

# **Performance Plan Fiscal Year 2001**



**and  
Revised Final Fiscal Year 2000  
Performance Plan**





# FY 2001 ANNUAL PERFORMANCE PLAN AND REVISED FINAL FY 2000 ANNUAL PERFORMANCE PLAN

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## I. Introduction

The Social Security Administration (SSA) is responsible for administering three major programs: the Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) programs, commonly known as “Social Security,” and the Supplemental Security Income (SSI) program.

Social Security is the most successful domestic program in the nation’s history and arguably the single most effective antipoverty program ever created. Today, without Social Security, about 50 percent of the elderly would be living in poverty. Social Security also pays benefits to the children and spouses of workers who have died, as well as to disabled workers and their families. In fact, disability and survivors benefits make up about 30 percent of all Social Security benefits paid. They provide important protection for younger workers before retirement, protection that is often difficult or costly to obtain through private insurance.

SSI provides cash assistance to financially needy individuals who are aged, blind or disabled. To be eligible to receive SSI benefits, individuals must have little in the way of personal savings or income. In providing a basic subsistence level, currently 73 percent of the poverty level, SSI is the safety net that protects them from destitution.

The government will collect \$508 billion in Social Security contributions in FY 2001. Of the \$508 billion, \$89 billion are in excess of OASDI benefit outlays and, along with more than \$68 billion in interest on Treasury securities held by the trust funds, will be credited to the OASI and DI trust funds. FY 2001 estimates by program including benefit outlays and the number of beneficiaries are shown below.

Programs	FY 2001 Benefit Outlays (\$ Billions)	FY 2001 Beneficiaries (Millions)
Old-Age and Survivors Insurance	\$360.0	38.6
Disability Insurance	\$58.3	6.8
Supplemental Security Income	\$30.5	6.4

To administer these programs, SSA issues Social Security numbers (SSN), maintains earnings records for wage earners and self-employed individuals, takes claims and determines eligibility for benefits, updates beneficiary eligibility information, educates the public about the programs, and conducts research, policy analysis and program evaluation. SSA integrates these activities across all programs through a single national service-delivery structure. By doing so, SSA is able to enhance efficiency, avoid duplication of effort and increase opportunities to provide one-stop service to our

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customers. SSA's total administrative budget proposal for all programs is \$7.237 billion<sup>1</sup>, an amount equal to 1.6 percent of total program outlays.

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<sup>1</sup> Includes \$7 million in base research funding classified by OMB as "mandatory under Appropriations Committee jurisdiction" under the Budget Enforcement Act

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## II. SSA's Strategic Plan

In October 1997, SSA published "*Keeping the Promise*", the Agency's third strategic plan (ASP), and the first under the Government Performance and Results Act (GPRA). It is also the first strategic plan since SSA became an independent agency in 1995. In developing the ASP, SSA looked at its traditional role of administering the Social Security programs in light of its new status as an independent agency. While our emphasis remains on our longstanding commitment to service and effective program administration, we also acknowledged our broadened role in providing program leadership. With these considerations in mind, our mission is:

***"To promote the economic security of the nation's people through compassionate and vigilant leadership in shaping and managing America's social security programs."***

To support this mission, SSA has established five broad strategic goals that encompass all our program activities. Each goal has supporting strategic objectives that add specificity and define what the goals will mean to SSA over the period covered by the strategic plan (FY 1998 through FY 2002). The five strategic goals are:

- **To promote valued, strong and responsive social security programs and conduct effective policy development, research and program evaluation**
- **To deliver customer-responsive, world-class service**
- **To make SSA program management the best-in-business, with zero tolerance for fraud and abuse**
- **To be an employer that values and invests in each employee**
- **To strengthen public understanding of the social security programs**

### **Our Next ASP Under Development**

SSA currently is developing the next edition of its Strategic Plan that is due to Congress in September 2000 under the requirements of GPRA. The plan will cover the period FY 2001 through FY 2005. To update the Strategic Plan, we are reexamining our strategic objectives and the strategies for achieving them in the context of recent stakeholder input, evaluations and performance experience.

As an important part of this effort, we also are creating a vision of SSA in 2010 to guide our strategic planning decisions. This vision will provide a view of the ways we expect to deliver service in the next century considering changing customer expectations, technology, demographics and other trends. We will use it to determine what actions we



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must take today to adequately prepare for the future and to adjust our current strategic guidance where necessary.

Guidance in the next strategic plan will supersede the current plan and as a result, some elements of the FY 2001 annual performance plan may change. These changes will be reflected in the revised final FY 2001 and FY 2002 annual performance plans.

### **III. Revised Final FY 2000 Annual Performance Plan**

GPRA allows an agency to change its final APP through a revised final plan to:

- Change target levels for performance goals or indicators, where target levels are materially affected by Congressional action;
- Introduce new goals or indicators, or modify existing goal descriptions, in response to Congress; or
- Modify goals or indicators because unanticipated exigencies have occurred since submission of the final annual plan to Congress.

OMB Circular A-11 also permits an agency to modify its FY 2000 performance goals based on its review of collected and reported program performance information for FY 1999.

SSA's FY 2000 APP, submitted to Congress in February 1999, committed SSA to levels of performance concomitant with the funds requested. It assumed enactment of the full FY 2000 President's budget.

The FY 2000 performance targets contained in our FY 2000 APP were based on the most recent available data and analysis, agency consideration and decisions. Since that time, further agency consideration based on our review of full-year actual program performance information for FY 1999, as well as other data and analysis, has led SSA to revise some FY 2000 performance commitments.

This revised final FY 2000 APP modifies the following FY 2000 indicators and annual targets, as discussed on the following pages. It contains modifications to our performance commitments for FY 2000 in response to Congressional action on our FY 2000 budget request and/or our review of full-year FY 1999 actual program performance.

**Strategic Objective: To deliver customer-responsive, world-class service**

Objective FROM...	Objective TO...	Basis...
To raise the number of customers who receive service and payments on time, specifically by 2002: <ul style="list-style-type: none"> <li>• Issue initial DI disability claims award/denial notices within 6 months after onset of disability or 120 days after effective filing date, whichever is later, to 70 percent of applicants</li> </ul>	To raise the number of customers who receive service and payments on time, specifically by 2002: <ul style="list-style-type: none"> <li>• Issue initial disability claims award/denial notices within 6 months after onset of disability or 120 days after effective filing date, whichever is later, to 70 percent of applicants</li> </ul>	We accomplish three things: <ul style="list-style-type: none"> <li>• Confirm our management to a more appropriate processing time goal for a greater number of applicants;</li> <li>• Begin to transition to the new disability claims processing time objectives that will be in</li> </ul>

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<ul style="list-style-type: none"> <li>• Issue initial SSI disability claims award/denial notices within 120 days of filing to 60 percent of applicants</li> <li>• Issue hearing decisions to 30 percent of requestors within 120 days from the date of request for a hearing</li> <li>• Maintain current levels of timeliness in processing OASI and SSI aged claims</li> </ul>	<ul style="list-style-type: none"> <li>• Issue initial SSI disability claims award/denial notices within 120 days of filing to 60 percent of applicants</li> <li>• Issue hearing decisions to 30 percent of requestors within 120 days from the date of request for a hearing</li> <li>• Maintain current levels of timeliness in processing OASI and SSI aged claims</li> </ul>	<ul style="list-style-type: none"> <li>• our next ASP; and</li> <li>• Confirm that we do not manage to the previous 60 day timeframe</li> </ul>
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These tables display the changes in performance *indicators* and the bases:

**Strategic Objective: To maintain through 2002, current levels of accuracy and timeliness in posting earnings data to individuals' earnings records**

Indicator FROM...	Indicator TO...	Basis...
Percent of <i>earnings</i> posted to individuals' records by September 30	Percent of <i>wage items</i> posted to individuals' records by September 30	This wording change responds to an OIG recommendation to clarify that self-employment earnings are not included in this measure.

**Strategic Objective: To maintain through 2002, current levels of accuracy and timeliness in posting earnings data to individuals' earnings records**

Indicator FROM...	Indicator TO...	Basis...
Percent of <i>earnings items</i> posted correctly.	Percent of <i>earnings</i> posted correctly.	This wording change clarifies what we actually have been measuring, and continue to measure for FY 2000.

**Strategic Objective: To aggressively deter, identify, and resolve fraud**

Indicator FROM...	Indicator TO...	Basis...
Number of investigations conducted.	Number of investigations conducted (i.e., closed).	This wording change clarifies that the measure includes investigations for which all OIG actions are completed.

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We are also *correcting the definition* of the following indicators:

**Performance Indicator: Percent of initial SSI Aged claims processed within 14 days of filing date**

Definition change...	Basis...
This rate reflects the number of SSI Aged applications completed through the SSA operational system (i.e., <i>award or denial notices are triggered</i> ) within 14 days from the filing date, divided by the total number of SSI Aged applications processed. This definition and measurement system is in effect for years prior to FY 2001.	This wording change clarifies what we actually have been measuring, and continue to measure for FY 2000.

**Performance Indicator: Percent of SSNs issued accurately**

Definition change...	Basis...
This rate is based on an annual review of a sample of approximately 2,000 SSN applications to verify that the applicant has not been issued an SSN that belongs to someone else, or that multiple SSNs assigned to the same applicant have been cross-referred. <i>Data exclude SSNs assigned via the Enumeration-at-Birth process.</i>	This wording clarifies what we actually have been measuring, and continue to measure for FY 2000. It also responds to an OIG recommendation to clarify what the measure includes.

**Performance Indicator: Percent of earnings posted correctly**

Definition change...	Basis...
<i>This rate represents the percent of earnings that SSA is able to post to individuals' records based on a match to a valid name/SSN. In addition, it reflects the results of a quality assurance review of the accuracy of earnings posted. The computation of this rate is the total earnings posted correctly to individuals' earnings records for a tax year divided by the total earnings reported to SSA for that tax year.</i>	This wording change clarifies what we actually have been measuring, and continue to measure for FY 2000.

These tables display the changes in FY 2000 performance *targets* (i.e., goals) and the bases:

**Performance Indicator: Percent of callers who successfully access the 800-number within 5 minutes of their first call**

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
95%	92%	Target level materially affected by reductions to our FY 2000 budget request.

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### Performance Indicator: Percent of callers who get through to the 800-number on their first attempt

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
90%	86%	Target level materially affected by reductions to our FY 2000 budget request.

### Performance Indicator: Initial disability claims average processing time (days)

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
100	115	This revised goal reflects actual FY 1999 performance, reductions to our FY 2000 budget request, and the prototyping of the new disability process for 20 percent of the national workload in FY 2000. The new claims process focuses more time and attention on case processing and customer interaction at the initial level.

### Performance Indicator: OHA Hearings average processing time (days)

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
268	257	This revised goal reflects the decrease in hearings pending levels, closer workload monitoring, and implementation of the Hearings Process Improvements Plan in 37 hearings offices in January 2000.

### Performance Indicator: Number of customers accessing Social Security Online

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
7.0 million	15.8 million	We raised our goal after further consideration of actual program performance data for FY 1999.

### Performance Indicator: Number of investigations conducted (i.e., closed)

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
7,200	7,600	This goal reflects increased OIG resources devoted to investigative activities.

### Performance Indicator: OASDI dollar amounts reported from investigative activities

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
\$9 million	\$40 million	This goal reflects an anticipated increased return on investment from investigative activities.

**Initial FY 2001 Annual Performance Plan**

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**Performance Indicator: SSI dollar amounts reported from investigative activities**

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
\$55 million	\$80 million	This goal reflects an anticipated increased return on investment from investigative activities.

**Performance Indicator: OASDI debt collected**

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
\$1,263.2 million	\$1,274.9 million	This goal reflects a 7 percent increase over actual FY 1999 performance.

**Performance Indicator: SSI debt collected**

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
\$617.3 million	\$684.8 million	This goal reflects a 7 percent increase over actual FY 1999 performance.

**Performance Indicator: Percent of public who are knowledgeable about Social Security programs**

FY2000 Goal FROM...	FY 2000 Goal TO...	Basis...
To be set once baseline is established in FY1999	65%	In FY1999, 55% of the public was found to be knowledgeable. A target of 65% for FY 2000 was set.

Although not changing our performance goal, we changed the *definition* of the following FY 2000 performance target (i.e., goal):

**Performance Indicator: Increase in the number of SSI disabled beneficiaries, aged 18-64, participating in 1619(a) status**

FY2000 Goal FROM...	FY 2000 Goal TO...	Definition change...
10% (33,000)	10% (21,744)	In May 1999, the Substantial Gainful Activity (SGA) level increased from \$500 to \$700. With that change, the 1997 baseline of 30,000 is recomputed to 19,767. 21,744 equates to a 10% increase over the newly computed baseline.

## **IV. FY 2001 APP Overview**

### **Enhancements to APP Document**

For FY 2001, we enhanced our APP to emphasize several important areas, including the following:

- In Section IV, we expanded the discussion of major environmental factors that may impact SSA's performance and our strategies to mitigate them. We also described how information technology and SSA's capital investments support our strategic goals and initiatives.
- We added charts throughout Section V to graphically show that most of our performance trends are in the right direction with us meeting, surpassing, or at least approaching our annual performance targets.
- We expanded Section VI on Verification and Validation to better demonstrate the validity and reliability of the data used to report our performance.
- In Sections VIII and IX, we summarized the performance goals that we use to track our improvement in managing the Social Security and Supplemental Security Income Disability Programs, and the Hearings Process.
- We added Appendix 4, which displays the schedule of evaluations to be undertaken or completed during FY 2001 and which directly relate to performance goals and indicators in the APP.
- We added Appendix 5, which details the action plans we are pursuing and the major performance measures we use to track our progress in resolving major management challenges identified by the General Accounting Office and SSA's Inspector General.

### **SSA's Budget Account Structure and APP Alignment**

The "Introduction" section of this document explained that SSA is responsible for three major programs:

- Old-Age and Survivors Insurance (OASI);
- Disability Insurance (DI); and
- Supplemental Security Income (SSI)

SSA also provides support for the Medicare, Medicaid, and Black Lung programs.

The following discussion provides a brief overview of SSA's unique budget account structure, which has evolved over a number of years in response to changes in SSA's responsibility.

### Budget Account Structure

SSA's budget is best viewed in two distinct segments—the program budget and the administrative budget. In the simplest possible presentation, the program budget covers benefit payments to individuals, while the administrative budget covers the costs of accomplishing SSA's mission.

Under the Budget Enforcement Act, the program budget is considered part of the entitlement portion of the Federal budget. SSA's administrative budget is considered discretionary spending and, as such, must compete for scarce resources with the budgets of other Federal agencies within an overall spending limit..

Eight separate accounts comprise SSA's overall budget. These accounts are generally categorized by the type of appropriation from which they are funded, as displayed below.

Account	Appropriation
Old-Age and Survivors Insurance Trust Fund	Permanent
Disability Insurance Trust Fund	Permanent
Supplemental Security Income	Annual
Special Benefits for Certain WWII Veterans	Permanent
Special Benefits for Disabled Coal Miners	Annual
Payments to Social Security Trust Funds	Permanent/Annual
Office of Inspector General	Annual
Limitation on Administrative Expenses	Annual

SSA's permanent appropriations provide the funding needed to pay all entitled Social Security beneficiaries automatically; the amount spent each year is not determined through the annual appropriations process. Therefore, Social Security retirement, survivors and disability insurance benefits increase automatically as additional persons meet eligibility requirements and as benefit levels increase based on cost-of-living adjustments. These OASDI trust fund accounts are considered off-budget. SSA's permanent appropriations fall under the purview of the House Ways and Means and Senate Finance Committees.

SSA's annual appropriations are those for which Congress approves a specified funding level through legislation each fiscal year and are under the purview of the House and Senate Appropriations Committees.

A very brief sketch of each SSA budget account follows:

**Old-Age and Survivors Insurance (OASI) Trust Fund and Disability Insurance (DI) Trust Fund:** These accounts receive revenues from Social Security contributions and disburse benefit payments (entitlements) upon retirement, disability, or death to insured workers and their families. Social Security benefit payments make up the overwhelming bulk of SSA's overall budget. These accounts are permanent appropriations.



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**Supplemental Security Income (SSI):** The activities of this annual appropriation involve:

- Providing means-tested Federal payments for aged, blind and disabled persons;
- Providing vocational rehabilitation services and research funding; and
- Reimbursing the Social Security trust funds for the SSI program's share of SSA's administrative expenses.

**Special Payments for Disabled Coal Miners (Black Lung):** SSA makes payments of cash benefits to certain coal miners who are disabled due to coal workers' pneumoconiosis (black lung) and to their widows and certain other dependents.

**Special Benefits for Certain World War II Veterans:** Title VIII of the Social Security Act, enacted December 14, 1999 as part of the Foster Care Independence Act of 1999, provides a monthly cash payment to certain World War II veterans. To be eligible for the payment the individual must meet the following conditions:

- Have served in the military forces of the United States or the Philippines during World War II;
- Be eligible for SSI in December 1999 (the month of enactment);
- Be at least 65 years old;
- File an application for benefits; and
- Reside outside the United States.

**Payments to Social Security Trust Funds (PTF):** This account provides general fund payments to the Social Security trust funds intended to reimburse the trust funds for certain benefits or administrative expenditures (e.g., special payments for certain uninsured persons and costs associated with pension reform) that are chargeable to Federal funds.

**Office of the Inspector General (OIG):** The OIG account is an annual appropriation that funds the administrative expenses of the Inspector General. Financing is provided from both the Social Security trust funds and general revenues to reflect the fact that OIG monitors the Social Security, SSI and Black Lung programs.

**Limitation on Administrative Expenses (LAE):** The Limitation on Administrative Expenses, SSA's basic administrative account, is an annual appropriation and is financed from the Social Security and Medicare trust funds. The trust funds are reimbursed for the administrative expenses for the SSI program, which are covered by Federal funds, from the SSI account, and from fees paid by States for federal administration of State SSI supplementation payments. The following table displays the LAE account by funding source (using FY 1999 actual data for illustrative purposes).

<b>Funding Source</b>	<b>Budget Authority in Millions</b>	<b>Percent of Total</b>
Old-Age and Survivors Insurance Trust Fund	\$1,711	27%
Disability Insurance Trust Fund	\$1,389	22%
Hospital Insurance Trust Fund	\$531	8%
Supplementary Medical Insurance Trust Fund	\$421	6%
Payment to Social Security Trust Funds for Administrative Expenses of the Supplemental Security Income Program	\$2,291	36%
State Supplementation User Fee	\$75	1%
<b>Total</b>	<b>\$6,418</b>	<b>100%</b>

The LAE account funds:

- Salaries and benefits of SSA’s Federal employees (excluding the Office of Inspector General);
- Related costs for space, equipment, supplies, travel, printing and other non-payroll expenses;
- System and telecommunications activities; and
- Expenses of the State Disability Determination Services (DDS), which make disability determinations on behalf of SSA.

**Alignment of the APP and the Budget**

SSA has aligned the strategic goals in our ASP and accordingly, the performance goals in our APP, by our major functional responsibilities rather than by program or budget account.

The program and financing schedules for SSA in the President’s budget do not include program activities, per se. For example, under the heading “Obligations by Program Activity,” SSA’s LAE account displays total obligations by direct program and reimbursable program.

SSA’s programs share many customers in common and rely on a common set of business processes. To highlight just a few examples:

- Many of our SSI applicants are also OASI or DI applicants;
- While there are a few legislative differences in the disability criteria for the DI and SSI programs, the processes we use to determine eligibility for disability benefits under the two programs vary only slightly;
- Much of our research and policy development in the area of disability supports both the DI and SSI programs; and

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- We maintain earnings records in support of the OASI, DI and Medicare programs.

Fitting with the common characteristics of our programs, SSA has a single national service-delivery structure that does not specialize by program. By integrating services across all of our programs at the level of the customer, SSA is able to enhance efficiency, avoid duplication of effort and increase opportunities to provide one-stop service to our customers. As noted above, SSA's administrative costs, for all programs and associated functional responsibilities, are funded for the most part by the LAE appropriation.

The following chart links funding amounts within the LAE, research and OIG budgets to our four functional strategic goals. As the fifth goal, "valued employees," supports accomplishment of all our basic functions, the resources related to it are allocated across the other four goals.

**FY 2001 Administrative Budget, by Strategic Goal**  
**(Dollars in Millions)**

Budget Accounts	Responsive Programs	World-Class Service	Program Management	Public Understanding	Total
Limitation on Admin. Expenses	\$84	\$5,284	\$1,662	\$104	\$7,134
Extramural Research	\$30	---	---	---	\$ 30
Office of Inspector General	---	---	\$73	---	\$ 73
Total	\$114	\$5,284	\$1,735	\$104	\$7,237

## Major Environmental Factors

Major environmental factors are, by definition, outside of our direct control. They create a context or need for our planning in general and with regard to individual performance goals and objectives. They may also constrain our ability to successfully meet some of our performance targets. Knowing this, we take them into account in developing and implementing our means and strategies. We will also consider their impact, in retrospect, as we track our actual performance against our goals, and when we report on our performance in our Annual Performance Report. As appropriate and feasible, we will make adjustments in our means and strategies to further assure our successful performance.

Following are some of the major environmental factors we have identified and our general approach to considering them or to mitigating their impact. Additional information on how we will consider or mitigate against these factors is found in the means and strategies discussions for each of our strategic objectives in Section V.

### Challenging Business Environment

SSA faces an increasingly challenging business environment. Our customer base is expanding with the aging of the baby-boomers and enhanced life expectancy. After a period of modest workload increases through FY 2002, we know that a dramatic change in SSA workloads will begin to occur a few years thereafter. Given those projections, we know that we must begin now to position the Agency so it is prepared to handle the increases in claims expected as the baby-boomers reach their disability-prone years (their 50's) and then retirement age (in around 2008 when they begin to reach age 62).

We understand that constrained resources must continue as an SSA planning assumption. Performance targets and supporting means and strategies are being developed with that assumption and are grounded in what we can achieve with the resources that we reasonably expect to have available.

It is also a fact that our workforce continues to age along with the rest of the population. The average age of SSA employees is 46 years. SSA will be facing a critical loss of knowledge and experience within the next 5-10 years due to increased retirements of experienced employees. We have developed a transition plan to accommodate the Agency's future workforce needs in terms of skills and knowledge, and to make SSA an employer of choice for our future workforce.

### **Long-Term Solvency**

Americans are living longer, healthier lives. In addition, the baby-boom generation is nearing retirement. These demographic changes create long-term funding issues for the Social Security programs. While revenues currently exceed benefit payments, in 2014 benefit payments will exceed revenues and interest from the trust funds will be needed to pay full benefits. The trust funds are projected to be depleted by 2034 under current law, at which point revenues will support only about 71 percent of benefits due. The President has proposed a framework to extend solvency of the Social Security trust funds. Congress and outside policy organizations have also proposed plans to ensure Social Security's long-term solvency.

SSA has worked to ensure that the public has the information it needs to understand the essentials of the program so they can participate in the discussion of how best to strengthen Social Security for the future.

We are continuing to prepare analyses on the distributional and fiscal effects of proposals to strengthen Social Security programs developed by the Administration, Congress, and other policymakers. We will update those analyses, as new data become available.

### **Customer Expectations**

Customers everywhere have come to expect continually improved service from SSA and other Federal sector organizations. To meet that expectation, SSA is committed to continuing to provide customer-responsive, world-class service to our customers.

Customer service is a major strategy driver in SSA, and it is the basic framework for all our planning activities. However, customer expectations are continually balanced against budgetary restraints, and resources are focused on areas that provide the best payoff.

We measure customer satisfaction through a formal survey that has been our main barometer since 1984. In FY 2000 we will move to a new Interaction Tracking System to monitor satisfaction. According to the latest survey data, the following service elements were rated most important by our customers:

- Knowledgeable staff who give clear explanations
- Staff who care about helping
- Clear and easy-to-understand mail
- Easy-to-complete forms
- One person handling the case

- Complete business with one call or visit
- Easy-to-reach 800-number service
- Prompt decisions and actions on cases
- Convenient office locations
- Easy-to-reach local telephone service
- Short in-office waits

We will continue to monitor customer satisfaction and preferences, and continue to develop strategies and initiatives that respond to emerging themes.

### **Employee Expectations**

Through focus groups and surveys, we have also solicited the opinions of our workforce. For the most part, their vision of SSA's service mirrors the answers of the public. They also voice concerns about their own working environment. Our workforce tells us to:

- Aggressively protect the trust funds and prevent fraud
- Clearly state SSA's mission and support it through decisions that SSA makes
- Use a variety of media to educate the public
- Provide guidance to help employees understand the Agency's workload priorities
- Provide strong and visible leadership
- Provide a work environment that promotes safety, health and well-being of employees
- Provide better training, technology and communications to increase employee and management effectiveness
- Develop a managed strategy to attract and retain capable employees

The means and strategies we are developing and implementing mirror the important themes expressed by our employees. We are continuing to expand our solicitation of our employees' views and suggestions as we implement our various initiatives and as we develop our next Agency Strategic Plan.

### **Information Technology**

The explosion of information technology presents SSA with vast opportunities for efficiencies and enhancements of customer service. Technology will enable us to simplify, speed, or eliminate tasks in our programmatic and administrative processes. As we develop an overall information technology architecture and applications, we also are providing our employees with the tools and training to use them.

Our customers are increasing their use of the Internet. They tell us that they like the convenience of doing business on the Internet and want SSA to implement more services. To respond to this demand, we are increasing the number of electronic transactions available to the public by adding Internet Services on SSA's website [Social Security Online](#). Our vision is to implement comprehensive Internet services, including privacy

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and security safeguards, to expand access to information and for customers to conduct SSA business.

As SSA workloads increase over the next two decades, customer access to online information and processes via the Internet, with appropriate safeguards, will absorb some of the rising workload.

### **Other Technological Advances**

Other technological advances will impact both our programs and our workloads. For example, advances that permit individuals to join, remain in, or rejoin the workforce despite their medical challenges are changing the traditional concept of disability. New medical technologies are improving health and increasing life expectancy. SSA is keeping these advances in view, and promoting research to improve our ability to develop policies that respond to changes in medical, technological, and other trends. For example, such research enables us to update the listings of impairments used in determinations of disability.

## Information Technology/Capital Investments

### **SSA's Information Technology Investments Support SSA's Goals, Objectives, and Key Initiatives**

SSA assures that significant systems resources are dedicated to the support of our strategic goals. Systems workloads and developmental efforts are prioritized in a manner that assures that the Agency is pursuing its most critical workloads in an environment in which resources are limited.

The linkages between major information technology initiatives and our strategic goals are displayed on the next page.



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<p style="text-align: center;"><b>AGENCY GOAL</b></p> <p><b>IT INITIATIVE</b></p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Responsive Programs</b></p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>World-Class Service</b></p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Program Management</b></p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Valued Employees</b></p>	<p style="writing-mode: vertical-rl; transform: rotate(180deg);"><b>Public Understanding</b></p>
Desktop Management		•	•	•	
Paperless Processing		•	•	•	
Title II Redesign		•	•		
Comprehensive Integrity Review Process		•	•		
Earnings Improvement		•	•		
Enumeration		•	•		
Fugitive Felons		•	•		
Data Exchange		•	•		
Debt Management		•	•		
Earnings Improvement	•	•	•		•
800 Number Immediate Claims Taking		•			
Distributed Online Correspondence System		•	•		•
Electronic Disability System	•	•	•	•	•
Customer Feedback System	•	•			•
Integrated Human Resources System		•		•	

While technology supports all five of the strategic goals in some way, it is a critical enabler of three of our goals, as follows:

**Strategic Goal: To Deliver Customer Responsive World-Class Service**

Providing online-access to customer information will enable our employees to fully respond to more customer requests at the initial contact. *Examples of Key Initiatives (KIs): Online notices, Information exchange/expanded online access to State Bureaus of Vital Statistics, Title II Redesign, Talking and Listening to Customers*

Substantially increasing our ability to provide service directly to customers via electronic means when privacy and security issues are resolved will enable continued provision of customer-responsive service, as our customers become accustomed to doing commercial business electronically and increasingly expect to conduct their government business that way. *Examples of KIs: Internet Customer Services, Immediate Claims Taking*

**Strategic Goal: To make SSA program management the best in business, with zero tolerance for fraud and abuse**

Increasing the up-front availability of information to and from other agencies through electronic access to data will help us combat fraud and enable us to improve the program integrity and accuracy of payments. *Examples of KIs: More computer matching (e.g., with HCFA on nursing home admissions, with OCSE wage and unemployment compensation databases), Information exchange/expanded online access to State Bureaus of Vital Statistics*

Technological enhancements, such as increasing the automated capacity to process work in a virtually paperless mode, will help us to achieve efficiencies, thereby freeing employee time for activities that are more difficult or inappropriate to simplify or automate. *Examples of KIs: Paperless Processing Centers, Title II Redesign, Electronic Disability System, SSI PE Modernization*

**Strategic Goal: To be an employer that values and invests in each employee**

Electronic tools and training are critical to achieving a highly skilled and high-performing workforce. *Examples of KIs: Interactive video teletraining in addition to all other initiatives listed above*

During FY 2000, SSA will virtually complete installation of the nationwide network of intelligent workstations and local area networks (known as IWS/LAN). During the seven year project, we will have installed approximately 96,000 workstations and 2,000 LANS. The IWS/LAN project is the enabling infrastructure for many of the technology-based initiatives, including those identified above, that SSA is implementing in support of its strategic goals. Our strategy to provide world-class service while workloads grow relies on business process improvements and automation such as IWS/LAN. IWS/LAN establishes a national computer network including desktop computer workstations for

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frontline employees supported by appropriate communications and software systems. This technology is critical in taking claims efficiently and providing online service to national 800-number callers. IWS/LAN not only provides employees with state-of-the-art tools that allow them to deliver world-class service in the near term, but also opens up new possibilities for doing business with our customers in the future, including enabling a single point of contact for an individual's case.

### **Capital Investments**

Capital investment, primarily in the form of information technology (IT), supports all of SSA's strategic goals. SSA's IT investments have been funded through the Agency's annual Information Technology Systems (ITS) budget as well as the no-year Automation Investment Fund (AIF) appropriated to provide a modern SSA computer network. SSA's FY 2000 and FY 2001 ITS budgets include funds for the acquisition and maintenance of automated data processing and telecommunications hardware and software, as well as related contractual services.

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*The following table displays the FY 2001 ITS budget by baseline operations, strategic priorities, and cross-cutting IT initiatives.*

(Dollars in millions)	<b>FY 2001</b>
<b>Baseline (Current Levels of Service)</b>	
Non-800 Number Telephone Service	\$36.5
National 800-Number Service	\$20.2
Telephone Systems Maintenance & Micropurchases	\$18.0
Data Communications Network	\$10.0
ADP Hardware/Software Lease/Maintenance	\$44.3
ADP Small Purchases	\$8.9
Contractor Support Services	\$22.8
Timesharing/Backup and Recovery Services	<u>\$3.3</u>
<b>Baseline Subtotal</b>	<b>\$164.0</b>
<b>World-Class Service Initiatives</b>	<b>\$29.1</b>
<b>Best-in-Business Management Initiatives</b>	<b>\$28.3</b>
<b>Valued Employees Initiatives</b>	<b>\$7.1</b>
<b>Initiatives Supporting All Strategic Areas</b>	<b>\$11.1</b>
<b>IT Infrastructure Initiatives</b>	<b>\$61.3</b>
<b>IT Architecture and Planning Initiatives</b>	<b>\$3.1</b>
<b>TOTAL ITS OBLIGATIONS</b>	<b>\$304.0</b>

**SSA's Capital Assets Plan**

In accordance with Part 3 of OMB Circular A-11, SSA submitted two Exhibit 300-B Capital Asset Plan and justifications to OMB in January 2000. The documents identify two major acquisition areas that contribute significantly to the achievement of SSA's performance goals. Both major acquisition areas are critical to the delivery of services to the public and are an integral part of the Agency's IT infrastructure. The two major acquisition areas are:

- **Data Communications Network**

This project funds the telecommunications services that are necessary to operate the SSA data communications network. SSA obtains the majority of its telecommunications services from the FTS 2000 and FTS 2001 telecommunications contracts administered by the General Administration Services (GSA).

- **Hardware/Software Lease and Maintenance for FY 2001**

IT hardware/software lease and maintenance services are necessary to support the Agency's data processing environment, which utilizes over 400,000 hardware devices and 3,500 software products.

These areas requiring support include data center mainframe operations, operating system proprietary software, and client/server architecture and office automation.

### **SSA's Automation Support Processes Correspond to SSA's Planning Priorities**

About 54 percent of SSA's FY 2001 ITS budget is needed to maintain ongoing SSA-wide computer operations and services at current levels, including ongoing operational costs associated with the installed national computer network. The remaining 46 percent is for investments in automation for key initiatives (KIs) supporting Agency strategic goals, and crosscutting IT initiatives. (Note: KIs are described in Appendix 3.)

SSA has a process in place to screen, select, prioritize, and schedule new IT and systems support initiatives that reflect the Agency's strategic planning priorities. In this process, in which Executive Staff members are the decisionmakers, agency KIs are analyzed and ranked in terms of their relative importance to SSA and their expected contribution to performance, and they are assigned a priority designation. KIs are given priority in budgeting and scheduling of software development and in making IT infrastructure capital investments.

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Following is a display of the KIs to which significant systems support is devoted:

<b>KEY INITIATIVE</b>	<b>CORRESPONDING MAJOR SYSTEMS INITIATIVE</b>
IWS/LAN	Desktop Management
Electronic Disability System	Electronic Disability System
Improve Telephone Services	800 Number Access Customer Help Information Program
Combating Fraud	Comprehensive Integrity Review Process Debt Management Fugitive Felons
Information Exchange	Data Exchange
CDR Workflow Enhancements	CDR Improvements
Title II Redesign	Title II Redesign
SSI PE Modernization	SSI PE Modernization
Paperless Processing Centers	Paperless Processing
Notice Improvements	Distributed Online Correspondence System
Electronic Service Delivery	Electronic Service Delivery
Electronic Wage Reporting	Earnings Improvement
Earnings Process Improvements	Earnings Improvement
Immediate Claims Taking	800 Number Immediate Claims Taking
Talking and Listening to Customers	Customer Feedback System

Significant support is also provided to the following additional KIs:

- Electronic Payment Services
- Employment Eligibility Verification Pilot
- Enumeration Verification Services
- Financial/Administrative Systems
- Integrated Human Resources System
- Interactive Video Teletraining
- Policy Process Redesign/Policy Net

### **SSA Communicates its IT Management and Investment Plans**

For many years, SSA has published its IT management and investment plans in an Information Systems Plan (ISP), the most recent of which was released in September 1997. The ISP articulates how SSA's major systems initiatives contribute to the Agency's mission and support our priority KIs.

In 2000, SSA will issue an Information Technology Architecture (ITA) Plan that will replace the ISP. The ITA Plan will retain the strategic planning elements of the ISP, and will also address the Information Technology Management Reform Act (renamed the Clinger-Cohen Act) requirements for a plan that describes the relationships among the work the Agency does, the information the Agency uses, and the IT resources and infrastructure required for the performance of the Agency's mission.

A key element of the ITA Plan will be SSA's current enterprise ITA planning effort, which will define for SSA how computer hardware and software interact in support of the Agency's current and future business processes, and goals and objectives. It will more tightly incorporate Agency strategic and business planning in IT planning, recognize cross-cutting technology needs, allow for opportunities to standardize and take advantage of economies of scale, and in turn, provide feedback to the strategic planning process.

### **SSA's Capital Planning and Investment Control Processes Provide Additional Oversight**

Key management reforms, as mandated by the Clinger-Cohen Act, have been in place at SSA for many years. For example, SSA's Systems Review Board was established in 1987 to provide independent oversight of IT budgets and major IT investments for the Agency.

In 1996, SSA established the Chief Information Officer (CIO) position and transformed the Systems Review Board into the CIO Advisory Council composed of Executive Staff members and other selected participants. This higher level board, chaired by the CIO, participates in IT resource investment decisions and ensures Agency-wide awareness of and involvement in IT and information resources management (IRM) issues.

The CIO reports to the Deputy Commissioner and fully integrates the Agency's strategic, business, financial and IT planning and execution. The Deputy Commissioner for Finance, Assessment and Management (DCFAM) is the Deputy CIO and also the Agency's Chief Financial Officer.

All IT investments are reviewed by the CIO and the Advisory Council at least annually during the budget development process. The budget execution process monitors IT projects during the current year.

In line with the Agency's strategy to fund major IT investments after they are well-defined and demonstrated to be cost-beneficial, funds for promising implementations that are pending further analytical efforts or successful pilots are not released by the CIO for obligation until initiatives are demonstrated to be cost-beneficial and ready to proceed.

Designated major IT investments undergo regular reviews by the CIO and the Advisory Council to discuss progress and track outstanding issues.

SSA is enhancing its investment review process to assess major investments at key decision points to ensure the proposed initiatives are well founded, are redirected or terminated when necessary, are achieved within the approved cost and schedule, and provide expected benefits.



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### Impact of Initiatives on FY 2001 Workyear Requirements

The table below summarizes estimated FY 2001 workyear savings from initiatives proposed in the Social Security Administration's FY 2001 budget.

#### **FY 2001 WORKYEAR SAVINGS**

Federal	4,138
State Disability Determination Services	<u>214</u>
<b>Total</b>	<b>4,352</b>

These savings represent estimated net additional capacity, over FY 1998 base levels, to do more work as a result of efficiencies produced by budgeted agency initiatives. This includes initiatives already underway and completed during the budget period and initiatives that will begin during the budget period. The additional capacity is built into SSA's budget estimates of workloads to be processed during FY 2001. Staff support workyears are considered part of the base.

Additional detail, by initiative.

<b>TITLE</b>	<b>Workyear Impact Over FY 1998 Base</b>
Combat Fraud	36
Earnings Process Improvements	(49)
Educate the Public About Social Security	(36)
Electronic Service Delivery	(40)
Employment Strategy for People with Disabilities	150
Immediate Claims-Taking	(14)
Information Exchange	38
Interactive Video Teletraining	(89)
Intelligent Work Station/Local Area Network	(1,863)
Notice Improvements	(116)
Paperless Processing Centers	(719)
Plain Language	(13)
Representative Payee	85
Supplemental Security Income Post-Eligibility Modernization	(480)
Speech Recognition Software	5
Talking And Listening To Customers	46
Team Operating Environment	24
Title II System Redesign	(705)
Improvements to the Disability Claims Process	(73)
Electronic Payment Services	(213)
Expand Electronic Wage Reporting	(96)
Improve Disability Adjudication Process	(108)
INS/State Collection of Enumeration Data	(122)

## V. Performance Goals, Means and Strategies

This section, covering our performance goals and the means and strategies for achieving them, is organized by the five general goals and supporting objectives established in the ASP. SSA's goals and objectives encompass all of SSA's program activities and address the universe of competing needs of the wide variety of SSA stakeholders and customers.

### **By Strategic Goal:**

*Ongoing Activities and Budgeted Resources by Goal:* The introductory section under each goal describes the scope of ongoing activities SSA performs in support of the goal and the amount of resources in SSA's budget that are associated with these activities. Because the "valued employees" goal supports accomplishment of our other functional goals, the resources related to this goal are allocated across the other four goals.

Where activities relate to more than one goal, we include the resources that support them only once under the goal to which they are most relevant. For example, as a service to the public, the Social Security Statement relates in part to our "world-class service" goal. However, because it is an instrumental tool for educating the public, we have presented all resources associated with issuing the Social Security Statement under the "public understanding" goal.

We also list all the objectives that support each goal.

*Crosscutting Areas with Other Federal Agencies:* Under each goal, we highlight major partnerships formed with other agencies to help us achieve our objectives.

*Key Legislation and Regulations:* Under each goal, we identify any legislation or regulations that are critical to implementation of the strategies we have developed for achieving the goal's supporting objectives.

### **By Strategic Objective within each Strategic Goal:**

*Performance Indicators and Goals:* The measures for each of SSA's current five goals, when taken together, focus on the critical aspects of each of the five goals. They are meant to complement, not overlap, each other. The objectives in each goal add up to our intended performance for that goal. This framework allows us to cover the full scope of Agency activities supporting the goal and to fully establish a relationship to Agency resource needs.

Under each strategic objective, we present a general rationale for the indicators we have selected to represent our performance and for our performance goals for FY 2001. The rationales reflect the following construct:

- Each performance measure serves as an indicator of some critical aspect of performance in a given strategic objective;

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- We set target levels of performance for FY 2001 by balancing customer and stakeholder expectations, external forces, internal capabilities, and budgetary constraints; and
- We set target levels of performance for FY 2001 that reflect current levels of performance and the need to maintain current service levels or improve performance. In many instances, we set improvement objectives, intended to stretch us to higher levels of performance during the period covered by the ASP. In others, we set objectives to maintain current levels of performance to guard against performance slippage while we focus on other priorities. In still others, we are devising new ways to measure our success, and so in the interim we are focusing on completing milestones of initiatives expected to have a positive impact on performance.

Where maintenance of performance is our goal, this may be because current performance is already excellent. For example, the “dollar accuracy of OASI payment outlays” has been at least 99.8 percent for several years. We set a maintenance goal of 99.8 percent for that measure for FY 2001. In other cases, maintenance may be the goal because of the relative satisfaction of our customers with our performance in that area combined with the contextual need to focus our limited resources in the areas most needing improvement.

In a few cases where we have set maintenance goals for FY 2001, actual performance exceeded that goal in a past year. For example, our goal for the “percent of original and replacement SSN cards issued within 5 days of receiving all necessary documentation” is 97 percent and has been since 1997, but our actual performance in FY 1999 was 99 percent. Although we were able to exceed our goal in FY 1999, we believe that 97 percent is the correct performance to aim for each year, in the context of competing budgetary priorities and growing workloads.

In developing the FY 2001 targets, we also considered the actual performance we had attained in FY 1999 and the performance we anticipate in FY 2000. For example, for the indicator: “Percent of SSA’s core business customers rating SSA’s overall service as ‘excellent,’ ‘very good,’ or ‘good,’” we considered our historical performance through FY 1999 (88%), our target performance for FY 2000 (88%), the level of effort which might be devoted to raising that performance level in FY 2001, and then established an FY 2001 goal of 89 percent.

As appropriate, baseline performance data, data sources and pertinent background information and/or definitions are provided for each indicator. We also array trend data for each indicator with quantifiable measures, showing available historical data and goals. Goals are displayed for prior years so long as the definition has not changed. In the case of non-quantifiable goals, we also describe how we will consider them to have been achieved. A summary table of FY 2001 Performance Indicators and Goals for all of our strategic objectives is included as an appendix to this document.

*Means and Strategies:* SSA has developed a set of strategies, called programs for objective achievement (POA), that will lead to achievement of each strategic objective identified in the ASP. Each POA is supported by one or more Key Initiatives (KIs) for implementing required change activities. For each objective, we generally describe the KIs that we will be pursuing over the FY 2000-FY 2001 period, not only to achieve our near-term FY 2001 performance goals, but also to enable achievement of the longer-term objectives. Additional information on our KIs is provided as an appendix to this document.

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**Strategic Goal: To promote valued, strong, and responsive social security programs and conduct effective policy development, research, and program evaluation**

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SSA has assumed its responsibility for providing information and policy options as well as working to improve program outcomes to the greatest possible extent. SSA will help shape the dialogue and options for addressing critical long and short-term Social Security issues by conducting in-house research, promoting research by others, framing policy discussions, and refining policies to meet the needs of society. The FY 2001 administrative budget requests an estimated \$114 million related to activities that support this goal. This includes \$58 million for return to work efforts as we continue to establish and implement SSA's new Ticket to Work and Self Sufficiency Program (including \$23 million for work incentives outreach program grants) and \$30 million for extramural research, as well as the salaries and expenses of SSA's Offices of Policy and Chief Actuary.

While the impact of Social Security programs on the economic well-being of millions of Americans is of primary concern for the Agency, SSA will not exclusively use program outcome goals to measure the performance of policy development, research, and program evaluation. Instead, this strategic goal uses a mix of program outcome goals and goals that measure the extent to which critical information is available for use by decisionmakers. In areas where specific program outcome goals cannot be defined because of factors not controlled by the Agency (e.g., difficulties implementing changes, changes in law, economic forces, etc), "barometer" measures will provide information on how Social Security benefits, in combination with many related factors, affect the economic well-being of the public. This information will help decisionmakers identify areas where policy changes may be needed to strengthen the programs.

The mix of goals reflects the fact that the effects of policy development, research, and program evaluation are difficult to quantify and measure, because many factors affect program outcomes related to a change in policy.

The following Objectives support this Strategic Goal:

- Promote policy changes, based on research, evaluation and analysis, that shape the OASI and DI programs in a manner that takes account of future demographic and economic challenges, provides an adequate base of economic security for workers and their dependents, and protects vulnerable populations.
- Promote policy changes, based on research, evaluation and analysis, that shape the SSI program in a manner that protects vulnerable populations, anticipates the

evolving needs of SSI populations, and integrates SSI benefits with other benefit programs to provide a safety net for aged, blind, and disabled individuals.

- Promote policy changes, based on research, evaluation and analysis, that shape the disability program in a manner that increases self-sufficiency and takes account of changing needs, based on medical, technological, demographic, job market, and societal trends.
- Provide information for decisionmakers and others on the Social Security and Supplemental Security Income programs through objective and responsive research, evaluation, and policy development.

### **Strategic Objective:**

**Promote policy changes, based on research, evaluation and analysis, that:**

**Shape the OASI and DI programs in a manner that takes account of future demographic and economic challenges, provides an adequate base of economic security for workers and their dependents, and protects vulnerable populations.**

### **Context**

Many societal changes, for example in demographics, family structure, and attitudes toward work and retirement, have occurred since the OASI and DI programs were originally created. This strategic objective addresses the need to continually assess program performance in the context of societal trends, so as to ensure an adequate base of economic security for workers at many socioeconomic levels while maintaining sufficient long-term financing.

### **FY 2001 Performance Indicators and Goals**

**Indicator:**                    **Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of OASDI programs.**

**FY 2001 Goal:**            Prepare summary and analysis on the barometer measures

Definition:                    We will consider this goal to be achieved if:  
The Agency prepares a preliminary analysis of certain measures to be used as ongoing barometers of how OASDI programs, in combination with many related factors, affect the economic well-being of the American people. These

barometers will be used to produce analyses and help formulate options for strengthening the programs.

**Indicator:**                    **Preparation of analyses and reports on the effect of OASDI programs on different populations in order to identify areas for policy change and develop options as appropriate.**

- FY 2001 Goals:**    Prepare analyses and reports on the following topics:
- The effect of OASDI programs on various subgroups of beneficiaries, including women, minorities, and low-wage workers.
  - Study on characteristics of people receiving DI benefits.
  - Analysis of the effect of changes in Social Security retirement benefits on the DI program.

**Definition:**            We will consider these goals to be achieved if:  
We prepare reports on these topics. The reports should provide information for decisionmakers to use in developing policy proposals and should provide options for change when appropriate.

**Indicator:**                    **Preparation of analyses and reports on demographic, economic, and international trends and their effects on OASDI programs in order to anticipate the need for policy change and develop options as appropriate.**

- FY 2001 Goals:**    Prepare analyses on the following topics:
- Labor force transitions in the elderly population.
  - Implications for retirement income security of shifts from defined benefits to defined contribution plans through study of lump-sum payments from employer pensions.
  - Differences across subgroups in saving.
  - International retirement policy reforms.

**Definition:**            We will consider these goals to be achieved if:  
We prepare analyses and reports as indicated under the goals.

**Indicator:**                    **Preparation of research and policy analyses necessary to assist the Administration and Congress in developing proposals to strengthen and enhance the solvency of OASDI programs.**

- FY 2001 Goal:**        Prepare analyses on the distributional and fiscal effects of solvency proposals developed by the Administration, Congress, and other policymakers.

**Definition:**            We will consider this goal to be achieved if:  
We prepare analyses providing information about the effect of specific solvency proposals on various populations, the long-term actuarial balance of OASDI programs, and the economy of the United States.

**Means and Strategies**

The potential scope of issues facing SSA is enormous, including the role of Social Security programs in income security and prevention of poverty, the role of other legs of the income security stool (i.e., savings, pensions, etc.), and the effects of demographic and economic changes on the ability of the programs to perform their functions of providing an adequate base of economic security and protecting vulnerable populations. SSA's FY 2001 budget proposal includes resources to conduct a number of data gathering and research efforts that will help policymakers in addressing these program issues. While not an exhaustive list, the following summarizes the most significant activities for FYs 2000 and 2001:

**Identification, development, and utilization of appropriate barometer measures for OASDI programs:** SSA will develop measures and establish a baseline for barometers that provide an indication of the efficacy of OASDI programs. These measures are influenced by many factors outside of the Agency's control. There are also wide-ranging opinions regarding the optimal level of performance for these measures and the extent to which Social Security programs should be used in attaining that level. However, these barometer measures will provide information about populations served by Social Security programs and help identify areas where the programs may be strengthened. The barometer measures will include indicators of the programs' roles in providing an adequate base of economic security and protecting vulnerable populations (e.g., percent of recipients relying on Social Security for over half of retirement income, replacement rates, percent of beneficiaries falling below the Federal poverty level, etc.).

**Analyses on effects of OASDI programs on different populations:** The reports will identify strengths and weaknesses in the programs with respect to women, minorities, and low-wage workers and help identify factors that influence the programs' abilities to provide an adequate base of economic security and protect these persons. We will also study the characteristics of people receiving disability benefits so that decisionmakers may better understand factors influencing the need for these benefits. The analysis of characteristics of people on disability benefits, in conjunction with a report on the effect of changes in the retirement program on the disability program, will provide information crucial to helping decisionmakers strengthen both programs. We will develop options for policy changes in cases where the analyses reveal the need for modifications.

**Analyses on the effects of demographic and economic trends on Social Security programs:** These analyses will identify major forces that influence barometer measures or achievement of performance goals. They will also identify areas of program vulnerability, describe the problems and experiences of other countries, and discuss models for change utilized in the international community. We will develop options for policy changes in cases where the analyses reveal the need for modifications. The following reports will help decisionmakers develop proactive proposals to address potential weaknesses in the programs:

- *Labor Force Transitions in the Elderly Population:* This project provides a relatively recent account of labor force activity at the end of the work life and assesses the



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relative importance of financial influences such as wage offers, family income and wealth, private pensions, and Social Security in explaining work patterns among the elderly.

- *Implications for Retirement Income Security of Shifts from Defined Benefit to Defined Contribution Plans Through Study of Lump-Sum Payments from Employer Pensions:* The increased likelihood of lump-sum payments presents new challenges to analysts who need to accurately describing and monitoring the income of the aged. This study will summarize tax and regulatory policy on lump sums, payment options of retirement plans, and analyze data on the incidence and amounts of lump sums and the uses to which they are put by various characteristics of individuals.
- *Differences Across Subgroups in Saving:* This project will study household saving, an important contributor to retirement wealth. It will analyze differences in saving behavior, identify possible causes of these differences, and highlight subgroups in the population whose low wealth accumulation rates and inadequate savings make them vulnerable to certain proposed changes in Social Security benefits.
- *International Retirement Policy Reforms:* This project examines the reform experiences of other countries which can provide potentially useful guidance on common problems in providing adequate and equitable retirement income.

### **National Study of Health and Activity (NSHA), formerly the Disability Evaluation**

**Study:** SSA is undertaking research that seeks to estimate the size of the population potentially eligible for disability now and in the near future. This research will also assess the accommodations and interventions that permit some persons meeting SSA's definition of disability to continue to work and will assess how this information might be used to assist others to remain in the labor force rather than seek benefits. Information to be obtained by the NSHA enables the achievement of both this objective and the objective relating to disability eligibility and work effort (mentioned later). Performance goals with respect to the NSHA are stated under the Disability objective.

**Participation in Discussions on the Future of OASDI Programs:** SSA is playing a key role in research and analysis on critical policy issues. SSA continues to share vital analyses and data on the financial and distributional impact of various proposals for changing Social Security programs with the Administration and Congress.

**Modeling:** SSA is strengthening its capability to project income into future years in order to analyze distributional effects of alternative Social Security policies. The ability to model future trends and the implications of certain program changes is instrumental to the production of informative reports and analyses. Continued model enhancements will increase the scope of reforms that can be evaluated, expand the range of income sources that can be assessed, and improve the reliability of the estimates.

### **Analyses on proposals to strengthen and enhance the Social Security system:**

The synthesis of improved modeling capabilities, comprehensive analyses on various populations and economic and demographic trends will enable SSA to provide comprehensive analyses of the distributional and fiscal impact of specific proposals to alter Social Security programs. These analyses will help decisionmakers refine proposals

by informing them of the potential effects on vulnerable populations, Social Security trust funds, and the economy of the United States.

Additional information is provided in Appendix 3 on the following Key Initiative that supports this objective:

- **Strengthening Research, Evaluation and Policy Development.**

**Strategic Objective:**

**Promote policy changes, based on research, evaluation, and analysis, that:**

**Shape the SSI program in a manner that protects vulnerable populations, anticipates the evolving needs of SSI populations, and integrates SSI benefits with other benefit programs to provide a safety net for aged, blind, and disabled individuals.**

**Context**

Since the SSI program was implemented in 1974, there have been significant societal changes that have implications for the structure of the program. For example, there have been improvements in health care, advancements in technology, sustained periods of economic stability, an increase in employment opportunities, and changes in the availability of other sources of benefits. The SSI population has become increasingly diverse, and there are varying levels of need according to such factors as types of disability, health status, age, race, gender, and work history. In addition, as the effort to strengthen the OASI and DI programs moves forward, we will need to pay attention to the correlative changes in the SSI program, so that SSI appropriately supplements Social Security benefits. This objective reflects the need to re-examine and refocus the policies that guide the SSI program in response to environmental changes.

**FY 2001 Performance Indicators and Goals**

**Indicator:** Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of the SSI program.

**FY 2001 Goal:** Prepare summary and analysis on the barometer measures

**Definition:** We will consider this goal to be achieved if:  
The Agency prepares a preliminary analysis of certain measures to be used as ongoing barometers on how the SSI program, in combination with many related factors, affects the economic well-being of the beneficiaries. These barometers will be used to produce analyses and help formulate options for strengthening the program.

**Indicator:** Preparation of a report and completion of data collection on the SSI Childhood Disability Survey in order to assess the impact of welfare reform, identify areas of potential policy change, and develop options as appropriate.

**FY 2001 Goal:** Complete interviewing for the first wave on the SSI Childhood Disability Survey

**Definition:** We will consider these goals to be achieved if:  
We complete interviewing for the first wave of a national survey.

**Indicator:** Preparation of analyses on sources of support for the SSI population in order to identify areas for better coordination with other social benefits and develop options as appropriate.

**FY 2001 Goal:** Prepare analysis and report on child support enforcement.

**Definition:** We will consider this goal to be achieved if:  
The Agency prepares the subject report.

**Indicator:** Preparation of analyses of complex SSI policies.

**FY 2001 Goal:** Prepare analyses on SSI simplification opportunities.

**Definition:** We will consider this goal to be achieved if:  
The Agency prepares the subject report.

### **Means and Strategies**

The following summarizes SSA's most significant activities supporting this objective for the FYs 2000 and 2001:

**Identification, development, and utilization of appropriate barometer measures for the SSI program:** SSA will develop measures and establish a baseline for barometers that provide an indication of the efficacy of the SSI program. These measures are influenced by many factors outside of the Agency's control. There are also wide-ranging opinions regarding the optimal level of performance for these measures and the extent to which the SSI program should be used in attaining that level. However, these barometer measures will provide information about populations served by the SSI program and identify areas where the program may be strengthened. The barometer measures will include indicators of the program's role in protecting vulnerable populations and the effect of the program in combination with other variables (e.g. extent to which beneficiaries receive other sources of support, composition of the SSI population, percent of households receiving SSI with income below the Federal poverty level, etc.). Once the Agency defines the barometer measures and establishes baselines, we will issue summaries and analyses on the measures.

**Analyses on sources of support for the SSI population:** These analyses will review both governmental and non-governmental cash and in-kind sources of income upon which SSI recipients depend for support. We will examine ways in which the SSI program may provide better support for beneficiaries and in which SSI benefits may be coordinated with other governmental programs to provide a more effective safety net for vulnerable populations.

**Childhood Disability Survey:** The first part of this project uses currently available data to evaluate the effect of the loss of SSI benefits stemming from provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 on children and their families. It will provide estimates of the number of children who would have been eligible under previous program rules but are not eligible under current rules, and how this affects total benefit years. It will also provide information on the characteristics of the children affected by the law, including information on family income and living arrangements. The second part of the project is a national survey that will gather information about the cost of caring for a disabled child, the uses of SSI benefits, availability of alternative sources of care, and other information. This survey will fill a major gap in program information and will provide policymakers with quantitative research on this population for use in proposing future policy changes.

**SSI Simplification:** The Agency will examine SSI policies determined to be complex based on data and feedback from various internal and external sources. The analyses will take into account the tensions that can occur between simplification, benefit equity, cost, and program integrity.

Additional information is provided in Appendix 3 on the following Key Initiative that supports this objective: **Strengthening Research, Evaluation and Policy Development.**

## **Strategic Objective:**

**Promote policy changes, based on research, evaluation and analysis, that:**

**Shape the disability program in a manner that increases self-sufficiency and takes account of changing needs, based on medical, technological, demographic, job market, and societal trends.**

## **Context**

Medical advances, changing attitudes toward disabled beneficiaries and their ability to work, and improved medical treatments and technology, require the disability program to evolve. Part of this evolution will occur by updating SSA's disability medical listings to reflect new treatments and technologies. Our current system of determining eligibility for disability benefits presumes that persons who meet medical listings are severely disabled

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enough to be unable to work. SSA is developing a model that may be used and adapted to test this presumption.

Other changes in the program will provide more incentives for disabled beneficiaries to work and become self-sufficient to the greatest extent possible. Many beneficiaries with disabilities want to be independent and work, and many can work despite their impairments if they receive the support they need. SSA will specify long-term goals for these indicators after analysis of historical data is complete. Our strategy for achieving these goals depends upon recently-enacted legislation and will take several years to implement and begin yielding results. Consequently, we are using milestones and deliverables related to supporting research and policy development efforts, and measures of the increase in the number of DI and SSI beneficiaries who are working but still receiving benefits (i.e., persons starting a trial work period or in 1619(a) status respectively) as interim indicators of our progress.

### FY 2001 Performance Indicators and Goals

**Indicator:**            **Increase in the number of DI adult worker beneficiaries who begin a trial work period**

**FY 2001 Goal:**        10-percent increase in the number of DI beneficiaries beginning trial work periods.

Baseline Data:	FY2000 APP Goal	FY1999 Actual	FY1998 Actual
	17,600	NA	NA

**Definition:**            Indicator represents the annual percentage increase relative to the base year (16,000 in FY 1997) in the number of DI adult worker beneficiaries who begin a trial work period equating to 19,200 in FY 2001. Our first APP goal was for FY 2000 and was for 10 percent over FY 1997. Our FY 2001 goal is for an additional 10 percent over the baseline, with 10 percent annual increases thereafter.

**Data Source:**        Master Beneficiary Record

**Indicator:**            **Increase in the number of SSI disabled beneficiaries, aged 18-64, participating in 1619(a) status.**

**FY 2001 Goal:**        10-percent increase in the number of SSI disabled beneficiaries aged 18 – 64 participating in 1619(a) status.

Baseline Data:	FY2000 APP Goal	FY1999 Actual	FY1998 Actual
	21,744	NA	NA

**Definition:**        Indicator represents percentage increase relative to the base year (19,767 in FY 1997) in SSI disabled beneficiaries who participate in 1619 (a) status, i.e., they are working at the Substantial Gainful Activity (SGA) level but still receiving benefits, equating to 23,918 in FY 2001. Our first APP goal was for FY 2000 and was for 10 percent over FY 1997. Our FY 2001 goal is for 10 percent over FY 2000, with 10 percent annual increases thereafter. These goals are consistent with the current non-blind SGA level of \$700 per month.

**Data Source:**        Quarterly Report on Work Incentives

**Indicator:**            **Preparation of a research design to develop techniques for validating medical listings.**

**FY 2001 Goal:**        Prepare a preliminary report on the development of the validation methodology.

**Definition:**        Self-explanatory

**Indicator:**            **Preparation of reports on results of the National Study on Health and Activity in order to identify potentially eligible disabled populations, interventions that enable continued work effort among the disabled and guide changes to the disability decision process.**

**FY 2001 Goal:**        Initiate main study data collection.

**Definition:**        After completion of a pilot study, data collection for the main study will begin in 2001. This will include personal interviews, work assessments and collection of medical records.

**Indicator:**            **Prepare analysis of alternative return-to-work-strategies.**

**FY 2001 Goal:**        Design and initiate implementation of demonstration projects.

**Definition:**        Self-explanatory.

### **Means and Strategies**

In order to improve the Agency's ability to respond to changes in medical, technological, demographic, and other trends, SSA is conducting an extensive survey of the disabled population and promoting external research. These efforts will increase the availability of information on program growth, interventions and accommodations that permit disabled persons to remain in the labor force, and will increase the availability of information on issues related to benefit eligibility and work effort by disabled persons. The Agency is also developing methods by which medical listings may be evaluated. The following projects support these efforts:

**National Study of Health and Activity:** As mentioned earlier, SSA is undertaking research that seeks to estimate the size of the population potentially eligible for disability now and in the near future. This research will also assess the accommodations and interventions that permit some persons meeting SSA's definition of disability to continue to work and will assess how this information might be used to assist others to remain in the labor force rather than seek benefits. The NSHA will also provide information that permits SSA to assess the impact of changes in the disability decision process.

**Disability Research Institute:** This Cooperative Agreement would initially consist of a single center that would utilize a network of scholars from a variety of institutions. The Institute would provide research findings in critical disability policy areas, disseminate important findings, provide a mechanism for training scholars in disability research, and assist in finding methods of sharing disability administrative data with researchers.

**Research Design to Develop Techniques for Validating Medical Listings:** Our current system of determining eligibility for disability benefits is designed to ensure that persons who meet medical listings are severely disabled enough to be unable to work. The project to validate medical listings will develop a methodology to help us monitor and evaluate the listings. The framework for validating medical listings should establish appropriate criteria by which to assess the ability to work, identify and adopt appropriate research protocols and statistical methods, and to propose clinical or other testing methods to gather data.

**Examine Interventions for Self-Sufficiency:** SSA is playing a key role in promoting return-to-work incentives for current beneficiaries. To assure that such initiatives have the optimum impact, it is important to assess them and adjust policy as necessary. Additionally, we will go beyond current initiatives and examine further possibilities for SSA to assist or facilitate assistance for people with disabilities in order to improve their independence and well being.

SSA is promoting program changes that increase the self-sufficiency of disabled beneficiaries by implementing a comprehensive strategy to increase the number of beneficiaries with disabilities who work, despite their impairment, and thereby lessen their dependence on the benefit rolls. The strategy will support Executive Order 13078,

“Increasing Employment of Adults with Disabilities,” signed by the President on March 13, 1998. Key concepts of the employment strategy are:

- Enhancing the individual’s financial stability and smoothing the transition away from a dependence on income support programs;
- Providing greater incentives for public and private sector providers of employment and rehabilitation services to serve SSA’s beneficiaries;
- Maximizing the employment potential of young people with disabilities; and
- Simplifying program incentives for people who want to work.

This strategy involves a number of initiatives, including some that require legislation and others that can be pursued using existing legislative authorities. Major initiatives are:

**Return to Work Legislation:** This initiative is key to achieving significant increases over the long-term in the number of beneficiaries who return to work. SSA worked closely with the 106<sup>th</sup> Congress to develop legislation that addresses some of the most significant barriers to the employment of people with disabilities. On December 17, 1999, President Clinton signed Public Law 106-170, the Ticket to Work and Work Incentives Improvement Act of 1999, which includes provisions that would issue beneficiaries a “ticket” to access a broad range of employment and vocational rehabilitation (VR) services from approved private and public providers. These providers would be paid a portion of the benefit savings realized by the beneficiary finding stable work.

Other key features of the new law are expanded eligibility for health care coverage, which has been a major concern to beneficiaries wanting to work, and authorization to conduct demonstration projects. The law also authorizes the Commissioner to carry out experiments and demonstration projects to test various methods of treating work activity by disabled persons and of altering limitations and conditions that apply to them. One demonstration project will test a \$1 for \$2 benefit offset model that will enable DI beneficiaries to continue to receive some reduced benefit while they attempt to sustain work. SSA is proceeding to implement those provisions that were effective on enactment and developing plans to implement the Ticket to Work and Self-Sufficiency Program in January 2001.

**Improving Access to Vocational Rehabilitation Services:** To expand the opportunity for beneficiaries to receive VR services, SSA began contracting for services from alternate VR providers in both the public and private sector. We currently have contracts with 450 alternate participants, who will continue to serve beneficiaries until implementation of the Ticket to Work and Self-Sufficiency Program.

As the Ticket Program expands to national implementation, SSA will identify qualified providers of rehabilitation and employment services who are willing to serve its



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beneficiaries. State VR agencies retain the option under Public Law 106-170 to continue to receive payments for the cost of providing employment services to beneficiaries who work or to receive the same performance-based payments as non-State providers under the Ticket Program. SSA will continue to explore ways to improve service and relationships with State VR Agencies as we encourage their participation in the Ticket Program.

**Rehabilitation and Return to Work Research:** SSA's efforts in this area center on a State Partnership Initiative that will test the effects of providing integrated services to beneficiaries with disabilities at the state and local level. In September 1998, SSA awarded funding under cooperative agreements to twelve States for the first year of what is anticipated to be a five-year research project. We have also begun a project to establish and maintain a nationwide program of coordinated research and policy development focusing on innovative approaches to early identification of potential disability beneficiaries and the effective transition of young beneficiaries into the workforce. Evaluation of the effort will be a key element of the project.

**Youth Employment Strategy:** In FY 2000, SSA will test a new disability review process that evaluates the employment potential of younger beneficiaries. Areas such as language skills, functional capacity and emotional strengths will be assessed to determine the type of training, educational accommodations, and special equipment needed to successfully transition from school to work.

These and additional efforts will be implemented through the following Key Initiatives:

- **Employment Strategy for People with Disabilities, and**
- **Strengthening Research, Evaluation and Policy Development**

**Strategic Objective:**      **Provide information for decisionmakers and others on the Social Security and Supplemental Security Income programs through objective and responsive research, evaluation, and policy development.**

### **Context**

This objective reflects SSA's commitment to revitalize its research, policy analysis and evaluation capabilities, in recognition that these capabilities are essential enablers for accomplishing the other objectives under this strategic goal. Responsive research, evaluation, and policy development means providing relevant information in the clearest possible manner with an efficient use of resources. These performance goals measure SSA's ability to prioritize many demands for data and research while providing useful and objective information to decisionmakers.

## FY 2001 Performance Indicators and Goals

**Indicator:** Percent of customers assigning a high rating to the quality of SSA's research and analysis products in terms of accuracy, reliability, comprehensiveness, and responsiveness.

**FY 2001 Goal:** Establish a baseline.

**Definition:** This goal will be considered achieved if: SSA establishes a baseline for this measure in FY 2001 and begins developing a performance goal for this measure in FY 2002.

**Indicator:** Percent of major statistical products that are timely.

**FY 2001 Goal:** Establish a baseline for percent of major statistical products that are produced on schedule.

**Definition:** Self-explanatory.

## Means and Strategies

To achieve this objective, SSA is in the process of strengthening its entire infrastructure for research, evaluation, and policy development, with particular emphasis on organization and research capabilities. The following are the major changes in progress and planned through FY 2001:

**Policy Agenda:** A first policy agenda has been developed with input from policymakers and stakeholders within and outside the Agency. It will enable SSA to target its resources to examine the high priority issues in social insurance and safety net programs. The agenda will also help staff provide critical information for the development of policies supporting Agency performance and policy goals. As results from ongoing research associated with the initiatives in the policy agenda become available, they will be used to develop policy options for program improvement, as appropriate. Policy papers describing recommendations resulting from this line of study will become part of the policy development process. The policy agenda will be updated periodically.

**Retirement Research Consortium and Disability Research Institute:** The RRC and DRI are both mechanisms for SSA to extramurally fund in a coordinated fashion research, dissemination of results of that research, training new scholars and practitioners and facilitating data access for policy research. These activities will expand information available for decisionmakers and others on Social Security and Supplemental Security Income.

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**Expanded *Social Security Bulletin*:** SSA has recently expanded its quarterly publication to include policy papers by inside authors and papers by outside authors. We are taking several actions to solicit papers. These include sending letters to over 800 persons in relevant fields, putting an announcement in the *Bulletin*, in major journals and on list servers of major professional associations, and developing a brochure to hand out at conferences.

**Model Development:** SSA is developing several projection models (an historical cohort model, a near-term projection model (MINT), and a long-term model, as well as models of the disability and SSI processes). SSA is also evaluating the Cornell Dynamic Microsimulation Model and building the capability to run the Employee Benefit Research Institute model.

**Data Development:** SSA is developing two special-purpose surveys—the National Study of Health and Activity and the SSI Children’s Survey—to provide data not elsewhere available on its disability populations. SSA is also negotiating two linkages of several of its administrative program data files with survey data collected by the Census Bureau and the National Center for Health Statistics. Thirdly, SSA is developing data files from the Census Bureau’s Survey of Income and Program Participation that make them more usable for research.

**Data Access:** SSA is developing a modification to some of its Federal systems of record to allow greater access to benefit and SSN application records for research. To support the increased statistical use of SSA program data, SSA will educate users and potential users in types of data available and possible uses of them. The Office of Policy is redesigning its Web Site to allow users to manipulate tabular data to custom design tabulations, and we are organizing information by subject areas for ease of use. We are developing an internet design that is more subject matter oriented, provides multiple access paths to the same information, incorporates a new graphics look and feel, and includes a logic tree to help users locate data.

**Statistical Process Changes:** SSA is developing the capability of producing many of its statistical and redesigning products in final camera-ready form directly, through obtaining software, providing training, and redesigning tables where needed. The new system greatly improves productivity and quality of printed products. Through the creation of a new database to replace the Annual Report of Earnings, we will produce data on the earnings test more quickly that is less error prone.

**Customer Satisfaction Survey:** SSA is developing a questionnaire, a customer list, and a sampling design to conduct a survey that will measure customer satisfaction with the responsiveness of research, statistics and analysis products, as well as the extent to which SSA helps identify and explain new/emerging issues for decisionmakers. Design of the survey will take place in FY 2000. A first survey will be conducted in FY 2001 to develop baseline measures. Subsequent surveys will be conducted annually, and we will begin developing a performance goal with respect to customer satisfaction in FY 2002, after analyzing the baseline results.

**Timely Release of Major Statistical Products:** This indicator will be a measure of the extent to which our major statistical products are produced in a timely manner. Our major statistical products will be identified and schedules will be established for both Internet and published versions in FY 2000. In FY 2001, baseline measures will be made of the percent of statistical products that are released on schedule. This will become an annual indicator. In FY 2002, a first goal will be set for this indicator.

**Extramural Research Infrastructure:** Through partnering, grants, contracts, interagency agreements, and task orders, SSA encourages research outside the Agency and, most importantly, will elicit advice from public policy experts outside SSA. We have already put in place a task order mechanism that enables us to use outside researchers to conduct short turnaround policy evaluation studies through an expedited contracting process.

**Policy Net/Policy Repository:** SSA is establishing a new communications infrastructure that will first allow SSA users to efficiently access well-organized and up-to-date, policy-related material. In the future, it will allow users to request and receive policy clarifications and participate meaningfully in policy development activities in a controlled and structured way. The Agency-wide collaboration made possible by PolicyNet enables policymakers to work more closely with users and other stakeholders during the development of policy changes so they can ensure we have well thought-out, well coordinated policy and the highest quality policy materials.

Additional information is provided in Appendix 3 on the following Key Initiatives that support this objective:

- **Policy Net/Policy Repository**
- **Strengthening Research, Evaluation and Policy Development**

### **Crosscutting Areas with Other Agencies**

In contributing to the economic security of our nation's people, SSA's programs intersect with those of many other Federal agencies. We have numerous standing relationships to coordinate programs that are directed toward common populations. In addition, we form ad hoc partnerships as particular program policy issues arise. The following highlights major areas related to research and program policy that we are coordinating with other agencies:

- SSA is one of many Federal agency members of a National Task Force on Employment of Adults with Disabilities, created by Executive Order and led by the Department of Labor (DOL), to coordinate an aggressive national policy to bring adults with disabilities to gainful employment.

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- SSA coordinates benefits to people with disabilities with several agencies, including DOL, Housing and Urban Development (HUD), Veterans' Affairs (VA) and the Health Care Financing Administration (HCFA).
- SSA and HCFA are working together to increase enrollment in Medicare Part B buy-in programs and the State-option Medicaid program for working disabled people.
- Return-to-work research is being coordinated with DOL and the Department of Education (DOE).
- SSA depends upon vocational rehabilitation services provided by State agencies funded and administered by DOE. Note: SSA also reimburses State agencies for services provided to certain disability beneficiaries.
- SSA participates with several Federal agencies (i.e., National Institute on Aging, Bureau of Labor Statistics and Census) in planning surveys that provide essential background information for policy research and analysis. These include the Survey of Income and Program Participation and the Pension Supplement to the Current Population Survey, the Health and Retirement Survey and AHEAD, the National Longitudinal Surveys of Women, and a survey of the homeless population.
- SSA provides data to other agencies for various research purposes, including the VA for outreach evaluation, Congressional Budget Office for analysis of legislative proposals, General Accounting Office (GAO) for legislative analysis and for special requests for Congress, and the Bureau of the Census for improved population estimates.
- SSA collaborates with many Federal agencies, such as the Department of Health and Human Services (DHHS), the Bureau of the Census, and the Department of Agriculture in assessing the effects of welfare reform legislation on participation in SSI, DI and other government programs.
- SSA has in place Technical Support Groups that include both government and academic experts to provide independent technical comments that will ensure high quality output from evaluation contracts.
- SSA participates in several collaborative efforts to improve our Federal statistical systems and reduce burden and cost. Activities include meeting with subject-matter groups such as those related to aging, children and families and disability, developing data in the health and welfare area, discussing measurement issues such as an improved poverty index, sharing concerns about confidentiality and data access, and disseminating Federal statistics through a common site on the Internet.
- SSA will work with the Centers for Disease Control to test a new disability classification system.

- SSA co-chairs conferences with other Federal agencies, such as the Department of Education, focusing on enhancing work opportunities for individuals with disabilities.

### **Legislation and Regulations**

SSA's strategy for helping people with disabilities return to the workplace relies heavily on recently-enacted legislation.

The newly created Office of Policy (OP) provides a focal point within the Agency for policy development in FY 2001. The policy development process coordinated by OP institutionalizes an annual process for the systemic, rigorous and analytic presentation of issues and policy options to the Commissioner. The process will provide the Commissioner with policy papers that can be used to determine his policy priorities and options and advance them as part of the budget and legislative process.

Knowledge gained from the research and evaluation done by the Office of Research Evaluation and Statistics is an important component of each paper. OP develops each paper in consultation with other divisions within Social Security and program, administrative, budgetary, legal and operational concerns are taken into consideration.

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**Strategic Goal: To deliver customer-responsive world-class service**

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This goal encompasses the range of services that SSA provides in response to customer demand, across all the programs that we administer--RSI, DI and SSI--and through all modes that we use to interface with the public--telephone, in-office, mail, Internet and automated self-service, and third parties. Chief among these services are processing claims and appeals for benefits, issuing SSNs, and updating our records to reflect changes in circumstances reported by customers that affect the amount or continuation of payments.

An estimated \$5.3 billion, 73 percent of SSA's total FY 2001 administrative budget is devoted to the substantial day-to-day work generated by requests for service from our core business customers.<sup>1</sup> The following table displays the funding arrayed by the workloads processed in support of this strategic goal.

<b>Workloads</b>	<b>Dollars (millions)</b>	<b>Output Measures (thousands)</b>
RSI Claims	\$632	3,083
Disability Claims	\$1,824	2,057
SSI Aged Claims	\$36	136
Hearings	\$1,173	582
Other Appellate Actions <sup>2</sup>	\$448	144
SSN Requests	\$269	16,300
800# Calls Handled	(Non-add: \$392)	57,000
Other Postentitlement Workloads <sup>3</sup>	\$902	N/A
<b>Total</b>	<b>\$5,284</b>	<b>N/A</b>

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1. Core business customers are defined as customers whose business relates to applying for, receiving or inquiring about benefit payments and/or Social Security number cards. SSA has identified two other major customer groups (employers and SSA-initiated Social Security Statement recipients), however costs for services to these groups are reflected under the program management and public understanding goals, respectively.
  2. Includes Reconsiderations, Reviews before Council, Court Cases and Court Remands.
  3. Includes SSA actions devoted to maintaining the RSI, DI, SSI and Black Lung benefit rolls after final development and determination of an initial claim. Examples of workloads processed include changes of address, status changes due to marriage, death, etc., benefit recomputations and check non-receipt claims.

The following Objectives support this Strategic Goal:

- By 2002, to have 9 out of 10 customers rate SSA's service as "good," "very good" or "excellent," with most rating it "excellent"
- By 2002, increase the range of program and information services available to customers over the phone and electronically
- To raise the number of customers who receive service and payments on time, specifically by 2002:
  - Issue disability claims award/denial notices within 6 months after onset of disability or 60 days after effective filing date, whichever is later, to 75 percent of applicants
  - Issue initial SSI disability claims award/denial notices within 60 days of filing to 50 percent of applicants
  - Issue hearing decisions to 30 percent of requestors within 120 days from the date of request for a hearing
  - Maintain current levels of timeliness in processing OASI and SSI aged claims

**Strategic Objective:**      **By 2002, to have 9 out of 10 customers rate SSA's service as "good," "very good" or "excellent," with most rating it "excellent"**

### **Context**

As it is the customer who is the ultimate judge of whether we are providing service that is world-class, this objective defines the overall outcome of the strategic goal that it supports. The remaining two objectives under the "world-class service" goal serve to place added emphasis on particular aspects of service that are important contributors to customer satisfaction. Consequently, activities and indicators of performance under those objectives support this objective as well.

### **FY 2001 Performance Indicators and Goals**

The overall customer satisfaction rate is the most direct and highest-level measure of performance under this objective. To help us pinpoint areas needing improvement, SSA also measures customer satisfaction with specific aspects of service. And, to help us manage day-to-day, we use an array of lower-level, operational indicators to track performance throughout the year.

Data from customer satisfaction surveys have indicated consistently that telephone access and field office waiting times have an effect on customer perception of all other aspects of service. Because they are key to customer satisfaction, we have included in this plan our lower-level goals for the operational indicators that we use to measure 800-number access and field office waiting times. Beginning in FY 2000, SSA will also measure satisfaction with telephone access and service in field offices, although a specific



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performance indicator and target will not be developed until we have data results over a period of time.

In addition, we have included operational measures used to assess whether teleservice employees are providing accurate information and taking appropriate actions. As such, these measures provide an indication of staff knowledge, another important factor influencing customer satisfaction according to our customer surveys.

To improve SSA's notices, it is more informative for us to gather survey data that can lead to making meaningful notice improvements rather than to just provide an overall satisfaction rating on notices in general. We are, therefore, redirecting our survey efforts to focus on a few specific notices each year and to develop specific action plans to improve satisfaction with those notices. Since this approach will not provide us with an overall satisfaction rating on notices in general, for FY 2001, we eliminated the performance indicator "Percent of SSA's core business customers rating the clarity of SSA's notices as "excellent," "very good," or "good." At a later point, and as appropriate based on our interim learning, we will establish a new notices indicator.

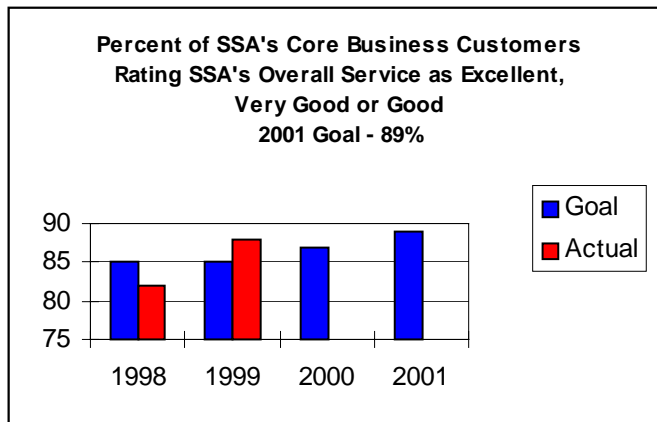
While SSA has, for years, been considered a leader in high-quality telephone service delivery, increasing demands have made it more and more difficult to maintain that capability. Despite budget resource limitations and expanding service demands, SSA remains committed to taking proactive steps toward responding to customer needs and expectations. Technological enhancements are a key enabler of our ability to effectively manage call delivery and direct calls to agents with the skills to answer the caller's questions. For FY 2001, we will maintain telephone performance at the FY 2000 level.

Our actual FY 1999 performance for the indicator "Percent of SSA's core business customers rating SSA's overall service as 'excellent'" was 44 percent, up from 30 percent in FY 1998. Our annual goals for FY 2000 and FY 2001 are 37 percent and 40 percent respectively. Despite the increase in the satisfaction rating in FY 1999, we did not raise our targets for FY 2000 and FY 2001. Our reasons are two-fold. First, in FY 2000 we are changing our survey methodology for assessing satisfaction and this may have a significant impact on customer ratings. Second, budget resource limitations have caused us to lower our FY 2000 targets for some workload and performance measures. In FY 2001, we will process more work while maintaining most service levels in the face of growing demands.

**Indicator:** Percent of SSA's core business customers rating SSA's overall service as "excellent," "very good," or "good"

**FY 2001 Goal:** 89%

Baseline Data: FY 2000 APP Goal 88%      FY1999 Actual 88%      FY1998 Actual 82%



**Definition:** The computation of this rate is the number of core business customers surveyed by SSA's Office of Quality Assurance and Performance Assessment (OQA) who rate overall service as "good," "very good" or "excellent" on a 6-point scale ranging from "excellent" to "very poor", divided by the total number of respondents to that question.

**Data Source:** For FY 1999 and earlier, SSA Annual Customer Satisfaction Survey. Effective with FY 2000, SSA is replacing this survey with Interaction Tracking surveys. These surveys capture customer satisfaction data related to service received during telephone and in-person contacts with SSA.

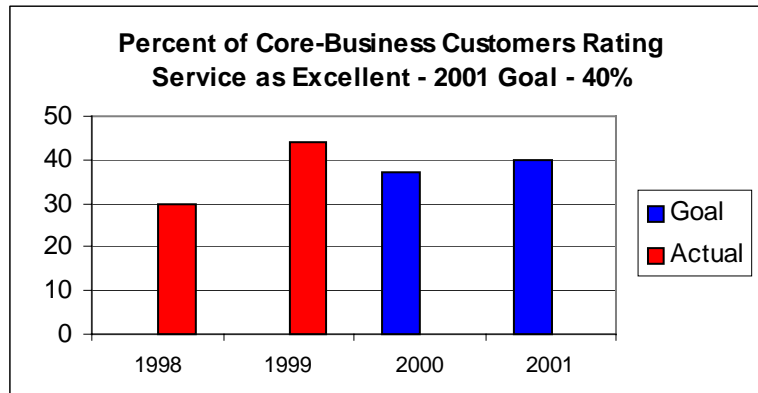
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**Indicator:** Percent of SSA’s core business customers rating SSA’s overall service as “excellent”

**FY 2001 Goal:** 40%

Baseline Data: FY 2000 APP Goal 37%      FY1999 Actual 44%      FY1998 Actual 30%



**Definition:** The computation of this rate is the number of core business customers surveyed by SSA’s OQA who rate overall service as “excellent” on a 6-point scale ranging from “excellent” to “very poor”, divided by the total number of respondents to that question.

**Data Source:** For FY 1999 and earlier, SSA Annual Customer Satisfaction Survey. Effective with FY 2000, SSA is replacing this survey with Interaction Tracking surveys. These surveys capture customer satisfaction data related to service received during telephone and in-person contacts with SSA.

**Indicator:** Percent of employers rating SSA’s overall service as “excellent,” “very good,” or “good”

**FY 2001 Goal:** 94%

Baseline Data: FY 2000 APP Goal 93%      FY1999 Estimate 92%      FY1998 Actual NA

**Definition:** The computation of this rate is the number of employers surveyed by SSA’s OQA who rate overall service as “good,” “very good” or “excellent” divided by the total number of respondents to that question. The estimate for FY 1999 is projected from the results of the last employer satisfaction survey done in FY 1996; the next one will be conducted in early FY 2000 with employers who had contact with SSA in FY 1999. The survey will be conducted annually thereafter.

**Data Source:** Employer Satisfaction Survey

**Indicator: Percent of employers rating SSA’s overall service as “excellent”**

**FY 2001 Goal:** 16%

**Baseline Data:** FY 2000 APP Goal 13%      FY1999 Estimate 10%      FY1998 Actual NA

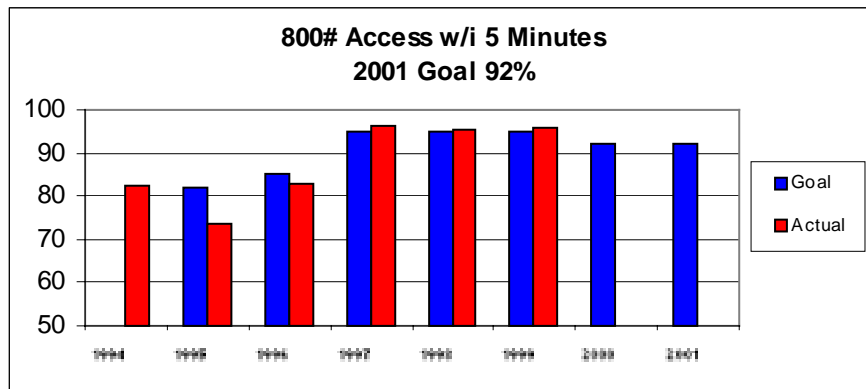
**Definition:** The computation of this rate is the number of employers surveyed by SSA’s OQA who rate overall service as “excellent” divided by the total number of respondents to that question. The estimate for FY 1999 is projected from the results of the last employer satisfaction survey done in FY 1996; the next one will be conducted in early FY 2000 with employers who had contact with SSA in FY 1999. The survey will be conducted annually thereafter.

**Data Source:** Employer Satisfaction Survey

**Indicator: Percent of callers who successfully access the 800-number within 5-minutes of their first call**

**FY 2001 Goal:** 92%

**Baseline Data:** FY 2000 APP Goal 92%      FY1999 Actual 95.8%      FY1998 Actual 95.3%



**Definition:** This rate is the percentage of unique call attempts that successfully “connect” within 5 minutes of the first attempt within a 24-hour period. A successful “connection” occurs when a caller selects either an automated or a live agent and is connected with that option within 5 minutes of the first dialing of the 800-number.

**Data Source:** Automatic Number ID records provided by AT&T.

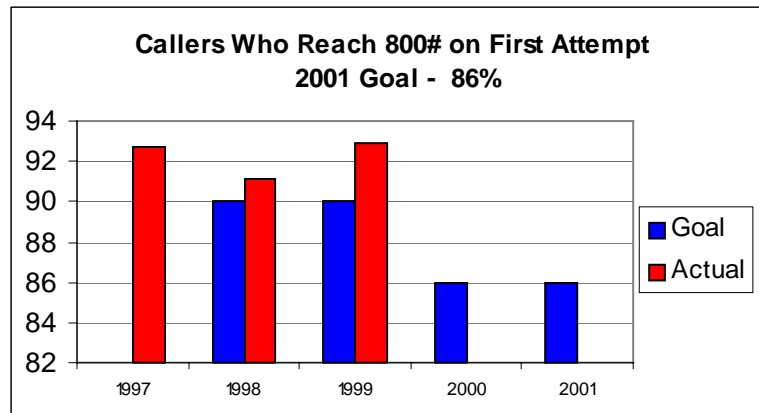
## Social Security Initial FY 2001 Annual Performance Plan

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**Indicator:** Percent of callers who get through to the 800-number on their first attempt

**FY 2001 Goal:** 86%

Baseline Data: FY 2000 APP Goal 86%      FY1999 Actual 92.9%      FY1998 Actual 91.1%



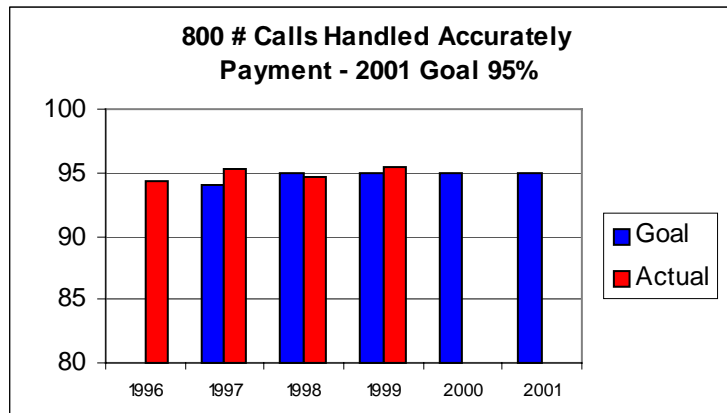
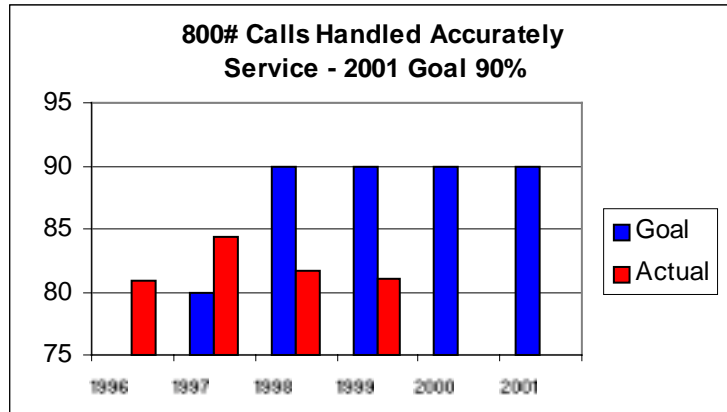
**Definition:** This rate reflects the number of individuals who reach the 800-number (either live or automated service) on their first attempt, divided by the number of unique telephone numbers dialed to the 800-number. An "attempt" is defined as the first attempted call of the day, or a subsequent attempt after a previously successful call.

**Data Source:** Automatic Number ID records provided by AT&T

**Indicator: Percent of 800-number calls handled accurately**

**FY 2001 Goal:** 90% service accuracy 95% payment accuracy

<b>Baseline Data:</b>	<b>FY 2000 APP Goal</b>	<b>FY1999 Estimate</b>	<b>FY1998 Actual</b>
Service accuracy:	90%	81%	81.7%
Payment accuracy:	95%	95.4%	94.7%



**Definition:** Service accuracy is a measure of whether 800-number representatives respond correctly to inquiries related to issues other than payment and eligibility. Payment accuracy is a measure of whether 800-number representatives respond correctly to inquiries related to eligibility and payments of benefits.

**Data Source:** 800-number Service Evaluation Findings

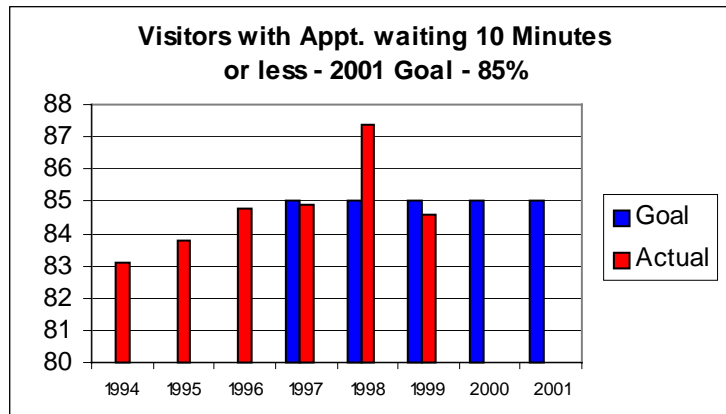
## Social Security Initial FY 2001 Annual Performance Plan

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**Indicator:** Percent of public with an appointment waiting 10 minutes or less

**FY 2001 Goal:** 85%

Baseline Data: FY 2000 APP Goal 85%      FY1999 Actual 84.6%      FY1998 Actual 87.4%



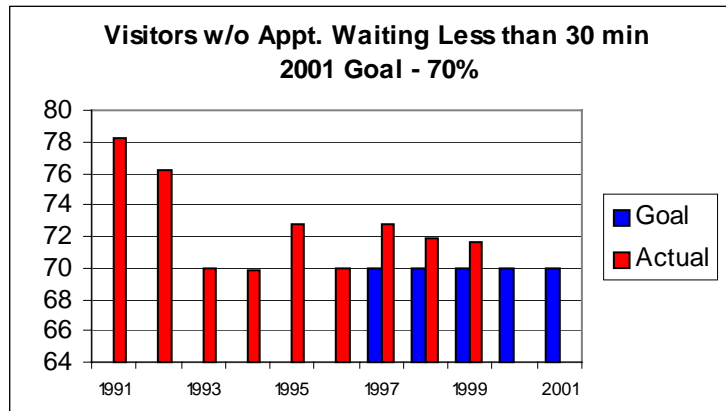
**Definition:** The number of visitors with an appointment who wait 10 minutes or less, divided by the total number of visitors with an appointment during the study time. Waiting time data are collected during a 1-hour window, once a quarter, in each field office.

**Data Source:** SSA Waiting Time Study

**Indicator:** Percent of public without an appointment waiting 30 minutes or less

**FY 2001 Goal:** 70%

Baseline Data: FY 2000 APP Goal 70%      FY1999 Actual 71.6%      FY1998 Actual 71.9%



**Definition:** The number of visitors without an appointment who wait 30 minutes or less, divided by the total number of visitors without an appointment during the study time. Waiting time data are collected during a 1-hour window, once a quarter, in each field office.

**Data Source:** SSA Waiting Time Study

**Means and Strategies**

Virtually all of SSA’s Key Initiatives will contribute to achievement of this strategic objective to have 9 out of 10 customers rate SSA’s service as “good,” “very good” or “excellent,” with most rating it “excellent.” To achieve “world class” satisfaction ratings, however, we are pursuing two strategies:

*Data gathering:* SSA needs to understand more fully what makes our customers satisfied. Different populations often have different needs and different levels of satisfaction and perception of service because of the nature of business they conduct. Accordingly, we are using an integrated Market Measurement Program to provide comprehensive data about all of our major customer groups. One new component we are developing is an Agency-wide system called TLC for “Talking and Listening to Customers.” This system will serve two primary goals, i.e., to address individual customer complaints and compliments as well as identify and analyze systemic problems and trends. Easily accessible, customer-initiated comments, in conjunction with other customer input, will guide our business planning, policy development, communication strategies, and process improvement. All reports emanating from the Market Measurement Program data collection activities are housed in a central, electronic



## **Social Security Initial FY 2001 Annual Performance Plan**

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repository which makes information needed for planning and decision making easily accessible to all employees.

*Targeted Process Improvement:* We have analyzed, and will continue to analyze on an ongoing basis, available customer survey findings and focus group results to identify and prioritize specific areas that make the most difference in increasing overall satisfaction. We have identified several areas that provide opportunities for increasing overall customer satisfaction. We are implementing improvement activities in those areas as follows:

- **Clear and helpful mailings** – SSA has provided employees on-line access to notices and will improve the clarity of five specific types of notices found to be most problematic. In addition, in response to requirements in a Presidential memorandum, we have developed a Key Initiative to incorporate plain language into all our public documents.
- **800-number access** – SSA will take steps to expand service offerings over the 800-number so as to maintain the current access rate. Our strategy is twofold: to enhance network and computer technology to more effectively balance incoming calls among our call centers, and to increase interactive automated services for simple business transactions that do not require interaction with an SSA representative.
- **Field office telephone access** – We will complete installation of automated attendant and voice mail in all field offices during FY 2000 to improve the ability of customers to get through to field offices by telephone. SSA has established a method of service observation to measure accuracy of telephone service in field offices, and is establishing a method of determining access to field offices by telephone. We will also conduct surveys to measure satisfaction with telephone access and service in local offices.
- **Field office reception and waiting times** – We will explore enhancements to improve the flow of customers through the reception process and enhance the appearance and comfort of waiting rooms.
- **Staff knowledge and helpfulness** – We will implement nationally the Customer Help Information Program, an expert system to support teleservice, and continue training on error-prone issues to improve service accuracy.
- **Complete business at the first point of contact**—Recent customer surveys indicate that completed business with one call or visit has a significant effect on satisfaction. SSA has formed a Leadership Team to explore ways to increase the amount of business that can be completed via teleservice without handoffs or call backs, and without significantly increasing the length of calls.

Targeted process improvement is being pursued in the context of increasing workloads and resource constraints that make even the maintenance of current service levels a

significant challenge. To address this challenge, the Commissioner recently directed that several short-term 800 number initiatives be implemented including:

Supplementing Call Answering Capacity by:

- Hiring additional teleservice staff and training existing staff in other positions so they can serve as customer service technicians.
- Creating a new position which includes the duties of teleservice staff and overpayment recovery staff, enabling a broader range of business to be completed via 800 number. About 200 positions are initially being filled, with a substantial increase in positions by FY 2001.
- Establishing a SPIKE cadre in the Wilkes-Barre Data Operations Center (WBDOC).

Using technology to:

- Enable SSA to more accurately forecast call demands and to maximize the efficient use of the answering agent resources. Plans are underway to develop the technology in June 2000.
- Dynamically route national 800 number network calls to available agents before creating a queue, thus increasing SSA's call answering capability. We will acquire and install new telephone equipment; i.e., automatic call distributors (ACDs) with Intelligent Network Routing (INR) capability. ACD replacement will begin in June 2000 with completion by August 2001.
- Increase the use of automation in handling customer services in the national 800 number network. Currently, automation is limited to voice mail types of applications. Plans are underway to implement this technology by October 2000.

Our strategy to improve employer satisfaction with our service is to develop and provide a wider range of more usable and convenient electronic products and services to assist employers in providing quality wage reports. The specific services that we plan to provide are discussed under the next objective.

Additional information is provided in Appendix 3 on the following Key Initiatives that support this objective:

- **Earnings Improvement Program**

- **Expand Electronic Wage Reporting**
- **Expand Electronic SSN Verification Services**
- **Improve 800 Number Service**
- **Improve Field Office Reception Process, Reception Area Environment, and Waiting Times**
- **Improve Field Office Telephone Service**
- **Market Measurement Program**
- **Notice Improvements**
- **Talking and Listening to Customers**
- **Plain Language**

**Strategic Objective:**        **By 2002, increase the range of program and information services available to customers over the phone and electronically**

### **Context**

The vast majority of SSA customers have said that they prefer to deal with us over the telephone and, when they do, they want their business completed in one contact. A growing number of customers want to conduct government business electronically as they become accustomed to doing commercial business in this way. To provide customer-responsive service, SSA is committed to addressing this ongoing shift in our customers' preferences and is prepared to expand service delivery options in response to customer expectations.

### **FY 2001 Performance Indicators and Goals**

Performance under this objective will be determined by the new services actually made available over the phone and electronically and/or by the increase in the number of customers who successfully use the new services.

**Indicator:**                    **New or expanded services available over the phone.**

**FY 2001 Goal:**            Take retirement or survivor claims immediately over the telephone, or in person, as long as the applicant has all the information needed – fully implemented in 2001.

Definition:                    This goal will have been met if we have fully implemented claims-taking via the 800 number.

**Indicator:**                    **New or expanded services available electronically.**

**FY 2001 Goal:**            Pilot/implement additional forms and transactional services, including:

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## Customer Responsive World Class Service

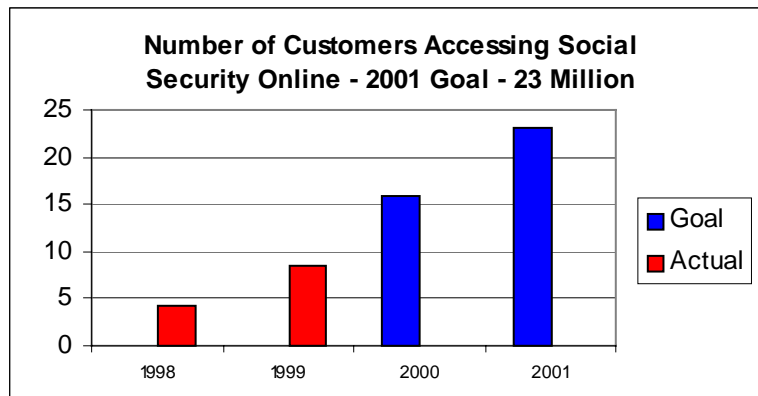
1. Retirement and survivors claim forms; and
2. Additional on-line transactional services for beneficiaries.
3. Establish an Electronic Death Certification pilot with Bureau of Vital Statistics; verification of name/SSN match before sending data to SSA.

Definition: Goals 1 and 2 will have been met when we bring these services online. Goal 3 will be met when we have several pilot states sending death data within a 24-hour period.

**Indicator:** **Number of customers accessing Social Security Online.**

**FY 2001 Goal:** 23 million (as measured by SSA servers).

Baseline Data:	FY2000 APP Goal	FY1999 Actual	FY1998 Actual
	15.8M	8.5M	4.2M



Definition: Represents counts of Social Security Online home page accesses. This measure was revised in 1998 to show actual access more accurately.

Data Source: Systems counts from SSA's web server

**Indicator:** **Number of online Social Security Statement requests (includes both form SSA-7004 downloads as well as online Social Security Statement requests) as compared to the number of**

### **completed calls on the 800 number automated response unit for the SSA-7004.**

**FY 2001 Goal:** 50% of Social Security Statement requests initiated via the Internet versus the 800 number automated response unit.

**Baseline Data:** 25% of requests were taken via the Internet at the start of FY 1999. That percentage rose to 37% as of the end of June, 1999.

**Definition:** This indicator is measured by the number of accesses on SSA's website (includes requests to download the SSA-7004 and to complete a Social Security Statement Request online) as compared to the number of completed calls on the 800 number automated response unit for the SSA-7004.

**Data Source:** Systems counts from SSA's web server and 800 number.

### **Means and Strategies**

To achieve this strategic objective, SSA will continually expand services offered by phone and electronically that will allow customers to complete their business with SSA at the initial point of contact. An Electronic Service Delivery (ESD) Board has been established, made up of key executives in the Agency, which will provide direction and oversight to all ESD initiatives. The Board is developing an aggressive strategy that will provide on-line functionality while addressing resource issues and privacy/security safeguards. This strategy enables SSA to improve customer service and realize some savings by increasing access to public information and forms, while developing more complex on-line data collection and processing functions. High-volume public forms will be downloadable by the end of FY 2000. During that time frame, we also will pilot and evaluate two new services from the Retirement suite—the Retirement Planner and an electronic Retirement claim form. In FY 2001, we will implement additional services, as referenced in our performance goals. We will adjust the overall Agency Internet strategy based on customer input and activity on the Internet.

Finding reliable ways to authenticate the identity of our customers electronically to ensure the privacy and integrity of SSA systems is critical to enabling the expansion of telephone and electronic service. For electronic service, we are currently participating in government efforts such as the Government Information Technology Board's Federal Public Key Infrastructure (PKI) Steering Committee to develop customer authentication standards that are consistent across a range of applications. We also are exploring business and governmental partnerships and external funding sources to leverage SSA resources needed to implement applications and the appropriate authentication methods to support them.

SSA will begin developing the policies and technical architecture for authentication in FY 2000. This effort includes establishing an application risk assessment methodology, establishing PIN/Password policies for online claimants and beneficiaries, and conducting pilots with employers and the medical community to demonstrate the use of PKI digital certificates.

To enable more services to be handled to completion by telephone, we are working to provide more customer information online and revise our systems, policies and procedures so that our employees are able to fully respond to a customer's request at the initial contact. For example, starting in November 1998, we began providing authorized employees online access to notices. We also are testing a call transfer process for moving certain types of calls to specially trained representatives for complete handling at the initial contact. And, we conducted a pilot test to determine the feasibility of completely processing over the 800 number certain categories of applications for replacement SSN cards, without requiring the applicant to submit supporting documentation via an office visit or the mail. After considering the pilot results and obtaining adequate assurances that fraud is not a problem, we will decide how to proceed.

Additional information is provided in Appendix 3 on the following Key Initiatives that support this objective:

- **Electronic Service Delivery**
- **Expand Electronic Wage Reporting**
- **Expand Electronic SSN Verification Services**
- **Immediate Claims-Taking Services**
- **Improve 800 Number Service**
- **Information Exchange**
- **Notice Improvements**
- **Title II Systems Redesign**

**Strategic Objective:** To raise the number of customers who receive service and payments on time, specifically by 2002:

- **Issue initial DI disability claims award/denial notices within 6 months after onset of disability or 120 days after effective filing date, whichever is later, to 70 percent of applicants**
- **Issue initial SSI disability claims award/denial notices within 120 days of filing to 60 percent of applicants**
- **Issue hearing decisions to 30 percent of requestors within 120 days from the date of request for a hearing**
- **Maintain current levels of timeliness in processing OASI and SSI aged claims**

### **Context**

We know from our customer satisfaction survey data that disability customers continue to rate most aspects of customer service significantly lower than do other customer groups. The strongest factors affecting their satisfaction are processing times, and of course, whether the claim is awarded. This objective confirms and continues SSA's commitment to improve service to disability claimants, to pay the right people sooner, and with a greater degree of accuracy.

## **Social Security Initial FY 2001 Annual Performance Plan**

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As we proceed in developing our next strategic plan, we are revising our current disability claims and hearing processing time objectives. Revisions to these objectives will be contained in our September 2000 Strategic Plan and FY 2002 Performance Plan. In the interim and for this plan, we have reworded the current objective, as it addresses processing time for SSDI and SSI applicants, to reflect a more appropriate processing time goal for a greater number of applicants.

In an effort to improve our service to disability applicants, over the past few years SSA has tested various process improvements to determine what changes would meet our goal of providing better customer service. After analyzing the results of these extensive tests, we are now focusing on the most promising approaches. SSA anticipates that these changes will improve the disability adjudication process by creating a decision making process that reduces fragmentation and duplication, produces greater consistency and coordination at all adjudicative levels and takes better advantage of new technology. By taking these steps, SSA is striving to ensure that the correct disability decision is made and that benefits are awarded as early in the process as possible.

Since many of these improvements will be fully implemented after FY 2001, our current performance indicators are being retained for this performance plan, and our annual targets reflect the process improvements being prototyped in FY 2000-2001 for approximately 20 percent of claims.

The goals in the initial level process are to:

- Improve the quality of decisions;
- Increase claimant understanding and involvement in the process;
- Pay those who should be paid at the earliest point possible;
- Ensure complete case development and documentation upfront; and
- Reduce processing steps and decrease overall processing time for claimants who appeal by eliminating the reconsideration level.

Testing results support these goals and showed we could pay as many people in one adjudicative step as we currently pay in two steps—and with a greater degree of accuracy. The process we are prototyping includes a predecision interview and enhanced documentation and explanation practices that increase processing time for some individuals, but ensure that they understand the process/program requirements and have provided us with all sources of evidence and all relevant information. This prototyping will provide a body of information regarding the effects of these process refinements prior to national implementation.

We are also implementing a major initiative to dramatically reduce average processing times and increase productivity for cases that do go to OHA for a hearing.

Because we are focusing our energies on improving performance in the disability and hearings processes, where there is a greater gap between where we are and where we would like to be, SSA's objective regarding OASI and SSI Aged initial claims processing

time is to maintain current performance levels. Our challenge in meeting this objective will be to ensure that there is no erosion of performance because of competing budgetary priorities and growing workloads.

### **FY 2001 Performance Indicators and Goals**

*Disability:* Once we have redefined the strategic objectives, and prototyped and begun to implement the new disability process nationally, we expect to revise our performance indicators for disability and hearings processing times. Although we have reworded the SSDI and SSI processing time objectives, our current SSI data system is unable to measure the percentage of claims processed within 120 days. So, in the interim, we are continuing to use annual average processing times as indicators of our performance for initial claims and for hearings and are working on enhancing our data systems so we can more precisely measure our performance. With this performance plan, we have also introduced an additional indicator for hearings, which focuses on increasing the productivity (i.e., Production Per Workyear (PPWY)) in the hearings process.

As the new disability process is prototyped and implemented nationally, we expect that productivity will decrease slightly and processing time will increase during FY 2000 and FY 2001. The elimination of the reconsideration step more than offsets the additional effort and processing time projected. However, we are aiming to be able to handle more claims by FY 2005, which is essential because, by that time, we anticipate increased receipts.

Section VIII of the plan, **Summary of Management Improvement Goals for Social Security and Supplemental Security Income Disability Programs**, lists all the Agency's performance goals relating to improving the disability programs; included are indicators and goals for disability and hearings processing time, and hearings productivity improvement.

Section IX of the plan, **Summary of Hearing Process Improvement Goals**, lists all the Agency's performance goals relating to improving the hearings process; included are the indicators and goals for hearings processing time and productivity improvement.

*OASI/SSI:* Performance for OASI and SSI Aged processing times is expressed in terms of the percent of cases processed within the number of days specified by the objective. Our goal is to maintain current levels of performance in each of these areas.

In FY 2001, we are changing our SSI Aged processing time indicator so that it is consistent with the OASI Aged processing time measure. In addition, we are revising the definition so that it accurately reflects what we will measure beginning FY 2001; the numeric goal will be computed once we have new baseline data for FY 2001 using the new measurement methodology. The historical performance displayed is in terms of the measurement system, and the definition in effect, prior to FY 2001.



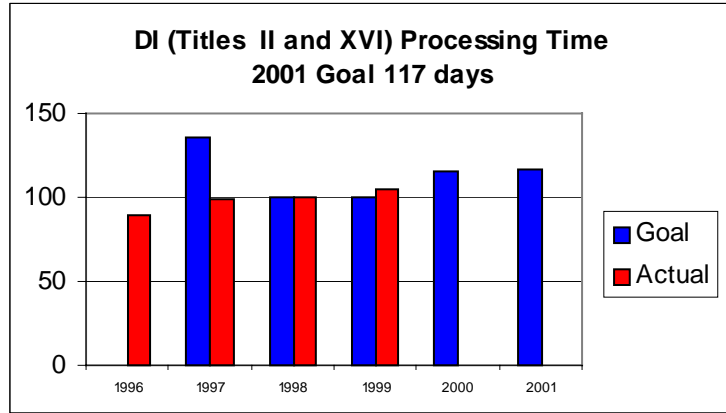
## Social Security Initial FY 2001 Annual Performance Plan

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**Indicator:** Initial disability claims average processing time (days)

**FY 2001 Goal:** 117 days

Baseline Data: FY 2000 APP Goal 115 days      FY1999 Actual 105 days      FY1998 Actual 100 days



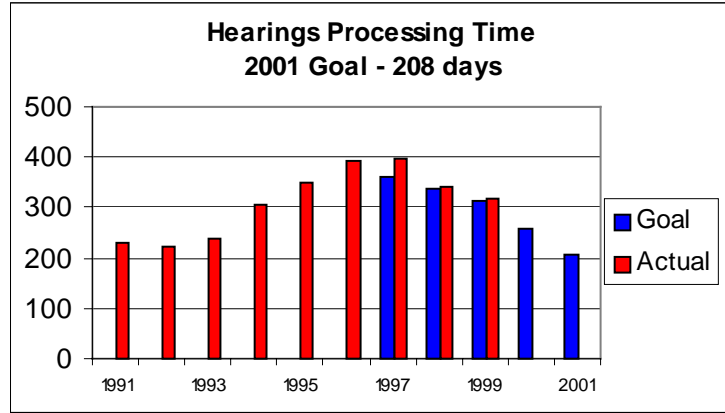
**Definition:** This indicator represents the fiscal year average processing time for DI and SSI claims combined. Processing time is measured from the application date (or protective filing date) to either the date of the denial notice or the date the system completes processing of an award.

**Data Source:** Title II MIICR Processing Time and Title XVI SSICR Processing Time Systems

**Indicator: Hearings average processing time (days)**

**FY 2001 Goal:** 208 days

Baseline Data: FY 2000 APP Goal 257 days      FY1999 Actual 316 days      FY1998 Actual 341 days



**Definition:** For the FY 2000 APP, this indicator was redefined from the one included in the FY 1999 APP to represent the average elapsed time, from the hearing request date until the date of the notice of decision, of hearings level cases processed during all months of the fiscal year. The FY 1999 APP indicator reflected the average elapsed time of hearings level cases processed only in the last month of the fiscal year. The FY 1999 APP Goal shown above reflects the average processing time projection using the new definition. The actuals are based on the FY 1999 APP definition.

**Data Source:** OHA Monthly Activity Reports and the Hearing Office Tracking System

**Indicator: Percent increase in OHA Production Per Workyear (PPWY) in hearings process**

**FY 2001 Goal:** 14%

Baseline Data: FY2000 Estimate 4%      FY1999 Estimate N/A      FY1998 Actual N/A

**Definition:** Indicator represents the annual percentage increase relative to the base year (FY 1999) in the OHA PPWY in the hearings process.

**Data Source:** OHA Monthly Activity Reports and the Hearing Office Tracking System

**Indicator: Percent of OASI claims processed by the time the first regular**

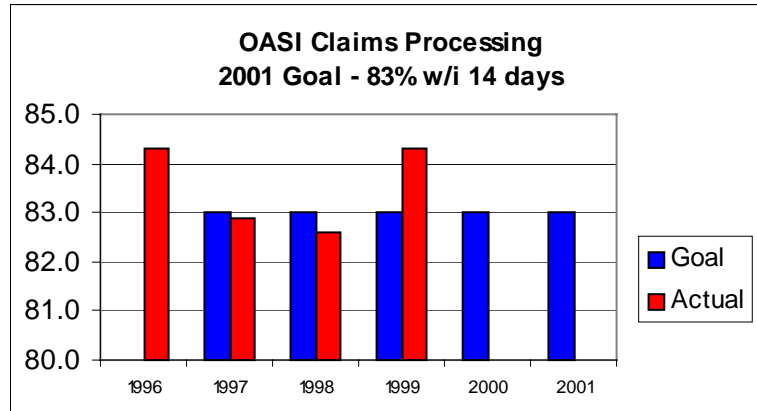
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**payment is due or within 14 days from effective filing date, if later**

**FY 2001 Goal:** 83%

Baseline Data:    FY2000 APP Goal    FY1999 Actual    FY1998 Actual  
                                 83%                                   84.3%                                   82.6%



**Definition:** This rate reflects the number of OASI applications completed through the SSA operational system (i.e., award or denial notices are triggered) before the first regular continuing payment is due or not more than 14 calendar days from the effective filing date, if later, divided by the total number of OASI applications processed. The first regular payment due date is based on the appropriate payment cycling date which may be the 3rd of the month, or the 2nd, 3rd or 4th Wednesday of the month.

**Data Source:** End-of-Line Processing Time Report

**Indicator:**                    **Percent of SSI Aged claims processed by the time the first regular payment is due or within 14 days of effective filing date, if later**

**FY 2001 Goal:** Will be set once baseline is established (equivalent to maintenance goal).

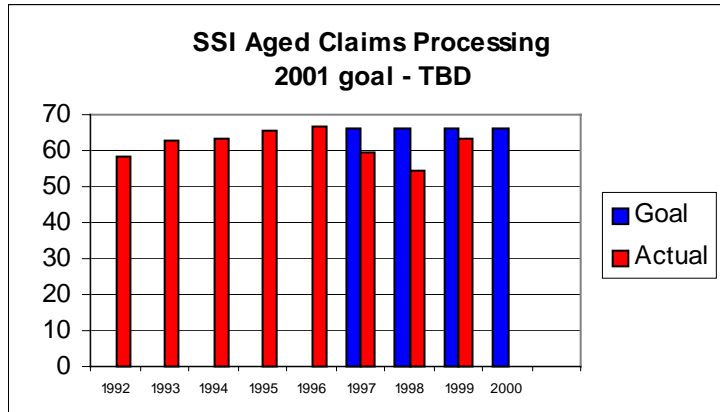
**Baseline Data:** To be developed

**Definition:** This rate reflects the number of SSI Aged applications completed through the SSA operational system (i.e., award or denial notices are triggered) before the first regular continuing payment is due or not more than 14 days from the effective filing date, if later divided by the total number of SSI Aged applications processed. The first regular continuing payment due date is based on the first day of the month that all eligibility factors are met and payment is due. This definition is in effect beginning FY 2001. Prior years data is based on the definition below.

**Data Source:** Title XVI Processing Time System (effective FY 2001)

**Indicator:** Percent of initial SSI Aged claims processed within 14 days of filing date

Baseline Data: FY 2000 APP Goal 66%      FY 1999 Actual 63.5%      FY 1998 Actual 54.2%



**Definition:** This rate reflects the number of SSI Aged applications completed through the SSA operational system (i.e., award or denial notices are triggered) within 14 days from the filing date, divided by the total number of SSI Aged applications processed. This definition and measurement system are in effect for years prior to FY 2001.

**Data Source:** Title XVI Processing Time System (through FY 2000)

**Indicator:** Percent of original and replacement SSN cards issued within 5 days of receiving all necessary documentation.

**FY 2001 Goal:** 97%

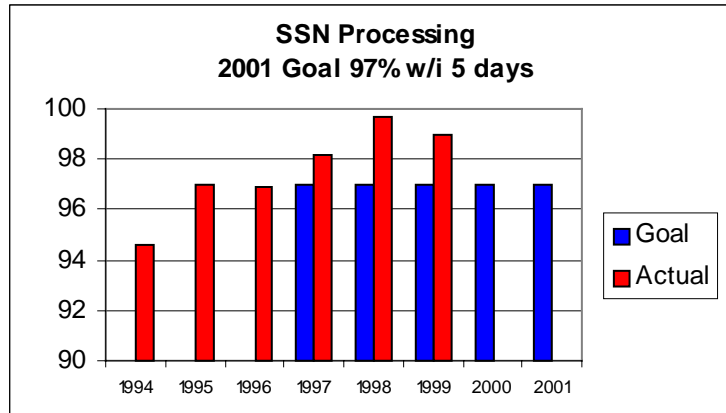
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Baseline Data: FY 2000 APP Goal  
97%

FY1999 Actual  
99%

FY1998 Actual  
99.7%



**Definition:** The computation of this rate is the number of original and replacement SSNs issued within 5 days of the date all documentation is received by the field office divided by the total number of requests. The issuance date is defined as the date when the printed cards are delivered to SSA's mail operation. Data exclude SSNs assigned via the Enumeration-at-Birth process and the time associated with the delivery of the SSN card to the applicant.

**Data Source:** Field Office Social Security Number Enumeration Report

### Means and Strategies

We plan to prototype a series of changes that will improve the initial disability determination process by:

- Providing greater decisional authority to the disability examiner and more effective use of the expertise of the medical consultant in the disability determination process;
- Ensuring appropriate development and explanations in initial cases;
- Increasing opportunities for claimant interaction with the decisionmaker; and
- Simplifying the appeals process by eliminating the reconsideration step.

The new prototype process will reduce overall processing time because two adjudicative steps will be combined into one. The current reconsideration step will be eliminated and the claimant will be given an opportunity to talk to the decisionmaker at the initial level. For claimants who only go through the process as far as the initial level, they will get a

decision in essentially the same amount of time under the new process as they did under the old process. That decision will be better developed and documented and the claimant will first have an opportunity to talk to the decisionmaker when the evidence is insufficient to make a fully favorable allowance. Claimants who would have gone through the reconsideration level under the old process, will get a final decision twice as fast as under the new process as they did under the old process by FY 2005.

SSA will create a new Electronic Disability Folder and paperless disability claims system that will allow DDSs to eliminate reliance on paper folders. This will allow SSA and the DDSs to streamline their case processing operations and create processing efficiencies that will enable the DDSs to handle increased receipts without adding additional staff. This is in addition to SSA's ongoing initiative to work in partnership with the States to assist lower-producing DDSs in their efforts to improve productivity.

Starting January 2000, SSA is implementing a major initiative to dramatically improve average processing times and productivity for hearings. Our strategy incorporates three major inter-related change initiatives that address the main impediments to a more efficient process. They are:

- Process Improvements—includes implementation of a national workflow model, processing time benchmarks and expanded use of pre-hearing conferences.
- Group-Based Accountability—Hearing Offices will be organized in self-contained processing groups under a group supervisor, each group responsible for processing the case through the entire hearings process.
- Automation and Data Collection—includes enhanced management information and processing tools.

In Appendix 3 of this document, we provide a description of the **Improvements to the Disability Claims Process** key initiative which further details the approach, activities, and schedule of the prototypes and how they, along with Process Unification initiatives, will improve service delivery in the disability initial claims process.

Appendix 3 also provides a description of the approach, activities, and schedule of the **Hearings Process Improvements** key initiative, which focuses on improving the timeliness and efficiency of the hearings process.

Additional, longer-term improvements, aimed at substantially improved service and efficiency in processing disability claims and appeals, will be achieved through the following KIs:

- 
- **Electronic Disability System**
- **Speech Recognition Software**
- **Video Teleconferencing**
- 
- **In addition, the following KIs, although designed primarily to support other objectives, will contribute to our ability to sustain current OASI and SSI aged processing times in the face of growing workloads and resource constraints:**
- 
- **Earnings Improvement Program**
- **Electronic Service Delivery**
- **Immediate Claims-taking Pilot**
- **Information Exchange**

- **Title II Systems Redesign**

### **Crosscutting Areas with Other Agencies**

SSA has numerous partnerships with other Federal agencies which provide more convenient and effective service to the many customers we share. These range from sharing information to the actual processing of each other's work and include:

*Department of the Treasury*--SSA assigns SSNs to individuals of all ages; permitting individuals to submit and be claimed as dependents on tax returns and for other uses in tax enforcement/collection. SSA provides IRS forms 1099 and 1042 to individuals for use in reporting taxable Social Security benefits. Using information provided by SSA, Treasury prepares paper Social Security/SSI checks and information for direct-deposit benefit payments. Treasury also handles international direct deposit in foreign countries.

- ***Department of Health and Human Services*--SSA performs work related to entitlement to Hospital Insurance and Supplementary Medical Insurance on behalf of HCFA (e.g., Medicare enrollment, premium billing and adjustments). SSA determinations of disability are controlling for State decisions concerning Medicaid eligibility, and SSA determinations of SSI eligibility create automatic entitlement to Medicaid coverage in States that enter into agreements with SSA under section 1634 of the Social Security Act.**
- ***Department of Labor*--SSA and DOL have instituted a cooperative arrangement in administration of the Black Lung program.**
- ***Department of Agriculture*--SSA and Agriculture coordinate on the verification of eligibility status of food stamp applications and joint eligibility processing under SSI. SSA field offices take some applications for food stamps. SSA also shares information with State agencies that administer the USDA food stamp program.**

*Department of the Interior*--SSA works with the Bureau of Indian Affairs to coordinate provision of local services at the reservation level.

*Department of Justice*--SSA works closely with Immigration and Naturalization Service (INS) to ensure the accuracy of SSNs assigned to aliens. Efforts are under way to transfer to INS the collection of enumeration information for some aliens in order to provide one-stop service for aliens applying for SSNs. This will enhance overall government efficiency as well as the integrity of the SSN enumeration process. SSA and INS work closely in the implementation of recent welfare reform legislation, including the piloting of a process that will allow employers to obtain on-line verification of the SSNs of newly hired employees. SSA and U.S. attorneys coordinate the defense of the Commissioner in appeals of SSA eligibility and payment decisions in the Federal courts.

*Department of State (DOS)*--Foreign Service Posts do work for SSA overseas, including taking claims for benefits. We are working to transfer to DOS collection of enumeration information for some visa applicants as part of the enumeration process.

*Department of Veterans Affairs*--SSA and VA exchange data regarding veterans benefits and use each other's medical findings to adjudicate claims. VA uses SSA disability decisions in its claims process. SSA provides VA information and technical assistance related to payment of VA benefits payable to survivors of persons who died in or as a result of military service. SSA and VA coordinate services in some veterans' hospitals.

*Federal Court System*--Appeals of SSA eligibility and payment decisions are heard and decided in the Federal courts; courts handle recovery of court-ordered restitutions.

*Federal Interagency Coordinating Council*--SSA is one of several Federal agency members of the Federal Interagency Coordinating Council (FICC) for young children with disabilities. The FICC was established under the Individuals With Disabilities Education Act (IDEA) to facilitate coordination of resources at the Federal level and to model interagency coordination for the purpose of strengthening the service system for young children with disabilities and their families.

*Federal Reserve System*--Payments to be made via electronic funds transfer are effected through information passing through the Automated Clearinghouse.

*Government Information Technology Services Board*--SSA is working with other Federal agencies to develop a policy and legal framework for employees and citizens to use in conducting government business electronically. SSA expects to pilot several customer services on the Internet with Treasury, VA and GSA to test the framework.

*Legal Services Corporation*--Legal services programs provide representation for SSA claimants and beneficiaries in the applications and appeals processes.

*National Automated Clearinghouse Association (NACHA)*--SSA is participating with financial institutions, Treasury and certain States to develop a policy and legal framework that can be used for the government to conduct business using electronic means.

*U.S. Postal Service*--USPS provides benefit-check and notice delivery and associated services as well as address change notifications/verifications.

### **Legislation and regulations**

Various features to improve the Disability Claims Process, if approved for implementation will require regulations.



**Strategic Goal: To make SSA program management the best-in-business, with zero tolerance for fraud and abuse**

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This goal addresses SSA’s responsibility, from both a service and business perspective, to pay benefits accurately and otherwise be a good steward of the money entrusted to its care. This responsibility entails establishing and maintaining a record of an individual’s earnings for use in determining entitlement to benefits and payment amounts; making accurate eligibility and entitlement decisions; detecting overpayments; deterring, identifying, and combating applicant and beneficiary fraud; reducing debt; and ensuring that we carry out our operations efficiently.

The following Objectives support this Strategic Goal:

- ❖ Make benefit payments in the right amount
- ❖ To become current with DI and SSI CDR requirements by 2002
- ❖ Through 2002, to maintain and improve current levels of accuracy and timeliness in posting earnings data to individuals earnings records
- ❖ To aggressively deter, identify, and resolve fraud
- ❖ To increase debt collection by 7 percent annually through 2002

The FY 2001 budget includes an estimated \$1.7 billion for the full range of activities that SSA, including the OIG, undertakes to ensure the integrity of records and payments and protect the taxpayer’s investment in the trust funds and general funds. The following table displays the funding arrayed by the workloads and activities that SSA will undertake in support of this strategic goal.

<b>Workloads</b>	<b>Dollars (millions)</b>	<b>Output Measures (thousands)</b>
Continuing Disability Reviews (CDRs)	\$ 674	1,729
SSI Non-Disability Redeterminations	\$ 337	2,050
Annual Wage Posting	\$ 119	259,400
Representative Payee Actions	\$ 182	7,462
Overpayment Actions	\$ 266	3,859
OIG Activities	\$ 73	N/A
Other Postentitlement Workloads <sup>1</sup>	\$ 84	N/A
<b>Total</b>	<b>\$ 1,735</b>	N/A

<sup>1</sup> Includes Annual Reports of Earnings and School Attendance Reports.

**Strategic Objective:**      **Make benefit payments in the right amount, specifically:**

- ❖ **Maintain through 2002 the accuracy of OASI payment outlays**
- ❖ **Maintain or improve through 2002 the accuracy of DI payment outlays**
- ❖ **By 2002, raise to 96 percent the accuracy of SSI payment outlays**

**Context**

Quality has always been a priority for SSA. Paying benefits accurately is a critical component of world-class service--that is, making sure that the right people get the right payment. From the stewardship perspective, SSA's annual program outlays are so large that even small percentages of payment error can mean millions of dollars paid incorrectly.

**FY 2001 Performance Indicators and Goals**

The OASI and SSI payment outlay dollar accuracy rates, which reflect the accuracy of payments to all beneficiaries currently on the rolls, are the most comprehensive measures of SSA performance under this objective. For internal management purposes, SSA also uses a variety of lower-level measures of payment quality, both at the national and local level, that help us to pinpoint error-prone areas for corrective action.

We are looking at disability accuracy from our customers' perspective and at the entire process, not just at accuracy in the separate initial process and hearings process. As we continue to pursue ongoing process unification initiatives and begin to prototype modifications to the disability claims process, one of our primary goals is to improve net decisional accuracy at the DDS level. (Net accuracy is a measure of the percentage of correct decisions issued by the State DDSs.)

SSA will implement the new prototype disability process in ten DDSs in FY 2000. This equates to 20 percent of the national workload. We will establish new net accuracy targets after the prototype has been implemented nationally.

In addition, we are establishing two other accuracy indicators for DDS initial decisions: allowance performance accuracy and denial performance accurate. (Performance accuracy is the percentage of cases without either documentation or decisional errors.)

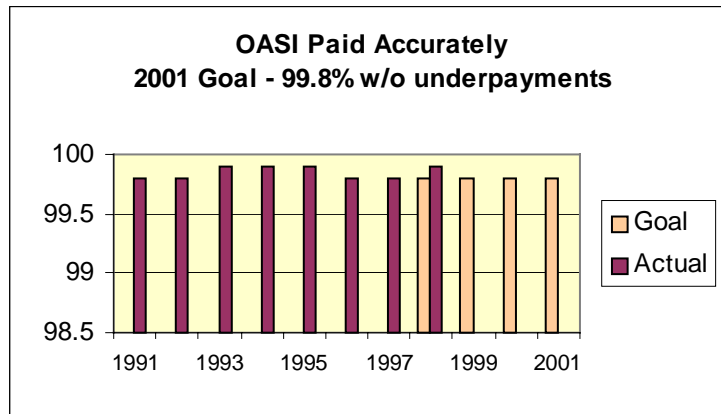
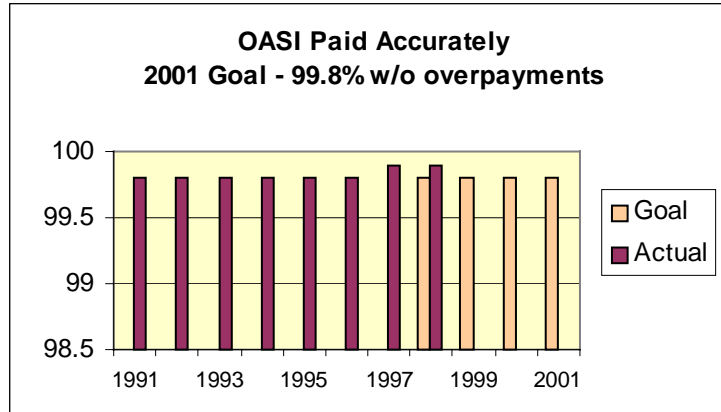
We are continuing to work on developing a measurement system that will assess the overall accuracy of payment outlays for disability-based benefits taking into account both the medical and non-medical factors of eligibility. In the meantime, we are continuing to use the lower-level measures of DDS and OHA decisional accuracy as indicators of our performance in this area.

## Social Security Initial FY 2001 Annual Performance Plan

**Indicator:** Dollar accuracy of OASI payment outlays: percent without overpayments and percent without underpayments

**FY 2001 Goal:** 99.8% without overpayments  
99.8% without underpayments

Baseline Data:	FY2000 APP Goal	FY1999 APP Goal	FY1998 APP Actual
Overpayments:	99.8%	99.8%	99.9%
Underpayments:	99.8%	99.8%	99.9%



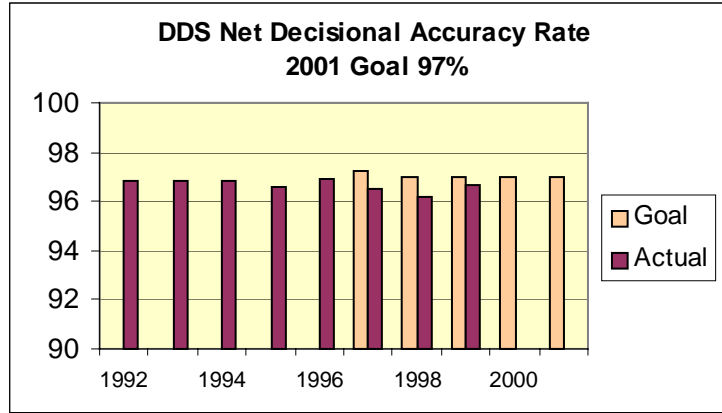
**Definition:** The OASI payment accuracy rate is determined by an annual review of a statistically valid sample of the beneficiary rolls. Separate rates are determined for the accuracy of payments with overpayment dollars and the accuracy of payments with underpayment dollars. The rates are computed by dividing the dollars overpaid or dollars underpaid by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate.

**Data Source:** OASI Stewardship Report

**Indicator: DDS net decisional accuracy rate**

**FY 2001 Goal:** 97%

Baseline Data: FY2000 APP Goal 97%      FY1999 Actual 96.7%      FY1998 Actual 96.2%



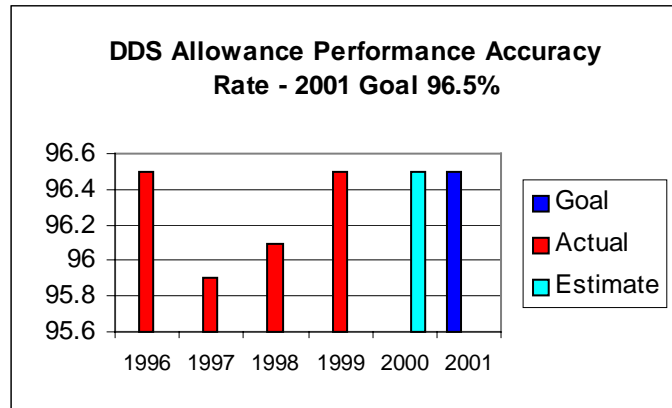
**Definition:** The net decisional accuracy of disability claims--both DI and SSI--reflects the percentage of correct initial determinations--both allowances and denials--issued by State DDSs.

**Data Source:** Annual Disability Quality Assurance Reports

**Indicator: DDS allowance performance accuracy rate**

**FY 2001 Goal:** 96.5%

Baseline Data: FY2000 APP Estimate 96.5%      FY1999 Actual 96.5%      FY1998 Actual 96.1%



**Definition:** The allowance accuracy rate reflects the estimated percentage of initial disability allowances that do not have to be returned to the DDSs for development of additional documentation or correction of the disability determination.

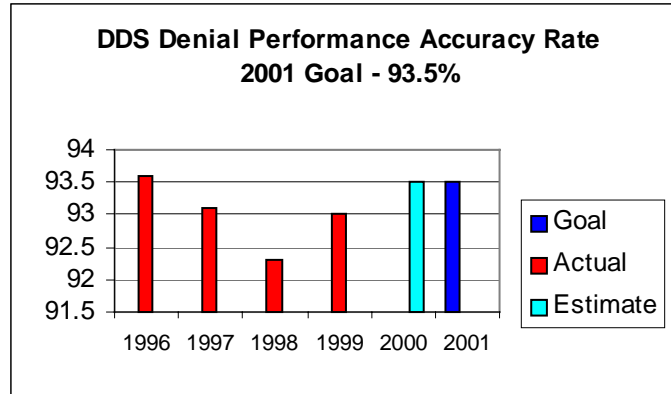
**Data Source:** Annual Disability Quality Assurance Reports

## Social Security Initial FY 2001 Annual Performance Plan

### Indicator: DDS denial performance accuracy rate

**FY 2001 Goal:** 93.5%

Baseline Data: FY2000 APP Estimate 93.5%      FY1999 Actual 93%      FY1998 Actual 92.3%

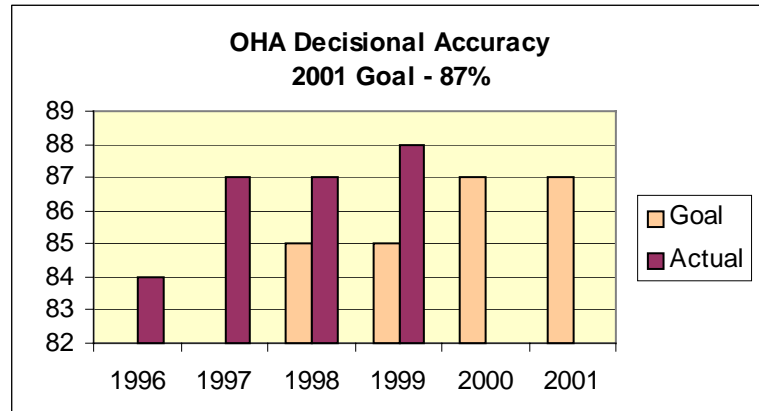


**Definition:** The denial accuracy rate reflects the estimated percentage of initial disability denials that do not have to be returned to the DDSs for development of additional documentation or correction of the disability determination.

**Data Source:** Annual Disability Quality Assurance Reports

### Indicator: OHA decisional accuracy rate

**FY 2001 Goal:** 87%



Baseline Data: FY2000 APP Goal 87%      FY1999 Actual 88%      FY1998 APP Actual 87%

**Definition:** The decisional accuracy of hearings reflects the percentage of disability hearings decisions--both favorable and unfavorable--supported by "substantial evidence", the standard used by the Federal Courts to evaluate accuracy of decisions, and

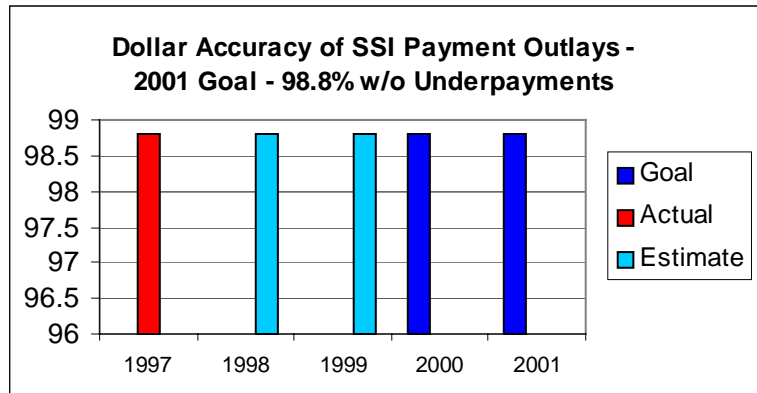
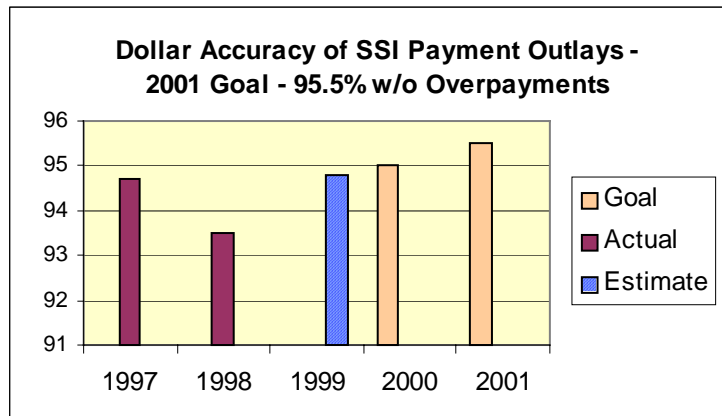
by the Appeals Council in determining which hearing decisions to review. Prior to FY 1999, reporting on OHA decisional accuracy was biennial. Beginning FY 1999, reporting is annual.

Data Source: Annual Disability Hearings Quality Review Process Peer Review Reports

**Indicator: Dollar accuracy of SSI payment outlays: percent without overpayments and percent without underpayments**

**FY 2001 Goal:** 95.5% without overpayments  
98.8% without underpayments

Baseline Data:	FY2000 APP Goal	FY1999 Estimate	FY1998 Actual
Overpayments:	95.0%	94.8%	93.5%
Underpayments:	98.8%	98.8%	98.8%



**Definition:** The SSI payment accuracy rate is determined by an annual review of a statistically valid sample of the beneficiary rolls. Separate rates are determined for the accuracy of payments with overpayment dollars and the accuracy of payments with underpayment dollars. The rates are computed by dividing the dollars overpaid or dollars underpaid by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate. The current measurement system captures only the accuracy of the non-medical aspects of eligibility for SSI payment outlays.

Data Source: SSI Stewardship Report

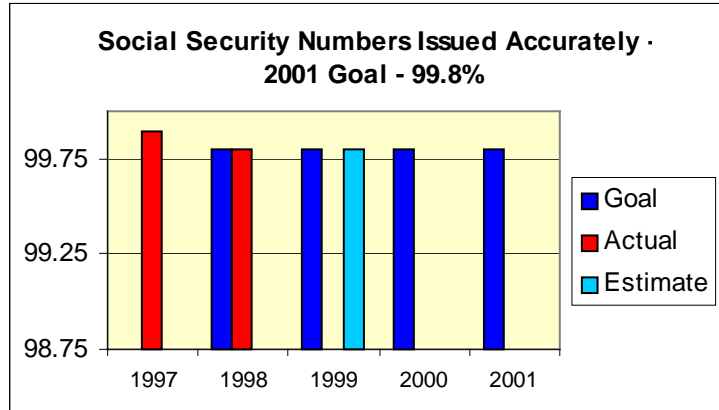
## Social Security Initial FY 2001 Annual Performance Plan

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**Indicator:** Percent of SSNs issued accurately

**FY 2001 Goal:** 99.8%

Baseline Data: FY2000 APP Goal 99.8%      FY1999 Estimate 99.8%      FY1998 Actual 99.8%



**Definition:** This rate is based on an annual review of a sample of approximately 2,000 SSN applications to verify that the applicant has not been issued an SSN that belongs to someone else, or that multiple SSNs assigned to the same applicant have been cross-referred. Data exclude SSNs assigned via the Enumeration-at-Birth process.

**Data Source:** Enumeration Process Quality Review Report

### Means and Strategies

*OASI:* Because the accuracy level is already high, with 99.9 percent of OASI payments free of overpayments or underpayments, there is little we can do to noticeably raise the level of performance in this area. Still, from a program management standpoint, customers are affected by payment inaccuracies, no matter how few, and our commitment to maintain the current high level of performance requires attention to ensure that slippage does not occur. The major causes of OASI payment error are inaccurate earnings postings and manual computations of benefit rates. As part of our quality emphasis, we are taking measures to increase interviewer attention to gaps in claimants' earnings patterns. With the service and automation improvements described throughout this plan, most notably Title II Systems Redesign and the various initiatives that support our objective to maintain accuracy and timeliness in posting earnings, SSA is confident that we will be able to maintain current accuracy levels.

*Disability:* Improvements to the disability claims process focusing on implementing a new prototype disability process and on process unification are the core of our strategy to improve the accuracy of disability claims adjudication. By providing greater decisional authority to the disability examiner, making more effective use of the medical consultant,

ensuring that appropriate development and explanations are included in initial cases and increasing opportunities for claimant interaction with the decision maker through a claimant conference, and by providing uniform training and guidance to disability adjudicators, the accuracy of initial claims will improve.

While SSA does measure the accuracy of State DDS decisions, SSA has not specified a goal for the accuracy of payments based on disability since no baseline measure of performance currently exists for this area. However, because regular conduct of CDRs ensures that only individuals who continue to be eligible remain on the rolls, our efforts to become current with title II and title XVI CDRs, by the end of fiscal years 2001 and 2002 respectively (see the strategic objective discussed next), should have a positive impact on the overall accuracy of DI and SSI disability payments.

*SSI:* Over the past 10 years, the accuracy of SSI payment outlays has ranged between 96.6 and 93.5 percent. These rates compare favorably to the accuracy levels achieved in other income maintenance programs. For example, the former Aid for Families with Dependent Children program encountered payment accuracy rates between 93.2 and 95 percent in the last few years, and the Food Stamp program's FY 1996 accuracy rate was slightly above 92 percent.

Still, in a program the size of SSI, a small percentage of error translates into large dollar amounts. For example, in FY 1996, the 5.5 percent overpayment error rate was equivalent to approximately \$1.6 billion. Consequently, SSA has committed to improving the SSI payment accuracy rate from 94.5 percent in FY 1996 to 95.5 percent in FY 2001 and to at least 96 percent in FY 2002, equating to substantial reductions in overpayment errors below the FY 1996 level.

Our strategy for increasing the accuracy of SSI payments is part of a comprehensive plan to improve management of the SSI program. The plan encompasses the accuracy improvement efforts described below.

*Non-Disability Redeterminations of Eligibility:* The most powerful tool for improving the accuracy of SSI payments is the redetermination process, which focuses on the income and resources factors affecting eligibility and payment amounts. Additional investment of resources SSA made in FY 1999 in high-error profile redeterminations produced overpayment benefits of about \$7 for every \$1 spent. Because redeterminations are so effective in reducing overpayments, SSA is working to detect overpayments more quickly and to prevent future overpayments by increasing the number of redeterminations that it conducts. The budget commits to increasing the number of SSI non-disability redeterminations to 2.05 million in FY 2001 (compared to the 1.9 million conducted in FY 1998).

*Increased Computer Matching:* Computer matches generate alerts to SSA field offices to conduct investigations to detect and prevent overpayments. SSA is aggressively pursuing more frequent matches for current data exchanges and new matches that will provide more information on income, resources and institutionalization. SSA has



## **Social Security Initial FY 2001 Annual Performance Plan**

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increased the frequency of matches with HCFA data on nursing home admissions and has begun a new match with the Office of Child Support Enforcement/National Directory of New Hires (OCSE/NDNH) wage and unemployment compensation databases. SSA is working with the National Automated Clearing House Association to pursue electronic verification of financial account information to replace the existing paper verification process.

*Expanded Online Access to Data:* While computer matches produce information intermittently, online access produces information immediately and provides the means to prevent overpayments before eligibility or payment determination is made. We are currently pursuing online access to the OCSE/NDNH wage and unemployment compensation databases and a pilot online process. In addition, SSA is expanding both the number of States and the number of agencies within the States that provides us online access to records on human services, vital statistics, and unemployment and workers compensation records.

*Training and Instructional Tools:* Efforts are underway to strengthen SSA employees' interviewing and development skills and their understanding of SSI program rules. SSA has conducted multiple Interactive Video Training sessions and has issued twelve Program Circulars and Program Operations Manual System transmittals addressing persistent sources of program error--financial eligibility, living arrangements and in-kind support and maintenance (i.e., non-cash assistance, such as food, shelter or clothing). Further, SSA has developed an intranet website for posting IVT session questions and answers.

Additional information is provided in Appendix 3 on the following Key Initiatives that support this objective:

- ❖ **Combating Fraud**
- ❖ **Continuing Disability Review Process Enhancements**
- ❖ **Earnings Improvement Program**
- ❖ **Information Exchange**
- ❖ **Title XVI Debt**
- ❖ **Service to the Non-English Speaking (NES) and Limited English Proficient (LEP) Public**
- ❖ **SSI PE Modernization**

**Strategic Objective:**           **To become current with DI and SSI periodic CDR requirements by 2002**

### **Context**

CDRs are one of the most effective mechanisms SSA has for determining whether title II and title XVI disability beneficiaries have medically improved and no longer meet the statutory definition of disability, and therefore should be terminated from the rolls. This

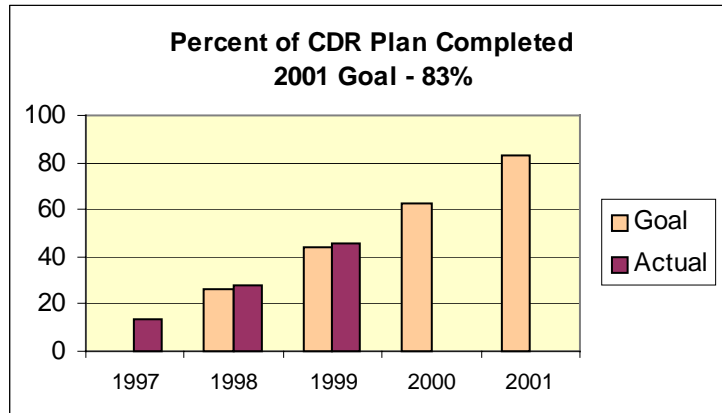
objective contributes to the attainment of the overall outcome of accurate payments, articulated in the first objective under this goal.

**FY 2001 Performance Indicators and Goals**

**Indicator:** Percent of multi-year CDR plan completed

**FY 2001 Goal:** 83%

Baseline data: FY2000 APP Goal 63%      FY1999 Actual 45.9%      FY1998 Actual 27.7%



**Definition:** To achieve this goal in FY 2001, SSA must conduct 1.7 million periodic review CDRs. This measure is derived by dividing the cumulative number of CDRs SSA processed from FY1996, the first year of the CDR multi-year plan, through the current fiscal year, by the total number of CDRs SSA has committed to processing through 2002 according to its multi-year CDR plan.

**Data Source:** Disability management information

**Means and Strategies**

Congress has provided authority for an increase in discretionary spending caps for fiscal years 1996-2002 to fund the cost of processing CDRs. SSA has developed a 7-year plan that will ensure that SSA is current on title II CDRs by the end of FY 2000 and on title XVI CDRs by the end of FY 2002. SSA’s CDR plan is an important element of its strategy to improve management of the SSI program. Consistent with that plan, SSA expects to process 1,729,000 periodic review CDRs, including 728,000 SSI-only CDRs, in FY 2001. Actuarial estimates of the OASDI and Federal SSI program savings resulting from CDRs conducted in FY 1998-2002 amount to approximately \$2.3 billion and \$3 billion, respectively, over this five-year period.

To make the CDR process more effective and efficient, SSA is implementing various innovations. These include:

*Improved Profiling:* This effort improves our ability to accurately and consistently identify factors that indicate medical improvement and predict when, during the life of a

## Social Security Initial FY 2001 Annual Performance Plan

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case, these factors occur. It has the potential to generate substantial program and administrative savings by enabling SSA to define more precisely when and how frequently to conduct CDRs for various beneficiary groups.

*Workflow Enhancements:* This effort consists of process improvements, management information, and systems changes needed to enhance the CDR process and ensure its efficiency throughout and after the CDR 7-year plan.

The Key Initiative, **Continuing Disability Review Process Enhancements**, supports achievement of this objective.

**Strategic Objective:** Through 2002, to maintain and improve current levels of accuracy and timeliness in posting earnings data to individuals' earnings records

### Context

Because SSA's earnings file is the basis for eligibility and payment decisions in the OASI and DI programs, having accurate and up-to-date records of earnings is important to overall payment accuracy.

### FY 2001 Performance Indicators and Goals

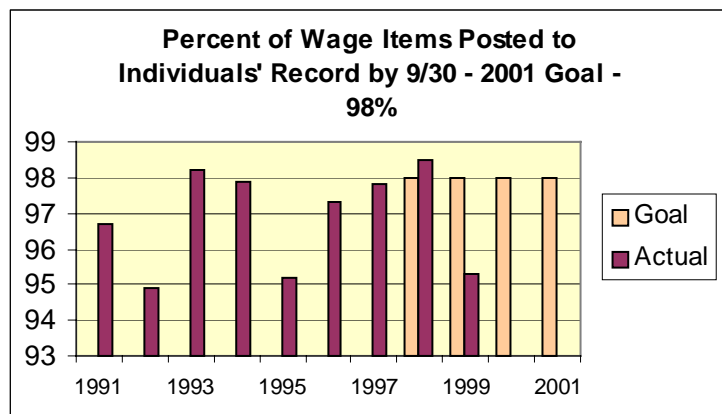
**Indicator:** Percent of wage items posted to individuals' records by September 30

**FY 2001 Goal:** 98%

Baseline Data: FY2000 APP Goal  
98%

FY1999 Actual  
95.3%

FY1998 Actual  
98.5%



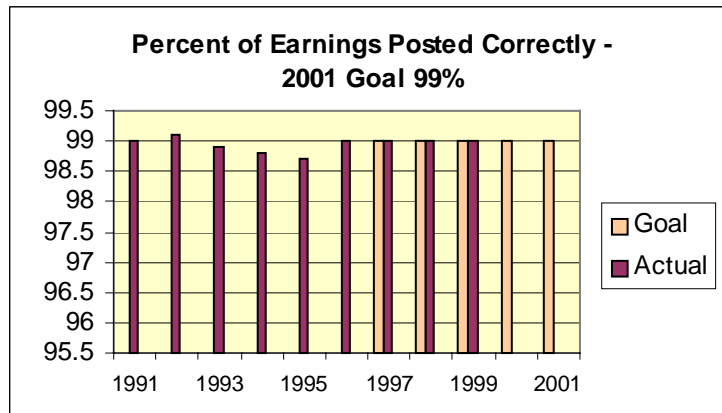
**Definition:** The computation of this rate is the number of wage items posted by the end of September divided by the number of wage items posted by the end of the processing year (mid-January).

**Data Source:** Earnings Posted Overall Cross Total/Year to Date System (EPOXY)

**Indicator:** Percent of earnings posted correctly

**FY 2001 Goal:** 99%

**Baseline Data:** FY2000 APP Goal 99%      FY1999 Actual 99%      FY1998 Actual 99%



**Definition:** This rate represents the percent of earnings that SSA is able to post to individuals' records based on a match to a valid name/SSN. In addition, it reflects the results of a quality assurance review of the accuracy of earnings posted. The computation of this rate is the total earnings processed correctly to individuals' earnings records for a tax year divided by the total earnings reported to SSA for that tax year.

**Data Source:** Earnings Posted Overall Cross Total/Year to Date System (EPOXY) and a quality assurance review of the accuracy of posting received reports

**Means and Strategies**

SSA has made many improvements in the earnings process and has achieved excellent timeliness and accuracy in wage postings. A few problems remain, however, most significantly in the volume of wage reports posted to the Earnings Suspense File because SSA is unable to match the report to a valid name/SSN. SSA has developed a 5-year plan that will move the Agency toward more accurate earnings records, improved earnings products and services for employers, and a reduced **Earnings Suspense File**. The following are the Key Initiatives through which SSA will achieve this strategic objective:

- ❖ **Earnings Improvement Program**
- ❖ **Expand Electronic SSN Verification Services**
- ❖ **Expand Electronic Wage Reporting**

**Strategic Objective: To aggressively deter, identify, and resolve fraud**

**Context**

In any benefits program, there is potential for deliberate acts of deception. In a broad sense, virtually all Agency efforts encompassed by SSA’s program management goal constitute elements of SSA’s strategy to combat fraud. While we have not found widespread fraud in our programs, any level of fraud is a source of concern. As we fulfill our role as stewards of the public trust, this targeted objective underscores SSA’s commitment to remain vigilant in our efforts to combat fraud.

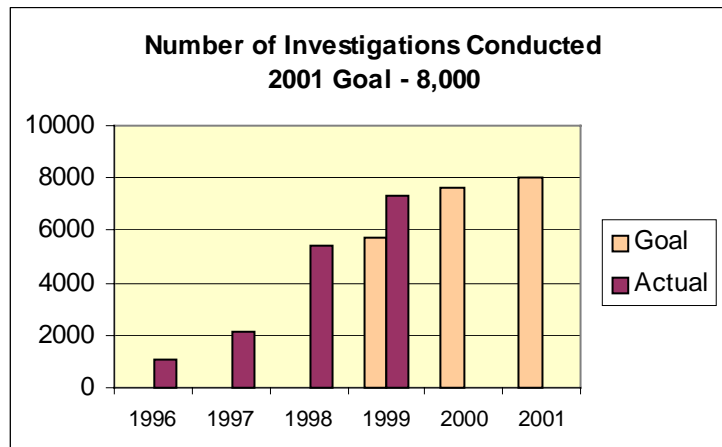
**FY 2001 Performance Indicators and Goals**

Because it is extremely difficult to project the universe of fraud, we are unable to directly measure the desired outcomes—detection of all existing fraud and reduction in fraud overall. Consequently, the indicators for this objective focus on the outputs of our efforts to achieve improvements in deterring, identifying and resolving fraud. For example, our measure for the number of investigations conducted tracks cases closed in a year rather than cases opened; this is a better indicator of the effectiveness of our investigations.

**Indicator: Number of investigations conducted (i.e., closed)**

**FY 2001 Goal:** 8,000

Baseline Data: FY2000 APP Goal 7,600      FY1999 Actual 7,308      FY1998 Actual 5,448



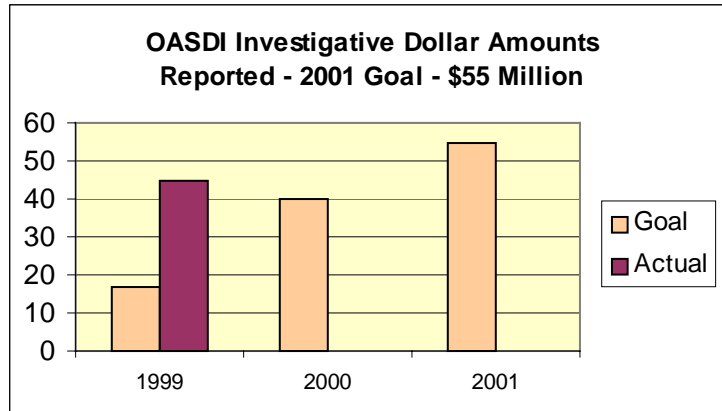
**Definition:** Investigations result from allegations that have sufficient information or potential risk to warrant further review or action by a criminal investigator. Investigations are counted as “conducted” when all OIG actions have been completed, i.e., the investigator has presented the facts of the case to a prosecutor or has determined that further action is not warranted due to lack of investigative leads.

**Data Source:** Allegation and Case Investigative System (ACIS)

**Indicator: OASDI dollar amounts reported from investigative activities**

**FY 2001 Goal:** \$55 million

Baseline Data: FY2000 APP Goal \$40M      FY1999 Actual \$45M      FY1998 Actual NA



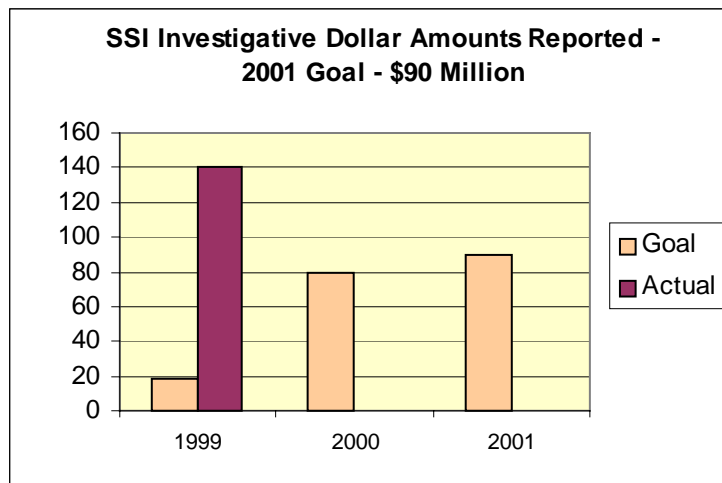
**Definition:** OASDI dollars from penalties, assessments, savings, recoveries and restitutions related to investigative activities, that are reported by OIG field divisions and included in the OIG semi-annual reports. Baseline data for years prior to FY 1999 are available only for all programs combined. In FY 1997, the total OASDI and SSI amount reported from investigative activities was \$28 million. Beginning in FY 1999, dollar amounts reported are segregated by program.

**Data Source:** Allegation and Case Investigative System (ACIS)

**Indicator: SSI dollar amounts reported from investigative activities**

**FY 2001 Goal:** \$90 million

Baseline Data: FY2000 APP Goal \$80M      FY1999 Actual \$140M      FY1998 Actual NA



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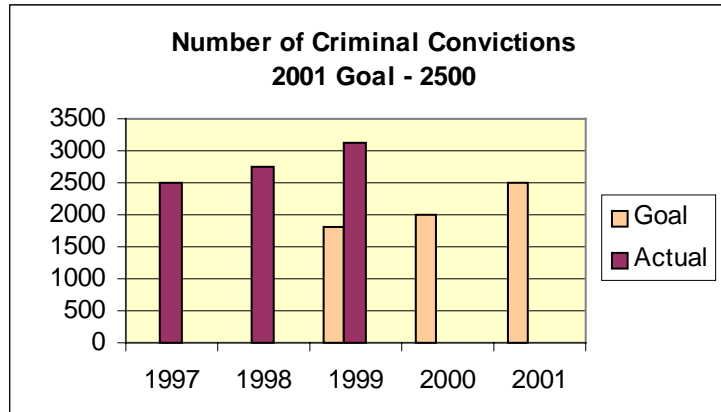
**Definition:** SSA dollars from penalties, assessments, savings, recoveries and restitutions related to investigative activities, that are reported by OIG field divisions and included in the OIG semi-annual reports. Baseline data for years prior to FY 1999 are available only for all programs combined. In FY 1997, the total OASDI and SSI amount reported from investigative activities was \$28 million. Beginning in FY 1999, dollar amounts reported are segregated by program.

**Data Source:** Allegation and Case Investigative System (ACIS)

### **Indicator:** Number of criminal convictions

**FY 2001 Goal:** 2,500

**Baseline Data:** FY2000 APP Goal 2,000      FY1999 Actual 3,139      FY1998 Actual 2,762



**Definition:** Number of criminal convictions as related to SSA/OIG investigative activities. This measure includes more than convictions in a court of law

**Data Source:** Allegation and Case Investigative System (ACIS)

### **Means and Strategies**

SSA has been engaged in an aggressive program to deter, detect, investigate and prosecute fraud. To carry out this effort, SSA and the OIG have cooperated in developing a comprehensive anti-fraud plan, and SSA has established a National Anti-Fraud Committee, comprising joint SSA and OIG executive leadership, to oversee the entire effort. The national committee is supported by eleven regional committees (ten representing SSA regional offices; one at SSA headquarters) responsible for local issues.

In recent years, the OIG has steadily increased its investigative resources for combating fraud. As a result, even as we set improvement targets for investigations conducted, (i.e., OASI and SSI dollar amounts reported from investigative activities and number of criminal convictions), the return on investment in terms of actual recent performance has exceeded those targets. For example, the actual OASI and SSI dollars reported from investigative activities far exceeded our goals for FY 1999. Much of this success was due to two investigative projects: the Cooperative Disability Investigations (CDI) teams

and SSI eligibility fraud projects. The CDI teams accounted for \$2.8 million in 1998 and rose to \$23 million in 1999. The same growth pattern was evident in the eligibility fraud projects; millions of dollars in savings were reported from New York City alone. It is too early to determine if these initiatives can be duplicated elsewhere or if their one-year success rate will continue into FY 2000 and beyond. The FY 2001 budget proposal includes funding for 385 workyears dedicated to OIG investigative activities. This is an increase of 69 percent in investigative resources since FY 1997. However, as experienced investigators retire, new agents need to be trained before they become productive; this will impact our performance in FY 2001.

A greater portion of OIG investigative resources will be directed toward operations focused on SSI fraud, an important element of the Agency's comprehensive plan to improve management of the SSI program. The anti-fraud plan includes ongoing activities to address the following major areas of vulnerability in the SSI program:

- ❖ Fraudulent claims of U.S. residency in order to receive benefits;
- ❖ Collaboration with third parties to fraudulently obtain disability benefits;
- ❖ Intentional withholding of information on income, resources or living arrangements in order to receive SSI benefits; and,
- ❖ Payments to people who are fleeing to avoid prosecution, are fleeing to avoid custody or confinement after conviction, or are violating conditions of probation or parole.

On December 14, 1999, the President signed into law the Foster Care Independence Act of 1999, Public Law 106-069. The law includes provisions that authorize SSA to impose administrative sanctions in the form of periods of ineligibility for an individual who furnishes information that is material to eligibility or payment amount, that the individual knew, or should have known was inaccurate.

The anti-fraud plan, including those efforts that address fraud in the SSI program, is being carried out through a single, integrated Key Initiative, **Combating Fraud**.

**Strategic Objective:            To increase debt collections by 7 percent annually through 2002**

### **Context**

While SSA's objective in managing the OASDI and SSI programs is to achieve the highest accuracy rate possible, it is inevitable that some debt will be created because of the dynamics of the programs. Our stewardship responsibilities require that we recover as much of this debt as possible.

This objective essentially maintains our current performance in managing debt as it reflects the average annual increase that has been achieved in debt collections for the 5 years prior to establishment of the goal. SSA currently is examining how this objective, and its supporting performance indicators, might be redefined in a way that better expresses our performance. The new debt collection measure being developed will



## Social Security Initial FY 2001 Annual Performance Plan

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establish a targeted percentage of performing debt, i.e., debt that is in a repayment schedule. We have determined the management information necessary to track SSA's performance against this measure and are developing the software to extract it.

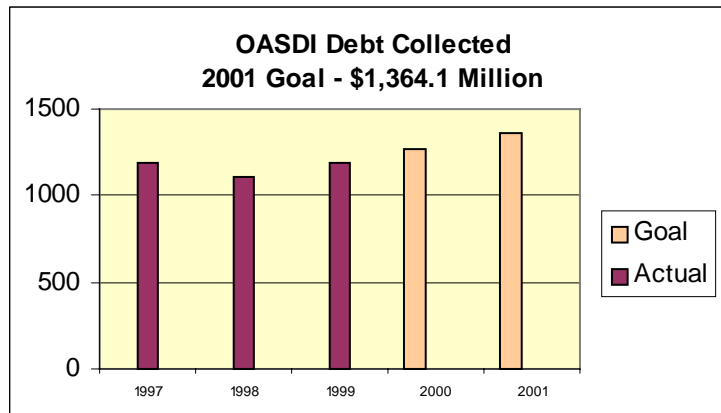
### FY 2001 Performance Indicators and Goals

Pending development of a revised objective, we are using the amounts of OASDI and SSI debt collected as indicators of our performance. Due to annual fluctuations in available debt and in the impacts of SSA's efforts to prevent and detect debt, the estimated year-to-year increase in the amount of debt collected will vary above and below the annual average of 7 percent over the five-year period, FY 1998-FY 2002, covered by the objective. SSA met the goal in FY 1999.

### Indicator: OASDI debt collected

**FY 2001 Goal:** \$1,364.1M

Baseline Data: FY2000 APP Goal \$1,274.9M      FY1999 Actual \$1,191.5M      FY1998 Actual \$1,103.4M

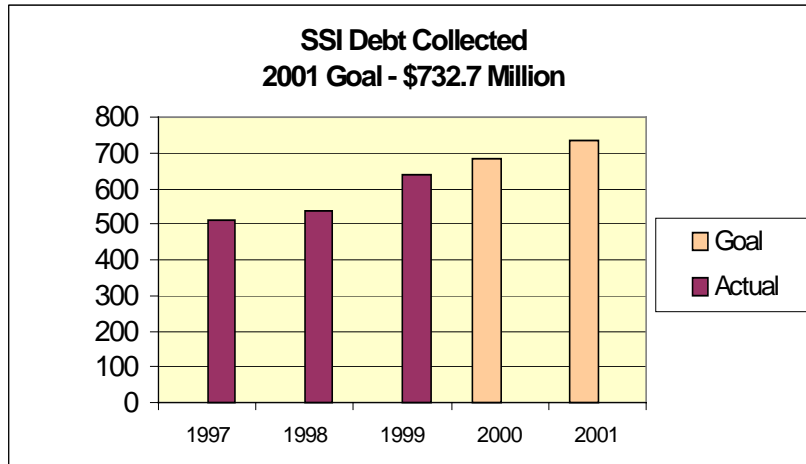


**Definition:** Overpayment collections for the combined total of the OASI and DI programs  
**Data Source:** Data are extracted from the Recovery of Overpayment Accounting Reporting (ROAR) system

**Indicator: SSI debt collected**

**FY 2001 Goal:** \$732.7M

Baseline Data: FY2000 APP Goal \$684.8M      FY1999 Actual \$640M      FY1998 Actual \$539.2M



**Definition:** Overpayment collections for the combined total of the SSI-Federal and SSI-State programs.

**Data Source:** Data are extracted from the Supplemental Security Record (SSR) and Overpayment/Underpayment Processing System (OUPS)

**Means and Strategies**

SSA’s debt management program currently makes use of many of the debt collection tools available under existing law, and we are in the process of implementing the remainder.

SSA’s program to improve management of the SSI program includes improved debt recovery performance. The Foster Care Independence Act of 1999 extends to the SSI program all debt collection authorities currently available for collecting overpayments under the Social Security program. These include administrative offset against other Federal payments (e.g., vendor payments), Federal salary offset, referral of delinquent debtors to credit bureaus, use of private collection agencies, and charging interest. In addition, SSA plans to implement two new debt collection tools: cross program recovery in FY 2000 and administrative wage garnishment in FY 2001. SSA estimates that it could collect an additional \$40 million each year from a collection program strengthened by these tools.

The following are the Key Initiatives through which SSA will achieve this strategic objective:

- ❖ **Combating Fraud**
- ❖ **Title XVI Debt**

**Strategic Objective: To position the Agency's resources and processes to meet emerging workloads**

Over the next 5-10 years, projected SSA workloads will increase gradually while resources may not. Looking beyond that period, dramatic growth in workloads will begin to occur as the baby boomers reach their disability-prone years and then retirement age. At the same time, a large number of experienced managers and staff will probably be retiring. This objective, along with the workforce transition plan, is aimed at addressing these challenges.

**Means and Strategies**

Besides workload growth, a maturing workforce and limited resources, we face an environment of rapid technological change that will change our customers' expectations about what, where and how they want to interact with us. To help us make long-term investment decisions and coordinate strategies to respond to these challenges, we now are creating a vision that will look out past our current 5-year planning horizon.

The vision will provide a view of the ways we expect to deliver service in 2010 and beyond. It will be used to inform the actions we must take today to adequately prepare for the future. Our next ASP will outline the near-term strategic objectives and initiatives for moving toward the vision and these will be in effect the Agency's answer to this object.

In the meantime, SSA is pursuing several approaches and initiatives, including the following:

*Implementing enabling technology infrastructure:* The IWS/LAN platform is the foundation for expert systems, on-line "help" features, interactive training and a host of other features that enable improved customer service and increased efficiency. SSA expects to complete national roll-out of the IWS/LAN by FY 2000.

*Improving processes and systems to achieve efficiencies:* SSA is implementing several Key Initiatives, including Title II System Redesign and Paperless Processing Centers, that will yield significant efficiencies through increased automation of processes. These will be achieved primarily by increasing on-line user access to comprehensive customer information, thus enabling the elimination of tasks that no longer add value and the movement of paperwork from one person or location to another.

Improvements to the disability claims process, which will be prototyped beginning in FY 2000, will enable us to handle increased claims receipts by FY 2005 with essentially the same staffing level that exists now. SSA also is continuing to work in partnership with the States to assist lower-producing DDSs in their efforts to improve productivity.

The Hearings Process Improvements Key Initiative is aimed at dramatically improving productivity in Hearings Offices.

*Providing opportunities for customers to do business with less SSA employee assistance:* SSA plans to increase the range of services that we provide electronically. In addition to providing more convenient access for our customers, electronic service will decrease costs by reducing manual intervention and errors. Contingent on the development of appropriate privacy safeguards, SSA will add new services over the Internet. SSA also is testing user-friendly network devices that provide self-service options to customers who visit our field offices.

### **Crosscutting Areas with Other Agencies**

SSA is a major repository of information that is valuable to the business of other agencies, and we ourselves depend on data created and maintained by others to ensure the accuracy of payment under the Social Security programs. Therefore, we have established numerous standing data exchange relationships. Our major partners in program management activities include the following:

*Department of the Treasury*--SSA provides actual earnings data on which Federal Insurance Contributions Act (FICA) and Self-Employment Contributions Act (SECA) taxes are due so Treasury can adjust trust-fund balances appropriately. SSA and Treasury exchange data regarding, for example, enforcement, SSI income, and the Continuous Work History Sample. Treasury provides SSA with debt-collection services through the Treasury Offset Program, a more comprehensive program that supersedes the tax-refund-offset program.

SSA receives reports of self-employment income from IRS. SSA posts the wages and self-employment income of every employed person in the nation; IRS uses the data in processing individual income-tax returns. IRS assigns employer identification numbers (EIN), used by SSA in earnings processing; SSA assigns statistical codes to the EIN applications, which allows them to be used by SSA for policy research activities and by IRS for improving tax administration. SSA uses IRS data for enforcement matching.

The Secret Service assists SSA in check loss/fraud investigations

*Department of Health and Human Services (HHS)* -- SSA and HCFA exchange data regarding Medicaid eligibility. HCFA provides data to SSA on nursing homes admissions. The Office of Child Support Enforcement (OCSE) provides data to SSA on wages, unemployment compensation and new hires.

*Department of Labor (DOL)* -- SSA uses information regarding workers' compensation to ensure the accuracy of disability benefit payments. SSA provides earnings data to the Bureau of Labor Statistics, which they use in calculating the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The CPI-W, in turn, is used to annually adjust benefits for beneficiaries of Social Security and other programs.

## **Social Security Initial FY 2001 Annual Performance Plan**

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*Department of Defense (DOD)* -- SSA and DOD exchange data regarding military retirement.

*Department of Education (DOE)* -- DOE and SSA exchange data regarding student loans.

*Department of Justice* -- Immigration and Naturalization Service (INS) notifies SSA of deportations so that program benefits can be suspended as appropriate. Bureau of Prisons provides information to SSA regarding incarcerated felons to help SSA ensure payment accuracy. U.S. Attorneys prosecute Social Security fraud and handle SSA civil suits for recovery of debts.

*Department of State* -- Foreign Service posts perform validation activities relating to Social Security beneficiaries living abroad.

*Department of Veterans' Affairs (VA)* -- SSA and VA exchange data regarding veterans' benefits.

*Federal Court System* -- The Federal courts handle recovery of court-ordered restitutions.

*Office of Personnel Management (OPM)* -- SSA and OPM exchange data regarding civil service retirement.

*Railroad Retirement Board (RRB)* -- SSA maintains earnings files on which RRB benefits are based; the Social Security and Medicare trust funds are parties to a financial interchange with the Railroad Retirement Fund.

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**Strategic Goal: To be an employer that values and invests in each employee**

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Unlike our four other strategic goals that address SSA's core functional responsibilities, this goal addresses the Agency's most important asset--the employees of SSA. The focus of this goal is to ensure that SSA continues to have the highly skilled, high performing and highly motivated workforce that is critical to achievement of our mission. It also reflects SSA's conviction that employees deserve a professional environment in which their dedication to the SSA mission and to their own goals can flourish together.

The following Objectives support this Strategic Goal:

- ❖ To provide the necessary tools and training to achieve a highly skilled and high-performing workforce
- ❖ To provide a physical environment that promotes the health and well being of employees
- ❖ Promote an Agency culture that successfully incorporates our values
- ❖ Create a workforce to serve SSA's diverse customers in the twenty-first century

**Strategic Objective: To provide the necessary tools and training to achieve a highly skilled and high-performing workforce**

**Context**

This objective recognizes that highly-skilled employees are the key to achieving our strategic goals and objectives. A critical challenge that SSA will face over the coming years is the "retirement wave." As large numbers of experienced employees start to retire, SSA must prepare to replace these losses. Potential program changes, an increasingly diverse customer base, and the "baby boom" workloads present further challenges. SSA is taking a number of actions in FY 2001 to address these challenges, including implementing a workforce transition plan, utilizing competency-based human resource tools, and implementing career development and leadership training programs.

**FY 2001 Performance Indicators and Goals**

The ultimate measures of success for this objective, and all the other objectives that support this strategic goal, are the attainment of our other strategic goals--world-class service, best-in-business program management, valued and responsive programs, and a knowledgeable public. The following indicators measure our progress in implementing major initiatives that support this objective.

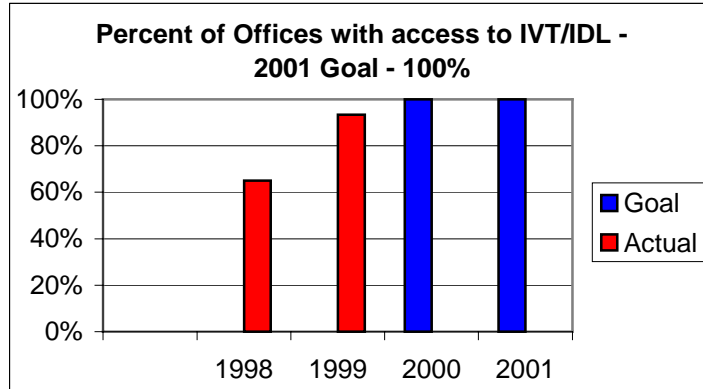
**Social Security Initial FY 2001 Annual Performance Plan**

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**Indicator:** Percent of offices with access to Interactive Video Teletraining/Interactive Distance Learning (IVT/IDL)

**FY 2001 Goal:** 100%

Baseline Data: FY2000 APP Goal 100%      FY1999 Actual 93.4%      FY1998 Actual 65%



**Definition:** This indicator was redefined in the FY 2000 APP to reflect the number of offices, either equipped with IVT/IDL or within 30 minutes commuting distance of another SSA location that has IVT/IDL, as a percent of total offices. The FY 1999 APP indicator reflected the number of offices receiving IVT/IDL as a percent of the total offices planned to be equipped with IVT/IDL.

**Data Source:** Internal Office of Training counts

**Indicator:** Formal management development programs implemented

**FY 2001 Goal:** All national Leadership Programs continued; decisions on future Senior Executive Service Candidate Development Program & Advanced Leadership Program have yet to be made

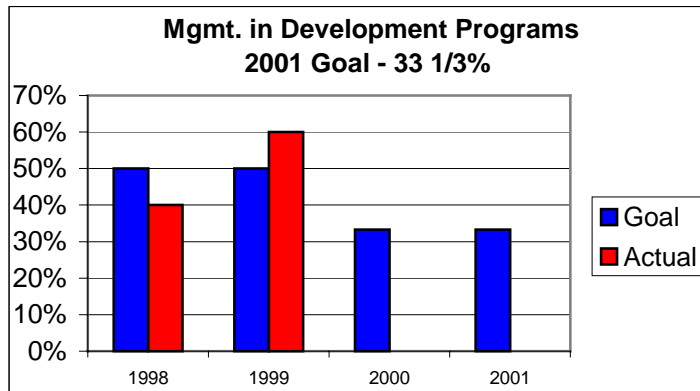
**Definition:** Goals for this indicator represent milestones, i.e., announcement, selection and implementation for management development programs.

**Data source:** Office of Training records

**Indicator:** Percent of managerial staff participating in management/leadership development experiences

**FY 2001 Goal:** 33 1/3%

Baseline Data: FY2000 APP Goal 33 1/3%      FY1999 Actual 60%      FY1998 Actual 40%



**Definition:** Number of managerial employees, those with position descriptions designated as supervisory, who participate in at least one training experience during a fiscal year. Initially all managerial employees will receive an experience over a two-year period, with an ongoing goal of 1/3 annually beginning in FY 2000.

**Data Source:** Internal Office of Training counts

### Means and Strategies

To achieve this objective, the following major activities are planned:

*Comprehensive Skills Assessment Tool:* SSA must be able to maintain a highly-skilled and high-performing workforce that can provide the Nation with efficient and courteous service. SSA is piloting a comprehensive skills' assessment tool that employees will be able to use to assess their current level of proficiency against core competencies, i.e., capabilities or traits that employees need to achieve superior job performance as we progress into the 21<sup>st</sup> century. The tool will also provide our employees with personalized profiles of their training needs and information about what training resources are available to help reinforce the proficiency levels of their competencies.

*Enabling Technology:* In SSA's rapidly changing environment, employees have to adapt quickly to policy and systems changes, perform a wider variety of functions, employ multiple automated systems and master new technologies. At the same time, workload demands minimize the time employees have available to spend in a learning environment away from the work site. To address this, SSA will improve its ability to provide training by expanding the number of offices with access to interactive video training.

SSA will also be continuing to examine, test, and, as appropriate, implement promising alternative technological approaches, such as the Intranet and Internet for delivering training materials electronically.

*National Career and Leadership Development Programs:* The major strategy for these training programs is to transform SSA into a learning organization. Our employees need to be able to maintain new skills and learn new ones in order to assimilate, understand, and adapt appropriately to our changing operating environment.



## **Social Security Initial FY 2001 Annual Performance Plan**

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- ❖ SSA will create a continuous approach to leadership development for all managers. We will define and put in place a leadership development curriculum around accepted core competencies.
- ❖ SSA has staff development plans in place in each region and each major staff organization.
- ❖ Four formal programs will be part of SSA's succession planning:
  - ❖ **The Senior Executive Service Candidate Development Program**
  - ❖ **The Advanced Leadership Program**
  - ❖ **The Leadership Development Program**
  - ❖ **The Presidential Management Intern Program**

Appendix 3 includes additional information on the following Key Initiatives that support this objective:

- ❖ **Competency-Based Human Resource Tools**
- ❖ **Integrated Human Resources System**
- ❖ **Interactive Video Teletraining**
- ❖ **Leadership Training/Career Development**
- ❖ **Electronic Records Management**
- ❖ **Automated Time and Attendance**
- ❖ **IWS/LAN**

**Strategic Objective:** To provide a physical environment that promotes the health and well being of employees

**Context**

This objective continues SSA’s commitment to create a safe, secure and professional environment for our employees.

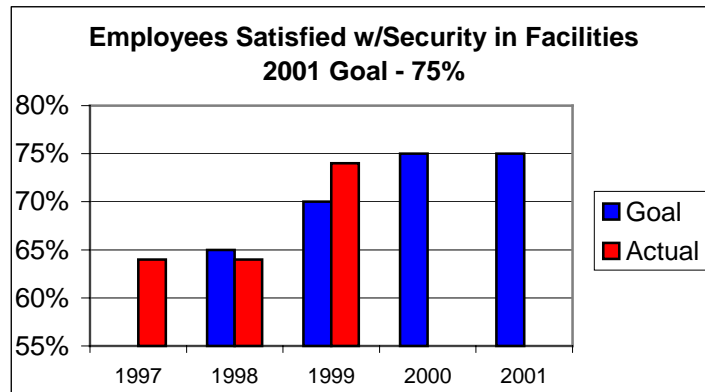
**FY 2001 Indicators and Goals**

SSA uses employee survey information to assess the effectiveness of our efforts to improve the physical environment. The following indicators reflect progress of the initiatives we are implementing to achieve this objective.

**Indicator:** Percent of employees reporting they are satisfied with the level of security in their facility

**FY 2001 Goal:** 75%

Baseline Data: FY2000 APP Goal 75%      FY1999 Actual 74%      FY 1998 Actual 64%



**Definition:** Results of employee surveys determined the perception employees have of physical and protective security. The computation of this rate is the number of employees who rate security as satisfactory or better divided by the total number of employees responding to that question.

**Data Source:** SSA Employee Physical Security Survey

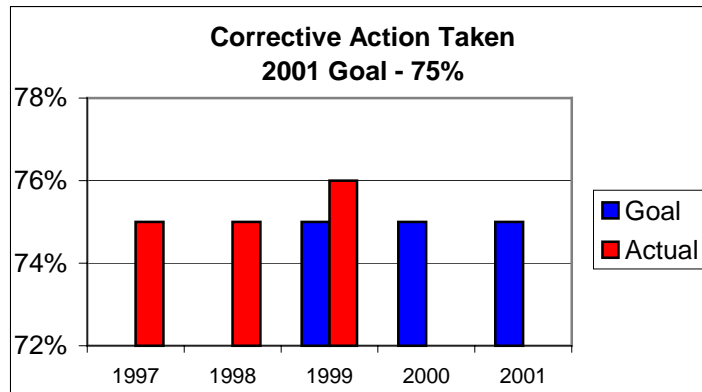
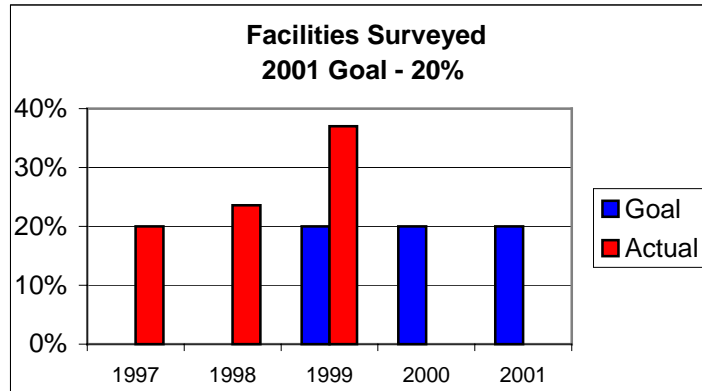
## Social Security Initial FY 2001 Annual Performance Plan

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**Indicator:** Percent of environmental indoor air quality surveys completed and percent of corrective actions taken when called for

**FY 2001 Goal:** Survey 20% of facilities; complete 75 percent of corrective actions

Baseline Data:	FY2000 APP Goal	FY1999 Actual	FY 1998 Actual
	20% surveyed	37% surveyed	23.6% surveyed
	75% actions taken	76% actions taken	75% actions taken



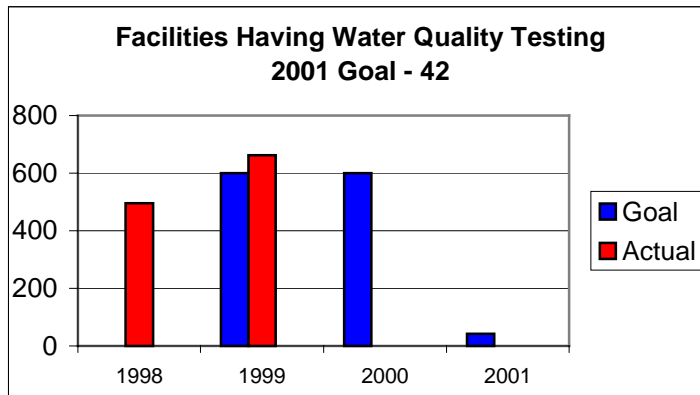
**Definition:** Indoor Air Quality (IAQ) surveys are conducted in 20 percent of the non-headquarters facilities each fiscal year. The percent of surveys completed is based on 1,800 surveys: (1,500 facilities and an allowance for 300 potential additional surveys required for offices that relocate). The percent of corrective actions taken is the result of dividing the number of required corrective actions and interim protective measures that have been implemented by the total number of required corrective actions identified by the surveys.

**Data Source:** Comprehensive IAQ Survey Reports

**Indicator: Number of facilities having water quality testing and percent of corrective actions taken when called for**

**FY 2001 Goal:** 42 facilities tested; 100 percent of corrective actions taken

Baseline Data:	FY2000 APP Goal	FY1999 Actual	FY 1998 Actual
	600 facilities tested	662 facilities tested	496 facilities tested
	100% actions taken	100% actions taken	100% actions taken



**Definition:** A number of SSA field facilities will receive water sampling each year and remediation will be done in 100 percent of offices identified with contaminants. The computation of this rate is the number of offices requiring remediation divided by the number of offices identified to have drinking water with elevated contaminant levels.

**Data Source:** Water Sampling Survey Report

**Indicator: Number of relocated offices having security surveys and percent of SSA accepted security recommendations implemented**

**FY 2001 Goal:** 150 offices surveyed; 87 percent SSA accepted recommendations implemented

Baseline Data:	FY2000 APP Goal	FY1999 Estimate	FY 1998 Actual
	150 offices surveyed	NA	NA
	85% accepted recs	NA	NA

**Definition:** A contractor will perform security surveys for all SSA field offices that relocate during a fiscal year. Recommendations from the contractor will be accepted for implementation if the Agency's management deems them appropriate in context of other service delivery factors. For example, a recommendation that would create unnecessary barriers between SSA employees and customers may be considered unacceptable.

**Data Source:** Physical security reviews

**Means and Strategies**

SSA is continually striving to improve the work environment and guarantee the security of employees as well as clients and visitors in every SSA facility. For example, in response to growing workplace violence that has heightened concerns for the security of employees in public contact jobs, SSA has invested heavily to enhance security nationwide. We have also expanded existing programs to improve the quality of the environment for offices nationwide over the last several years. The Agency will continue to enhance ongoing programs, both for assessing and addressing security requirements and for identifying and resolving existing and potential environmental health and safety problems. These programs are carried out in the following key initiatives:

- ❖ **Enhance the Environmental Health and Physical Security of the Workplace**
- ❖ **Space Modernization and Improvements**

**Strategic Objective: Promote an Agency culture that successfully incorporates our values**

**Context**

An organization’s culture is comprised of shared practices and values of the group. Research in the private sector has shown that when companies devise new strategies and processes that make good business sense, but ignore their organization’s culture, the strategy can be derailed. This objective acknowledges the direct correlation between the culture of an organization and its performance.

**FY 2001 Performance Indicators and Goals**

At present, SSA does not have a means for measuring performance under this objective. In FY 1999, SSA conducted a benchmark analysis to establish a baseline of information about our current culture. Once a baseline is established and a strategy for change is developed, we will identify appropriate indicators of progress.

**Indicator: Create Strategy to Instill Values**

**FY 2001 Goal:** Implement strategy

**Definition:** Criteria for meeting this goal will be specified once a baseline is established and a strategy of change is developed.

**Data source:** NA

**Means and Strategies**

Like most large organizations, SSA has many sub-cultures, encompassing a wide range of behaviors and practices. Currently, there are no objective measures of what they are. Therefore, SSA plans to establish a baseline of information about current culture, analyze where we are and where we want to be and, finally, design a strategy to achieve desired change. SSA’s Executive Staff will reexamine SSA’s values as stated in the Agency Strategic Plan to determine whether they are appropriate for the future, will define a vision of the desired culture, and will set priorities for cultural change. SSA will also employ benchmarking to determine how other organizations measure their cultures, communicate what they want their cultures to be, and implement/evaluate the change process.

**Strategic Objective:**        **Create a workforce to serve SSA’s diverse customers in the twenty-first century**

**Context**

This objective addresses the need for SSA to begin now to create a workforce that will be able to respond to unfolding changes in the world--the changing face of our customers, the changing character of the nation’s workforce and the changing work of SSA.

**FY 2001 Performance Indicators and Goals**

The following indicators measure our progress in implementing major initiatives that support this objective.

**Indicator:**                    **Complete Agency plan for transitioning to the workforce of the future**

- FY 2001 Goal:**
1. Implement and update transition plan
  2. Develop and implement action items from employee survey

**Definition:**                Goals for this indicator represent milestones in the Agency workforce transition plan for accomplishing the actions necessary to meet SSA’s future workforce needs.

**Data Source:**        NA

**Means and Strategies**

A critical challenge that SSA will face over the coming years is the “retirement wave.” As large numbers of experienced employees start to retire, SSA must prepare to replace these losses. Potential program changes, an increasingly diverse customer base, and the “baby boom” workloads present further challenges. While not an exhaustive list of the actions SSA is taking to address these challenges, the following will be major areas of emphasis for the next few years:

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*Competency-Based Human Resources Tools:* SSA is developing a tool to identify competencies necessary for effective performance in each SSA job. The tool will also be capable of assessing whether employees possess those competencies. This model will provide a competency-based framework for training, hiring and other human resources functions.

*Workforce Transition Planning:* A transition plan has been developed to cover a 5-year span, and it will be updated annually to extend for additional periods into the future. As input to the plan, and as part of the Agency's Market Measurement Program, SSA is surveying 100 percent of employees in FY 2000 to determine to what extent employees are satisfied with policies, employee services, tools, environment, the efficiency of work processes, and other factors affecting the workforce. Survey results will be used to help the Agency identify problem areas needing attention.

In updating the plan each year, SSA will determine how the Agency's key initiatives for change will affect employees in each operating component as well as any new knowledge, skills and abilities that will be needed within the strategic planning horizon. SSA will continue to develop and implement a strategy to guide hiring practices, to provide the training that staff will need to perform well in the changing environment, and to address the "retirement wave" expected in the future.

The plan encompasses program reform, the ever-increasing diversity in SSA's customers and employees, and the potential shortage of appropriately skilled people in the labor pool from which SSA will be recruiting. This effort will be closely coordinated with SSA's objective to position our resources and processes to meet emerging workloads.

The appendix includes additional information on the following Key Initiatives that support this objective:

- ❖ **Competency-Based Human Resource Tools**
- ❖ **Create Strategy to Instill Values**
- ❖ **Diverse Workforce/Transition Plan**
- ❖ **Integrated Human Resources System**
- ❖ **Interactive Video Teletraining**
- ❖ **Leadership Training/Career Development**
- ❖ **Market Measurement Program**

### **Crosscutting Areas with Other Agencies**

Many Federal agencies, including the U.S. Department of Agriculture and Department of the Navy, benchmark SSA's training and developmental activities.

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**Strategic Goal: To strengthen public understanding of Social Security programs**

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This goal addresses SSA's basic responsibility to the public to ensure that they understand the benefits available to them individually under the Social Security programs and the impact of the programs on society as a whole. To achieve this goal, SSA's FY 2001 budget requests an estimated \$104 million. This includes \$83 million for the issuance of 126 million Social Security Statements (formerly the Personal Earnings and Benefit Estimate Statements (PEBES)), as well as \$21 million for the salaries and expenses of the Office of Communications for development, production and distribution of public educational products and associated external liaison activities.

**Strategic Objective: By 2005, nine out of ten Americans will be knowledgeable about the Social Security programs in five important areas**

**Context**

SSA's strategic objective is to ensure that 9 out of 10 Americans age 18 and older will be knowledgeable in the following five important areas of the Social Security programs:

- ❖ Basic program facts
- ❖ Financial value of programs to individuals
- ❖ Economic and social impact of the programs
- ❖ How the programs are financed today
- ❖ Financing issues

**FY 2001 Performance Indicators and Goals**

In FY 1999, SSA initiated the SSA Public Understanding Measurement System (PUMS), designed to determine the baseline measure of public knowledge of social security programs and to provide SSA with the means to track changes in public knowledge through the year 2005. Based on methodology developed by the Gallup Organization, who conducted the initial PUMS Survey for SSA, SSA determined that the public's baseline knowledge of social security programs is 55 percent, or 5.5 of 10 Americans. This new performance indicator replaced the indicator, "percent of the public who perceive they are 'very well-informed' or 'fairly well-informed' about Social Security" which was based on an external data source and used in the previous APP.

The other indicator under this objective relates to the dissemination of the Social Security Statement, a key tool for informing the public.



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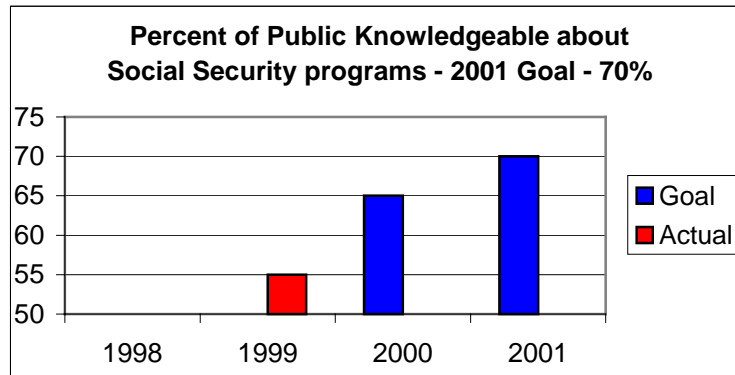
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SSA has established an FY 2001 performance goal that 70 percent, or 7 of 10 Americans (adults age 18 and over) will be knowledgeable as determined in the annual PUMS survey, which will be conducted in the fall of each year.

**Indicator:**            **Percent of public who are knowledgeable about Social Security programs**

**FY 2001 Goal:**        70%

Baseline Data:    FY2000 APP Goal        FY1999 Actual    FY1998 Actual  
                                 65%                            55%                            N/A



**Definition:**            Percent of Americans (adults age 18 and over) determined as “knowledgeable” in the annual PUMS Survey.

**Data Source:**        Annual public survey of adults age 18 and over

**Indicator:**            **Percent of individuals issued SSA-initiated Social Security Statements as required by law**

**FY 2001 Goal:**        100%

Baseline Data:    FY2000 APP Goal        FY1999 Actual        FY1998 Actual  
                                 100%                            100%                            100%

**Definition:**            As required by law, in FY 2000 SSA begins to issue annual Social Security Statements to all eligible workers age 25 and over beginning in FY 2000. SSA estimates it will issue 123 million statements in FY 2001 to meet this requirement, in addition to 3 million issued upon request, for an annual total of 126 million.

**Data Source:**        Internal SSA report of Statements mailed weekly.

### Means and Strategies

To achieve this objective, the following major activities are planned:

*Public Understanding Measurement System (PUMS):* Annually, FY 2001 through FY 2005, SSA plans to repeat its PUMS survey each fall to track its progress in achieving the performance objective and to establish yearly performance targets based on the results

of the annual PUMS survey data. In FY 2001, we will also conduct quarterly surveys in several SSA Regions to determine the effectiveness of specific public education activities in strengthening public knowledge of Social Security and to improve our national communications plan.

*Educate the Public about Social Security:* This initiative includes the development of public education products and strategies designed to strengthen public understanding as well as the associated public presentations and other liaison activities with national organizations. All products and specific activities under this initiative are tailored to reach audiences identified in the PUMS initiative and other sources.

A major activity under this initiative involves the Social Security Statement (formerly the Personal Earnings and Benefit Estimate Statement (PEBES)), a report of the life-long earnings record maintained by SSA on each worker covered by Social Security and an estimate of the worker's potential future Social Security benefits. As required by law, in FY 2000, SSA began issuing Statements to all eligible workers age 25 and over for whom we can obtain a mailing address from the IRS. In FY 2001 we will continue with a major public education campaign to let people know they will be getting the Statement and how the information can help them plan their own financial future based on an increased understanding of Social Security programs.

The PUMS Survey indicated that persons who received a Social Security Statement have a significantly greater knowledge level than those who did not. The annual PUMS survey will help track customer satisfaction with the clarity and effectiveness of the Statement in raising public knowledge of Social Security programs.

*Ambassadors Program:* SSA recognizes that its greatest strength lies in the knowledge and skills of its employees and that every SSA employee is an "ambassador" for the Social Security programs. In FY 2001, SSA will continue its Ambassador program, stressing the value of the Social Security Statement and disseminating the PUMS survey results. Additionally, we will continue to train new field office managers and public affairs specialists in basic communications skills and conduct our Annual National Public Affairs training for all SSA public affairs specialists. We have folded in the Ambassadors Program into our Educate the Public key initiative to assure consistency of our internal (employee) and external (public) education programs.

Additional information is provided in the appendix on the Key Initiative, **Strengthening Public Understanding of the Social Security Programs.**

## **VI. Verification and Validation of Performance Measures**

### **General Discussion**

SSA is committed to ensuring that those who use our reported performance information to make decisions can do so with the assurance that our data are valid and reliable.

The Section V discussion on “Performance Goals, Means and Strategies” includes a detailed definition of each of the plan’s performance measures as well as the data source used to measure performance.

Performance data for the plan’s quantifiable measures, including the budgeted output measures, are generated by automated management information and workload measurement systems as a byproduct of routine operations.

The performance level for several indicators relating to the accuracy of our processes and public satisfaction comes from surveys and workload samples designed to achieve very high levels (usually 95 percent confidence level) of statistical validity. The Office of Quality Assessment (OQA) reviews a stratified sample of recently completed actions and of ongoing entitlement rolls to determine the accuracy of SSA payments and service transactions.

To help ensure the integrity of management information (MI) data, SSA implemented a Management Information Integrity Monitoring (MIIM) team in February 1998. The MIIM team serves as the clearinghouse for resolving allegations of inappropriate practices affecting MI. Line managers and staff throughout the Agency also review MI data regularly to identify anomalies and correct reporting problems.

For those indicators for which SSA can not define performance goals in an objective, quantifiable form, descriptive statements are provided on how we will consider the goal to have been achieved.

### **Program Performance Report**

SSA’s annual Accountability Report has been the vehicle used to report on SSA’s key goals and performance measures as well as the Agency’s progress in meeting its GPRA goals. SSA is continuing to use the Accountability Report as the program performance report for reporting on performance for FY 1999 and beyond.

The Accountability Report describes, in detail, SSA’s comprehensive program of conducting reviews of management and security controls in both SSA’s administrative and programmatic processes and in accounting controls in financial management systems. The effectiveness of these reviews was confirmed when the independent accounting firm of PricewaterhouseCoopers performed its FY 1998 financial audit of SSA processes and systems. Such reviews and assessments assure that our systems are

secure and not vulnerable to manipulation by intruders, and confirm SSA's confidence in the reliability of its performance data.

### **Role of the Inspector General**

The Office of the Inspector General (OIG) plays a key role in assuring that the data systems used by SSA to measure performance are reliable. Each year since 1998, the OIG's workplan has included reviews of SSA performance measures in which the OIG evaluates the processes and systems being used to measure progress in each of the measured areas, so as to assure that they provide reasonable assessments of performance. So far, the OIG surveyed the existence of sources of information for the 68 performance measures (i.e., indicators) appearing in SSA's FY 1999 APP, and found that SSA has methods to collect data for all indicators.

The OIG is currently auditing several performance measures contained in SSA's FY 1999 and FY 2000 APPs. SSA is taking appropriate action to correct any reported deficiencies. These actions may include disclosure of data gaps, changes in performance measures, improvements to or additions of data collection systems, or some combination thereof.

For example, the OIG identified two deficiencies with regard to the data used to measure the accuracy of Social Security number card processing and the accuracy and timeliness of earnings posted to individuals' records by September 30. In response, our Revised Final FY 2000 APP and FY 2001 APP correct the definition of the former indicator and clarify that self-employment earnings are not included in the latter measure. The OIG also found a weakness in the system SSA uses to measure SSI debt management. In July 1999, we implemented a new software release that improves control over SSI debts and collections, and results in SSA having more and better information to accurately measure SSI debt management.

The OIG uses a four-point approach to reviewing SSA's performance measures:

1. Assess SSA's system capacity to produce performance data;
2. Assess whether reported performance measure data is valid;
3. Ensure that SSA has the appropriate measures to indicate vitality of its programs;  
and
4. Ensure that the performance measures fully capture the program segments that they are intended to capture.

### **General Accounting Office Reviews**

In its review of SSA's FY 2000 APP, the General Accounting Office (GAO) found that the plan "provides general confidence that agency performance information will be credible." The GAO noted that SSA's annual Accountability Report provides additional assurances of credibility in its discussion of systems reviews that are routinely performed by independent contractors as well as SSA's actions to respond to their recommendations.

**Coordinated Agency Evaluation Plan**

Each fiscal year, SSA develops a coordinated Agency evaluation plan. All key components involved in the evaluation function, including the OIG, conduct a joint review of evaluation workplans to assure an appropriate match between planned evaluation activities and Agency priorities, identify and address any gaps in needed information and eliminate any overlap or duplication.

Additional information on the Agency Evaluation Plan is provided in Appendix 4.

## VII. Summary of SSI Program Management Improvement Goals

Successful management of the SSI program depends on the Agency's ability to properly administer the public funds that are entrusted to its care. SSA is committed to managing the SSI program as efficiently and accurately as possible. To that end, SSA is taking significant measures to strengthen the integrity of the SSI program. These measures include improving SSI payment accuracy, continuing to carry out our aggressive 7-year plan of CDRs, improving debt collection and combating SSI program fraud. The following table presents a holistic view, which cuts across all relevant strategic objectives, of the Agency's performance goals related to improving SSI program management. The means and strategies for achieving these performance goals are discussed under the relevant strategic objectives in Section V.

***Objective: To promote policy changes, based on research and evaluation analysis, that shape the SSI program in a manner that protects vulnerable populations, anticipates the evolving needs of SSI populations, and integrates SSI benefits with other social benefit programs to provide a safety net for aged, blind, and disabled individuals.***

Performance Indicator	FY 2001 Goal
Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of the SSI program	Prepare summary and analysis on the barometer measures
Preparation of a report and completion of data collection on the SSI Childhood Disability Survey in order to assess the impact of welfare reform, identify areas of potential policy change, and develop options as appropriate	Complete interviewing for the first wave on the SSI Childhood Disability Survey
Preparation of analyses on sources of support for the SSI population in order to identify areas for better coordination with other social benefits and develop options as appropriate	Prepare analyses and report on child support enforcement.
Preparation of analyses of complex SSI policies	Prepare analyses on SSI simplification opportunities.

<b><i>Objective: To make benefit payments in the right amount</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>Dollar accuracy of SSI payment outlays: % w/o overpayments</li> </ul>	95.5%
<ul style="list-style-type: none"> <li>SSI non-disability redeterminations conducted</li> </ul>	2,050,000
<b><i>Objective: To become current with DI and SSI CDR requirements by 2002</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>Percent of multi-year (FY 1996-2002) CDR plan completed</li> </ul>	83%
<ul style="list-style-type: none"> <li>CDRs processed (includes 728,000 SSI-only CDRs)</li> </ul>	1,729,000
<b><i>Objective: To aggressively deter, identify and resolve fraud</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>SSI dollar amounts reported from investigative activities</li> </ul>	\$90 million
<b><i>Objective: To increase debt collections by 7 percent annually through 2002</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>SSI debt collected</li> </ul>	\$732.7 million

## VIII. Summary of Management Improvement Goals for Social Security and Supplemental Security Income Disability Programs

SSA is committed to fairly, effectively, and efficiently administering disability programs that protect millions of Americans and their families. To that end, SSA has a broad but comprehensive strategy that involves taking action in several areas. We will improve the management of the disability programs for our beneficiaries by addressing longstanding issues of improved administrative efficiency and greater consistency in our decisionmaking processes. We also will provide equal emphasis to safeguarding the integrity of the programs, improving return-to-work opportunities for people with disabilities, and increasing our understanding of disability issues through targeted research. The following table presents a holistic view, which cuts across all relevant strategic objectives, of the Agency's performance goals related to improving the SSDI and SSID programs. The means and strategies for achieving these performance goals are discussed under the relevant strategic objectives in Section V.

***Objective: To promote policy changes, based on research and evaluation analysis, that shape the OASI and DI programs in a manner that takes account of future demographic and economic challenges, provides an adequate base of economic security for workers and their dependents, and protects vulnerable populations.***

Performance Indicator	FY 2001 Goal
<ul style="list-style-type: none"> <li>• Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of OASDI programs</li> <li>• Preparation of analyses and reports on the effect of OASDI programs on different populations in order to identify areas for policy change and develop options as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare summary and analysis on the barometer measures</li> <li>• Prepare reports on:               <ol style="list-style-type: none"> <li>(1) Effect of OASDI programs on various subgroups of beneficiaries, including women, minorities, and low-wage workers;</li> <li>(2) Study on characteristics of people receiving DI benefits;</li> <li>(3) Analysis of the effect of changes in Social Security retirement benefits on the DI program</li> </ol> </li> </ul>



<ul style="list-style-type: none"> <li>• Preparation of analyses and reports on demographic, economic, and international trends and their effects of OASDI programs in order to anticipate the need for policy change and develop options as appropriate</li> <li>• Preparation of research and policy evaluation necessary to assist the Administration and Congress in developing proposals to strengthen and enhance the solvency of OASDI programs</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare analyses on the following topics:               <ol style="list-style-type: none"> <li>(1) Labor force transitions in the elderly population;</li> <li>(2) Lump-sum payments from employer pensions;</li> <li>(3) Differences across subgroups in saving;</li> <li>(4) International retirement policy reforms</li> </ol> </li> <li>• Prepare analyses on the distributional and fiscal effects of solvency proposals developed by the Administration, Congress, and other policy makers (we will analyze new proposals and/or modify analyses of previous proposals based on new data)</li> </ul>
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***Objective: To promote policy changes, based on research and evaluation analysis, that shape the SSI program in a manner that protects vulnerable populations, anticipates the evolving needs of SSI populations, and integrates SSI benefits with other social benefit programs to provide a safety net for aged, blind, and disabled individuals.***

Performance Indicator	FY 2001 Goal
<ul style="list-style-type: none"> <li>• Preparation of a report and completion of data collection on the SSI Childhood Disability Survey in order to assess the impact of welfare reform, identify areas of potential policy change, and develop options as appropriate</li> </ul>	<ul style="list-style-type: none"> <li>• Complete interviewing for the first wave of the SSI Childhood Disability Survey</li> </ul>

***Objective: To promote policy changes, based on research and evaluation analysis, that shape the disability program in a manner that increases self-sufficiency and takes account of changing needs based on the medical, technological, demographic, job market, and societal trends.***

Performance Indicator	FY 2001 Goal
<ul style="list-style-type: none"> <li>• Increase in the number of DI adult worker beneficiaries who begin a trial work period</li> <li>• Increase in the number of SSI disabled beneficiaries, aged 18-64, who are working</li> <li>• Preparation of a research design to develop techniques for validating medical listings</li> </ul>	<ul style="list-style-type: none"> <li>• 10%</li> <li>• 10%</li> <li>• Prepare a preliminary report on the development of the validation methodology</li> </ul>

**FY 2001 Annual Performance Plan**

<ul style="list-style-type: none"> <li>Preparation of reports on results of the National Study of Health and Activity in order to identify potentially eligible disabled populations, interventions that enable continued work effort among the disabled, and guide changes to the disability decision process</li> <li>Prepare analysis of alternative return-to-work strategies</li> </ul>	<ul style="list-style-type: none"> <li>Initiate main study data collection</li> <li>Design and initiate implementation of demonstration projects</li> </ul>
<b><i>Objective: To raise the number of customers who receive service and payments on time</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>Initial disability claims average processing time (days)</li> <li>Hearings average processing time (days)</li> <li>Percent increase in PPWY in hearings process</li> </ul>	<p>117 days</p> <p>208 days</p> <p>14%</p>
<b><i>Objective: To make benefit payments in the right amount</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>DDS net decisional accuracy rate</li> <li>DDS allowance performance accuracy rate</li> <li>DDS denial performance accuracy rate</li> <li>OHA decisional accuracy rate</li> </ul>	<p>97.0%</p> <p>96.5%</p> <p>93.4%</p> <p>87.0%</p>
<b><i>Objective: To become current with DI and SSI CDR requirements by 2002</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>Percent of multi-year (FY 1996-2002) CDR plan completed</li> <li>CDRs processed</li> </ul>	<p>83%</p> <p>1,729,000</p>
<b><i>Objective: To aggressively deter, identify and resolve fraud</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>OASDI dollar amounts reported from investigative activities</li> <li>SSI dollar amounts reported from investigative activities</li> </ul>	<p>\$55 million</p> <p>\$90 million</p>

<b>Objective: To increase debt collections by 7 percent annually through 2002</b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>• OASDI debt collected</li> <li>• SSI debt collected</li> </ul>	\$1,364.1 million \$ 732.7 million

## **IX. Summary of Hearings Process Improvement Goals**

SSA is committed to a customer-focused hearings process that is more timely and efficient. To that end, SSA is implementing a hearings process improvement (HPI) plan to further improve service to the hundreds of thousands of individuals who, each year, request hearings at our Office of Hearings and Appeals.

The HPI plan differs from the traditional approach of committing additional resources to the hearings process. It relies on innovative management in an effort to achieve dramatic improvement. The strategy for improving the hearing process incorporates three major inter-related change initiatives that address the main impediments to a more efficient process. They are:

- ❖ *Process Improvements* – Includes implementation of a national workflow model, processing time benchmarks and expanded use of pre-hearing conferences.
- ❖ *Group-Based Accountability*—Hearing Offices will be organized into self-contained processing groups under a group supervisor, each group responsible for processing the case through the entire hearings process.
- ❖ *Automation and Data Collection*—includes enhanced management information and processing tools.

It is our intent that, when fully implemented, HPI will reduce processing times from 316 days in FY 1999 to fewer than 200 days in FY 2002.

The HPI will also increase productivity per workyear (PPWY) in the hearings process by 16 percent by FY 2002 over what the current process would produce. The HPI is an integral part of SSA’s overall plan for improving the management of the Social Security and Supplemental Security Income disability programs. That plan is described in Section VIII of this APP.

The following table presents a holistic view, which cuts across all relevant strategic objectives, of the Agency’s performance goals related to improving the hearings process. Also displayed are the milestone events which represent key remedial steps during the period FY 2000 - FY 2001. The means and strategies for achieving these performance goals are discussed under the relevant strategic objectives in Section II.

<b><i>Objective: To raise the number of customers who receive service and payments on time</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
• Hearings average processing time (days)	208 days
• Percent increase in PPWY in hearings process	14%
<b><i>Objective: To make benefit payments in the right amount</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
• OHA decisional accuracy rate	87%

**Milestones:**

- |  |              |
|--|--------------|
| • Begin to prototype HPI in 37 hearing offices         | January 2000 |
| • Begin to implement HPI in additional hearing offices | October 2000 |
| • Begin to implement HPI in remaining offices          | January 2001 |
| • Project fully implemented                            | March 2001   |

# Appendix 1



## Summary of FY 2001 Performance Goals

<b>Strategic Goal: To promote valued, strong, and responsive social security programs and conduct effective policy development, research, and program evaluation</b>	
<i>Objectives: To promote policy changes, based on research and evaluation analysis, that shape the OASI and DI programs in a manner that takes account of future demographic and economic challenges, provides an adequate base of economic security for workers and their dependents, and protects vulnerable populations.</i>	
Performance Indicator	FY 2001 Goal
<p>Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of OASDI programs</p> <p>Preparation of analyses and reports on the effect of OASDI programs on different populations in order to identify areas for policy change and develop options as appropriate</p> <p>Preparation of analyses and reports on demographic, economic, and international trends and their effects of OASDI programs in order to anticipate the need for policy change and develop options as appropriate</p> <p>Preparation of research and policy evaluation necessary to assist the Administration and congress in developing proposals to strengthen and enhance the solvency of OASDI programs</p>	<p>Prepare summary and analysis on the barometer measures</p> <p>Prepare reports on:</p> <ol style="list-style-type: none"> <li>1. Effect of OASDI programs on various subgroups of beneficiaries, including women, minorities, and low-wage workers;</li> <li>2. Study on characteristics of people receiving DI benefits;</li> <li>3. Analysis of the effect of changes in Social Security retirement benefits on the DI program</li> </ol> <p>Prepare analyses on the following topics:</p> <ol style="list-style-type: none"> <li>1. Labor force transitions in the elderly population;</li> <li>2. Implications for retirement income security of shifts from defined benefit to defined contribution plans through study of lump-sum payments from employer pensions;</li> <li>3. Differences across subgroups in saving;</li> <li>4. International retirement policy reforms</li> </ol> <p>Prepare analyses on the distributional and fiscal effects of solvency proposals developed by the Administration, Congress, and other policy makers (we will analyze new proposals and/or modify analyses of previous proposals based on new data)</p>

***Objective: To promote policy changes, based on research and evaluation analysis, that shape the SSI program in a manner that protects vulnerable populations, anticipates the evolving needs of SSI populations, and integrates SSI benefits with other social benefit programs to provide a safety net for aged, blind, and disabled individuals.***

<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of the SSI program	Prepare summary and analysis on the barometer measures
Preparation of a report and completion of data collection on the SSI Childhood Disability Survey in order to assess the impact of welfare reform, identify areas of potential policy change, and develop options as appropriate	Complete interviewing for the first wave on the SSI Childhood Disability Survey
Preparation of analyses on sources of support for the SSI population in order to identify areas for better coordination with other social benefits and develop options as appropriate	Prepare analysis and report on child support enforcement
Preparation of analyses on SSI simplification opportunities	Prepare analyses of complex SSI policies

***Objective: To promote policy changes, based on research and evaluation analysis, that shape the disability program in a manner that increases self-sufficiency and takes account of changing needs based on the medical, technological, demographic, job market, and societal trends.***

<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Increase in number of DI adult worker beneficiaries who begin a trial work period	10%
Increase in number of SSI disabled beneficiaries, aged 18-64, participating in 1619(a)	10%
Preparation of a research design to develop techniques for validating medical listings	Prepare a preliminary report on the development of the validation methodology
Preparation of reports on results of the National Study of Health and Activity in order to identify potentially eligible disabled populations, interventions that enable continued work effort among the disabled, and guide changes to the disability decision process	Initiate main study data collection
Prepare analysis of alternative return-to-work strategies	Design and initiate implementation of demonstration projects



***Objective: Provide information for decisionmakers and others on the Social Security and Supplemental Security Income programs through objective and responsive research, evaluation, and policy development***

<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Percent of customers assigning a high rating to the quality of SSA's research and analysis products in terms of accuracy, reliability, comprehensiveness, and responsiveness	Establish a baseline
Percent of major statistical products that are timely	Establish a baseline for percent of major statistical products that are produced on schedule

**Strategic Goal: To deliver customer-responsive world-class service**

***Output Measures for Major Budgeted Workloads***

• RSI claims processed	3,083,000
• SSI aged claims processed	136,400
• Initial disability claims processed	2,057,000
• Hearings processed	582,000
• SSN requests processed	16,300,000
• 800-number calls handled	57,000,000

***Objective: By 2002, to have 9 out of 10 customers rate SSA's service as "good," "very good" or "excellent," with most rating it "excellent"***

<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Percent of SSA's core business customers rating SSA's overall service as excellent, very good or good	89%
Percent of SSA's core business customers rating SSA's overall service as excellent	40%
Percent of employers rating SSA's overall service as excellent, very good or good	94%
Percent of employers rating SSA's overall service as excellent	16%
Percent of callers who successfully access the 800-number within 5 minutes of their first call	92%
Percent of callers who get through to the 800-number on their first attempt	86%
Percent of public with an appointment waiting 10 minutes or less	85%
Percent of public without an appointment waiting 30 minutes or less	70%
Percent of 800 number calls handled accurately	90% service 95% payment

<b>Strategic Goal: To deliver customer-responsive world-class service</b>	
<b>Objective: By 2002, to increase the range of program information services available to customers over the phone and electronically</b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
New or expanded service available over the phone	Take retirement or survivors claims immediately over the telephone, or in person, as long as the applicant has all the information needed – fully implemented
New or expanded service available electronically	Pilot/implement additional forms and transactional services, including: <ul style="list-style-type: none"> <li>• Retirement and Survivors claim forms; and</li> <li>• Additional on-line transactional services for beneficiaries; and</li> <li>• Establish an Electronic Death Certification pilot with the Bureau of Vital Statistics; verification of name/SSN match before sending data to SSA</li> </ul>
Number of customers accessing Social Security Online	23 million (as measured by SSA servers)
Number of online Social Security Statement requests as compared to the number of 800 Number ARU Social Security Statement requests	50 percent initiated on Internet
<b>Objective: To raise the number of customers who receive service and payments on time</b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Initial disability claims average processing time (days)	117 days
Hearings average processing time (days)	208 days
Percent increase in PPWY in hearings process	14%
Percent of OASI claims processed by the time the first regular payment is due or within 14 days from effective filing date, if later	83%
Percent of SSI aged claims processed by the time the first regular payment is due or within 14 days of the effective filing date, if later	TBD Once baseline established
Percent of original and replacement SSN cards issued within 5 days of receiving all necessary documentation	97%

<b>Strategic Goal: To make SSA program management the best-in-business, with zero tolerance for fraud and abuse</b>	
<b><i>Output Measures for Major Budgeted Workloads</i></b>	
<ul style="list-style-type: none"> <li>• Periodic review CDRs processed</li> <li>• SSI non-disability redeterminations</li> <li>• Annual earnings postings</li> <li>• Representative payee actions</li> </ul>	1,729,000 2,050,000 259,400,000 7,461,900
<b><i>Objective: To make benefit payments in the right amount</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Dollar accuracy of OASI payment outlays: % w/o overpayments	99.8%
% w/o underpayments	99.8%
DDS net decisional accuracy rate	97%
DDS allowance performance accuracy rate	96.5%
DDS denial performance accuracy rate	93.5%
OHA decisional accuracy rate	87%
Dollar accuracy of SSI payment outlays: % w/o overpayments	95.5%
% w/o underpayments	98.8%
Percent of Social Security numbers issued accurately	99.8%
<b><i>Objective: To become current with DI and SSI CDR requirements by 2002</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Percent of multi-year (FY 1996-2002) CDR plan completed	83%
<b><i>Objective: To maintain through 2002, current levels of accuracy and timeliness in posting earnings data to individual's earnings records</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
<ul style="list-style-type: none"> <li>• Percent of wage items posted to individuals' records by September 30</li> <li>• Percent of earnings posted correctly</li> </ul>	98% 99%
<b><i>Objective: To aggressively deter, identify and resolve fraud</i></b>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Number of investigations conducted (i.e., closed)	8,000
OASDI dollar amounts reported from investigative activities	\$55 million
SSI dollar amounts reported from investigative activities	\$90 million
Number of criminal convictions	2,500

<b>Strategic Goal: To make SSA program management the best-in-business, with zero tolerance for fraud and abuse</b>	
<i>Objective: To increase debt collections by 7 percent annually through 2002</i>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
OASDI debt collected	\$1,364.1 million
SSI debt collected	\$732.7 million

<b>Strategic Goal: To be an employer that values and invests in each employee</b>	
<i>Objective: To provide the necessary tools and training to achieve a highly skilled and high-performing workforce</i>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Percent of offices with access to Interactive Video Training/Interactive Distance Learning (IVT/IDL)	100%
Formal management development programs implemented	All leadership programs continued. Decisions on future SES/CDP & ALP have yet to be made.
Percent of managerial staff participating in management/leadership development experiences	33 1/3%
<i>Objective: To provide a physical environment that promotes the health and well-being of employees</i>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Percent of employees reporting they are satisfied with the level of security in their facility	75%
Percent of environmental air quality surveys completed and percent of the corrective actions taken when called for	20% facilities surveyed, 75% corrective actions taken
Number of facilities having water quality testing and percent of corrective actions taken when called for	42 facilities tested, 100% corrective actions taken
Number of relocated offices having security surveys and percent of SSA accepted security recommendations implemented	150 offices surveyed, 87% accepted recommendations implemented
<i>Objective: To promote an Agency culture that successfully incorporates our values</i>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Create Agency change strategy	Implement strategy
<i>Objective: To create a workforce to serve SSA's diverse customers in the twenty-first century</i>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Complete Agency plan for transitioning to the workforce of the future	Implement and update transition plan  Develop and implement action items from employee survey

<b>Strategic Goal: To strengthen public understanding of the Social Security Programs</b>	
<i>Objective: By 2005, 9 out of 10 Americans will be knowledgeable about the Social Security programs in five important areas</i>	
<b>Performance Indicator</b>	<b>FY 2001 Goal</b>
Percent of individuals issued Social Security Statements as required by law	100%
Percent of public who are knowledgeable about Social Security programs	70%

## Appendix 2

## Crosswalk of Performance Goals to Major Programs

<b>Strategic Goal: Responsive Programs</b>	<b>OASI</b>	<b>DI</b>	<b>SSI</b>
Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of OASDI programs	X	X	
Preparation of analyses and reports on the effect of OASDI programs on different populations in order to identify areas for policy change and develop options as appropriate	X	X	
Preparation of analyses and reports on demographic, economic, and international trends and their effects of OASDI programs in order to anticipate the need for policy change and develop options as appropriate	X	X	
Preparation of research and policy evaluation necessary to assist the Administration and Congress in developing proposals to strengthen and enhance the solvency of OASDI programs	X	X	
Identification, development, and utilization of appropriate barometer measures for assessing the effectiveness of SSI programs			X
Preparation of a report and completion of data collection on the SSI Childhood Disability Survey in order to assess the impact of welfare reform, identify areas of potential policy change, and develop options as appropriate			X
Preparation of analyses on sources of support for the SSI population in order to identify areas for better coordination with other social benefits and develop options as appropriate			X
Preparation of analyses of complex SSI policies			X
Number of DI adult worker beneficiaries who begin a trial work period		X	
Number of SSI disabled beneficiaries, aged 18-64, who are working			X
Preparation of a research design to develop techniques for validating medical listings		X	X
Preparation of reports on results of the National Study of Health and Activity in order to identify potentially eligible disabled populations, interventions that enable continued work effort among the disabled, and guide changes to the disability decision process		X	X
Prepare analysis of alternative return-to-work strategies		X	X
Percent of customers assigning a high rating to the quality of SSA's research and analysis products in terms of accuracy, reliability, comprehensiveness, and responsiveness	X	X	X
Percent of major statistical products that are timely	X	X	X



<b>Strategic Goal: World-Class Service</b>	<b>OASI</b>	<b>DI</b>	<b>SSI</b>
RSI claims processed	X		
SSI aged claims processed			X
Initial disability claims processed		X	X
Disability claims pending		X	X
Hearings processed	X	X	X
Hearings pending	X	X	X
SSN requests processed	X	X	X
800-number calls handled	X	X	X
Percent of SSA's core business customers rating SSA's overall service as "excellent," "very good" or "good"	X	X	X
Percent of SSA's core business customers rating SSA's overall service as "excellent"	X	X	X
Percent of employers rating SSA's overall service as "excellent," "very good" or "good"	X	X	
Percent of employers rating SSA's overall service as "excellent"	X	X	
Percent of callers who successfully access the 800-number within 5 minutes of their first call	X	X	X
Percent of callers who get through to the 800-number on their first attempt	X	X	X
Percent of public with an appointment waiting 10 minutes or less	X	X	X
Percent of public without an appointment waiting 30 minutes or less	X	X	X
Percent of 800 number calls handled accurately	X	X	X
New or expanded service available over the phone	X	X	X
New or expanded service available electronically	X	X	X
Number of customers accessing Social Security Online	X	X	X
Number of online Social Security Statement requests as compared to the number of paper 7004 Social Security Statement requests	X	X	X
Initial disability claims average processing time (days)		X	X
Hearings average processing time (days)	X	X	X
Percent increase in PPWY in hearings process	X	X	X
Percent of OASI claims processed by the time the first regular payment is due or within 14 days from effective filing date, if later	X		
Percent of SSI aged claims processed by the time the first regular payment is due or within 14 days of effective filing date, if later			X
Percent of original and replacement SSN cards issued within 5 days of receiving all necessary documentation	X	X	X

<b>Strategic Goal: Program Management</b>	<b>OASI</b>	<b>DI</b>	<b>SSI</b>
CDRs processed		X	X
SSI non-disability redeterminations			X
Annual earnings postings	X	X	
Representative payee actions	X	X	X
Dollar accuracy of OASI payment outlays: % w/o overpayments	X		
% w/o underpayments	X		
DDS net decisional accuracy rate		X	X
DDS allowance performance accuracy rate		X	X
DDS denial performance accuracy rate		X	X
OHA decisional accuracy rate		X	X
Dollar accuracy of SSI payment outlays: % w/o overpayments			X
% w/o underpayments			X
Percent of Social Security numbers issued accurately	X	X	X
Percent of multi-year (FY 1996-2002) CDR plan completed		X	X
Percent of wage items posted to individuals' records by September 30	X	X	
	X	X	
Number of investigations conducted (i.e., closed)	X	X	X
OASDI dollar amounts recovered from investigative activities	X	X	
SSI dollar amounts recovered from investigative activities			X
Number of criminal convictions	X	X	X
OASDI debt collected	X	X	
SSI debt collected			X
<b>Strategic Goal: Valued Employees</b>	<b>OASI</b>	<b>DI</b>	<b>SSI</b>
Percent of offices with access to Interactive Video Training/Interactive Distance Learning (IVT/IDL)	X	X	X
Formal management development programs implemented	X	X	X
Percent of managerial staff participating in management/leadership development experiences	X	X	X
Percent of employees reporting they are satisfied with the level of security in their facility	X	X	X
Percent of environmental air quality surveys completed and percent of the corrective actions taken when called for	X	X	X
Number of facilities having water quality testing and percent of corrective actions taken when called for	X	X	X
Number of relocated offices having security surveys and percent of SSA accepted security recommendations implemented	X	X	X
Create Agency change strategy	X	X	X
Complete Agency plan for transitioning to the workforce of the future	X	X	X
<b>Strategic Goal: Public Understanding</b>	<b>OASI</b>	<b>DI</b>	<b>SSI</b>
Percent of individuals issued SSA-Initiated Social Security Statements as required by law	X	X	
Percent of public knowledgeable about Social Security programs	X	X	X



## **Appendix 3**



# Description of Key Initiatives

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# **Automated Time and Attendance System**

*Lead SSA Official: Deputy Commissioner for Human Resources*

The purpose of this Key Initiative is to provide an employee-oriented Time and Labor system which will provide automated sign-in/sign-out capability, automated leave slip submission and approval, and a management information tool which SSA managers consider an essential step in enabling them to deal with the shortage of administrative support. It will provide the services necessary to acquire, edit, process and transmit time and attendance information. It will provide a platform to support management information requirements for time and attendance data.

Implementation will be rolled out through the year 2002.

## **Schedule:**

- |      |   |
|------|---|
| 2000 | Prepare cost-benefit analysis.                      |
|      | Prepare detailed training and implementation plans. |
|      | Acquire and modify software.                        |
|      | Conduct limited training and implement pilot.       |
| 2001 | Begin training and implementation of new system.    |



## **Combating Fraud**

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management  
Inspector General*

While SSA has a strong program to combat fraud, waste and abuse, we have identified several areas where more work is needed. While not an exhaustive list of the efforts SSA is making to combat fraud and recover overpayments, the following are the major areas of emphasis:

### **Fraud Prevention and Detection:**

- ❖ Implementing Border Office initiatives in an effort to verify U.S. residency for SSI recipients on both borders with addresses near borders.
- ❖ Revising the integrity review process by continuing the development of a Comprehensive Integrity Review Program (CIRP) to identify fraud prone situations and better focus security audits.
- ❖ Installing two-tiered personal identification number (PIN) control for certain automated transactions sensitive to fraud.
- ❖ Increasing efforts to publicize the Agency's initiatives to combat fraud and enhance public perception that SSA programs are well-managed.
- ❖ Updating internal procedures to reflect the current policy for addressing fraud related issues.
- ❖ Conducting international validation surveys.

### **Referrals and Investigations:**

- ❖ Establishing Electronic Crimes Teams to increase investigative and forensic capabilities allowing the Office of the Inspector General (OIG) to successfully engage criminal activity in an automated or electronic environment.
- ❖ Conducting cooperative pilots using Federal, State and local resources to investigate fraud.

### **Enforcement:**

- ❖ Implementing legislation to impose administrative sanctions in the form of periods of ineligibility on individuals who furnish inaccurate information in connection with a claim for benefits.

- ❖ Expanding Civil Monetary Penalty (CMP) authorities regarding the misuse of Social Security numbers and exclusion of beneficiaries.
- ❖ Enhancing the monitoring of restitution activity related to cases referred to the Inspector General resulting in court ordered restitution, and restitution activity resulting from civil referrals.
- ❖ Expanding Treasury Offset Program (TOP) to all delinquent debt.
- ❖ Implementing new collection tools made available by Congress, that is, cross program recoveries, administrative wage garnishment, Federal salary offset, interest charging, and the use of private collection agencies. (SSA has already implemented credit bureau reporting and administrative offset.)
- ❖ Implementing streamlined remittance processing.
- ❖ Completing the title II and title XVI debt management modernization.
- ❖ Establishing Office of General Counsel (OGC) pilot to increase prosecution of fraud cases referred to the United States Attorney's Office by SSA's OIG.

**Management Information and Control:** Designing appropriate data bases to track and monitor fraud referrals and administrative actions.

**Schedule:**

- 2000                      Continue development of CIRP, Release 3
- Implement projects critical to the modernization of the title XVI debt management system.
- Establish additional State Disability Determination Cooperative Disability Investigations Pilot Project sites.
- Refer delinquent administrative debts to the Department of Treasury for cross servicing.
- Implement cross-program recovery.
- Develop notices, procedures, and functional requirements for administrative wage garnishment.
- Implement Streamlined Remittance Process.
- Implement OGC Anti-Fraud Pilot.

2001

Evaluate and conclude OGC Anti-Fraud Pilot.

Continue modernization of the debt management systems.

Continue development and enhancement of new debt collection tools: cross-program recovery, administrative wage garnishment, cross servicing, Federal salary offset, credit bureau referrals, and the use of private collection agencies.

Evolve from residency verification in border areas to general SSA eligibility issues nationwide.

Continue expansion of the Cooperative Disability Determination Investigations Pilot sites.

Coordinate implementation of the Identity Theft and Deterrence Act of 1998 with the Federal Trade Commission.

Continue progress with the identification and referral of fugitive felons.

Reassess Agency vulnerability to employee fraud and develop additional countermeasures as needed.

Continue efforts to enhance the Agency's ability to protect critical infrastructures.

Implement CIRP, Release 3 (to encompass SSI reviews).

## **Competency-Based Human Resources Tools**

*Lead SSA Official: Deputy Commissioner for Human Resources*

To meet the needs of SSA's diverse customers as well as the changing environment as we enter the 21<sup>st</sup> century, SSA must clearly identify the skills needed by the future SSA workforce. Competency-based human resources tools will enable SSA to analyze employee performance in the job, determine what competencies are needed for employees to perform well, and identify training needs and hiring criteria.

### **Schedule:**

- |      |  |
|------|--|
| 2000 | Assess extent of appropriate person-to-job match with new hires and develop a competency contractor statement of work.   |
| 2001 | Develop and implement competency models and tools.<br>Evaluate their effectiveness for selection of new hires.<br><br>Expand use of competencies to select new SSA hires and for employee needs assessment and development purposes. |

## Continuing Disability Review Process Enhancements

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

Congress has provided authority for an increase in discretionary spending caps for FYs 1996-2002 to fund the cost of processing CDRs. In the fourth year of the revised 7-year plan SSA has made considerable progress in conducting CDRs of disability cases. The plan is designed to allow SSA to become current on title II CDRs by the end of FY 2000 and on title XVI CDRs by the end of FY 2002. The plan has allowed SSA to streamline the CDR process, and includes the following major areas of emphasis.

- ❖ Use of the profiling and mailing process enables SSA to conduct many reviews based on the beneficiaries' responses. If, however, the beneficiaries' responses to the mailer, when viewed in conjunction with other medical and historical data, indicate a possibility of medical improvement, a full medical review is initiated. SSA is implementing various innovations to improve the accuracy of the profiling to increase its ability to identify the factors that indicate medical improvement.
- ❖ Improvement of CDR case flow, management information and workload control systems to ensure operational components can adequately manage the heavy workloads. Other operational improvements include updating procedural instructions for SSA field offices and DDS'.

### Schedule:

- |      |  |
|------|--|
| 2000 | <p>Continue to monitor and evaluate the CDR mailer contract to determine its reliability as an instrument that accurately and consistently predicts the need for a full medical review.</p> <p>Continue to monitor and evaluate the CDR data management contract intended to improve the profiling process by analyzing the databases and data elements used for the CDR process.</p> <p>Review and revise prior assumptions and incorporate actual workload figures to revise the Agency's current 7-year CDR plan.</p> <p>Refine and enhance "medium profile" for title II cases.</p> <p>Determine the extent to which MINE cases can be processed via the mailer process.</p> |
| 2001 | <p>Finish statement of work for study/verification of the Medical Diary Process.</p> <p>Develop new profiles for Title XVI childhood cases.</p>  |

## **Create Strategy to Instill Values**

*Lead SSA Official: Deputy Commissioner for Human Resources*

The purpose of this Key Initiative is to promote an Agency culture that successfully incorporates its values. Our shared practices and group values create our culture. This initiative will build a culture that will support SSA's values, which are:

- ❖ To treat every individual with equal regard and respect.
- ❖ To act with integrity.
- ❖ To imbue quality in all we do and help others do the same.
- ❖ To remember that courtesy and compassion mean everything.
- ❖ To listen carefully and to act on what we hear.
- ❖ To respect stability and embrace change, keeping what works and changing what could work better.
- ❖ To value diversity.
- ❖ To discharge faithfully our role as guardians of the public trust.
- ❖ To act with this thought in mind: to millions of people, we are "the government."

SSA is performing a baseline study, gap analysis, and benchmarking study, leading to the creation of a change strategy. We will design and begin implementation of the change strategy in FY 2000. As a result of our renewed culture, all employees will exhibit SSA's values when they provide direct service to our customers.

### **Schedule:**

- |      |  |
|------|--|
| 2000 | Develop and implement change strategy. |
| 2001 | Continue change process.               |

## **Diverse Workforce/Transition Plan**

*Lead SSA Official: Deputy Commissioner for Human Resources*

This Key Initiative has four major purposes:

- ❖ To create a SSA workforce of diverse employees.
- ❖ To hire and retain employees who are well qualified and satisfied.
- ❖ To provide employees with proper tools, training, environment and leadership.
- ❖ To ensure that employees provide world-class service to SSA customers now and in the future.

The SSA Future Workforce Transition Plan will:

- ❖ Help us acquire the workforce we need for the future, through recruitment of new employees and training of current employees.
- ❖ Help employees achieve satisfaction with work, family and career goals.

SSA is collecting baseline information on employee and Agency needs, both now and into the future. Gaps will be analyzed and actions planned. Strategies for hiring, training, and retaining employees will be developed and implemented.

SSA has already:

- ❖ Developed a strategy for hiring underrepresented groups.
- ❖ Convened a management/union partnership workgroup to develop recommendations on family/friendly workplace issues, which are being implemented.
- ❖ Issued a report on the needs of our employees with disabilities. Convened an ongoing team to enhance services to these employees.
- ❖ Issued a Retirement Wave study report.
- ❖ Issued a management/union partnership report that identifies barriers to our “One Agency Concept” and proposes solutions.

### **Schedule:**

2000            Continue to develop, implement and evaluate competency models.

2000-2001    Conduct and evaluate employee satisfaction surveys.

                  Continue to develop, deliver and evaluate training for employees with disabilities.

                  Annually update Transition Plan.

## Earnings Improvement Program

*Lead SSA Officials: Deputy Commissioner for Finance, Assessment and Management and Deputy Commissioner for Operations*

SSA has developed a comprehensive 5-year plan for further improvement of the earnings process systems. The plan includes all the following major activities:

**Reduce Earnings Suspense File (ESF):** The purpose of this initiative is to reduce both the rate of growth of the ESF and the size of the existing file. Accretion prevention measures will focus on improved SSA and employer awareness and accountability, outreach to problem industries, States and employers, strengthened SSA validation capabilities, better use of verification services and improved policy and enforcement activities. To reduce the size of the existing file, SSA will analyze the composition of the ESF to identify problems and select strategic opportunity areas, and develop an implementation strategy and schedule focused on identified opportunities.

**Earnings Process Improvements:** SSA has formulated plans to improve the manner in which earnings are established, corrected and adjusted, provide a more convenient way for wage data to be accessed by both employers and employees, and improve coordination among the various SSA data files--over 60--that contain related information about employers, employees and the wages associated with each. Additionally, the plans provide the infrastructure support to prepare SSA's earnings systems to accommodate more electronic business, especially to use the SSA's Internet as a primary method of conducting earnings business with all our customers.

There are currently six different programs that provide earnings history and benefit estimates to SSA customers. These programs evolved at different times in the past, for different purposes, and they do not produce consistently uniform results. In addition, SSA is concerned that today's Social Security Statement process (formerly known as Personal Earnings and Benefit Estimate Statement (PEBES)) process limits customer options. Currently, the Social Security Statement provides age 62 and full retirement age benefit estimates. Individuals often want to have several estimates between age 62 and full retirement age when deciding to make a retirement decision. To address these problems, SSA will develop a single algorithm/computer routine to provide program benefit estimates and will provide options for customers to request benefit estimates using variable assumptions about earnings and other factors relevant to the computation.

**Earnings Management Information:** SSA will provide integrated, reliable management information (MI) to decision makers who are responsible for improving earnings accuracy and timeliness and for ensuring customer focused support and services. SSA's strategy is to develop a universal Earnings Data Warehouse. Detailed earnings transaction data will be housed in flexible relational database management systems. Customers will be given tools for easy access to the data from their workstations.



**Schedule:**

2000      Begin 100% SSA-initiated Social Security Statements.

2001      Complete development of the overnight verification system and incorporate user enhancements.

Complete work on the changes for AWR Tax Year 2000 processing.

## **Electronic Disability System (eDIB)**

*Lead SSA Official: Deputy Commissioner for Systems*

From the knowledge gained in testing disability process redesign concepts, SSA has updated its strategy for achieving improvements in the administration of the disability program. In March 1999, the Agency set forth the next steps in disability process redesign, as well as new and expanded program initiatives.

One such initiative is to replace the Reengineered Disability System (RDS) project with the Electronic Disability System (eDIB). The eDIB project builds on lessons learned from the RDS and an independent consultant assessment of the RDS pilot. The objective of eDIB is to develop a fully electronic process that supports the planned improvements to the disability program. The electronic process accomplishes the following:

- ❖ Improve the availability of disability information across processing components by eliminating reliance on paper folders.
- ❖ Reduce the cost of mailing, handling, and storing paper folders. Reduce time spent rearranging and photocopying paper files.
- ❖ Leverage the investment in distributed DDS systems by creating interface with the electronic folder.
- ❖ Improve the disability interview process by providing automated interview screens as well as a method to electronically capture accurate application data provided by clients.
- ❖ Enhance processing of disability claims in the hearing office.
- ❖ Provide a method for exchanging medical records with the health care industry.
- ❖ Define electronic folder standards.

The eDIB is essential to removing the paper folder from the disability claims process. As the new system is being developed, we will study the effects of a paperless process upon adjudication methods. We will also study and apply changes to the process incrementally:

1. Conduct a proof-of-concept – This demonstrated how key information collected through the disability interview process will be stored in an electronic folder. An existing DDS system accessed the electronic folder and imported some information to begin the adjudication of the claim. The initial activity began in July 1999 in a laboratory environment. A second version was implemented in December 1999 which incorporated some of the results of the initial test. Plans are underway to move to the next step and make eDIB ready for processing live cases.
2. Migrate to electronic processing – Continuous improvement of eDIB will result in a product that can be used in live production sites. The first implementation is planned for the Delaware DDS and field offices during the third quarter of FY 2000. This step will help identify the standard requirements for the eDIB electronic folder.
3. Develop eDIB folder standards – As eDIB is built, SSA will conduct early pilots to test the new electronic process and identify those pieces of information that are necessary for processing a disability claim. Supporting information will be included

as images of the original documents. To process the information, SSA will establish hardware and software infrastructure for eDIB. This activity will result in electronic folder standards that will be used by DDS software vendors to interface eDIB with individual State systems. The standards will be ready in early FY 2001 and it is possible that some DDS pilots of eDIB could begin later in the year.

4. Interface distributed systems with eDIB – As the DDS systems are interfaced with eDIB, other SSA components will need to interface with eDIB. As the requirements are identified, the necessary links will be built. Ultimately, every component involved in the disability program will share information with eDIB. Since the hardware necessary to support eDIB will be identified and tested during FY 2001, the rollout of eDIB may need to be planned as part of a future IWS/LAN replacement.

Electronic processing is essential to SSA's overall approach to meeting the challenges of improving the Agency's disability system capability. The following shows the high level timeframes for achieving the eDIB objectives:

**Schedule:**

- |      |  |
|------|--|
| 2000 | Establish eDIB in the Delaware DDS and field offices.<br><br>Conduct early electronic folder pilots in New York, Wisconsin, and California |
| 2001 | Establish eDIB standards for hardware and software interface with other DDS systems.   |

## Electronic Payment Services

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management*

This Key Initiative has three major purposes:

- ❖ To implement the provisions of the Debt Collection Improvement Act of 1996, which require all Federal payments to be delivered by means of electronic funds transfer;
- ❖ To improve public service and administrative efficiency by expanding SSA's use of the Automated Clearing House system to facilitate the exchange of program-related information; and
- ❖ To modernize the payment disbursement process to take maximum advantage of an all-electronic payment environment.

**Electronic Funds Transfer 99 (EFT99):** The EFT99 provision of the Debt Collection Improvement Act of 1996 requires all Federal payments, with the exception of tax refunds, to be made electronically by January 2, 1999. Implementation of EFT99 is complete and provides Federal payment recipients a range of payment choices including traditional direct deposit accounts, low-cost electronic transfer accounts, electronic benefits transfer, and self-determined waivers for recipients for whom compliance with EFT99 would be a hardship. SSA will continue to work closely with the Treasury Department to encourage the use of EFT among the remaining 13 million check recipients who are receiving Social Security and SSI checks. In addition, SSA is working to make Treasury's electronic transfer account web site available in SSA field offices to better serve recipients who inquire about their payment options.

**Use of the National Automated Clearinghouse (ACH):** As the number of beneficiaries being paid electronically increases, SSA and the financial community become more dependent upon each other for the exchange of both payments and payment-related information. The natural pathway for this exchange is the ACH system, which is maintained mostly by the Federal Reserve.

SSA has taken the lead within the Federal community in using the ACH to improve communications with the Nation's financial institutions and, thereby, achieve improved service and efficiency. Examples of achievement include notifying banks immediately via the ACH when a recipient with direct deposit dies (to eliminate overpayments) and electronic notice to SSA from the bank when a beneficiary enrolls for direct deposit. SSA has improved EFT services for representative payees by providing additional identifying information with the payment record. SSA is investigating the feasibility of using the ACH to replace the current manual processes we use to verify bank balances for SSI applicants and to enable banks to notify SSA when a direct deposit customer changes his/her residence address.

## **Modernize the Disbursement Process**

This initiative will change the way the 3<sup>rd</sup> of the month Social Security payment file is delivered to Treasury. Currently, changes to the 3<sup>rd</sup> of the month master file are sent to Treasury throughout the month. With this initiative, the entire payment file is sent each month for processing. This will permit SSA to hold the payment files as long as possible, allowing the maximum amount of time to act on late reports of death or other post-entitlement events affecting the next scheduled payment.

### **Schedule:**

- |      |  |
|------|--|
| 2000 | EFT99—Implement final phase. Assumes Treasury’s Electronic Transfer Accounts are available by 01/00.           |
| TBD  | ACH Initiative—Determine feasibility of using ACH to verify data.  |
| TBD  | Modernize the Disbursement Process—EFT file certification in ACH format for 3 <sup>rd</sup> of the month file. |

# Electronic Records Management

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management*

The purpose of this Key Initiative is to make certain that SSA takes the steps necessary to implement an electronic record-keeping system to appropriately manage all of its administrative electronic records. These records include word processing documents, electronic spreadsheets and E-mail. In the past, there was a lot of flexibility with the management of electronic records. Under General Records Schedule (GRS)-20, a guideline provided by the National Archives and Records Administration (NARA), Federal agencies were allowed to destroy electronic records once a hard copy had been produced. In 1996, an advocacy group challenged NARA's authority to allow destruction of electronic records under GRS-20 and the issue was taken to Court (Citizens versus Carlin). Initially, the U.S. District Court for the District of Columbia ruled GRS-20 to be "null and void" and NARA was directed to provide agencies with guidelines on managing electronic records. In a subsequent appeal, however, this ruling was reversed by the United States Court of Appeals (August 06, 1999). What this recent reversal means to mandatory electronic records management is unclear at this time. However, regardless of the outcome of the above Court battle, the current business trend is towards the prudent management of all electronic records. NARA is now advising agencies to direct their resources towards planning for the implementation of an electronic record keeping system. Also, the Government Paperwork Elimination Act (GPEA), which takes effect in FY 2004, continues to provide a strong impetus for all Federal agencies to develop and maintain the capability to manage records electronically for their full legal retention period. Under GPEA (Public Law 105-277), by October 2003, agencies must give persons and entities that are required to maintain, submit or disclose information to the Federal Government, the option of doing so electronically when practicable as a substitute for paper. Accordingly, SSA must continue with this important Key Initiative, in the most cost-effective manner possible, as detailed below.

## **Schedule:**

- 2000            Finalize Project Scope Agreement with the Office of Systems.
  
- 2001            Conduct pilots to test available software packages.
  - Evaluate pilots.
  - Select software package.
  - Finalize procurement package.

## **Electronic Service Delivery**

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

The purpose of the Electronic Service Delivery (ESD) initiative is to further expand customer options for convenient, cost-effective, secure, and user-friendly electronic services. Major activities fall into two key areas: Internet Customer Services and Field Office Customer Assistance.

**Internet Customer Services:** SSA has a World Wide Web Home Page on the Internet that has been the recipient of numerous awards for its clarity, rich content, and usefulness to the public. We project that SSA will serve 15.8 million Internet customers in 2000. Our FY 2001 goal is to serve 23 million customers. With the growth of online direct services as a “best” business practice, customers expect SSA--like other world-class service providers--to offer an ever-increasing range of services via the Net.

One of the barriers to expanded Internet services is the need for reliable ways to authenticate electronic customers. We are examining a broad range of possible authentication solutions including digital certificates and Pin/Password technology. SSA will employ appropriate levels of authentication for all electronic services and applications introduced on the Internet.

Two other important concerns are being addressed. At times, in order to complete their electronic transactions, customers must be able to get assistance (i.e., online Frequently Asked Questions (FAQs), a video clip showing what to do, an automatic link to SSA’s 800 number, etc.). SSA has established a “lab” for assessing customer support technologies. In addition, SSA will be soliciting input from customers and stakeholders concerning implementation of Internet suites of services and customer support.

### **Schedule:**

2000            Obtain stakeholder input.

Provide frequently used forms online that customers can print and complete in paper while electronic versions are being developed, per the Government Paperwork Elimination Act and the White House memorandum of December 17, 1999.

Begin developing the policies and technical architecture for authentication, including:

1. Establishing a methodology for assessing application risk.
2. Establishing PIN/Password policies for online claimants and beneficiaries.
3. Conducting pilots with employers and the medical community to demonstrate the use of digital certificates.

4. Continuing to play a key role in developing national policy for customer authentication by participating in the Federal Public Key Infrastructure (PKI) Steering Committee and other government/private sector partnership efforts.

Pilot and evaluate two services from the Retirement suite—the Retirement Planning capability and electronic collection of Retirement Claim information.

Implement an ongoing program to make the public aware of new electronic options for conducting business and how to be authenticated to use them.

Reevaluate strategy based on customer activity and input, as new Agency direction is articulated, adjust milestones accordingly.

2001 Pilot/implement additional forms and transactional services including:

- New retirement and survivors claim forms;
- New on-line transactional services for beneficiaries; and
- Establish an Electronic Death Certification pilot with the Bureau of Vital Statistics verification of name/SSN match before sending data to SSA.

Evaluate resources and other requirements for online inquiries and customer support involving interaction with SSA employees.

Reevaluate strategy periodically and, as new Agency direction is articulated, adjust milestones accordingly.

**Field Office Customer Assistance:** SSA has implemented a small proof-of-concept to test user-friendly kiosks in selected SSA field offices for evaluation of customer acceptance as well as costs and benefits. SSA customers who visit field offices may complete certain forms necessary for the service to be finalized on a face-to-face basis. Integration of customer-completed electronic forms into field office work flows and customer satisfaction will also be evaluated as part of this study.

**Schedule:**

2000 Evaluate results of prototype and decide how to proceed.

2001 TBD



## **Employment Strategy for People with Disabilities**

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

This Key Initiative is a comprehensive program to ensure a substantial increase in the number of beneficiaries who return to work and achieve self-sufficiency. It includes all the following activities:

**The Ticket to Work and Self-Sufficiency Program:** In FY 2001, SSA will begin to implement the Ticket provisions mandated by Public Law (P.L.) 106-170, the Ticket to Work and Work Incentives Improvement Act of 1999. Under this new law, a disabled beneficiary would be issued a Ticket that he or she may assign to an approved provider of services --called an Employment Network (EN)—and receive vocational rehabilitation and employment services. If the beneficiary returns to work and stops receiving disability benefits due to earnings, the EN will be paid under a performance based system, either an outcome-payment or an outcome milestone payment.

We will begin to implement the Ticket Program in some states in January 2001. The program will be phased in nationally over a three year period. The Program Manager will be operating and Employment Networks will be under contract to SSA in these states. Tickets will be issued to some beneficiaries. New work incentive provisions will be available nationwide including extended Medicare coverage for persons who work, expedited reinstatement to benefits for persons who must stop working because of their medical condition and suspension of continuing disability reviews for persons using a ticket.

Under other provisions of this legislation, SSA will establish a national grants program that will provide beneficiaries with benefits planning assistance and protection and advocacy services to support their efforts to gain employment.

**Expanded Health Insurance for People with Disabilities Who Are Working:** SSA is collaborating with the Health Care Financing Administration (HCFA) to encourage States to extend Medicaid coverage to working disabled beneficiaries in accordance with provisions of the Balanced Budget Act of 1997. Several States have plans in place, and our objective is to educate consumers and State officials about the importance of assuring the availability of health insurance to beneficiaries who are working or want to work.

SSA is also working with HCFA on the implementation of the health insurance provisions of P.L.106-170, to provide extended Medicare coverage for SSDI beneficiaries who have gone to work, and expanded State options to provide Medicaid for workers with disabilities.

SSA, HCFA, and other Federal agencies are holding public education forums across the country on methods to improve employment outcomes for people with disabilities. These events are also publicizing innovative health care options. SSA has also conducted joint

outreach activities with HCFA to increase public awareness of the Qualified Disabled and Working Individual (QDWI) buy-in program for Part A Medicare.

**Vocational Rehabilitation (VR) Program Enhancements:** SSA is currently using contractor and interagency agreement resources to assist with improving the rehabilitation and employment opportunities available to beneficiaries with disabilities. The objective is to make VR services more readily available to both SSA-referred and self-referred individuals while improving the administration and cost-effectiveness of the VR program.

During FY 2000, SSA will begin the transition from the current VR Reimbursement Program to the Ticket to Work program. State VR agencies will retain the option under P.L.106-170 of continuing to receive payments for the cost of VR services under the current reimbursement program or to receive the same performance-based payments as non-State Employment Networks will be eligible to receive. SSA will begin phasing out the use of alternate participants and move toward the use of employment networks to provide services to beneficiaries who assign their tickets to such networks.

**Employment Strategy Research:** SSA has begun testing new ways to increase opportunities for beneficiaries with disabilities to receive the information and services they need to work. SSA has begun and will continue to fund projects that will broaden understanding of SSA's work incentives as well as projects that deliver direct services to beneficiaries and applicants.

❖ State Partnership Initiative (SPI)

The SPI initiative is designed to help States develop innovative and integrated, state-wide programs of services and supports for their residents with disabilities in order to increase job opportunities and decrease dependence on public benefits, including Social Security Disability Insurance and Supplemental Security Income.

In 1998, SSA awarded cooperative agreements to 12 States under the State Partnership Initiative (SPI) to develop innovative projects to assist adults with disabilities to reenter the work force. The States are: California, Illinois, Iowa, Minnesota, New Hampshire, New Mexico, New York, North Carolina, Ohio, Oklahoma, Vermont, and Wisconsin.

The cooperative agreements include funding from the Department of Health and Human Services and the Department of Labor. We expect to fund this program for five years. In 1998, SSA has awarded a contract to Virginia Commonwealth University to provide technical assistance to the States and to monitor and collect data on the State projects.

❖ New Demonstrations

In FY 2000 and 2001, SSA will develop new demonstrations as called for in Public Law 106-170. Areas of interest include early return-to-work intervention and employer incentives.

**Policy Development and Education:** On July 1, 1999, SSA increased the monthly earnings guidelines that are used in determining whether the work activities of a person with impairments other than blindness demonstrate that he or she is able to perform substantial gainful activity (SGA). Under the new rule, the \$500 amount rises to \$700 per month. The new rule also applies to self-employed workers in certain circumstances.

SSA is considering additional changes to our rules regarding work, including increases to the SGA amount, changes to the student earned income exclusion limits, and increases to the trial work period services amount. We expect that these changes will provide real incentives for beneficiaries to attempt to work and greater financial value for working beneficiaries to keep working or increase their work effort.

SSA is developing new public information materials to improve awareness and understanding of our work incentives. We are also reviewing existing publications, including the popular "Red Book" and "Graduating to Independence" and will revise them in FY 2000 and 2001.

**Service Delivery:** SSA is designing a new service delivery model to address the needs of beneficiaries who want to work. This initiative seeks to improve customer service in this area by dedicating specially trained field personnel to focus on working beneficiaries; by training SSA staff and our partners in the disability community on Social Security's employment and support provisions; by increasing electronic services and by providing employees and the public with better information about Social Security programs that encourage work.

SSA has created a new Employment Support Representative (ESR) position to provide front-line service to beneficiaries and others in the disability community. The ESR position will be tested in 32 locations across the country in FY 2000 and evaluated in FY 2001.

**Youth Transition and Continuing Disability Reviews:** This initiative explores a unique continuing disability review (CDR) process for youth aged 16-25 that will assist SSA in evaluating the work potential of this age group. Assessments will be made of the young persons' capabilities, e.g., language skills, physical capabilities and emotional strengths, to determine the type of education, training, special equipment, or other accommodations the young people with disabilities will need to prepare them for the transition from school to work. Provision for necessary equipment/services will actually be arranged for a sub-sample of this group.

**Schedule:**

- 2000            Distribute revised "Graduating To Independence" and "Red Book"  
  
                  Inaugurate new SSA website focused on "Return to Work"  
  
                  Monitor and evaluate performance of the RSVP contractor  
  
                  Implement effective provisions of Public Law 106-170  
  
                  Test Employment Support Representative (ESR) position.  
  
                  Conduct communication campaign designed to heighten employee  
                  understanding of the agency's return-to-work mission and their role  
  
                  Solicit public input for research and demonstration projects.
- 2001            Implement Ticket to Work and Self-Sufficiency Program  
                  (Public Law 106-170)  
  
                  Evaluate ESR pilots and plan for nationwide implementation  
  
                  Increase electronic services for working beneficiaries  
  
                  Report preliminary results of SPI projects  
  
                  Monitor benefits planning and assistance grants  
  
                  Conduct research and demonstration projects

## **Enhance Environmental Health and Physical Security in the Workplace**

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management*

In recent years, SSA has implemented many measures to enhance the environmental health and physical security of the workplace. The following are some of the most significant:

- ❖ A Union/Management Health and Safety Partnership Committee to provide oversight was established.
- ❖ SSA has completed a security evaluation of all field facilities.
- ❖ SSA has hosted Security Conferences each year from 1996 to 1999 for staff from all Headquarters and field components to heighten awareness and to provide a forum for employee input.
- ❖ A program of air quality testing has been implemented. The goal is to evaluate twenty percent of all SSA offices each year, with 75 percent of all required corrective actions identified in the comprehensive surveys being completed. In FY 1999, we exceeded our evaluation goal and completed surveys in 37 percent of SSA's field offices.
- ❖ A program of water sampling has been implemented. By the end of FY 2001, all SSA field offices will be evaluated and 100 percent of identified problems will be corrected. Over 660 field offices received water sampling in FY 1999.
- ❖ Environmental Health and Safety Comprehensive Assessments have been implemented. Assessments will be conducted in 10 percent of SSA facilities nationwide by the end of FY 2000.
- ❖ CPR training and supplies were provided for employee volunteers at SSA facilities nationwide.
- ❖ An employee survey is conducted biennially to assess employee satisfaction with the security of their offices. The results of the 1998 survey were available in FY 1999 and showed that 74 percent of the employees expressed satisfaction with the physical security of their offices, measured against our goal of 70 percent.

SSA is committed to continue these programs and correct problems as they are identified. The following are the most important activities planned for 2000-2001.

**Schedule:**

2000 Implement the hazard communication program in all field facilities.

Continue air and water quality sampling and timely remediation. Starting in FY 2000, schedule air and water quality surveys in coordination with asbestos surveys.

Continue Environmental Health and Safety Comprehensive Assessments.

Continue CPR training and provision of supplies to employee volunteers.

Continue enhancements to physical security.

2001 Continue air, water quality and asbestos surveys and timely remediation.

Continue Environmental Health and Safety Comprehensive Assessments.

Continue CPR training and provision of supplies to employee volunteers.

Continue enhancements to physical security.

## **Expand Electronic SSN Verification Services**

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management*

This is an initiative to provide employers with expanded name/SSN verification services. The most significant goal is to provide employers an electronic service for verification of SSNs. Employer validation services will be provided on-line, 10 at a time with an immediate response, as well as in batches (overnight response) for larger files. This initiative also includes planned SSA efforts to promote a general increase in the use of electronic SSN verification services.

It includes communications and marketing, particularly to employers who have significant numbers of wage items going into the Earnings Suspense File--that is, wage items which cannot be matched to any valid SSN. The implementation of this system will result in fewer wage items with invalid name/SSN combinations, thus reducing the Agency's Earnings Suspense File's rate of growth.

### **Schedule:**

- |      |  |
|------|--|
| 2000 | Implement initial Internet Electronic Enumeration Verification Service.      |
| 2001 | Expand employer participation and implement employer requested enhancements. |

## Expand Electronic Wage Reporting

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management*

A market analysis conducted by Lockheed Martin Corporation for SSA in 1996 indicates that, if SSA establishes and publicizes an infrastructure to accept electronic wage reports, it can expect electronic wage reports to be more than 22.7 percent of all submissions by the year 2005. This study is currently being updated. In the near term, a bulletin board facility is expected to be the single most popular electronic alternative. In the future (3 to 5 years), the Internet is expected to be the most popular alternative for annual wage reporting submissions. Electronic wage reporting capability will not only provide the business community additional easy-to-use and cost-effective ways to file wage reports but also lower SSA's processing costs, capture data more quickly and transmit information to the Internal Revenue Service within shorter time frames.

SSA has already completed proof-of-concept testing of wage reporting and has demonstrated that such reporting can be implemented securely and cost-effectively. SSA will not, however, be able to support this level of demand in a cost-effective manner with our current systems. Responding to this challenge, SSA plans to:

**Expand Voluntary Electronic Reporting:** SSA will provide more and better access methods and support services for electronic filers. These will include:

- ❖ Capability for employers to report via the Internet and dedicated lines
- ❖ Capability for employers to file reports via value-added networks
- ❖ A variety of responsive and convenient help desk services
- ❖ Facility for employers to download shareware and other wage reporting software

### **Schedule:**

2000      Expansion of Magnetic Media Reporting and Electronic Filing (MMREF-revised reporting format) processing capability based on prior tax year experience.

Initial User Registration System.

Test Internet acceptance .

Redesign of diskette processes.

Initial Customer Support (Help desk via toll-free number).

2001      Reengineered magnetic tape process.

Full user registration system .

Analysis of initial electronic error notices.

Develop initial internet reporting capability.



## **Financial/Administrative Systems**

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management*

The purpose of this Key Initiative is to modernize SSA's financial/administrative processes and systems. It includes three sub-initiatives: Managerial Cost Accountability, Electronic Payments, and replacing the Agency's Accounting System.

The Managerial Cost Accountability Process (MCAP) and System (MCAS) will modernize the way SSA collects, organizes and provides management and financial information for SSA's programs and operations to SSA managers, analysts and outside entities which oversee SSA. MCAS fulfills a commitment to Congress to develop and implement this process and system, and is essential to meeting the government-wide requirements of the Federal Financial Accounting Standard (SFFAS) #4, Managerial Cost Accounting Standards. MCAP/MCAS will provide essential data to track our Strategic Goals and Objectives and determine the resources which each consumes. They will provide detailed managerial cost accountability for all SSA workloads and programs at all organizational levels, will facilitate the identification of best practices, and will help improve productivity.

The Electronic Payments (EP) sub-initiative will allow SSA to convert the significant number of Treasury checks and third party drafts issued for administrative payments to electronic funds transfer (EFT) and create a paperless business process for administrative payments and related customer service. This conversion is necessary to implement the stringent vendor payment requirements of the electronic payment provisions in the Debt Collection and Improvement Act of 1996. In addition, EP will result in significant Agency savings from the reduction in payments and better overall management of SSA funds by integrating the administrative payment processes with SSA's central accounting system.

SSA will be replacing the Financial Accounting System (FACTS) within the next 3 years. This sub-initiative will provide a comprehensive financial accounting system replacing accounts payable, accounts receivable, and core accounting systems currently included in the FACTS. Replacing FACTS is mandatory since many new regulatory and federal financial accounting standards, including SFFAS #4 (above) and OMB Circular A-127; Financial Management Systems must be implemented. Incorporation of these requirements is necessary for SSA to continue to receive an unqualified opinion on our annual financial statements. Overall, this sub-initiative will provide for better control of Agency funds and provide data consistency across the Agency.

## Schedule:

- 2000      MCAP/MCAS – Project staff will be assigned to pursue detailed user outreach, project planning, requirements development and project management. The project will be segmented and approached through incremental releases. We will explore the availability of suitable commercial off-the-shelf software, and then determine the most cost-effective means for acquiring or developing MCAS.
- EP – A pilot to interface the existing Travel Manager system with FACTS to allow employee travel payments to be issued via EFT will be initiated. The Third Party Payment System will be implemented to enhance existing capability to issue draft payments to employees, vendors and beneficiaries, and to set the platform for making those same payments via EFT. Existing Electronic Commerce (EC) pilots, using electronic data interchange to effect telephone, credit card and courier bill payments, will be expanded. Plans will be developed to expand EC to other administrative vendor payment areas.
- Replace FACTS – A study will be performed to determine, from off-the-shelf applications available through the federal financial system GSA schedule, the best fit application to replace FACTS. A software vendor and integration contractor will be selected and the software purchased by the year end.
- 2001      MCAP/MCAS – Requirements will be finalized and systems development and implementation will proceed toward conversion of SSA's existing Cost Analysis System functionality to an MCAS platform. This effort is expected to form the first major MCAS release and the prototype for future releases. Planning, outreach and requirements efforts will also proceed on other aspects of MCAS functionality as resources permit.
- EP – Additional trading partners for Electronic Commerce are anticipated to be available for other administrative payment areas.
- Replace FACTS – The replacement of FACTS effort will be continued, as requirements are identified and documented, and the system design will be completed.

## Hearings Process Improvements (HPI)

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

This Key Initiative will improve service to hearings customers by reducing individual case processing times, improving quality and productivity, promoting individualized case management and increasing employee job satisfaction. With full implementation, HPI is expected to result in a 21 percent decrease in processing time and a 16 percent increase in Productivity Per Workyear (PPWY) over the current process. The KI directly supports SSA's World Class Service goal, and specifically, the Hearings Processing Time Program for Objective Achievement (POA). The HPI Key Initiative will incorporate a number of new and existing initiatives and concepts:

- ❖ Process Improvements
  - Implementation of national workflow model
  - Processing time benchmarks
  - Standardize pre-hearing conferences
  
- ❖ Group-based accountability
  - Establishment of processing groups
  
- ❖ Automation and Data collection efficiencies
  - Improved management information
  - Case management software
  - Automated calendars

### **Schedule:**

2000	Phase 1 implementation (37 hearing offices)
	Preliminary Implementation Monitoring Report
2001	Phase 2 implementation (52 hearing offices)
	Final Phase 1 Implementation Monitoring Report
	Phase 3 (and final) implementation (52 hearing offices)

## **Immediate Claims-Taking Services**

*Lead SSA Official: Deputy Commissioner for Operations*

In support of our world-class service goal, SSA has made a commitment that, by the year 2000, we will take retirement and survivors claims immediately over the phone, if the claimant has all the information we need available at the time of the call. Since SSA already has processes in place to take claims from customers who visit a field office, this initiative focuses on providing the same immediate service for customers who telephone SSA and have all the information needed to file a retirement or survivor claim.

This is a significant departure from SSA's current telephone service practice -- which is, to schedule an appointment with a field office (rather than take the claim) when the customer first contacts us and expresses interest in filing for benefits. In addition, it is a significant departure from the traditional 800-number policy of handling only those transactions that can be completed within a few minutes. The major thrust of this key initiative is to develop and test potential strategies for immediate teleclaims services that could be implemented without jeopardizing the world-class telephone access rates which are so highly valued by SSA's customers.

### **Schedule:**

- |      |  |
|------|--|
| 2000 | Fully implement. Monitor service and customer reaction as well as impacts on other work. |
| 2001 | Continue to monitor service and impact on other workloads. Adjust as necessary.          |

## Improve 800-Number Service

*Lead SSA Official: Deputy Commissioner for Operations*

SSA's national 800-number delivers outstanding service to the public and has fully achieved the purpose for which it was established--to provide all members of the public an inexpensive, convenient point of entry for conducting their business with Social Security. In fact, most Americans initiate their business with SSA by calling the 800-number. In FY 1998, 91.1 percent of callers got through to SSA on the first attempt, and 95.3 percent got through within 5 minutes of the first attempt. For FY 1999, 92.9 percent of callers got through on their first attempt and 95.8 percent got through within 5 minutes of the first attempt. For FY 2000 (through November), 92.6 percent of callers got through on their first attempt and 95.3 percent got through within 5 minutes of their first attempt.

Customers' expectations are changing, however. Analysis of customer feedback indicates that SSA's customers would like to use the 800-number for more and more of their business, and it implies that they would use it for more complex transactions--such as claims--if they were able to do so.

To respond to the challenges facing the national 800-number, we have implemented the following actions:

- ❖ In November 1999, the Commissioner approved a number of short-term initiatives that were developed to improve customer service by increasing national 800-number network call answering capacity and to provide employees in the program service centers more time to work on pending workloads to help reduce expected growth.
- ❖ In July 1999, the Office of Telephone Services convened Leadership Teams to assess the national 800-number network. The Teams developed recommendations and action plans for improving 800-number service and operations in the following areas:
  - TSR Resource Utilization
  - Single Point of Contact
  - Teleservice Center Leave
  - Expansion/Improvement of Automated Services

Another management challenge is to enhance the accuracy of services provided via the 800-number. SSA's quality assurance data show for the 12-month period ending December 1999 that, while the accuracy of calls affecting payment actions processed over the 800-number is high--that is 95.4 percent--the accuracy of other services provided was only 81.8 percent.

SSA also recognizes the importance of courtesy to good customer service and is committed to, at a minimum, maintaining current courtesy ratings for the 800-number service.

Responding to these customer challenges, this key initiative will help us accomplish the following:

- ❖ Expand services available and percent processed to completion while maintaining world-class access rates.
- ❖ Work toward improving service accuracy to at least 90 percent, and
- ❖ Successfully transition to new technology (for example, implement the new FTS 2001 contract and procure new call distribution technology) without disruption to customer service.

**Schedule:**

- 2000      Obtain call forecasting and staff scheduling software.
- Begin replacement of automatic call distributors with upgraded technology.
- Implement the new FTS 2001 contract.
- Monitor increased workloads due to anticipated year 2000 increases in Social Security Statement (formerly Personal Earnings and Benefit Estimate Statement) mail-out volumes.
- Monitor increased workloads due to national implementation of immediate claims-taking services.
- Analyze impact of telephone workload to provide a more balanced use of Operations' resources.
- Continue implementation of procedural changes that allow representatives to take additional complete actions.
- Continue implementation of additional services on a pilot basis and evaluate impacts.
- Transition the national 800-number network to offer Spanish services to 100 percent of the nation.
- 2001      Continue replacement of automatic call distributors.

Analyze impact of telephone workload to provide a more balanced use of Operations' resources.

Continue implementation of procedural changes that allow representatives to take additional complete actions.

Continue implementation of additional services on a pilot basis and evaluate impacts.

# Improve Field Office Reception Process, Reception Area Environment and Waiting Times

*Lead SSA Official: Deputy Commissioner for Operations*

The purpose of this Key Initiative is to improve the SSA field office (FO) reception environment and processes, resulting in improved customer satisfaction.

We will identify and test various technologies, physical arrangements, furniture configurations and workflows, and determine those that serve our customers best. We will provide resources to SSA's FOs for improving reception processes, and the appearance and comfort of the waiting areas.

We have completed benchmarking to find best practices for reception area processes. We looked at best-in-business organizations and SSA offices. We focused on options to:

- ❖ Support SSA customer service standards.
- ❖ Improve metropolitan offices.
- ❖ Support our non-English speaking customer service initiatives.
- ❖ Improve interviewing and appointment processes.
- ❖ Improve reception traffic flow.
- ❖ Reduce waiting times.
- ❖ Increase the number of transactions that can be completed at the first point of contact.
- ❖ Improve the physical appearance and comfort of reception areas, e.g., design layouts, furniture configurations.
- ❖ Create reception areas that are user-friendly.
- ❖ Provide flexibility to meet local needs.
- ❖ Protect customer privacy.
- ❖ Increase reception efficiency, courtesy and professionalism.

Assuming successful piloting of the Visitor Information Services Analysis (VISA) software in five FOs, we plan to move forward to install VISA (or other queuing software) in FOs with high volumes of walk-in traffic.

## **Schedule:**

- |           |  |
|-----------|--|
| 2000      | Complete evaluation of VISA pilots and prepare report. |
|           | Prepare cost benefit analysis and implementation plan. |
|           | With approval of the project, begin implementation.    |
| 2000-2001 | Continue implementation of VISA software.              |



## **Improve Field Office Telephone Service**

*Lead SSA Official: Deputy Commissioner for Operations*

Demand for telephone service in the field office has always been great, although to what extent is not actually known. The large number of local telephone companies providing service to SSA's field offices and their varying levels of technology have made it difficult for the Agency to obtain data on call volumes and caller access to local offices. Customer feedback, however, strongly suggests that field office telephone service is less than world-class.

This key initiative to improve field office telephone service includes the following elements:

- ❖ Use of technology to improve customer service and access.
- ❖ Initiating an ongoing program of service observation to assess the accuracy and quality of service provided to field office callers.
- ❖ Initiating an ongoing program of field office caller recontact surveys to assess customer satisfaction and to identify service improvement needs.
- ❖ Developing a process to measure access for field office callers.

Schedule:

2000 Complete installation of modern telephone systems with automated attendant and voice mail capabilities in field offices.

Conduct an ongoing program of service observation of field office telephone service to measure quality and courtesy.

Conduct an ongoing program of field office caller recontact surveys to assess customer satisfaction and identify service improvement initiatives.

Conduct pilot and evaluate results of field office caller access pilot. Based on pilot results, expand and refine process with the objective of implementing an ongoing program to measure field office caller access.

2001 Conduct an ongoing program of service observation of field office telephone service to measure quality and courtesy.

Conduct an ongoing program of field office caller recontact surveys to assess customer satisfaction and identify service improvement initiatives.

Conduct an ongoing program to measure field office caller access.

## Improvements to the Disability Claims Process

*Lead SSA Official: Director, Disability Process Redesign Team*

SSA strives to deliver the highest levels of service by making fair, consistent and timely decisions at all adjudicative levels. However, applicants sometimes find the process complex, fragmented, confusing, impersonal and time consuming. Some also perceive the process as one in which different decisions are reached on similar cases at different levels of the administrative review process, thus requiring applicants to maneuver through multiple appeals steps.

Over the past few years, SSA and the State DDSs have been engaged in an ambitious series of initiatives to improve service delivery for millions of customers filing for, or appealing, disability claims. Two major areas of focus have been process unification and modifications to the disability claims process.

*Process Unification:* The Agency has been pursuing ongoing process unification initiatives. Our goal is to foster similar results on similar cases at all stages of the process through consistent application of laws, regulations and rulings. A number of initiatives have been implemented, including uniform training for SSA's 14,000 disability adjudicators, publication of nine Social Security rulings to clarify complex policy areas, and actions to increase consistency in SSA's quality assurance process. The initiatives have shown promise. Over the last several years, there has been a decline in the allowance rates at the hearing level and an increase in the initial allowance rates at the DDS level. This trend is consistent with our objective to make the correct decision as early in the process as possible.

*Modifications to the Disability Claims Process:* SSA has been testing various process improvements to determine what changes would help us provide better customer service. Several different modifications have been piloted both singularly and in combination. Data from the most significant testing model, the Full Process Model, show that increasing examiner authority and responsibility, using medical expertise better, and increasing interaction with claimants at the initial level result in better quality and customer service.

- ❖ Quality at the initial level was **higher** and we were able to correctly pay about the same number of people in one step (*initial level*), as we currently pay in two steps (*initial level plus reconsideration level*).
- ❖ Streamlining the process by eliminating the reconsideration step helps to both improve customer service and pay for the cost of enhanced up-front development.
- ❖ Providing claimants with the opportunity to talk with the disability decision-maker at the initial level helps ensure that cases are fully documented and provides a safety net for some who are currently denied at the initial level and do not pursue an appeal.

We are now moving forward to combine the most successful elements with improvements to the hearings process, and to evaluate their effectiveness on a large scale. In 10 prototype states, SSA has implemented a series of changes that will improve the process by:

- ❖ Providing greater decisional authority to the disability examiner and more effective use of the expertise of the medical consultant in the disability determination process;
- ❖ Ensuring appropriate development and explanations in initial cases;
- ❖ Increasing opportunities for claimant interaction with the decision-maker through a claimant conference opportunity at the initial level; and
- ❖ Simplifying the appeals process by eliminating the reconsideration step.

The ten states selected to participate in the prototype are: Alabama, Alaska, Colorado, Louisiana, Michigan, Missouri, New Hampshire, Pennsylvania, California (Los Angeles West and North DDS branches only), and New York (Albany and Brooklyn DDS branches only). The hearing offices that will be included in the prototype evaluation are those in the service areas of the respective DDSs participating in the prototype.

The process changes SSA has developed for the prototypes will work in tandem with process unification initiatives and a series of improvements being implemented in hearing offices nationwide.

Focusing on 10 states will enable SSA to further refine the process and learn more about potential operational impacts before moving to national implementation. Putting this complete process together will ensure that the changes meet our goal of improved service to disability applicants.

**Schedule:**

2000	Start up of new process in designated prototype locations – October 1, 1999.
	Target date for readiness of HO locations servicing prototype DDS locations.
2000-2001	Evaluation of early trend data. Assuming positive trend and evaluation data, decisions to move forward with plans for making regulatory changes.
	Pilots for prototyping solutions for electronic medical evidence using emerging technologies.
2001-2002	Final decisions on national implementation.

*Other Process Testing.* SSA is continuing to test the potential for a new position called the Disability Claim Manager (DCM). The DCM acts as the single point of contact for the claimant throughout the disability claims process at the initial level, responsible for both medical and non-medical aspects of the case. Formal evaluation of the DCM process began November 1, 1999 and runs through 2000.

## **Improvements to the Representative Payment Program**

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

This Key Initiative will improve the representative payment program through better informed customers, a more reliable payee investigation and selection process, and a more meaningful payee monitoring program. It consists of the following five projects which, in part, are a result of careful analysis of the *Final Report of the Representative Payment Advisory Committee* (1996) and the *Roll-Up Report of the Office of Inspector General: Monitoring Representative Payees* (1997).

### **Implement Payee and Beneficiary Education and Support Project:**

- ❖ Produce enhanced and multi-lingual informational and educational materials to inform payees of SSA's expectations and their rights and responsibilities.
- ❖ Conduct a national payee recruitment campaign to locate qualified candidates in areas where the need is greatest.
- ❖ Develop a process on ongoing education and support for representative payees.
- ❖ Produce informational and educational materials for beneficiaries who have a representative payee.
- ❖ Provide information and educational support to beneficiaries who are having difficulty managing their funds but do not yet need a representative payee.

### **Implement Custody Verification Demonstration Project:**

- ❖ Provide information regarding the feasibility of suggesting an alternative approach to monitoring of parent payees with verified custody of minor children.

### **Implement Onsite Review Demonstration Project:**

- ❖ Pilot onsite reviews of fee-for-service and volume payee organizations.
- ❖ Based on pilot results, develop policy for review of organizational payees under an ongoing payee monitoring program.

### **Complete Critical Work Needed on the Representative Payee System:**

- ❖ Fix problems that cause rep payee applications not to clear to active status on the RPS after being selected and processed against the MBR or SSR; known as Stuck 98s.
- ❖ Fix problems that result in the failure of termination data to transfer to the RPS for cases, including most of SSI terminated records.
- ❖ Fix conditions that lead to the inadequate or incomplete propagation of data from the MBR/SSR to the RPS. This has resulted in erroneous payments to deceased payees, failure to record benefit termination status, and inconsistent address data on the SSR and RPS.
- ❖ Correct the conditions that lead to the generation of erroneous alerts. Currently, the field must manually investigate and clear these alerts.
- ❖ Identify beneficiaries missing from the RPS, systematically load as many as possible, and list out the balance.

**Develop an Ongoing Integrity Review Program:**

- ❖ Establish an ongoing process to monitor the quality of SSA representative payee decisions and policies.

**Schedule:**

***Payee and Beneficiary Education and Support Program***

- 2000      Production of materials for seminars and workshops.
- Reprint of organizational payee handbook.
- Directed marketing sample of individual payee handbooks.
- Video production (development to distribution) for use in both the recruitment campaign and the ongoing education and support workshops.

- 2001      Conduct workshops and seminars for payees and beneficiaries.
- Conduct a recruitment campaign for qualified organizational and individual payees.
- Continue to develop materials for payee and beneficiary education and support.
- Print and distribute 2,000,000 individual payee handbooks.
- Revise, print and distribute 50,000 organizational payee handbooks.

***Custody Verification Demonstration***

- 2000      Award contracts and monitor contractor performance.
- 2001      Provide contractor report and evaluate/analyze results.

***Onsite Review Demonstration***

- 2000      Continue research/analysis, development of requirements, and solicitation of stakeholder input.
- 2001      Award contracts and monitor contractor performance.

***Completion of Critical Work Needed on the RPS***

- 2001      Identify and correct Stuck 98 and causes of erroneous alerts.

Clean-up Stuck 98s and SSI Termination records.

Review and correct fallout from Stuck 98s.

Develop process to propagate termination data from SSR to RPS.

Establish full data exchange linkage of RPS & SSR/MBR.

Develop process to electronically load RPS.

***Integrity Review Program***

2000-2001    Develop requirements.

Conduct research/analysis.

Develop and review process and conduct field tests.

Implementation of Integrity Review Program    .

## Information Exchange

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

SSA's data matching activities have proven highly effective in preventing and detecting benefit overpayments. The Information Exchange Key Initiative seeks to build on this success by taking advantage of improved technology and rapidly expanding online data bases to improve our programs and processes still further. This key initiative currently has five major emphases:

**Information Exchange Strategy:** For each major business process, SSA will identify opportunities for use of information exchange to accomplish all the following objectives: capture transaction inputs electronically, prevent/deter/detect overpayments and fraud, and eliminate SSA manual actions. Opportunities will be prioritized and an action plan defined.

**Improved Information Exchange Policies:** SSA has defined policies for evaluating requests for online or system-to-system access to SSA data. We are now in the process of preparing and issuing implementing instructions for the SSA components responsible for interagency agreements and the agencies seeking this kind of access to SSA records.

**Capitalize on Immediate Opportunities for Overpayment/Fraud Prevention and Detection:** SSA will continue to implement new or expanded information exchanges with other agencies (Federal, State, and local) and with private entities in order to prevent and detect overpayments. The following items are illustrative of such immediate opportunities for partnering with other entities:

**SSA Access to State Records Online (SASRO):** SSA has a programmatic need to obtain information (e.g., vital statistics, welfare, unemployment, wages, workers compensation) from various State sources that we have traditionally obtained manually. For the past few years, however, with the rapid growth of online State databases, SSA has been actively pursuing online query access on a state-by-state basis. We currently have at least limited access in 31 States. Since this approach has a relatively small cost and produces a relatively quick benefit for SSA in terms of customer service, we intend to add 10 additional States each year.

Concurrently, SSA is exploring alternative ways to gain online access to State records more efficiently. For example, as an efficient alternative to interagency agreements with (potentially) a score of State agencies, SSA is seeking access to databases that integrate information from multiple States—for example, the Office of Child Support Enforcement/National Directory of New Hires (OCSE/NDNH) databases. SSA is also designing a pilot of “negative verification”—that is, online or system-to-system checking of State information before paying SSA benefits. SSA believes that negative verification would be a strong tool for prevention of overpayments—versus after-the-fact detection



via computer matching—and would be highly successful in addressing the General Accounting Office’s (GAO) “high risk” concerns.

**State Online Query (SOLQ):** SSA has long provided programmatic data to States in batch mode. With SOLQ, SSA will provide State agencies immediate, online access to the information now provided overnight. It also will benefit SSA because it avoids phone calls and in-person visits to SSA field offices when information is needed urgently for a State service. SOLQ is currently in the pilot phase, which will entail five States. The pilot will culminate in an evaluation to determine costs, benefits, and appropriate next steps.

**Exchange with Federal Agencies:**

**Pension Benefit Guaranty Corporation (PBGC):** PBGC locates individuals who are entitled to benefits from failed pension plans. SSA will perform a batch match that provides PBGC access to 3 wage type queries to assist them in locating and calculating benefits due pensioners. In addition, we will be providing them with direct terminal access that will enable them to adjudicate their claims more quickly.

**Veterans Benefit Administration (VBA):** Each year SSA sends approximately 60,000 requests to verify periods of military service for claimants to the National Personnel Records Center (NPRC). The average response time is 60 days. VBA will provide SSA with online access that will enable SSA employees to verify military service. In turn, SSA will provide VBA with online access to SVES, which will improve their claims processing time and payment accuracy and will also eliminate the many inquiries made to SSA. The greatest savings will be derived from debt prevention. The amount of debt prevented nationally is estimated to be \$50,000,000 per year.

**Schedule:**

- 2000            Continue implementation of the Information Exchange strategy.  
  
                  Add at least 10 new States to SASRO.  
  
                  PBGC Match in January, direct terminal access scheduled for November.  
  
                  VBA/SSA online access scheduled for April.
- 2001            Continue implementation of the Information Exchange strategy.  
  
                  Add at least 10 new States to SASRO.

# **Integrated Human Resources System (IHRS)**

*Lead SSA Official: Deputy Commissioner for Human Resources*

The purpose of this project is to provide integrated, automated support for all human resources (HR) workloads as well as accurate, timely, easy-to-use HR information. It will also provide a platform for maintaining, updating and using competency-based HR tools. Once implemented, the system will reduce HR paperwork burdens, enable sufficient and timely decision-making, and provide for employee self-service.

Among the HR business processes to be supported by IHRS are: Selection and Recruitment, Employee Training and Development, Equal Employment Opportunity, Labor Management Relations, Employee Benefits, Employee Services, Performance Management and Incentives, Position Management, Suggestions, Health and Safety, and Salary Administration.

## **Schedule:**

- |      |   |
|------|---|
| 2000 | Complete National Release 1 rollout.    |
|      | Develop and test Release 2 for rollout. |
|      | Rollout Release 2 nationally.           |
| 2001 | Develop and implement future releases.  |

## **Interactive Video Teletraining**

*Lead SSA Official: Deputy Commissioner for Human Resources*

For the past 4 years, SSA has been delivering interactive video teletraining (IVT), using one-way video (of the instructor to the students) and two-way audio communication. IVT is an effective, economical way to provide fully interactive training to students who are not co-located with the instructor. By the end of FY 1999, SSA's IVT system provided IVT access to 75 percent of its offices. With the near completion of an expansion initiative begun in 1997, and third party documentation showing the benefits of IVT to the Agency, SSA is now looking at the possibility of rolling out IVT to all remaining SSA offices.

### **Schedule:**

- 2000            Complete installation of currently approved phase of IVT expansion.
- Continue delivering entry-level training from three regional studios.
- To the extent demonstrable benefits to the Agency are shown, initiate planning and, if approved, procurement to expand IVT to all remaining SSA offices.
- Determine if technology is available for desktop expansion.
- 2001            If approved, continue expansion initiative to install IVT in all remaining offices.
- Determine availability and impact of technology for desktop expansion.

## **Intelligent Workstations/Local Area Networks (IWS/LAN)**

*Lead SSA Official: Deputy Commissioner for Systems*

The IWS/LAN platform is the foundation for expert systems, on-line “help” features, interactive training, on-line human resources management functions, and many other key initiatives. It is also the enabler for redesign of core business processes for increased efficiency. For example, the Electronic Disability System (eDIB) will run under the new client-server architecture.

SSA began installing IWS/LAN in late 1996. By the time the rollout is virtually completed -- in FY 2000 -- over 96,000 new workstations will be in place. SSA’s FY 2001 budget assumes that this technology will save about 1900 Federal and State Disability Determination Service workyears beginning in the year 2001 when compared to the FY 1998 base.

### **Schedule:**

2000                    Continue and virtually complete IWS/LAN rollout.

## **Leadership Training/Career Development**

*Lead SSA Official: Deputy Commissioner for Human Resources*

SSA recognizes the need for strong leadership as the Agency moves forward in an environment of shrinking resources and expanding workloads. The Agency is also committed to developing and preparing managers of tomorrow with knowledge and skills to lead and shape SSA's programs in the 21<sup>st</sup> century. This initiative is designed to provide managers with the leadership skills necessary to:

- ❖ Successfully deliver service to a diverse customer base;
- ❖ To operate within a streamlined organizational framework with increasing spans of control; and
- ❖ To develop and nurture a rapidly changing workforce.

The leadership training/career development (LTCD) initiative will identify new, essential competencies that managers will require and will provide a continuous learning environment in which new managers will be trained on those competencies and established managers will be able to sharpen their skills.

### **Schedule:**

2000	Senior Executive Service Program completion.
	Continuation of Advanced Leadership Program.
	Ongoing one-day seminars for 33 percent of Agency managers.
	Ongoing management curriculum and rotational programs.
	Implementation of Leadership Development Program.
2001	Completion of Advanced Leadership Program and continuation of Leadership Development Program.
	On-going one-day seminars for 33 percent of Agency managers.
	On-going management curriculum and rotational programs.
	Decisions on future formal developmental programs.

# Market Measurement Program

*Lead SSA Official: Senior Advisor, Customer Service Integration*

The integrated Market Measurement Program (MMP) will provide complete, compatible and current data gathered from all Agency market segments to ensure that SSA continually has the right information from the right people to inform Agency planning and decision making. The MMP includes a variety of data collection mechanisms that, taken together, give SSA a full range of information about its market. The MMP divides SSA's market into three segments: Customers, Workforce and Stakeholders. Each segment has its own strategy of data collection mechanisms designed to gather the best information possible using efficient and practical methods.

- ❖ The Customer Measurement Strategy will provide information from all SSA's major customer groupings and consists of six data collection methods: customer segment analysis, interaction tracking, comment cards, special studies, best practices inventory, and customer complaint/compliment system (i.e., Talking and Listening to Customers).
- ❖ The Workforce Measurement Strategy uses surveys to collect information about employees' satisfaction with the workplace. Research indicates a strong and direct link between employee satisfaction and customer satisfaction. This information will help the Agency learn how to enhance the work environment so world-class service is possible.
- ❖ The Stakeholder Measurement Strategy entails various data collection mechanisms specifically tailored to three major stakeholder groups:
  - 1) Oversight, business partners, advocacy and business groups, unions and management and employee associations;
  - 2) Employers; and
  - 3) The general public.

The Market Measurement Program (MMP) Clearinghouse has been developed as a central repository of all reports of findings resulting from the various Agency data collection activities under the MMP. It is part of the Agency's Executive Management Information System (EMIS). Employees have one place to look for information from customers, employees and stakeholders about needs, expectations and satisfaction.

**Schedule:**

- 2000            Interaction tracking (office visits, 800-number, FO phone, Internet).  
                  Begin use of Comment card—hearings offices.  
                  Stakeholder interviews.  
                  Focus groups/surveys for four customer segments.  
                  Employee satisfaction survey.  
                  Surveys of employers.  
                  Special Studies.
- 2001            Interaction tracking.  
                  Stakeholder interviews.  
                  Focus groups/surveys for four customer segments.  
                  Employee satisfaction survey.  
                  Surveys of employers.  
                  Special Studies.

## Notice Improvements

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

SSA sends its customers 240 million notices annually. The Pacific Consulting Group concluded--and SSA agrees--that improving notices provides the greatest opportunity for improving customer satisfaction. As part of this key initiative, SSA will improve the following five specific types of notices found to be most problematic:

**Title II Overpayment Notices:** SSA releases 3.5 million of these notices annually, and they are a frequent cause of customer confusion and/or dissatisfaction. SSA will improve notice language and include more case-specific information in order to provide letters that are clearer and more complete. We anticipate this will be a long-term improvement effort as it is reliant on a rewrite of the Master Beneficiary Record to create additional data fields.

**Field Office Notice System (FONS):** FONS is a notice production system that enables SSA field offices to compose notices using stock letters and case-specific inserts. An estimated 12 million FONS notices are released annually. FONS, however, is an outdated utility, not amenable to modification or expansion. SSA is developing a replacement for FONS called the Distributed Online Correspondence System (DOCS). This new system will allow service and teleservice representatives to see field office notices online rather than relying on the customer to supply a copy of their notice.

**Manual Notices:** There are approximately 150 manual notices--most of which are preprinted form letters about the disability programs. These notices do not meet SSA's quality standards, contain superseded policy information, and must be replaced.

**SSI Overpayment Notices:** Currently, many types of SSI overpayment notices are excluded from automated processing because of certain case characteristics that the system cannot interpret correctly. Over the next 2 years, SSA plans to eliminate two of the major barriers to automation, eliminating about a half million manual notices annually.

**SSI Award Notices:** Approximately half a million SSI award and 12 million other SSI notices are sent each year. Over the next several years, SSA will improve the clarity and format of these notices based on customer feedback. We will also begin to add computational worksheets to help explain how we arrived at the customer's benefit amount.



**Schedule:**

2000 Analyze and review requirements to fully implement improved AJS-3 notices.

Test and release DOCS prototype.

Continue to consolidate object programs into a single data base.

Update related Program Operations Manual System (POMS) to show improved manual notices.

Focus test SSI computational worksheet and notice improvements.

Prepare language and format of SSI computational worksheet.

2001 Release first version of DOCS to selected pilot offices nationwide.

Stage rollout of DOCS nationwide.

Eliminate second exclusion to automated SSI overpayment notice processing.

Develop improved notice language for Title II overpayment notices.

## **Paperless Processing Centers**

*Lead SSA Official: Deputy Commissioner for Systems*

The initial implementation of the Paperless Program Service Center (PSC) system took place in the Mid-Atlantic PSC (MATPSC) in one module in May 1999. The implementation was successful, and was followed with implementations in the Great Lakes PSC (GLPSC) and the Western PSC (WNPSC). As of December 1999, seven modules are implemented in MATPSC, 7 in GLPSC and 4 in WNPSC. The Y2K implementation moratorium, as well as operational reasons, halted further expansion until late January. Funding has been approved for completion of these three sites. Expansion of the system to the remaining three PSCs, as well as the Office of Central Operations, is scheduled to begin in CY 2000 (pending funding approval).

Since initial implementation, there has been two releases of software as well as supporting commercial off-the-shelf software (COTS) upgrades to guarantee the system was Y2K compatible. The Project Scope Agreement for the next major release (1.2) is under development for a FY 2000 release. The major functionality in this release is an archival process.

The GLPSC paperless pilot project has been shutdown. Conversion of these work actions is currently underway.

### **Schedule:**

- |      |   |
|------|---|
| 2000 | Continue national rollout of the paperless processing system. |
| 2001 | Continue national rollout of the paperless processing system. |

## Plain Language

*Lead SSA Official: Senior Advisor, Customer Service Integration*

The main purpose of this Key Initiative is to make SSA documents clear for their intended audiences, thus reducing the time employees spend with customers clarifying and explaining our written correspondence.

SSA is complying with the President's Plain Language Government Writing Initiative directing departments and agencies to incorporate plain language into their documents, as follows:

1. All new documents that explain how to obtain benefits or how to comply with program requirements,
2. All proposed and final rulemaking documents and regulations, and
3. Active old documents in the above categories.

A Plain Language Steering Committee leads the design and implementation of the initiative.

Successful implementation of plain language may require acquisition and installment of off-the-shelf plain language support software. The Steering Committee is looking at the acquisition of such software.

This initiative includes a comprehensive two-year training plan.

- ❖ In July 1999, SSA made a desk-to-desk distribution of a Commissioner's Bulletin entitled "Renewed Emphasis on Writing in Plain Language."
- ❖ In October 1999, SSA Plain Language Standards were issued to all SSA employees.
- ❖ SSA produced a videotape to introduce Plain Language to all employees.
- ❖ All core writers and editors in headquarters who generate high volume public correspondence received 16 hours of interactive plain language training in FY 1999.
- ❖ 120 employees who prepare low volume, sensitive, external correspondence received ½ day training via IVT or classroom as part of a pilot to determine an appropriate outcome method for additional training. The pilot ended in December 1999.
- ❖ A decision has not yet been made as to how to train employees responsible for preparing high volume internal correspondence.

**Schedule:**

- 2000:           Ensure that all employees view videotape.
- Begin training of writers/editors who generate high volume public correspondence.
- Begin training of employees responsible for low volume, sensitive, external documents.
- Administer certification/maintenance of plain language correspondence and activities.
- Administer on-going evaluation process.
- Ensure all new employees receive plain language training.
- 2001:           Purchase and distribute plain language support software and provide training.
- Conduct focus groups on integration of plain language into external documents.
- Complete training of employees responsible for low volume, sensitive, external documents.
- Administer certification/maintenance of plain language correspondence and activities.
- Administer on-going evaluation process.
- Ensure all new employees receive plain language training.

## **PolicyNet/Policy Repository**

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

PolicyNet/Policy Repository is a project that improves SSA's ability to make policy-related decisions better, faster, and more cost-effectively in all stages of the policymaking process. The PolicyNet and Policy Repository projects are complementary and mutually supportive. Together, they will provide cost-effective, Intranet-based access to the latest policy-related information to users (both internal and external) nationwide.

PolicyNet is the entire communications system envisioned for our redesigned policymaking environment. It relies on both groupware technologies and new work processes to support proactive policy making through the systematic sharing, sorting, organizing, and accessing of information related to policy development, evaluation and dissemination. As part of this effort, SSA intends to get early input into the policy process from end-users and stakeholders (both internal and external) through nationwide forums and use of the Internet. We anticipate that the early input will enable SSA to make its policy deliberations with a better knowledge of the positions of those with interests that affect our policies.

The Policy Repository will replace the antiquated system we now have to house and publish policy-related instructions, regulations, rulings, and other policy-related documents. The current system stores documents in a number of different formats and locations, and there is no way to coordinate the materials consistently or to issue updates quickly and in an automated environment. The Policy Repository will allow us to modernize the infrastructure in order to consolidate policy materials, link them together electronically, and deliver a single, consistent presentation of policy to the users.

### **Schedule:**

- 2000 Complete Policy Net national implementation.
  - Develop additional functionality to enable electronic policy clarifications.
  - Expand content of Policy Net Repository to goal of single presentation of policy.
  - Expand program evaluation and research aspects of Policy Net.
  - Develop Internet and Extranet stakeholder input capabilities.
  
- 2001 Expand content of Policy Repository to goal of single presentation of policy.
  - Develop additional functionality to enable electronic policy clarifications.
  - Develop mobile computing capabilities.
  - Implement paperless workflow, archiving, and retrieval of policy documents.

## **Preparing for the Year 2000**

*Lead SSA Official: Deputy Commissioner for Systems*

Preparing for the change of century date—from 1999 to 2000—has been the biggest challenge ever to face the technology industry. At SSA our national data center maintains and operates hundreds of mission-critical systems supported by over 35 million lines of in-house computer code, as well as hundreds of commercial off-the-shelf (COTS) vendor products that could have been affected by the Year 2000 (Y2k) changeover.

As a result of our planning and proactive approach to the change in century date, all of SSA's mission-critical systems have been made Year-2000 compliant, tested, and implemented. The automated systems for 50 State Disability Determination Services (DDSs) have also been made Year-2000 compliant. In addition, all of our data exchanges with all of our trading partners are Year-2000 compliant.

SSA's Y2k Business Continuity and Contingency Plan further ensured continuity of operations. All of our local contingency plans assured that January 2000 payments would be issued on time, that our systems would function smoothly, and that we would deliver all our services to the American public.

### **Schedule:**

All identified requirements of this KI have been successfully concluded.

## **Service to the Non-English Speaking (NES) and Limited English Proficient (LEP) Public**

*Lead SSA Official: Deputy Commissioner of Disability, Insurance, and Security Programs*

We recognize that our customers come from diverse cultural backgrounds, and that many do not speak or have limited proficiency in English. They generally need help in communicating with us. This Key Initiative ensures that our clients, regardless of ability to communicate in English, receive full access to SSA World-Class service. Better communication with NES and LEP clients results in the increased integrity of our programs. Claims taken by bilingual employees reduce the potential for fraud introduced by middlemen interpreters.

We use automated management information (MI) regarding our NES and LEP customers to make hiring and staffing decisions. We can place bilingual staff in locations where they can serve the greatest number of customers in their preferred language.

In the last several years, we improved service to NES and LEP clients.

- ❖ We increased the number of bilingual staff and made them available in the right places.
- ❖ We established a Spanish gate to our 800 Number.
- ❖ We placed the burden of providing interpreter services on SSA.
- ❖ We gave our employees cultural diversity training and provided expanded language skills training to bilingual staff.
- ❖ We are capturing customer language preferences in our major systems and making this information available online to our employees. We annotate language preference in all initial claims and representative payee cases. We display language preference information on title II and title XVI queries.

### **Schedule:**

- |         |  |
|---------|--|
| 2000    | Capture language preference data for 800 Number referrals and title II PE actions. |
| Ongoing | Continue to provide appropriate translation services.                              |

## Space Modernization and Improvements

*Lead SSA Official: Deputy Commissioner for Finance, Assessment and Management*

The purpose of this Key Initiative (KI) is to provide all SSA employees with user-friendly, modern office facilities that will meet their needs well into the 21<sup>st</sup> century.

This KI includes:

- ❖ Major renovation of SSA Headquarters buildings as scheduled under the Woodlawn Master Plan.
- ❖ Construction of a new Child-Care-Center at Headquarters.
- ❖ Renovations to field offices (FOs) and hearing offices (HOs) nationwide.
- ❖ Upgrades of our larger facilities, e.g., Program Service Centers (PSCs) and Teleservice Centers (TSCs).
- ❖ Site preparation and installation of ergonomic furniture for IWS/LAN.

In addition, Child Care Centers have been constructed at the Western, Northeastern, and Great Lakes PSCs. Other projects are planned to improve the environment in the PSCs, including lighting enhancements, energy conservation programs, mechanical system upgrades, elevator upgrades, and replacements of the building exterior facades. Child Care and Fitness Centers have been expanded at the Wilkes-Barre Data Operations Center.

In FY 1999, renovations to the (Headquarters) East Building were completed, and the building was occupied.

### **Schedule:**

- 2000     Continue IWS/LAN systems furniture design and site preparation specifications for FOs and HOs.
- Continue major upgrades and renovations to improve SSA facilities nationwide.
- 2001     Complete (Headquarters) Annex Building renovations.
- Construct and occupy a new Headquarters Child Care Center.
- Complete renovations to the Metro West Building, including building exterior replacement.
- Complete IWS/LAN systems furniture design and site preparation for remaining FOs and HOs.



## Speech Recognition Software

*Lead SSA Official: Deputy Commissioner for Disability Income Security Programs*

The main purpose of this Key Initiative is to reduce the time required to produce OHA hearing decisions and correspondence, by implementing the use of speech recognition software.

Speech recognition software will eliminate the time-consuming hand-offs and transfers required when dictation is used. These hand-offs and transfers significantly increase the time it takes to issue a claimant's decision.

Currently, about 25 percent of Administrative Law Judge (ALJ) decisions are produced by dictation. The dictation process requires hand-offs and is extremely labor-intensive. The tapes, containing the dictated decisions, are often moved between hearing offices (HOs), due to workload and the location of staff resources. Replacing dictation with speech recognition software will eliminate the need for clerical staff to type drafts.

Prototype testing of speech recognition software in the OHA environment was completed in March 1999. A contractor is compiling the results. The current generation of software has the ability to approximate the following requirements defined by OHA:

- ❖ 95 percent accuracy rate after sufficient training, and
- ❖ Ability to process 90 words per minute.

Because the testing results indicate the software has the potential for meeting these requirements, a pilot using the speech recognition software and a cost-benefit assessment will be conducted in FY 2000.

### **Schedule:**

2000    Begin pilot.

          Complete cost-benefit assessment.

2001    Evaluate pilot.

          If successful, begin implementation.

## **Strengthening Public Understanding of the Social Security Programs**

*Lead SSA Officials: Deputy Commissioner for Communications  
Deputy Commissioner for Operations*

There are two initiatives to ensure that by the year 2005, 9 of 10 Americans are knowledgeable about the Social Security programs: Educate the Public About Social Security and the Public Understanding Measurement System (PUMS).

### **Educate the Public About Social Security**

This key initiative includes the public information products and external liaison activities needed to increase public understanding of Social Security programs. It also includes The SSA Ambassadors program, formerly a separate initiative.

The Educate the Public key initiative centers on the strategies laid out in the annual National Communications Plan, which identifies products and delivery systems, designed to strengthen public understanding. This plan is based on the data and analysis of the annual PUMS surveys and other SSA management reports.

**The Social Security Statement (formerly the Personal Earnings and Benefit Estimate Statement (PEBES)):** The PUMS data indicates that receiving a Social Security Statement significantly increases an individual's knowledge of Social Security programs. As required by law, every eligible adult worker age 25 and older for whom an address can be obtained will automatically receive annual statements of his/her earnings under Social Security and benefit estimates based upon those earnings.

**Ambassadors Program:** In FY 2001, SSA will continue its Ambassador program, stressing the value of the Social Security Statement and the PUMS survey results. Additionally, we will continue to train new field office managers and public affairs specialists in communications skills needed to educate the public during ongoing local public education activities and events. We will also conduct our Annual National Public Affairs training for all of SSA public affairs specialists.

### **Schedule:**

2000     Begin to issue the Social Security Statement to approximately 123 million workers age 25 and older in addition to the approximately 3 million Statements issued upon request.

Continue the Ambassadors program.

2001 Update the National Communications Plan with public information products targeted to the subject areas and population groups identified in PUMS as most in need of better understanding of Social Security.

Issue the Social Security Statement to approximately 123 million workers age 25 and older in addition to the approximately 3 million Statements issued upon request.

Continue the Ambassadors program.

## **The Public Understanding Measurement System (PUMS)**

The PUMS will continue to provide data on the public's knowledge of Social Security programs and track changes in the public's level of knowledge through the year 2005. The PUMS will also evaluate the effectiveness of our National Communications Plan in achieving our strategic goal.

### **Schedule:**

2000 Set annual performance target of 65 percent (6.5 of 10 adult Americans age 18 and over will be knowledgeable).

Conduct national PUMS survey –1<sup>st</sup> quarter.

Receive PUMS survey results and analysis-2<sup>nd</sup> quarter.

Hold PUMS national workshop- 3<sup>rd</sup> quarter.

Review FY 2001 performance target-set FY 2002 target- 3<sup>rd</sup> quarter.

Complete local quarterly PUMS surveys in 4 SSA Regions-1-4<sup>th</sup> quarters.

Receive PUMS quarterly test summary report- 4<sup>th</sup> quarter.

2001 Set annual performance target of 70 percent (7 out of 10 adult Americans age 18 and over will be knowledgeable).

Repeat FY 2000 cycle.

## Strengthening Research, Evaluation and Policy Development

*Lead SSA Official: Deputy Commissioner for Policy*

As an independent agency, SSA has assumed a leadership role in addressing critical long and short-term Social Security issues by framing policy discussions, refining policy to meet the needs of society, conducting in-house research, and promoting research by others. To accomplish this, SSA will:

- ❖ Complete plans for revitalization of external and internal resources in the critical areas of retirement income policy, disability and SSI program research, modeling capability, extramural research infrastructure, and data availability,
- ❖ Build policy evaluation capacity,
- ❖ Strengthen data for policy researchers, both within and outside SSA, and
- ❖ Develop mechanisms for broader input on research efforts.

In addition, SSA will develop a customer satisfaction survey and data collection mechanism in order to obtain feedback on the responsiveness of our research, evaluation and policy analysis products, as well as the extent to which we help identify and explain new and emerging issues for decision makers.

### Schedule:

- 2000      Prepare analyses providing information about the effect of specific solvency proposals on various populations.
- Prepare analyses providing information on the effects of demographic and economic trends on social security programs.
- Award contract to establish the Disability Research Institute.
- Develop Customer Satisfaction survey and data collection mechanism.
- Present papers and analyses conducted by the Retirement Research Consortium.
- Initiate pilot study for the National Study of Health and Activity (NSHA).
- Complete evaluation of alternative approaches for long-term modeling.
- Publish results of studies and surveys.

Prepare final report on the effect of welfare reform legislation on SSI children with disabilities.

2001

Prepare initial analyses of long-term effects of specific solvency proposals.

Analyze results of the NSHA pilot study and refine study design.

Initiate main study data collection for NSHA.

Complete interviewing for first wave of national survey of children with disabilities.

Develop baseline for customer satisfaction survey.

Begin conducting policy simulations with the SSI model.

Complete evaluation of the first year of data on the State Partnership Initiative.

Complete an assessment of data collection for the evaluation of the 10-state disability redesign prototype.

Produce initial barometer measures for the OASDI and SSI programs.

# Supplemental Security Income (SSI) Posteligibility (PE) Modernization

*Lead SSA Official: Deputy Commissioner for Operations*

This Key Initiative has six major purposes:

- ❖ Increase SSI payment accuracy and process efficiency.
- ❖ Reduce SSI processing times.
- ❖ Deter SSI fraud.
- ❖ Reduce SSI debt.
- ❖ Support the SSI high-risk initiative.
- ❖ Improve public service.

The Modernized Supplemental Security Income Claims System (MSSICS) automated the SSI claims process, including a great deal of user requested functionality. However, several SSI processes (e.g., appeals, netting, overpayments, and notices) were omitted. The deliverables in this KI are enhancements to SSI systems and processes. These changes will allow the SSI system to comply with policy, increase user compliance with current procedures, reduce debt, and result in operational work-year savings. The following systems projects are the main focus of this KI:

## **MSSICS Appeals Program for Controlling Reconsiderations and Hearings:**

Automation of the SSI appeals process will allow more appeals to be processed within MSSICS, increasing data propagation, accuracy and efficiencies. MSSICS will intake and control the SSI appeal until final disposition. The project will provide MSSICS functionality to process awards and denials, create better workload controls and credits, and automate notices. MSSICS claims will remain active for the interviewer to update and compare previous statements made by the applicant, thereby improving quality and reducing the potential for fraud.

**Automate Windfall Offset Exclusions and Attorney Fees:** This project will automate extensive manual computations required to calculate the retroactive benefits for each month of windfall offset. Windfall offset is currently partially automated. However, several temporary and permanent offset exclusions exist and will be addressed in this project. A mandatory windfall offset must be completed in approved concurrent cases warranting retroactive payments and involving an attorney. The complex and manual nature of this procedure makes it error prone and time consuming, adversely affecting our service to the public.

**Database to Control SSI Alerts:** This project will develop a central database to control, generate, and/or replace alerts. This database will improve SSA's ability to manage its SSI workloads and supports such initiatives as Title XVI debt reduction, improved SSI payment accuracy, and information exchange. It will also provide management information reports for external interfaces for the following alerts:

1. Savings bond match replacement alerts.
2. The HCFA computer match of SSI recipients not reporting admissions to Title XIX facilities.
3. Federal Workers Compensation match.
4. Department of Defense match.
5. Veterans Administration interface of spouse portion of augmented benefits.
6. OCSE match (wage and unemployment alerts).

**System to Help Users with SSI Overpayment Computations and Notices:**

Enhancements to the SSI overpayment process will provide users with the systems support needed for several types of SSI diaries that are currently manual processes. This project supports fraud/debt reduction and notice improvement.

**MSSICS PE Path for Service Representatives, Teleservice Representatives and Title II Claims Representatives:**

The development of a specific MSSICS path for non-Title XVI employee specialists (i.e., Service Representatives, Teleservice Center Representatives and Title II Claims Representatives) will support effective processing of PE events such as change of address or telephone number, direct deposit, and death reports. We expect both payment accuracy and efficiency to improve with this specialized automated MSSICS path for these employees. This path will allow easy access to specific screens for input of PE actions.

**Automation of Remaining SSI Actions and Reduction of MSSICS Exclusions and Limitations:** Automating the remaining non-MSSICS PE events and reducing the current limitations and exclusions will allow SSA to retire outdated CICS screens and reduce the need to search paper listings for detailed case related information. Direct entry of PE actions via MSSICS will reduce the time involved in writing down the information and then transcribing it into the system.

**Schedule:**

- |      |  |
|------|--|
| 2000 | Automate appeals<br>Automate the returned check process<br>Automate conversion cases (allow seeding) |
| 2001 | Develop alerts database<br>Automate windfall offset exclusions and attorney fees                     |

# Talking and Listening to Customers

*Lead SSA Official: Senior Advisor, Customer Service Integration*

In establishing a single, Agency-wide customer feedback system, called Talking and Listening to Customers (TLC), SSA will advance its goal to provide customer responsive, world class service. Through TLC, SSA will capture and address customers' spontaneous compliments, complaints and suggestions on various aspects of SSA's programs, policies, laws and service.

TLC will serve the dual purpose of addressing individual customer concerns, and identifying and supporting analysis and action on larger, systemic issues. Data collected in TLC will support SSA's business planning, policy development, communication strategies and operational and service enhancements.

Current and planned activities include:

- ❖ Continued execution of communication strategy for employees and customers.
- ❖ Development of software.
- ❖ Development and execution of training for pilot.
- ❖ Development, execution and evaluation of pilot.
- ❖ Full national implementation.

## Schedule

2000	Develop pilot approach.
	Develop training strategy.
	Determine, build/install, and test software solution.
	Conduct comprehensive training for pilot.
	Begin pilot.
2001	Continue pilot.
	Evaluate pilot.
	Implement nationally.



## **Title II System Redesign**

*Lead SSA Official: Deputy Commissioner for Systems*

The goal of the Title II System Redesign initiative is to provide a single system for processing virtually all initial claims and client-initiated postentitlement actions in an online interactive mode. The backbone of the redesigned system will be the use of common code to perform processing of common business functions. When a business function is common to two or more processes, a single business module will be developed and shared by all of the processes that require it. The 28 separate postentitlement programs and the Claims Automated Processing System (CAPS) are being retired as Title II Redesign software is released. The net effect will be a greater capability to process work at the customer's first point of contact with the Agency, online user access to more comprehensive customer information, and an automated system that is easier and less costly to maintain and modify quickly. These benefits, in turn, translate into improved customer service and avoidance of hundreds of work years of effort annually.

### **Schedule:**

- |      |  |
|------|--|
| 2000 | Begin Redesign Release 2, which will move some workloads from the Processing Centers to the field offices.                     |
| 2001 | Begin Redesign Release 3, which will retire 3 additional postentitlement programs and include 90% of initial claim processing. |

## **Title XVI Debt**

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

The purpose of this key initiative is to promote prevention, detection, and resolution of overpayments. There is a greater emphasis on prevention and detection because there are much lower administrative costs and much greater program savings in preventing and limiting the size of overpayments than there is in “resolution,” which involves appeals and waiver of recovery requests as well as recovery actions. The initiative includes efforts to:

- ❖ Improve payment quality by targeting the most error-prone policy areas;
- ❖ Reduce payment errors through improved POMS instructions compliance;
- ❖ Reduce payment errors through improved automation of SSI processes;
- ❖ Improve redetermination profiling to focus on cases with the greatest potential for change;
- ❖ Enhance electronic data collection; and
- ❖ Pursue legislative simplification of the SSI program.

These are generally enhancements to the prevention, detection, and resolution tools already in place. The Agency is establishing a comprehensive, long-term plan to control and limit overall debt in order to maintain public and congressional confidence in the administration of the SSI program. Following are the activities included in the plan:

- ❖ Computer matching with:
  - HCFA to detect nursing home admissions monthly.
  - The Office of Child Support Enforcement (OCSE) records to detect wages reported by employers and records of unemployment compensation and improved selection to focus on cases with the greatest potential for error.
  - The Treasury Department’s Bureau of Public Debt to detect ownership of savings bonds.
  - The military pension records of the Department of Defense.
  - The Immigration and Naturalization Service (INS) records of requests by aliens to leave the United States and return, and INS records of deportation.
  - The Department of Labor’s records of Federal employees receiving workers’ compensation.
  - The Railroad Retirement Board increased in frequency to every month.
- ❖ Creation of a diary alert database to monitor alerts from external computer matching.
- ❖ Piloting of a computer match with the Department of Treasury’s Financial Crimes Enforcement Network to identify persons having cash transactions of \$10,000 or more to see if it is cost-effective to conduct such matching on an ongoing basis.
- ❖ Project to increase detection of persons ineligible for SSI because they are prisoners.

- ❖ Online access to databases at the OCSE/NDNH and individual States (SASRO).
- ❖ Increased management focus on quality and adherence to POMS.
- ❖ Review of frequency of redeterminations to determine if a 3-year cycle would be more effective than the current cycle.
- ❖ Legislative proposals to simplify the program.
- ❖ Improved automation of SSI processes to reduce payment errors and better implement debt resolution.

**Schedule:**

- |      |  |
|------|--|
| 2000 | Diary alert database in place.             |
|      | Online access pilots with SASRO databases. |
| 2001 | Online access pilots with SASRO databases. |

## **Update Medical Listings**

*Lead SSA Official: Deputy Commissioner for Disability and Income Security Programs*

The Listing of Impairments, or listings, contain examples of medical conditions and medical findings, arranged by body system. The criteria in the listings are so severe that disability can be presumed for anyone who is not performing substantial gainful activity and who has an impairment that "meets" the criteria of a listing. Since the listings cannot include every possible impairment or combination of impairments a person could have, SSA's rules also provide that a person's impairment(s) can "equal" the severity of a listing. The listings are included in an appendix in SSA's regulations.

A number of the listings have not been updated in several years, and may no longer reflect the state-of-the-art in medicine and disability evaluation. Therefore, updating the listings is a priority activity for SSA. SSA is reviewing listings by body system, although in some cases the Agency expects to address only particular listings and impairments when that makes more sense. SSA's strategy is to undertake the short-term fixes first and to eliminate inconsistencies among listings as it completes the review of each body system.

Updating different listings will entail different activities requiring expert input, research and public involvement. In most cases, SSA expects to address corresponding adult and childhood listings at the same time unless it is not appropriate to do so.

### **Schedule:**

- |      |  |
|------|--|
| 2000 | Issue final regulations for selected body systems and impairments. Issue notices of proposed rulemaking for additional body systems and impairments. |
| 2001 | Issue final regulations for selected body systems and impairments. Issue notices of proposed rulemaking for additional body systems and impairments. |

## **Video Teleconferencing (VTC)**

*Lead SSA Official: Deputy Commissioner for Disability Insurance Security Programs*

The purpose of this Key Initiative is to use VTC technology to improve service delivery to customers, especially those who live in remote areas and to increase the ability of hearing offices to balance workloads through case transfers. This is a multifaceted initiative with several parts:

- ❖ Conduct hearings in remote sites via a VTC connection to a hearing office (HOs).
- ❖ Conduct hearings via VTC on cases transferred in from another HO for workload reasons.
- ❖ Connect medical experts (ME) and vocational experts (VE) to a hearing (in real time) via VTC or desktop video.
- ❖ Support our hearing process improvement (HPI) initiative by permitting Senior Attorneys to conduct formal pre-hearing conferences via VTC.
- ❖ Support VTC pilots in other SSA components.
- ❖ Improve our ability to quickly hear prison cases and Medicare cases where appellants or representatives are located in other areas of the country.

This technology will allow us to:

- ❖ Provide timely hearings to claimants living in remote areas, claimants who are incarcerated or appellants in some Medicare claims.
- ❖ Improve processing time for these cases.
- ❖ Increase Administrative Law Judge (ALJ) productivity due to reduced travel time and cost, and enhanced capacity to coordinate with experts.
- ❖ Increase the availability of experts to testify at hearings.
- ❖ Improve the ability of hearing offices to transfer workloads without the attendant travel costs for ALJs.
- ❖ Conduct formal pre-hearing conferences.
- ❖ Offer VTC access to other components of SSA for processing workloads.

Our Office of Hearings and Appeals (OHA) has conducted VTC hearings on a study basis in a few sites, and has established the viability of conducting hearings electronically. Expert witnesses can participate in the hearing from a privately owned videoconferencing site or a government facility, located close to their offices. Eventually, expert witnesses will be able to participate from their own offices via a desktop video camera. Desktop video has great potential for expanded uses as the equipment and bandwidth improves.

Customers' responses to VTC service as well as productivity and workload impact will be followed closely as OHA moves ahead to deploy additional units in mid- FY 2000. Data from additional sites will be used to verify estimated return on investment before future rollout sites are selected. We are also continuing to investigate the effectiveness of VTC for other purposes, such as continuing disability reviews and claimant conferences.

**Schedule:**

2000 Continue to test and evaluate VTC. Rollout to additional sites as warranted.

Enhance HOTS to measure effects of initiative.

2001 Rollout of VTC to additional sites as warranted.

## Appendix 4



## SSA's Evaluation Plan

Following is a schedule of program evaluations, analyses and studies that will be undertaken or completed during FY 2001 and which directly relate to performance goals and indicators in the APP.

GOAL	PROGRAM EVALUATION	SCOPE and METHODOLOGY	ESTIMATED COMPLETION
Responsive Programs	Evaluation of Changing Benefit Structures	Evaluates distributional impact of changing Social Security benefits for Title II Retirement and Survivor's Insurance	2000
	The Effects of Increasing the Social Security Retirement Age	Evaluates the effect of legislative changes on labor supply, such as capacity to continue working, application for SS disability benefits, and/or demand for older workers.	2001
	Welfare Reform and Children with Disabilities	Evaluates the effect of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 on SSA's childhood disability workloads and program costs (cost, program analysis)	2001
	Outside Review and Consultation of the Disability Process Redesign Prototype	Assessment of SSA's evaluation of the 10-State Disability Redesign Prototype. (cost, program analysis, statistical 2001)	2001
	State Partnership Evaluation	Evaluates the effects of demonstration project to assist States in developing integrated employment service delivery systems for SSI/SSDI beneficiaries.	2001
World-class Service	Annual Interaction Tracking Survey	Assesses customer satisfaction with cross-section of SSA service (statistical)	2001
	Annual Employer Satisfaction Survey	Assesses employer satisfaction with cross-section of SSA service (statistical)	2001



Best-in-Business Program Management	Suspension of Benefits to Fugitives	Assesses adequacy of SSA procedures to identify fugitives receiving SSI benefits (audit)	2000-2001
	SSA Procedures for Verifying Evidentiary Documents Presented with Original SSN Applications	Assesses adequacy of SSA procedures to ensure proper issuance of original SSNs (audit)	2000-2001
	Assessing SSA's Field Offices' Fraud Activities	Assesses adequacy of SSA Field Offices' activities regarding fraud identification, reporting, and investigation (audit)	2000-2001
Valued Employees	Employee Physical Security Survey	Surveys employees' perception of physical and protective security (statistical )	2001
	Comprehensive Indoor Air Quality (IAQ) Surveys	Assesses air quality in selected office and identifies required corrective actions	2001
Public Understanding	Public Understanding Measurement System (PUMS)	Annual public survey of adults age 18 and over to assess their knowledge Social Security programs (statistical)	2001

## Appendix 5



## Management Challenges

In order to meet the performance goals established for FY 2001, SSA must address and strive to resolve the management challenges identified both externally and internally. The management challenges listed below are those identified by the General Accounting Office and SSA's Inspector General as the most serious management challenges facing our Agency. In all cases, SSA has formulated specific action plans to address these challenges and plans to make significant progress toward meeting them. In addition, we have adopted specific and measurable performance targets that demonstrate our commitment to resolving these problems. For some problems, numeric outcome or output goals, will be used. For others, measurable milestones of initiatives that are tracked at executive level to ensure success are appropriate and will be used. .

### 1. Strengthening SSI Program Management

In October 1998, SSA issued a comprehensive plan for improving management of the SSI program, "Management of the Supplemental Security Income Program: Today and in the Future". The plan addresses four areas in which the SSI program can be better managed: improving overall payment accuracy, increasing continuing disability reviews (CDRs), expanding our efforts to combat program fraud, and improving debt collections. In each area, we set aggressive but achievable goals, assuming receipt of adequate resources, to improve our management of the program.

We have always been committed to administering the SSI program as efficiently and accurately as possible. However, we believe we can improve our administration of the SSI program in ways that will further increase accuracy and reduce erroneous payments. Our goal is to increase the accuracy rate to 96 percent by 2002 through the following management improvements and legislative provisions:

- Electronic Information Exchange – We have expanded electronic information exchanges significantly over the years. These matches have proven very successful. By 2002, we estimate that they will prevent about \$230 million in overpayments each year.
- Processing CDRs – SSA is committed to ensuring that only those individuals who meet program eligibility requirements come on to the rolls and that only those who continue to be disabled remain on the rolls. Our plan calls for processing CDRs to ensure program integrity, to rebuild public confidence in our programs, and to carry out congressional mandates. We expect to complete 1.8 million periodic review CDRs in FY 2000, and 1.7 million in FY 2001 as called for by our 7-year plan. Over the course of our 7-year plan, on average, we expect to realize lifetime program savings of about \$6 for every \$1 in administrative cost.

- Processing Additional Non-Disability Redeterminations – Redeterminations are periodic reviews of SSI beneficiaries’ non-medical eligibility that focus on income and resource factors affecting eligibility and payment amounts. These reviews are the most effective tool available to SSA for improving the accuracy of SSI payments. Our FY 2001 budget request includes resources to enable SSA to continue to conduct a significant number of redeterminations, over 2 million per year in FY 2000 and FY 2001. These redeterminations could result in an estimated annual reduction in overpayments of \$260 million (as measured by the SSI quality assurance review system) by FY 2002.
- Legislation – On December 14, 1999, the President signed into law the Foster Care Independence Act of 1999, Public Law 106-169. The law includes provisions which give SSA valuable tools to further our efforts. Three of the provisions will improve SSA’s ability to gather information that is material to an individual’s eligibility or correct amount of assistance. The improvements will enable us to identify unreported changes earlier to prevent or reduce overpayments.

Another provision allows SSA to improve efforts to collect SSI overpayments by extending to the SSI program all the debt collection authorities currently available under the OASDI programs.

Two other provisions strengthen program provisions that prior to enactment, allowed individuals to qualify for benefits by disposing of resources for less than fair market value, and by transferring assets to a trust.

Another provision authorizes SSA to impose sanctions on individuals who furnish information material to eligibility or payment amount that the individual knew was inaccurate, providing a deterrent to those who mislead SSA in their attempt to claim benefits.

The FY 2001 APP contains measures for each of the five strategic objectives addressed in the SSI management plan, and describes the specific means and strategies that are being employed. We also include a separate section in the plan that displays in one place all the performance goals related to SSI program management (pp. 96-97).

## **2. Long-term Challenges of the Social Security Program**

We participate in thousands of activities across the country aimed at informing the public about the Social Security program and the need for the public to understand the Social Security program of today to help shape the Social Security program of tomorrow.

In addition, we have briefed Members of Congress about the long-term challenges and have been providing technical assistance to congressional staff in connection with development of legislative proposals to enhance the program.

Since its establishment in 1998, our new Office of Policy has been preparing analyses of long term proposals to support our efforts to keep Social Security on a firm financial footing for decades to come.

The APP acknowledges our key role in participating in the development of proposals to strengthen and enhance the solvency of OASDI programs and commits SSA, in FY 2001, to continue to prepare analyses on the distributional and fiscal effects of solvency proposals developed by the Administration, Congress, and other policymakers (pp. 27-31).

### **3. Systems Security and Controls**

Last year the public accounting firm of PricewaterhouseCoopers (PWC) reported that SSA had made “noteworthy” progress in strengthening controls to protect information and in improving and fully testing our plan for continuity of operations. They also reported that SSA had improved significantly in the area of software development and change control procedures to the extent that this area was no longer a reportable condition. SSA intends to continue treating systems security as a high priority.

While SSA has a strong program to combat fraud, waste and abuse, there is potential for deliberate acts of deception in any benefits program. The FY 2001 APP contains a specific performance objective to aggressively deter, identify and resolve fraud, with numeric performance goals for FY 2001. Among the supporting means and strategies discussed is a comprehensive anti-fraud plan jointly developed and overseen by SSA and the OIG. The anti-fraud plan includes activities to prevent and detect fraud, such as revising the integrity review process to better identify fraud prone situations and better focus security audits, and increasing systems controls for certain automated transactions sensitive to fraud (pp. 74-77, Appendix 3, pp. 2-4).

### **4. Fraud Risk**

Because the public rightfully expects us to be vigilant stewards of its tax dollars, SSA has a policy of zero tolerance toward fraud and abuse in our programs. In a broad sense, virtually all Agency efforts encompassed by SSA’s program management goal constitute elements of SSA’s strategy to combat fraud. The efforts associated with this goal encompass approximately \$1.7 billion of SSA’s FY 2001 administrative budget. They include the Inspector General’s budget, continuing disability reviews, SSI non-disability redeterminations, representative payee costs, annual earnings postings and records maintenance, and debt collection efforts. A strong OIG, working together with SSA employees, is the most effective means we have to control fraud and abuse in the programs we administer.

To strengthen the OIG’s capacity to accomplish its mission, SSA has continued to increase the resources available to the OIG, more than doubling its investigative staff.

Our FY 2001 budget supports increased attention by both the OIG and Social Security offices across the country for deterring fraudulent activities and identifying and bringing to justice those who commit fraud, whether members of the public or employees. SSA's targeted anti-fraud activities include:

- Enhancing on-line access to State records;
- Continuing residency verifications for SSI applicants and recipients in our border offices;
- Establishing additional State Disability Determination Service (DDS) fraud investigation units to detect and prevent fraud at the initial disability decision;
- Improving systems security measures;
- Improving operations to identify and terminate payment to incarcerated SSI recipients; and
- Implementing new automated data matches with external parties.

SSA has also made an extensive effort to combat identity fraud, including establishing an Enumeration Verification System which provides a mechanism for employers to match employee names and Social Security Numbers (SSNs) with SSA's records; establishing a Disallowed Application File to track applications for SSN cards submitted with "suspect" or "fraudulent" documentation, and working closely, as permitted by law, with the Immigration and Naturalization Service and the State Department to assure the identity and lawful alien status of individuals.

OIG has dedicated additional resources to combat identity theft; staff are currently participating in identity theft task forces and OIG pilots are under way in two cities to assess the impact of identity fraud and to develop an appropriate response.

We specifically discuss our actions to address SSI fraud/high risk under item 1 above.

## **5. Addressing Urgent Year 2000 Computing Challenge**

SSA has been at the forefront of government-wide efforts to ensure that our systems are Year-2000 compliant. Our benefit payment system is 100 percent Year-2000 compliant. SSA worked closely with the Treasury Department, Federal Reserve, and the Postal Service to ensure that the Social Security and SSI benefit payments due in January 2000 were paid on time. Since October 1998, our payments have been made with Year-2000 compliant systems at both SSA and Treasury.

In the event that some banks were not able to credit direct deposit payments, SSA has worked with FMS and the Federal Reserve to develop a Benefit Payment Contingency Plan, which provided alternate ways of getting payments to Social Security beneficiaries. In dire need situations, SSA field offices were able to issue third-party payments immediately.

All of SSA's mission-critical systems are Year-2000 compliant. The automated systems for 50 State Disability Determination Services (DDSs) also are Year-2000 compliant. In addition, all of our data exchanges with our trading partners are Year-2000 compliant.

All of our local contingency plans assured that January 2000 payments would be issued on time, that our systems would function smoothly, and that we would deliver all our services to the American public.

As a final risk mitigation strategy, SSA published its Y2K Day One Strategy. This strategy comprised the comprehensive set of actions that were to be executed during the last days of 1999 and the first days of 2000. It included the activities leading up to the critical century rollover date, such as identification of key personnel involved, preparation of facilities checklists, procedures for manual processing of certain key workloads in the event the automated systems would be unavailable, training, etc. Implementation of the strategy ensured, to the extent possible, that SSA's facilities and systems were fully operational on the first business day of the new century. That is, service to the public and our trading partners continued without interruption due to the change of century date.

## **6. Program Complexity**

SSA has grappled with the complexity of the SSI program since it was first implemented and has made numerous efforts to simplify it. Legislative, regulatory and judicial actions designed to improve the program's ability to provide benefits in an equitable and cost-effective manner have increased program complexity. Congress, the General Accounting Office, the Social Security Advisory Board and others, as well as the Agency, acknowledge program complexity as an important challenge to administering the program effectively. The Office of Policy serves as a focal point for research, evaluation and policy development that will help enable policy makers to make informed choices in this area.

Our FY 2001 APP contains goals to maintain or improve payment accuracy in both the SSI and OASDI programs and to analyze complex SSI policies to determine opportunities for improvement. The Agency is also working to strengthen SSA employees' understanding of SSI program rules (pp. 69-70, Appendix 3, pp. 59-60, 65-66).

## **7. GPRA Commitments**

SSA is committed both to the concepts of GPRA and to improving our ability to manage for results in improved customer service, as well as strengthening the integrity of our programs. Our FY 2001 APP is a useful management tool for SSA and is a primary means of communicating overall direction and specific agency performance targets to our employees. Our current FY 2001 commitments reflect what we believe can be accomplished at the resource levels appropriated in FY 2000 and contained in our budget request for FY 2001.

The FY 2001 APP contains a specific performance objective to position the Agency's resources and processes to meet emerging workloads. This section highlights SSA's current activity to create a service-delivery vision that looks past our current 5-year planning horizon. This vision will be used to determine the actions we need to pursue to adequately prepare for the future. Our next GPRA strategic plan will outline the objectives, measures, and initiatives that we will manage to through FY 2005 to manage effectively in this critical area. The APP also commits us to updating our SSA workforce transition plan in FY 2001, which will support our ability to serve our customers into the future (pp. 79, 89-90).

In addition to including a detailed definition of each of the plan's performance measures and the data source used to measure performance, the plan includes a separate section detailing how performance measurement is being verified, validated, and reported. (pp. 94-95).

## **8. Employee Performance and Productivity**

SSA recognizes that a highly skilled and high-performing workforce is the key to achieving our strategic goals and objectives and that ultimately, the measure of our employees' performance is expressed in the performance of the Agency. Our FY 2001 APP goals related to employees and our enabling means and strategies, therefore, focus on providing our employees with the tools and training, physical environment, and culture that support their contribution to achieving SSA's mission, and on developing and implementing plans to position our resources to meet emerging workloads (pp. 82-90).

## **9. Process Redesign**

The FY 2001 APP reflects our current strategy to improve the disability adjudication process by creating a decision making process that reduces fragmentation and duplication, produces greater consistency and coordination at all adjudicative levels and takes better advantage of new technology. By taking these steps, SSA is striving to ensure that the correct disability decision is made and that benefits are awarded as early in the process as possible. Specific initiatives such as modifications to the disability claims process, process unification, and hearings process improvements are described, and a schedule for specific milestones through the next two years is provided.

We commit to specific levels of disability and hearings payment accuracy and processing time through FY 2001. We introduce a productivity measure for the hearings process and two new DDS accuracy measures. We discuss our intention to improve other performance through FY 2005, including DDS denial accuracy, and productivity which will enable DDSs to handle increased receipts (pp.55-60, Appendix 3, pp. 32-34).

## **10. Annual Wage Reporting**



SSA has made many improvements in the earnings process over the years that have contributed to improvements in accurate and timely posting of wages to individuals' records. A remaining problem is the volume of wages posted to the Earnings Suspense File because SSA is unable to match the report to a valid name/social security number. The FY 2001 APP describes SSA's ongoing initiative to reduce the size of SSA's suspense file, which is key to our efforts to maintain and improve earnings accuracy and, as a result, OASI payment accuracy. The APP also commits the Agency to achieving specific, numeric goals for earnings accuracy and OASI payment accuracy in FY 2001 (pp. 64-65, 72-73, Appendix 3, pp. 9-10).

## **11. Service to the Public**

In spite of the current and future challenges, SSA is committed to delivering world-class, customer-responsive service, not only in terms of timeliness and quality of the outputs we produce, but also as measured by the satisfaction of our customers. Throughout the FY 2001 APP, we commit ourselves to specific levels of accuracy and timeliness in processing our workloads, and to specific enhancements in the range of services provided.

Our FY 2001 APP includes initiatives to improve efficiencies through efforts such as electronic payment services, automating SSA's claims processes, improved telephone service, and expanded electronic service delivery. We are also committed to creating a supportive work environment for employees by providing the necessary tools and training, providing a physical environment that promotes the health and well-being of our employees, and creating, updating, and implementing a plan for transitioning from the workforce of today to the workforce of the future.

We also commit to continuing to solicit input from our customers about their preferences and about where improvement in service is needed. As is evident in the plan, we are using this information to develop and implement specific initiatives to improve our customer service and are putting processes in place which will enhance our ability to continue to be customer-responsive (pp. 50-51, Appendix 3, pp. 43-44, 63).

We are committed to supporting the efforts of Social Security beneficiaries with disabilities to return to work or work for the first time. For several years, SSA has embarked on a comprehensive employment strategy that seeks to provide beneficiaries with the economic supports to enter the workforce, greater access to rehabilitation and other employment services and the flexibility to choose service providers, and improved customer service. In FY 2000, SSA will begin implementation of Public Law 106-170, "The Ticket to Work and Work Incentives Improvement Act of 1999." This legislation addresses some of the most significant barriers to employment of people with disabilities and is expected to increase the number of beneficiaries who successfully transition to work. (pp.31-33, Appendix 3, pp.17-19)