



SOCIAL SECURITY

The Commissioner

April 25, 2025

The Honorable Susan Collins
Chair, Committee on Appropriations
U.S. Senate
Washington, DC 20510

Dear Committee Chair Collins:

We are pleased to share our fiscal year (FY) 2025 Operating Plan, as required by Section 1113 of Division A of the Full-Year Continuing Appropriations and Extensions Act, 2025 (Public Law 119-4).

Our Operating Plan provides proposed spending and expenditures for each of our accounts through the end of FY 2025 under the funding levels provided in the law. We include information regarding workload and performance measures, which incorporate current workload projections. The General Statement provides highlights of our Operating Plan.

I am sending similar letters to the House Committee on Appropriations and the House Appropriations Subcommittee on Labor, Health and Human Services, Education, and Related Agencies.

We are happy to work with your staff to answer any questions about our Operating Plan. If you have questions or need additional information, please call me or have your staff contact Beth Chaney, Associate Commissioner for Budget, at (410) 965-8628.

Sincerely,

Leland Dudek
Acting Commissioner

Enclosures

cc:

The Honorable Patty Murray
The Honorable Shelley Moore Capito
The Honorable Tammy Baldwin

SOCIAL SECURITY ADMINISTRATION - GENERAL STATEMENT

The Full-Year Continuing Appropriations and Extensions Act, 2025 provides \$14.299 billion in administrative funding to operate our agency in fiscal year (FY) 2025. This funding level is an increase of \$72 million over the FY 2024 level, which includes a \$52 million increase for our cost-effective program integrity (PI) efforts and allows us to focus on core responsibilities and data-driven outcomes to effectively administer our programs.

We remain committed to providing critical services to the public. To guide our path forward, we have established three agency priorities: 1) improving customer service, 2) fighting fraud and waste, and 3) optimizing and empowering our workforce. We will continue to implement efficiencies and reduce costs while focusing on the agency priorities and mission-critical work that serves the American people. To improve customer service and satisfaction, we are implementing technological advancements to deliver the most efficient service possible. This includes rolling out a new web-based telephone system with intelligent call routing to field offices and developing a self-service scheduling tool this fiscal year. We are also developing a new performance measure to supplement average speed of answer to better gauge our service delivery on the phone. To increase transparency, we will also continue to post detailed service delivery management and performance data on our website.

With this year's appropriation, we will continue to focus on our mission, ensuring accurate and timely benefits only to eligible individuals. Since implementing automated benefit adjustments under the Social Security Fairness Act, we have paid more than 2.2 million customers a total of \$14.7 billion in retroactive benefits to date. This fiscal year, we will also process nearly 6.9 million retirement, survivor, and Medicare claims; 18 million Social Security number requests; and 300 million earnings items such as W-2 and self-employed wage forms. In addition, we will increase initial disability claims processed by 120,000—5 percent more than FY 2024—leveraging an increase in Disability Determination Services productivity this year. We will also stay current with our hearings workload as a result of improved productivity.

Our continuing priority is paying the right people the right amount at the right time. The FY 2025 dedicated PI funding supports our efforts to pay individuals only the benefits to which they are entitled, including by conducting continuing disability reviews and Supplemental Security Income non-medical redeterminations. Our cost-effective PI work has consistently yielded a verifiable estimated ratio of net reductions in Federal program outlays to administrative costs. The funding also supports our anti-fraud cooperative disability investigations program and funds special attorneys for fraud prosecutions, including the increase in special attorneys called for in the Presidential Memorandum entitled, "Preventing Illegal Aliens from Obtaining Social Security Act Benefits." Furthermore, we are establishing state-of-the-art methods for identity proofing, which enables the public to securely interact with us online or over the phone. By implementing stronger identity verification procedures, we safeguard Social Security records and benefits against fraudulent activity. In addition, with this funding, we will implement the Payroll Information Exchange, which will help us administer our programs efficiently, improve customer experience, and prevent improper payments.

To align with the Executive Order to reduce the Federal workforce, in March 2025, we announced and began implementation of an agency-wide organizational restructuring that includes significant staff reductions. Our restructuring prioritizes customer service by streamlining management layers, reducing non-mission-critical work, and reassigning employees to focus on frontline operations. Through voluntary reassignments, we have transitioned about 2,000 highly qualified professionals into direct-service positions to date and are giving them the proper training and tools to serve our customers. We will also identify additional efficiencies and opportunities to reduce costs across all spending categories, including information technology, real property, and contractor services. We are committed to ensuring that our actions have a positive effect on the delivery of Social Security services and being transparent about whether we are meeting that standard. For example, we have published data on our website highlighting our key performance indicators, efficiencies, and cost avoidance activities, and the incentives offered to our employees to optimize our workforce.

Moving forward, we will find ways to continue to work more efficiently. To date, we have eliminated over \$200 million in unnecessary contracts and grants at the agency, and we anticipate savings of \$500 million in payroll expenses through our workforce optimization efforts. With this year's appropriation, we remain focused on delivering effective services to the millions of Americans who depend on our programs.

Social Security Administration (SSA) Fiscal Year (FY) 2025 Operating Plan
Appropriated FY 2025 Funds and Carryover/Transfers
of Unobligated Prior-Year Funds
(\$ in millions)

<u>Budget Authority:</u>	<u>FY 2025 President's Budget</u>	<u>FY 2025 Available Funding</u>
<u>Payments to the Social Security Trust Funds (PTF)</u>		
Pension Reform.....	6.0	6.0
Unnegotiated Checks.....	9.0	9.0
Total Appropriation (P.L. 119-4).....	15.0	15.0
<u>Supplemental Security Income (SSI)</u>		
FY 2025 Benefit Payments, Total.....	63,108.0	62,228.0
- FY 2025 First Quarter Advance (P.L. 118-47).....	21,700.0	21,700.0
- FY 2025 Appropriation	41,408.0	40,528.0
Administrative Expenses, Total.....	4,912.6	4,609.0
- Administrative Expenses (Regular).....	3,353.4	3,193.8
- Program Integrity (Base)	265.0	232.2
- Additional Program Integrity.....	1,294.2	1,183.1
Beneficiary Services.....	144.0	137.0
Research and Demonstration (R&D) Projects (FY 2025 / FY 2026 / FY 2027).....	91.0	91.0
Total Appropriations (P.L. 118-47 and P.L. 119-4).....	68,255.6	67,065.0
Carryover of Unobligated FY 2024 Balances and Recoveries:		
- Benefits.....	3,183.5	1,217.0
- Administrative Expenses.....	2,558.1	0.0 1/
- Beneficiary Services.....	73.3	140.1
- R&D (No-Year).....	11.3	13.7
- R&D (FY 2023 / FY 2024 / FY 2025).....	0.0	1.9
- R&D (FY 2024 / FY 2025 / FY 2026).....	12.2	29.0
Total, Carryover of Unobligated FY 2024 Balances and Actual Recoveries 2/	5,838.5	1,401.7
Total SSI Funds Available for FY 2025.....	74,094.2	68,466.8

1/ SSI Adminstrative Expenses carryover of unobligated FY 2024 balances were transferred to SSI Federal Benefit Payments.
2/ The total does not include \$248.9 million in carryover in the FY 2025 President's Budget and \$280.6 million in carryover in FY 2025 available funding for State supplementary payments, which is not part of the annual appropriation.
Note: Numbers may not add due to rounding.

	FY 2025 President's Budget	FY 2025 Available Funding
<u>Limitation on Administrative Expenses (LAE)</u>		
Regular LAE.....	13,324.8	12,222.3 3/
Program Integrity (Base) (through March 31, 2026).....	273.0	273.0
Additional Program Integrity (through March 31, 2026).....	1,630.0	1,630.0 4/
SSA Advisory Board.....	3.2	2.7
SSI User Fees.....	170.0	170.0
Non-Attorney Certification User Fee.....	1.0	1.0
Total Appropriated (P.L. 119-4).....	15,401.9	14,299.0
Other Available Funds:		
Carryover/Recoveries from Unobligated Information Technology Systems Balances (No-Year).....	200.0	187.5
Carryover/Recoveries of Unobligated Other Balances (No-Year).....	0.0	71.3 5/
Carryover/Recoveries from Unobligated IT Modernization Balances (No-Year).....	0.0	0.1 6/
Additional Program Integrity - FY 2024 / FY 2025 (P.L. 118-47) (through March 31, 2025).....		
Carryover/Recoveries from Unobligated Additional Program Integrity Balances.....	106.4	82.1
American Recovery and Reinvestment Act (ARRA) (P.L. 111-5):		
Carryover/Recoveries from Unobligated ARRA Balances (No-Year) - NSC Replacement.....	0.0	0.0 7/
Medicare Access and CHIP Reauthorization Act (MACRA) (P.L. 114-10)		
Carryover/Recoveries from Unobligated MACRA Balances (No-Year).....	26.0	26.0
Medicare Improvement for Patients and Providers Act (MIPPA) (P.L. 110-275):		
Carryover/Recoveries from Unobligated MIPPA Balances (No-Year) - Low Income Subsidy.....	11.3	11.3
Postal Service Reform Act (P.L. 117-108)		
Carryover/Recoveries from Unobligated Balances (No-Year).....	8.5	12.3
<u>Office of the Inspector General, SSA</u>		
Federal Funds.....	33.4	31.4
Trust Funds.....	85.8	81.2
Total Appropriated (P.L. 119-4).....	119.3	112.7
IT Modernization (P.L. 119-4) (No-Year).....	2.0	2.0
Total OIG Funds.....	121.3	114.7
Carryover/Recoveries from Unobligated Balances:		
Program Integrity FY 2024 / FY 2025 (P.L. 118-47) (through March 31, 2025).....	0.6	0.0
IT Modernization (No-Year).....	0.4	0.1
Total, Carryover of Unobligated FY 2024 Balances and Actual Recoveries	1.0	0.1
Total OIG Funds Available for FY 2025.....	122.2	114.8
	FY 2025 President's Budget	FY 2025 Current Estimate
<u>Estimated Outlays:</u>		
PTF	15.0	15.0
LAE	15,451.0	14,479.0
SSI	68,290.2	68,955.0
OIG	118.0	115.0

3/ Does not includes funding for operation and maintenance of specific facilities delegated to SSA by the General Services Administration.

4/ Includes up to \$15.1M for the Office of Inspector General for the cost of jointly operated co-operative disability investigation units.

5/ Includes authority from prior years estimated to be carried over for the following purposes: \$68.5 million for operation and maintenance of specific facilities delegated to SSA by the General Services Administration, \$2.7 million for the renovation and modernization of the Arthur J. Altmeyer Building, and \$196.5 thousand for construction.

6/ Includes \$59.060 thousand in carryover from unobligated IT Modernization balances.

7/ Includes \$1.239 thousand in carryover from unobligated National Support Center ARRA balances.

Note: Numbers may not add due to rounding.

Fiscal Year (FY) 2025 Congressional Operating Plan Performance Table			
Social Security Administration Workload and Outcome Measures	FY 2024 Enacted	FY 2024 Actual	FY 2025 Enacted ¹
Retirement and Survivor Claims			
Retirement and Survivor Claims Completed (thousands) ²	6,654	6,818	6,880
Disability Claims			
Initial Disability Claims Receipts (thousands)	2,254	2,317	2,209
Initial Disability Claims Completed (thousands)	2,300	2,229	2,349
Initial Disability Claims Pending (thousands)	1,061	1,178	1,015
Average Processing Time for Initial Disability Claims (days)	230	231	225
Disability Reconsiderations			
Disability Reconsiderations Receipts (thousands)	626	566	634
Disability Reconsiderations Completed (thousands)	488	514	570
Disability Reconsiderations Pending (thousands)	421	332	394
Average Processing Time for Disability Reconsiderations (days)	230	231	248
Hearings			
Hearings Receipts (thousands)	375	363	400
Hearings Completed (thousands)	415	423	390
Hearings Pending (thousands)	282	262	272
Annual Average Processing Time for Hearings Decisions (days)	345	342	280
National 800 Number			
National 800 Number Calls Handled (millions) ³	31	32	35
Average Speed of Answer (ASA) (minutes) ⁴	32	28	18
Agent Busy Rate (percent)	2.0%	0.9%	9%
Program Integrity			
Periodic Continuing Disability Reviews (CDR) Completed (thousands)	1,475	1,342	1,200
Full Medical CDRs (included above, thousands)	375	381	400
SSI Non-Medical Redeterminations Completed (thousands)	2,489	2,550	2,482
Selected Other Agency Workload Measures			
Social Security Numbers (SSN) Completed (millions)	19	19	18
Annual Earnings Items Completed (millions)	312	299	300
Social Security Statements Issued (millions) ⁵	11	14	11
Selected Production Workload Measures			
Disability Determination Services Production per Workyear ⁶	247	246	267
Disability Determination Services Accuracy Rate	97%	97%	97%
Office of Hearings Operations Production per Workyear	77	76	83

1/ Does not incorporate pending reassignments of support staff to mission-critical jobs.

2/ Includes Medicare.

3/ National 800 Number call volumes include those handled by automation. For FY 2025, we project about 4 million automated calls handled.

4/ We are currently developing an alternative performance measure to supplement ASA.

5/ The *Social Security Statements* Issued measure includes paper *Statements* only. It does not include electronic statements issued. In FY 2024, *my Social Security* users accessed their *Social Security Statements* 40 million times. Consistent with FY 2024, in FY 2025, we will send paper *Statements* to people aged 60 and older who are not receiving Social Security benefits and who are not registered for a *my Social Security* account, at a cost of approximately \$9.1 million.

6/ DDS Production Per Workyear (PPWY) for FY 2024 Actual and FY 2025 Enacted include cases completed via Federal assistance.