

HEARING ON ENSURING SOCIAL SECURITY SERVES AMERICA'S VETERANS

HEARING BEFORE THE SUBCOMMITTEE ON SOCIAL SECURITY OF THE COMMITTEE ON WAYS AND MEANS U.S. HOUSE OF REPRESENTATIVES ONE HUNDRED FIFTEENTH CONGRESS SECOND SESSION

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ENSURING SOCIAL SECURITY SERVES AMERICA'S VETERANS

WEDNESDAY, FEBRUARY 7, 2018

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON SOCIAL SECURITY,
Washington, DC.

The subcommittee met, pursuant to call, at 9:01 a.m., in Room 2253, Rayburn House Office Building, Hon. Sam Johnson [chairman of the subcommittee] presiding.

[The advisory announcing the hearing follows:]



Chairman Johnson Announces Hearing on Ensuring Social Security Serves America's Veterans

House Ways and Means Social Security Subcommittee Chairman Sam Johnson (R-TX) announced today that the Subcommittee will hold a hearing entitled "Ensuring Social Security Serves America's Veterans." The hearing will focus on the Social Security Administration's initiatives to reduce processing times and expedite claims for certain veterans, as well as efforts by the agency to hire veterans. **The hearing will take place on Wednesday, February 7, 2018 in 2253 Rayburn House Office Building, beginning at 9:00 AM.**

In view of the limited time to hear witnesses, oral testimony at this hearing will be from invited witnesses only. However, any individual or organization may submit a written statement for consideration by the Committee and for inclusion in the printed record of the hearing.

DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Please Note: Any person(s) and/or organization(s) wishing to submit written comments for the hearing record must follow the appropriate link on the hearing page of the Committee website and complete the informational forms. From the Committee homepage, <http://waysandmeans.house.gov>, select "Hearings." Select the hearing for which you would like to make a submission, and click on the link entitled, "Click here to provide a submission for the record." Once you have followed the online instructions, submit all requested information. ATTACH your submission as a Word document, in compliance with the formatting requirements listed below, **by the close of business on Wednesday, February 21, 2018**. For questions, or if you encounter technical problems, please call (202) 225-3625.

FORMATTING REQUIREMENTS:

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee. The Committee will not alter the content of your submission, but we reserve the right to format it according to our guidelines. Any submission provided to the Committee by a witness, any materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed below. Any submission not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

All submissions and supplementary materials must be submitted in a single document via email, provided in Word format and must not exceed a total of 10 pages. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.

All submissions must include a list of all clients, persons and/or organizations on whose behalf the witness appears. The name, company, address, telephone, and fax numbers of each witness must be included in the body of the email. Please exclude any personal identifiable information in the attached submission.

Failure to follow the formatting requirements may result in the exclusion of a submission. All submissions for the record are final.

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-1721 or 202-226-3411 TTD/TTY in advance of the event (four business days notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

Note: All Committee advisories and news releases are available at <http://www.waysandmeans.house.gov/>

Chairman JOHNSON. Well, good morning. We are going to get going here, if it is okay with you all. I will wait until one of them gets his coat off.

Mr. PASCARELL. Thanks, Mr. Chairman.

Chairman JOHNSON. I want to say good morning and welcome to today's hearing on ensuring Social Security helps America's veterans.

Before turning to today's topic, I wanted to take a minute to say a few words about another public servant, Ed Lorenzen. As some

of you may know, Ed's life was tragically cut short just a few weeks ago.

Ed was the type of person you would want as a staffer, whip smart and a hard worker. And while we didn't always agree on how best to fix it, his passion for addressing Social Security and our unsustainable debt was unmatched.

His death is a loss for the American people, and he will be missed. My prayers are with his children, family, and friends during this difficult time.

Turning back to today's hearing, our veterans serve our country, and in return, the government should make it easy to access the services and benefits they have earned. This means having a simple and fast process when our veterans apply for Social Security disability benefits.

This is especially true for our wounded warriors. Americans across the board are waiting far too long for a disability hearing, and Social Security must get the backlog under control.

But today, we are going to hear how Social Security speeds up disability claims for certain veterans. We will also hear about how it uses electronic health records from the VA and DOD to speed up decisions.

I am glad to see Social Security using technology to keep disability decisions moving, and that is a good thing.

Finally, we will hear about Social Security's great job when it comes to hiring our veterans. During their time in uniform, our veterans demonstrated the highest level of duty, honor, and discipline, and they demonstrated tremendous knowledge and skill in their jobs. These are attributes every employer seeks in a candidate.

Colleagues, Americans rightly expect us to do the best for our veterans. Social Security is no exception. While there are things that Social Security is getting right, there is still room for improvement. And as Chairman and as a 29-year veteran, I am committed as ever to making sure Social Security effectively serves our veterans.

I thank our witness, Ms. Clemons, for being here today, and I look forward to hearing her testimony.

I now recognize Mr. Larson for any opening statement he wishes to make.

Mr. LARSON. Thank you, Mr. Chairman, and thank you for holding this hearing today. I, too, want to recognize the untimely, tragic passing of Ed Lorenzen and his son, Michael. This is a terrible loss to his surviving children and the rest of his family and his many friends.

And it is also a loss to Congress and the Nation. Ed was a tireless advocate for fiscal responsibility and an honest broker who served both sides of the aisle. We will miss his expertise, his guidance, and his wit.

With that, we turn to today's hearing. And, again, I applaud the chairman for this. Americans know that Social Security is first and foremost an insurance plan. It is not an entitlement. It is actually the insurance that they pay for. They have earned these benefits with every paycheck and know they can count on them.

This is true for veterans as for all American workers. In fact, more veterans receive benefits from Social Security than receive veterans disability or pension benefits.

We must fight back against calls to make cuts to Social Security and instead come together in a bipartisan way, as the President of the United States has suggested, and strengthen Social Security and add to Social Security. I commend the President for that.

Both the chairman and I have offered comprehensive plans to address the long-term shortfall in Social Security so that Americans can continue to count on these benefits whether they become disabled or retired, or if they should die prematurely leaving young children behind.

While differing in our approaches, I think we can safely say we hope we will be able to have a hearing—I keep on pushing for Plano, Texas, because I want to go to the chairman's home district and his hometown—but anywhere would be fine with me to get a hearing on Social Security.

Today's hearing focuses on our veterans and how Social Security serves them. The Social Security Administration has taken many steps in recent years to ensure that our veterans receive the benefits they have earned. They conduct extensive outreach to veterans at hospitals and other facilities to ensure that wounded warriors know about the benefits they have earned from Social Security. They flag all disability applications from wounded servicemembers for expedited process.

Also, the Social Security Administration has worked out agreements with the Defense Department and the Department of Veterans Affairs to receive electronic medical evidence to help speed up the evaluation of veteran applications.

On average, disabled workers wait over 600 days for decisions. That patently has to be improved. But disabled veterans get a hearing decision in less than half that time, about 8 to 10 months, and that is still not acceptable and needs to be improved.

However, veterans also are not immune from the consequences of continued inadequate funding provided by SSA to operate the Social Security system. Since 2010, the number of beneficiaries for Social Security has grown by 14 percent as the baby boomers reach retirement age. As many as 10,000 baby boomers a day now become eligible for Social Security.

In that same time, Social Security's operating budget has fallen by 11 percent after accounting for inflation. This has made it difficult, even impossible, for Social Security to serve our constituents promptly when they need help the most.

Veterans report difficulty reaching SSA on its 800 number when they have questions or problems. If they try to visit a field office in person, they wait for service. It can be several hours. And even though they are moved to the head of the line if they need a hearing before the administrative law judge, their benefits can be held up waiting for a decision to be written or receive their checks.

We need to do better by our veterans and by all Americans so that they can receive the benefits they deserve and what they have earned.

Mr. Chairman, I want to thank you again for holding this hearing and, as a veteran yourself, understanding that with less than

1 percent of the entire Nation who serves in our military and, in fact, our Peace Corps, our AmeriCorps Vista, Teach America, et al., it is long overdue, especially for those Americans who put their lives on the line every day, that we provide them with the kind of services that they do for us on a daily basis. And I commend you for holding this hearing, and yield back.

Chairman JOHNSON. Thank you. I appreciate your comments.

And as is customary, any member is welcome to submit a statement for the record.

Before we move on to our testimony today, I want to remind our witness to please limit your oral statement to 5 minutes, if you can. However, without objection, all of the written testimony will be made a part of the hearing record.

We have one witness today. Seated at the table is Gina Clemons, Associate Commissioner, Office of Disability Policy, with the Social Security Administration.

Ms. Clemons, welcome, and thanks for being here today. We appreciate you. Please proceed.

**STATEMENT OF GINA CLEMONS, ASSOCIATE COMMISSIONER,
OFFICE OF DISABILITY POLICY, SOCIAL SECURITY ADMINIS-
TRATION**

Ms. CLEMONS. Thank you, Chairman Johnson.

Chairman Johnson, Ranking Member Larson, and members of the subcommittee, thank you for inviting me to speak about our efforts to support our Nation's servicemembers and veterans. I am Gina Clemons, Associate Commissioner in the Office of Disability Policy at the Social Security Administration.

I start by thanking you, Chairman Johnson, for your 29 years of dedicated service to the United States Air Force. I also thank all of the members of this Subcommittee for your service to our Nation and for your ongoing support of our servicemembers and veterans.

Social Security protects all Americans and we are proud of the help we provide to men and woman who serve and are serving our country. As an Army veteran myself, I appreciate the opportunity to highlight our targeted outreach initiatives, expedited processes, recruitment efforts, and collaborations with the Department of Veterans Affairs and the Department of Defense.

To reach veterans, we employ a variety of outreach measures through our over 1,200 field offices. In this effort, our frontline employees are assisted by our regional public affairs specialists. In fiscal year 2017 alone, our public affairs specialists participated in more than 260 targeted outreach events with a total estimated audience of 70,000 people.

As an example of the success of these relationships, military transition programs include information on our programs and SSA assists servicemembers in completing disability applications at military hospitals.

Going through the Walter Reed Medical Center for my own military discharge, I know how daunting the process is. Having also had the privilege to see it from the other side, where I was able to take disability applications, I still recall the visible relief of servicemembers and family members, many embracing you because it was just one less thing they had to think about.

In addition to outreach, we have a targeted website at SSA.gov where servicemembers, veterans, and their families can find information about our program, application process, and answers to common questions.

Providing quality and timely services is at the core of what we do for our servicemembers and veterans. At SSA, we provide disability benefits to people who cannot work because of their medical condition.

VA considers a veteran's ability to work only in limited circumstances. VA primarily bases disability compensation on the severity of the veteran's impairments, from injuries or diseases incurred or made worse while on active duty. Different definitions require separate decisions, but we work together to strengthen both programs.

For example, through collaboration, we expedite our decisions at all levels of review for wounded warriors and veterans who have 100 Percent Permanent and Total VA rating. Since partnering with DOD in 2005 and VA in 2014, we have expedited over 200,000 claims for these wounded warriors and veterans.

In response to interest from this Committee and the Armed Services Committee, we collaborated with DOD and VA to electronically exchange thousands of medical records. Through this process we have reduced the time it takes to receive medical records and improve the quality of our medical record extract.

In addition to our services, we are proud of the success in recruiting and supporting veterans. We know military service helps to develop strong character and results-driven attitude. These attributes make veterans a perfect fit for our agency. Quite simply, hiring veterans is smart practice, and that is what we do.

Last fiscal year, we participated in over 200 recruitment fairs, 100 of which were at military bases or sponsored veterans organizations. At these fairs, we assembled a database of highly skilled veterans' resumes, helping us to hire 769 veterans, including 469 new colleagues with a disability like myself.

But it is not just about hiring veterans, it is also about supporting them. For example, we created training material for our managers on military culture. We collaborated with our Veterans and Military Affairs Advisory Council to refresh our veterans employee website, which includes information on agency policies, programs, and career resources.

In short, we are committed to providing high quality service in all aspects of our program administration and to supporting our veteran employees and their families.

Chairman Johnson, Ranking Member Larson, and members of the Subcommittee, thank you for the opportunity to describe the ways we support the men and women who have put on a uniform to serve our Nation with distinction. I extend a heartfelt thank you to all the servicemembers and veterans in attendance today.

I am happy to answer any questions.

[The prepared statement of Ms. Clemons follows:]



**COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON SOCIAL SECURITY
U.S. HOUSE OF REPRESENTATIVES**

February 7, 2018

STATEMENT FOR THE RECORD

**GINA CLEMONS
ASSOCIATE COMMISSIONER
FOR THE OFFICE OF DISABILITY POLICY
SOCIAL SECURITY ADMINISTRATION**

Chairman Johnson, Ranking Member Larson, and Members of the Subcommittee:

Introduction

Thank you for inviting me to speak to you about our efforts to support our nation's Veterans. I am Gina Clemons, Associate Commissioner for the Office of Disability Policy at the Social Security Administration (SSA). As an Army Veteran myself, I appreciate this opportunity to discuss the ways we help the men and women who have served our country. Before I begin, I want to give special thanks to Chairman Johnson for his 29 years of dedicated service to our country in the U.S. Air Force. I would also like to thank all of the members of this subcommittee for their ongoing support of our Veterans.

Today, I want to share with you an overview of the services SSA provides to the public, the processes SSA has implemented to help our Wounded Warriors and other Veterans, SSA's efforts to reach out and help our nation's Veterans, and our partnerships with the Department of Veterans Affairs (VA) and the Department of Defense (DoD).

Services We Provide to the Public

We administer the Old-Age, Survivors, and Disability Insurance (OASDI) program, commonly referred to as "Social Security." Individuals earn coverage for Social Security retirement, survivors, and disability benefits by working and paying Social Security taxes on their earnings. Payroll tax revenues fund the Social Security program. We also administer the Supplemental Security Income (SSI) program, which provides monthly payments to people with limited income and resources who are aged, blind, or disabled. Adults and children under age 18 can receive payments based on disability or blindness. General tax revenues fund the SSI program.

Few government agencies touch the lives of as many people as we do. Social Security pays monthly OASDI benefits to approximately 62 million individuals. During fiscal year (FY) 2017, we paid about \$934 billion to Social Security beneficiaries. We continue to be mission-focused and mission-driven as we serve millions of Americans who need services from us, including our nation's Veterans.

Services We Provide to Wounded Warriors and Veterans

Social Security coverage protects all Americans. After the September 11, 2001 attack on the United States, many members of the armed forces were called to active duty. While defending our country, scores of our active duty Service members sustained severe physical and mental impairments that changed their lives. Many of these Service members qualify for Social Security disability benefits. We are proud of the help we provide these Wounded Warriors and other Service members, and Veterans through our disability programs as well as our commitment and success in hiring and retaining Veterans.

Outreach to Wounded Warriors and Veterans

Our disability programs can play a crucial role in aiding Wounded Warriors and other Service members and Veterans with disabilities only if they are aware of the programs and able to use them. Therefore, we employ a variety of outreach measures; our partnerships with the DoD and the VA have strengthened these efforts. For example, our field office employees visit military and VA hospitals across the country. These employees perform various tasks for Service members and Veterans, including screening potential disability applicants to see if they meet the Wounded Warrior status, taking claims and scheduling appointments, thereby providing faster and more convenient service to our service men and women. I was able to witness first-hand the appreciation for these services by Service members and their families having had the privilege to participate in this initiative with the Silver Spring, Maryland Field Office working with Wounded Warriors at the Walter Reed Military Medical Center. Since the time I had this opportunity, further advancements allow us to conduct interviews and take disability claims by video conference.

As further example of the benefits of our collaborative efforts, through our agreement with the U.S. Army Warrior Transition Command, Army Warrior advocates provide information about our process to Wounded Warriors or their families within two weeks of that Wounded Warrior's arrival at a military treatment facility. We also established an agreement with the Navy's Physical Evaluation Board Liaison Officers (PEBLOs); under the agreement, the PEBLOs present information about our Wounded Warrior process to Marines and Sailors during transition briefings. Similarly, VA distributes our Wounded Warrior guide at its sites.

We also reach out to Service members and Veterans through our nationwide network of public affairs specialists. This network contacts the military community as well as local newspapers, community organizations, banks, and TV stations to publicize our role and commitment to Service members and Veterans. They also conduct presentations at national and local events. In FY 2017, our public affairs specialists participated in more than 260 events for Wounded Warriors and Veterans with a total estimated audience of 70,000 people.

In addition to our outreach efforts, we have several information sources, such as a dedicated website for Wounded Warriors and other Service members and Veterans. The website, www.ssa.gov/people/veterans/, includes specific information for Wounded Warriors and Veterans, including a link to our guide that explains our disability program and expedited filing process for Wounded Warriors and Veterans who have a VA benefit rating of 100 percent Permanent and Total (P&T). The website also contains information for all Service members, Veterans, and family members, with answers to frequently asked questions and other helpful websites, including links to several VA and DoD websites.

Expedited Processing

We work closely with DoD and VA to identify ways to streamline and expedite processes to support our Service members and Veterans. In 2005, we began providing expedited processing of filed disability claims for Wounded Warriors—defined as any current or former Service Member who sustained an illness, injury, or wound while on active duty on or after October 1,

2001—regardless of where or how the injury occurred. On March 17, 2014, we started expediting the claims for Veterans who filed for SSA disability and had a VA compensation rating of 100 percent P&T using a similar process.

Through automated data exchanges we have with DoD (Wounded Warriors) and VA (100 percent P&T), we are able to automatically add an indicator to our records. With this indicator, when a Wounded Warrior or Veteran with a 100 percent P&T rating applies for our disability programs, the claims specialist receives a prompt and attempts to take the claim at this initial point of contact. If the person does not have time or the information they need, we schedule an appointment within three days to take the claim. A flag is automatically then added to the Wounded Warrior or 100 percent P&T claim and the claim moves to the front of the line through all levels of review.

As of December 29, 2017, we have processed 172,272 Wounded Warrior claims at the initial level and 31,974 claims for Veterans with a 100 percent P&T rating. On average, in FY 2017 it took us roughly seven fewer days to process Wounded Warrior claims at the initial level and five fewer days to process a 100 percent P&T claim. At the appeals level, in FY 2017, the average processing times (APT) for closed hearing cases are 237 days for Military Casualty/Wounded Warrior and 297 for 100 percent P&T disability, compared to an overall APT of 605 days.

However, it is not enough to decide Wounded Warrior claims quickly. We must also decide them accurately and we have taken several steps to help our State disability adjudicators. For example, in recent years we have updated our Listings of Impairments to provide clear information on two significant war injuries – traumatic brain injury (TBI) and post-traumatic stress disorder (PTSD). We have provided our adjudicators with supportive written and video training that addresses how to recognize and assess the symptoms of these conditions.

Moreover, we continue to work with our Veteran advocates, medical experts, and the VA to ensure we are providing helpful information to our adjudicators. For example, we are currently working on a Continuing Medical Education (CME) video on recognizing the signs and symptoms of TBI and a PTSD fact sheet to assist our adjudicators in understanding the variations in how and when symptoms of PTSD may manifest.

Finally, before we identify a Wounded Warrior claim, the Service member may have returned to work. If that Service member met our definition of disability prior to returning to work, he or she may be eligible to receive disability benefits during that period. We call this period a closed period of disability, and provide extensive training on when to consider the possibility of awarding it in Wounded Warrior claims so that Service members do not lose benefits to which they are entitled.

Hiring Veterans at SSA

Not all of our efforts solely focus on those Veterans who cannot work. We recognize that the transition to civilian life can be difficult and finding employment can be particularly daunting. We are proud of our success in recruiting, supporting, and retaining Veterans. Through their military service, Veterans have developed strong interpersonal skills, an ability to learn new

skills and concepts, flexibility in working in teams or independently, an ability to work efficiently and diligently in a fast-paced environment; they also get things done. These attributes make them a perfect fit for our agency. Quite simply, hiring Veterans is a smart practice.

We seek Veteran job applicants through a number of recruitment efforts. In FY 2017, we participated in 212 recruitment fairs, including 100 held at military bases and Veteran organizations. We maintain a database of Veteran résumés, which facilitates referring highly skilled veteran candidates to hiring officials nationwide for consideration of employment opportunities.

We utilize both military specific recruitment efforts and internship programs, such as Non Paid Work Experience Program and Operation Warfighter, to attract Veterans. We developed new Veteran-focused recruitment materials to market SSA career opportunities within the Veteran community and held regular meetings with our National Recruitment Cadre to share best practices and collaborate on consistency of our marketing efforts to brand SSA as an employer of choice.

In FY 2017, we hired 2,367 new employees of which 769 were Veterans and 469 were disabled Veterans. Of these Veterans, 441 were hired through special hiring authorities, such as Appointments for Veterans with a disability rating of 30 percent or more, Schedule A, Veterans Employment Opportunities Act of 1998 (VEOA), and Veterans Recruitment Appointment Authority (VRA).

Our interest in Veteran applicants does not end once we hire them. We also strive to create a workplace that supports our Veteran employees and is sensitive to their needs. For example, we provide a Veteran-specific training video for managers and Human Resources Specialists. This training video covers a variety of topics such as developmental programs for our Veteran employees, Veteran-focused employee services, and Veteran-focused benefits. Our Veteran employees can readily access Veteran-related information on our Veterans Employee Terminal website. The website also provides a variety of materials to educate our managers about the effects of TBI and PTSD and agency policies, programs, and career resources for Veteran employees and managers. Through our Veterans and Military Affairs Advisory Council, Veteran employees can receive new employee orientation and ongoing support.

Partnerships with VA and DoD

As I stated, supporting our nation's Veterans is an agency commitment—one shared by our Federal partners. Many of our efforts are brought about through the collaborative work with our partners, such as VA and DoD. We greatly value our mutually beneficial partnerships; they present effective and efficient opportunities to ensure that the nation's Service members and Veterans with disabilities receive all of the benefits and services that they deserve.

In September 2009, the Government Accountability Office (GAO) published a report on improving Wounded Warriors' access to benefits¹. Subsequently, we worked with the DoD and VA to develop a joint plan of action to address the report's recommendation. As documented in the final joint plan of action report provided to this Subcommittee and the Armed Services Subcommittee on Military Personnel in April 2017, working together we improved communication, collaboration, and medical information sharing. Following are just a few additional highlights resulting from this productive partnership.

Our Role in the Disability Compensation Claims Process

As you know, VA has a disability compensation claims process that is separate and distinct from the disability programs that we administer. The Social Security Act defines disability as the inability to engage in any substantial gainful activity due to a physical or mental impairment that has lasted or is expected to last at least one year or to result in death. In contrast, VA provides disability compensation to Veterans based on the severity of disabilities resulting from injuries or diseases incurred while on active military service, or were made worse by active military service.

To process the claims it receives, VA requests medical records from us when VA disability compensation claimants indicate that they have also filed for, or are receiving, Social Security Disability Insurance or SSI benefits. In FY 2017, we received 41,520 requests for medical evidence from VA. We place a high priority on the requests we receive from VA and work very hard on responding to them within five business days.

We have taken several steps to ensure that we continue to respond timely to VA's requests. We centralized our process in our National Records Center (NRC) in Independence, Missouri. The NRC receives all requests and provides all records. By completely centralizing our process, we have greater control over these requests and ensure timely responses to all of them.

Improved Medical Information Sharing

VA and DoD also helps provide information to administer our program. Effective October 11, 2016, we began receiving medical documentation from the VA through the nationwide electronic data exchange, commonly known as health IT. This new health IT process helps us make disability determinations more expeditiously for all Veterans and their family members who apply for disability benefits by reducing the time it takes to receive medical records electronically from all VA facilities. As of January 23, 2018, we received 71,882 VA-held medical records via health IT. Additionally, effective November 23, 2015, we implemented this same process with DoD. Since that time we received 59,402 DoD-held medical records via health IT.

¹ GAO, "Social Security Disability: Additional Outreach and Collaboration on Sharing Medical Records Would Improve Wounded Warriors' Access to Benefits" (GAO-09-762)

While we are no longer working under a joint plan of action, we continue to participate in leadership and staff-level meetings regularly to share information and collaborate. For example, quarterly we meet with the VA to discuss data sharing agreements, policy considerations, and other best practices and lessons learned. Recently, we were able to work with the VA to enhance our data sharing agreements. Such agreements allow us to provide income information to assist VA in deciding eligibility for its pension program. Additionally, VA utilizes death data maintained by SSA to help VA meet the requirements of Do Not Pay, which reduces improper Government payments by eliminating payment error, waste, fraud, and abuse. These improvements provided the opportunity for more effective use of data within the VA to serve Veterans. Our ongoing communication and collaboration with all of our Federal partners will enable us to continue to enhance our serves to our Wounded Warriors and other Service members and Veterans.

Conclusion

Chairman Johnson, Ranking Member Larson, and Members of the Subcommittee, thank you for this opportunity to describe the ways we support the men and women like you who have served our nation. Brave men and women have always put their lives on the line to protect this country.

Through the programs and services we provide, it is our duty to show our appreciation and support for their sacrifices. We are proud of our ongoing partnerships and processes to help Wounded Warriors and other Service members and Veterans. By working together, we continue to provide the high quality service that our military men and women deserve. Again, thank you for all you have done.

I will be happy to answer any questions you may have.

Chairman JOHNSON. Thank you for your testimony.

We will turn to questions. As is customary, for each round of questions I will limit my time to 5 minutes and will ask my colleagues to also limit their questioning time to 5 minutes as well.

Ms. Clemons, as a 29-year veteran, I have long been committed to ensuring that our country does right by our veterans. And when it comes to our disabled veterans, it is my understanding that Social Security is processing initial claims for disabled veterans 5 to 7 days faster than for the general public. While the Social Security Administration says it is expediting these cases, that doesn't seem like it is really that much faster.

Can you tell us more about how you are trying to expedite claims?

Ms. CLEMONS. Chairman Johnson, thank you for the opportunity to describe our process.

Veterans' and servicemembers' claims are often quite complex, with multiple chronic conditions at times and extensive medical records. It is not surprising that we see a veteran's claim with over 1,000 pieces of records in it. Despite this, we are able to expedite their claims by putting in a process at all levels of review and in each step in our program.

For example, when a veteran calls, rather than waiting the standard goal of 28 days to set an appointment, as noted, we set an appointment in 3 days. When the field office transfers that claim to the Disability Determination Services, they immediately start working the claim rather than putting it in a queue for assignment that could take a week.

Similar events happen when we have the medical consultants and the psychological consultants review the case. Rather than waiting in a queue, as soon as they are ready for review, they get reviewed.

So at each step, we are looking for ways to improve the process, and this happens at all of our levels of the program, including at the appeals level where we are able to cut the processing time in half because there are more pending claims at that level.

Chairman JOHNSON. You know, one thing that seems to really to make a difference is electronic health records, which can cut processing time nearly in half. And I know you work with the VA and DOD on this already. Are there any other ways to get more electronic health records for veterans?

Ms. CLEMONS. Chairman Johnson, thank you for your support of our health IT activities.

As more veterans are receiving care outside of the VA facility, we also need to ensure that we are getting those records as expeditiously as possible.

Under our IT modernization efforts, part of that strategy includes acquiring electronic evidence from all records in an electronic format. So the more electronic records that we receive from all facilities, it will help the veterans as well as all the individuals we serve.

Chairman JOHNSON. Okay. One thing I hear a lot from our wounded warriors is that they want to work, yet in reality, some of the policies that are supposed to help actually make things harder. You know, the Ticket to Work and Work Incentive Improve-

ments Act of 1999 tried to help individuals with disabilities who return to work by extending their Medicare eligibility for several years.

Can you tell us what typically happens to a person returning to work who has other insurance available to them, such as through their employer, and as a result no longer want to be on Medicare? And do they have to stay on Medicare or do they have a choice? And how is this different for our wounded warriors?

Ms. CLEMONS. Chairman Johnson, somebody who has other insurance through their employer often has the option to be on Medicare or not. This is different for our veterans, our former military servicemembers, as they are required, if they are eligible for Medicare Part B, they are required to enroll in Medicare Part B to be able to get and receive TRICARE.

Chairman JOHNSON. And you all follow them, I presume?

Ms. CLEMONS. We do, yes. We absolutely do.

Chairman JOHNSON. Thank you for that, Ms. Clemons.

And, colleagues, as you have heard there is a quirk in the law that means these veterans aren't treated the same as everyone else. Some of these veterans may want to keep their Medicare Part B and some may not.

But here is the problem. These veterans who want to keep access to TRICARE For Life have no choice but to stay on Medicare, which is more expensive than TRICARE, and I am not sure that is right.

In other words, the interaction between Social Security's disability program and TRICARE program inadvertently penalizes those wounded warriors who return to work after recovering from their injuries.

That is why I have introduced bipartisan legislation, H.R. 2243, the HEARTS Act, the Health Equity and Access for Returning Troops and Servicemembers Act. This bill would repeal the requirement that wounded warriors maintain and pay for Medicare coverage upon returning to work in order to keep access to TRICARE. It is the right thing to do.

I will now recognize my colleague, Mr. Larson, for any questions you might have.

Mr. LARSON. Well, thank you, Mr. Chairman.

And thank you, Ms. Clemons, for your testimony. I have a couple of rudimentary questions.

Number one, how many veterans currently receive Social Security benefits?

Ms. CLEMONS. Our last estimate is 1 million veterans. And we can confirm for the record that that is the current number, but 1 million.

Mr. LARSON. And what type of Social Security benefits is it that veterans and their families depend on?

Ms. CLEMONS. Veterans can receive all of the benefits of our program, whether it is for themselves or—

Mr. LARSON. Do veterans pay into the Social Security system through their military service?

Ms. CLEMONS. They do indeed.

Mr. LARSON. How do Social Security disability benefits differ from VA disability compensation?

Ms. CLEMONS. Social Security benefits are, in part, an income replacement for your inability to work. Veterans benefits are a compensation for a loss incurred or made worse in the service. So that plays out because there are different definitions in a couple of ways.

For example, we only pay full benefits, total benefits where VA can pay compensation for a number of impairments. They can add up to reach 100 percent, but they are partial disability based on the severity of the condition.

And we look at work. We are looking at all jobs on the national economy to see if a person can do that. In the limited circumstances—and it is limited—that VA looks at work, they are really looking at can the person do their prior work in their community. So big distinctions on that.

And VA is also looking at how the person presents. For example, if somebody has high blood pressure and depression but they are service-connected, they will get compensation for that, regardless of if they get treatment or not.

In our program, we would look at those impairments, but if they are treated and controlled, then they wouldn't necessarily hinder their ability to work.

Mr. LARSON. But a veteran can receive both Social Security and veterans benefits as well.

Ms. CLEMONS. Absolutely can, and many do.

Mr. LARSON. I think it was Ronald Reagan that said facts don't lie and they are a difficult thing. But with 10,000 baby boomers a day becoming eligible for Social Security, and with the number of beneficiaries having grown by 14 percent as the baby boomers come through retirement, Social Security's budget has fallen during the same time by 11 percent.

Do you think you could be providing better service? I think Mr. Johnson rightly points out some of the inadequacies that exist. And one would think, based on the numbers coming through the system and the cuts in the budget and with use of modern technology, that we ought to be able to do a better job.

Ms. CLEMONS. So, Ranking Member Larson, with the President's budget, we will continue to hold fast in our commitment to veterans and military servicemembers.

Mr. LARSON. Yeah, but that doesn't answer my question.

Ms. CLEMONS. We will also be able to work our priority workloads, such as implementing our CARES plan, to bring down the pending backlog.

Mr. LARSON. So basically you are saying, this is fine, you can do without any increase, and this 10,000 baby boomers a day has no impact on Social Security, you are going to continue to operate as efficiently as possible.

Ms. CLEMONS. We are going to continue to look for efficiencies in our program and become more efficient where we can through our IT modernization—

Mr. LARSON. So you need no more increase, you are fine with the budget as it is?

Ms. CLEMONS. With the President's budget we can address our priority workloads, pending bringing down the—

Mr. LARSON. So we just went through this whole thing where we are talking about people who aren't in the military and the exhaustive time that they have to wait to get a disability claim, and you are fine with that?

Ms. CLEMONS. Ranking Member Larson, with the President's budget, we will be able to address our workloads.

Mr. LARSON. So that is a nonanswer answer. But, frankly, it is very disturbing when you see the premier government agency that has responsibility to deal with its American citizens and say that with respect to waiting for disability claims, both veterans and nonveterans, that that is an absurd amount of time given the technology that we have. And you insist that, well, we can do just fine with what we have. Is that right?

Ms. CLEMONS. Well, with \$100 million extra, for every \$100 million extra that we receive we can work an additional 106,000 disability claims and 51,000 hearings.

Mr. LARSON. So will you be able to come back to this committee next year and say, "Given the cuts that we received in the budget and given our ability to deal with this, that we will see drastic improvement, both for our veterans and for our citizens who deserve disability and service and efficiency out of their government"?

Ms. CLEMONS. I will tell you that we will continue to operate—

Mr. LARSON. That is a nonanswer. Will you commit to that? Because we would like to have things measured by standards. I think everybody on this committee especially wants to see that. We have got a large population out there that we have to serve. We have enormous stress on that system with 10,000 baby boomers coming in there a day. And so it is helpful to people who are legislators to know whether or not you are adequately funded.

You are saying you are and you can deal with all of these. So I am saying, good, we will expect a report from you next year showing how you decreased that time in which people get their disability payments in both the military side as well as your average citizen.

Ms. CLEMONS. Ranking Member Larson, I can tell you that as an agency we will continue to use our resources as efficiently and as effectively as we can. We will concentrate on our—

Mr. LARSON. Will that translate into getting these benefits out to people in a more timely basis?

Ms. CLEMONS. We will continue to advance IT modernization, which will allow us to acquire electronic evidence that will bring down the timeline for benefits.

Mr. LARSON. All right. So we are not going to get any answers here, so that is unfortunate given the position that you hold and given that every American relies on Social Security.

Very disturbing, Mr. Chairman. I yield back.

Chairman JOHNSON. Thank you for your questions.

You need to give us direct answers, if you can, please. Mr. Rice, you are recognized.

Mr. RICE. Thank you, Mr. Chairman.

Thank you, Ms. Clemons, for being here today.

I see a couple of things here that are just curious to me. One is that your disability applications have decreased by almost 500,000

per year from 2012 to 2016. What is your current level of disability applications per year?

Ms. CLEMONS. The number of disability applications is about 2.7 million per year.

Mr. RICE. So it was, then, 3.2 in 2012?

Ms. CLEMONS. It may have been at that time. I can confirm for the record.

Mr. RICE. Two-point-seven million applications per year.

And also that your number of days to review has increased since 2012 significantly.

Why is that? Has the number of judges gone down? Or what is causing the increase in the backlog.

Ms. CLEMONS. Well, there are a number of considerations, as noted. We have a greater number of people coming through our process than we had before.

Mr. RICE. But what I am confused about—I don't mean to badger you, I am sorry, but I just want to understand. This says you have 500,000 less claims per year now than you did in 2012, but the number of days it takes to get a hearing has doubled in that same time period.

What causes that? I mean, if the number of claims has gone down by 20 percent, it seems like the number of days, unless you had a huge backlog to begin with. Are you losing judges? Are you losing experienced people? What is causing the problem?

Ms. CLEMONS. Well, Congressman Rice, what I can tell you is that it takes us some time to work through the cases that we had. So to the 2012 cases, we have to continue to work our cases. There are a number of other variables. Since that is not my area specifically, I can submit those areas for the record on what other additive factors address that.

Mr. RICE. Okay. I know that—and correct me if I am wrong—but the primary objective, the basic function of this process is you want people to get disability that they are entitled to, but you have to make sure they are entitled to it, right? So you have to go back and review their medical records and make sure that they are, in fact, disabled and that, in fact, keeps them from working, correct? Isn't that the primary function of what you are doing here?

Ms. CLEMONS. It is, indeed.

Mr. RICE. Yeah. And so, I know I used to actually rent, I had commercial real estate, I used to rent an office to you guys, and I saw technology improving through that time. They used to have a number of judges come through this office and have hearings, and they switched to tele-hearings where the judges never came. They were just on a TV screen in the office and allowed judges to have more hearings.

What other types of technological advances have you had to increase your efficiency and decrease these waiting times?

Ms. CLEMONS. Congressman Rice, thank you for acknowledging the improvements we have made in our videos to work on our pending claims.

Other areas where we are working, we have spoken about health IT. We continue to increase the amount of information we get through the electronic record.

But in addition to speeding the amount of time, we are actually building in decision support in those capabilities. So when we receive the record, it is just not a record. It has enhancements to it, where it will actually flag for our adjudicators that it may meet one of our medical listings.

We are continuing to build out that functionality using the machine learning, natural-language processing, optical character recognition to ensure that it is accurate decisions that we are making, expeditiously and efficiently using technology.

Mr. RICE. Do you have like a triage function, where when somebody comes in and they are very obviously totally disabled that you can just pick them out immediately and not put them through this 2 years of waiting for disability?

Ms. CLEMONS. Absolutely. Our sequential evaluation, the fundamental process that we use to evaluate claims, looks at medical first. If you can meet the criteria on medical there is no other longer assessment needed. That is our medical listings of an impairment. Most of the—like a larger percent of the people that meet those medical listings are held at the initial level. They never get to an appeal because it is a clear decision.

We also have expedited processes for people that are TERI, where a terminal illness, or compassionate allowances for individuals that do meet those significant—of our severest, so we can work them through the process.

Mr. RICE. Okay. So I am just going to leave with this one question for you to follow up.

If what this memo says for this hearing is true, that the number of claims has dropped from 3.2 million in 2012 to 2.7 million in 2016, which is like a 20 percent drop, or maybe a little less, 15 percent drop, why has the number of days to get to a hearing gone from 300 days to 600 days, unless you have got 20 percent less judges?

Do you have 20 percent less judges?

Ms. CLEMONS. I do not know the number—the percentage of judges. It is not my area.

Mr. RICE. I am curious about what the fundamental underlying problem is.

Thank you, ma'am.

Ms. CLEMONS. I will get it to the record.

Chairman JOHNSON. Thank you.

Mr. Pascrell, you are recognized.

Mr. PASCRELL. Thank you, Mr. Chairman. Thanks for holding this hearing.

Dr. Clemons, you come to this position very qualified, you are experienced. Your first responsibility and my first responsibility is to the country, not to any political party, not to any President.

Ensuring that our veterans receive disability and retirement benefits and that their families receive survivor benefits in a timely fashion is critical for the 20,000 veterans who receive Social Security Administration benefits in my district.

As you testified, the Social Security Administration has successfully expedited disability claims with wounded warriors who have a benefit rating of 100 percent permanent and total.

Now, we could do more, of course. More can be done to reduce claims processing time, you have heard, and ensure our veterans receive accurate decisions on their claims.

And I am looking at two charts. One chart is the cuts to Social Security funding and when they really began. And the other chart is the waiting times for disability benefit appeals. They coincide. In other words, when the cuts came, the time expanded.

As more servicemen and -women return home from the battlefield, I do not understand why this administration proposed eliminating the Individual Unemployability benefits program in its budget last year. AMVETS estimated this proposal would hurt 225,000 military veterans. It would decrease the disability benefit paid to an unmarried veteran with a 90 percent disabled rating by a full \$1,200 a month. A veteran with a 60 percent disability rating who lives alone was estimated to see a cut of \$1,890.34 cents, which is 63.6 percent.

This is outrageous, this is unacceptable, especially since candidate Trump promised to improve the treatment of veterans and promised not to cut Social Security.

The Social Security Administration budget has declined 11 percent since 2010. There are unprecedented delays in appeals hearings despite wait times being lower for veterans and callers are hung up on or getting busy signals before connecting with an operator.

There has been a closure of 64 field offices throughout the Nation and a disability hearings backlog with an average, as you have heard from several of us, 605 days waiting period.

So everything is not hunky-dory, is it, Dr. Clemons?

Ms. CLEMONS. We are running efficiently under our budget.

Mr. PASCARELL. Yeah, I have heard you say that word—excuse me, Chairman—I have heard that word 4 times, 5 times, 50 times from you. The numbers are the numbers. And you have got to deal with those numbers. I have to deal with those numbers.

It is not acceptable to me. So it apparently is acceptable to you because you are running at the most efficient rate you possibly can.

Dr. Clemons, can you guarantee there will be no cuts to Social Security benefits in the next budget, administration's budget? Could you guarantee that?

Ms. CLEMONS. Congressman, I cannot make guarantees.

Mr. PASCARELL. Dr. Clemons, would the Social Security agency be able to reduce processing times for veterans if the agency had additional resources? Dr. Clemons?

Ms. CLEMONS. If we had \$100 million in additional resources, we would be able to process 106,000 additional claims. With our budget, the President's budget, we are concentrating our priorities on efficiencies. We are looking at using our technology for IT modernization. So we are on a path to implement—

Mr. PASCARELL. Would the Social Security agency be able to reduce processing times for veterans if the agency had additional staff?

Ms. CLEMONS. As noted, if we had additional funding, \$100 million, we would be able to process additional claims. That would include additional staff in that estimate.

Mr. PASCARELL. So if additional funding, and you pointed to a particular figure, helps you get more folks, you think you will increase. So it strikes me as, if we support that budget, increase it more, we get more responses and shorten the time even further. Am I using proper or improper logic?

Ms. CLEMONS. Congressman, we will operate within the budget we are given. If we are given additional funds, we would be able to fund 106,000 additional—

Mr. PASCARELL. And I am sure if you were given nothing, you would operate within that, too.

Dr. Clemons, I have one final question. Thank you for your courtesies, Mr. Chairman. Would removing the Federal hiring freeze—

Chairman JOHNSON. Your time is up, you know.

Mr. PASCARELL. Yeah, I know. All right, go ahead, Mr. Chairman. I was just going to ask one more question.

Chairman JOHNSON. Well, go ahead and ask it.

Mr. PASCARELL. Thank you, sir.

Would removing the Federal hiring freeze for the Social Security Administration improve service to veterans and those receiving Social Security benefits?

Ms. CLEMONS. With the hiring freeze we—you know, we are continuing to serve our veterans now. They are getting expedited claims and expedited process. We are putting them at the forefront. And our service would remain strong for veterans regardless of our funding.

Mr. PASCARELL. Regardless of the funding.

Thank you, Mr. Chairman.

Chairman JOHNSON. Yes.

Mr. Schweikert, you are recognized for 10 minutes.

Mr. SCHWEIKERT. Oh, we are all in trouble now. Thank you, Mr. Chairman.

Look, actually, this is one of those, maybe there is going to be a tonal quality, but I think there is a commonality of all the members on the panel, just wanting to know we are doing the right thing.

So let me start with a couple things that we are seeing in your written testimony, actually talking about electronic records and the fact that veterans that are applying for disability come to you with actually an electronic record and the fact that they move through the system somewhat more efficiently because of that.

First, could you help me understand that efficiency of those electronic records and what that means to the population you are helping?

Ms. CLEMONS. Yes, Congressman, thank you for the question.

With the electronic records, that is actually a data exchange, it is an agreement that we have using the health information technology directly with the VA and DOD. So a veteran is not involved. They give us their permission. And we—

Mr. SCHWEIKERT. And I am going to jump on you just because—and it is not only data sharing with VA, DOD, but even some private sources?

Ms. CLEMONS. Yes, indeed.

Mr. SCHWEIKERT. Okay.

Ms. CLEMONS. So we are trying to optimize the use of health information technology in general for all individuals, including veterans.

So when we receive that information, quite simply what happens is right now we have a process that relies on scanning, faxing, a number of ways to get the information. Using health IT, within seconds we are able to ping out to the other component, the VA, DOD, to see if they have information.

If they do, we get the notice. We then send back our permission to receive the information. They send back that information to us. And it comes in a standard format with information that helps us, the adjudicators, to make a decision. For example, it will flag us earlier about conditions that might be our most severe conditions.

Mr. SCHWEIKERT. I will recap with you in just a second. So in the sort of data-sharing agreements you have, it is coming to you in a standard. So is it auto-filling your forms because you have data field conformity?

Ms. CLEMONS. Yes. I am probably past the technology, but, yes, it comes in. I can tell you we have created one standard form, the information comes in that format with a summary upfront of what the record contains, which is very helpful for veterans' claims, particularly, which could be quite extensive.

Mr. SCHWEIKERT. Because I was seeing something in here, and correct me if I have my math or what I am reading wrong, it becomes the difference of when you are working with a veteran and they have the electronic records, they will get processed in, like, 47 days compared to 89 days. Help me understand what that meant.

Ms. CLEMONS. So I think you are speaking to the fact that if we can make a decision on the veteran's claim with just the health information that we would get through health IT—so, for example, they have a severe condition, we get all of their medical evidence, it shows that they have a medical condition—we can make that decision 45 percent faster.

Now, it is a lesser amount if we have to get supplemental information; however, it still expedites the process through health IT.

Mr. SCHWEIKERT. And you have had these data-sharing agreements since 2016 when it was up and running?

Ms. CLEMONS. So with the VA, we started our agreement in 2016, and November of 2015 with DOD.

Mr. SCHWEIKERT. Okay. So that is actually one of your areas that you would say has been successful?

Ms. CLEMONS. Absolutely, I would say, efficiency is electronic records.

Mr. SCHWEIKERT. So in our minute and a half left, tell me, let's do a speed run, what do you see working and where do you see frustrations? Let's start with the good stuff. What is working?

Ms. CLEMONS. We have updated our disability policies, bringing our medical listings 93 percent up-to-date. We are working on our vocational policies. We have also implemented process policy to make sure that we are making timely, accurate decisions, advancing our IT modernization, not just through health information exchange but across the board to consolidate systems. We are building case processing systems.

Mr. SCHWEIKERT. Okay. On the things that are frustrating you.

Ms. CLEMONS. We operate in a dynamic environment and we have to continue to keep pace through our policies and change to do that, and that takes time. So it is being nimble to make sure that we are making those changes.

Mr. SCHWEIKERT. And I always wish we had more time, but now that I have 10 minutes, I was hoping somewhere here, or some member will ask, because there were some interesting numbers on applicants, veterans that were actually also getting vocational opportunities, were actually still finding some employment opportunities even with their personal impairments. And I was just curious what enlightenment you can give us on that. So somewhere here, if you ever get a chance to throw that in.

So with that, Mr. Chairman, I yield back.

Chairman JOHNSON. Thank you.

Ms. Sanchez, you are recognized.

Ms. SANCHEZ. Thank you, Mr. Chairman.

I think all of us here today can agree on one thing, and that is we must do more to ensure that our veterans are able to retire from their service with some degree of dignity and security for their future.

Social Security is the bedrock of the American retirement system, and the promise that Social Security has made is that after a lifetime of hard work, if people contribute, that seniors can retire with dignity and security.

Like the general population, Social Security is there for veterans when they retire or when they experience a debilitating injury or illness that prevents them from working. And I was surprised to find that nearly 20 percent of adult Social Security beneficiaries are, in fact, veterans.

And I know that the Social Security Administration has taken important steps to better serve veterans, to try to expedite the processing of their claim. For example, disabled veterans' claims are moved to the front of the line, and Social Security, I know, works with the VA and DOD to further expedite claims.

And it is laudable that they have taken those necessary steps to try to improve expediency in processing veterans' claim, but I can't help but feel that Social Security's dwindling operation budget makes it harder and harder to provide excellent service to all beneficiary.

Budget cuts have weakened Social Security's ability to fully serve veterans and other recipients as well. And despite the growing number of beneficiaries, Social Security's operating budget has actually declined by about 11 percent since 2010.

And when you have that kind of decline, service is naturally going to suffer. Call centers, we get reports call centers can't keep up with the incoming calls. Half of callers hang up before they even speak with a service representative. Some experience delays in their benefits or overpayments.

So without properly funding Social Security, they can't provide the quality and timely service that they should be. And when we don't do that, we are, in fact, not serving all of our beneficiaries.

Ms. Clemons, I thank you for coming today to testify. I see that you are a veteran and that you have worked in various Federal agencies over the years. So I, first of all, would like to commend you and thank you for your service to our country.

And my first question is about the accuracy of claims, because it is not just about getting claims processed quickly, it is also about getting them processed accurately.

Can you tell me how frequently does SSA update the listing of impairments and training materials for assessing impairments that are unique to veterans?

Ms. CLEMONS. Congresswoman Sanchez, thank you.

We agree that accuracy needs to stay forefront and that we need to concentrate on quality, and that means staying current. So we have had a focused area on updating our medical listings of impairment. We are now 93 percent complete with our comprehensive updates.

The last one that is remaining is impairments, musculoskeletal impairments. That is now out for interagency review, and we are looking forward to public comments on that shortly.

Once we update that, we will be 100 percent up-to-date on our listings. And we are working on listings for other impairments that are targeted. Once we get those three listings targeted done, we will be on a 3- to 5-year update cycle for our listings.

Of particular interest is just 2 years ago we updated neurological listings, and that covers TBI. We have always evaluated individuals with all impairments, TBI, PTSD. But we made it clear in the neurological listing what TBI was and how to evaluate it, giving the benefits to the veteran.

We also last year updated our mental listings, and in it specifically named PTSD, post-traumatic stress disorder, gave guidance to our adjudicators outside the listings. We are providing training and updates.

Ms. SANCHEZ. But how often is that typically done? Or what is the recommendation in terms of how often that should be done?

Ms. CLEMONS. So our goal is to keep our listings on a 3- to 5-year update cycle, where we will go in as medical changes and do targeted revisions. However, if something changes, and we are constantly meeting with medical experts, Federal partners to get medical information as medical advances, we can always go in and do a targeted revision.

It is not just in the listings. For example, we are doing continuing medical education on TBI right now because of new information, and we are providing that to our medical consultants so they are aware of the advancement.

Ms. SANCHEZ. Very quickly. The improved information sharing seems to be achieving the goal of making determinations quicker. Are there any areas in which that process can be improved?

Ms. CLEMONS. For information sharing and data exchanges and things like that, well, what we are doing for information exchanging is we work with our Federal partners. We have a community of practice where we host with other Federal partners, talk about best practices, see if there are areas for learning from each other.

We have a quarterly meeting with the VA. For example, during that quarterly meeting on data and policy we identified opportuni-

ties to provide the VA with additional information on date of death and changed our process. So we are constantly looking for opportunities to increase those data sharings and have the relationships in place to do that.

Ms. SANCHEZ. Thank you. I yield back.

Chairman JOHNSON. Thank you.

Mr. Smith, you are recognized.

Mr. SMITH. Thank you, Mr. Chairman.

Thank you, Ms. Clemons, for being here. I appreciate your time before our committee.

I also appreciate hearing the work that you all are doing in prioritizing veterans. They have served for our country, and if their Federal Government can make their process of navigating through the Federal Government easier and swifter, I applaud you for that. And I think that your numbers are proven to that.

Also, I do want to point out, my colleague was asking you all kinds of budget questions earlier. I think that Members of Congress need to remember that the President doesn't pass a budget. Congress passes the budget.

In my five years here, I have not seen Congress ever accept a President's budget, whether they are Republican or Democrat, straight on. So you being forced to defend or ask on a budget, I find to be unacceptable. And I think you handled yourself very well, and I appreciate you being here.

But we need to remember that just voting no every time a budget is on the floor doesn't give you more money to serve the people that we complain about. Actually voting yes on a budget and appropriating money gives more resources instead of just creating Trump tantrums in committee.

So I apologize for that. But I want to thank you for handling that quite well.

In the Missouri Eighth Congressional District we have roughly 186,000 individuals on Social Security, and 40,000 of those beneficiaries are disabled workers. We don't have the numbers that I could find that would show how many of those were veterans. I think that would be very helpful, if somehow the Social Security Administration could help different Members to see how many veterans are within their different congressional districts. That would be helpful.

The wait times, though, in Missouri, I have to bring up. I still feel like they are a significant issue for all people in general. If you look at the St. Louis Social Security office, the wait time is 672 days, and that is 73 days worse than the national average. So the folks in Missouri are not being served as well as what they could be.

And I would recommend, if we do have more discretionary spending, that maybe more investment in the Midwest and Missouri to help bring that down with employees would be great. It is definitely a cheaper cost of living than on the East and West Coast if we actually had more of these processing facilities in the Midwest.

I do want to point out that I want to applaud you again with your numbers from 2017 in hiring veterans. That is phenomenal. I think almost a third of your employees that you hired are veterans.

So your agency puts your boots to the pavement, and you follow through on securing and making sure that veterans are taken care of through the process and also in employees.

So I want to thank you for being here. I want to thank you for dealing with Members of Congress.

And thank you, Mr. Chairman.

Chairman JOHNSON. Thank you.

You know, our veterans deserve the best service from our government, including Social Security. And as we have heard today, Social Security has several ways to speed up disability decisions for our veterans, from electronic health records to ensuring Social Security processes veterans' claims quickly.

Social Security is helping veterans. Social Security is doing a great job hiring our veterans. But there is always more that can be done. And I encourage Social Security to continue to find ways to help our veterans, and I hope that you will do that.

And I want to thank our witness for your testimony. And thank you also to our members for being here. With that, the committee—

Mr. LARSON. Mr. Chairman?

Chairman JOHNSON. Just a moment. Do you care to make a comment?

Mr. LARSON. Yes, I do.

Chairman JOHNSON. You are recognized.

Mr. LARSON. Thank you, Mr. Chairman. Thank you for holding this hearing.

And I want to thank our witness, Ms. Clemons, for coming as well.

And I would only add that I hope that we are able to have another hearing on this and where are able get to some of the questions, I think very straightforward questions, that Mr. Schweikert, Mr. Rice, and Mr. Pascrell, yourself, Mr. Chairman, answered.

I do, understand, Ms. Clemons, that you are soldiering very well on behalf of the administrative responsibility.

I would also add that I think that Mr. Trump, especially someone who stood alone on a stage and indicated under the most severe kind of pressure that Social Security needed to be preserved and expanded, would be deeply concerned about the lag in time, the inefficiencies in the system.

And hopefully, if we can hear from other advocates about how we can fix those, how we can speed those up, how this process can be better. Unfortunately, we didn't hear that today. And I thank you, Mr. Chairman.

Chairman JOHNSON. Thank you.

And thank you for being here today. We appreciate your testimony. And with that, the subcommittee stands adjourned.

[Whereupon, at 9:58 a.m., the subcommittee was adjourned.]

[Member Questions for the Record follows:]

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

February 22, 2018

Gina P. Clemons
Associate Commissioner,
Office of Disability Policy
Social Security Administration
6401 Security Boulevard
Woodlawn, MD 21207

Dear Ms. Clemons:

Thank you for your testimony before the Committee on Ways and Means Subcommittee on Social Security at the February 7, 2018 hearing on "Ensuring Social Security Serves America's Veterans." In order to complete our hearing record, we would appreciate your responses to the following questions:

1. How does the Social Security Administration (SSA) reach out to and work with military spouses? Do you use the available special hiring authority?
2. An August 2017 report from the SSA's Inspector General (IG) noted erroneous payments to some veterans listed as deceased by the Department of Veterans Affairs (VA), as well as problems with some of the data the SSA received from the VA. The IG recommended, and the SSA agreed, to work with the VA to ensure future data exchanges include comprehensive death information. Has the SSA and the VA discussed these issues, and how would you describe the quality of the data the SSA receives since those discussions? The SSA also agreed to review the audited data file and take action, as necessary. Has the SSA completed the review and what action has the SSA taken?

We would appreciate your responses to these questions by **March 8, 2018**. Please send your response to the attention of Amy Shuart, Staff Director, Subcommittee on Social Security, Committee on Ways and Means, U.S. House of Representatives, 2018 Rayburn House Office Building, Washington, DC 20515. In addition to a hard copy, please submit an electronic copy of your response in Microsoft Word format to mm.russell@mail.house.gov.

Thank you for taking the time to answer these questions for the record. If you have any questions concerning this request, you may reach Amy at (202) 225-9263.

Sincerely,



Sam Johnson
Chairman
Subcommittee on Social Security



SOCIAL SECURITY
Office of Retirement and Disability Policy

March 27, 2018

The Honorable Sam Johnson
Chairman, Subcommittee on Social Security
Committee on Ways and Means
House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

Thank you for your letter of February 22, 2018, requesting additional information to complete the record for the hearing on February 7, 2018, "Ensuring Social Security Serves America's Veterans." Enclosed you will find the answers to your questions.

I hope this information is helpful. If I may be of further assistance, please do not hesitate to contact me, or have your staff contact Royce Min, our Acting Deputy Commissioner for Legislation and Congressional Affairs, at (202) 358-6030.

Sincerely,

Melissa Spencer for Gina Clemons
Melissa Spencer for
Gina P. Clemons
Associate Commissioner
for Disability Policy

Enclosure

**Post-Hearing Questions for the Record
Submitted to Gina Clemmons
Associate Commissioner
Office of Retirement and Disability Policy
U.S. Social Security Administration
From Chairman Sam Johnson**

**“Ensuring Social Security Serves America’s Veterans”
February 07, 2018**

**United States House of Representatives, Committee on Ways and Means,
Subcommittee on Social Security**

1. How does the Social Security Administration (SSA) reach out to and work with military spouses? Do you use the available special hiring authority?

Through our Regional Offices, we conduct outreach to military veterans. As an example of how we reach out to military spouses, the San Francisco region offers quarterly Family Support Presentations for the Wounded Warrior Battalion West at Camp Pendleton, California, for spouses and parents of military individuals. This outreach effort provides families with information to help them navigate the disability claims process for their injured service family members.

Regarding the special hiring authority, we train all hiring managers and human resource specialists on the Military Spouse appointment authority (Executive Order 13473), which allows us to appoint a military spouse without competition. We have used this authority when filling competitive service positions. The authority does not entitle spouses to an appointment over any other applicant.

We also provide annual training to our managers and a fact sheet to assist SSA employees who have a family member on active duty. Our Veterans Employee Terminal – Reintegration Program web site provides training, personnel policies, and fact sheets to support the military family.

Finally, the SSA is a committed partner of the DoD’s Military Spouse Employment Partnership, or MSEP. This partnership between more than 360 employers has facilitated the employment of more than 114,000 military spouses in the last seven years.

2. An August 2017 report from the SSA’s Inspector General (IG) noted erroneous payments to some veterans listed as deceased by the Department of Veterans Affairs (VA), as well as problems with some of the data the SSA received from the VA. The IG recommended, and the SSA agreed, to work with the VA to ensure future data

Enclosure – Page 2 – The Honorable Sam Johnson

exchanges include comprehensive death information. Has the SSA and the VA discussed these issues, and how would you describe the quality of the data the SSA receives since those discussions? The SSA also agreed to review the audited data file and take action, as necessary. Has the SSA completed the review and what action has the SSA taken?

We are working with the Department of Veterans Affairs (VA) to ensure our data exchanges include comprehensive death information. For example, we met with the VA last September to discuss the IG audit. We also will cover data exchange issues at our future SSA-VA bi-annual collaboration meetings. The VA is very committed to improving their death data and providing more accurate death information to us.

We also continue to verify death information before taking any adverse action that affects our beneficiaries.



[Public Submissions for the Record follows:]

Comments for the Record
United States House of Representatives
Committee on Ways and Means
Social Security Subcommittee
Hearing on Ensuring Social Security Serves America's Veterans
 Wednesday, February 7, 2018, 9:00 AM

By Michael G. Bindner
 Center for Fiscal Equity

Chairman Johnson and Ranking Member Larson, thank you for the opportunity to submit my comments on this topic. The hearing will focus on the Social Security Administration's initiatives to reduce processing times and expedite claims for certain veterans, as well as efforts by the agency to hire veterans. We will leave these topics to Agency witnesses and explain how veteran retirement benefits; health care and other retirement might fit within our proposals. As usual, our comments are based on our four-part tax reform plan, which is as follows:

- A Value Added Tax (VAT) to fund domestic military spending and domestic discretionary spending with a rate between 10% and 13%, which makes sure very American pays something.
- Personal income surtaxes on joint and widowed filers with net annual incomes of \$100,000 and single filers earning \$50,000 per year to fund net interest payments, debt retirement and overseas and strategic military spending and other international spending, with graduated rates between 5% and 25% in either 5% or 10% increments. Heirs would also pay taxes on distributions from estates, but not the assets themselves, with distributions from sales to a qualified ESOP continuing to be exempt.
- Employee contributions to Old Age and Survivors Insurance (OASI) with a lower income cap, which allows for lower payment levels to wealthier retirees without making bend points more progressive.
- A VAT-like Net Business Receipts Tax (NBRT), essentially a subtraction VAT with additional tax expenditures for family support, health care and the private delivery of governmental services, to fund entitlement spending and replace income tax filing for most people (including people who file without paying), the corporate income tax, business tax filing through individual income taxes and the employer contribution to OASI, all payroll taxes for hospital insurance, disability insurance, unemployment insurance and survivors under age sixty.

We believe in holistic retirement. In other words, instead of building a variety of pensions, assets are pooled into one place and retirement paid by the major employer, which for many workers in the future the one where they were last an employee-owner.

Firms employing qualified veterans would accept either a cash payment from the Department of Veterans Affairs or would be able to adjust their net business receipts taxes over time to add additional preferred shares or voting shares (depending on whether a cooperative or corporate model of governance is chosen) in time for retirement. Some credit might be taken from any Value Added Tax if such a tax is used to fund veteran's affairs in the future.

Cooperative firms would fund veterans' health care needs, either at their preferred facilities or DVA hospitals or medical facilities. If a veteran would move to a new employer, his or her stock would be traded to the receiving firm, including the VA entitlement.

Of course, before we replace Social Security with cooperative or ESOP pensions and include veterans accordingly, we must first save it (although EPI notes, correctly, that using realistic rather than conservative estimates has the program solvent as far as the eye can see.

As I wrote in the January 2003 issue of Labor and Corporate Governance, we would equalize the employer contribution based on average income rather than personal income. We would also increase or eliminate the cap on contributions. The higher the income cap is raised, the more likely it is that personal retirement accounts are necessary.

One new wrinkle is that I would also put a floor in the employer contribution to OASI, ending the need for an EITC – the loss would be more than up by gains from an equalized employer contribution – as well as lowering the ceiling on benefits. Since there will be no cap on the employer contribution, we can put in a lower cap for the employee contribution so that benefit calculations can be lower for wealthier beneficiaries, again reducing the need for bend points.

A major strength of Social Security is its income redistribution function. We suspect that much of the support for personal accounts is to subvert that function – so any proposal for such accounts must move redistribution to account accumulation by equalizing the employer contribution.

We propose directing personal account investments to employer voting stock, rather than an index funds or any fund managed by outside brokers. There are no Index Fund billionaires (except those who operate them). People become rich by owning and controlling their own companies. Additionally, keeping funds in-house is the cheapest option administratively.

We bet that this is even cheaper than the Social Security system – which operates at a much lower administrative cost than any defined contribution plan in existence.

Safety is, of course, a concern with personal accounts. Rather than diversifying through investment, however, I propose diversifying through insurance. A portion of the employer stock purchased would be traded to an insurance fund holding shares from all such employers. Additionally, any personal retirement accounts shifted from employee payroll taxes or from payroll taxes from non-corporate employers would go to this fund.

The insurance fund will serve as a safeguard against bad management. If a third of shares were held by the insurance fund than dissident employees holding 25.1% of the employee-held shares (16.7% of the total) could combine with the insurance fund held shares to fire management if the insurance fund agreed there was cause to do so. Such a fund would make sure no one loses money should their employer fail and would serve as a sword of Damocles' to keep management in line. This is in contrast to the Cato/ PCSSS approach, which would continue the trend of management accountable to no one. The other part of my proposal that does so is representative voting by occupation on corporate boards, with either professional or union personnel providing such representation.

The suggestions made here are much less complicated than the current mix of proposals to change bend points and make OASI more of a needs based program. If the personal account provisions are adopted, there is no need to address the question of the retirement age. Workers will retire when their dividend income is adequate to meet their retirement income needs, with or even without a separate Social Security program.

No other proposal for personal retirement accounts is appropriate. Personal accounts should not be used to develop a new income stream for investment advisors and stock traders. It should certainly not result in more "trust fund socialism" with management that is accountable to no cause but short term gain. Such management often ignores the long-term interests of American workers and leaves CEOs both over-paid and unaccountable to anyone but themselves.

Progressives should not run away from proposals to enact personal accounts. If the proposals above are used as conditions for enactment, I suspect that they won't have to. The investment sector will run away from them instead and will mobilize their constituency against them. Let us hope that by then workers become invested in the possibilities of reform.

One final feature needs to be mentioned. In the employee owned corporation or cooperative of the future, CEOs will not be commanding huge salaries but will be bidding for their positions in open auction, including three and four-star flag officers recruited from retirement.

While they can certainly spend or save the dividends earned from either voting or preferred shares, competition with other managers or retirees will be required to keep base pay from reaching even the high six figures, let alone seven. Employee-owned firms do not bribe generals, although we will give them a bonus for any contributions they make in either engineering, leadership or marketing.

All veterans will have the same options for taking dividends as current pay rather than saving them for retirement.

Thank you for the opportunity to address the committee. We are, of course, available for direct testimony or to answer questions by members and staff.

Contact Sheet

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Social Security Subcommittee
Hearing on Ensuring Social Security Serves America's Veterans
Wednesday, February 7, 2018, 9:00 AM

All submissions must include a list of all clients, persons and/or organizations on whose behalf the witness appears:

This testimony is not submitted on behalf of any client, person or organization other than the Center itself, which is so far unfunded by any donations.

