

**STATEMENT OF SENATOR TOM CARPER**  
*Social Security Disability Fraud: Case Studies in Federal Employees and Commercial  
Drivers Licenses*  
**Senate Permanent Subcommittee on Investigation**  
**August 4, 2010**

Chairman Levin and Ranking Member Coburn, thank you for holding today's hearing. Overpayments and fraud within the federal government's disability benefits programs is an important topic and deserves the attention of Congress and this subcommittee.

I should note that in July we celebrated the 20<sup>th</sup> anniversary of the passage of the Americans with Disabilities Act. This anniversary reminded me of the many people in Delaware and across the nation who face the challenges of physical and mental disabilities every day. The Social Security disability programs are a critical lifeline for many who are facing huge economic challenges.

As the witnesses' testimony will show, the Supplemental Security Income program and the Disability Insurance program are very large. In 2009, these two disability programs provided benefits totaling nearly \$160 billion. By April 2010, there were nearly 18 million people enrolled in the two programs and nearly one in twenty Americans is receiving disability benefits. In fact, the number of individuals applying for disability continues to grow. The Congressional Research Service estimates that the current backlog of pending applications awaiting an initial determination by the Social Security Administration exceeds one million people.

With programs of this size and complexity, oversight is, of course, very important for ensuring our taxpayer dollars are spent appropriately.

Unfortunately, the two disability payment programs managed by the Social Security Administration make very large amounts of overpayments. According to the Social Security Administration's latest reporting, improper payments totaled more than \$10.7 billion. There is also fraud.

Last year, I joined with the Ranking Member of this Subcommittee, Senator Coburn, and Senator McCain to request that the Government Accountability Office examine the two disability payment programs for possible improper payments. The resulting audit underscores the need for reforms and improvements to the oversight of the two Social Security disability programs.

I think we can draw many useful conclusions from GAO's findings and recommendations.

I also understand that the Social Security Administration Inspector General has conducted audits, and their findings are along similar lines.

My staff in Delaware work with many constituents who receive benefits from the Social Security disability programs. These constituents report many problems that further illustrate the challenges of improper payments, including how the constituents must, too often, work very long and hard with the Social Security Administration to straighten out errors.

Due to the complexity and size of the two disability payment programs, I don't think there is a single, "silver bullet" solution. There are likely many ideas that must be heard, debated and implemented. However, one idea I would like to explore is if Congress is being "penny-wise, and pound-foolish." I understand that the Inspector General noted that we could easily avoid billions in overpayments if we make a relatively small increase in our oversight investment.

I also wish to explore some of the creative ideas proposed today by the GAO, as well as others proposals, to improve the system.

Mr. Chairman, I look forward to our witnesses' testimony.