

Office of the Inspector General

September 27, 1999

John R. Dyer
Principal Deputy Commissioner
of Social Security

Acting Inspector General

Usefulness of the Reversal Reason Codes (A-06-96-21061)

Attached is a copy of the subject final report. The objective was to determine whether the reversal reason codes, used to identify the reasons for Office of Hearings and Appeals reversals of disability denials, provide accurate and meaningful information.

You may wish to comment on any further action taken or contemplated on our recommendations. If you choose to offer comments, please provide them within the next 60 days. If you wish to discuss the final report, please call me or have your staff contact Daniel R. Devlin, Acting Assistant Inspector General for Audit, at (410) 965-9700.

James G. Huse, Jr.

Attachment

**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**USEFULNESS OF THE
REVERSAL REASON CODES**

September 1999

A-06-96-21061

**MANAGEMENT
ADVISORY REPORT**



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OBJECTIVE

The objective of this management advisory report was to determine whether the reversal reason codes (RRC), used to identify the reasons for Office of Hearings and Appeals (OHA) reversals of disability denials, provide accurate and meaningful information.

BACKGROUND

A claimant who is dissatisfied with a denied disability claim and reconsideration may request a hearing before an administrative law judge (ALJ). After the hearing and upon completion of the record, the ALJ issues a written decision. If the ALJ allows the claim previously denied by the Disability Determination Services (DDS), a RRC will be entered into the Office of Hearing and Appeals Case Control System (OHACCS) to identify the ALJ's reasons for allowance. The RRC consists of two elements. The first element describes whether the ALJ is considering new evidence or the same evidence. The second element contains 24 possible categories ranging from objective factors (e.g., age and income) to more subjective factors (e.g., the claimant's credibility and medical judgement). Refer to Appendix A for a listing which defines the codes.

Historically, there have been concerns with the high rate of allowance by ALJs of claims disallowed at the DDS level. SSA has studied the reasons for discrepancies in disability decisions and introduced various initiatives to address that concern. Since the RRC categorizes reasons for ALJ reversals, the codes are a primary source of information in studying and addressing these discrepancies between DDS and ALJ decisions. For example, any code beginning with "B" would be a candidate for further review because its use would mean the ALJ used the same evidence to arrive at a different decision than that of the DDS.

SCOPE AND METHODOLOGY

We analyzed the RRCs to determine their frequency of use. For the analysis, we obtained the computer records of all hearings adjudicated between April and June 1997 throughout the country. We selected the computer records from the OHACCS.

We judgmentally selected 20 Hearing Offices (HO) from the 137 HOs recorded in OHACCS nationwide. We selected two HOs from each of the ten Regions and sent questionnaires to 199 staff members in those offices. The questionnaire is shown as Appendix B. We selected ten employees from each HO consisting of the HO manager, chief ALJ, two ALJs, two staff attorneys, staff attorney supervisor, HO clerk supervisor, and two hearing office clerks. (One office had only one HO clerk). The purpose was to identify how staff selected and recorded RRCs. We received 127 of 199 questionnaires that were sent to the HOs. Appendix C shows the distribution of the respondents by Region and job title. We conducted our review from January 1997 to June 1998 at our office in Dallas, Texas. The review was conducted in accordance with the *Quality Standards for Inspections issued by the President's Council on Integrity and Efficiency*.

RESULTS OF REVIEW

The responses to our questionnaire indicated that the RRCs are of limited value. Twenty-six of the 127 respondents reported that the codes served no purpose. There are several codes that are too broadly defined, which results in their overuse. We determined that two codes accounted for 75 percent of all code entries recorded. The "AE" code, defined as reversals based on new evidence resulting in a different evaluation, represented 45 percent of all transactions. There were 21 HOs that used only the AE code to record reversal decisions under title II and 25 HOs used only the AE code to record reversals under title XVI. Six of the 48 codes accounted for 95 percent of all code transactions during the review period. For the results of our analysis, refer to Appendix D.

The responses to the questionnaire provided explanations for the overuse of broadly defined RRCs, particularly the "AE" code. Respondents from four offices reported that they automatically used the AE code for all reversals. A typical response was as follows: "In an effort to maintain high production, we have routinely input codes AE across the board. Almost always new evidence is received on the hearing (A). This then warrants a different evaluation (E)." Another respondent commented:

"I first started working . . . the attorneys were asked to provide the clerks with the proper reversal codes. The judges were not interested in this and did not want to be bothered. This was in 1991. The attorneys/paralegals did not always provide the information. This frustrated the clerks who were in charge of entering the information into the computer. Rather than having to track down the writer of the decision, the supervisory attorney indicated that, if the information was not provided, the clerk could enter AE as a default to save

time. This became the standard practice in the office. In the last 4 years all clerks were trained to enter AE as the default code. No attorney or paralegal hired by our office in the last 5 years even knows that the codes are required or what they mean.”

Forty-two of the 127 respondents (33 percent) indicated that the codes could be improved and made useful. Suggestions for improvements included code revisions, training on the use of codes, having persons involved with decisions select the codes, and emphasizing the importance of the codes as a source of management information. One ALJ respondent commented, “[If accurate and reliable] There should be some consistency in resolving the same legal issues in the context of similar fact patterns—thus, imbalances in RRCs could provide a focus for identifying and addressing adjudicative errors at DDS and OHA levels.” Another supportive comment was, “If accurate, they would facilitate understanding of reasons for different decisional results at the DDS/OHA levels, and perhaps provide a focus for additional training and/or policy clarification.”

CONCLUSIONS AND RECOMMENDATIONS

The RRCs cannot be relied on or used as a basis for analytical studies. There are two broadly defined codes that are commonly used and, at some offices, exclusively used as the reason for decision reversals. Respondents from 9 of the 20 selected offices reported that clerical staff who do not have knowledge of the reason for reversals select the RRCs. As expressed by respondents to our questionnaire, this method of selecting RRCs is used because they believe the codes are not useful. SSA should determine if the RRCs are potentially important management information.

We recommend that SSA either initiate the following actions or discontinue the use of the RRCs.

1. Improve code definitions to provide detailed descriptions,
2. Instruct employees involved with the decision process to select the codes, and
3. Inform staff of the importance of providing accurate coding.

AGENCY COMMENTS

SSA concurred with the report findings. The Agency noted that the RRCs are no longer used, and more complete and accurate information is maintained in the Office of Quality Assurance and Performance Assessment. Therefore, SSA plans to discontinue using the RRCs. The full text of SSA's comments is included in Appendix F.

James G. Huse, Jr.

APPENDICES

REVERSAL REASON CODES

REVERSAL REASON CODES

The following are permissible reversal reason codes for use in blocks RRC and 2RC.

1st Position

A = New Evidence
B = Same Evidence

2nd Position

A = Age
B = Consultative Examination
C = Credibility
D = Different Interpretation of Law/Statutes
E = Different Evaluation of Evidence
F = Impairment - New
G = Impairment - Same
H = Impairment - Worsened
I = Income
J = Resources
K = Insured Status
L = Living Arrangements
M = MA Testimony
N = MA Answers to Interrogatories
O = Other Medical Judgement/Reports
P = Overpayment
Q = Physical Observation
R = Report from DO
S = Relationship
T = Technical Error
U = Under payment
V = VE Testimony
W = VE Evidence other than Testimony
X = Vocational Factors

POSSIBLE CODES: AA, AB, AC, AD, AE, AF, AG, AH, AI, AJ, AK, AL, AM, AN, AO, AP, AQ, AR, AS, AT, AU, AV, AW, AX, BA, BB, BC, BD, BE, BF, BG, BH, BI, BJ, BK, BL, BM, BN, BO, BP, BQ, BR, BS, BT, BU, BV, BW, BX

[MA = Medical Advisor; VE = Vocational Expert]

AUGUST 1992

QUESTIONNAIRE

Usefulness of the Reversal Reason Code Questionnaire

Respondent:

Hearing Office (HO) Manager	_____	HO Data Input Supervisor	_____
HO Chief ALJ	_____	HO Data Input Clerk	_____
HO ALJ	_____	Regional Office Manager	_____
HO Supervisory Staff Attorney	_____	Regional Chief ALJ	_____
HO Staff Attorney	_____	Regional Staff Atty	_____

OHA Office: _____ Date: ___/___/___

How many years have you worked in this office under your current job description: _____

1. Into which database(s) are the Reversal Reason Codes (RRCs) entered?

HOTS____ OHACCS____ Other____ Unknown____

If other, please describe.

2. Who selects the RRC to use on a particular case?

Please enter job title only: _____

Unknown _____

3. What instructional source(s) is used to select the RRCs?

Central Office Procedures _____ Local Procedures _____
Other _____ We have no procedures _____
Unknown _____

Please list the specific sections within each source and briefly describe the procedure.

If you have no procedures, how does the selecting person know which RRC to select?

4. Have there been any problems in selecting the correct RC? (E.g. codes too general, codes not defined well, etc.)
Yes____ No____ Unknown____

If yes, please explain.

5. Approximately how many minutes per claim does it take the professional staff to accurately maintain the RRC?

For example, the combined amount of time it takes to:

- a. review the procedures to select a code
- b. conference between the ALJ, attorney, or clerk about the code selected,
- c. conduct a quality review.

Show only the amount of time specifically attributed to the RRC:

ALJ, Attorney, or paralegal Time: _____(minutes)

I do not have direct knowledge to estimate ____

6. Who enters the RRCs into the automated system?

Please enter job title only: _____

Unknown ____

7. How does the person selecting the RRC (question 2 above) notify the data-entry person (question 6) which RRC to enter into the database system?

Please explain below.

8. What instructional source(s) is used by the data-entry person (question 6) to enter the RRC into the database system.

Central Office Procedures ____

Local Procedures ____

Other ____

We have no procedures ____

Unknown ____

Please describe below.

If you have no procedures, how does the data-entry person know which RRC to enter into the system?

9. Have there been any problems in entering the correct RRC?

Yes____ No____ Unknown ____

If yes, please explain below.

10. Approximately how many minutes per claim does it take the data-entry person to accurately maintain the RRC?

For example, the combined amount of time it takes to:

- a. retrieve, associate, file the folder,
- b. confer with the ALJ or attorney about the code,
- c. input the code into the system,
- d. conduct a quality review.

Show only the amount of time specifically attributed to the RRC:

Data Input Clerk Time: _____(minutes)
I do not have direct knowledge to estimate ____

11. Does your office do quality reviews to ensure that the data-entry person enters the correct RRC or that the person selecting the RRC selects the correct code? Yes ____ No ____
Unknown ____

If yes, please explain the review process. If no, please explain if such a review would or would not be helpful.

12. Please examine the tables attached to this questionnaire. The tables summarize RRC data from cases processed 4/97-6/97.

What factors contribute to your office's **infrequent** or **non-use** of an RRC? What factors contribute to your office's **frequent** use of a code? For example, some codes were not used at all, while others were used a majority of the time.

What do you believe contributes to the differences in the number of codes used by each office?
For example, nationally, some offices used as few as 1 code while some used as many as 22.

13. Does your office use the RRC information contained in the automated system for:

Internal reviews? Yes___ No___ Unknown___

Case management? Yes___ No___ Unknown___

Problem indicators? Yes___ No___ Unknown___

Other? Yes___ No___ Unknown___

If you answer "yes" to any of the above, please describe how you use the information.

14. Does your office share RRC statistics with DDSs?

Yes ___ No ___ Unknown___

a) If yes, please explain below how the information is exchanged and how the DDSs use the information.

b) If no or unknown, do you believe the exchange of RRC statistics would be of help to:

OHA? Yes___ No___

DDSs? Yes___ No___

Other? Yes___ No___

Please explain your answers below.

15. In what manner, if any, can RRCs be used to help with Process Unification?

16. Are RRCs useful for or could they be useful for:

Internal reviews? Yes___ No___

Case management? Yes___ No___

Problem indicators? Yes___ No___

Other? Yes___ No___

Please explain your answers below.

17. Do you have a procedure to communicate perceived or actual case developmental problems to the DDS?
Yes ___ No ___ Unknown___

If yes, please describe your procedure and explain how successful it has been.

If no or unknown, do you believe such a procedure is necessary?
Yes___ No___ (Please explain your answer.)

18. What can be done, if anything, to make RRCs (more) useful?

DISTRIBUTION OF RESPONSES

NUMBER OF QUESTIONNAIRES RECEIVED BY REGION AND JOB TITLE OF RESPONDENT									
Region	Number of Responses By Type of Respondent							Totals Per Region	
	A	B	C	D	E	F	G		
1	2	1	3	2	2	2	2	14	
2		1		1	2		2	6	
3	2		1	2	1	1	2	9	
4	1	2	2	1	3		3	12	
5	1	2	3	2	3	2	1	14	
6	2	1	4	1	4	2	3	17	
7	2	1	2	2		2	2	11	
8	2	2	2	2	3	2	3	16	
9	2		3	2	4	1	2	14	
10	2		4	1	1	2	4	14	
Totals Per Type of Respondent	16	10	24	16	23	14	24	127	

***A**=Hearing Office (HO) Manager;
B=HO Chief ALJ;
C=HO ALJ;
D=HO Supervisory Staff Attorney;
E=HO Staff Attorney;
F=HO Data Input Supervisor;
G=HO Data Input Clerk

MOST FREQUENTLY USED CODES

THE SIX CODES USED MOST FREQUENTLY				
	Title II		Title XVI	
Code	Total Number of Times Code Was Used	Percentage of Time Code Was Used	Total Number of Times Code Was Used	Percentage of Time Code Was Used
AE - New Evidence, Different Interpretation of Law/Statutes	24,388	44	17,962	45
AO - New Evidence, Other Medical Judgment/Reports	17,298	31	11,924	30
BE - Same Evidence, Different Interpretation of Law/Statutes	5,684	10	3,637	9
AC - New Evidence, Credibility	2,248	4	1,908	5
AV - New Evidence, Vocational Expert Testimony	1,690	3	1,416	4
AH - New Evidence, Impairment Worsened	1,291	2	999	2

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For additional copies of this report, please contact the Office of the Inspector General's Public Affairs Specialist at (410) 966-5998. Refer to Common Identification Number A-06-96-21061.

AGENCY COMMENTS

SSA ORGANIZATION CHART
