

***PAYMENT ACCURACY  
TASK FORCE***



***EARNINGS RECORD  
ISSUE TEAM***

***FINAL REPORT  
September 1997***

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# INTRODUCTION

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## *Overview of the Payment Accuracy Initiative*

The Payment Accuracy Task Force was created through the cooperative efforts of the Social Security Administration (SSA) and SSA's Office of the Inspector General (OIG) to improve the accuracy of payments for SSA's Old-Age, Survivors and Disability Insurance and Supplemental Security Income programs. To guide and support this initiative, an Associate Commissioner level Steering Committee was formed. A listing of the Steering Committee members is contained in Appendix A.

The Steering Committee used the Index of Dollar Accuracy (IDA) reports to identify and prioritize major categories of payment errors. The Office of Program and Integrity Reviews (OPIR) produces the annual IDA report to provide the Agency with a national measure of accuracy for Old-Age and Survivors Insurance (OASI) initial awards and disallowances. Historically, earnings record issues have accounted for the largest dollar amount of payment errors in the OASI program. Therefore, the Steering Committee selected earnings record payment errors as the first area to be addressed and established an issue team.

The Earnings Record Issue Team (ERIT), comprised of six employees from various SSA components, was chartered by the Steering Committee. The Steering Committee directed ERIT to identify previous earnings related initiatives, define the problems and weaknesses in the process, formulate a cost-benefit analysis, and propose recommendations to improve payment accuracy. Information on the team members and the ERIT time line is contained in Appendix B.

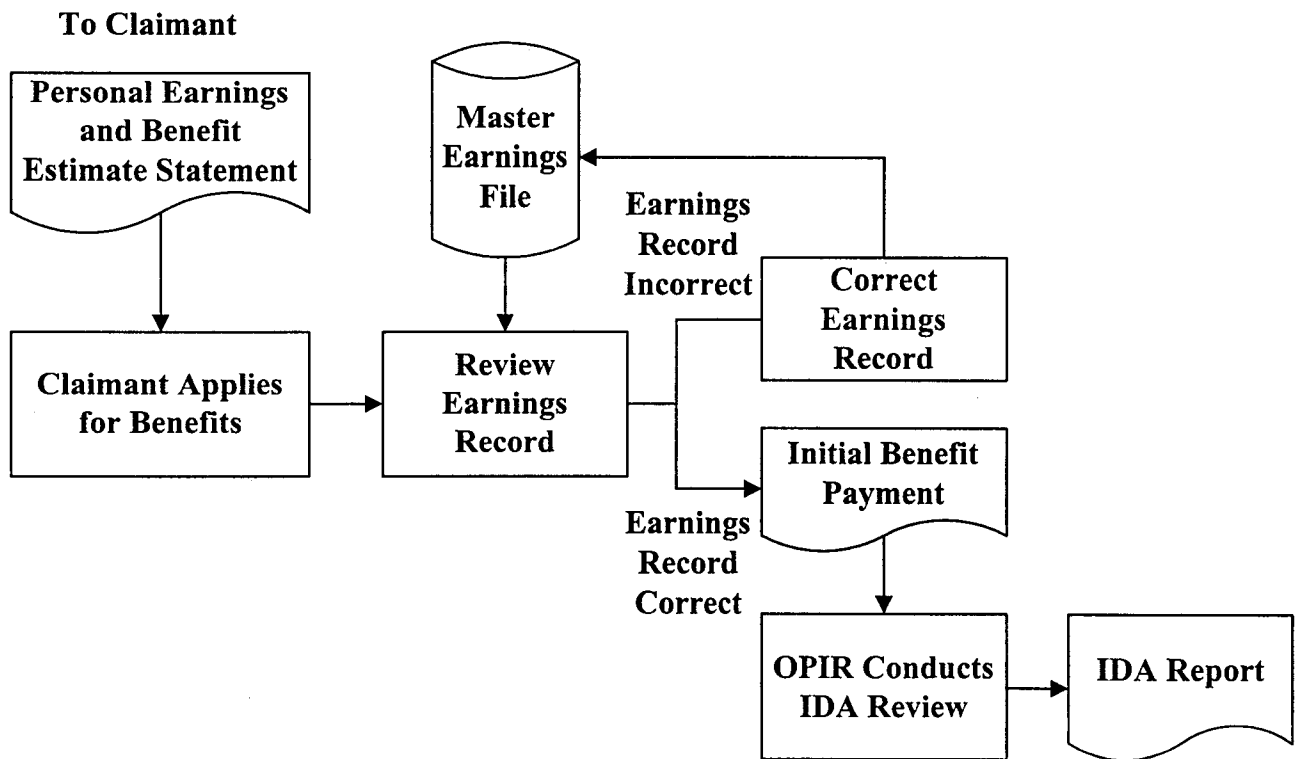
## *Issue Team's Mission Statement*

The team created a mission statement to incorporate the Steering Committee directives and articulate the team's purpose.

***The Earnings Record Issue Team Has Been Chartered by the Payment Accuracy Steering Committee for a Period of Ninety Days to Identify the Major Causes of Old-Age and Survivors Insurance Earnings Record Payment Errors and Provide a Report Containing Cost-effective Solutions. The Team Will Review the Merit of Previous Recommendations and Explore New Ideas. The Results of the Team's Efforts Are Intended to Improve the Quality of Service to SSA's Internal and External Customers.***

## Scope

The scope of this initiative encompassed a broad range of entitlement and post-entitlement earnings related actions beginning with the application for benefits and continuing through OPIR's IDA quality reviews. The primary intent of our initiative was to concentrate on errors that occurred during the field office claims process. We did not focus on improvements to the Personal Earnings and Benefit Estimate Statement (PEBES) because there were other workgroups committed to this effort. However, there is one recommendation regarding PEBES in the report. The diagram below details the extent of our review.



## Methodology

In order to fully understand the nature of earnings record errors, we:

- Reviewed prior OIG, SSA, and General Accounting Office (GAO) reports and recommendations related to earnings.
- Reviewed OPIR's IDA reports for Fiscal Years (FY) 1992 through 1995.

- Reviewed recommendations previously made by OPIR and determined the status of any corrective actions.
- Reviewed available OPIR data for the FY 1995 IDA earnings record payment errors.
- Observed the benefit application process in a local field office.
- Identified potential procedural and systems problems.
- Interviewed more than 40 claims representatives<sup>1</sup> to obtain their feedback on the causes of earnings record errors. We also asked them to provide input on the team's recommendations or suggest other ideas for improving earnings record errors.
- Discussed the identified problems and the team's proposed recommendations with appropriate systems and policy staff to determine the merit and feasibility of the recommendations. Staff contacts and their components are detailed in Appendix C.

Based on the information obtained from IDA data, prior studies, and our numerous staff contacts, we determined certain recommendations to be feasible. We discussed the systems related recommendations in detail with systems staff to ensure that the changes requested were reasonably achievable. We eliminated recommendations that were too resource intensive or that conflicted directly with other Agency initiatives.

We then attempted to formulate a cost-benefit analysis. One of the difficulties in formulating this analysis was that the majority of earnings record errors resulted in underpayments to beneficiaries. The team realized that our recommendations would not necessarily result in cost savings for the Agency in terms of benefits paid. The major impact of our recommendations would be measured more appropriately by the reduction in the dollar errors attributed to earnings records.

We did, however, attempt to obtain workload volumes and other cost information, as appropriate, from various components. Most often, the data we requested were not available. Many of our recommendations focused on such specific issues of the earnings process that management information data were either not reported or could not be derived within the time parameters of the workgroup. Because of the lack of available data, we could not perform a complete cost-benefit analysis.

Instead, we formulated a dollar impact analysis based on the reported errors in the FY 1995 IDA. The purpose of our dollar impact analysis is to provide the Steering Committee with a quantitative means to evaluate the potential impact of our proposed recommendations.

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<sup>1</sup> Due to time and budget constraints, the team visited only six field offices located in Maryland, Virginia, Delaware, and New Jersey.

Also, during the course of our work, we used previous studies and reports from both internal and external organizations. Several of the issues and resulting recommendations discussed in our report may have been previously identified or reported. Within our report, we have attempted to identify and recognize the organizations who have previously reported the same or similar recommendations. Additionally, the team relied heavily upon other SSA component staff for assistance and wish to recognize and thank everyone that contributed to this effort.

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# ISSUES & RECOMMENDATIONS

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The ERIT team has developed 18 recommendations covering the range of entitlement and post-entitlement earnings related actions to improve the accuracy of payments to beneficiaries. The majority of recommendations require modifications to the Modernized Claims System (MCS) and operating policies and procedures. Other recommendations address training, employee feedback, public information and education, and the impact of the changes to earnings systems. The recommendations have been categorized in the following issue sections: Military Service, Lag Earnings, Overall Earnings and Future Earnings.

## MILITARY SERVICE ISSUES

Military service earnings errors account for the largest dollar amount, about 60 percent, of all earnings record errors caused by field offices. The following six issues summarize areas where improvements are needed to facilitate the accurate processing of claims involving military service.

### ***ISSUE A--ENSURING THAT MILITARY WAGES ARE POSTED PROPERLY***

Social Security coverage of basic pay for members of the uniformed services began on January 1, 1957. For the years 1957 through 1977, members of the uniformed services are also eligible for "deemed military wage" (DMW) credits of \$300 for each calendar quarter in which basic pay was received. After obtaining proof of military service, DMWs can be added to an individual's earnings record if military service is material to the benefit computation.

Missing military wage postings in service years were a recurring source of error in IDA cases, particularly for the years from 1956 through 1977. The following two recommendations are intended to increase the recognition and posting of missing military wages.

#### ■ ***Recommendation A-1: Modify Policy to Require Review of Pre-1978 Military Wages.***

IDA cases demonstrated that DMWs were being credited to individuals' earnings records when no wages, military or regular wages, were present on the earnings record for the proven period of military service. As a result, the benefit payment amount was incorrect because the missing military wages were not included in the benefit computation. If the wages are missing, the earnings record shows an incomplete quarters of coverage (QC) pattern and eventually an MCS alert is generated indicating that DMW credits exist without supporting wages.

When this situation occurs, the claims representative (CR) is required to post the military wages to the earnings record. While current policy<sup>2</sup> requires CRs to review a claimant's earnings record for possible earnings inaccuracies for the years 1978 to present, it is generally not a requirement for the years prior to 1978. Because of this policy, development of missing and material pre-1978 military service wages are frequently overlooked or unresolved. Although MCS generates an on-screen alert in situations where the wage postings do not correlate with proven military service, the alert is unclear and ineffective.

In order to assure that the appropriate military service wages are used in the benefit computation, the policy should be revised to require CRs to review the QC pattern for years where military service is proven. By reviewing the QC pattern for proven military service periods, the CR can better identify missing military wages and ensure that wages are correctly posted.

■ ***Recommendation A-2: Improve the Presentation Quality of the Military Service Wage Tables.***

If the CR recognizes that the QC pattern is incomplete for an alleged period of military service, or that military wages are missing for a year and proof of earnings is not available, policy<sup>3</sup> requires the CR to establish military wages after obtaining proof of the military service. After the CR has obtained evidence of the dates and ranks of military service, the military wages can be posted to the earnings record using the military service wage tables. The military wage tables provide the basic pay scales based upon the years of service for the various ranks of military service members and are reissued every time the military receives a cost-of-living pay increase. Examples of these tables are provided in Appendix D.

During our discussions with CRs, we learned that CRs who use these tables found them extremely difficult to use. Several of the military wage tables, as presented in the Program Operations Manual System (POMS)<sup>4</sup> are illegible. The quality of the tables also has not improved with the issuance of POMS on CD-ROM. In fact, some of the tables being used in field offices were so illegible that they could not have been read even with the use of a magnifying glass. Therefore, we recommend that the presentation quality of the military wage tables be improved and that the tables be reissued to field offices.

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<sup>2</sup> Program Operations Manual System, Section RS 01404.110, "Prelag Development and Documentation Requirements."

<sup>3</sup> Program Operations Manual System, Sections RS 01404.205, "Developing Information for Members of the Uniformed Services - General" and Program Operations Manual System, Section RS 01404.225, "Establishing Military Wages Based on Proof of Military Service."

<sup>4</sup> Program Operations Manual System, Section RS 01404.325, "Military Pay Charts."



## ***ISSUE B--ALLOWING CLAIMANTS TO VERIFY MILITARY SERVICE DATES***

The benefit application form documents that a claim was filed and details certain information provided by claimants during the claims interview. For example, the form documents the claimants' date of birth, current or previous marriages, and children who may be eligible for benefits. The claimants' signature on the application affirms that all information provided by the claimant, to the best of their knowledge, is true. The following recommendation is intended to help claimants verify military service dates provided to CRs during the claims interview.

- ***Recommendation B-1: Print the Claimant's Statement Regarding Periods of Military Service on the Application.***

The FY 1995 IDA cases contained several instances where claimants disagreed with the military service dates CRs entered in MCS. Also a recent OPIR military service study<sup>5</sup> found that during interviews with claimants, the claimants disagreed with the dates used in the benefit computation or presented evidence that conflicted with the dates used by CRs. It is essential that the correct dates of service be input into MCS to ensure that the system can identify whether military service is material, and if so, appropriately calculate the benefit amount.

We recommend that a statement detailing the number holder's periods of military service, alleged or proven, be generated on the printed benefit application. Including the military service dates on the printed application would afford the claimant the opportunity to review the information entered into the system and correct any inaccuracies. This recommendation was also included in OPIR's military service study.

## ***ISSUE C--OBTAINING EVIDENCE OF MILITARY SERVICE***

When alleged military service is material in determining the amount of benefits, developing proof of military service is critical in ensuring that a claimant receives the proper benefit amount. If evidence of military service is not developed, military wages and credits will not be included in the benefit computation.

The FY 1995 IDA cases contained many situations where military service proof was not developed. However, we could not determine from our review of the cases why CRs did not develop the evidence. An objective during our field office visits was to determine whether systems or procedural enhancements could be implemented to help ensure that CRs properly develop military service proofs. We also hoped to identify other informal practices that were being used. Following are six recommendations aimed at assisting CRs in developing proof of military service.

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<sup>5</sup> "Draft Report of Military Service Study," Kansas City Regional OPIR, April 7, 1995.

■ **Recommendation C-1: Generate a Reminder on the Development Worksheet to Prompt CRs to Initiate Military Service Development.**

Several CRs indicated that often there are so many development issues when processing a claim that it is possible to overlook the development of military service. Most CRs use the MCS Development Worksheet (DW01), shown in Figure 1, as a tool to ensure that critical claims issues are developed and documented. Some issues automatically propagate to the worksheet, while other issues are manually input by CRs at their discretion. The development of military service evidence is not an issue that currently propagates to the DW01 screen.

MCS	TRANSFER TO: _____	DEVELOPMENT WORKSHEET	DW01	
NH _____	_____	CL _____	_____	
		UNIT: _____	FO: _____	
CLAIMANT: _____				
APPLICANT (IF DIFF.): _____				
ADDRESS: _____				
CITY: _____	STATE: _____	ZIP: _____	CTRY: _____	
PHONE: _____	INFO: _____	PHONE: _____	INFO: _____	
PRINT APPLICATION (X): _____				
<b>ISSUE</b>	<b>REQ</b>	<b>F/UP</b>	<b>TICKLE REC</b>	<b>REMARKS</b>
RIB	_____	_____	_____	_____
AGE	_____	_____	_____	_____
MCS EC	_____	_____	_____	_____
<b>MILSER</b>	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
ADDITIONAL ISSUES (Y/N): _____				REMARKS (Y/N): _____

Figure 1

We recommend that the system automatically generate a reminder on the development worksheet to prompt CRs to initiate military service development. While the development worksheet does not guarantee that all issues will be appropriately acted upon by the CR, it does provide the CR with an additional reminder that further development may be needed. A similar recommendation was suggested by OPIR in its military service study.

■ ***Recommendation C-2: Generate a Diary When Military Service is Alleged and the Claim is Being Adjudicated.***

Even when military service evidence is not readily available, CRs can award benefits so that the claimant will receive a partial benefit payment until evidence of military service is obtained. Partial adjudication is necessary because military service evidence may not be received for 2 or more months. When partially adjudicating a claim, current procedures require CRs to manually establish diaries to ensure that the development of military service is completed. However, based on our review of OPIR's IDA data and their military service study, CRs do not always establish diaries in these types of cases. We could not determine from the information available why CRs were not establishing these diaries. If the diary is not established, the claimant may not receive the appropriate military service credit.

We recommend that a diary automatically generate when military service is alleged and the claim is being partially adjudicated.<sup>6</sup> This process would ensure that the diary is set and not overlooked by the CR.

In order for this automatic diary to work effectively and efficiently, an additional proof code of "Not Material" (NMT) would need to be added to the existing military proof codes. This code is necessary because in some instances military service is not material to the claimant's benefit and it is unnecessary to continue development. By providing the NMT proof code, the system could identify that military service development is not required. A similar recommendation was suggested by OPIR in its military service study.

■ ***Recommendation C-3: Correct "Scouting and Feedback" Terminology in POMS.***

Current POMS<sup>7</sup> procedures state that if satisfactory proof of military service is not available from the claimant for the years 1957-67, the CR should request the Office of Central Records Operations' (OCRO) assistance in identifying military employers. If OCRO identifies a military employer for the alleged period of service, the CR can use SSA's information as proof and discontinue development of further evidence. This procedure is referred to as "scouting."<sup>8</sup> However, with the

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<sup>6</sup> The diary code should automatically propagate to the Decision or DECI screen with decision status code 09.

<sup>7</sup> POMS, Sections RS 01702.001 B.2, "Evidence of Military Service," RS 01702.115, "Avoiding Unnecessary MS Development--Policy," RS 01702.332, "When to Scout for Proof of Service, 1957-1967 Policy," and RS 01702.334, "Error Potential-Crediting DMWs Based on MS Dates Only (1957-1967)."

<sup>8</sup> Scouting is the procedure used to research an allegation of incorrect, missing, or under/overstated earnings where an employer is known. The process referred to in the military service POMS provides instruction on the old paper process.

release of Earnings Modernization System Release 2.8 (EM 2.8) in October 1994, the “scouting” procedure is no longer applicable.

The proper procedure to identify military employers is now referred to as a request for “feedback.” Feedback provides detailed employer identification and corresponding earnings for earnings posted prior to 1978. We recommend that POMS terminology be corrected to indicate that “feedback”, rather than scouting, be used to identify military employers and establish proof of military service based on posted earnings.

■ ***Recommendation C-4: Automate the Feedback Procedure Used to Prove Alleged Military Service During 1957--1967.***

During our interviews with CRs, we learned that many are not using feedback to prove allegations of military service. Some CRs did not use this process because they believed it to be complicated and lengthy, while others were not aware of the feedback procedure. With the release of EM 2.8, the paper requests for feedback are no longer required as the system electronically requests feedback from OCRO. This process is usually complete within 3 days with detailed employer information being updated directly to the earnings record. However, to request feedback, the CR must leave the MCS application path and enter EM 2.8 to process the request. Therefore, we recommend that the feedback procedure be incorporated into the MCS application path so that CRs have the discretion to request feedback when discussing the availability of military service evidence with the claimant. This would not only encourage CRs to use the procedure, but serve to remind them that it is available.

■ ***Recommendation C-5: Educate CRs on Specific Military Service Procedures.***

During our field office visits, we found that CRs are confused by the military service policies and find POMS difficult to interpret and follow. We also found that CRs are unaware of some of the procedures and are applying other procedures incorrectly. We believe that in order to prevent military service errors, the Agency needs to provide training to its CRs on military service procedures. We believe that the findings of this team, in addition to findings issued in OPIR’s quality assurance studies and special studies, can provide guidance on the specific areas of military service where training is needed. We believe that CRs need to receive training on:

- ☞ the proper use of military service proof codes;
- ☞ when and how to use the military service wage tables;
- ☞ when it is appropriate to request OCRO feedback to prove military service; and
- ☞ how the feedback process differs from the scouting process.

■ ***Recommendation C-6: Include County Court Houses as Another Potential Source for Military Service Proofs.***

During our discussions with CRs, we found that several are obtaining military service records from local county courts. The CRs indicated that it was more expedient to obtain the records through the court house than to await evidence requested from a branch of the military service or the National Records Center. The CRs mentioned that it can often take up to 60 days or more for a response from the National Records Center. Also, the local court houses maintain the original copies of veterans' discharge papers, the preferred evidence for proof of military service.

To verify the availability of evidence in other areas, the team contacted two county courts in Maryland and one in Illinois. The clerks at the offices in Maryland indicated that they maintain discharge papers, received from veterans in their county, dating back to the early 1950's. In Cook County, Illinois, the discharge papers maintained are received from veterans as well as the Veteran's Administration and date back as far as 1946. We learned that some veterans are advised at the time of their service discharge that they should safeguard their discharge papers by filing them at their local county courts.

Since a potentially better and more expedient source of military service evidence may be available in some areas, we recommend that POMS<sup>9</sup> be modified to emphasize that military service evidence may be available at local county courts. This practice could also be shared with field offices nationwide as a best practice.

***ISSUE D--PREVENTING THE EXCLUSION OF POST-1956 MILITARY SERVICE***

There are limitations on the use of post-1956 military service in computing Social Security benefits. In several instances, the FY 1995 IDA error cases showed that CRs incorrectly excluded post-1956 military service, when the service was fully creditable and material to benefits. The following recommendation implements a systems edit to prevent the exclusion of creditable military service.

■ ***Recommendation D-1: Implement an On-line Edit to Prevent the Incorrect Use of Proof Code "Precluded" for Post-1956 Military Service.***

Post-1956 military service is fully creditable for the purposes of calculating benefits unless the Railroad Retirement Board (RRB) has given credit for the same service. In several IDA cases, CRs erroneously coded post-1956 military service with a proof code of "precluded" (PRE) on the MCS Number Holder Military Service (NHMS) screen as shown in Figure 2. The proof code PRE prevents the system from using military service to calculate benefits. In these IDA cases, military

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<sup>9</sup> POMS, Section RS 01702.125, "Other Evidence Available Through Claimant."

service was material to the claimants' benefits and fully creditable for Social Security benefit purposes.

MCS	TRANSFER TO:	NH MILITARY SERVICE			NHMS	
NH	_____	CL _____				
NAME USED IN SERVICE: _____				SERVICE NO: _____		
RECEIVE OR ELIGIBLE FOR MILITARY OR CIVILIAN FEDERAL AGENCY BENEFIT: _						
1. CIVILIAN 2. MILITARY 3. BOTH 4. NONE						
A/R	BRANCH OF SERVICE	START	END	N/E	RANK	PROOF
<u>A</u>	<u>ARMY</u>	<u>1/29/57</u>	<u>2/26/59</u>	-	<u>PFC</u>	<u>PRE</u>
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
-	_____	_____	_____	-	_____	_____
PF1 FOR HELP						

Figure 2

We recommend that an on-line edit be generated on the NHMS screen to prevent CRs from using the PRE proof code when post-1956 military service is indicated and RRB is not crediting the service. This type of edit would require an interscreen interface to identify RRB involvement. Similar edits for the other proof codes on the NHMS screen currently exist. This edit would help ensure that CRs follow procedures for crediting post-1956 military service. A similar recommendation was suggested by OPIR in its military service study.

**ISSUE E--IDENTIFYING RESERVE AND NATIONAL GUARD SERVICE**

For military service prior to 1957, noncontributory wage credits of \$160 are given to veterans for each month of active U.S. military service. Such service includes members of the Reserve or regular components of the U.S. Army, Air Force, Navy, Coast Guard, and Marine Corps, as well as the National Guard active duty and active duty for training. Periods of service of 90 days or less are not active service for wage credit purposes.

Basic pay for most military active duty and active duty for training became covered by Social Security in 1957. DMWs are added to the post-1956 earnings reported by the military service. There is no length of service requirement to receive DMWs. Therefore, active Reserve duty of any

duration after 1956 can yield DMWs. The following recommendation suggests an MCS modification to ensure that claimants are thoroughly questioned about all creditable military service.

■ ***Recommendation E-1: Revise the Military Service Question on MCS to Solicit Additional Information Regarding Active Reserve and National Guard Service.***

Several IDA cases demonstrated that credit was not given for all periods of active Reserve or National Guard Service. Policy requires CRs to inquire about any military service after September 7, 1939, for each claimant during the interview. The additional benefits screens in MCS prompt CRs to ask about the number holder’s military service. The current question in the Additional Benefit (ADDB) screen reads as highlighted in Figure 3.

MCS	TRANSFER TO: _____	ADDITIONAL BENEFITS	ADDB
NH _____		CL _____	
<p><b>IN ACTIVE U.S. MILITARY SERVICE AFTER SEPT 7 1939 (Y/N): <u>Y</u></b>            WORKED IN RR FOR 7 YEARS OR MORE (Y/N): N            RECEIVING RR RETIREMENT PENSION/ANNUITY (Y/N): N            COVERED UNDER FOREIGN SSA (Y/N): N COUNTRY: _____ IF COVERED,            FILING FOR FOREIGN SSA (Y/N):_ REQ FOREIGN QC'S FOR U.S. FILING (Y/N): _</p> <p>CIVILIAN EMPLOYEE OF FEDERAL GOVT IN JAN 1983 (Y/N): N            JAPANESE INTERNEE (Y/N): N VOW OF POVERTY (Y/N): N DIRECT DEPOSIT (Y/N): N            QUALIFY FOR US FED/STATE/LOCAL GOVT PENSION BASED ON OWN WORK: _            1. NOT ELIGIBLE 2. RECEIVE 3. RECEIVED LUMP SUM            4. APPLIED 5. NOT APPLIED BUT EXPECT TO RECEIVE            IF OPTION 5 CHOSEN, EXPECTED RECEIPT DATE (MMYY): _____            ENTITLED OR EXPECT TO BE ENTITLED TO PENSION/ANNUITY FOR WORK AFTER 1956, NOT            UNDER SSA (Y/N): _ IF YES, ELIGIBILITY DATE:_____ ENTITLEMENT DATE: _____            FILING FOR MEDICARE ONLY, RESTRICTING MONTHLY BENEFITS (Y/N):_            SMI OPTION (Y/N): IF YES, ELIGIBLE FOR MEDICAID (Y/N):_            COVERED BY GROUP HEALTH PLAN/LARGE GROUP HEALTH PLAN AT AGE 65 (Y/N):_            IF CLAIMANT IS FILING AS A SURVIVING SPOUSE, IS CLAIMANT            FILING FOR BENEFITS ON OWN RECORD (Y/N):</p>			

Figure 3

During our field office visits, we observed that some CRs use MCS as a general guide when soliciting information from claimants, while others depend heavily on the MCS wording as the interviewing tool. During both our observation of claims and in our discussions with CRs, we found that newer CRs are more likely to read the question exactly as it is presented on screen. This may prevent CRs from identifying whether a claimant has creditable or covered military service, because the way the question is heard by the claimant may not elicit the appropriate response. For example,

we observed a claims interview where a claimant thought he was being asked about “inactive” service and failed to indicate that he had military service. We also believe that some claimants also do not regard Reserve or National Guard service as “active military service.”

We recommend that the military service question be revised to include active Reserve and National Guard.<sup>10</sup> Specifically, we believe that the question should read, “Ever serve in the Active U.S. Military/Active Reserves/National Guard?” Rewording this question would assist CRs in identifying all potential periods of active military service. The CRs that we interviewed felt that this change would be particularly helpful to newer CRs. It also would help CRs in offices that do not frequently process military service claims and may not be familiar with the military service procedures. A similar recommendation was suggested by OPIR in its military service study.

### ***ISSUE F--IDENTIFYING MILITARY SERVICE USING SSA'S RECORDS***

The Disability, Railroad, Alien, and Military Service (DRAMS) file is an SSA data base file that contains information from prior claims. When an application for benefits is filed, the number holder's alleged or proven military service dates are permanently stored in the DRAMS file. The following recommendation provides an additional SSA source for identifying the existence of military service.

- ***Recommendation F-1: Generate a Systems Alert When the Claimant Alleges No Military Service and the System Can Identify Possible Military Service.***

Our review of the FY 1995 IDA cases, previous IDA reports, and OPIR's military service study indicated that sometimes in survivor claims the claimant does not or cannot identify that the number holder served in the military. However, in several instances, the number holder's military service information was contained in the DRAMS file because a prior claim had been filed, but the system did not identify its existence.

Since information is readily available in DRAMS, we recommend that the system automatically indicate the existence of military service information and generate an alert<sup>11</sup> on the ADDB screen if the claimant answers “No” to the military service question. By providing this alert, SSA would make use of its own information to ensure that claimants receive proper credit for military service. It also would prevent duplicating military service development for service that was proven in a prior claim. A similar recommendation was suggested by OPIR in its military service study.

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<sup>10</sup> The ADDB screen and the Number Holder Additional Benefits or NHAB screen both contain similar military service questions.

<sup>11</sup> The alert should be generated on the ADDB and Number Holder Additional Benefits of NHAB screens.



## ***ISSUE G--ESTABLISHING CLEAR MILITARY SERVICE POLICIES FOR USE BY FIELD OFFICES***

During our field office visits, we were repeatedly told that military service POMS are extremely difficult to interpret and thereby difficult to follow. In fact, one CR described a situation where he received five different interpretations of a military section from five different CRs. Other CRs stated that the military service procedures are difficult to use because they are in two unrelated chapters and in three separate sections. Given that almost 60 percent of field office earnings record errors relate to military service, military service policies need to be reexamined. The following approach is recommended:

### **■ *Recommendation G-1: Establish an Intercomponent Team to Improve Military Service Procedures.***

Military service is an extremely complicated area, both for the users and writers of the procedures. We recommend that an intercomponent team be established to reexamine and improve the military service POMS.<sup>12</sup> We believe that in order for a team approach like this to work, it is essential that the team include not only policy analysts, but also CRs who are very familiar with processing military service claims. It should also include inexperienced CRs and CRs that do not process a high volume of military service claims. We believe that the CRs will be able to assist policy analysts in identifying specific situations or issues that are causing difficulty, make suggestions to clarify procedures, and shed light on the difficulties that field offices experience when processing these claims.

The team's objective would be to develop clear and concise procedures for experienced or inexperienced users. This is a new approach that should prove valuable in producing clear, concise and useable procedures that will benefit the Agency and improve the accuracy of claims involving military service.

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<sup>12</sup> POMS, Sections RS 01404.200 f.f., "Wage and Employment Information - Members of Uniformed Service," RS 01701.000 f.f., "General Information on Crediting Military Service," and RS 01702.000 f.f., "Administering Military Service Provisions."

## **LAG EARNINGS ISSUES**

Lag earnings errors comprise only a small amount of the IDA error dollars. Lag Earnings have little long-term impact because they are usually detected annually by the Automatic Earnings Reappraisal Operation.<sup>13</sup> There is one issue under this section which describes an apparent inconsistency in the interpretation of procedures relating to the development of lag earnings.

### ***ISSUE H--ENSURING THAT LAG EARNINGS ERRORS ARE PROPERLY MEASURED AND REPORTED***

Based on our review of FY 1995 IDA cases and our observations in field offices, it appears there is some inconsistency in the interpretation of lag earnings policies and related procedures. Lag earnings are unposted earnings that were paid (i.e., wages) or derived (i.e., self-employment) during the lag period. The lag period is the current year and the year preceding the date of filing. With the improvements in the Annual Wage Reporting process, most earnings are posted to the earnings record by May following the year of earnings. However, if an individual applies for benefits in the first several months of the year, the prior year's earnings may not be reflected on the earnings record.

The CR is required to develop lag earnings in a number of situations, such as: when insured status is dependent upon lag earnings; when an employment, coverage, or wage question is raised by the claimant; when a substantial factor must be developed for self-employment; or when lag evidence is presented. If the CR obtains appropriate evidence of lag earnings, the system permits the CR to include lag earnings in the benefit computation.

#### **■ *Recommendation H-1: Clarify the Policy Pertaining to Lag Earnings.***

It was apparent from our detailed review of the lag earnings error cases that OPIR's quality reviewers (QR) interpret the policy for developing lag earnings differently from the way the procedures are applied by field offices. We identified two areas regarding lag earnings policies that need clarification.

The first is whether a signed statement regarding the use of lag earnings in the benefit computation is mandatory when claimants have lag earnings. In the IDA cases, QRs documented an error when the CR did not generate this statement on the printed benefit application. The statement addresses the availability of lag evidence and the claimant's desire to include or not include lag earnings when calculating benefits. It appears that the QRs' interpretation of this policy is that a signed statement is required in any situation where a claimant has lag earnings.

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<sup>13</sup> The Automatic Earnings Reappraisal Operation recomputes beneficiaries' payments when earnings are posted after entitlement.



was not undertaken by the CR, the QR would typically assess an error. The current POMS<sup>14</sup> states that, “In claims cases, lag development is not required if lag earnings do not increase the benefit computation by \$5 or more.” However, POMS does not state that development of lag earnings is a requirement when lag earnings increase the benefit by \$5 or more. This instruction needs to be clarified, ( i.e., “lag development is required if the benefit would be increased by \$5 or more).

Therefore, we recommend that lag earnings policies be clarified. Once clarified, the appropriate modifications should be made to POMS, MCS, and the procedures used by QRs so that lag earnings errors are appropriately measured and reported.

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<sup>14</sup> POMS, Section RS 01404.005, “LAG Period - General.”

## OVERALL EARNINGS ISSUES

There is one issue under this section and three different recommended approaches to improving the accuracy of the earnings records. The issue and recommendations in this section are general in nature and, therefore, do not lend themselves to being categorized as Military Service or Lag Earnings related errors.

### ***ISSUE I--IMPROVING THE OVERALL ACCURACY OF EARNINGS RECORDS***

The proper crediting of a worker's earnings is important because the earnings are used to determine eligibility for and the amount of Social Security benefits. Failure by the CR or by claimants to identify missing or incomplete earnings can result in claimants being ineligible for benefits or receiving less benefits than they are due. The following recommendations are aimed at helping CRs and claimants improve the accuracy of earnings records.

#### **■ *Recommendation I-1: Emphasize the Importance of Checking and Resolving Earnings Discrepancies on the PEBES.***

One of the primary goals of the PEBES is to ensure that Social Security earnings records are complete and accurate. In a recent report,<sup>15</sup> GAO found that the purpose of the PEBES is not obvious to the reader. GAO consulted with a design expert who stated that, "Readers need to know immediately why they received the statement, what information it contains, and what they are expected to do with the information." We believe that the PEBES statement does not clearly encourage the public to take action to correct their earnings information.

PEBES provides the Agency with the opportunity to reach out to the public and educate them on the importance of accurate earnings information. It is an opportunity that is invaluable, as PEBES will eventually be sent annually to all wage earners over the age of 25. PEBES will provide the Agency with the opportunity to not only educate and inform the public, but to also ensure that SSA's earnings records are accurate.

We recommend that PEBES be modified to more clearly emphasize the importance of checking and resolving earnings discrepancies. The objective should be to encourage an individuals to compare their own earnings information against the PEBES earnings information. One modification SSA may consider is to place the 800 number for correcting earnings discrepancies with the earnings information and highlight it to better prompt the public to contact SSA.

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<sup>15</sup> "SSA Benefit Statements: Well Received by the Public but Difficult to Comprehend," GAO/HEHS-96-210, December 1996.

■ ***Recommendation I-2: Support Current Efforts to Develop a More Comprehensive Earnings Query.***

During our field office visits, we found that virtually all CRs use the Summary Earnings Query (SEQY) to verify earnings during claims interviews. SEQY provides CRs with the total wages earned by year, with no other detailed information such as the employer, earnings alerts, or QC patterns. Most CRs show the claimant a copy of the SEQY at the beginning of the interview and point out anomalies, such as gaps or unusually high or low years, for years after 1977. Because SEQY provides only summary information, identification of anomalies is judgmental and can vary from CR to CR.

Eventually, the system generates earnings record alerts that highlight anomalies, such as earnings gaps. However, the alerts are generated in the Earnings Computation application, which is outside of the MCS benefit application path. Due to the design of the system, these alerts cannot be obtained prior to the claims interview and may not be accessed until after the interview is completed. In some cases the claimant may even have left the office before these alerts are generated. It is also possible that the CR never views the alerts because the system allows them to be bypassed. We found that most CRs do not rely on these alerts to review the earnings record primarily because they have already discussed earnings with the claimant using SEQY.

We support current efforts<sup>16</sup> by the Agency to develop a more comprehensive earnings query. Providing CRs with a better tool for identifying errors in earnings records during claims interviews may help reduce the number of earnings record payment errors. We suggest this tool provide more than summary totals of wages. A comprehensive earnings query could include such information as QC patterns, earnings alerts, and highlight possible anomalies. Having this information available at the beginning of the interview would provide the CR and the claimant with information that could facilitate identifying and correcting earnings errors.

■ ***Recommendation I-3: Develop a System to Provide Meaningful Feedback to Employees on Payment Accuracy.***

SSA's Management Information Principles state that management information combined, with other sources of information, is valuable for supporting process assessment and improvement, and that its value increases as you approach the point of service delivery. These principles also state that management information's value decreases as you get farther away from the point of service delivery. More specifically, national-level data have less value, because of the higher level of aggregation, than regional or field-level data.

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<sup>16</sup> Current efforts to provide more comprehensive earnings information include PEBES 2000 and the Informational/Certified Earnings Record.

One measure of payment accuracy is IDA. This study produces payment accuracy data to meet the needs of the Agency's management at the national level rather than the field office level. While the current quality measurement system meets the national level needs of the Agency, it does not provide sufficient feedback to field offices or other SSA employees involved in the service delivery process.

SSA's Management Information Principles interpret or define "Quality" in a broad sense to encompass all aspects of service delivery including accuracy, timeliness, and courtesy. We found in our field office visits that the quality aspects of timeliness and courtesy are emphasized to varying degrees. However, we found that field offices seldom received information regarding the accuracy of their work. Previously, CRs received feedback on case errors as part of their annual performance evaluation, but this practice appears to have diminished as a result of the new pass/fail employee performance system. Most employees that we interviewed were not provided with meaningful feedback to assist them in improving the "accuracy" of their work.

During the course of our interviews, several CRs were surprised to learn about the types of errors that were reported in IDA. CRs indicated that they would like to receive feedback on payment accuracy, even on an individual basis if it did not carry punitive consequences. CRs believed that feedback should serve as an opportunity for learning and improving their work. CRs also expressed a desire to know how they are doing. Obviously, if CRs do not receive feedback they will continue to repeat errors.

The need for feedback is being voiced in other areas of the Agency. The Disability Redesign team has designed and proposed an end-of-line and in-line quality feedback process that institutes a quality assurance culture in the organization and provides timely feedback to let employees know how they are doing.

We recommend that a system be developed to provide meaningful feedback to employees on payment accuracy. This system should not only provide feedback to CRs, but to employees who are responsible for improving claims systems and for modifying program policies. This system should also assist management in identifying training needs for its employees.

## **FUTURE EARNINGS ISSUE**

There is one issue under this section that addresses the need for a study to determine the impact of EM 2.8 on the accurate posting of earnings corrections. During the team's field work, we discovered that some CRs were having difficulty using the new automated process.

### ***ISSUE J--DETERMINING THE IMPACT OF EM 2.8 ON EARNINGS CORRECTIONS***

EM 2.8 is the earnings modernization release that, for the first time, permits field office personnel to electronically correct an individual's earnings record. Corrections established in EM 2.8 are processed and updated to the earnings record overnight. Prior to the implementation of EM 2.8 in October 1994, field offices requested earnings record corrections by preparing paper correction forms and forwarding them to OCRO for processing. The paper earnings correction process continued until field office training on EM 2.8 was completed in the spring of 1995.

EM 2.8 is unique because the business process for earnings corrections is built into the system. The business process controls the steps that are necessary to take before the system will accept an earnings correction. This characteristic requires EM 2.8 users to have an understanding of the business process in order to use the system effectively, i.e., process an earnings correction to completion and ensure the correct amount is posted to the earnings record.

#### **■ *Recommendation J-1: Perform a Study of the EM 2.8 Earnings Adjustments Processed by Field Offices.***

During our field office visits, team members learned that CRs are not using the full functionality of EM 2.8. Although many CRs told us that they liked EM 2.8 and liked having the ability to correct earnings records overnight, we found that there are almost as many who were having difficulty completing earnings corrections. We provided assistance to help them complete their earnings corrections. It became apparent that CRs found the logic of EM 2.8 challenging because its unique business process design operates differently than other MCS applications. CRs also expressed concern that in some cases they were not sure how to process corrections, whether their corrections were processed accurately, or whether OCRO completed the requested earnings correction.

We could not determine whether EM 2.8 impacted the IDA cases for FY 1995 since the paper earnings correction process was still being used during FY 1995. Due to time constraints, the team was unable to determine whether the problems we identified were unique to the offices or regions visited or whether these problems have nationwide implications. However, we did learn that a few regions conducted additional EM 2.8 training.



We recommend that the Agency conduct a study to determine whether EM 2.8 corrections are being processed to completion and whether the completed corrections are accurately posted to the earnings record. This study will give the Agency an opportunity to address earnings corrections before they have a negative impact on payment accuracy.

# DOLLAR IMPACT ANALYSIS

Since FY 1991, IDA has reported earnings record errors as the largest category of OASI dollar errors (see Appendix E). In FY 1995, the total dollars attributed to earnings errors were \$166.1 million or approximately 30 percent of the overall OASI error dollars. Of the \$166.1 million in earnings record deficiencies, military service accounted for \$52.6 million, wages \$92.8 million, and self-employment \$20.7 million. These error dollars were derived from 194 IDA sample cases coded with an earnings record deficiency. These 194 sample cases project to 98,301 earnings error cases in the universe.

We reviewed the FY 1995 IDA cases, in detail, to understand why each case was documented with an earnings record deficiency. We also requested from OPIR a report that distinguished between errors caused by: the Agency, the Agency's administrative tolerances, and beneficiaries or other third parties. The following table shows the distribution of the error dollars by source and the major error category.

Source	All Categories		Military Service		Wages		Self-employment	
	Error Dollars (millions)	% of Error Dollars	Errors Dollars (millions)	% of Error Dollars	Errors Dollars (millions)	% of Error Dollars	Errors Dollars (millions)	% of Error Dollars
Agency	\$80.0*	48%	\$47.5	90%	\$29.9	32%	\$2.7	13%
Administrative Tolerances	\$29.0	18%	\$2.5	5%	\$23.2	25%	\$3.3	16%
Beneficiaries/ Third Parties	\$57.1	34%	\$2.6	5%	\$39.8	43%	\$14.7	71%
Total	\$166.1		\$52.6		\$92.8*		\$20.7	

\* Totals vary due to rounding

Approximately 18 percent of the error cases were a result of administrative tolerances or deficiencies where POMS procedures prescribe limited development of an issue although complete development may have discovered the error. We found that most of the administrative tolerances were reasonable and did not pursue any major modifications to the Agency's established administrative tolerances.

Another 34 percent of the errors were caused by beneficiaries or third parties, such as representative payees. Many of these errors, we believed, were outside the control of the Agency. For example, some of the errors occurred because individuals incorrectly completed their self-employment tax returns that were submitted to the Internal Revenue Service. However, we believe that some of our recommendations may prevent errors caused by beneficiaries and third parties.

We concentrated most of our efforts on Agency-caused errors since there was a greater potential to improve the Agency's internal processes. Approximately 48 percent or \$80.0 million of the \$166.1 earnings error dollars were attributed to the Agency.

The following chart associates each of the Agency-caused errors with the applicable issue area. Each issue area contains one or more recommendations that, if implemented, could prevent these types of errors in the future.

<b><i>ERRORS CAUSED BY THE AGENCY</i></b>				
<b>ISSUE AREA</b>	<b>Projected Error Dollars (millions)</b>	<b>% of Total Error Dollars</b>	<b>Projected Number of Cases</b>	<b>% of Total Cases</b>
Ensuring That Military Wages Are Posted Properly	\$12.7	16%	8,207	14%
Allowing Claimants to Verify Military Service Dates	9.2	12%	5,556	9%
Obtaining Evidence of Military Service	6.5	8%	3,014	5%
Preventing the Exclusion of Post-1956 Military Service	3.4	4%	1,161	2%
Identifying Reserve and National Guard Service	<1.0	<1%	1,216	2%
Identifying Military Service Using SSA's Records	<1.0	<1%	92	<1%
Establishing Clear Military Service Policies For Use By Field Offices	14.6	18%	4,155	7%
Ensuring That Lag Earnings Errors Are Properly Measured and Reported	1.8	2%	9,642	16%
Improving the Overall Accuracy of Earnings Records	30.7	38%	26,996	45%
<b>Total</b>	<b>\$80.0*</b>		<b>60,039</b>	

\* Totals vary due to rounding

We also prepared an impact analysis that includes earnings errors from all sources. The following chart associates all 194 IDA error cases caused by all sources with the applicable issue area. Each issue area contains one or more recommendations that, if implemented, could prevent these types of errors in the future. The two highlighted issue areas show the effect of including administrative tolerance, beneficiary, and third-party error sources.

<b><i>ERRORS CAUSED BY ALL SOURCES</i></b>				
<b>ISSUE AREA</b>	<b>Projected Error Dollars (millions)</b>	<b>% of Total Error Dollars</b>	<b>Projected Number of Cases</b>	<b>% of Total Cases</b>
Ensuring That Military Wages Are Posted Properly	\$12.7	8%	8,207	8%
Allowing Claimants to Verify Military Service Dates	9.2	6%	5,556	6%
Obtaining Evidence of Military Service	6.5	4%	3,014	3%
Preventing the Exclusion of Post-1956 Military Service	3.4	2%	1,161	1%
Identifying Reserve and National Guard Service	<1.0	<1%	1,216	1%
Identifying Military Service Using SSA's Records	<1.0	<1%	92	<1%
<b>Establishing Clear Military Service Policies For Use By Field Offices</b>	19.7	12%	9,110	9%
Ensuring That Lag Earnings Errors Are Properly Measured and Reported	1.8	1%	9,642	10%
<b>Improving the Overall Accuracy of Earnings Records</b>	111.7	67%	60,304	61%
<b>Total</b>	<b>\$166.1*</b>		<b>98,301*</b>	

\* Totals vary due to rounding

# APPENDICES

***PAYMENT ACCURACY TASK FORCE  
STEERING COMMITTEE MEMBERS***

**OFFICE OF THE COMMISSIONER**

Gloria Tong, Program Analyst, Office of Strategic Management

**OFFICE OF THE INSPECTOR GENERAL**

Pamela Gardiner, Assistant Inspector General for Audit

**OFFICE OF LEGISLATION AND CONGRESSIONAL AFFAIRS**

Thomas Miller, Director, Program Administration and Financing

**DEPUTY COMMISSIONER FOR COMMUNICATIONS**

Vince Sanudo, Deputy Associate Commissioner, Communications, Planning and Technology

**DEPUTY COMMISSIONER FOR FINANCE, ASSESSMENT AND MANAGEMENT**

Joseph Gribbin, Associate Commissioner, Office of Program and Integrity Reviews

**DEPUTY COMMISSIONER FOR HUMAN RESOURCES**

Kelly Croft, Director, Office of Workforce Analysis

**DEPUTY COMMISSIONER FOR OPERATIONS**

Ernestine Durham, Director, Division of Operations Management

**DEPUTY COMMISSIONER FOR PROGRAMS BENEFITS POLICY**

Marilyn O'Connell, Acting Associate Commissioner, Office of Program Benefits Policy

**DEPUTY COMMISSIONER FOR SYSTEMS**

Richard Gonzalez, Associate Commissioner, Systems Requirements

## EARNINGS RECORD ISSUE TEAM TIME LINE

- MARCH 18 - 20** Received team building training. The team members were:
- Evan Buckingham, Evaluator, Office of the Inspector General  
 Erin Conway, Claims Representative, Chicago Loop Field Office  
 Roy Cook, Program Analyst, Office of Central Records Operations  
 Tom Moyer, Industrial Engineer, Office of Workforce Analysis  
 Tina O'Neill, Program Analyst, Office of Programs Benefit Policy  
 Stephanie Palmer, Audit Manager, Office of the Inspector General
- Consultants to the team were:
- Al Peyton, Branch Chief, Office of Systems Requirements  
 Patty Robidart, Office Director, Office of Program and Integrity Reviews  
 Virginia Baker, Senior Analyst, Office of Legislation and Congressional Affairs
- MARCH 21 - 28** Reviewed Office of Program and Integrity Review's Fiscal Year 1995 Index of Dollar Accuracy report and earnings error case file data.
- APRIL 1 - 9** Discussed the findings from the IDA review and developed an "Areas of Exploration" list. The list summarized potential areas for improving the accuracy of earnings record payment errors.
- APRIL 10 - MAY 9** Met with Policy, Systems, Operations and Communications' staff to clarify issues and discuss the merit of our potential recommendations.
- APRIL 23** Met with the Steering Committee to advise them of the team's progress.
- MAY 1** Visited a local field office to observe claims representatives (CR) conducting interviews.
- MAY 12 - 15** Visited six field offices to interview CRs regarding our proposed recommendations.
- MAY 16 - 21** Compiled data obtained from the field offices.
- MAY 22 - JUNE 6** Revised the recommendations based on field office feedback.
- JUNE 9** Met with Systems and Operations staff to discuss our recommendations.
- JUNE 10 - JULY 5** Prepared working draft report.

## EARNINGS RECORD ISSUE TEAM STAFF CONTACTS

### Office of Automation Support

Ethel N. Barnes  
Penny Payton  
Vito Delgorio

### Office of Central Records Operations

Marion Carter  
Mike Colbert

### Office of Communications

Marlene Pegg

### Office of Facilities Management

Joyce Williams

### Office of Information Management

Carol Thompson

### Office of the Inspector General

Randy Townsley

### Office of Program Benefits Policy

Marilyn Buster  
Diane Grooms  
Cynthia Johnson  
Bill Sampson

### Office of Program and Integrity Reviews

Frank Boback (On Detail to Disability Team)  
Bruce Dickson (KCROPIR)  
John Keen  
Jim Matthews (DLROPIR)  
Fred Polohovich (PHROPIR)  
John Praino  
Stephen Scherr  
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Steve Nowakowski  
Frank Pondolfina  
Marc Sinofsky  
Patty Sullivan  
Chuck Teaney  
Tom Wiseman

### Office of Workforce Analysis

Kathy Rouse

### Regional Offices

Susan Mariano (Dallas)  
Debbie Sweeney (Denver)  
Rick Conway (Kansas City)





MONTHLY BASIC PAY SEPTEMBER 1966--JUNE 1968  
YEARS OF SERVICE

PAY GRADE	COMMISSIONED OFFICERS													
	UNDER 2	OVER 2	OVER 3	OVER 4	OVER 6	OVER 8	OVER 10	OVER 12	OVER 14	OVER 16	OVER 20	OVER 22	OVER 26	
O-10	1880.00	1428.90	1428.90	1428.90	1428.90	1483.20	1483.20	1597.10	1597.10	1711.20	1711.20	1825.20	1825.20	1939.20
O-9	1723.10	1284.90	1284.20	1284.20	1284.20	1314.40	1314.40	1388.80	1388.80	1483.20	1483.20	1597.20	1597.20	1711.20
O-8	1107.90	1140.90	1167.90	1167.90	1197.90	1234.90	1234.90	1314.10	1314.10	1388.80	1428.80	1502.80	1502.80	1567.90
O-7	929.40	983.40	983.40	983.40	1028.90	1028.90	1068.10	1140.90	1140.90	1234.90	1234.90	1341.90	1341.90	1428.90
O-6	881.90	749.70	798.80	798.80	798.80	798.80	798.80	825.90	825.90	958.10	1005.00	1028.90	1028.90	1178.70
O-5	543.40	641.10	684.80	684.80	684.80	684.80	704.20	744.00	744.00	832.90	901.80	901.80	901.80	961.50
O-4	480.20	359.80	397.80	397.80	408.40	435.70	478.90	517.00	517.00	582.40	604.80	604.80	604.80	664.80
O-3	417.80	477.90	510.80	510.80	522.20	513.80	548.50	578.90	593.40	633.40	633.40	633.40	633.40	673.00
O-2	342.80	407.40	489.00	489.00	505.10	516.00	516.00	516.00	516.00	516.00	516.00	516.00	516.00	516.00
O-1	294.80	323.80	407.40	407.40	407.40	407.40	407.40	407.40	407.40	407.40	407.40	407.40	407.40	407.40

COMMISSIONED OFFICERS WITH OVER 4 YEARS ACTIVE SERVICE AS ENLISTED MEMBERS

O-1	565.20	592.20	613.80	646.80	678.90	706.20	706.20	706.20	706.20	706.20	706.20	706.20	706.20	706.20
O-2	505.20	516.00	532.20	539.80	581.40	597.60	597.60	597.60	597.60	597.60	597.60	597.60	597.60	597.60
O-1	407.40	434.70	450.90	467.10	483.30	505.20	505.20	505.20	505.20	505.20	505.20	505.20	505.20	505.20

WARRANT OFFICERS

W-4	435.80	467.10	467.10	477.10	499.80	521.40	543.00	581.40	604.40	636.20	666.50	688.10	688.10	746.00
W-3	398.00	429.30	429.30	434.70	440.10	472.30	499.80	516.00	532.20	548.40	565.20	586.80	586.80	636.20
W-2	348.90	375.00	375.00	385.00	407.40	429.30	449.30	461.70	477.90	494.40	518.80	526.80	526.80	548.00
W-1	288.90	331.50	331.50	358.00	375.00	391.20	407.40	423.90	440.10	456.20	472.50	489.00	489.00	489.00

ENLISTED MEMBERS

E-9	494.70	508.10	517.80	528.20	540.80	551.70	551.70	551.70	551.70	551.70	551.70	551.70	551.70	551.70
E-8	419.20	426.80	436.00	443.40	460.80	472.20	483.80	483.80	483.80	483.80	483.80	483.80	483.80	483.80
E-7	358.20	358.20	381.30	399.40	409.50	426.80	426.80	426.80	426.80	426.80	426.80	426.80	426.80	426.80
E-6	316.80	320.00	347.10	358.20	369.60	375.60	375.60	375.60	375.60	375.60	375.60	375.60	375.60	375.60
E-5	290.10	301.50	312.90	318.80	318.80	318.80	318.80	318.80	318.80	318.80	318.80	318.80	318.80	318.80
E-4	244.80	244.80	244.80	244.80	244.80	244.80	244.80	244.80	244.80	244.80	244.80	244.80	244.80	244.80
E-3	187.80	187.80	187.80	187.80	187.80	187.80	187.80	187.80	187.80	187.80	187.80	187.80	187.80	187.80
E-2	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50	136.50
E-1	125.10	125.10	125.10	125.10	125.10	125.10	125.10	125.10	125.10	125.10	125.10	125.10	125.10	125.10
E-1	87.90	(under 4 months)												

<b>OLD-AGE AND SURVIVORS INSURANCE CATEGORIES OF DOLLAR ERROR FISCAL YEARS 1991-1995</b>					
<b>CATEGORY</b>	<b>ERROR DOLLARS</b>				
	<b>1991</b>	<b>1992</b>	<b>1993</b>	<b>1994</b>	<b>1995</b>
<b>Earnings Records</b>	<b>163.5M</b>	<b>172.9M</b>	<b>197.6M</b>	<b>164.5M</b>	<b>166.1M</b>
Applications	52.1M	59.3M	102.5M	47.9M	33.6M
Computations	58.9M	56.2M	73.6M	105.0M	98.0M
Relationship/Dependency	37.8M	16.1M	56.7M	36.5M	127.2M
Erroneous Allowances and Disallowances			55.1M	50.5M	144.6M
Date of Birth	53.6M	45.9M	21.0M	67.0M	99.1M
Misinformation	10.2M	44.6M	20.5M	22.8M	21.3M
Month of Entitlement	8.9M	20.2M	16.8M	5.9M	14.2M
Annual Earnings Test	48.5M	24.3M	13.5M	13.8M	5.9M
Insured Status	3.1M	26.5M	5.1M		
All Others	13.3M	13.0M	12.9M		