

APPENDIX E

SOCIAL SECURITY ADMINISTRATION: PROGRAM
AND ORGANIZATIONAL HISTORY

The following chronology briefly describes the major program and organizational events in the evolution of the Social Security Administration. It does not catalog every change in program coverage or eligibility; only those program changes which had a significant impact on the mission and organization of the agency are included.

1935 -- Passage of the original Social Security Act established old age annuity, unemployment insurance, aid to dependent children, and aid to the blind programs under the jurisdiction of the Social Security Board (SSB), an independent, three-member bipartisan board. The SSB created an executive director with responsibility for administration, three operating bureaus, five service bureaus, and twelve regional offices.

1937 -- Report of the President's Committee on Administrative Management (Brownlow Committee) recommended that the independent Federal agencies that had proliferated during the early New Deal years be consolidated into new or existing departments. The report formed the basis for President Roosevelt's reorganization plan discussed below.

1939 -- Passage of the 1939 Social Security Amendments significantly broadened the basic social security program by establishing survivors and dependents benefits. In addition, Reorganization Plan No. 1 created

- the Federal Security Agency (FSA) and placed the Social Security Board under the FSA. The plan required that the "Chairman (of the SSB) shall perform such duties as the Administrator (of FSA) shall direct."*
- The Plan also transferred the United States Employment Service from the Department of Labor to FSA/SSB; in 1945 the Employment Service was returned to DOL.
- 1946 -- Reorganization Plan No. 2 abolished the Social Security Board and created a Commissioner for Social Security within the Federal Security Agency.
- 1950 -- Major expansion of coverage included farm and domestic workers, self-employed, and others.
- 1953 -- The Department of Health, Education and Welfare replaced the Federal Security Agency. Disability "freeze" legislation passed, presaging the disability insurance program. SSA established a Division of Disability Operations in 1954.
- 1954 -- Coverage expanded to include self-employed farmers and professionals, most homeworkers, state and local government employees if accepted by referendum, and ministers if they opted for coverage.
- 1956 -- Disability **insurance** program enacted to provide benefits for workers age 50-64 and disabled children age 18 and over.

- 1958 -- Benefits extended to dependents of disabled workers in same manner as **dependents of** retired workers.
- 1963 -- Reorganization of HEW separated Bureau of Public Assistance and Childrens Bureau from SSA and created a Welfare Administration in HEW.
- 1965 -- Passage of Medicare led to creation of Bureau of Hospital Insurance in SSA.
- 1972 -- Enactment of Supplemental Security Income program (replacing aid to aged, blind and disabled administered by Social and Rehabilitation Service) led to creation of Bureau of Supplemental Security Income in SSA in 1973; OASDI benefits indexed to cost-of-living effective in 1975.
- 1975 -- Internal SSA reorganization reduced Commissioner's span of control by consolidating bureaus under an office of program operations.
- 1977 -- HEW reorganization created Health Care Financing Administration (Bureau of Hospital Insurance moved to HCFA) and abolished the Social and Rehabilitation Service (AFDC and Child Support Enforcement programs shifted to SSA; Medicaid shifted to HCFA; and Grants to States for Social Services (Title XX) was established in a new agency, the Office of **Humãñ** Development Services).

1979 -- Department of Education established, consolidating education functions.' New Department of Health and Human Services organized with 4 operating bureaus: SSA, HCFA, Public Health Service, and Human Development Services.

1979 -- Internal SSA reorganization abolished program bureaus and created functional offices, expanding the Commissioner's span of control by providing direct reporting by each Regional Commissioner.

1981 -- Internal realignments added two deputy commissioners (in addition to -83 existing deputies for 1) operations and 2) program and policy, deputies for 3) systems and 4) management and assessment were created).

Summary of Program Changes

Old Age, Survivors Insurance--Old age annuities established in 1935; survivors and dependents benefits added in 1939; sundry eligibility **modifications** (decreasing age of eligibility from 65 to 62, etc.) made over the years.

Disability Insurance--Initial ****freeze*** legislation passed in 1953, allowing years in which worker is disabled to be dropped in calculation of retirement benefits; disability benefits for workers passed in 1956; survivors and dependents benefits added in 1958.

Hospital and Supplemental Medical Insurance--Passed in 1965; SSA administered program from 1965 until 1977 when HCFA was created.

Aid to Dependent Children--("Mother's Pensions") passed in 1935; SSA administered this State grant-in-aid program until 1963 when the Welfare Administration was created. Program returned to SSA in 1977 when the successor to the Welfare Administration (Social and Rehabilitation Service) was disbanded.

Aid to the Aged, Blind and Disabled--Established in the original 1935 act; SSA administered these State grant-in-aid programs until 1963 when they were transferred to the new Welfare Administration. In 1972 these programs were replaced by the Supplemental Security Income program, with direct Federal administration by SSA.

Child Support Enforcement--Created in 1975, this State grant-in-aid program was administered by the Social and Rehabilitation Service until SRS was disbanded in the 1977 reorganization of HEW.

Black Lung Benefits--Enacted in 1969; SSA administered direct Federal payments to coal miners disabled by pneumoconiosis and to their widows and certain dependents. Since the Black Lung Benefits Act of 1972, SSA has been responsible for miners' benefits filed between 1969 and June 30, 1973, or for claims filed within 6 months after the death of a minor or widow already on the beneficiary roll established by SSA. The Department of Labor is responsible for claims filed after June 30, 1973, although **SSA continues** to accept claims and to forward them to DOL for adjudication and payment.

