

SOCIAL SECURITY ADMINISTRATION



THE FISCAL YEAR 2009 BUDGET

PRESS STATEMENT

The attached document is based on the President's budget scheduled for delivery to the Congress on February 4, 2008, and should not be released until 10:00 AM that day.

TABLE OF CONTENTS

MESSAGE FROM THE COMMISSIONER..... 1

BUDGET HIGHLIGHTS 2

SUMMARY 3

LIMITATION ON ADMINISTRATIVE EXPENSES 5

 SSA LAE Responsibilities 6

TRUST FUND PROGRAMS..... 8

 Old Age, Survivors, and Disability Insurance 8

GENERAL FUND PROGRAMS 11

 Supplemental Security Income 11

 Special Benefits for Certain World War II Veterans 14

OFFICE OF THE INSPECTOR GENERAL 15

MESSAGE FROM THE COMMISSIONER

The Social Security Administration (SSA) is now at a crossroads. Due to the aging of the baby boomers, we are facing an avalanche of retirement and disability claims at the same time that we must address large backlogs due to years of increasing workloads and limited resources. In the past, as SSA offices lost staff, waiting times increased and lines grew longer. Over 50 percent of people who called into field offices received a busy signal. Without sustained, adequate funding, this situation will only worsen. Furthermore, we must attack the disability backlogs, which have dramatically and unacceptably damaged many applicants' lives. Since fiscal year (FY) 2000, processing times for disability hearings have grown by 200 days, which is an incredible hardship for disabled workers and their families as they cope with the loss of income, and often medical insurance as well, due to a severe disability.

The problems and shortfalls we have described above are the result of limited resources, increased demand for our core services and new responsibilities. Adequate funding is critical for FY 2009 and must be sustained in the years ahead. Without it, SSA's service crisis will deepen at a time when our aging population is increasingly counting on Social Security programs.

FY 2008 could be a watershed year for SSA. For the first time in 15 years, Congress has appropriated not only the President's Budget request, but an additional \$148 million to address SSA's disability hearings backlog. We are very pleased that this funding will enable SSA to implement all of the key features in the Hearings Backlog Reduction Plan. SSA will use the additional resources to build a firm foundation for the future with automation improvements, fast-track reviews, Administrative Law Judge hiring, and other initiatives, so that we can significantly reduce waiting times at all steps of the process while also improving accuracy.

With the 2009 President's Budget, we will be able to halt the decline in customer service by restoring staffing losses and investing in needed technology. In FY 2009, SSA plans to reduce the hearing backlog by nearly 70,000 cases, process over 200,000 more retirement and survivors claims, and handle 4 million more 800-number calls compared to FY 2008. Waiting times and processing times should decrease, especially since the increased funding will be in concert with continued productivity improvements. Lastly, the President's Budget will allow us to process more program integrity work.

It is important to note that while the FY 2009 budget will make important strides in core areas, SSA will still have significant growth of backlogs in its less visible work, the work that is done after an individual is approved for benefits. This budget presents a fiscally reasonable and responsible approach which recognizes that years of limited resources cannot be undone in one year. It will allow us to build upon the progress we make in FY 2008 and help better serve the millions of Americans who depend on us each and every day.

BUDGET HIGHLIGHTS

**IMPROVING THE
DISABILITY
PROGRAMS**

Eliminating the hearings backlog is a moral imperative for the Agency. This effort will take several years, but by the end of FY 2009, SSA will have laid the groundwork of regulatory and process changes needed and will be driving waiting times down. SSA also will process more initial disability claims, resulting in the lowest pending level since 1999, and will make changes to the disability process to improve timeliness, accuracy and efficiency.

**ENHANCING SERVICE
TO THE AMERICAN
PUBLIC**

SSA will continue to improve its retirement and enumeration processes, safeguard personally identifiable information, and reach out to all Americans through financial literacy efforts. Furthermore, with the FY 2008 enacted appropriation and the FY 2009 budget, SSA will reverse a trend of staffing declines that has damaged service to the public.

**INNOVATING,
AUTOMATING, AND
INVESTING FOR THE
FUTURE**

The FY 2009 budget, if it receives the full support of Congress, will allow SSA to make automation and business process changes which will improve service to the public. The budget also provides more support for program integrity to ensure that the public's money is spent in an appropriate fashion.

SUMMARY

The President's \$696 billion budget for SSA includes funding for benefits and administrative expenses and reflects the Administration's commitment to the programs that SSA administers. These include Old-Age, Survivors and Disability Insurance (OASDI), financed by Social Security trust funds, and Supplemental Security Income (SSI) and Special Benefits for Certain World War II Veterans, funded from general revenues. The budget presents a fiscally reasonable and responsible approach which recognizes that years of inadequate funding cannot be undone in one year. It will allow the Agency to build upon the progress that will be made in FY 2008 and help better serve the millions of Americans who depend on SSA each and every day.

**Table 1—SSA Outlays
(in millions)**

	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Change
Outlays	\$ 624,632	\$ 659,689	\$ 695,872	+ \$ 36,183

At \$696 billion in fiscal year (FY) 2009, total outlays for SSA-administered programs are projected to increase by \$36 billion from the FY 2008 level. This increase is attributable primarily to annual cost-of-living adjustments (COLA) of 2.3 percent in January 2008 and an estimated 2.5 percent in January 2009, for both the OASDI and SSI programs. Additionally, the number of individuals receiving benefits from the OASDI and SSI programs continues to increase.

**Table 2—SSA Outlays by Program
(in millions)**

	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Change
<u>Trust Fund Programs</u>				
Old-Age and Survivors Insurance (OASI)	\$ 486,312	\$ 509,315	\$ 537,582	+\$ 28,267
Disability Insurance (DI)	\$ 99,850	\$ 106,011	\$ 112,756	+\$ 6,745
Proposed OASDI Legislation	\$ ---	\$ ---	-\$ 935	-\$ 935
Subtotal, Trust Fund Programs	\$ 586,162	\$ 615,326	\$ 649,403	+\$ 34,077
<u>General Fund Programs</u>				
Supplemental Security Income	\$ 38,461	\$ 44,352	\$ 46,437	+\$ 2,085
Special Benefits for Certain WWII Veterans	\$ 9	\$ 11	\$ 11	\$ 0
Proposed SSI Legislation	\$ ---	\$ ---	+\$ 21	+\$ 21
Subtotal, General Fund Programs	\$ 38,470	\$ 44,363	\$ 46,469	+\$ 2,106
TOTAL SSA	\$ 624,632	\$ 659,689	\$ 695,872	+\$ 36,183
Percentage increase from FY 2008				+ 5.5%

The President's budget proposes administrative resources of \$10.460 billion, which will allow SSA in FY 2009 to:

- Pay benefits to almost 60 million people every month;
- Evaluate evidence and make determinations of eligibility for benefits on approximately 6.9 million new claims;
- Make decisions on more than 644,000 hearings;
- Process 329,000 medical continuing disability reviews;
- Process nearly 1.5 million non-disability SSI redeterminations;
- Handle approximately 67 million transactions on SSA's 800-number;
- Issue 20 million new and replacement Social Security cards;
- Process 274 million earnings items for crediting to workers' earnings records; and
- Issue 150 million *Social Security Statements*.

SSA also provides support for other Federal programs. For decades, SSA has taken applications for Medicare benefits and replacement Medicare cards and has withheld Medicare premiums from beneficiaries' Social Security checks. The Medicare Modernization Act (MMA) of 2003 significantly increased SSA's Medicare responsibilities, requiring SSA to make low-income subsidy determinations for the Part D Prescription Drug benefit and income-related premium determinations for Part B. SSA's FY 2009 budget includes the resources required for ongoing Medicare work.

**Table 3—Administrative Budget Authority
(in millions)¹**

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Estimate	Change
Limitation on Administrative Expenses	\$ 9,298	\$ 9,745	\$ 10,327	+\$ 582
Office of the Inspector General	\$ 92	\$ 92	\$ 98	+\$ 6
Research	\$ 27	\$ 27	\$ 35	+\$ 8
TOTAL ADMINISTRATIVE BUDGET	\$ 9,417	\$ 9,864	\$ 10,460	+\$ 596
Percentage Increase from FY 2008				+ 6.0%
TOTAL WORKYEARS	77,855	76,470	76,821	+ 351

¹ Totals may not add due to rounding.

LIMITATION ON ADMINISTRATIVE EXPENSES

The Limitation on Administrative Expenses (LAE) account provides resources for SSA to administer the OASDI programs, the SSI program, certain health insurance and Medicare prescription drug functions, and the Special Benefits for Certain World War II Veterans program. The President's FY 2009 LAE request is \$10.327 billion.

Funding for this account is initially financed from the Social Security and Medicare trust funds. The trust funds are subsequently reimbursed for the administrative expenses of the SSI program, which are covered by general funds, as well as for other costs not related to the trust funds. Funds are included for personnel costs and operating expenses such as equipment, space, and building services.

**Table 4—Limitation on Administrative Expenses Overview
(in millions) ¹**

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Budget	Change
Base LAE	\$ 9,178	\$ 9,611	\$ 9,941	+ \$ 330
Dedicated Program Integrity Funding [included in base]	\$ 0	\$ 0	[\$ 264]	+ [\$ 264]
Program Integrity Cap Adjustment	\$ 0	\$ 0	\$ 240	+ \$ 240
User Fees ²	\$ 120	\$ 134	\$ 146	+ \$ 12
TOTAL LAE Appropriation, Current Law	\$ 9,298	\$ 9,745	\$ 10,327	+ \$ 582
Percentage Increase from FY 2008				6.0%

¹ Totals may not add due to rounding.

² Includes SSI state supplemental user fees and SSPA user fees.

Table 5—Full Time Equivalent and Workyears

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Estimate	Change
SSA FTEs (including OIG)	61,981	60,890	61,147	+ 257
SSA Overtime	1,958	2,000	2,005	+ 5
DDS Workyears	<u>13,916</u>	<u>13,580</u>	<u>13,669</u>	<u>+ 89</u>
TOTAL SSA/DDS Workyears	77,855	76,470	76,821	+ 351

SSA'S LAE RESPONSIBILITIES

The LAE account provides the administrative resources for SSA's major public service workloads, including: processing retirement, survivors, disability and SSI claims; processing appeals and hearings of disputed claims decisions; updating beneficiary eligibility information; processing applications for Social Security numbers (SSN); posting annual earnings to workers' records; operating a nationwide 800-number; operating and improving SSA's automated data processing and telecommunications systems; and managing the ticket to work program. In addition to these core workloads, the LAE account provides funding for:

Program Integrity

SSA meets its responsibilities for stewardship of the trust funds by conducting cost-effective activities such as medical and non-medical continuing eligibility reviews to avoid improper payments to beneficiaries. The FY 2009 budget includes resources for SSA to continue performing continuing disability reviews (CDR) and SSI redeterminations and a special funding mechanism to increase the resources available for these important workloads. CDRs are periodic reevaluations of medical eligibility factors for Disability Insurance (DI) and SSI disability recipients and are estimated to yield \$10 in lifetime program savings for every \$1 spent. The additional funding requested for SSI redeterminations, which are periodic reviews of non-medical factors of SSI eligibility such as income and resources, are estimated to yield \$7 in lifetime program savings for every \$1 spent. SSA plans to process 329,000 medical CDRs and nearly 1.5 million SSI redeterminations in FY 2009.

Productivity Improvements

SSA has always been a sound investment, achieving productivity improvements year after year. The Agency will continue to improve its processes, increase productivity, and use its administrative resources effectively. Since 2001, SSA's efforts to innovate and automate, coupled with the dedication of the staff, have improved productivity by over 15 percent. Given sufficient funding, SSA commits to Agency-wide productivity improvements and achieves them. The Agency has continued to maintain high standards of productivity and looks forward to improvements in FY 2009, believing that incremental productivity improvements are sustainable with full funding.

Information Technology

The unprecedented growth in workloads demands that SSA effectively leverage technology. The information technology budget centers on improving service to citizens all across the country. While approximately 65 percent of the information technology resources must be used to maintain the infrastructure and telecommunications network, the Agency plans to offer additional services on its website, improve telephone services for those who call the Agency, provide more efficient and compassionate service to those with disabilities, and ensure that the sensitive information entrusted to SSA is protected and can be restored in case of a disaster.

Medicare Administration Assistance

In addition to the core workloads of retirement and disability payments, the Agency will also handle complex responsibilities related to the Medicare program. SSA has been involved in the administration of the Medicare Hospital Insurance and Supplementary Medical Insurance programs since they were enacted in 1965. The Medicare Prescription Drug, Improvement and Modernization Act of 2003 required SSA to undertake a number of additional Medicare-related responsibilities, including making low-income subsidy determinations under the new voluntary Prescription Drug Program (Part D), notifying individuals of availability of Part D subsidies, withholding Part D premiums from monthly benefits for those beneficiaries who request such an arrangement, and calculating and withholding premiums from high-income Part B beneficiaries. SSA expects to process approximately 1 million requests for the Part D Medicare Prescription Drug subsidy in FY 2009.

Employment Eligibility Verification—E-Verify

SSA cooperates with the Department of Homeland Security to operate E-Verify, an automated system available to employers that verifies the name, SSN, citizenship and work authorization of new hires by checking against SSA and Department of Homeland Security databases. SSA's most labor-intensive responsibility with E-Verify arises when there is a discrepancy between SSA's record and data submitted by an employer. When this occurs, the employee may contest the resulting non-confirmation response by contacting SSA to resolve the issue. We expect that participation in E-Verify will continue to rise.

TRUST FUND PROGRAMS

OLD AGE, SURVIVORS, AND DISABILITY INSURANCE

Social Security pays monthly cash benefits to retired and disabled workers, their dependents, and survivors of deceased workers. Benefits are financed by payroll taxes paid by employees, employers, and the self-employed, interest on the trust funds, and taxation of benefits for higher income retirees.

The Budget supports the President's framework for Social Security reform that strengthens the safety net for future generations, protects those most dependant on Social Security, and offers workers the opportunity of ownership through voluntary personal retirement accounts.

The Budget proposes to highlight the fiscal problems facing DI with a “funding warning” to draw attention to the growing fiscal pressure that the program will exert on the Federal budget. If SSA's actuaries project a negative DI cash flow that is more than 10 percent of program cost for four consecutive years in the upcoming ten years, the Board of Trustees will issue the warning in the annual Trustees Report. The analysis of DI's budget will safeguard an important source of disability insurance while promoting sound fiscal policy.

Program Outlays and Income

In FY 2009, OASDI outlays will increase by \$35 billion, or 5.7 percent, over FY 2008. This increase is attributable primarily to the annualized effect of the January 2008 2.3 percent COLA and the effect of the estimated 2.5 percent COLA payable beginning in January 2009. Additionally, the number of individuals receiving benefits under the OASDI programs is expected to increase by more than 1.1 million. Combined OASDI Trust Fund income will grow by about \$47 billion in FY 2009 and will be \$855 billion or 132 percent of yearly outlays.

**Table 6—OASDI Outlays and Income
(in millions)**

	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Change
Outlays				
OASI Benefits	\$ 479,742	\$ 502,529	\$ 530,573	+ \$ 28,044
DI Benefits	\$ 96,988	\$ 102,854	\$ 109,546	+ \$ 6,692
Other ¹	\$ 9,432	\$ 9,943	\$ 10,219	+ \$ 276
TOTAL OUTLAYS, Current Law	\$ 586,162	\$ 615,326	\$ 650,338	+ \$ 35,012
Proposed Legislation	\$ ---	\$ ---	-\$ 935	- \$ 935
TOTAL OUTLAYS, Proposed Law	\$ 586,162	\$ 615,326	\$ 649,403	+ \$ 34,077
Income				
OASI	\$ 666,340	\$ 697,836	\$ 739,270	+ \$ 41,434
DI	\$ 106,446	\$ 110,575	\$ 116,144	+ \$ 5,569
TOTAL INCOME, Current Law	\$ 772,786	\$ 808,411	\$ 855,414	+ \$ 47,003

¹ "Other" includes administration, beneficiary services, payments to the Railroad Retirement Board, and demonstration projects.

OASDI Program Data

The tables below provide information on Social Security beneficiaries, benefit payments and the payroll tax.

**Table 7—OASDI Beneficiaries and Average Benefit Payments
(Beneficiaries in thousands)**

Fiscal Year (FY):	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Change
Average Number of Beneficiaries				
OASI	40,681	41,172	41,994	+ 822
DI	8,676	9,002	9,312	+ 310
TOTAL, BENEFICIARIES	49,357	50,174	51,306	+ 1,132
Average Monthly Benefit				
Retired Worker	\$ 1,039	\$ 1,075	\$ 1,112	+\$ 37
Disabled Worker	\$ 969	\$ 997	\$ 1,025	+\$ 28

Table 8—OASDI Cost-of-Living Adjustments and Payroll Taxes

Calendar Year (CY):	CY 2007	CY 2008	CY 2009	Change
COLA Payable in January	3.3%	2.3%	2.5%	
Taxable wage base (Maximum earnings recorded)	\$ 97,500	\$ 102,000	\$ 106,800	+\$ 4,800
FICA tax rate (Employers and employees each, excluding 1.45% Hospital Insurance (HI) portion)	6.20%	6.20%	6.20%	---
SECA tax rate (Self-employed, excluding 2.9% HI portion)	12.4%	12.4%	12.4%	---

OASDI Legislative Proposals

The Administration has several proposals that will make the OASDI program stronger, sounder, and more efficient.

- Require full-time attendance at an educational institution as a condition of entitlement for child's benefits beginning at age 16. This proposal recognizes the importance of continuing education and encourages eligible children to remain in school by changing the policy to age 16 from age 18 under current law.
- Establish a mandatory system for collecting data on pension income from State and local employment not covered by Social Security. This proposal would eliminate the current self-reporting burden on individuals and will improve payment accuracy. The law requires that Social Security benefits be reduced in such cases, recognizing, in effect, that these pensions are designed as a substitute for Social Security.
- Replace the existing complicated Worker's Compensation offset to disability benefits with a uniform offset that would affect all future beneficiaries for a period not exceeding five years. This simplified offset will reduce erroneous DI payments and the burden on claimants in making large repayments, as well as reduce SSA's administrative costs.
- Provide that the month of entitlement for disability benefits can be no earlier than six months prior to the month of application, which would synchronize the treatment of retroactive disability and retirement benefits.
- Provide that any retroactive Title II benefits be paid with the next scheduled monthly check, which would simplify the check payment system.

GENERAL FUND PROGRAMS

SUPPLEMENTAL SECURITY INCOME

The SSI program provides monthly cash benefits to financially needy individuals and couples, including children, who are aged, blind, or disabled. Individuals must have income and resources below specified levels in any given month to be eligible for benefits in that month.

Program Outlays

In FY 2009, SSI outlays will increase by \$2.1 billion or 4.7 percent over estimated FY 2008 levels. The majority of this increase is due to mandatory increases in Federal SSI benefit payments resulting from annual COLAs and changes in the SSI recipient population. Benefit payment estimates are driven by the number of recipients eligible for monthly payments and the amount of the monthly payments. The number of Federal SSI recipients is expected to increase to 7.3 million in FY 2009, an increase of 159,000 over estimated FY 2008 levels; average monthly benefit payments are expected to increase by \$13 to \$486 in FY 2009.

**Table 9—SSI Outlays
(in millions)**

	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Change
Federal Benefits ¹	\$ 35,981	\$ 41,225	\$ 43,238	+ \$ 2,013
Other ²	\$ 2,814	\$ 3,143	\$ 3,216	+ \$ 73
Net State Supp Payments	- \$ 334	- \$ 16	- \$ 17	- \$ 1
TOTAL OUTLAYS, Current Law	\$ 38,461	\$ 44,352	\$ 46,437	+ \$ 2,085
Proposed Legislation	---	---	+\$ 21	+\$ 21
TOTAL OUTLAYS, Proposed Law	\$ 38,461	\$ 44,352	\$ 46,458	+ \$ 2,106

¹ Due to timing of payments, there were only 11 monthly benefit payments paid in FY 2007. Pursuant to law, monthly benefit payments are made on the first of the month unless the first of the month is a weekend or Federal holiday. Because October 1, 2006 was a Sunday, the payment was made on September 29 and attributed to FY 2006. The number of monthly check payments is 12 in FY 2008 and 12 in FY 2009.

² Other includes beneficiary services, research, Representative Payee Study, and reimbursement to the trust funds for administrative costs.

SSI outlays include not only Federal benefit payments, administrative expenses, and State Supplemental payments and reimbursements, but also beneficiary services and research and demonstration projects.

- Administrative expenses for the SSI program are funded from general revenues. Section 201(g)(1) of the Social Security Act provides that administrative expenses for the SSI program, including Federal administration of State supplementation payments, may be financed from the Social Security trust funds with reimbursement, including any interest lost, to the trust funds from general revenues.
- States that choose to have SSA make payments on their behalf reimburse SSA in advance of the payment.
- Beneficiary services include reimbursement to vocational rehabilitation agencies for successful rehabilitation of disabled recipients and payments to employment networks made under the Ticket to Work program.
- Research and demonstration projects are broad-based, cross-program projects related to the Social Security and SSI programs. Projects cover a wide range of topics, including: basic data about SSA's programs and their beneficiaries; analysis of proposals for Social Security reform; testing of various approaches for retaining disabled individuals in the workforce and improving employment outcomes for disability beneficiaries; promoting research in critical disability policy areas such as the efforts to expand the Compassionate Allowance initiative; and evaluation of important Agency policies.

SSI Program Data

The maximum monthly Federal benefit rate is increased annually to account for increases in the cost of living. Amounts actually paid to recipients may be less than the maximum benefit rate depending on income (e.g., wages and Social Security benefits) and living arrangements (e.g., residence in one's own home, in the household of another person, or in a nursing home that meets Medicaid standards).

The maximum monthly Federal benefit amount in 2008, adjusted for the 2.3 percent January 2008 COLA, is \$637 for an individual and \$956 for a couple. This amount is projected to increase to \$653 for an individual and \$980 for a couple when adjusted for the estimated 2.5 percent COLA payable beginning in January 2009. The average monthly benefit payment was \$458 in FY 2007 and it is expected to increase to \$473 in FY 2008 and \$486 in FY 2009.

**Table 10—SSI Recipients and Benefit Payments
(Recipients in thousands) ¹**

	FY 2007 Actual	FY 2008 Estimate	FY 2009 Budget	Change
<u>Average Number of SSI Recipients</u>				
Federal Recipients				
Aged	1,111	1,107	1,106	- 1
Blind or Disabled	<u>5,892</u>	<u>6,048</u>	<u>6,208</u>	+ 160
SUBTOTAL, FEDERAL RECIPIENTS	7,003	7,155	7,314	+ 159
State Supplemental Recipients (with no Federal SSI payment)	<u>296</u>	<u>301</u>	<u>307</u>	+ 6
TOTAL, SSI RECIPIENTS, Current Law	7,300	7,458	7,622	+ 164
<u>Average Monthly Benefit</u>				
Aged	\$ 324	\$ 333	\$ 343	+\$ 10
Blind and Disabled	\$ 483	\$ 499	\$ 511	+\$ 12
AVERAGE, All SSI Recipients	\$ 458	\$ 473	\$ 486	+\$ 13
Projected COLA Payable in January	3.3%	2.3%	2.5%	

¹ Totals may not add due to rounding.

SSI Legislative Proposals

- The President's budget would allow refugees and asylees to receive SSI for 8 years after entry into the country. Currently, refugees and asylees who have not become citizens can only receive SSI for 7 years after entry. The proposal recognizes that some individuals have been unable to obtain citizenship within the 7-year time limit. The policy would continue through FY 2011.

SPECIAL BENEFITS FOR CERTAIN WORLD WAR II VETERANS

This program funds monthly benefits for certain veterans of World War II who reside outside of the United States, and the administrative costs of paying these benefits. The program applies to veterans who served in the active military, naval or air services of the United States, including Filipino veterans who served in the organized military forces of the Philippines while those forces were in the service of the U.S. Armed Forces, and who were eligible for SSI as of December 1999. Veterans who meet these and other requirements may be entitled to receive a special benefit depending on their incomes for each month they subsequently reside outside the United States. (These veterans are not eligible for SSI since they reside outside the United States.) These special benefits are paid only to the veteran.

Payments began in May 2000 to veterans who took advantage of the new program and returned to their homeland. California has chosen to supplement the Federal payment, which is administered by SSA for the State.

**Table 11—Special Benefits for Certain WWII Veterans Overview
(Outlays in millions)**

	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Change
Federal Benefits ¹	\$ 9	\$ 10	\$ 10	---
Administration	\$ *	\$ 1	\$ 1	---
TOTAL OUTLAYS	\$ 9	\$ 11	\$ 11	---
Average Number of Beneficiaries (in thousands)	2	2	2	---
Average Monthly Benefit	\$ 313	\$ 363	\$ 370	+\$ 7

¹ The number of monthly check payments is 11 in FY 2007, 12 in FY 2008 and 12 in FY 2009.

* Less than \$500,000

OFFICE OF THE INSPECTOR GENERAL

The Office of the Inspector General (OIG) is charged with protecting the integrity of SSA's programs as well as promoting their economy, efficiency, and effectiveness. OIG uses a combination of audits, investigations, and inspections to prosecute fraud, waste, and abuse in SSA's programs and operations.

**Table 12—Office of the Inspector General
(in millions)**

	FY 2007 Actual	FY 2008 Enacted	FY 2009 Budget	Change
TOTAL OIG Budget Authority, Current Law	\$ 92	\$ 92	\$ 98	+ \$ 6
Percentage Increase from FY 2008				+ 6.8%
Workyears	601	595	614	+ 19

SSA is engaged in an aggressive program to deter, detect, and investigate fraud, and to prosecute individuals or groups committing fraud. A strong OIG, working together with SSA employees in local offices, is the most effective means SSA has to control program fraud and abuse. To strengthen OIG's capacity to accomplish its mission of protecting the integrity of SSA's programs, SSA has requested an increase in its resources available to OIG.

The FY 2009 budget increase from \$91.915 million to \$98.127 million will enable OIG to restore an adequate complement of staff reduced during FY 2008 due to the congressional funding level and the effect of an across-the-board rescission. The budget request will allow OIG to continue to aggressively pursue anti-fraud activities on a variety of fronts, including combating SSN misuse, disability fraud through Cooperative Disability Investigation Teams, and OASDI and SSI fraud.

The SSN has become a vital aspect of American life and a link to homeland security. Its reliability is a key element in protecting against fraud and in protecting lives at home and abroad. In FY 2009, in support of the government-wide fight against terrorism, the OIG will continue to focus its audit and investigative efforts toward combating SSN misuse.