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A QUARTER CENTURY OF AIDING THE DISABLED

From modest beginnings, a major social insurance program emerged.



WHAT WAS LIFE like for American workers before the social security disability program? You have to go back a quarter century to the days when few families had protection against the breadwinner's becoming disabled.

For millions of families this event was a disaster. A worker's long-term disability left most families with no means of support. People who had never dreamed of asking for welfare were forced to do so.

And where public assistance was inadequate, many families became destitute. Children in these homes often went to bed hungry and to school without adequate clothes.

The social security disability program, which is 25 years old this year, didn't change this situation all at once. As a matter of fact, the program started out very modestly. (See box for a thumbnail legislative history of the disability program.)

To get firsthand recollections about what it was like in the early days of the disability program, OASIS talked with some SSAers who helped get the program

President Eisenhower was at Byers Peak Ranch near Fraser, Colo., when he signed the bill that launched the disability program.

started in 1954.

"The Division of Disability Operations (DDO) was tiny at the start," Cliff Gross recalled. "As a matter of fact, the first payroll in September 1954 had only 5 names and totaled only \$1,168!" Now an employee development specialist in the Office of Human Resources, Cliff came on duty with DDO in that month. He was responsible for the DDO budget then as well as for funding contracts for State disability agencies.

"Long before the law went into effect," Cliff related, "a work group was formed in central office to prepare for disability. Art Hess headed the group and went on to become head of DDO when the disability program began.

"In 1952, Congress had passed a law setting up a Federal disability program, but the law was made in-

effective the day before it was to take effect. This gave Social Security (then called the Bureau of Old-Age and Survivors Insurance or BOASI) 2 more years to gear up.

"The 1954 law called for State disability agencies to make determinations of disability. The States were slower in starting up than we'd expected. Governors designated the agencies. In most States, it was the vocational rehabilitation (VR) agencies, but in a few States welfare agencies were chosen at first. Some had a separate agency for the blind.

"No one knew how much it would cost for the agencies to perform their new job," Cliff continued. "We negotiated with each State for a minimum staff and allowed them to adjust if their staffing was inadequate.

"Some jurisdictional questions among the States had to be resolved. If a claimant moved from one State to another, the question was which State agency should decide whether he was disabled.

"Sometimes we had to send staff to hard-pressed States to help out. In one State, a change in governor from one party to another meant that all the agency employees lost their jobs and there was no one left to handle the claims!

"The States Council Committee on Social Security Relationships, a national organization of State VR agency heads, served in an advisory role to Social Security and helped iron out a lot of difficult situations."

One of the first staff members in DDO was Joe Vincent. He described things as really hectic when DDO moved into the old Miller Building in downtown Baltimore. "Packing boxes were everywhere. All the windows were open because we didn't have any air-conditioning.

"The first critical management activities were locating office space, and employee recruitment and placement. There was a lot of informal shifting of staff as urgent needs arose. No one ever dreamed of saying, 'That's not in my job description.'

"We just didn't have enough people or time to get all the work done. A key word was overtime-and more overtime! We worked through many weekends. Art Hess was involved in everything. His complete dedication to our mission rubbed off on all the staff.

I remember one Sunday morning when Art and I were the only ones at the office. We were rearranging furniture for a new group of employees from the field. Though we didn't expect them until the next day, several showed up while we were pushing desks around. One man told us, 'Don't mind us, boys, just go ahead with your job.' I can still picture his astonished face when Art went over and introduced himself!

"In addition to its other areas of responsibility, DDO had an operating aspect. Disability freeze claims started being taken in our district offices on January 1, 1955. I recall that the first claim was taken by a district manager named Edgar Allen Poe. He stayed up until 12:01 a.m. on New Year's morning to take it!

"All the claims were sent right to DDO until the

agreements with the States were completed and their disability agencies were functioning. We had piles of claims coming out our ears!

"I take a great deal of pride in what we did 2.5 years ago to get the program moving," Joe emphasized. "The same kind of dedication and commitment still exists in SSA today. I see this personally in my dealings with our field employees." Joe Vincent is now program operations officer in the Denver Region.

Ed Binder, who is now retired, went to work for DDO in the fall of 1954. "About 15 people were already on duty when I arrived. I worked in the program policy and legislative planning area.

One of our greatest initial challenges was to gain the cooperation and support of the medical community. To that end, DDO set up a Medical Advisory Committee (MAC) which included prominent doctors in private practice across the country. They held periodic meetings somewhat like Social Security Advisory Council meetings. Art Hess sat in on all the meetings and often consulted the committee.

"We would prepare large background books for MAC members. After the meetings, we wrote meeting reports and sent them to the MAC for comment," Ed continued. "When we got MAC's backing on policy, guidelines, etc., we could usually be sure of support from the American Medical Association as well. This eased the way over many hurdles and the Committee's advice and recommendations proved invaluable.

"At first, many doctors used to submit medical reports simply stating, 'John Doe is totally disabled.' Their assumption was, 'I'm his doctor and I ought to know!'"

Ed Binder went on to state that DDO and the State agencies explained to doctors that the law required medical reports describing the impairment in enough detail to make the disability decision. Statements from the MAC describing specific medical guidelines and the evidence that was required were helpful in getting doctors to complete better reports.

Jeanette Doame was one of the first five DDO employees. As Art Hess' secretary, she was involved in many of the details of setting up the new program. "I'm proud to have been a part of such an important milestone in SSA history," she stated.

"The fall of 1954 was a wonderful and exciting time, despite all the problems," Jeanette recalled. "We were on the Hopkins Street side of the old Miller Building. With trucks thundering by all the time and the windows open, the noise and dirt were unbelievable!

"Since we were a new division, supplies and furniture were scarce. We had to beg, borrow, or improvise.

"In May 1954 it was announced that Social Security would relocate to Washington, so some of us made plans to move. My husband got a job in D.C., and our family moved to Alexandria, Va., just before the Social Security move was cancelled."

So for 2 years Jeanette commuted to Baltimore. She walked, rode in a cat-pool, and then walked some more

to get to Union Station in Washington, took the train to Baltimore, and walked a few blocks to work. "I used to make notes and prepare the day's schedule while on the train. I'd have to leave home by 6 a.m., and since we worked a lot of overtime, I often didn't get back until 11 p.m.

"On many evenings, I hurried from the office to Camden Station where the train was already pulling out. Sometimes the train conductor used to give me a hand and pull me onto the last car!

"I didn't get to see my family much as I worked many weekends. But my husband and two children were most understanding!

"A tremendous task the first year was putting together the disability operating manuals. Also, I remember preparing numerous drafts of a model agreement between HEW and the States."

As we learned from his colleagues, Art Hess was the catalyst for the disability program. He headed DDO from its birth until 1965 when he was asked to launch Medicare. He was named Deputy Commissioner of Social Security in 1967, and served in that capacity (and for a period as Acting Commissioner) until he retired in 1975.

"From the very beginning," Art Hess told OASIS, "the disability program was burdened by extremely heavy work-loads. Thus, when the program began, we had to handle not just claims from people who had recently become disabled, but from those who had been disabled for many years. In the first few months of 1955, our small DDO crew took in about half a million 'freeze' claims.

"Many of the difficulties attributed to the disability program came about through circumstances we couldn't control. Program needs and success in meeting administrative challenges led to frequent amendments liberalizing the program and adding large workloads before SSA was allowed additional staff to handle them. You might say we were always behind the 8 ball!

"The State agencies were very small and had never made disability determinations before. Most were overwhelmed with work.

"Some Federal vocational rehabilitation people wanted all disabled applicants to be referred to the State agencies for counseling and job interviews before a claim was taken. They didn't realize that most claimants would be older workers with chronic ailments and no real job prospects.

"We felt that the VR people should concentrate on the minority of claimants likely to be rehabilitated. We knew the States couldn't possibly handle the tremendous workloads involved in providing a full range of VR interviews and services for all disability applicants. And, of course, this would have meant; far longer delays in processing disability claims.

"Despite the difficulties, we got through the shake-down period successfully. We often had to modify agreements with the States, and this meant lots and lots of negotiating.

"Another big hurdle was overcoming the opposition of the medical community. The day after the 1954 amendments were passed, Victor Christgau [Director of BOASI] and I sat down with some AMA leaders.

"We told them that we wanted-and we were sure

Disability legislation Highlights

In 1954, Congress provided for a disability "freeze" of a worker's social security record during the years when he or she was unable to work due to disability. To be eligible, in addition to being fully insured, the disabled worker had to have worked in covered employment for 6 out of the 13 quarters preceding disability, as well as 20 quarters out of 40.

President Eisenhower, when he signed the Social Security Amendments of 1954, stated, ". . . the Act preserves the benefit rights, under Old-Age and Survivors Insurance, of those workers regularly covered under the program who become totally disabled for long and indefinite periods."

Under the 1956 amendments, cash disability insurance benefits were provided for disabled workers between ages 50 and 65. Benefits were also provided for disabled dependent children of retired or deceased workers if the "child" had been disabled before age 18.

The 1958 amendments provided benefits for dependents of disabled workers. In 1960, the age 50

limit was removed, and disability benefits were paid regardless of age. Also in that year a trial work period was set up to encourage disabled workers to return to work without immediately losing their benefits.

The 1965 amendments eased the definition of disability so that it would be expected to last for 12 months or more instead of the previous requirement of "long-continued and indefinite" duration. In 1967, benefits were added for disabled widows and widowers age 50 and over.

In 1972 the waiting period before a disability benefit could be paid was reduced from 6 to 5 months. Also, disabled beneficiaries were first made eligible for Medicare protection after receiving disability benefits for 24 months.

The 1972 amendments also set up the SSI program, which provides payments to the needy aged, blind, and disabled. SSI is financed from general revenues.

These are just a few of the dozens of changes in the disability program over the past 25 years.

that they also wanted to make the new law work. We asked them to suggest some members for consideration for the new Medical Advisory Committee. I think this was a key to later cooperation.”

To get the program going, Art Hess described how DDO borrowed from other Federal agencies. He and his staff spent a lot of time studying Railroad Retirement Board and Veterans’ Administration disability claims to construct standards of disability. DDO also hired Dr. Archie Simpson (who became chief medical advisor) and at least two dozen top-flight disability adjudicators from the VA. “Their contribution to the program was invaluable.

“We realized right away that our district offices would have a key role in the program. The field staff had to interview disability claimants, record their observations of claimants, and help gather pertinent medical evidence. We trained and equipped the DOs to do these and other things, and they responded magnificently!

“I think the disability program was well conceived from the start. There’s always the need for rethinking process and policy and for making changes over time, but I don’t think there’s anything basically wrong with the program,” Mr. Hess emphasized. “It has provided much-needed help to millions of families when the wage earner has been unable to work because of long-term illness or accident.”

To get a picture of how the disability program has developed over the years, OASIS discussed the program with a few other people who have helped administer it.

Joining DDO as Executive Assistant in 1956, **Bernie Popick** went on to become Director of the Bureau of Disability Insurance (BDI) in 1965. He served in that position until his retirement in 1974. “By the time I arrived,” Bernie pointed out, “Bob Ball, Art Hess, and others had done a great deal of the hard work needed to get the disability program off to a good start.”

He went on to describe three special features of the disability program that have made it difficult to administer, “First, the definition of disability required a unique medical evaluation process with respect to the claimant’s remaining functional capacity. The medical profession was unfamiliar with this process; it was practically a new branch of medical science.

“Second, the nonmedical side of the disability determination (evaluating such factors as age, education, and work experience) was also without precedent.

“A third unique factor involved the State agencies’ making the determinations of disability. Never before had non-Federal agencies been given so direct a role in determinations of eligibility for a Federal benefit program. This led inevitably to a certain lack of uniformity in decisions and lack of flexibility in operations.

“Having said this, I hasten to add that we have to give a great deal of credit to the interest and dedica-

tion State agency people have displayed in making the disability program work. They also played a major role in helping us establish good working relations with the medical profession.

“Another challenge we faced was the widespread lack of public understanding of the relatively strict definition of disability in the law. Denied claimants were keenly disappointed and dissatisfied when they were told that they could not receive benefits because their impairment did not meet the severity requirements of the law. We undertook a number of informational and training efforts to deal with these situations, and the field worked hard to improve their expertise.”

Bernie Popick stated that by the late 1960s SSA had reached reasonable stability in disability workloads, and many basic policy and program issues had been resolved. “We also had achieved a good rapport with the medical profession at both local and national levels.

“Then in December 1969 lightning struck—the Federal Coal Mine Health and Safety Act was enacted. The Act provided for ‘black lung’ benefits for coal miners disabled with pneumoconiosis and for their families.

“SSA was given initial responsibility for the program. We had practically no advance notice, and the law provided benefits payable as soon as the President signed it. We had no lead time to prepare. In the first month, over 100,000 claims were upon us almost before we knew what was required of us. A large number of claims required decisions on disability or death of miners due to black lung disease which had occurred many years in the past.

“With the avalanche of black lung claims filed, backlogs of our regular disability claims mounted. Medical facilities to diagnose the existence of the disease and provide reliable evidence for these claims were limited, and there was even disagreement among physicians on how to evaluate them. Most denied claimants appealed, and hearings and court cases mounted. Delays, protests, and congressional inquiries were unavoidable.

“We spent a great deal of time meeting with people to explain the law and the policies SSA was required to follow. We even held a public meeting on proposed regulations, which I believe was the first of its kind ever held by SSA.

“The next 25 years of the disability program should be much more stable than the last 25,” Mr. Popick predicted. “However, disability cases as a group will very likely continue to take longer to process and be subject to more appeals than OASI claims. This is inherent in the nature of the claim.

“The public is more conscious of the disability program today than at any time in the past.” That’s the opinion of **Fred Dechowitz**, Chief of the Disability Branch in the Office of Legislative and Regulatory Policy, who previously headed the BDI Professional Relations Staff. “In the early years, disability was the

least known social security program, but this is no longer true. The change is due to SSA's successful outreach efforts. Also, with the rise of consumer awareness, advocacy groups have publicized disability benefits."

Fred Dechowitz thinks that this increased awareness led to a rise in disability claims in the late 1960s and early 1970s. In the last few years, however, there's been a leveling off, if not a decline in the number of claims. "It looks as though we've achieved our goal of at least making the public aware of disability benefits.

"The success of the disability program has always been due to a real team effort. Continued improvement in the administration of the program will require the renewed efforts of our field people, regional offices, central office, and the State agencies."

To find out what's happening now in the disability operations area, we went to **Art Simermeyer**, Acting Director of the Office of Disability Operations (ODO). "Our main thrust now in operations is to complete modularization," he explained. (The September 1979 OASIS discussed modularization at headquarters.)

"We're one-third modularized now, and by 1981 we expect to be fully modularized. This will give us a greater ability to handle cases smoothly and to give better and more timely service to field offices and to beneficiaries.

"Our modules are set up somewhat like the ones in the program service centers, and are tailored to meet disability needs. Within the modules, cases are also assigned to specific employees depending on the last digits of the social security number of the claimant or beneficiary.

"Any central office action on a case goes to the same module and to the same employee for handling. This gives those working in modules a greater feeling of responsibility for their own cases, just as field office employees have."

Art Simermeyer described how SSA has adapted DOTEL (district office telephone) so that a central office module can call a field office for specific information on a case and get quick feedback. In addition, TELSTAT (telephone for status), under which a field office can call central office and get a status report on a certain case, is ideally suited to modules. All this improves service to the public.

"Another thing we're doing is improving the disability notices. We have a beneficiary notices work group working on simplifying the notices that we send to our beneficiaries.

"Computer-generated notices, increasingly complex programs, and tie-ins with other programs such as workers' compensation, have all made this job harder. We are striving towards producing a simple, meaningful letter to the beneficiary with an attached factsheet with the technical details. We're also evaluating our experience in experimenting with word-processing

equipment, which offers increased capability for preparing beneficiary notices."

Asked how he would assess the state of disability operations now, Art Simermeyer replied that on balance, SSA is providing better service than ever before. "We've made tremendous strides in systems improvements, in workflow, and in training, but we're by no means content. A great deal of progress is still needed.

"Given the judgmental nature of the disability decision, the fact that disability claimants can't file ahead for benefits, the 5-month waiting period, and the unavoidably high denial rates, the disability program is working extremely well!"

Some SSA employees know from personal experience how important disability insurance benefits are. **Merilyn Smallwood** was 19 when her father became disabled due to heart disease. After the waiting period, he became eligible for benefits,

Merilyn, then studying at Morgan State College in Baltimore, drew student's benefits. Her 14-year-old brother was entitled to child's benefits. Her mother drew wife's benefits only in the summer as she was a teacher the rest of the year,

"My parents didn't talk much about our income, but I knew that the disability benefits helped our family a lot," Merilyn recalled.

"Later, I decided to apply for a job at SSA headquarters. I felt that there were good job opportunities here. Now I'm a recovery reviewer in the Office of Disability Operations."

Today, about 90 million workers, along with their families, are protected in the event of long-term disability. About 2.9 million disabled workers receive disability insurance benefits, along with nearly 2 million dependents. In addition, more than 400,000 disabled adult children and about 130,000 disabled widows and widowers receive benefits. For July 1979 over \$1.1 billion in disability insurance benefits were paid out. The average benefit for a disabled worker, and family was \$632.

Rhoda Greenberg, Acting Director of the Office of Disability Programs, had this observation about the 25th anniversary of the program:

"SSA and the State disability determination offices—we've been through a lot together and have shared many successes. We don't need to quote program statistics to know that a tremendous number of disabled Americans have been and are being helped from the work we do. And a great many more disabled people will be looking to us in the future for that measure of dignity and quality that disability benefits can give to their lives.

"We owe it to ourselves and to future beneficiaries to make the disability program work as effectively and efficiently as possible."

Is the disability program a vital part of American life? Ask anyone who is receiving or has received disability benefits. The answer you'll get is a resounding "yes!" □