

SOCIAL SECURITY ADMINISTRATION

PART ASSESSMENTS¹

¹This document contains details of the most recent program assessments as of the date the 2005 Budget was published (February 2004). Programs originally assessed for the 2004 Budget were reassessed only where evidence showed an agency's rating was likely to change. Programs not reassessed are presented in this document in the form of reprints of the original worksheets and are footnoted "FY 2004 Budget".

TABLE OF CONTENTS

	<u>Rating</u>	<u>Page</u>
Disability Insurance.....	Moderately Effective.....	3
Supplemental Security Income for the Aged.....	Moderately Effective.....	14

Program Assessment Rating Tool (PART)

Program: Disability Insurance
Agency: Social Security Administration
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
60%	88%	100%	58%	Effective

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: The Disability Insurance (DI) program purpose is clear: to provide benefits for eligible workers who have qualifying disabilities and for eligible members of their families.

Evidence: Social Security Amendments, effective 1956.

1.2 Does the program address a specific and existing problem, interest or need?

Answer: YES

Question Weight: 20%

Explanation: The DI program currently provides for a specific problem/need: to replace a portion of lost income for covered workers who are considered disabled, if they have a qualifying disability, as defined under the Social Security Act.

Evidence: As of December 2002, the DI program provided benefits to 5.5 million disabled worker beneficiaries and 1.7 million dependents. (Office of the Actuary Fact Sheet on OASDI, December 31, 2002.)

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES

Question Weight: 20%

Explanation: While there are other private or governmental programs that may provide some disability benefits (e.g., workers compensation, long term disability), the DI program is a universal program that provides a safety net for covered workers who have qualifying disabilities.

Evidence: Section 223 of the Social Security Act. Code of Federal Regulations 404.130.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: NO

Question Weight: 20%

Explanation: When it was first created, the DI program was probably effective in its legislative objective to replace a portion of income lost due to a qualifying disability. However, because of the many changes that have occurred since 1956, the program design does not optimally meet the needs of people with disabilities. For example, advances in technology and legislation like the Americans With Disabilities Act have opened the workplace and made it more accessible to all people. The President's New Freedom Initiative is actively working to expand employment opportunities for Americans with disabilities. In addition, many impairments that in the past may have been permanent and/or completely disabling, may now be treatable because of advances in medicine. These changes have made some aspects of the current disability program outdated. GAO expressed a similar conclusion when they recently placed all Federal disability programs on their high-risk list. SSA is exploring how to reshape the DI program in the future to reflect these changes and ways to improve the processing of disability claims, which can be lengthy.

Evidence: Social Security Amendments, effective 1956; GAO's Informational Final Report (GAO-03-119), "2003 High Risk Series - An Update, Audit # 12003009."

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1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: NO Question Weight: 20%

Explanation: The low hearings accuracy rate of 88% and inconsistency in initial and hearings decisions across states suggest that the DI program is not designed to have the smallest practicable share of funds going to unintended beneficiaries. This inconsistency partially reflects the differences between the Disability Determination Services (DDSs) and the Office of Hearings and Appeals (OHA) determination processes. GAO, Social Security Advisory Board (SSAB), and a private consulting firm recommend that SSA overhaul its current Quality Assurance process to help address these issues. As first steps, SSA has created an internal team to look at these recommendations and established a revised definition of quality.

Evidence: FY 2004 APP, pg. 20. GAO, "Major Management Challenges and Program Risks: SSA," January 2003. The Lewin Group, "Evaluation of SSA's Disability Quality Assurance processes and Development of QA Options That Will Support the Long-Term Management of the Disability Program," March 2001. SSAB, "Charting the Future of Social Security's Disability Programs: The Need for Fundamental Change," January 2001.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 12%

Explanation: SSA has a limited number of long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program and address the management of the program. These include processing time, productivity, accuracy, and other measures. (The performance goals encompass a broader scope than just the DI program.)

Evidence: SSA's Strategic Plan 2003 - 2008; Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003, pgs. 59-61.

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: YES Question Weight: 12%

Explanation: SSA has set realistic and challenging targets for initial claims processing time, hearings processing time, and hearings productivity. However, targets for DDS productivity are not ambitious given SSA's commitment to annual productivity increases of 2% in FY 2004-2008. Also, SSA's DDS net accuracy target, held constant at the FY2004 level, does not promote continued improvement.

Evidence: SSA's Strategic Plan 2003 - 2008; FY 2005 Budget Submission.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 12%

Explanation: SSA has a limited number of annual measures that address the management of the program. These include processing time, productivity, decisional accuracy, and other measures. (The performance goals encompass a broader scope than just the DI program.)

Evidence: Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003, pages 18 - 20. Performance and Accountability Report FY 2002 pages 32-33, 113-114, 118.

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- 2.4 Does the program have baselines and ambitious targets for its annual measures?** Answer: YES Question Weight: 12%
- Explanation: SSA has baselines and ambitious annual targets that address the management of the program. These include processing time, productivity, decisional accuracy, and other targets. (The performance goals encompass a broader scope than just the DI program.)
- Evidence: Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003, pages 18 - 20. Performance and Accountability Report FY 2002 pages 32-33, 113-114, 118.
- 2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program?** Answer: YES Question Weight: 12%
- Explanation: Both long-term and annual performance goals are established for and committed to by SSA's partners (DDSs). DDS Administrators commit to specific performance goals.
- Evidence: SSA's Strategic Plan 2003 - 2008; Performance Plan for FY 2004; and Revised Final Performance Plan for FY 2003.
- 2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need?** Answer: YES Question Weight: 12%
- Explanation: SSA measures decisional accuracy on an ongoing basis and payment accuracy each year. SSA also evaluates policies and processes on a continuing basis. GAO and OIG continually audit the program and make recommendations for change. These evaluations thoroughly assess a wide range of aspects of the DI program and are generally national in scope.
- Evidence: SSA measures adjudicative accuracy and payment accuracy of claims. Outside monitoring entities (GAO, OIG, private accounting firm, etc) regularly evaluate the program and make recommendations in such areas as processing of disability claims. Recent reports include: GAO, "Major Management Challenges and Program Risks: SSA," Jan. 2003. OIG, "Status of SSA's Disability Process Improvement Initiatives," June 2002.
- 2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget?** Answer: NO Question Weight: 12%
- Explanation: SSA's budget requests are not explicitly tied to annual and long-term outcome performance goals (i.e. processing times and payment accuracy), such that there is not a direct link between resource requests and these goals; however, SSA does go through an elaborate and extensive process to tie performance to budgeting. Goals are set based on available resources and the need to balance overall performance within those resource limits. SSA tracks the level of performance against the annual and long term targets on an ongoing basis and adjusts resource allocation and level of effort accordingly. SSA can demonstrate that its budget request ties to annual and long-term output goals and can directly link incremental changes in resources to workload performance outputs such as retirement or disability claims processed. In addition, SSA is making progress in relating resources to outcomes such as the relationship between pending workloads and processing time, and the dollars invested in continuing disability reviews and program dollars saved.
- Evidence: SSA FY 2005 Budget Submission

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2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 12%

Explanation: SSA constantly assesses, evaluates and improves strategic plans and performance measures. SSA has a limited number of long-term performance goals and a limited number of annual performance targets that help the agency progress toward achieving the long-term goals. As a part of the Annual Performance Plan (APP) preparation, SSA re-evaluates the effectiveness of the agency's long-term strategies and short-term (annual) targets/measures, and adjusts the long-term strategies and annual performance targets as appropriate.

Evidence: SSA's Strategic Plan 2003 - 2008; Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003. SSA has adopted a revised DDS performance measure, DDS net accuracy rate. From an external standpoint, this new measure more clearly and comprehensively shows whether DDSs are making the right disability determination. Formerly, SSA reported separate allowance and denial accuracy rates for DDSs. Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003, page 60.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: Timely and credible performance information is collected through systematic and consistent processes with periodic quality controls to confirm the validity of the data. For example, SSA reviews a sample of initial disability claims each quarter to determine their accuracy. Additional sampling and review is conducted if a specified level of accuracy is not reached.

Evidence: SSA regularly collects payment accuracy, adjudicative accuracy, workload data and myriad of management information from administrative records. (FY 2002 PAR pgs. 32-34, 112-120; Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003, pages 18-20.

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 14%

Explanation: SSA executives are held accountable for key performance measures. Monthly meetings are held and progress is tracked in the SSA Tracking Report on the Intranet. In FY 2003 SSA has implemented a revised SES Performance Appraisal Plan, which incorporates performance standards for managers, and will implement a revised plan for other employees in the future. In addition, the DDS administrators are held accountable for their performance. When the DDS's accuracy falls below the required range for two consecutive calendar quarters, appropriate performance support is provided.

Evidence: SES Performance Appraisal System Plan. Section 411.250 of the "Ticket to Work and Self-Sufficiency Program" Final Rule. The Code of Federal Regulations for Social Security, sections 404.1645-404.1662.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: Program funds are obligated consistent with the rules of the program. Procedures exist for reporting actual expenditures.

Evidence: SF-133; FY02 PAR, pages. 50 ff.

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3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution?

Answer: YES

Question Weight: 14%

Explanation: SSA continually looks for means to achieve cost efficiencies in managing the DI program. The budget process in general looks to identifying improvements in the processing of disability claims. As an example, SSA is implementing the first steps to improving the disability process and is assessing additional ways to improve it (Service Delivery Plan, APP). SSA's information technology (IT) capital planning process provides the operational IT plans required to provide the technology and other IT resources needed to achieve the agency's strategic goals and performance objectives. IT resources are used to invest in more efficient customer responsive processes. SSA's IT plan includes financial systems replacement (FACT and MCAS), Electronic Service Delivery and Accelerated Electronic Disability folder (Aedib).

Evidence: SSA's FY 03 Budget Submission pgs 11-15, 31-42; memorandum did 5/23/02 to OMB; FY 2001 PAR, page 66; Exhibit 300 - 016-00-01-02-01-2060-01; FY 2004 Budget Submission; FY 2002 PAR, page 52 .

3.5 Does the program collaborate and coordinate effectively with related programs?

Answer: YES

Question Weight: 14%

Explanation: The DI program is effective in working with other related programs such as Vocational Rehabilitation facilities. The Ticket to Work provisions have led to coordination of employment initiatives with the Department of Labor (DOL) and private industry. SSA works with the Centers for Medicare and Medicaid Services (CMS) to provide Medicare coverage for beneficiaries who return to work, and will be sharing data with CMS to identify continuing disability review (CDR) mailer candidates. SSA coordinates with State workers compensation agencies and the DOL to ensure that beneficiaries are paid correctly. SSA works with the Veteran's Administration to secure medical evidence for veterans who have applied for disability benefits. In the near future, SSA will be working closely with other agencies to coordinate efforts related to the President's New Freedom Initiative.

Evidence: 1) Coordination with CMS: Interagency Agreement between SSA and CMS providing SSA with Medicare utilization data. 2) Coordination with the State's worker's Compensation (WC) agencies: SSA's Program Operation's Manual (Pomes) DI 52001.150 discusses WC verification; several references describing SSA's procedures in providing its data to States that offset the WC due to receipt of disability benefits including, Colorado (DI 52001.204), Florida (DI 52001.211), Massachusetts (DI 52001.905), Ohio (DI 52001.239), and Washington (DI 52001.253). 3) FY04 Budget Justification details forthcoming coordination efforts related to the New Freedom Initiative.

3.6 Does the program use strong financial management practices?

Answer: YES

Question Weight: 14%

Explanation: SSA's financial statements received an unqualified audit opinion in FY 2002 for the ninth consecutive year. In the past SSA has conducted Continuing Disability Reviews (CDRs) based on a special funding mechanism and has proposed earmarking funding for CDRs and data matches (WC cleanup, Office of Child Support Enforcement match) to increase payment accuracy.

Evidence: FY 2002 PAR pgs 42-45; pages 175-182.

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3.7 Has the program taken meaningful steps to address its management deficiencies?

Answer: YES

Question Weight: 14%

Explanation: SSA integrates management controls into process and financial management systems at all levels to identify control weaknesses. Once identified, SSA develops corrective action plans, implements them, and reviews the controls of the new or changed processes to ensure they remain effective. Reviews encompass processes such as earnings, claims and postentitlement events, and debt management. Through its service delivery assessment of the disability program, SSA has identified problems with the disability claims process and is taking steps to address them. These steps include: eliminating backlogs as a prerequisite to reducing processing time; accelerating the development of a paperless disability process that includes sharing of information through an electronic folder; updating medical listings to reflect advances in medical knowledge, diagnosis, and treatment. SSA is also taking steps to improve the appeals process, including: improving all facets of training for disability adjudicators; developing a case management processing system; issuing benchdecisions, expanding the use of technology;and contracting outfile assembly.

Evidence: SSA's Strategic Plan 2003 - 2008; Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003 pages 18-20.

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals?

Answer: SMALL EXTENT

Question Weight: 25%

Explanation: SSA has made adequate progress in improving DDS processing time and hearings processed per workyear (PPWY) over the prior year. However, the agency has not yet made sufficient progress in achieving goals with respect to hearings processing time and long-term decisional accuracy. As stated in Question 2.2, the long-term DDS PPWY goal is not ambitious.

Evidence: Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003 pages 59-61 for target goals. The Performance and Accountability Report for FY 2002, pages 32, 33, 112, & 118 for actual results.

4.2 Does the program (including program partners) achieve its annual performance goals?

Answer: LARGE EXTENT

Question Weight: 25%

Explanation: SSA has exceeded its targets for average initial processing time and hearing decisions issued per workyear; and improved in DDS PPWY over the prior year. In addition, the Agency almost met its annual goal for hearings processing time. However, the agency did not meet its annual goal for decisional accuracy for denials.

Evidence: The Performance and Accountability Report (PAR) for FY 2002, pages 32, 33, 112 & 118.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year?

Answer: YES

Question Weight: 25%

Explanation: SSA relies heavily on continuing disability reviews and data matches (Medicare Non-Utilization, WC match) to make the program as efficient and cost effective as possible. SSA is currently taking steps to improve the disability process. The Old Age Survivors and Disability Insurance (OASDI) and Hospital Insurance/Supplemental Medical Insurance program benefits from doing Continuing Disability Reviews (CDRs) decreased slightly from \$2.4 billion in FY 2000 to \$2.3 billion in FY 2001. DI actual overpayment collections for FY 2002 are expected to exceed both the FY 2002 estimate and the actual for FY 2001.

Evidence: FY 2001 PAR pg 66; memorandum did 5/23/02 to OMB; SSA FY 1999 and FYs 2000 and 2001. Reports to Congress on the processing of CDRs; FY 2004 OMB Submission pg 95. FY 2002 PAR, page 52.

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4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: N/A Question Weight: 0%

Explanation: While private and public disability programs can offer lessons on isolated process components, differences in the programs being compared limit the relevance of direct comparisons. Private disability insurers generally assess only whether a claimant can no longer do the same job. They rely heavily on SSA's determinations to decide the more difficult question of whether a claimant is unable to work at all. Among public programs, variations in program requirements limit the usefulness of direct performance comparisons of aggregate measures such as total processing times. Payments from these other programs may be offset by any Social Security benefits.

Evidence: Testimony by UnumProvident to the U.S. House Ways and Means, Social Security Subcommittee, July 2002. UnumProvident is the largest private disability insurer in the U.S. and provides specialized return-to-work services early in the disability claims process. GAO Testimony to the U.S. House Ways and Means, Social Security Subcommittee of Ways and Means, July 2000. GAO's assessment found that private disability insurers incorporate return-to-work efforts from the beginning of the assessment process.

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results? Answer: SMALL EXTENT Question Weight: 25%

Explanation: While the program does achieve the objective of providing income support to disabled individuals, problems in the program design limit its effectiveness in other ways. Reports from the GAO, Social Security Advisory Board and others have repeatedly noted that significant program improvements are necessary if SSA is to improve its productivity and processing times. The problems that SSA, GAO, and others have identified include: inconsistency in claims decisions made by state Disability Determination Services and Office of Hearings and Appeals across States; long delays in processing claims; and the failure to adapt the disability definition to changing medical technology, vocational options, and social attitudes toward disability. Court decisions have also increased the difficulty of deciding disability claims.

Evidence: SSAB, "How SSA's Disability Programs Can Be Improved," August 1998. SSAB, "Charting the Future of Social Security's Disability Programs: The Need for Fundamental Change," January 2001. GAO, "SSA Has Had Mixed Success in Efforts to Improve Caseload Management," Oct. 1999. GAO, "Disappointing Results From SSA's Efforts to Improve the Disability Claims Process Warrant Immediate Attention," Feb.2002. GAO, "Efforts to Improve Claims Process Have Fallen Short and Further Action Is Needed," June 2002. GAO, "High Risk Series, An Update," January 2003.

PART Performance Measurements

Program: Disability Insurance
Agency: Social Security Administration
Bureau:

Measure: Initial disability claims average processing time (days). This is the number of days from the filing of an application to the date processing is complete.
Additional Information: Processing time is measured from the application date (or protective filing date) to either the date of the denial notice or the date the system completes processing of an award.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	120	106	
2002	115	104	
2003	104	97	
2008	93		

Measure: Percent of initial disability allowances correctly processed
Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual (Efficiency Measure)
2000		97.0%	
2001	96.5%	96.8%	
2002	96.5%	97.1%	
2003			

Measure: Percent of initial disability denials correctly processed
Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2000		92.4%	
2001	93.5%	92.0%	
2002	93.5%	92.4%	

PART Performance Measurements

Program: Disability Insurance
Agency: Social Security Administration
Bureau:

Measure: Disability Determination Service (DDS) Net Accuracy Rate (Allowances and Denials combined)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual (Efficiency Measure)
2003	97%		
2004	97%		

Measure: Average processing time for hearings (in days)

Additional Information: Represents the elapsed time from the hearing requested date until the date of the notice of decision.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2008	243		

Measure: Disability Determination Service (DDS) cases processed per workyear (PPWY)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term (Efficiency Measure)
2008	283		

Measure: Number of hearings cases processed per workyear (includes all hearings, not just initial disability)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term (Efficiency Measure)
2001	103	87	
2002	91	97	
2003	101	103	
2008	112		

PART Performance Measurements

Program: Disability Insurance
Agency: Social Security Administration
Bureau:

Measure: Disability Determination Service (DDS) Net Accuracy Rate (Allowances and Denials combined)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2008	97%		

Measure: Average processing time for initial disability claims (DI & SSI Blind and Disabled) (in days)

Additional Information: Processing time is measured from the application date (or protective filing date) to either the date of the denial notice or the date the system completes processing of an award.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	120	106	
2002	115	104	
2003	104	97	
2004	97		

Measure: Average processing time for hearings (in days)

Additional Information: Represents the elapsed time from the hearing requested date until the date of the notice of decision.

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	271	308	
2002	330	336	
2003	352	344	
2004	377		

PART Performance Measurements

Program: Disability Insurance
Agency: Social Security Administration
Bureau:

Measure: Disability Determination Service (DDS) cases processed per workyear (PPWY)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual	(Efficiency Measure)
2001		262		
2002		265		
2003	264	270.4		
2004	272			

Measure: Number of hearings cases processed per workyear (PPWY)

Additional Information: Note: FYs 2003-2004 targets include only SSA hearings (i.e. exclude Medicare Hearings)

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual	(Efficiency Measure)
2001	103	87		
2002	91	97		
2003	101	103		
2008	112			

Program Assessment Rating Tool (PART)

Program: Supplemental Security Income for the Aged
Agency: Social Security Administration
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	72%	100%	58%	Effective

1.1 Is the program purpose clear?

Answer: YES

Question Weight: 20%

Explanation: To provide basic support to the needy aged 65 years or older based on nationally uniform eligibility standards and payment levels. SSI Aged is one component of the broader SSI program, which also serves the blind and disabled.

Evidence: U.S. Congress, House, Committee on Ways and Means, Social Security Amendments of 1971: Report to Accompany H.R.1, 92d Congress, H. Report 92-231, pp 149-150

1.2 Does the program address a specific and existing problem, interest or need?

Answer: YES

Question Weight: 20%

Explanation: Poverty among the aged persists.

Evidence: The program provides benefits to 1.251 million aged individuals (February 2003). Another 729,000 individuals who are disabled or blind who are also over 65 receive SSI. Office of Research, Evaluation, and Statistics Monthly Update, February 2003.

1.3 Is the program designed so that it is not redundant or duplicative of any other Federal, state, local or private effort?

Answer: YES

Question Weight: 20%

Explanation: SSI is a program of last resort; it takes into account income from other sources and does not duplicate but rather fills a gap between other income sources (including Federal, State or local programs and private efforts) up to a minimum level.

Evidence: SSI is a program of last resort. Law requires applicants to file for other benefits to which they might be entitled as a condition of eligibility. Sec. 1611 (e) 1 (G) of the Social Security Act.

1.4 Is the program design free of major flaws that would limit the program's effectiveness or efficiency?

Answer: YES

Question Weight: 20%

Explanation: The program design is free of major flaws. With its nationally uniform standards and payment levels, the SSI program is a considerable improvement over the multiplicity of state matching grants with different payment levels and eligibility requirements that it replaced. However, program complexity is a problem that SSA has acknowledged.

Evidence: Federal administration provides uniform rules, consistent administration and economies of scale over predecessor programs. SSA has sponsored numerous efforts to streamline procedures, policies and law. SSA's SSI Corrective Action Plan (as a result of previous SSI's high risk designation by GAO) acknowledges that program complexity is a difficult challenge.

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1.5 Is the program effectively targeted, so that resources will reach intended beneficiaries and/or otherwise address the program's purpose directly? Answer: YES Question Weight: 20%

Explanation: The SSI Aged program effectively reaches intended beneficiaries. States supplement the Federal benefit rate to provide additional income security for beneficiaries. While the SSI program overall is vulnerable to erroneous payments, SSA is taking actions to reduce errors and, consequently, GAO removed SSI from its high risk list.

Evidence: See reply to 1.4 above. Over 150,000 individuals who are age 65 or older apply each year for SSI Aged benefits. In order to be eligible, individuals must meet the income and resource requirements of the program. SSI Redeterminations and data matches are periodically conducted to ensure that recipients continue to meet the eligibility requirements.

2.1 Does the program have a limited number of specific long-term performance measures that focus on outcomes and meaningfully reflect the purpose of the program? Answer: YES Question Weight: 15%

Explanation: SSA's long term measures address processing time, productivity and accuracy in providing payment. (The long-term performance measure for payment accuracy is for the entire SSI program, not specifically for the SSI aged segment.) SSA also publishes "barometer measures" related to program outcomes, such as SSI's impact on reducing the poverty gap and SSI as a proportion of total income. However, SSA does not set programmatic outcome goals due to the numerous factors that affect the economic status of the aged.

Evidence: Agency Strategic Plan (ASP) for FYs 2003 - 2008 pages 2 and 22; and the Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003 (pages 59-61).

2.2 Does the program have ambitious targets and timeframes for its long-term measures? Answer: NO Question Weight: 14%

Explanation: The long-term target set for overpayment accuracy, which is for the entire SSI program is rather ambitious given past experience. Long-term targets for timeliness and claims processed per work year are not ambitious since SSA has already achieved these targets.

Evidence: Agency Strategic Plan (ASP) for FYs 2003 - 2008 pages 2 and 22; targets for FY 2009 included with this assessment and subsequent Annual Performance Plans.

2.3 Does the program have a limited number of specific annual performance measures that can demonstrate progress toward achieving the program's long-term goals? Answer: YES Question Weight: 15%

Explanation: SSA has annual performance measures that address processing time, productivity and accuracy in providing payment. The processing time and cases processed per work year (PPWY) goals specifically address the SSI aged segment.

Evidence: FY 2002 PAR pages 111 and 127; and the Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003 pages 59-61.

2.4 Does the program have baselines and ambitious targets for its annual measures? Answer: YES Question Weight: 14%

Explanation: SSA has baselines and annual performance targets that focus on improvements to processing time, productivity and accuracy in providing payment. SSA's annual targets for cases processed per workyear and payment accuracy are ambitious. The annual target for timeliness, however, is not ambitious. SSA has already achieved the FY03 and FY04 targets in this area.

Evidence: FY 2002 PAR pages 111 and 127; and the Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003 pages 59-61.

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1	2	3	4	Moderately Effective
100%	72%	100%	58%	

2.5 Do all partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) commit to and work toward the annual and/or long-term goals of the program? Answer: NA Question Weight: 0%

Explanation: States support the program purpose by supplementing federal benefits; however, SSA has no program partners who have a role which relates to and supports the output and outcome goals of the program.

Evidence: SSA, Annual Report on the Supplemental Security Income Program, May 2003, pages 19-20.

2.6 Are independent evaluations of sufficient scope and quality conducted on a regular basis or as needed to support program improvements and evaluate effectiveness and relevance to the problem, interest, or need? Answer: YES Question Weight: 14%

Explanation: GAO and OIG continually audit the program and do so independently from SSA. Their audits are generally national in scope and use sound methodology, assuring the quality of their findings. GAO had included the SSI program on its High Risk List for several years. SSA responded to GAO's criticisms by adopting a corrective action plan and by developing initiatives to address the program's deficiencies. (For example, SSA sought legislative authority for additional tools to verify an applicant's financial eligibility for benefits.) As a result, in 2003 GAO removed SSI from its High Risk List. Also, in response to a prior GAO recommendation, SSA revised its field office work credit and measurement system to better reward staff for time spent combating fraud.

Evidence: Outside monitoring entities (GAO and OIG) regularly evaluate the program and make recommendations, and Congress also exercises oversight. "Major Management Challenges and Program Risks: Social Security Administration" (GAO-03-117).

2.7 Are Budget requests explicitly tied to accomplishment of the annual and long-term performance goals, and are the resource needs presented in a complete and transparent manner in the program's budget? Answer: NO Question Weight: 14%

Explanation: SSA's budget requests are not explicitly tied to annual and long-term outcome performance goals (i.e. processing times and payment accuracy), such that there is not a direct link between resource requests and these goals; however, SSA does go through an elaborate and extensive process to tie performance to budgeting. Goals are set based on available resources and the need to balance overall performance within those resource limits. SSA tracks the level of performance against the annual and long term targets on an ongoing basis and adjusts resource allocation and level of effort accordingly. SSA can demonstrate that its budget request ties to annual and long-term output goals and can directly link incremental changes in resources to workload performance outputs such as retirement or disability claims processed. In addition, SSA is making progress in relating resources to outcomes such as the relationship between pending workloads and processing time, and the dollars invested in continuing disability reviews and program dollars saved.

Evidence: SSA FY 2005 Budget Submission

Program Assessment Rating Tool (PART)

Program: Supplemental Security Income for the Aged
Agency: Social Security Administration
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately Effective
100%	72%	100%	58%	

2.8 Has the program taken meaningful steps to correct its strategic planning deficiencies? Answer: YES Question Weight: 14%

Explanation: The Agency has meaningful measures that are routinely reassessed, evaluated and improved. The Agency developed a SSI Corrective Action Plan and a new Agency Strategic Plan for 2003-2008 which focus the Agency's efforts on correcting the deficiencies identified. Initiatives designed to improve the program include automating reporting of changes in income, obtaining information on applicants assets directly from financial institutions, speeding up access to death records in order to terminate benefits more quickly, and increasing efforts to collect debt.

Evidence: SSI Corrective Action Plan, Agency Strategic Plan for 2003-2008.

3.1 Does the agency regularly collect timely and credible performance information, including information from key program partners, and use it to manage the program and improve performance? Answer: YES Question Weight: 14%

Explanation: Timely and credible performance information is collected through systematic and consistent processes with periodic quality controls to confirm the validity of the data. SSA uses this information to manage the program and adjust program priorities.

Evidence: SSA regularly collects payment accuracy and decisional accuracy, workload data and a myriad of management information from administrative records. FY03 APP pg 87; FY 02 PAR pages 11 and 127; the Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003 page 35; and SSA Tracking Report (Intranet).

3.2 Are Federal managers and program partners (including grantees, sub-grantees, contractors, cost-sharing partners, and other government partners) held accountable for cost, schedule and performance results? Answer: YES Question Weight: 14%

Explanation: SSA executives are held accountable for key performance measures. Monthly meetings are held and progress is tracked in the SSA Tracking Report on the Intranet. In FY 2003 SSA has implemented a revised SES Performance Appraisal Plan, which incorporates performance standards for managers, and will implement a revised plan for other employees in the future.

Evidence: SSA Tracking Report (Intranet); SES Performance Appraisal Plan.

3.3 Are funds (Federal and partners') obligated in a timely manner and spent for the intended purpose? Answer: YES Question Weight: 14%

Explanation: Program funds are obligated consistent with the rules of the program. Procedures exist for reporting actual expenditures.

Evidence: SF-133s; FY 02 PAR, pg. 52.

Program Assessment Rating Tool (PART)

Program: Supplemental Security Income for the Aged
Agency: Social Security Administration
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	72%	100%	58%	Effective

3.4 Does the program have procedures (e.g. competitive sourcing/cost comparisons, IT improvements, appropriate incentives) to measure and achieve efficiencies and cost effectiveness in program execution? Answer: YES Question Weight: 14%

Explanation: SSA continually looks for means to achieve cost efficiencies in managing the SSI program. The budget process in general looks to identifying improvements in the SSI program. An example of this is the use of profiling in the redetermination selection process. SSA sorts recipients by the likelihood of the identification of a payment correction, in determining which cases to review first. SSA reviews these recipients income and assets to make sure that they are still eligible for benefits and are getting paid the right amount

Evidence: SSA's FY04 Budget Submission; FY02 PAR pg 20; SSI Corrective Action Plan (May 2002).

3.5 Does the program collaborate and coordinate effectively with related programs? Answer: YES Question Weight: 14%

Explanation: There are no other programs that provide comparable benefits to the same recipient population. However, most States provide a related program: SSI State Supplementation. SSA administers payments for some States who choose it. For States that make payments directly to beneficiaries (as well as Federally administered States), SSA monitors them to make sure they comply with "passalong" supplementation rules.

Evidence: All states and DC (except WV) provide some form of State supplementation. Agreement with States pursuant to Section 1616 of the Social Security Act and Section 212 of Public Law 93-66.

3.6 Does the program use strong financial management practices? Answer: YES Question Weight: 14%

Explanation: SSA has received an unqualified opinion on its financial statements for the last 9 years. SSA conducts data matches and periodic eligibility redeterminations to increase payment accuracy. The level of effort for these activities depends upon funding; they are highly cost-effective. A funding mechanism comparable to the (previous) CDR mechanism does not exist for redeterminations.

Evidence: FY02 PAR pgs 175-182.

3.7 Has the program taken meaningful steps to address its management deficiencies? Answer: YES Question Weight: 14%

Explanation: OIG has reported that ten significant management issues face SSA. OIG acknowledged that these issues are of a long-term nature and do not lend themselves to quick fixes. These management challenges do not target the SSI aged program, but several of the challenge areas apply to the SSI aged program in a general way. SSA tracks OIG and GAO reports to ensure recommendations are addressed. While the SSI program overall remains vulnerable to payment error, GAO removed the SSI program from its High Risk List based on SSA developing and implementing an SSI Corrective Action Plan.

Evidence: OIG's December 2002 report: Major Management Challenges Fiscal Year 2003 describes the 10 challenges facing SSA. As none of the challenges is specific to the SSI aged program, SSA views this as confirmation that the SSI aged program is well run and meeting its intended purpose. SSA continues to implement its SSI Corrective Action Plan, as well as instituting other systems improvements. In its January 2003 report, "Major Management Challenges and Program Risks: Social Security Administration" (GAO-03-117), GAO notes its removal of SSI from its High Risk List.

Program Assessment Rating Tool (PART)

Program: Supplemental Security Income for the Aged
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Type(s): Direct Federal

Section Scores				Overall Rating
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100%	72%	100%	58%	

4.1 Has the program demonstrated adequate progress in achieving its long-term performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: SSA has exceeded its targets for processing time, and while past targets did not exist for SSI Aged cases processed per work year (PPWY), actual experience demonstrates continued progress in this area. However, with respect to SSI payment accuracy, it has not improved. While there is need for improvement in SSI payment accuracy, SSA believes that its accuracy is good, and it is continually looking for ways to improve its payment accuracy. Finally, as noted in question 2.2, SSA has not set ambitious targets for its long-term timeliness and PPWY measures. As a result, the score for question 4.1. is "SMALL EXTENT."

Evidence: SSI Corrective Action Plan (May 2002). The Annual Performance Plan for FY 03 pages 73 and 87, and the Performance Plan for FY 2004 and Revised Final Performance Plan for FY 2003 page 35. The Performance and Accountability Report for FY 02 pages 111, 127. SSA's Workload Trend Report page 13.

4.2 Does the program (including program partners) achieve its annual performance goals? Answer: SMALL EXTENT Question Weight: 25%

Explanation: SSA has exceeded its target for processing time, and while past targets did not exist for SSI Aged PPWY, SSA has improved on its prior year performance . However, the annual performance goal for SSI Payment Accuracy has only been achieved to a "small extent because SSA has not been able to achieve the annual progress as planned. SSA developed and is implementing SSI Corrective Action Plan to address problems identified by GAO; as a result of SSA's progress in developing new tools to improve SSI's financial integrity and management, GAO has removed the program's "high risk" designation.

Evidence: SSI Corrective Action Plan (May 2002). PAR for FY 02 pages 111 and 127; SSA's Workload Trend Report page 13.

4.3 Does the program demonstrate improved efficiencies or cost effectiveness in achieving program goals each year? Answer: YES Question Weight: 25%

Explanation: SSA relies heavily on the eligibility redetermination process and on matching data on SSI applications with other databases (e.g., Office of Child Support Enforcement, Internal Revenue Service) to make the program as cost efficient as possible. The return on investment from conducting these reviews is approximately 7:1. In FY 2002 the total overpayments collected and prevented from redeterminations and certain data matches was approximately \$2.3 billion.

Evidence: FY02 PAR pg 52. FY 2002 SSI Redetermination Change Rate Study.

4.4 Does the performance of this program compare favorably to other programs, including government, private, etc., with similar purpose and goals? Answer: NA Question Weight: 0%

Explanation: There are no other programs that provide comparable benefits to the same recipient population.

Evidence:

Program Assessment Rating Tool (PART)

Program: Supplemental Security Income for the Aged
Agency: Social Security Administration
Bureau:
Type(s): Direct Federal

Section Scores				Overall Rating
1	2	3	4	Moderately
100%	72%	100%	58%	Effective

4.5 Do independent evaluations of sufficient scope and quality indicate that the program is effective and achieving results?

Answer: LARGE
EXTENT

Question Weight: 25%

Explanation: Few GAO and OIG studies specifically evaluate the SSI Aged Program. Problems identified by GAO and OIG associated with SSI are not as closely related to the SSI Aged population as to the SSI disability population, such as challenges in processing claims and beneficiaries failure to timely and accurately report changes in income and living arrangements. Private accounting firms have found SSA's overall financial management to be strong. Further, information offered by GAO suggests that SSA is making progress in identifying potential overpayments related to nursing home admissions, many of which may pertain to SSI aged beneficiaries. The SSI program as a whole (i.e., both aged and disabled recipients) has been removed from GAO's High Risk List, thanks largely to the corrective action plan SSA put in place. However, it is too early to tell whether the plan will achieve anticipated results in performance.

Evidence: GAO and OIG audits in progress available at www.GAO.gov. OIG annual audit reports are available in OIG's annual report of audit activity. PriceWaterhouseCoopers and Deloitte & Touche also provide audit evaluations (Performance and Accountability Report for FY2002, pages 175-182). SSA has an active program evaluation function that uses process evaluations, outcome evaluations, impact evaluation and cost-benefit analysis. The GAO testimony, "SSI: Status of Efforts to Improve Overpayments Detection and Recovery," July 25, 2002, discusses SSA's progress related to reducing overpayments related to nursing home admissions.

PART Performance Measurements

Program: Supplemental Security Income for the Aged
Agency: Social Security Administration
Bureau:

Measure: Percent of SSI aged claims processed within 2 weeks of the application being filed
Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2001	66%	79.9%	
2002	70%	82.6%	
2003	75%	83%	
2008	80%		

Measure: Number of SSI aged claims processed per workyear by the field offices
Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term (Efficiency Measure)
2008	530		

Measure: Percent of SSI payments made to the correct individuals in the correct amounts without erroneous overpayments (for the SSI program overall)
Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Long-term
2008	96%		

Measure: Percent of SSI aged claims processed within 2 weeks of the application being filed
Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001	66%	79.9%	
2002	70%	82.6%	
2003	75%	83%	

PART Performance Measurements

Program: Supplemental Security Income for the Aged

Agency: Social Security Administration

Bureau:

Measure: Percent of SSI aged claims processed within 2 weeks of the application being filed

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2004	75%		

Measure: Number of SSI aged claims processed per workyear by the field offices

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual (Efficiency Measure)
2001		436	
2002		515	
2003	497	556	
2004	530		

Measure: Percent of SSI payments made to the correct individuals in the correct amounts without erroneous overpayments (for the SSI program overall)

Additional Information:

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001		93.3%	
2002	94.7%	93.4%	
2003	95.4%		
2004	95.4%		

PART Performance Measurements

Program: Supplemental Security Income for the Aged

Agency: Social Security Administration

Bureau:

Measure: Percent of SSI payments made to the correct individuals in the correct amounts without erroneous underpayments (for the SSI program overall)

**Additional
Information:**

<u>Year</u>	<u>Target</u>	<u>Actual</u>	Measure Term: Annual
2001		98.8%	
2002	98.8%	98.6%	
2003	98.8%		
2004	98.8%		