Highlights of GAO-12-196T, testimony before the Subcommittee on Human Resources, Committee on Ways and Means, House of Representatives

Why GAO Prepared this Testimony

The Social Security Administration’s (SSA) Supplemental Security Income (SSI) program provides cash benefits to eligible low-income disabled individuals, including children, as well as certain others. Children may generally qualify for SSI benefits if they meet certain financial requirements and are deemed to have a qualifying medically determinable physical or mental impairment of a specified duration or severity that results in a functional limitation. In 2010, SSA paid more than $9 billion to about 1.2 million disabled children. Over the past decade, the overall number of children receiving SSI benefits has continued to rise.

In this statement, GAO discusses initial observations from its ongoing review and examines (1) the trends in the rate of children receiving SSI benefits due to mental impairments over the past decade; (2) the role that medical and nonmedical information, such as medication and school records, play in the initial determination of a child’s medical eligibility and that they consider the totality of information related to the child’s impairments, rather than one piece of information in isolation. For example, SSA and DDS officials said that they consider a child’s use of prescribed medications in the context of other information including school records and teacher assessments, which are critical in evaluating the child’s functioning over time. Yet, despite the importance of such nonmedical evidence, GAO’s work shows that examiners sometimes face challenges in obtaining this information partly due to teachers’ reluctance to complete the assessments.

SSA is required to periodically review the medical eligibility of certain children receiving SSI benefits, but GAO’s work shows that SSA has conducted significantly fewer childhood continuing disability reviews (CDR) in recent years. Between fiscal years 2000 and 2010, the number of childhood CDRs and age 18 reviews overall fell from more than 200,000 to about 126,000 (a 38 percent decrease), while childhood CDRs for those with mental impairments dropped from more than 84,000 to about 13,000 (an 84 percent decrease). SSA officials have acknowledged that the agency is not conducting childhood CDRs in a timely manner mostly due to resource constraints. However, SSA recognizes the importance of conducting CDRs and has recently estimated that the CDR process yields a savings-to-cost ratio of $12.50 to $1.

View GAO-12-196T. For more information, contact Daniel Bertoni at (202) 512-7215 or bertonid@gao.gov.