R. 2015, 105th Cong., 1st sess., July 30, 1997, H.Rept. 105-217 (Washington, DC: GPO, 1997), pp. 1017-1018, 1041, and 1053.

⁵⁰ Social Security Amendments of 1972 (P.L. 92-603), §305(b) (42 U.S.C. §401 note). In general, SSA is required to reimburse the Social Security trust funds for SSI's share of LAE funding for a given fiscal year by the close of the subsequent fiscal year. SSA must place the Social Security trust funds in the same position they would have been in had the SSI-related expenditures not taken place, including any interest lost.

⁵¹ See SSA, OIG, *Cost Analysis System Background Report and Viability Assessment*, April 20, 2011, <https://oig-files.ssa.gov/audits/full/A-15-10-20149.pdf>; SSA, OIG, *Office of Disability Adjudication and Review Cost Allocation Process*, May 5, 2011, <https://oig-files.ssa.gov/audits/full/A-15-10-20150.pdf>; SSA, OIG, *The Social Security Administration Cost Allocation Process*, December 7, 2011, <https://oig-files.ssa.gov/audits/full/A-15-10-20151.pdf>; and SSA, OIG, *The Social Security Administration Cost Allocation Methodology*, June 18, 2012, <https://oig-files.ssa.gov/audits/full/A-15-10-20152%20%282028%29.pdf>.

⁵² Social Security Act, §201(g)(1)(B)-(D) (42 U.S.C. §401(g)(1)(B)-(D)), and 31 U.S.C. §1534. See also SSA, *Agency Financial Report, Fiscal Year 2023*, p. 64.

⁵³ The authorizations of appropriations for user fees collected for SSA's administration of SSPs under the SSI program are specified in Social Security Act, §1616(d)(4)(B) (42 U.S.C. §1382e(d)(4)(B)), and P.L. 93-66, §212(b)(3)(D)(ii) (42 U.S.C. §1382 note). The authorization of appropriations for user fees collected for the administration of certifications of non-attorney claimant representatives is specified in Social Security Act, §206(e)(3)(C) (42 U.S.C. §406(e)(3)(C)).

Notes: OASDI = Old-Age, Survivors, and Disability Insurance. HI/SMI = Hospital Insurance and Supplementary Medical Insurance. SSI = Supplemental Security Income. Components may not sum to 100% due to rounding. Data reflect new budget authority provided by the annual LAE appropriation only. Funding attributable to the Social Security trust funds includes amounts for SSAB.

Table 3 shows annual LAE outlays as a share of SSA benefit payments for FY2023 by program. Annual LAE outlays attributable to SSA's programs only (Social Security and SSI) were 0.8% of total SSA benefit payments, and annual LAE outlays attributable to SSA's programs and Medicare were 1.0% of total SSA benefit payments.

The ratio of annual LAE outlays to SSA benefit payments is greater for SSA's disability programs (DI and most of SSI) compared with OASI because the disability programs are more complicated to administer and thus require more resources per claimant or beneficiary. As a means-tested program, SSI is particularly complex to administer because SSA must routinely monitor and verify the income, resources, and living arrangements of SSI recipients and adjust their benefit payments every time there is a relevant change, which could be on a month-by-month basis.

Table 3. Annual LAE Outlays as a Share of SSA Benefit Payments, by Program, FY2023

Program	Annual LAE Outlays (in Millions)	SSA Benefit Payments (in Millions)	Annual LAE Outlays as a Share of SSA Benefit Payments
Social Security (OASDI)	\$5,968	\$1,341,569	0.4%
OASI (non-add)	\$3,544	\$1,192,126	0.3%
DI (non-add)	\$2,424	\$149,443	1.6%
SSI (federal and state)	\$4,626	\$63,154	7.3%
SSA Subtotal	\$10,594	\$1,404,723	0.8%
Medicare	\$3,232	—	—
Total	\$13,826	\$1,404,723	1.0%

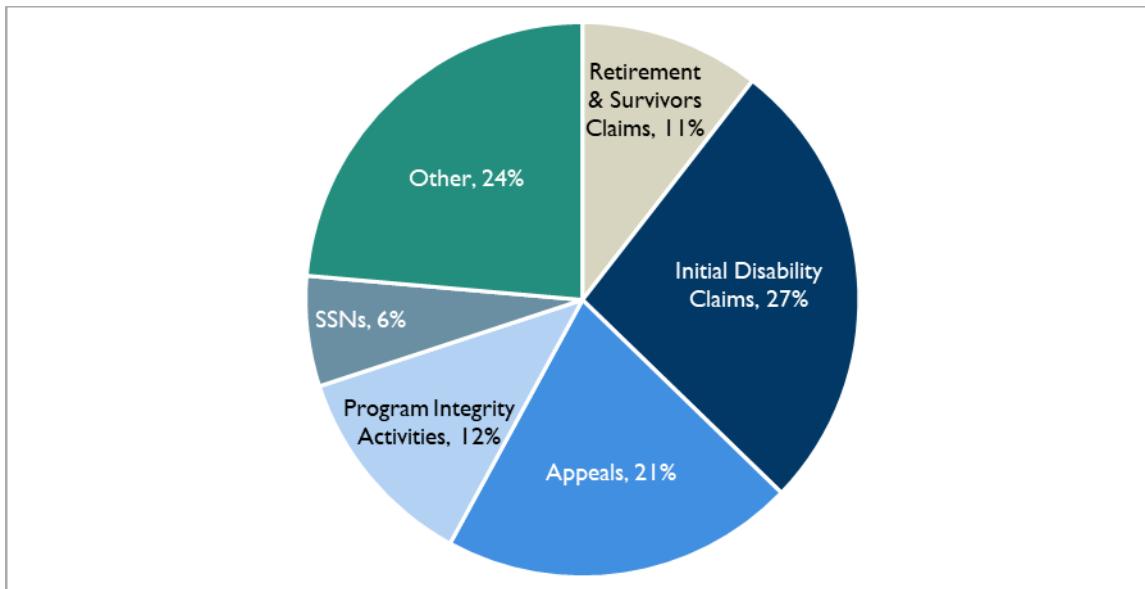
Source: CRS, based on SSA, FY2025 Congressional Justification, "Budget Overview," Figure 1, and "Limitation on Administrative Expenses," Table 3.13.

Notes: OASDI = Old-Age, Survivors, and Disability Insurance. SSI = Supplemental Security Income. Components may not sum to totals due to rounding. "SSA Benefit Payments" are reported in outlays. "Non-add" amounts are displayed for clarification purposes. These amounts are not added to the totals. "Annual LAE Outlays" include LAE outlays attributable to the Social Security trust funds, the Medicare trust funds, SSI's appropriation for administrative expenses, SSI SSP user fees, and non-attorney certification user fees. It excludes LAE outlays attributable to appropriations provided outside of the annual appropriations process during the fiscal year. Annual LAE outlays under "SSI (federal and state)" include SSI SSP user fees and non-attorney claimant representative certification user fees. The total amount of annual LAE outlays for FY2023 (\$13.826 billion) differs from the total amount of new budget authority provided by the annual LAE appropriation for FY2023 (\$14.127 billion), in part, because the budget authority measure includes some funding that was carried over into FY2024.

Use of LAE Funding

Figure 2 shows the estimated percentage distribution of overall LAE funding for FY2023 by major workload. The largest specific major workload that year was initial disability claims under Social Security and SSI (27%), followed by appeals (21%) and then program integrity activities (12%). The category "Other" includes all other major workloads (e.g., post-entitlement services, earnings records). A majority of SSA's overall LAE funding was used to process disability-related workloads under the Social Security and SSI programs (i.e., all initial disability claims, nearly all appeals, and a majority of program integrity reviews).

Figure 2. Estimated Percentage Distribution of Overall LAE Funding, by Major Workload, FY2023



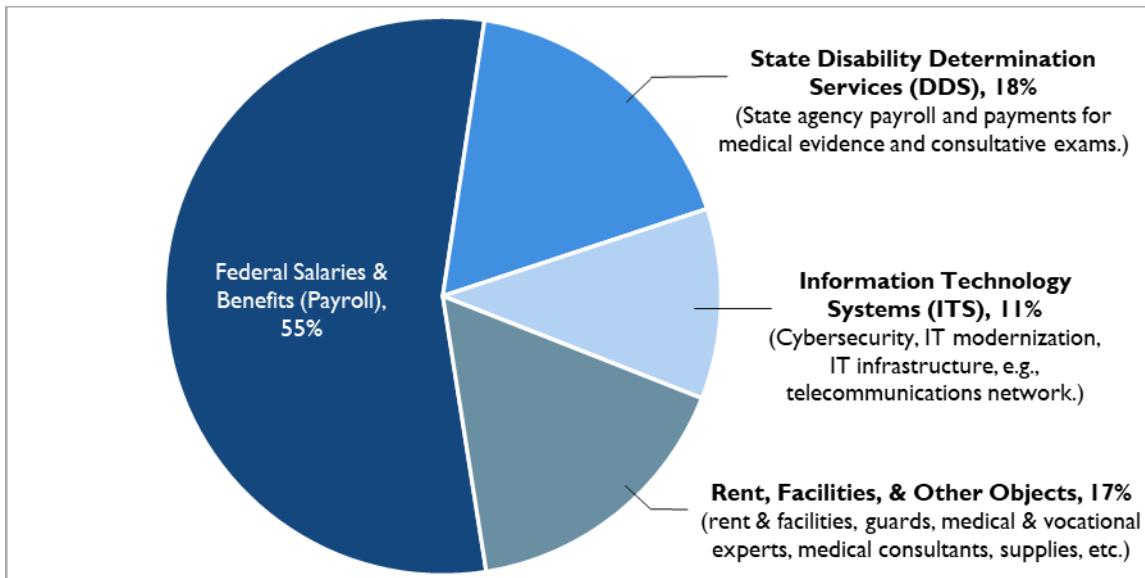
Source: CRS, based on SSA, *Justification of Estimates for Appropriations Committees Fiscal Year 2024, "Budget Overview,"* Figure 8, and "Limitation on Administrative Expenses, Table 3.14."

Notes: Components may not sum to 100% due to rounding. For purposes of this figure only, "Appeals" include reconsiderations and hearings; they do not include Appeals Council reviews and federal court reviews. "Program Integrity Activities" include continuing disability reviews and SSI nonmedical redeterminations. Data reflect the estimated percentage distribution of overall LAE obligations for FY2023.

Figure 3 shows the estimated percentage distribution of overall LAE funding for FY2023 by major expense category. The largest major expense that year was federal salaries and benefits (55%), followed by state DDS agencies (18%) and then rent, facilities, and other objects (17%). A majority of SSA's overall LAE funding was used to pay for personnel costs (i.e., federal salaries and benefits *plus* a majority of state DDS costs).⁵⁴

⁵⁴ A majority of a state DDS agency's costs are for personnel. See, for example, SSA, OIG, *Costs Claimed by the Texas Disability Determination Services*, September 22, 2021, <https://oig.ssa.gov/assets/uploads/a-55-20-00001.pdf>.

Figure 3. Estimated Percentage Distribution of Overall LAE Funding, by Major Expense Category, FY2023



Source: CRS, based on SSA, *FY2025 Congressional Justification*, “Limitation on Administrative Expenses,” Table 3.18.

Notes: IT = information technology. Components may not sum to 100% due to rounding. Data reflect the estimated percentage distribution of overall LAE obligations for FY2023.

Trends in the Annual LAE Appropriation

This section examines trends in the enacted annual LAE appropriation.⁵⁵ The data presented in this section reflect new budget authority provided to the LAE account as part of the annual appropriations process for the fiscal year indicated⁵⁶ and include reductions due to sequestration and most rescissions.⁵⁷ The data exclude carryover LAE funding from prior fiscal years and funds provided to SSA for work performed on behalf of another entity under a reimbursable agreement. In addition, the data exclude the Congressional Budget Office’s adjustments to user fees.⁵⁸ To

⁵⁵ Pursuant to the Disaster Relief Appropriations Act, 2012 (P.L. 112-77), adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the “Limitation on Administrative Expenses” heading in the FY2012 LHHS appropriations act (P.L. 112-74, Division F).

⁵⁶ Some of the budget authority provided to the LAE account for the fiscal year indicated may be carried over into subsequent fiscal years (i.e., multi-year or no-year funding). For the definition of *budget authority*, see footnote 39.

⁵⁷ For more information on sequestration and recessions, see GAO, *A Glossary of Terms Used in the Federal Budget Process*. This report excludes a \$47 million rescission of funds for the administration of economic recovery payments under P.L. 111-226, because those funds were provided by a mandatory appropriation during the previous fiscal year as part of the American Recovery and Reinvestment Act of 2009 (P.L. 111-5) and thus were provided outside of the annual appropriations process. It also excludes a \$200 million rescission of no-year IT funds under the Additional Continuing Appropriations Amendments, 2011 (P.L. 112-6), and a \$75 million rescission of no-year IT funds under the Department of Defense and Full-Year Continuing Appropriations Act, 2011 (P.L. 112-10), because the focus of this section is on the annual LAE appropriation and not carryover LAE funding.

⁵⁸ A *Congressional Budget Office (CBO) adjustment* refers to a reduction in the amount of budget authority from a collections activity to reflect CBO’s projection of the amount of money that will actually be collected from that activity. Such adjustments are necessary when a portion of the overall budget authority for an account is tied to the amount of user fees collected during the fiscal year. CBO typically projects that actual user fee collections from SSA’s administration of SSI SSPs and non-attorney claimant representative certifications will be less than the amount of budget authority that lawmakers propose or authorize for the LAE account from such activities.

provide context on the size of the annual LAE appropriation relative to total funding provided to the LAE account during the fiscal year, this section also provides data on the annual LAE appropriation, supplemental or other appropriations to the LAE account provided outside of the annual appropriations process, and overall LAE funding.⁵⁹

In addition to the enacted annual LAE appropriation, this section examines trends in the commissioner's request and the President's request for the annual LAE appropriation. Section 704(b)(1) of the Social Security Act requires the commissioner of Social Security to prepare an annual budget for the Administration, which is required to be submitted by the President to Congress, without revision, together with the President's budget.⁶⁰ The commissioner's request is independent of the President's request and is designed to provide Congress with information on the amount of funding that the commissioner believes is necessary for SSA to carry out its mission.

Historical Trends: FY1997-FY2023

Figure 4 shows the trend in the requested and enacted levels for the annual LAE appropriation since FY1997. CRS selected FY1997 as the starting point because it was the first year for which the commissioner submitted an independent budget request. To provide a more direct comparison with the discretionary enacted levels, the commissioner's request and the President's request are adjusted to exclude mandatory LAE funding, carryover LAE funding, and funding provided to accounts other than the LAE account. For more information on these adjustments, see **Table B-2** and **Table B-3**. Note that the FY2018 President's budget did not include information on the FY2018 commissioner's request.

The commissioner's request for the annual LAE appropriation has exceeded the President's request in nominal (i.e., current) dollars for all but two fiscal years: FY1997 and FY2015. Note that the FY2015 commissioner's request proposed establishing mandatory funding for certain SSA PI activities, which CRS excluded from **Figure 4** because the LAE account has traditionally been a chiefly discretionary appropriations account (see **Table B-2**). If the proposed mandatory PI funding had been included in **Figure 4**, then the FY2015 commissioner's request would have exceeded the FY2015 President's request.

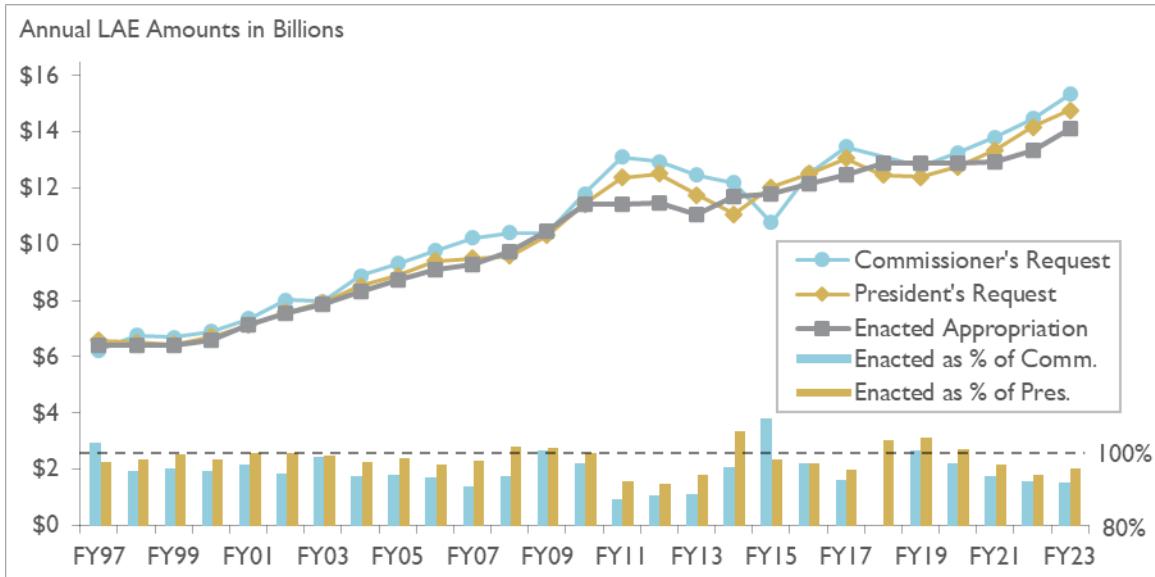
The enacted appropriation has exceeded the commissioner's request for FY1997, FY2009, FY2015, and FY2019 only. The enacted appropriation has exceeded the President's request for FY2008, FY2009, FY2014, FY2018, FY2019, and FY2020 only. Note that the FY2014 President's request proposed establishing mandatory funding for certain SSA PI activities, which would have been provided to a new limitation account rather than to the LAE account (see **Table B-3**). If the proposed mandatory PI funding had been included in **Figure 4**, then the FY2014 enacted appropriation would have been less than the FY2014 President's request.

⁵⁹ For this section, *overall LAE funding* includes the annual LAE appropriation and appropriations to the LAE account provided outside of the annual appropriations process but excludes carryover LAE funding. See footnote 40.

⁶⁰ 42 U.S.C. §904(b)(1). The commissioner's budget request is included at the end of SSA's section of the appendix to the President's budget in the form of topline numbers for *administrative expenses* (generally the total annual LAE), the OIG, and, in recent years, research and demonstrations. (See, for example, U.S. Office of Management and Budget, *Appendix, Budget of the United States Government, Fiscal Year 2023*, p. 1213, <https://www.govinfo.gov/content/pkg/BUDGET-2023-APP/pdf/BUDGET-2023-APP-1-29.pdf#page=9>.) In 1998, GAO determined that the presentation of the commissioner's request in the appendix to the President's budget complies with federal law and the budget process. (See GAO, *SSA: The Agency's Relationship With the Office of Management and Budget Since Becoming an Independent Agency*, HEHS-98-235R, August 26, 1998, p. 5, <https://www.gao.gov/assets/hehs-98-235r.pdf>.)

Figure 4. Requested and Enacted Annual LAE Appropriation, FY1997-FY2023

In Billions of Nominal Dollars



Source: CRS, based on the following sources: unpublished data provided by SSA to CRS on April 3, 2023; U.S. Office of Management and Budget (OMB), *Budget of the United States Government, Fiscal Year 1997—Appendix*, and subsequent editions; and SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2004*, and subsequent editions.

Notes: Comm. = commissioner's request. Pres. = President's request. Amounts for the enacted appropriation reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. To provide a more direct comparison with the enacted levels, the commissioner's request and the President's request are adjusted to exclude mandatory LAE funding, carryover LAE funding, and funding provided to accounts other than the LAE account. SSA's unpublished data and the FY2018 President's budget do not include information on the FY2018 commissioner's request. See **Table B-1** for the underlying data. See **Table B-2** and **Table B-3** for the unadjusted and adjusted amounts in the commissioner's request and the President's request, respectively.

Figure 5 shows the trend in the annual LAE appropriation using three measures: (1) nominal (i.e., current) dollars, (2) price-indexed FY2023 dollars, and (3) wage-indexed FY2023 dollars. Nominal dollars reflect actual, unadjusted amounts. Price-indexed FY2023 dollars are adjusted for changes in national price levels (i.e., inflation) using the Bureau of Labor Statistics' (BLS') Consumer Price Index for All Urban Consumers (CPI-U).⁶¹ Wage-indexed FY2023 dollars are adjusted for changes in national wage levels (i.e., wage growth) using SSA's Average Wage Index (AWI).⁶² A majority of SSA's administrative funding is obligated for payroll expenses, which

⁶¹ U.S. Department of Labor, Bureau of Labor Statistics (BLS), "Consumer Price Index (CPI) Databases," <https://www.bls.gov/cpi/data.htm>. This report uses the average annual change in the seasonally-adjusted Consumer Price Index for All Urban Consumers (CPI-U) for all items in the U.S. city average to compute price-indexed FY2023 dollars. The average annual change is computed over the fiscal year.

⁶² See CRS In Focus IF11931, *Social Security: The Average Wage Index*. This report uses the average annual change in the AWI for the fiscal year to compute wage-indexed FY2023 dollars. CRS used historical values from SSA's AWI page and the projected value for 2023 in the Social Security trustees' 2024 report based on their intermediate set of assumptions. (See SSA, Office of the Chief Actuary, "National Average Wage Index," <https://www.ssa.gov/oact/cola/AWI.html>; and Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, *The 2024 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, May 6, 2024, Table V.C1, https://www.ssa.gov/oact/tr/2024/V_C_prog.html#1047210.) CRS used a weighted average to convert the calendar-year AWI data into fiscal year data.

include salaries and benefits for both federal SSA personnel and state DDS personnel. Because wages tend to grow faster than prices do, indexing the annual LAE appropriation to changes in prices may *understate* the real growth in SSA's administrative costs. However, because not all of SSA's administrative costs are payroll related, indexing the entire annual LAE appropriation to changes in wages may *overstate* the real growth in SSA's administrative costs.

The lower line in **Figure 5** labeled "Nominal (Current) Dollars" shows an increase in the annual LAE appropriation between FY1997 and FY2023, with notable increases in FY2008, FY2009, FY2010, FY2014, and FY2023.⁶³ The middle line labeled "Price-Indexed FY2023 Dollars (CPI-U)" also shows an increase in the annual LAE appropriation between FY1997 and FY2023 but at a more moderate rate relative to the nominal line, with notable increases in FY2009 and FY2010 followed by a notable decrease in FY2013, a notable increase in FY2014, and a notable decrease in FY2022. The top line labeled "Wage-Indexed FY2023 Dollars (AWI)" shows a decrease in the annual LAE appropriation between FY1997 and FY2023, with notable increases in FY2009 and FY2010 followed by notable decreases in FY2013 and FY2021.

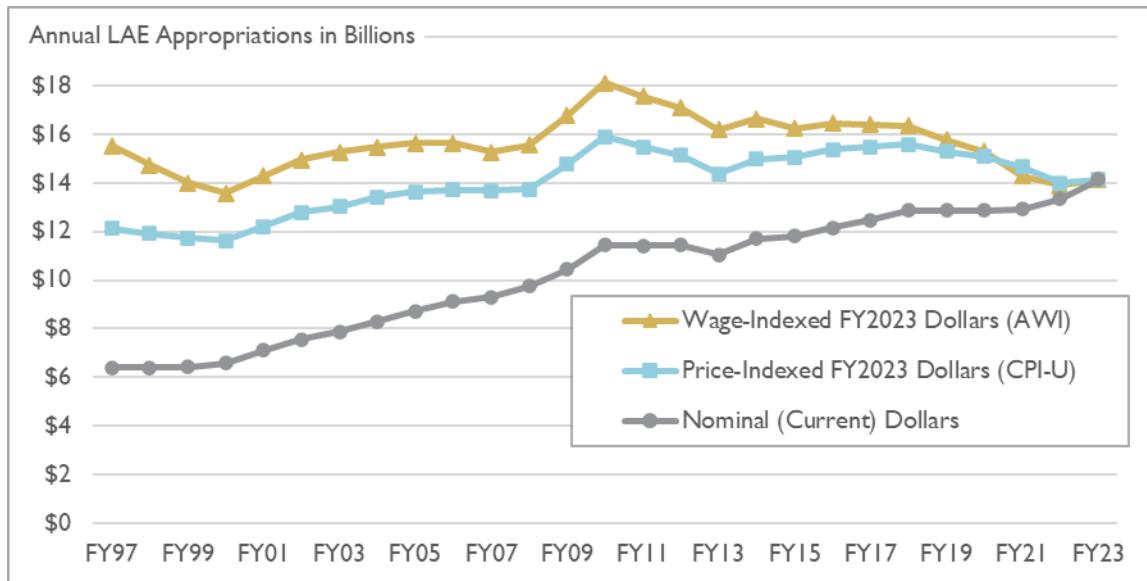
The CPI-U and AWI are two of several potential indexing measures for adjusting the annual LAE appropriation. For additional indexing measures, see **Table B-4** and **Figure B-1**.⁶⁴

⁶³ For purposes of this report, an increase or decrease in the annual LAE appropriation from one year to the next is considered *notable* if it is at least 4.0% when rounded to the nearest tenth of a percentage point. For single-year percentage change data in the annual LAE appropriation and additional indexing measures, see **Table B-4**.

⁶⁴ **Table B-4** includes two additional indexing measures: the Bureau of Economic Analysis's Gross Domestic Product (GDP) Price Index and BLS's Employment Cost Index (ECI). **Figure B-1** shows the annual LAE appropriation in nominal dollars for FY1997-FY2023, as well as in indexed FY2023 dollars using the GDP Price Index, CPI-U, ECI, and AWI. For a discussion of the CPI-U and GDP Price Index, see Jonathan D. Church, "Comparing the Consumer Price Index with the Gross Domestic Product Price Index and Gross Domestic Product Implicit Price Deflator," *Monthly Labor Review*, BLS, March 2016, <https://www.bls.gov/opub/mlr/2016/article/comparing-the-cpi-with-the-gdp-price-index-and-gdp-implicit-price-deflator.htm>. For a discussion of the ECI, see CBO, *Alternative Approaches to Adjusting Military Cash Pay*, September 9, 2021, <https://www.cbo.gov/publication/57192>.

Figure 5. Annual LAE Appropriation, in Nominal and Price/Wage-Indexed FY2023 Dollars, FY1997-FY2023

In Billions of Dollars



Source: CRS, based on the following sources: SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2004*, and subsequent editions; BLS, “Consumer Price Index (CPI) Databases,” <https://www.bls.gov/cpi/data.htm>; SSA, Office of the Chief Actuary, “National Average Wage Index,” <https://www.ssa.gov/oact/cola/AWI.html>; and Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, *The 2024 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, May 6, 2024, Table V.C1, https://www.ssa.gov/oact/tr/2024/V_C_prog.html#1047210.

Notes: AWI = Average Wage Index. CPI-U = Consumer Price Index for All Urban Consumers. Amounts reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. Amounts are price indexed to FY2023 dollars using the annual average change in BLS’s seasonally adjusted CPI-U for all items in the U.S. city average for the fiscal year. Amounts are wage indexed to FY2023 dollars using the average annual change in SSA’s AWI for the fiscal year. For the AWI, CRS used historical values from SSA’s AWI page and the projected value for 2023 from the Social Security trustees’ 2024 report based on their intermediate set of assumptions. CRS used a weighted average to convert the calendar-year AWI data into fiscal year data. For the underlying data and additional indexing measures, see **Table B-4**.

Table 4 shows the percentage change in the FY2023 annual LAE appropriation relative to selected earlier fiscal years in nominal, price-indexed, and wage-indexed terms. The magnitude and direction of the percentage change vary based on the indexing measure and starting point used. For example, using price-indexed FY2023 dollars (i.e., adjusted for inflation), the annual LAE appropriation increased by 3.2% between FY2007 and FY2023 but decreased by 11.2% between FY2010 and FY2023 (**Table 4**).⁶⁵ On the other hand, using wage-indexed FY2023 dollars (i.e., adjusted for wage growth), the annual LAE appropriation decreased during both of these periods but by notably different magnitudes: a 7.5% decline between FY2007 and FY2023 versus a 22.1% decline between FY2010 and FY2023. The use of different indexing measures

⁶⁵ In the body of the report, percentages are generally displayed to the nearest whole percentage point. However, percentages denoting the change in the annual LAE appropriation (or its components) between two years are displayed to the nearest tenth of a percentage point to conform with the presentation style found in other CRS products on the annual LAE appropriation and the annual LHHS appropriations act. In the appendices of the report, percentages are generally displayed to the nearest tenth of a percentage point.

and starting points may result in noticeably different percentage changes in the FY2023 annual LAE appropriation and thus potentially different interpretations of the trend in the appropriation. For single-year percentage change data and additional indexing measures, see **Table B-4**.

Table 4. Percentage Change in the FY2023 Annual LAE Appropriation Relative to Selected Earlier Fiscal Years, in Nominal and Price/Wage-Indexed FY2023 Dollars

Percentage Change Period	Nominal (Current) Dollars	Price-Indexed FY2023 Dollars (CPI-U)	Wage-Indexed FY2023 Dollars (AWI)
FY2001-FY2023	+98.3%	+15.6%	-1.1%
FY2004-FY2023	+69.9%	+5.3%	-8.7%
FY2007-FY2023	+51.9%	+3.2%	-7.5%
FY2010-FY2023	+23.4%	-11.2%	-22.1%
FY2013-FY2023	+27.9%	-1.7%	-12.8%
FY2016-FY2023	+16.2%	-8.2%	-14.2%
FY2019-FY2023	+9.7%	-7.7%	-10.4%
FY2022-FY2023	+5.9%	+0.8%	+1.6%

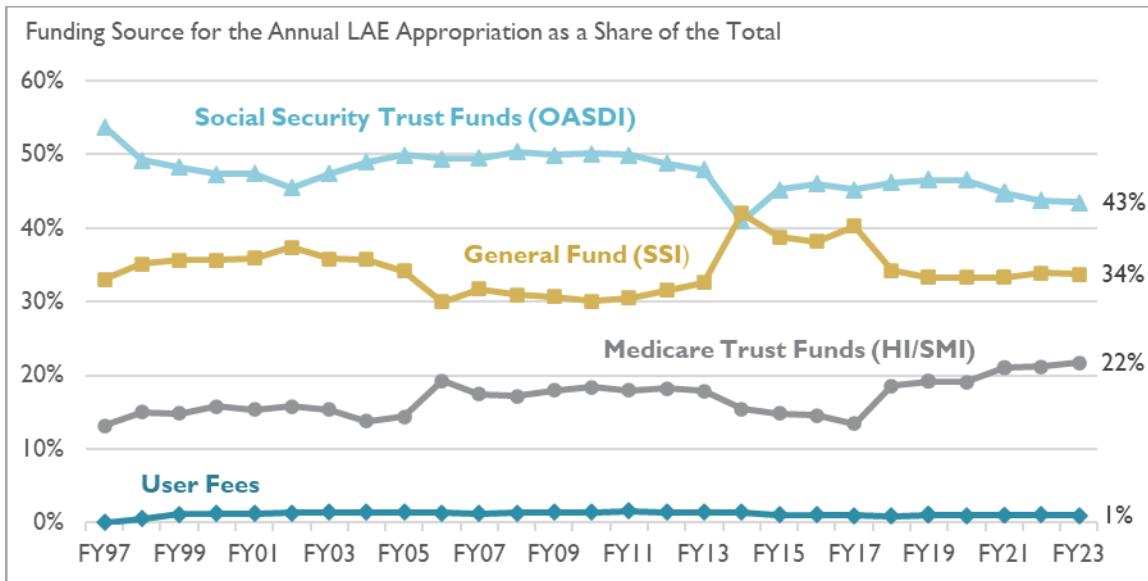
Source: CRS, based on SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2012*, and subsequent editions.

Notes: CPI-U = Consumer Price Index for All Urban Consumers. AWI = Average Wage Index. See **Table B-4** for the data used to calculate the percentage changes, as well as single-year percentage change data and additional indexing measures.

Figure 6 shows the trend in the percentage distribution of the annual LAE appropriation by funding source. Between FY1997 and FY2023, the share of the annual LAE appropriation attributable to the Social Security trust funds decreased from 54% to 43%, while the share attributable to the Medicare trust funds increased from 13% to 22%. The increase in the share of the annual LAE appropriation attributable to the Medicare trust funds during this period likely stemmed, in part, from SSA's increased administrative responsibilities related to Medicare Part D (including the LIS), which became effective in 2006. SSA's FY2025 congressional budget justification notes that the agency is working with CMS to "evaluate the cost-sharing agreement that determines the portion of administrative expenses borne by the SSA and Medicare trust funds and the General Fund."⁶⁶

⁶⁶ SSA, *FY2025 Congressional Justification*, "Limitation on Administrative Expenses," p. 132. For an analysis of the cost allocation methodology used to assign costs between the Social Security and Medicare trust funds, see SSA, OIG, *The Social Security Administration Cost Allocation Methodology*.

Figure 6. Percentage Distribution of the Annual LAE Appropriation, by Funding Source, FY1997-FY2023



Source: CRS, based on S.Rept. 105-58, S.Rept. 105-300, and SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2001*, and subsequent editions.

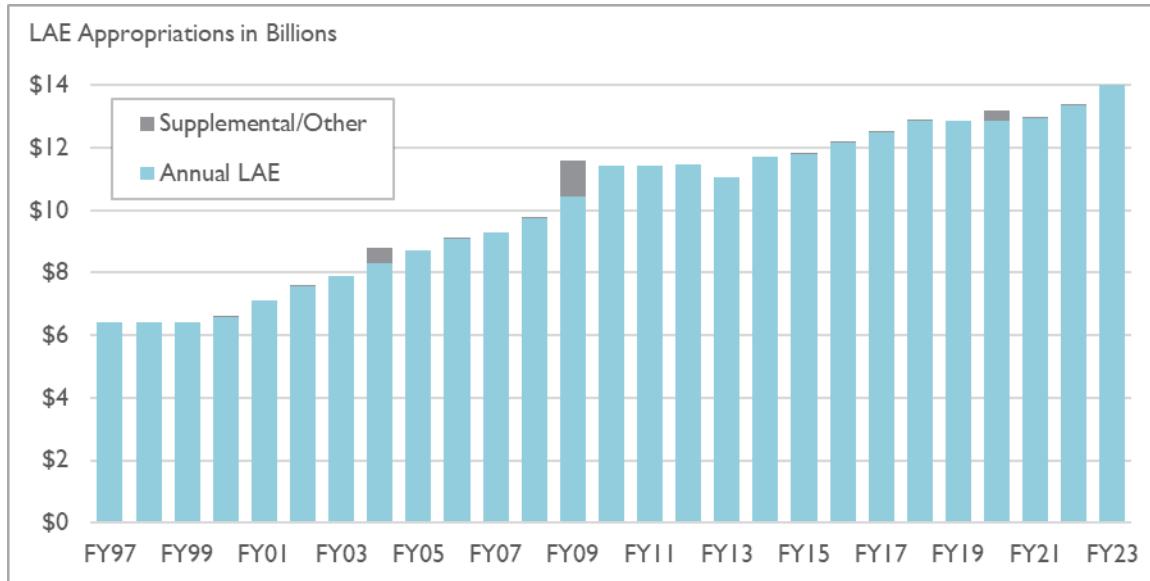
Notes: OASDI = Old-Age, Survivors, and Disability Insurance. HI/SMI = Hospital Insurance and Supplementary Medical Insurance. SSI = Supplemental Security Income. Amounts reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. Funding attributable to the Social Security trust funds includes amounts for SSAB. See **Table B-5** for the underlying data.

Figure 7 shows the trend in overall LAE funding by type of appropriation. The figure includes the annual LAE appropriation provided as part of the annual appropriations process for the fiscal year indicated, as well as appropriations to the LAE account provided outside of the annual appropriations process during the fiscal year indicated (i.e., supplemental discretionary appropriations or mandatory appropriations).⁶⁷ For example, during FY2020, SSA received nearly \$12.871 billion for its annual LAE appropriation under the Further Consolidated Appropriations Act, 2020 (P.L. 116-94; Division A); \$300 million in supplemental discretionary funding under the emergency appropriations part of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act; P.L. 116-136, Division B); and \$38 million in mandatory funding under the assistance for workers, families, and businesses part of the CARES Act (P.L. 116-136, Division A, Title II) for work related to recovery rebates, also known as economic impact payments. These amounts combined represented almost \$13.209 billion in overall LAE funding for FY2020.

⁶⁷ The figure excludes carryover LAE funding from prior fiscal years. Funding provided outside of the annual appropriations process for FY2016-FY2018 was provided for the fiscal years indicated rather than *during*.

Figure 7. Overall LAE Funding, by Type of Appropriation, FY1997-FY2023

In Billions of Nominal Dollars



Source: CRS, based on SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2004*, and subsequent editions.

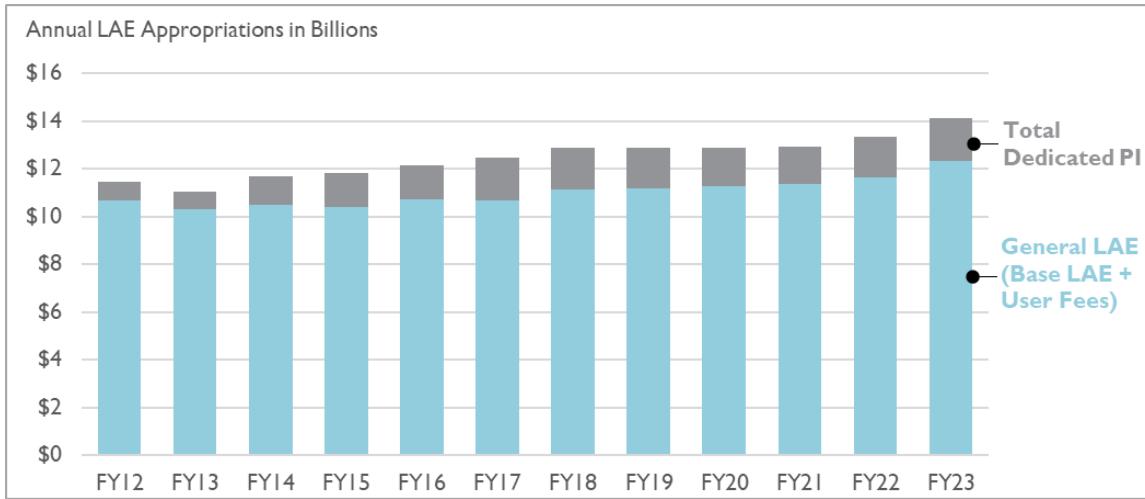
Notes: Amounts reflect new budget authority and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. “Supplemental/Other” refers to supplemental discretionary appropriations or mandatory appropriations to the LAE account provided outside of the annual appropriations process *during* the fiscal year indicated, except for funding shown for FY2016-FY2018, which was provided *for* the fiscal year indicated. Supplemental/Other excludes carryover LAE funding from prior fiscal years. “Annual LAE” refers to the annual LAE appropriation provided as part of the annual appropriations process for the fiscal year indicated. See **Table B-6** for the underlying data and additional information.

Recent Trends: FY2012-FY2023

This section examines recent trends in the annual LAE appropriation between FY2012 and FY2023, with a focus on trends in total dedicated PI funding and all other LAE funding. CRS selected FY2012 as the starting point of the review period to match the starting point of the statutory discretionary spending caps and SSA PI adjustments established under the BCA.

Figure 8 shows the trend in the annual LAE appropriation since FY2012 by major funding component: (1) general LAE funding and (2) total dedicated PI funding. For purposes of this report, *general LAE funding* refers to base LAE funding *plus* total user fees—in other words, the part of the annual LAE appropriation that is not dedicated to PI activities. The share of the annual LAE appropriation for general LAE funding decreased from 93% to 85% between FY2012 and FY2017, increased to 88% in FY2021, and then decreased to 87% in FY2022 and FY2023 (**Table B-7**). Conversely, the share of the annual LAE appropriation for total dedicated PI funding increased from 7% to 15% between FY2012 and FY2017, decreased to 12% in FY2021, and then increased to 13% in FY2022 and FY2023. The share of the annual LAE appropriation for total dedicated PI funding increased due, in part, to the provision of adjustment PI funding during this period.

Figure 8. Annual LAE Appropriation, by Major Funding Component, FY2012-FY2023
In Billions of Nominal Dollars

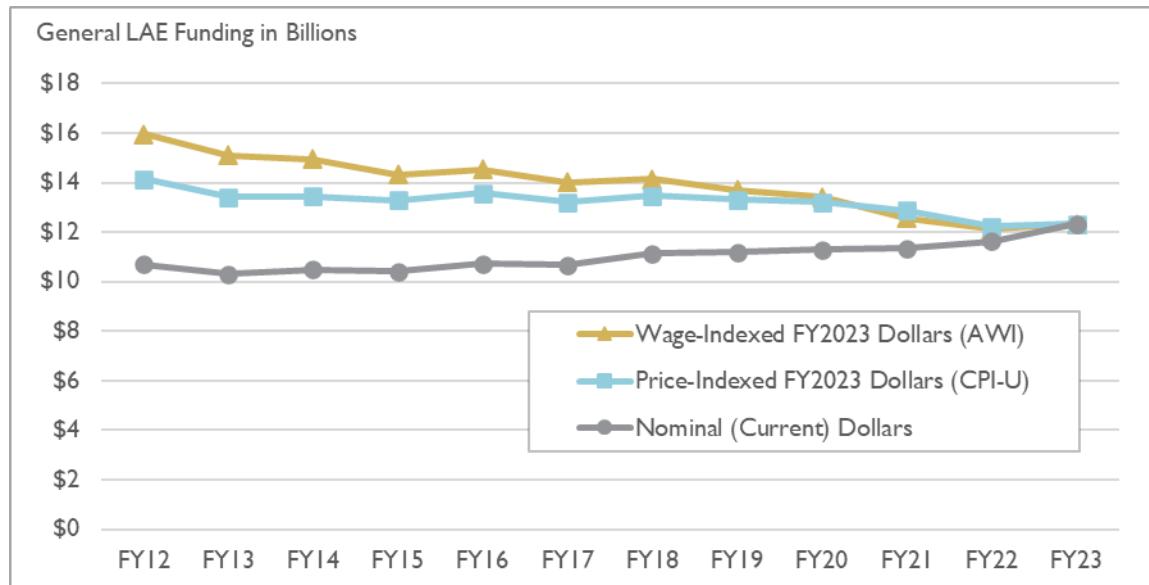


Source: CRS analysis of applicable LHHS appropriations acts.

Notes: PI = program integrity. Amounts reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions. General LAE funding refers to base LAE funding plus total user fees—in other words, the part of the annual LAE appropriation that is not dedicated to PI activities. See **Table B-7** for the underlying data and methodology.

Figure 9 shows the trend in general LAE funding since FY2012 in nominal, price-indexed, and wage-indexed terms. The nominal line was relatively flat between FY2012 and FY2017 before increasing through FY2023. The price-indexed and wage-indexed lines declined during this period. Between FY2012 and FY2023, general LAE funding increased by 15.4% in nominal terms but decreased by 12.8% in price-indexed terms and by 22.7% in wage-indexed terms (**Table 5**). For single-year percentage change data on general LAE funding for FY2009-FY2023 and additional indexing measures, see **Table B-8**.

Figure 9. General LAE Funding, in Nominal and Price/Wage-Indexed FY2023 Dollars, FY2012-FY2023
In Billions of Dollars



Source: CRS analysis of applicable LHHS appropriations acts.

Notes: AWI = Average Wage Index. CPI-U = Consumer Price Index for All Urban Consumers. *General LAE funding* refers to base LAE funding *plus* total user fees—in other words, the part of the annual LAE appropriation that is not dedicated to PI activities. See **Table B-8** for the underlying data and additional indexing measures.

Table 5. Percentage Change in the Annual LAE Appropriation Between FY2012 and FY2023, in Nominal and Price/Wage-Indexed FY2023 Dollars, by Major Funding Component

Major Funding Component	Nominal (Current) Dollars	Price-Indexed FY2023 Dollars (CPI-U)	Wage-Indexed FY2023 Dollars (AWI)
General LAE	+15.4%	-12.8%	-22.7%
Total Dedicated PI	+136.0%	+78.4%	+58.1%
Total Annual LAE	+23.3%	-6.8%	-17.3%

Source: CRS analysis of applicable LHHS appropriations acts.

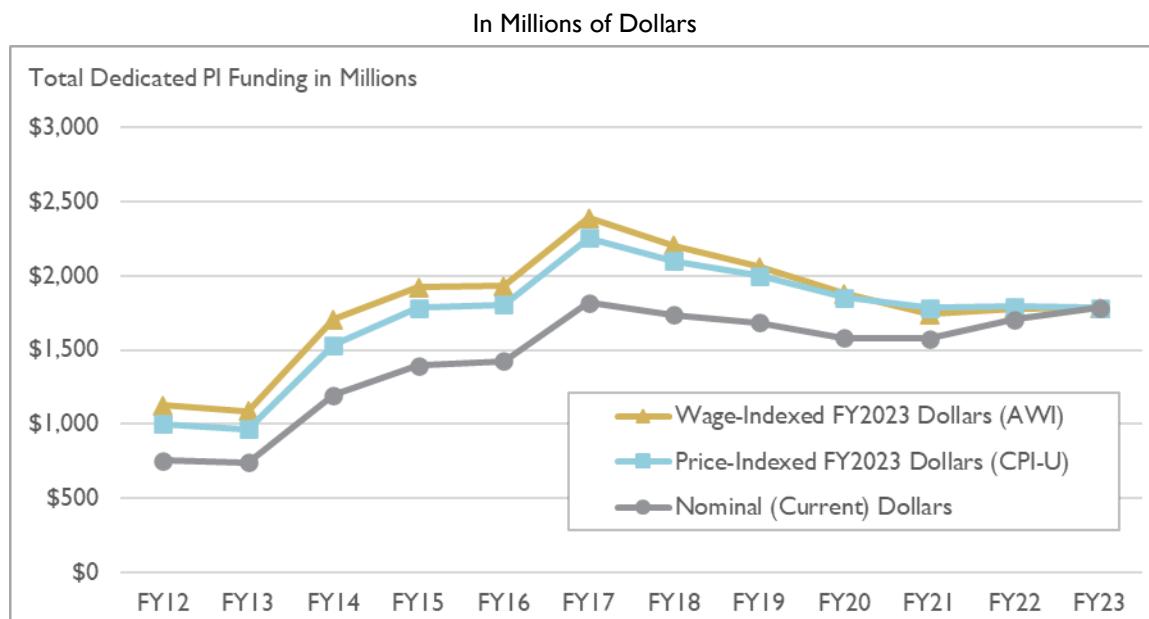
Notes: AWI = Average Wage Index. CPI-U = Consumer Price Index for All Urban Consumers. PI = program integrity. *General LAE funding* refers to base LAE funding *plus* total user fees—in other words, the part of the annual LAE appropriation that is not dedicated to PI activities. *Total dedicated PI funding* refers to base PI funding *plus* adjustment PI funding. See **Table B-4**, **Table B-8**, and **Table B-9** for the underlying data used to calculate the percentage changes, the overall methodology, and additional indexing measures.

Figure 10 shows the trend in total dedicated PI funding since FY2012 in nominal, price-indexed, and wage-indexed terms. Across all three measures, total dedicated PI funding increased between FY2013 and FY2017, decreased after that through FY2021, and then increased in FY2022 and FY2023. Between FY2012 and FY2023, total dedicated PI funding increased by 136.0% in nominal terms, by 78.4% in price-indexed terms, and by 58.1% in wage-indexed terms (**Table 5**). For single-year percentage change data on total dedicated PI funding for FY2009-FY2023 and additional indexing measures, see **Table B-9**.

The increase in total dedicated PI funding between FY2013 and FY2017 and the subsequent decrease through FY2021 reflect the trend in the maximum permitted level of adjustment PI funding that was effectively exempt from the statutory discretionary spending caps during this period (**Table 6**). For FY2012, FY2013, and FY2016, lawmakers did not provide the full amount of adjustment PI funding permitted under federal law.

As noted earlier, the *statutory* discretionary spending caps and SSA PI adjustments under the BCA expired at the end of FY2021. However, these adjustments were continued in the *procedural* budget enforcement associated with the budget resolutions and the LHHS appropriations acts for FY2022 and FY2023.⁶⁸ Lawmakers provided the maximum permitted level of adjustment PI funding for FY2022 and FY2023, which increased the nominal appropriated amount of adjustment PI funding for those years.⁶⁹ The FRA reestablished statutory discretionary spending caps and SSA PI adjustments for FY2024 and FY2025.

Figure 10. Total Dedicated Program Integrity (PI) Funding, in Nominal and Price/Wage-Indexed FY2023 Dollars, FY2012-FY2023



Source: CRS analysis of applicable LHHS appropriations acts.

Notes: AWI = Average Wage Index. CPI-U = Consumer Price Index for All Urban Consumers. *Total dedicated PI funding* refers to base PI funding *plus* adjustment PI funding. See **Table B-9** for the underlying data and additional indexing measures.

⁶⁸ See CRS Report R47029, *Labor, Health and Human Services, and Education: FY2022 Appropriations*; and CRS Report R47345, *Labor, Health and Human Services, and Education: FY2023 Appropriations*.

⁶⁹ Section 1(i) of H.Res. 1151 specified that at least \$288 million in base PI funding must first be appropriated in order for the \$1.511 billion adjustment PI funding to be available. However, the FY2023 LHHS appropriations act specified that \$273 million in base funding “is provided to meet the terms of a concurrent resolution on the budget in the Senate” (P.L. 117-328, p. 448). For an alternative tabulation of this adjustment based on relevant procedures, see CBO, *Discretionary Spending in Fiscal Year 2023 Under Divisions A Through L of H.R. 2617 (as modified by Senate Amendment 6552), the Consolidated Appropriations Act, 2023*, December 21, 2022, https://www.cbo.gov/system/files/2022-12/HR-2617_div-A%20E2%80%93N.pdf.

Table 6. Comparison of the Maximum Permitted and Appropriated Amounts of Adjustment Program Integrity (PI) Funding, FY2012-FY2023

In Millions of Nominal Dollars

Fiscal Year	Type of Budget Enforcement Framework	Maximum Permitted	Appropriated	Difference in Appropriated Relative to Maximum Permitted
FY2012	Statutory	\$623.0	\$482.6	-\$140.4
FY2013	Statutory	\$751.0	\$470.6	-\$280.4
FY2014	Statutory	\$924.0	\$924.0	\$0.0
FY2015	Statutory	\$1,123.0	\$1,123.0	\$0.0
FY2016	Statutory	\$1,166.0	\$1,153.0	-\$13.0
FY2017	Statutory	\$1,546.0	\$1,546.0	\$0.0
FY2018	Statutory	\$1,462.0	\$1,462.0	\$0.0
FY2019	Statutory	\$1,410.0	\$1,410.0	\$0.0
FY2020	Statutory	\$1,309.0	\$1,309.0	\$0.0
FY2021	Statutory	\$1,302.0	\$1,302.0	\$0.0
FY2022	Procedural	\$1,435.0	\$1,435.0	\$0.0
FY2023	Procedural	\$1,511.0	\$1,511.0	\$0.0

Source: CRS analysis of the Balanced Budget and Emergency Deficit Control Act of 1985 (BBEDCA; P.L. 99-177, as amended), as well as applicable annual budget resolutions, LHHS appropriations acts, and SSA operating plans.

Notes: “Maximum Permitted” refers to the maximum annual level of adjustment funding authorized for certain SSA PI activities under Section 251(b)(2)(B) of the BBEDCA (2 U.S.C. §901(b)(2)(B)) or the applicable annual budget resolution. “Appropriated” refers to the amount of new budget authority provided for adjustment PI funding in the fiscal year indicated and includes reductions due to sequestration and rescissions. The Budget Control Act of 2011 (BCA; P.L. 112-25) amended the BBEDCA to reestablish statutory discretionary spending caps for FY2012-FY2021 and to provide adjustments to those caps to accommodate additional spending on certain SSA PI activities up to a specific amount each year. For the adjustment PI funding to have been effectively exempt from the statutory discretionary spending caps, at least \$273 million in base PI funding was required to be provided first, which was subject to the statutory discretionary spending caps. Any PI funding in excess of the maximum permitted level for adjustment PI funding was subject to the statutory discretionary spending caps as well. Section 815 of the Bipartisan Budget Act of 2015 (P.L. 114-74) amended the SSA PI adjustment amounts in the BBEDCA to permit higher maximum adjustments for FY2017-FY2019 and a lower maximum adjustment for FY2021. The statutory discretionary spending caps and SSA PI adjustments under the BCA expired at the end of FY2021. However, these adjustments were continued in the *procedural* budget enforcement associated with the budget resolutions and the LHHS appropriations acts for FY2022 and FY2023 (see S.Con.Res. 14 and H.Res. 1151, respectively). The procedural budget enforcement for FY2022 and FY2023 used a similar structure to the one under the BBEDCA (e.g., a minimum amount of base PI funding was required to be provided first). Section 1(i) of H.Res. 1151 specified that at least \$288 million in base PI funding must first be appropriated in order for the \$1.511 billion adjustment PI funding to be available. However, the FY2023 LHHS appropriations act specified that \$273 million in base funding “is provided to meet the terms of a concurrent resolution on the budget in the Senate” (P.L. 117-328, p. 448). The Fiscal Responsibility Act of 2023 (FRA; P.L. 118-5) amended the BBEDCA to reestablish statutory discretionary spending caps and SSA PI adjustments for FY2024 and FY2025. The FRA uses the same basic structure that was in effect under the BBEDCA in FY2021 for adjustment PI funding (e.g., at least \$273 million in base PI funding is required to be provided first).

Trends in Selected Metrics and Workloads: FY2012-FY2023

Figure 11 shows the trend in the average monthly number of SSA beneficiaries since FY2012 by type: (1) Social Security OASI beneficiaries; (2) Social Security DI beneficiaries; and (3) all SSI recipients (i.e., those who are age 65 or older, are blind, or have a qualifying disability). Individuals who qualify for both Social Security and SSI are known as *concurrent beneficiaries*. The figure provides an unduplicated total, which is equal to the sum of the three beneficiary categories less concurrent beneficiaries. For example, SSA's programs combined paid benefits to an average of 73.8 million beneficiaries each month in FY2023: 57.5 million OASI beneficiaries, 8.8 million DI beneficiaries, and 7.5 million SSI recipients. However, after subtracting out the 2.5 million individuals who received both Social Security and SSI and thus were counted twice, the average monthly number of unique beneficiaries in FY2023 was 71.3 million.

Between FY2012 and FY2023, the average monthly number of total SSA beneficiaries (unduplicated) increased by 17%. Virtually all of this growth was attributable to OASI beneficiaries, primarily retired workers.⁷⁰ During this period, the average monthly number of OASI beneficiaries increased by 28%, while the average monthly number of DI beneficiaries and SSI recipients decreased by 18% and 8%, respectively.

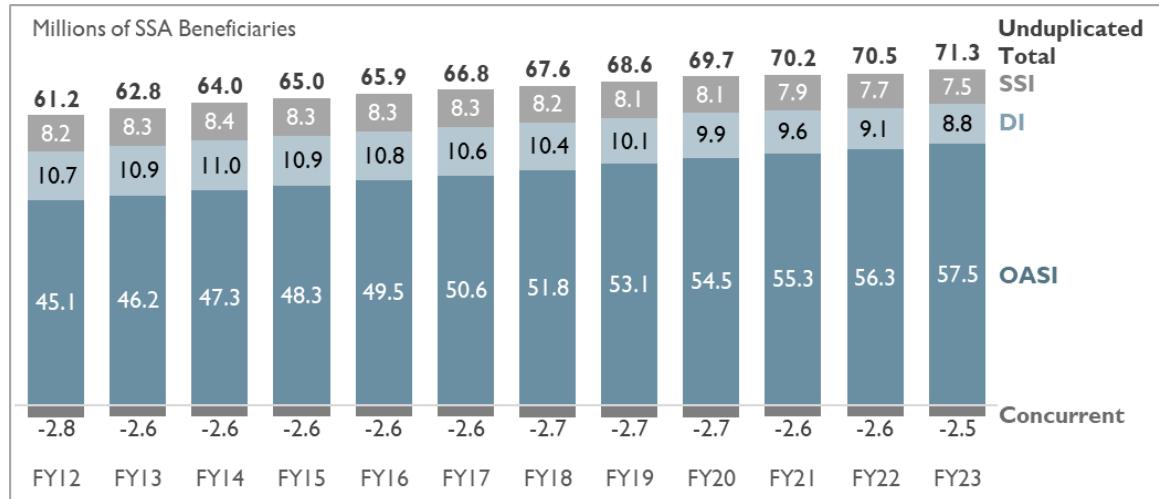
The growth in the number of OASI beneficiaries during this period likely increased post-entitlement workloads associated with this group (e.g., recomputing benefit amounts, sending notices, completing address or status changes) and thus may have increased post-entitlement costs for SSA. However, the decline in the number of DI beneficiaries and SSI recipients during this period may have reduced the need for SSA to conduct certain PI-related post-entitlement workloads, such as CDRs and SSI nonmedical redeterminations (discussed later). Historically, the unit cost of processing post-entitlement workloads has been higher for DI beneficiaries and SSI recipients relative to OASI beneficiaries.⁷¹ As such, the decrease in the number of DI beneficiaries and SSI recipients during this period may have offset some of the increase in post-entitlement costs associated with OASI beneficiaries.

⁷⁰ For more information on Social Security beneficiary types, see CRS Report R42035, *Social Security Primer*; and SSA, “Types of Beneficiaries,” <https://www.ssa.gov/oact/progdata/types.html>.

⁷¹ For historical data on the unit cost of processing post-entitlement workloads by program, see SSA, *Performance and Accountability Report for Fiscal Year 2001*, “Other Accompanying Information,” p. 212, <https://web.archive.org/web/20180217224548/https://www.ssa.gov/finance/2001/01sdos.pdf>. For historical unit cost data by workload and program, see SSA, OIG, *The Social Security Administration Cost Allocation Process*, Tables C-11 and C-12, pp. C-11 through C-15.

Figure 11. Average Monthly Number of SSA Beneficiaries, by Type, FY2012-FY2023

In Millions



Source: CRS, based on a variety of data sources on SSA's website.

Notes: OASI = Old-Age and Survivors Insurance. DI = Disability Insurance. SSI = Supplemental Security Income. Components may not sum to totals due to rounding. Data reflect the average monthly number of beneficiaries in payment status during the fiscal year indicated. "Unduplicated Total" is equal to the sum of the average monthly number of Social Security OASI beneficiaries, Social Security DI beneficiaries, and SSI recipients during the fiscal year less the average monthly number of concurrent beneficiaries during the fiscal year. Concurrent beneficiaries qualify for both SSI and Social Security (either OASI or DI). "SSI" includes those who are eligible for a *federally administered SSP* but are ineligible for a federal SSI payment; it excludes those who are eligible for only a *state-administered SSP*.

Figure 12 shows the trend in the number of selected types of cases received by SSA (i.e., receipts) since FY2012. *Retirement, survivors, and Medicare-only claims* include initial OASI claims for retirement or survivor benefits, as well as initial benefit claims in which the applicant files for Medicare but not for Social Security (i.e., Medicare-only claims).⁷² *Initial disability claims* are initial claims for Social Security disability benefits or SSI blindness or disability payments that are forwarded to state DDS offices or other agency components for medical determinations. Initial disability claims exclude claims that are denied by field offices for technical (i.e., non-disability) reasons prior to the medical determination stage of the application process.⁷³ Applicants who file initial disability claims for both Social Security and SSI (i.e., concurrent claimants) are counted only once in the data shown below. *Appeals* include reconsiderations, hearings, Appeals Council reviews, and federal court reviews.⁷⁴ The figure excludes certain types of cases, such as SSI aged claims.⁷⁵

⁷² Some OASI disability claimants may be captured under both initial disability claims and retirement, survivors, and Medicare-only claims.

⁷³ For *Social Security disability claims*, technical denials include having an insufficient work history in jobs covered by Social Security or no longer meeting the relevant age or familial-connection requirements. For *SSI blindness or disability claims*, technical denials include having excess income or resources, as well as not meeting the relevant citizenship or immigration requirements.

⁷⁴ For more information on SSA's appeals process, see SSA, *Your Right to Question the Decision Made on Your Claim*, May 2022, <https://www.ssa.gov/pubs/EN-05-10058.pdf>.

⁷⁵ For FY2022 data on SSI aged claims received (i.e., receipts), see SSA, *Annual Statistical Supplement, 2023*, Table 2.F6.

Between FY2012 and FY2023, the total number of selected types of receipts declined by 2%. The number of retirement, survivors, and Medicare-only claims receipts increased by 33% during this period, while the number of initial disability claims and appeals receipts decreased by 31% and 47%, respectively. Similar to post-entitlement workloads, the growth in OASI applicants during this period may have increased initial claims costs for SSA, while the decline in DI and SSI applicants may have decreased initial claims and appeals costs.⁷⁶

The decline in the number of initial disability claims and appeals receipts during this period stems, in part, from a larger trend of reduced participation in SSA's disability programs following the Great Recession (December 2007 to June 2009). However, the COVID-19 pandemic and the accompanying closure of field offices may have accelerated this larger trend with respect to initial disability claims.⁷⁷ The number of initial disability claims receipts declined by 6% between FY2019 and FY2020 and by 9% between FY2020 and FY2021. Following SSA's reopening of field offices to the public in April 2022, the number of initial disability claims receipts increased by 7% between FY2021 and FY2022 and by 2% between FY2022 and FY2023.⁷⁸ The decline in the number of appeals receipts during the review period was driven primarily by hearings receipts. Between FY2012 and FY2023, the number of hearings receipts decreased by 58% from nearly 850,000 to less than 356,000 (not shown).

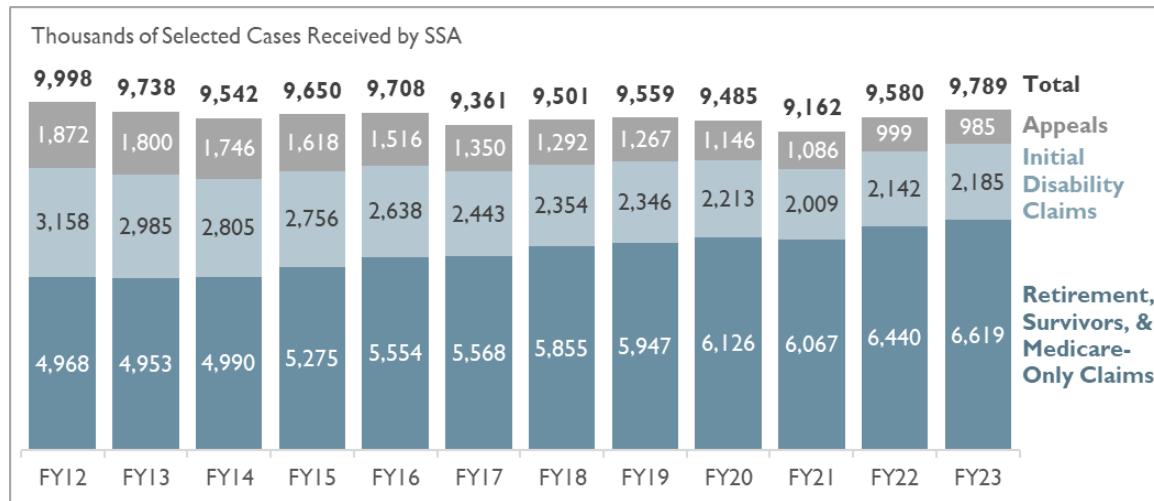
⁷⁶ According to SSA, in FY2021, it cost the agency approximately \$225 to process an OASI claim and about \$1,600 to process a DI and/or SSI disability claim with a medical determination. (See U.S. Congress, House Committee on Ways and Means, Subcommittee on Social Security, *Protecting Beneficiaries from the Harm of Improper Payments*, 118th Cong., 1st sess., October 18, 2023, H.Hrg. 118-SS03 [Washington, DC: GPO, 2024], p. 62, <https://www.govinfo.gov/content/pkg/CHRG-118hrg55064/pdf/CHRG-118hrg55064.pdf>.) For historical data on the unit cost of initial applications and appeals by program, see SSA, *Performance and Accountability Report for Fiscal Year 2001*, "Other Accompanying Information," pp. 208 and 211. For historical unit cost data by workload and program, see SSA, OIG, *The Social Security Administration Cost Allocation Process*, Tables C-11 and C-12, pp. C-11 through C-15.

⁷⁷ SSA, OIG, *Comparing the SSA DDS' Workload Statistics During the COVID-19 Pandemic to Prior Years*, December 1, 2021, <https://oig.ssa.gov/assets/uploads/a-01-21-51038.pdf>.

⁷⁸ In response to the COVID-19 pandemic, SSA closed its field and other offices to the public from March 17, 2020, through April 6, 2022, except in limited situations of dire need. SSA reopened its field and other offices to the public on April 7, 2022. See SSA, "Effective March 17, 2020, Social Security Offices Will Only Offer Phone Service," March 16, 2020, <https://www.ssa.gov/news/press/releases/2020/#3-2020-2>; SSA, "Statement of Kilolo Kijakazi, Acting Commissioner: Social Security Administration to Resume In-Person Services at Local Social Security Offices," press release, April 4, 2022, <https://www.ssa.gov/news/press/releases/2022/#4-2022-1>; and SSA, OIG, *Customer Wait Times in the Social Security Administration's Field Offices and Card Centers*, May 17, 2024, p. 1, <https://oig.ssa.gov/assets/uploads/152307.pdf>.

Figure 12. Selected Types of Cases Received by SSA (Receipts), FY2012-FY2023

In Thousands



Source: CRS, based on a variety of data sources on SSA's website.

Notes: Components may not sum to totals due to rounding. Data reflect cases received during the fiscal year indicated. "Retirement, Survivors, & Medicare-Only Claims" include initial OASI claims for retirement or survivor benefits, as well as Medicare-only initial benefit claims. "Initial Disability Claims" are initial claims for Social Security disability benefits or SSI blindness or disability payments that are forwarded to state Disability Determination Services (DDS) offices or other agency components for medical determinations. Initial disability claims exclude claims that are denied by field offices for technical (i.e., non-disability) reasons prior to the medical determination stage of the application process. Applicants who file initial disability claims for both Social Security and SSI (i.e., concurrent claimants) are counted only once in the data above. Some OASI disability claimants may be captured under both "Initial Disability Claims" and "Retirement, Survivors, & Medicare-Only Claims." "Appeals" include reconsiderations, hearings, Appeals Council reviews, and federal court reviews. The figure excludes certain types of cases, such as initial SSI aged claims.

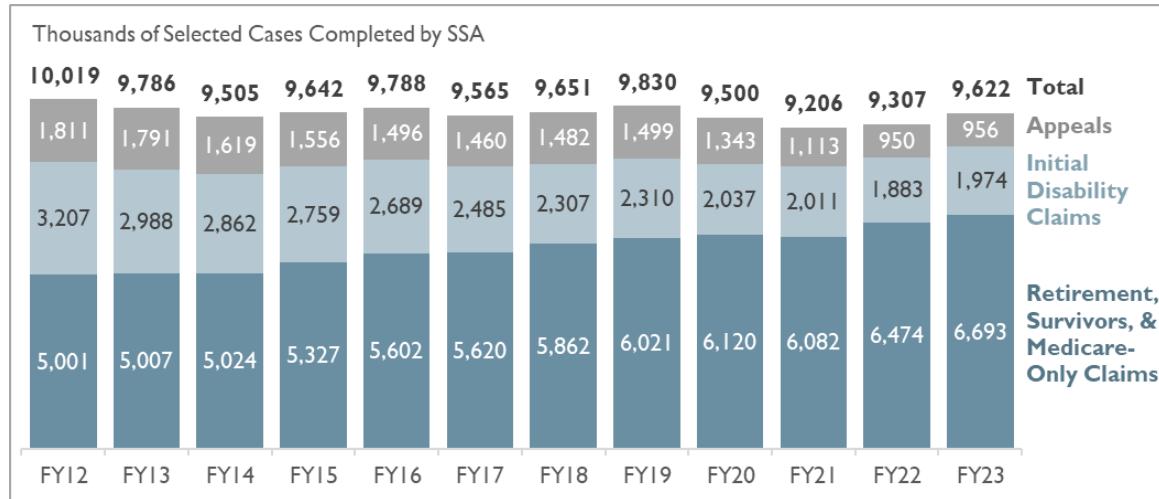
Figure 13 shows the trend in the number of selected types of cases completed by SSA since FY2012.⁷⁹ Similar to receipts, the total number of selected types of cases completed decreased by 4% between FY2012 and FY2023. The number of retirement, survivors, and Medicare-only claims completed increased by 34% during this period, while the number of initial disability claims and appeals completed decreased by 38% and 47%, respectively. According to a 2023 OIG report, "Even though SSA received fewer initial claims during the pandemic, it took the DDSs longer to process those claims."⁸⁰ The number of initial disability claims completed decreased by 12% between FY2019 and FY2020, by 1% between FY2020 and FY2021, and by 6% between FY2021 and FY2022. The number of initial disability claims completed rose at the end of the review period, increasing by 5% between FY2022 and FY2023.

⁷⁹ Some OASI disability claimants may be captured under both initial disability claims and retirement, survivors, and Medicare-only claims. The figure excludes certain types of cases, such as initial SSI aged claims. For FY2022 data on SSI aged claims processed (i.e., completed), see SSA, *Annual Statistical Supplement, 2023*, Table 2.F6.

⁸⁰ SSA, OIG, *The COVID-19 Pandemic's Effect on Disability Determination Services' Processing of Disability Claims*, June 22, 2023, p. 3, <https://oig.ssa.gov/assets/uploads/a-01-20-50963.pdf>.

Figure 13. Selected Types of Cases Completed by SSA, FY2012-FY2023

In Thousands



Source: CRS, based on a variety of data sources on SSA's website.

Notes: Components may not sum to totals due to rounding. Data reflect cases completed during the fiscal year indicated, some of which may have been submitted in a previous fiscal year. "Retirement, Survivors, & Medicare-Only Claims" include initial OASI claims for retirement or survivor benefits, as well as Medicare-only initial benefit claims. "Initial Disability Claims" are initial claims for Social Security disability benefits or SSI blindness or disability payments that are forwarded to state DDS offices or other agency components for medical determinations. Initial disability claims exclude claims that are denied by field offices for technical (i.e., non-disability) reasons prior to the medical determination stage of the application process. Applicants who file initial disability claims for both Social Security and SSI (i.e., concurrent claimants) are counted only once in the data above. Some OASI disability claimants may be captured under both "Initial Disability Claims" and "Retirement, Survivors, & Medicare-Only Claims." "Appeals" include reconsiderations, hearings, Appeals Council reviews, and federal court reviews. The figure excludes certain types of cases, such as SSI aged claims.

Figure 14 shows the trend in the number of selected types of cases or actions pending (i.e., awaiting completion) before SSA since FY2012.⁸¹ *Processing center actions* include certain benefit claims, payment, and post-entitlement actions pending before a program service center or other agency component (e.g., complex Social Security claims, Medicare enrollments, benefit adjustments, record updates, PI activities).⁸² Between FY2012 and FY2023, the total number of selected types of cases or actions pending increased by 74%. Much of this growth was attributable to processing center actions and initial disability claims pending, which grew by 161% and 59%, respectively, during this period. The number of initial disability claims pending decreased by 26% between FY2012 and FY2017 and then increased by 116% between FY2017 and FY2023. In FY2018, FY2019, FY2020, FY2022, and FY2023, SSA received more initial disability claims than the agency completed during the year (see previous figures). Those initial disability claims that SSA was unable to complete each year contributed to the rise in initial disability claims pending during the second half of the review period.⁸³

In contrast, the number of appeals pending declined by 45% during the review period, which was driven largely by hearings pending. Between FY2012 and FY2023, the number of hearings pending decreased by 61%, from nearly 817,000 to less than 322,000 (Figure A-2). The decline

⁸¹ The figure excludes certain types of cases or actions pending, such as SSI aged claims.

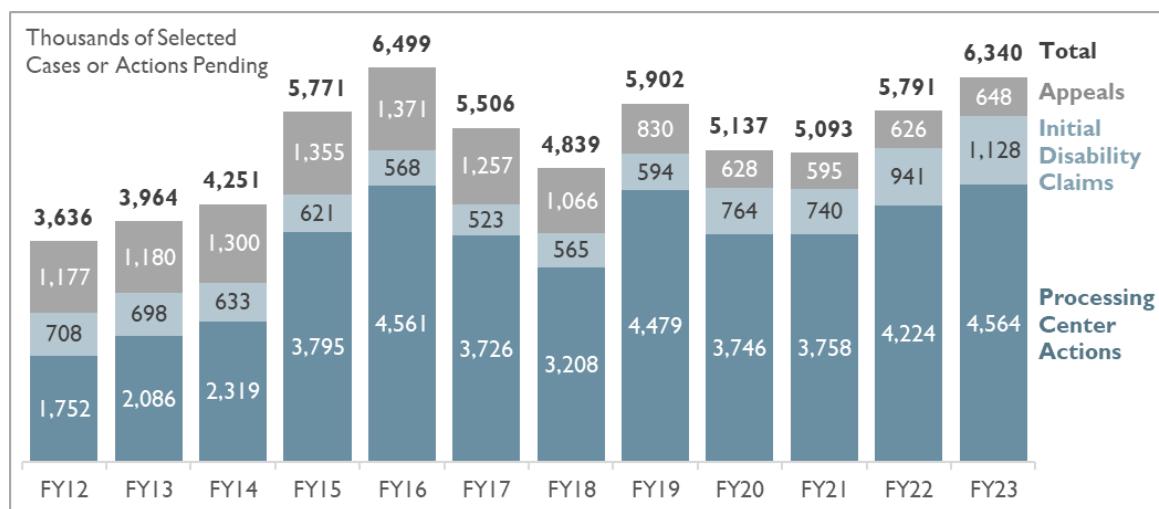
⁸² For more information on processing center workloads, see SSA, OIG, *Increases in Program Service Center Workloads*, April 24, 2018, <https://oig-files.ssa.gov/audits/full/A-05-17-50254.pdf>.

⁸³ SSA, *FY2025 Congressional Justification*, "Budget Overview," Figure 10.

in appeals pending during this period was partially offset by an increase in reconsiderations pending. Between FY2012 and FY2023, the number of reconsiderations pending increased by 47% from nearly 198,000 to almost 290,000 (not shown).

Figure 14. Selected Types of Cases or Actions Pending Before SSA, FY2012-FY2023

In Thousands



Source: CRS, based on a variety of data sources on SSA's website.

Notes: Components may not sum to totals due to rounding. Data reflect cases pending at the end of the fiscal year indicated, some of which may have been submitted in a previous fiscal year. "Processing Center Actions" include certain benefit claims, payment, and post-entitlement actions pending before a program service center or other agency component (e.g., complex Social Security claims, Medicare enrollments, benefit adjustments, record updates, PI activities). "Initial Disability Claims" are initial claims for Social Security disability benefits or SSI blindness or disability payments that are forwarded to state DDS offices or other agency components for medical determinations. Initial disability claims exclude claims that are denied by field offices for technical (i.e., non-disability) reasons prior to the medical determination stage of the application process. Applicants who file initial disability claims for both Social Security and SSI (i.e., concurrent claimants) are counted only once in the data above. "Appeals" include reconsiderations, hearings, Appeals Council reviews, and federal court reviews. The figure excludes certain types of cases, such as SSI aged claims.

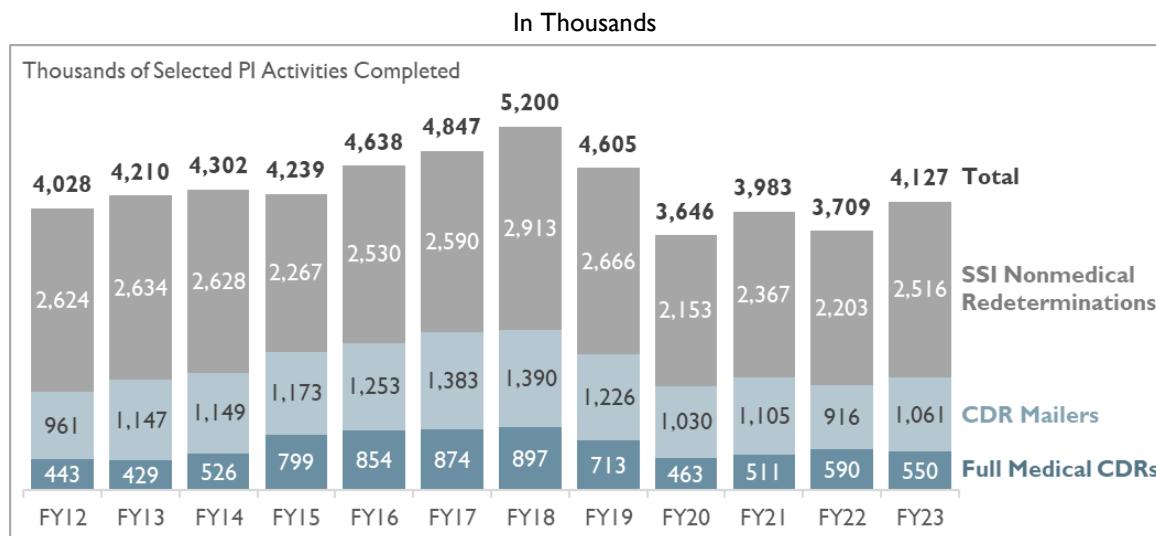
Figure 15 shows the trend in the number of selected types of PI activities completed since FY2012.⁸⁴ Full medical CDRs are periodic reviews of Social Security disability beneficiaries and SSI blindness or disability recipients to determine if they continue to meet the statutory definition of *blindness* or *disability*. CDR mailers are periodic questionnaires sent to certain Social Security disability beneficiaries and SSI blindness or disability recipients to gather information about medical improvement, which SSA uses to determine if a full medical CDR is warranted. SSI nonmedical redeterminations are periodic reviews of nonmedical factors (i.e., income, resources, and living arrangements) to verify that SSI recipients are still financially eligible for the program and receiving the correct payment amounts.

The total number of selected types of PI activities completed increased by 29% between FY2012 and FY2018 and then declined by 21% between FY2018 and FY2023. The decline in the total number of selected types of PI activities completed in recent years may stem, in part, from declining disability rolls during the review period and lower levels of adjustment PI funding between FY2018 and FY2021. In addition, the decrease between FY2018 and FY2019 was likely

⁸⁴ For more information on CDRs and SSI nonmedical redeterminations, see CRS Report R44948, *Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI): Eligibility, Benefits, and Financing*.

influenced by the elimination of the full medical CDR backlog at that time (discussed below). Further, the decrease in FY2020 was due, in part, to SSA's suspension of processing full medical CDRs and SSI nonmedical redeterminations that could result in a cessation of benefits from mid-March 2020 through the end of August 2020 due to the COVID-19 pandemic.⁸⁵

Figure 15. Selected Types of Program Integrity (PI) Activities Completed, FY2012-FY2023



Source: CRS, based on a variety of data sources on SSA's website.

Notes: CDR = continuing disability review. Components may not sum to totals due to rounding. Data reflect PI activities completed during the fiscal year indicated, some of which may have been initiated in the previous fiscal year. "Full Medical CDRs" are periodic reviews of Social Security disability beneficiaries and SSI blindness or disability recipients to determine if they continue to meet the statutory definition of *blindness* or *disability*. "CDR Mailers" are periodic questionnaires sent to certain Social Security disability beneficiaries and SSI blindness or disability recipients to gather information about medical improvement, which SSA uses to determine if a full medical CDR is warranted. "SSI Nonmedical Redeterminations" are periodic reviews of nonmedical factors (i.e., income, resources, and living arrangements) to verify that SSI recipients are still financially eligible for the program and receiving the correct payment amounts.

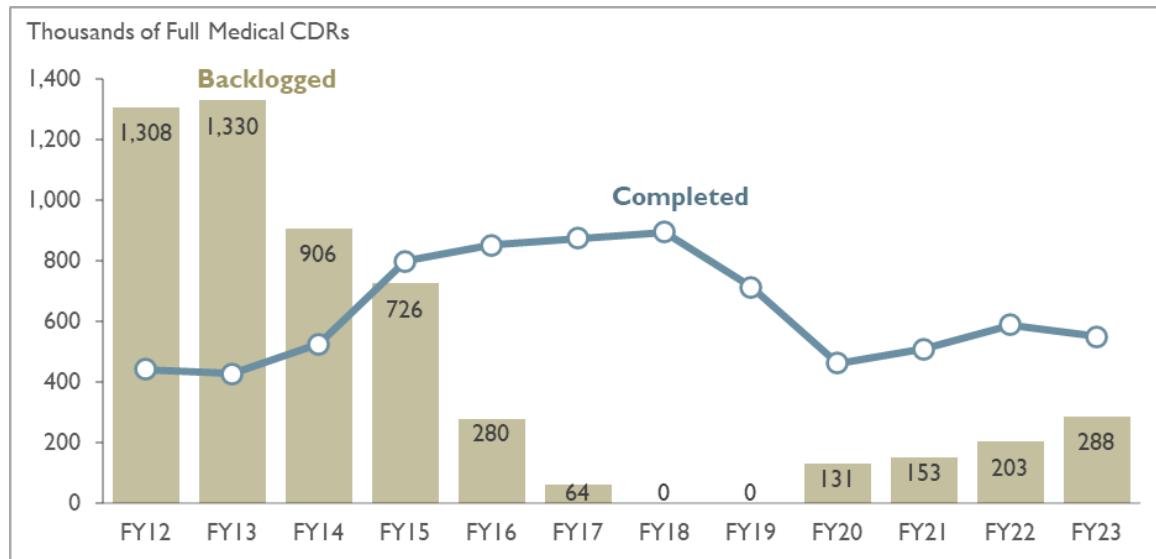
Figure 16 shows the trend in completed and backlogged full medical CDRs since FY2012. The provision of sustained, dedicated PI funding during the past decade allowed SSA to complete enough full medical CDRs to reduce its backlog from over 1.3 million in FY2012 to zero in FY2018. However, due to the agency's temporary suspension of certain PI activities during part of 2020, as well as the overall impact of the COVID-19 pandemic on its operations, SSA was unable to complete all scheduled full medical CDRs in FY2020, which resulted in a new backlog.⁸⁶ Between FY2020 and FY2023, the full medical CDR backlog increased by 120%.

⁸⁵ SSA, *FY2022 Congressional Budget Justification*, "Office of the Inspector General," p. 210.

⁸⁶ Ibid. See also letter from Kilolo Kijakazi, acting commissioner, SSA, to the Honorable Richard Neal, chair, Committee on Ways and Means, U.S. House of Representatives, January 14, 2022, <https://www.ssa.gov/legislation/FY21%20CDR%20Waiver%20Letter.pdf>.

Figure 16. Full Medical Continuing Disability Reviews (CDRs), by Status, FY2012-FY2023

In Thousands



Source: CRS, based on a variety of data sources on SSA's website.

Notes: "Full Medical CDRs" are periodic reviews of Social Security disability beneficiaries and SSI blindness or disability recipients to determine if they continue to meet the statutory definition of *blindness* or *disability*.

"Backlogged" refers to full medical CDRs pending at the end of the fiscal year indicated. "Completed" refers to full medical CDRs completed during the fiscal year indicated. The data on full medical CDRs completed are the same as those in the previous figure.

Figure 17 shows the trend in the number of SSA full-time permanent staff, SSA work years, and state DDS work years since FY2012. *SSA full-time permanent staff* reflect full-time permanent SSA employees on duty at the end of the fiscal year, including seasonal employees.⁸⁷ A *work year* is a full-time employee equivalent metric that incorporates overtime and lump-sum leave.⁸⁸ *SSA work years* reflect work performed by SSA employees in full-time, part-time, or temporary employment; SSA employees in special programs; and SSA overtime hours worked. *State DDS work years* reflect work performed by state DDS employees on behalf of SSA (e.g., disability determinations for initial claims, reconsiderations, and full medical CDRs).

Between FY2012 and FY2023, the number of SSA full-time permanent staff declined by 5%, the number of SSA work years declined by 8%, and the number of state DDS work years declined by 9%. SSA full-time permanent staff increased by 1% between FY2012 and FY2015, decreased by 10% between FY2015 and FY2022, and then increased by 5% between FY2022 and FY2023. SSA work years decreased by 0.3% between FY2012 and FY2015, decreased by 10% between FY2015 and FY2022, and then increased by 2% between FY2022 and FY2023. State DDS work years increased by 0.1% between FY2012 and FY2015, decreased by 7% between FY2015 and

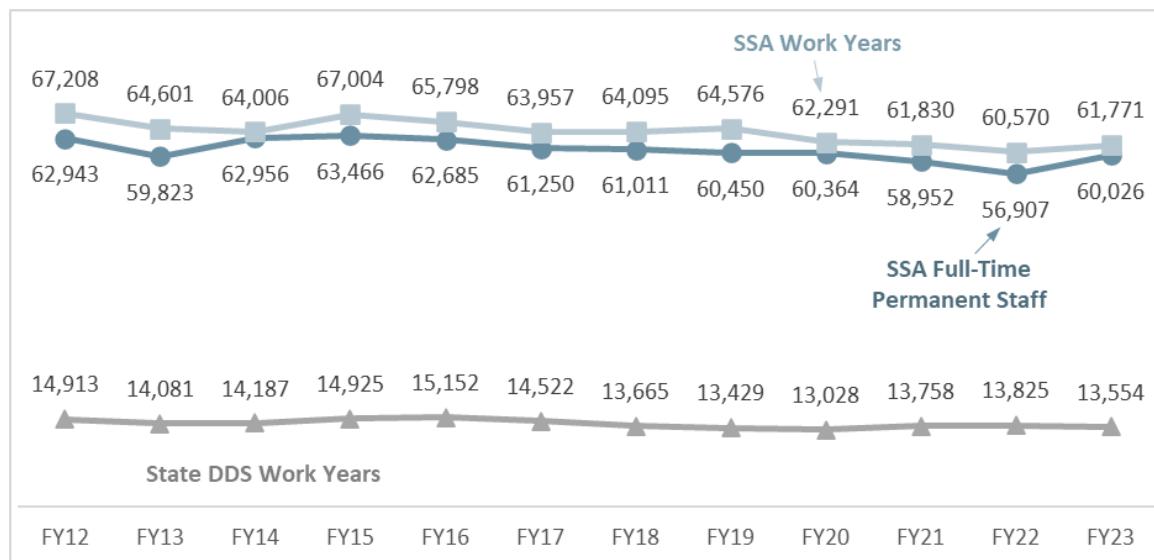
⁸⁷ The SSA full-time permanent staff data in **Figure 17** differ slightly from the staff data reported on SSA's SecurityStat page or in the agency's FY2025 congressional budget justification. See SSA, "SecurityStat," <https://www.ssa.gov/securitystat>; and SSA, *FY2025 Congressional Justification*, "Budget Overview," Figure 6a, p. 14.

⁸⁸ This report uses the term *work year*, while SSA uses the term *workyear* (one word). According to SSA, a "workyear (WY) is a measure of time spent doing work or being paid for some element of time (e.g., leave). It is the equivalent of one person working for one year (2,080 hours) and may consist of regular hours, overtime, or lump sum leave, which is payment for unused annual leave upon leaving the agency. WYs include time spent in full-time or part-time employment." See SSA, *FY2025 Congressional Justification*, "Budget Overview," Figure 4, note 12, p. 12.

FY2022, and then decreased by 2% between FY2022 and FY2023. During a March 2024 hearing, the commissioner attributed some of SSA's service delivery challenges to reduced staffing levels:

By the end of FY 2024, SSA will serve over 7 million more beneficiaries with about 7,000 fewer full-time permanent staff when compared to FY 2015.... While modernization and other efficiencies have helped for some things, there is no way around the fact that the agency cannot keep doing more with less. SSA's budget was essentially level from FY 2018 through FY 2021, while costs continued to increase. We had to make difficult decisions to cut funding in certain areas, such as staffing and overtime. As a result, we ended FY 2022 with our lowest staffing level in 25 years.⁸⁹

Figure 17. SSA Full-Time Permanent Staff, SSA Work Years, and State DDS Work Years, FY2012-FY2023



Source: CRS, based on SSA, *Annual Statistical Supplement*, 2023, November 2023, Table 2.F3, <https://www.ssa.gov/policy/docs/statcomps/supplement/2023/2f1-2f3.html#table2.f3>, and SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2014*, and subsequent editions.

Notes: "SSA Full-Time Permanent Staff" reflects full-time permanent SSA employees on duty at the end of the fiscal year, including seasonal employees. A work year is a full-time employee equivalent metric that incorporates overtime and lump-sum leave. "SSA Work Years" reflect work performed by SSA employees in full-time, part-time, or temporary employment; SSA employees in special programs; and SSA overtime hours worked. "State DDS Work Years" reflect work performed by state DDS employees on behalf of SSA (e.g., disability determinations for initial claims, reconsiderations, and full medical CDRs). For additional SSA staffing data, which differ slightly from those presented in the figure, see SSA, "SecurityStat," <https://www.ssa.gov/securitystat>.

Figure 18 shows the trend in state DDS and SSA Office of Hearings Operations (OHO) production per work year since FY2012. *Production per work year* represents the average number of cases completed by one employee working full time for one year (i.e., the ratio of cases completed to work years used).⁹⁰ State DDS agencies process disability determinations for initial claims, reconsideration cases, and full medical CDRs on behalf of SSA, and OHO processes hearings cases, virtually all of which are disability cases.

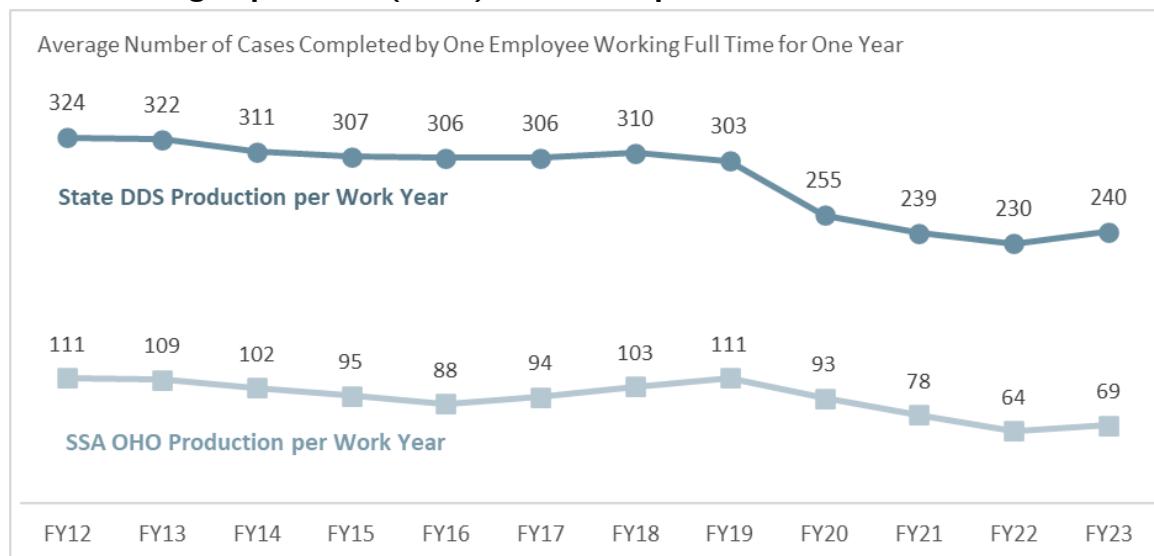
⁸⁹ SSA, "Testimony by Martin O'Malley Commissioner, Social Security Administration, before the Senate Committee on Finance," March 20, 2024, https://www.ssa.gov/legislation/testimony_032024b.html.

⁹⁰ See SSA, *Annual Performance Report, 2015-2017*, p. 81, <https://www.ssa.gov/budget/assets/materials/2017/2017APP.pdf>.

Between FY2012 and FY2023, production per work year decreased by 26% for state DDS agencies and by 38% for OHO. For state DDS agencies, production per work year decreased by 6% between FY2012 and FY2019, decreased by 24% between FY2019 and FY2022, and then increased by 4% between FY2022 and FY2023. For OHO, production per work year was relatively flat between FY2012 and FY2019, decreased by 42% between FY2019 and FY2022, and then increased by 8% between FY2022 and FY2023.

The decrease in state DDS production per work year may stem, in part, from increased attrition. According to SSA, “In the decade prior to the pandemic, between 2009 and 2019, DDS overall attrition ranged between 9.2 and 12.4 percent while disability examiner attrition ranged between 12.2 and 16.9 percent.... In FY 2022, the final overall DDS staff attrition rate was 17.6 percent, and the disability examiner attrition rate was 24.6 percent, both of which are the highest rates in over 20 years.”⁹¹ A recent study from SSA’s Office of the Chief Actuary found that the “increase in claimants pending an initial DDS determination therefore appears to be due to the relatively low retention rate of State DDS disability examiners since 2018.”⁹²

Figure 18. State Disability Determination Services (DDS) and SSA Office of Hearings Operations (OHO) Production per Work Year, FY2012-FY2023



Source: CRS, based on a variety of data sources on SSA’s website.

Notes: “Production per Work Year” represents the average number of cases completed by one employee working full time for one year (i.e., the ratio of cases completed to work years used).

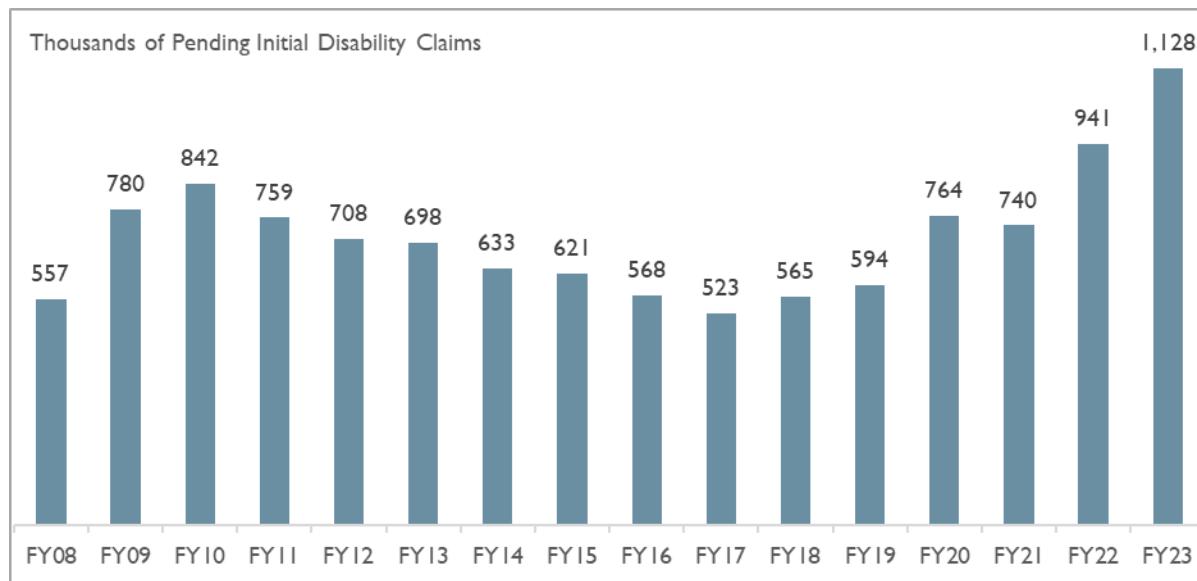
⁹¹ SSA, *Improve Initial Disability Claims: January 2024*, slide 7, https://assets.performance.gov/APG/files/2024/january/FY2024_January_SSA_Progress_Improve_Initial_Disability_Claims_.pdf.

⁹² Stephen C. Goss and Michael L. Stephens, *Social Security Disability Claims Pending Determination: Past and Projected*, SSA, Office of the Chief Actuary, May 2024, p. 4, https://www.ssa.gov/oact/NOTES/pdf_notes/note163.pdf.

Appendix A. Supplemental Workload Figures

Figure A-1. Initial Disability Claims Pending, FY2008-FY2023

In Thousands

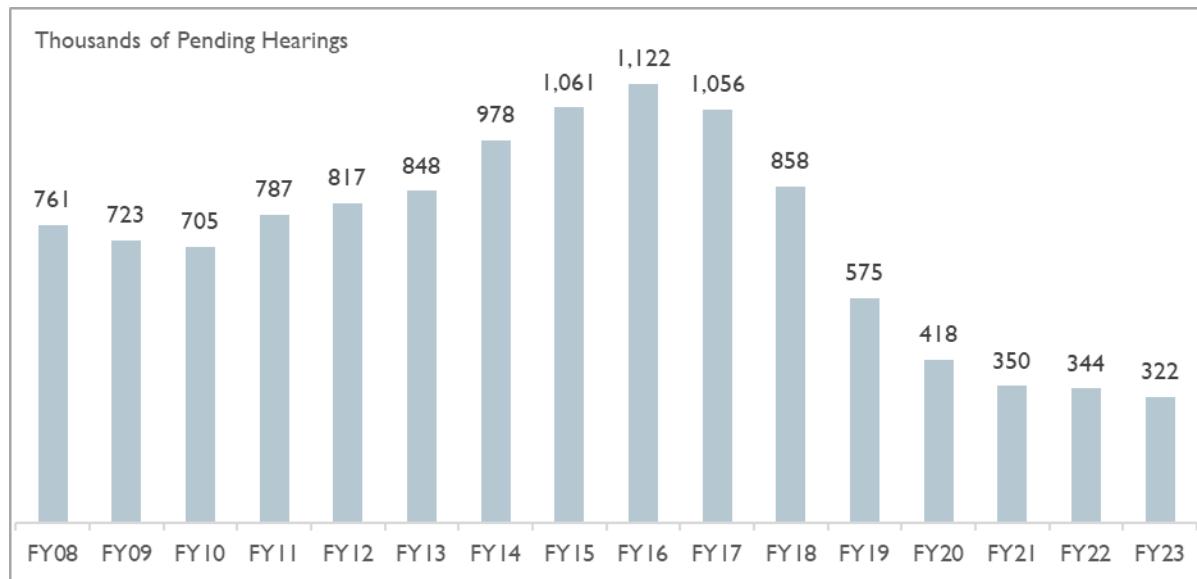


Source: CRS, based on SSA, FY 2009 *Operating Plan*, and subsequent editions.

Notes: “Pending Initial Disability Claims” reflect all initial disability claims pending (i.e., awaiting completion) before state DDS offices or other agency components at the end of the fiscal year indicated. Initial disability claims exclude claims that are denied by field offices for technical (i.e., non-disability) reasons prior to the medical determination stage of the application process. Applicants who file initial disability claims for both Social Security and SSI (i.e., concurrent claimants) are counted only once in the data above.

Figure A-2. Hearings Pending, FY2008-FY2023

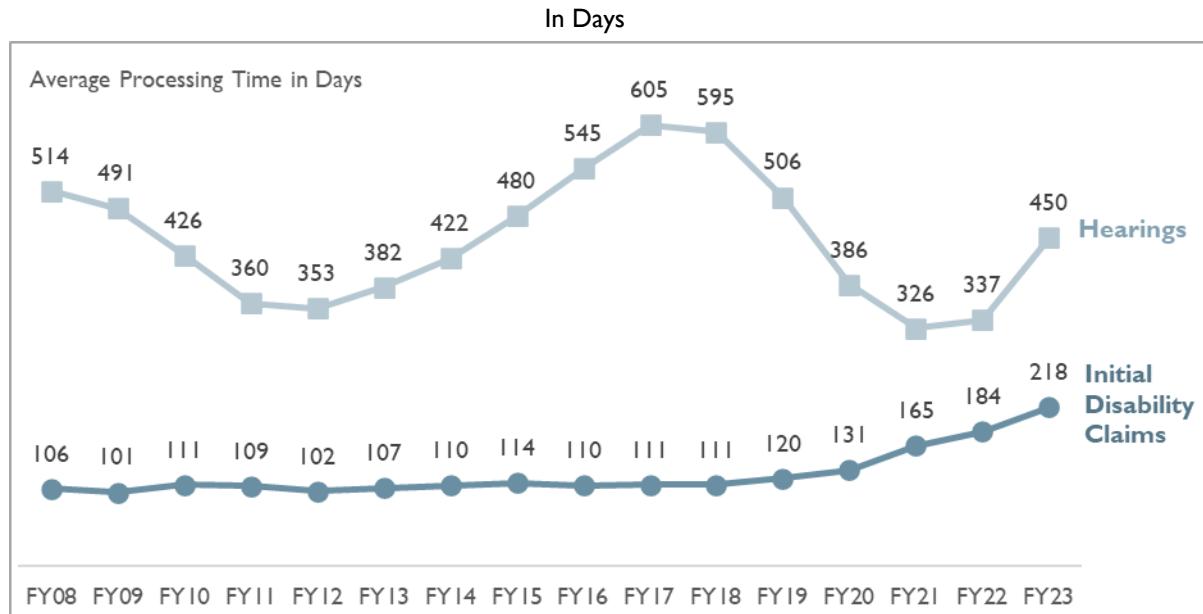
In Thousands



Source: CRS, based on SSA, FY 2009 *Operating Plan*, and subsequent editions.

Notes: “Pending Hearings” reflect all hearings pending a decision at the end of the fiscal year indicated. Virtually all hearings (about 99%) concern blindness or disability claims under Social Security and SSI.

Figure A-3. Average Processing Time for Initial Disability Claims and Hearings, FY2008-FY2023



Source: CRS, based on SSA, FY 2009 *Operating Plan*, and subsequent editions.

Notes: Average progressing time reflects the average for the fiscal year indicated (i.e., the average processing time over the applicable 52-week or 53-week period).

Appendix B. Data Underlying LAE Figures

See “Trends in the Annual LAE Appropriation” for the basic methodology used in this section.

Table B-1. Requested and Enacted Annual LAE Appropriation, FY1997-FY2023

In Thousands of Nominal Dollars

Fiscal Year	Commissioner's Request (Adjusted)	President's Request (Adjusted)	Enacted Appropriation
FY1997	\$6,239,410	\$6,582,468	\$6,406,577
FY1998	\$6,754,000	\$6,521,040	\$6,409,040
FY1999	\$6,705,000	\$6,448,000	\$6,418,019
FY2000	\$6,908,000	\$6,706,000	\$6,572,036
FY2001	\$7,356,000	\$7,134,000	\$7,124,000
FY2002	\$8,015,000	\$7,574,000	\$7,562,085
FY2003	\$7,974,000	\$7,937,000	\$7,885,138
FY2004	\$8,895,000	\$8,530,000	\$8,313,173
FY2005	\$9,310,000	\$8,878,000	\$8,732,502
FY2006	\$9,767,000	\$9,403,000	\$9,108,606
FY2007	\$10,230,000	\$9,496,000	\$9,297,573
FY2008	\$10,420,000	\$9,596,953	\$9,744,577
FY2009	\$10,395,000	\$10,327,000	\$10,453,500
FY2010	\$11,800,000	\$11,451,000	\$11,446,500
FY2011	\$13,100,000	\$12,378,863	\$11,423,607
FY2012	\$12,938,000	\$12,522,000	\$11,453,290
FY2013	\$12,470,000	\$11,760,000	\$11,045,566
FY2014	\$12,199,000	\$11,069,846	\$11,697,040
FY2015	\$10,787,000	\$12,024,000	\$11,805,945
FY2016	\$12,516,000	\$12,513,000	\$12,161,945
FY2017	\$13,460,000	\$13,067,000	\$12,481,945
FY2018	— ^a	\$12,457,000	\$12,872,945
FY2019	\$12,788,000	\$12,393,000	\$12,876,945
FY2020	\$13,270,000	\$12,773,000	\$12,870,945
FY2021	\$13,804,000	\$13,351,473	\$12,930,945
FY2022	\$14,484,000	\$14,188,896	\$13,341,945
FY2023	\$15,353,000	\$14,773,300	\$14,126,978

Source: CRS, based on the following sources: unpublished data provided by SSA to CRS on April 3, 2023; OMB, *Budget of the United States Government, Fiscal Year 1997—Appendix*, and subsequent editions; and SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2004*, and subsequent editions.

Notes: LAE = Limitation on Administrative Expenses. Amounts for the enacted appropriation reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of

economic recovery payments. Pursuant to P.L. 112-77, adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the “Limitation on Administrative Expenses” heading in the FY2012 LHHS appropriations act (P.L. 112-74, Division F). For more information on how the “Adjusted” levels are calculated, see **Table B-2** and **Table B-3**.

- a. SSA’s unpublished data and the FY2018 President’s budget do not include information on the FY2018 commissioner’s request.

Table B-2. Commissioner's Request for the LAE Account, FY1997-FY2023
In Thousands of Nominal Dollars

Fiscal Year	Unadjusted LAE	Research and Demonstrations ^a	Mandatory/Other	Adjusted LAE
FY1997	\$6,239,410	—	—	\$6,239,410
FY1998	\$6,754,000	—	—	\$6,754,000
FY1999	\$6,734,000	\$29,000	—	\$6,705,000
FY2000	\$6,931,000	\$23,000	—	\$6,908,000
FY2001	\$7,390,000	\$34,000	—	\$7,356,000
FY2002	\$8,015,000	—	—	\$8,015,000
FY2003	\$7,997,000	\$23,000	—	\$7,974,000
FY2004	\$8,920,000	\$25,000	—	\$8,895,000
FY2005	\$9,341,000	\$31,000	—	\$9,310,000
FY2006	\$10,143,000	\$37,000	\$339,000 ^b	\$9,767,000
FY2007	\$10,250,000	\$20,000	—	\$10,230,000
FY2008	\$10,440,000	\$20,000	—	\$10,420,000
FY2009	\$10,427,000	\$32,000	—	\$10,395,000
FY2010	\$11,842,000	\$42,000	—	\$11,800,000
FY2011	\$13,143,000	\$43,000	—	\$13,100,000
FY2012	\$12,983,000	\$45,000	—	\$12,938,000
FY2013	\$12,513,000	\$43,000	—	\$12,470,000
FY2014	\$12,228,000	\$29,000	—	\$12,199,000
FY2015	\$12,537,000	—	\$1,750,000 ^c	\$10,787,000
FY2016	\$12,516,000	—	—	\$12,516,000
FY2017	\$13,610,000	—	\$150,000 ^d	\$13,460,000
FY2018	— ^e	— ^e	— ^e	— ^e
FY2019	\$12,788,000	—	—	\$12,788,000
FY2020	\$13,270,000	—	—	\$13,270,000
FY2021	\$13,804,000	—	—	\$13,804,000
FY2022	\$14,484,000	—	—	\$14,484,000
FY2023	\$15,353,000	—	—	\$15,353,000

Source: CRS, based on unpublished data provided by SSA to CRS on April 3, 2023; OMB, *Budget of the United States Government, Fiscal Year 1997—Appendix*, and subsequent editions; and U.S. Congress, House Committee on Ways and Means, Subcommittee on Social Security, *Challenges Facing the New Commissioner of Social Security*, 106th Cong., 2nd sess., March 12, 1998, H.Hrg. 105-95 (Washington, DC: GPO, 1999), p. 52, <https://www.govinfo.gov/content/pkg/CHRG-105hhrg61025/pdf/CHRG-105hhrg61025.pdf#page=55>.

Notes: Components may not sum to totals due to rounding. “Adjusted LAE” is equal to “Unadjusted LAE” less “Research and Demonstrations” and “Mandatory/Other.”

a. According to SSA's unpublished data, the commissioner's request for the LAE account included amounts for research and demonstrations for FY2000-FY2001 and FY2003-FY2014. SSA's unpublished data do not indicate whether the commissioner's request for FY1998-FY1999 and FY2002 included amounts for

research and demonstrations under the annual SSI appropriation. However, H.Hrg. 105-95 shows that \$29 million for research and demonstrations was included in the commissioner's request for FY1999.

- b. For FY2006, the commissioner's request included \$339 million in start-up funding for the implementation of Medicare Part D. Because this funding was authorized in 2003 under P.L. 108-173 and thus represented carryover funding, CRS excluded it from the LAE total.
- c. For FY2015, the commissioner's request included \$1.75 billion in mandatory funding for certain PI activities. Because the LAE account is chiefly a discretionary appropriations account, CRS excluded the proposed mandatory PI funding from the LAE total.
- d. For FY2017, the commissioner's request included \$150 million in no-year funding for renovations to SSA's Altmeyer Building. Because lawmakers provided funding for the Altmeyer Building several months after SSA submitted its request to OMB but before the release of the FY2017 President's budget, CRS excluded the funding to conform to the levels in the President's budget.
- e. SSA's unpublished data and the FY2018 President's budget do not include information on the FY2018 commissioner's request.

Table B-3. President's Request for the LAE Account, FY1997-FY2023

In Thousands of Nominal Dollars

Fiscal Year	Unadjusted LAE	Mandatory/Other	Adjusted LAE
FY1997	\$6,582,468	—	\$6,582,468
FY1998	\$6,521,040	—	\$6,521,040
FY1999	\$6,448,000	—	\$6,448,000
FY2000	\$6,706,000	—	\$6,706,000
FY2001	\$7,134,000	—	\$7,134,000
FY2002	\$7,574,000	—	\$7,574,000
FY2003	\$7,937,000	—	\$7,937,000
FY2004	\$8,530,000	—	\$8,530,000
FY2005	\$8,878,000	—	\$8,878,000
FY2006	\$9,403,000	—	\$9,403,000
FY2007	\$9,496,000	—	\$9,496,000
FY2008	\$9,596,953	—	\$9,596,953
FY2009	\$10,327,000	—	\$10,327,000
FY2010	\$11,451,000	—	\$11,451,000
FY2011	\$12,378,863	—	\$12,378,863
FY2012	\$12,522,000	—	\$12,522,000
FY2013	\$11,760,000	—	\$11,760,000
FY2014	\$12,296,846 ^a	\$1,227,000 ^a	\$11,069,846
FY2015	\$12,024,000	— ^b	\$12,024,000
FY2016	\$12,513,000	—	\$12,513,000
FY2017	\$13,067,000	—	\$13,067,000
FY2018	\$12,457,000	—	\$12,457,000
FY2019	\$12,393,000	—	\$12,393,000
FY2020	\$12,773,000	—	\$12,773,000
FY2021	\$13,351,473	—	\$13,351,473
FY2022	\$14,188,896	—	\$14,188,896
FY2023	\$14,773,300	—	\$14,773,300

Source: CRS, based on SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 1999*, and subsequent editions.

Notes: Components may not sum to totals due to rounding. "Adjusted LAE" is equal to "Unadjusted LAE" less "Mandatory/Other."

- a. The FY2014 President's request included a legislative proposal to provide \$1.227 billion in mandatory funding for certain SSA PI activities in FY2014, which would have been provided to a new limitation account rather than to the LAE account. The FY2014 President's budget did not include the proposed mandatory PI funding under the LAE account description; however, some of SSA's budget materials for FY2014 included the proposed mandatory PI funding under the LAE account description. To avoid confusion and to provide context on the total amount of LAE and other PI funding proposed in the FY2014 President's budget, this table shows the annual LAE request and the mandatory PI request on a combined basis in the "Unadjusted LAE" column.

- b. Although the FY2015 President's request included a legislative proposal to establish mandatory funding for certain SSA PI activities, which would have been provided to a new limitation account rather than to the LAE account, the FY2015 President's request included *discretionary* dedicated total PI funding for the LAE account for FY2015. As such, CRS made no adjustment to the LAE total for FY2015.

Table B-4. Annual LAE Appropriation, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY1997-FY2023

Fiscal Year	Nominal	GDP Price Index	CPI-U	ECI	AWI
Dollar Amount (in Thousands)					
FY1997	\$6,406,577	\$11,270,254	\$12,120,921	\$13,548,716	\$15,546,797
FY1998	\$6,409,040	\$11,135,476	\$11,930,198	\$13,021,219	\$14,759,051
FY1999	\$6,418,019	\$11,013,845	\$11,721,941	\$12,600,154	\$14,010,378
FY2000	\$6,572,036	\$11,048,159	\$11,635,333	\$12,415,783	\$13,593,477
FY2001	\$7,124,000	\$11,692,754	\$12,220,101	\$12,972,966	\$14,286,492
FY2002	\$7,562,085	\$12,219,956	\$12,779,991	\$13,305,782	\$14,964,136
FY2003	\$7,885,138	\$12,502,566	\$13,018,444	\$13,510,754	\$15,284,446
FY2004	\$8,313,173	\$12,866,975	\$13,413,770	\$13,858,892	\$15,478,351
FY2005	\$8,732,502	\$13,116,783	\$13,641,351	\$14,199,730	\$15,649,081
FY2006	\$9,108,606	\$13,250,805	\$13,726,995	\$14,416,337	\$15,639,890
FY2007	\$9,297,573	\$13,163,909	\$13,689,522	\$14,237,325	\$15,269,263
FY2008	\$9,744,577	\$13,515,254	\$13,738,118	\$14,469,016	\$15,561,210
FY2009	\$10,453,500	\$14,352,707	\$14,782,052	\$15,232,311	\$16,789,347
FY2010	\$11,446,500	\$15,581,260	\$15,915,261	\$16,429,034	\$18,133,143
FY2011	\$11,423,607	\$15,243,479	\$15,479,235	\$16,128,925	\$17,579,302
FY2012	\$11,453,290	\$15,010,925	\$15,151,368	\$15,887,381	\$17,090,859
FY2013	\$11,045,566	\$14,217,726	\$14,376,205	\$15,048,264	\$16,202,357
FY2014	\$11,697,040	\$14,786,598	\$14,980,302	\$15,626,933	\$16,660,313
FY2015	\$11,805,945	\$14,772,174	\$15,073,094	\$15,418,930	\$16,247,383
FY2016	\$12,161,945	\$15,097,308	\$15,386,822	\$15,529,496	\$16,457,156
FY2017	\$12,481,945	\$15,236,574	\$15,473,432	\$15,553,901	\$16,417,776
FY2018	\$12,872,945	\$15,372,852	\$15,582,003	\$15,583,678	\$16,346,414
FY2019	\$12,876,945	\$15,097,993	\$15,303,306	\$15,136,845	\$15,765,400
FY2020	\$12,870,945	\$14,897,191	\$15,077,012	\$14,690,662	\$15,291,698
FY2021	\$12,930,945	\$14,467,416	\$14,664,142	\$14,266,327	\$14,303,545
FY2022	\$13,341,945	\$13,951,618	\$14,019,329	\$13,985,587	\$13,902,611
FY2023	\$14,126,978	\$14,126,978	\$14,126,978	\$14,126,978	\$14,126,978
Annual Percentage Change in the Annual LAE Appropriation					
(Percentage Change Between FY1997 and FY1998, Between FY1998 and FY1999, etc.)					
FY1997	—	—	—	—	—
FY1998	+0.04%	-1.2%	-1.6%	-3.9%	-5.1%
FY1999	+0.1%	-1.1%	-1.7%	-3.2%	-5.1%
FY2000	+2.4%	+0.3%	-0.7%	-1.5%	-3.0%
FY2001	+8.4%	+5.8%	+5.0%	+4.5%	+5.1%

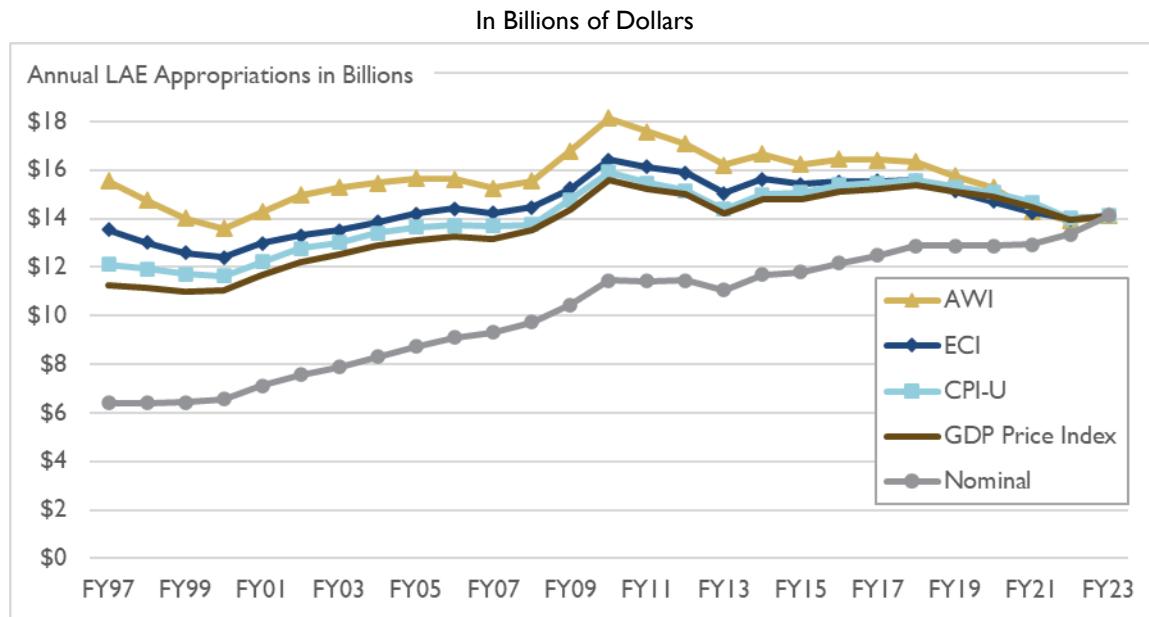
Fiscal Year	Nominal	GDP Price Index	CPI-U	ECI	AWI
FY2002	+6.1%	+4.5%	+4.6%	+2.6%	+4.7%
FY2003	+4.3%	+2.3%	+1.9%	+1.5%	+2.1%
FY2004	+5.4%	+2.9%	+3.0%	+2.6%	+1.3%
FY2005	+5.0%	+1.9%	+1.7%	+2.5%	+1.1%
FY2006	+4.3%	+1.0%	+0.6%	+1.5%	-0.1%
FY2007	+2.1%	-0.7%	-0.3%	-1.2%	-2.4%
FY2008	+4.8%	+2.7%	+0.4%	+1.6%	+1.9%
FY2009	+7.3%	+6.2%	+7.6%	+5.3%	+7.9%
FY2010	+9.5%	+8.6%	+7.7%	+7.9%	+8.0%
FY2011	-0.2%	-2.2%	-2.7%	-1.8%	-3.1%
FY2012	+0.3%	-1.5%	-2.1%	-1.5%	-2.8%
FY2013	-3.6%	-5.3%	-5.1%	-5.3%	-5.2%
FY2014	+5.9%	+4.0%	+4.2%	+3.8%	+2.8%
FY2015	+0.9%	-0.1%	+0.6%	-1.3%	-2.5%
FY2016	+3.0%	+2.2%	+2.1%	+0.7%	+1.3%
FY2017	+2.6%	+0.9%	+0.6%	+0.2%	-0.2%
FY2018	+3.1%	+0.9%	+0.7%	+0.2%	-0.4%
FY2019	+0.03%	-1.8%	-1.8%	-2.9%	-3.6%
FY2020	-0.05%	-1.3%	-1.5%	-2.9%	-3.0%
FY2021	+0.5%	-2.9%	-2.7%	-2.9%	-6.5%
FY2022	+3.2%	-3.6%	-4.4%	-2.0%	-2.8%
FY2023	+5.9%	+1.3%	+0.8%	+1.0%	+1.6%
Percentage Change in the FY2023 Annual LAE Appropriation Relative to the Fiscal Year Specified (Percentage Change Between FY1997 and FY2023, Between FY1998 and FY2023, etc.)					
FY1997	+120.5%	+25.3%	+16.6%	+4.3%	-9.1%
FY1998	+120.4%	+26.9%	+18.4%	+8.5%	-4.3%
FY1999	+120.1%	+28.3%	+20.5%	+12.1%	+0.8%
FY2000	+115.0%	+27.9%	+21.4%	+13.8%	+3.9%
FY2001	+98.3%	+20.8%	+15.6%	+8.9%	-1.1%
FY2002	+86.8%	+15.6%	+10.5%	+6.2%	-5.6%
FY2003	+79.2%	+13.0%	+8.5%	+4.6%	-7.6%
FY2004	+69.9%	+9.8%	+5.3%	+1.9%	-8.7%
FY2005	+61.8%	+7.7%	+3.6%	-0.5%	-9.7%
FY2006	+55.1%	+6.6%	+2.9%	-2.0%	-9.7%
FY2007	+51.9%	+7.3%	+3.2%	-0.8%	-7.5%
FY2008	+45.0%	+4.5%	+2.8%	-2.4%	-9.2%
FY2009	+35.1%	-1.6%	-4.4%	-7.3%	-15.9%

Fiscal Year	Nominal	GDP Price Index	CPI-U	ECI	AWI
FY2010	+23.4%	-9.3%	-11.2%	-14.0%	-22.1%
FY2011	+23.7%	-7.3%	-8.7%	-12.4%	-19.6%
FY2012	+23.3%	-5.9%	-6.8%	-11.1%	-17.3%
FY2013	+27.9%	-0.6%	-1.7%	-6.1%	-12.8%
FY2014	+20.8%	-4.5%	-5.7%	-9.6%	-15.2%
FY2015	+19.7%	-4.4%	-6.3%	-8.4%	-13.1%
FY2016	+16.2%	-6.4%	-8.2%	-9.0%	-14.2%
FY2017	+13.2%	-7.3%	-8.7%	-9.2%	-14.0%
FY2018	+9.7%	-8.1%	-9.3%	-9.3%	-13.6%
FY2019	+9.7%	-6.4%	-7.7%	-6.7%	-10.4%
FY2020	+9.8%	-5.2%	-6.3%	-3.8%	-7.6%
FY2021	+9.2%	-2.4%	-3.7%	-1.0%	-1.2%
FY2022	+5.9%	+1.3%	+0.8%	+1.0%	+1.6%
FY2023	—	—	—	—	—

Source: CRS, based on the following sources: SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2004*, and subsequent editions; U.S. Department of Commerce, Bureau of Economic Analysis (BEA), “National Data: Table 1.1.4. Price Indexes for Gross Domestic Product, https://apps.bea.gov/iTable/index_nipa.cfm; BLS, “Consumer Price Index (CPI) Databases,” <https://www.bls.gov/cpi/data.htm>; BLS, “Employment Cost Trends: Databases, <https://www.bls.gov/ncs/ect/data.htm>; SSA, Office of the Chief Actuary, “National Average Wage Index,” <https://www.ssa.gov/oact/cola/AWI.html>; and Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds, *The 2024 Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds*, May 6, 2024, Table V.C1, https://www.ssa.gov/oact/tr/2024/V_C_prog.html#1047210.

Notes: Amounts reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. Pursuant to P.L. 112-77, adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the “Limitation on Administrative Expenses” heading in the FY2012 LHHS appropriations act (P.L. 112-74, Division F). “GDP Price Index” refers to BEA’s Gross Domestic Product (GDP) Price Index. “CPI-U” refers to BLS’s seasonally adjusted Consumer Price Index for All Urban Consumers (CPI-U) for all items in the U.S. city average. “ECI” refers to BLS’s seasonally adjusted Employment Cost Index (ECI) for wages and salaries for all private industry workers. “AWI” refers to SSA’s Average Wage Index. All indexing measures are computed based on the average annual change in the measure over the fiscal year. CRS used a weighted average to convert the calendar-year AWI data into fiscal year data. For the AWI, CRS used historical values through 2022 and the projected value for 2023 in the Social Security trustees’ 2024 report based on their intermediate set of assumptions.

Figure B-1. Annual LAE Appropriation, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY1997-FY2023



Source: CRS, based on the sources in the “Source” section of **Table B-4**.

Notes: AWI = Average Wage Index. ECI = Employment Cost Index. CPI-U = Consumer Price Index for All Urban Consumers. GDP Price Index = Gross Domestic Product Price Index. See the “Notes” section of **Table B-4** for the methodology.

Table B-5. Distribution of the Annual LAE Appropriation, by Funding Source, FY1997-FY2023

Fiscal Year	Social Security Trust Funds (OASDI)	Medicare Trust Funds (HI/SMI)	General Fund (SSI)	User Fees	Total Annual LAE
<i>Nominal Dollar Amount (in Thousands)</i>					
FY1997	\$3,444,568	\$846,099	\$2,115,910	\$0	\$6,406,577
FY1998	\$3,157,040	\$965,000	\$2,252,000	\$35,000	\$6,409,040
FY1999	\$3,100,019	\$952,000	\$2,291,000	\$75,000	\$6,418,019
FY2000	\$3,112,036	\$1,038,000	\$2,342,000	\$80,000	\$6,572,036
FY2001	\$3,380,000	\$1,094,000	\$2,559,000	\$91,000	\$7,124,000
FY2002	\$3,441,993	\$1,193,092	\$2,827,000	\$100,000	\$7,562,085
FY2003	\$3,738,583	\$1,210,554	\$2,825,000	\$111,000	\$7,885,138
FY2004	\$4,072,169	\$1,147,705	\$2,973,300	\$120,000	\$8,313,173
FY2005	\$4,361,033	\$1,256,968	\$2,986,900	\$127,600	\$8,732,502
FY2006	\$4,502,319	\$1,753,410	\$2,732,876	\$120,000	\$9,108,606
FY2007	\$4,600,834	\$1,626,570	\$2,950,169	\$120,000	\$9,297,573
FY2008	\$4,912,773	\$1,679,661	\$3,018,520	\$133,625	\$9,744,577
FY2009	\$5,224,963	\$1,876,000	\$3,206,537	\$146,000	\$10,453,500
FY2010	\$5,737,500	\$2,106,000	\$3,442,000	\$161,000	\$11,446,500
FY2011	\$5,701,752	\$2,049,941	\$3,486,287	\$185,627	\$11,423,607
FY2012	\$5,590,250	\$2,089,794	\$3,611,552	\$161,694	\$11,453,290
FY2013	\$5,298,456	\$1,980,485	\$3,605,305	\$161,320	\$11,045,566
FY2014	\$4,797,569	\$1,807,407	\$4,920,064	\$172,000	\$11,697,040
FY2015	\$5,346,591	\$1,755,376	\$4,578,978	\$125,000	\$11,805,945
FY2016	\$5,598,412	\$1,777,800	\$4,648,733	\$137,000	\$12,161,945
FY2017	\$5,643,765	\$1,684,753	\$5,029,427	\$124,000	\$12,481,945
FY2018	\$5,952,266	\$2,391,365	\$4,410,314	\$119,000	\$12,872,945
FY2019	\$5,998,369	\$2,459,496	\$4,284,080	\$135,000	\$12,876,945
FY2020	\$5,994,542	\$2,458,514	\$4,286,889	\$131,000	\$12,870,945
FY2021	\$5,785,597	\$2,715,499	\$4,293,849	\$136,000	\$12,930,945
FY2022	\$5,836,101	\$2,835,163	\$4,531,681	\$139,000	\$13,341,945
FY2023	\$6,135,760	\$3,075,880	\$4,774,338	\$141,000	\$14,126,978
<i>Percentage of the Total</i>					
FY1997	53.8%	13.2%	33.0%	0.0%	100.0%
FY1998	49.3%	15.1%	35.1%	0.5%	100.0%
FY1999	48.3%	14.8%	35.7%	1.2%	100.0%
FY2000	47.4%	15.8%	35.6%	1.2%	100.0%

Fiscal Year	Social Security Trust Funds (OASDI)	Medicare Trust Funds (HI/SMI)	General Fund (SSI)	User Fees	Total Annual LAE
FY2001	47.4%	15.4%	35.9%	1.3%	100.0%
FY2002	45.5%	15.8%	37.4%	1.3%	100.0%
FY2003	47.4%	15.4%	35.8%	1.4%	100.0%
FY2004	49.0%	13.8%	35.8%	1.4%	100.0%
FY2005	49.9%	14.4%	34.2%	1.5%	100.0%
FY2006	49.4%	19.3%	30.0%	1.3%	100.0%
FY2007	49.5%	17.5%	31.7%	1.3%	100.0%
FY2008	50.4%	17.2%	31.0%	1.4%	100.0%
FY2009	50.0%	17.9%	30.7%	1.4%	100.0%
FY2010	50.1%	18.4%	30.1%	1.4%	100.0%
FY2011	49.9%	17.9%	30.5%	1.6%	100.0%
FY2012	48.8%	18.2%	31.5%	1.4%	100.0%
FY2013	48.0%	17.9%	32.6%	1.5%	100.0%
FY2014	41.0%	15.5%	42.1%	1.5%	100.0%
FY2015	45.3%	14.9%	38.8%	1.1%	100.0%
FY2016	46.0%	14.6%	38.2%	1.1%	100.0%
FY2017	45.2%	13.5%	40.3%	1.0%	100.0%
FY2018	46.2%	18.6%	34.3%	0.9%	100.0%
FY2019	46.6%	19.1%	33.3%	1.0%	100.0%
FY2020	46.6%	19.1%	33.3%	1.0%	100.0%
FY2021	44.7%	21.0%	33.2%	1.1%	100.0%
FY2022	43.7%	21.2%	34.0%	1.0%	100.0%
FY2023	43.5%	21.8%	33.8%	1.0%	100.0%

Source: CRS, based on S.Rept. 105-58, S.Rept. 105-300, and SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 1999* and subsequent editions.

Notes: OASDI = Old-Age, Survivors, and Disability Insurance. HI/SMI = Hospital Insurance and Supplementary Medical Insurance. SSI = Supplemental Security Income. Components may not sum to totals due to rounding. Amounts reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. Pursuant to P.L. 112-77, adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the "Limitation on Administrative Expenses" heading in the FY2012 LHHHS appropriations act (P.L. 112-74, Division F). OASDI amounts include funding for SSAB.

Table B-6. Overall LAE Funding, by Type of Appropriation, FY1997-FY2023

In Thousands of Nominal Dollars

Fiscal Year	Annual LAE Appropriation	Supplemental/Other	Overall LAE Funding
FY1997	\$6,406,577	—	\$6,406,577
FY1998	\$6,409,040	—	\$6,409,040
FY1999	\$6,418,019	—	\$6,418,019
FY2000	\$6,572,036	\$35,000 ^a	\$6,607,036
FY2001	\$7,124,000	—	\$7,124,000
FY2002	\$7,562,085	\$7,500 ^b	\$7,569,585
FY2003	\$7,885,138	—	\$7,885,138
FY2004	\$8,313,173	\$500,000 ^c	\$8,813,173
FY2005	\$8,732,502	—	\$8,732,502
FY2006	\$9,108,606	\$38,000 ^d	\$9,146,606
FY2007	\$9,297,573	—	\$9,297,573
FY2008	\$9,744,577	\$31,000 ^e	\$9,775,577
FY2009	\$10,453,500	\$1,143,900 ^f	\$11,597,400
FY2010	\$11,446,500	—	\$11,446,500
FY2011	\$11,423,607	—	\$11,423,607
FY2012	\$11,453,290	—	\$11,453,290
FY2013	\$11,045,566	—	\$11,045,566
FY2014	\$11,697,040	—	\$11,697,040
FY2015	\$11,805,945	\$27,000 ^g	\$11,832,945
FY2016	\$12,161,945	\$22,000 ^g	\$12,183,945
FY2017	\$12,481,945	\$22,000 ^g	\$12,503,945
FY2018	\$12,872,945	\$27,000 ^g	\$12,899,945
FY2019	\$12,876,945	—	\$12,876,945
FY2020	\$12,870,945	\$338,000 ^h	\$13,208,945
FY2021	\$12,930,945	\$38,000 ⁱ	\$12,968,945
FY2022	\$13,341,945	\$16,000 ^j	\$13,357,945
FY2023	\$14,126,978	—	\$14,126,978

Source: CRS, based on SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2004*, and subsequent editions.

Notes: Components may not sum to totals due to rounding. Amounts reflect new budget authority provided (i.e., enacted) during the fiscal year indicated, except for the annual LAE appropriations provided by the FY1997 and FY2019 LHHS appropriations acts and the other funding for FY2016-FY2018 provided by P.L. 114-10 (discussed below), all of which were enacted before the start of the applicable period of availability and thus represent new budget authority provided for the fiscal year indicated. Amounts include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. Pursuant to P.L. 112-77, adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the “Limitation on Administrative Expenses” heading in the FY2012 LHHS appropriations act (P.L. 112-74, Division F). “Supplemental/Other” refers to supplemental

discretionary appropriations or mandatory appropriations to the LAE account provided outside of the annual appropriations process; it excludes carryover LAE funding.

- a. During FY2000, P.L. 106-246 provided \$35 million for implementing the elimination of the retirement earnings test for certain Social Security beneficiaries.
- b. During FY2002, P.L. 107-117 provided \$7.5 million for responding to the September 11, 2001, terrorist attacks.
- c. During FY2004, P.L. 108-173 provided \$500 million in start-up costs related to Medicare reform and the implementation of Part D.
- d. During FY2006, P.L. 109-234 provided funding for the Department of Homeland Security, \$38 million of which was transferred to SSA for costs related to Hurricane Katrina and other hurricanes of the 2005 season.
- e. During FY2008, P.L. 109-234 provided \$31 million for work related to rebate payments.
- f. During FY2009, P.L. 110-275 provided \$24.8 million for work related to the Low-Income Subsidy and \$24.1 million for Medicare Savings Program outreach; P.L. 111-3 provided \$5 million for costs related to verifying citizenship or nationality for Medicaid and the State Children's Health Insurance Program; and P.L. 111-5 provided \$500 million to replace the National Computer Center, \$500 million for processing disability and retirement workloads, and \$90 million for work related to economic recovery payments. (During FY2010, P.L. 111-226 rescinded \$47 million of the \$90 million for work related to economic recovery payments. This rescission is not reflected in the table.)
- g. During FY2015, P.L. 114-10 provided transfers from the Medicare trust funds for FY2015-FY2018 for implementation costs related to Medicare replacement cards.
- h. During FY2020, P.L. 116-136 provided \$300 million to respond to the COVID-19 pandemic and \$38 million for work related to recovery rebates, also known as economic impact payments.
- i. During FY2021, P.L. 116-260 provided \$38 million for work related to recovery rebates.
- j. During FY2022, P.L. 117-108 provided \$16 million for administering a Medicare special enrollment period related to postal service reform.

Table B-7. Annual LAE Appropriation, by Major Funding Component, FY2009-FY2023

Fiscal Year	General LAE			Total Dedicated PI	Total Annual LAE
	Base LAE	User Fees	Total		
<i>Nominal Dollar Amount (in Thousands)</i>					
FY2009	\$9,803,500	\$146,000	\$9,949,500	\$504,000	\$10,453,500
FY2010	\$10,527,500	\$161,000	\$10,688,500	\$758,000	\$11,446,500
FY2011	\$10,481,495	\$185,628	\$10,667,123	\$756,484	\$11,423,607
FY2012	\$10,535,544	\$161,694	\$10,697,238	\$756,052	\$11,453,290
FY2013	\$10,141,607	\$161,320	\$10,302,927	\$742,639	\$11,045,566
FY2014	\$10,328,040	\$172,000	\$10,500,040	\$1,197,000	\$11,697,040
FY2015	\$10,284,945	\$125,000	\$10,409,945	\$1,396,000	\$11,805,945
FY2016	\$10,598,945	\$137,000	\$10,735,945	\$1,426,000	\$12,161,945
FY2017	\$10,538,945	\$124,000	\$10,662,945	\$1,819,000	\$12,481,945
FY2018	\$11,018,945	\$119,000	\$11,137,945	\$1,735,000	\$12,872,945
FY2019	\$11,058,945	\$135,000	\$11,193,945	\$1,683,000	\$12,876,945
FY2020	\$11,157,945	\$131,000	\$11,288,945	\$1,582,000	\$12,870,945
FY2021	\$11,219,945	\$136,000	\$11,355,945	\$1,575,000	\$12,930,945
FY2022	\$11,494,945	\$139,000	\$11,633,945	\$1,708,000	\$13,341,945
FY2023	\$12,201,978	\$141,000	\$12,342,978	\$1,784,000	\$14,126,978
<i>Percentage of the Total</i>					
FY2009	93.8%	1.4%	95.2%	4.8%	100.0%
FY2010	92.0%	1.4%	93.4%	6.6%	100.0%
FY2011	91.8%	1.6%	93.4%	6.6%	100.0%
FY2012	92.0%	1.4%	93.4%	6.6%	100.0%
FY2013	91.8%	1.5%	93.3%	6.7%	100.0%
FY2014	88.3%	1.5%	89.8%	10.2%	100.0%
FY2015	87.1%	1.1%	88.2%	11.8%	100.0%
FY2016	87.1%	1.1%	88.3%	11.7%	100.0%
FY2017	84.4%	1.0%	85.4%	14.6%	100.0%
FY2018	85.6%	0.9%	86.5%	13.5%	100.0%
FY2019	85.9%	1.0%	86.9%	13.1%	100.0%
FY2020	86.7%	1.0%	87.7%	12.3%	100.0%
FY2021	86.8%	1.1%	87.8%	12.2%	100.0%
FY2022	86.2%	1.0%	87.2%	12.8%	100.0%
FY2023	86.4%	1.0%	87.4%	12.6%	100.0%

Source: CRS, based on SSA, *Justification of Estimates for Appropriations Committees, Fiscal Year 2011* and subsequent editions.

Notes: PI = program integrity. Components may not sum to totals due to rounding. Amounts reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and rescissions, except for rescissions of no-year IT funds and the rescission of funds for the administration of economic recovery payments. Pursuant to P.L. 112-77, adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the “Limitation on Administrative Expenses” heading in the FY2012 LHHS appropriations act (P.L. 112-74, Division F). *General LAE funding* refers to base LAE funding *plus* total user fees—in other words, the part of the annual LAE appropriation that is not dedicated to PI activities. *Total dedicated PI funding* refers to base PI funding *plus* adjustment PI funding. For FY2009-FY2011, base PI funding was included in the amount of base LAE funding specified in the legislative text of the applicable LHHS appropriations act. For consistent presentation, this table subtracts out base PI funding from the base LAE for those years. Consequently, the base LAE amounts for FY2009-FY2011 differ from those shown in the legislative text of the applicable LHHS appropriations act and in SSA’s congressional budget justifications.

Table B-8. General LAE Funding, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY2009-FY2023

Fiscal Year	Nominal	GDP Price Index	CPI-U	ECI	AWI
<i>Dollar Amount (in Thousands)</i>					
FY2009	\$9,949,500	\$13,660,713	\$14,069,357	\$14,497,907	\$15,979,874
FY2010	\$10,688,500	\$14,549,452	\$14,861,334	\$15,341,085	\$16,932,346
FY2011	\$10,667,123	\$14,234,039	\$14,454,183	\$15,060,850	\$16,415,181
FY2012	\$10,697,238	\$14,020,027	\$14,151,199	\$14,838,627	\$15,962,661
FY2013	\$10,302,927	\$13,261,810	\$13,409,634	\$14,036,507	\$15,113,005
FY2014	\$10,500,040	\$13,273,432	\$13,447,314	\$14,027,773	\$14,955,404
FY2015	\$10,409,945	\$13,025,431	\$13,290,768	\$13,595,711	\$14,326,203
FY2016	\$10,735,945	\$13,327,134	\$13,582,702	\$13,708,647	\$14,527,538
FY2017	\$10,662,945	\$13,016,141	\$13,218,481	\$13,287,223	\$14,025,206
FY2018	\$11,137,945	\$13,300,918	\$13,481,879	\$13,483,329	\$14,143,264
FY2019	\$11,193,945	\$13,124,705	\$13,303,184	\$13,158,479	\$13,704,882
FY2020	\$11,288,945	\$13,066,140	\$13,223,859	\$12,884,996	\$13,412,157
FY2021	\$11,355,945	\$12,705,272	\$12,878,037	\$12,528,676	\$12,561,361
FY2022	\$11,633,945	\$12,165,569	\$12,224,612	\$12,195,190	\$12,122,836
FY2023	\$12,342,978	\$12,342,978	\$12,342,978	\$12,342,978	\$12,342,978
<i>Percentage Change in FY2023 General LAE Funding Relative to the Fiscal Year Specified</i>					
<i>(Percentage Change Between FY2009 and FY2023, Between FY2010 and FY2023, etc.)</i>					
FY2009	+24.1%	-9.6%	-12.3%	-14.9%	-22.8%
FY2010	+15.5%	-15.2%	-16.9%	-19.5%	-27.1%
FY2011	+15.7%	-13.3%	-14.6%	-18.0%	-24.8%
FY2012	+15.4%	-12.0%	-12.8%	-16.8%	-22.7%
FY2013	+19.8%	-6.9%	-8.0%	-12.1%	-18.3%
FY2014	+17.6%	-7.0%	-8.2%	-12.0%	-17.5%
FY2015	+18.6%	-5.2%	-7.1%	-9.2%	-13.8%
FY2016	+15.0%	-7.4%	-9.1%	-10.0%	-15.0%
FY2017	+15.8%	-5.2%	-6.6%	-7.1%	-12.0%
FY2018	+10.8%	-7.2%	-8.4%	-8.5%	-12.7%
FY2019	+10.3%	-6.0%	-7.2%	-6.2%	-9.9%
FY2020	+9.3%	-5.5%	-6.7%	-4.2%	-8.0%
FY2021	+8.7%	-2.9%	-4.2%	-1.5%	-1.7%
FY2022	+6.1%	+1.5%	+1.0%	+1.2%	+1.8%
FY2023	—	—	—	—	—

Source: CRS, based on the sources in the “Source” section of **Table B-4**.

Notes: GDP Price Index = Gross Domestic Product Price Index. CPI-U = Consumer Price Index for All Urban Consumers. ECI = Employment Cost Index. AWI = Average Wage Index. General LAE funding refers to base LAE funding *plus* total user fees—in other words, the part of the annual LAE appropriation that is not dedicated to PI activities. See the “Notes” section of **Table B-4** for the indexation methodology and **Table B-7** for additional information.

Table B-9. Total Dedicated Program Integrity (PI) Funding, in Nominal and Indexed FY2023 Dollars, by Selected Index, FY2009-FY2023

Fiscal Year	GDP Price				
	Nominal	Index	CPI-U	ECI	AWI
<i>Dollar Amount (in Thousands)</i>					
FY2009	\$504,000	\$691,994	\$712,695	\$734,403	\$809,473
FY2010	\$758,000	\$1,031,808	\$1,053,926	\$1,087,949	\$1,200,797
FY2011	\$756,484	\$1,009,440	\$1,025,052	\$1,068,075	\$1,164,121
FY2012	\$756,052	\$990,898	\$1,000,169	\$1,048,755	\$1,128,198
FY2013	\$742,639	\$955,916	\$966,572	\$1,011,757	\$1,089,351
FY2014	\$1,197,000	\$1,513,166	\$1,532,988	\$1,599,160	\$1,704,910
FY2015	\$1,396,000	\$1,746,743	\$1,782,326	\$1,823,219	\$1,921,180
FY2016	\$1,426,000	\$1,770,174	\$1,804,120	\$1,820,849	\$1,929,618
FY2017	\$1,819,000	\$2,220,434	\$2,254,951	\$2,266,678	\$2,392,571
FY2018	\$1,735,000	\$2,071,935	\$2,100,124	\$2,100,349	\$2,203,150
FY2019	\$1,683,000	\$1,973,288	\$2,000,122	\$1,978,366	\$2,060,517
FY2020	\$1,582,000	\$1,831,051	\$1,853,153	\$1,805,666	\$1,879,541
FY2021	\$1,575,000	\$1,762,143	\$1,786,105	\$1,737,651	\$1,742,184
FY2022	\$1,708,000	\$1,786,049	\$1,794,717	\$1,790,397	\$1,779,775
FY2023	\$1,784,000	\$1,784,000	\$1,784,000	\$1,784,000	\$1,784,000
<i>Percentage Change in FY2023 Total Dedicated PI Funding Relative to the Fiscal Year Specified</i>					
<i>(Percentage Change Between FY2009 and FY2023, Between FY2010 and FY2023, etc.)</i>					
FY2009	+254.0%	+157.8%	+150.3%	+142.9%	+120.4%
FY2010	+135.4%	+72.9%	+69.3%	+64.0%	+48.6%
FY2011	+135.8%	+76.7%	+74.0%	+67.0%	+53.2%
FY2012	+136.0%	+80.0%	+78.4%	+70.1%	+58.1%
FY2013	+140.2%	+86.6%	+84.6%	+76.3%	+63.8%
FY2014	+49.0%	+17.9%	+16.4%	+11.6%	+4.6%
FY2015	+27.8%	+2.1%	+0.1%	-2.2%	-7.1%
FY2016	+25.1%	+0.8%	-1.1%	-2.0%	-7.5%
FY2017	-1.9%	-19.7%	-20.9%	-21.3%	-25.4%
FY2018	+2.8%	-13.9%	-15.1%	-15.1%	-19.0%
FY2019	+6.0%	-9.6%	-10.8%	-9.8%	-13.4%
FY2020	+12.8%	-2.6%	-3.7%	-1.2%	-5.1%
FY2021	+13.3%	+1.2%	-0.1%	+2.7%	+2.4%
FY2022	+4.4%	-0.1%	-0.6%	-0.4%	+0.2%
FY2023	—	—	—	—	—

Source: CRS, based on the sources in the “Source” section of **Table B-4**.

Notes: GDP Price Index = Gross Domestic Price Index. CPI-U = Consumer Price Index for All Urban Consumers. ECI = Employment Cost Index. AWI = Average Wage Index. *Total dedicated PI funding* refers to base PI funding *plus* adjustment PI funding. Pursuant to P.L. 112-77, adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the “Limitation on Administrative Expenses” heading in the FY2012 LHHS appropriations act (P.L. 112-74, Division F). See the “Notes” section of **Table B-4** for the indexation methodology and **Table B-7** for additional information.

Appendix C. Supplemental LAE Tables

Table C-1 shows the annual LAE appropriation for FY2009-FY2023 by legislative text component. For more information on the legislative text of the annual LAE appropriation, see “Components of the Legislative Text of the Annual LAE Appropriation” in the body of the report.

Table C-1. Enacted Annual LAE Appropriation, by Component, FY2009-FY2023

Component	In Millions of Nominal Dollars									
	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018
Main LAE	\$10,307.5	\$11,285.5	\$11,238.0	\$11,291.6	\$10,884.2	\$11,525.0	\$11,680.9	\$12,024.9	\$12,357.9	\$12,753.9
Base LAE (non-add)	\$9,803.5	\$10,527.5	\$10,481.5	\$10,535.5	\$10,141.6	\$10,328.0	\$10,284.9	\$10,598.9	\$10,538.9	\$11,018.9
Total dedicated PI (non-add)	\$504.0	\$758.0	\$756.5	\$756.1	\$742.6	\$1,197.0	\$1,396.0	\$1,426.0	\$1,819.0	\$1,735.0
Base PI (non-add)	\$264.0	\$273.0	\$272.5	\$273.5	\$272.0	\$273.0	\$273.0	\$273.0	\$273.0	\$273.0
Adjustment PI (non-add)	\$240.0	\$485.0	\$484.0	\$482.6	\$470.6	\$924.0	\$1,123.0	\$1,153.0	\$1,546.0	\$1,462.0
SSI SSP user fees	\$145.0	\$160.0	\$185.6	\$160.7	\$160.4	\$171.0	\$124.0	\$136.0	\$123.0	\$118.0
Non-attorney user fees	\$1.0	\$1.0	\$0.0	\$1.0	\$0.9	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
Total Annual LAE	\$10,453.5	\$11,446.5	\$11,423.6	\$11,453.3	\$11,045.6	\$11,697.0	\$11,805.9	\$12,161.9	\$12,481.9	\$12,872.9
Component	FY2019	FY2020	FY2021	FY2022	FY2023					
Main LAE	\$12,741.9	\$12,739.9	\$12,794.9	\$13,202.9	\$13,986.0					
Base LAE (non-add)	\$11,058.9	\$11,157.9	\$11,219.9	\$11,494.9	\$12,202.0					
Total dedicated PI (non-add)	\$1,683.0	\$1,582.0	\$1,575.0	\$1,708.0	\$1,784.0					
Base PI (non-add)	\$273.0	\$273.0	\$273.0	\$273.0	\$273.0					
Adjustment PI (non-add)	\$1,410.0	\$1,309.0	\$1,302.0	\$1,435.0	\$1,511.0					
SSI SSP user fees	\$134.0	\$130.0	\$135.0	\$138.0	\$140.0					
Non-attorney user fees	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0					
Total Annual LAE	\$12,876.9	\$12,870.9	\$12,930.9	\$13,341.9	\$14,127.0					

Source: CRS, based on applicable annual LHHS appropriations acts and applicable annual SSA operating plans.

Notes: PI = program integrity. SSI = Supplemental Security Income. SSP = state supplementary payment. Components may not sum to totals due to rounding. Amounts reflect new budget authority provided by the annual LAE appropriation only and include reductions due to sequestration and most rescissions. Pursuant to P.L. 112-77, adjustment PI funding provided under P.L. 112-77 for FY2012 is treated as being included under the “Limitation on Administrative Expenses” heading in the FY2012 LHHS appropriations act (P.L. 112-74, Division F). “Non-add” amounts are displayed for clarification purposes. These amounts are not added to the totals. For FY2009-FY2011, base PI funding was included in the amount of base LAE funding specified in the legislative text of the applicable LHHS appropriations act. For consistent presentation, this table subtracts out base PI funding from the base LAE for those years. Consequently, the base LAE amounts for FY2009-FY2011 differ from those shown in the legislative text of the applicable LHHS appropriations acts and in SSA’s congressional budget justifications. The table does not reflect CBO adjustments to user fees based on CBO’s projection of actual user fee collections.

Author Information

William R. Morton
Analyst in Income Security

Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS's institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.