

# **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...
<p>To raise the number of customers who receive service and payments on time, specifically by 2002:</p> <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>	<p>To raise the number of customers who receive service and payments on time, specifically by 2002:</p> <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>	<p>We accomplish three things:</p> <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.

**Initial FY 2001 Annual Performance Plan**

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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.

**Initial FY 2001 Annual Performance Plan**

*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.

**Initial FY 2001 Annual Performance Plan**

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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

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

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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.

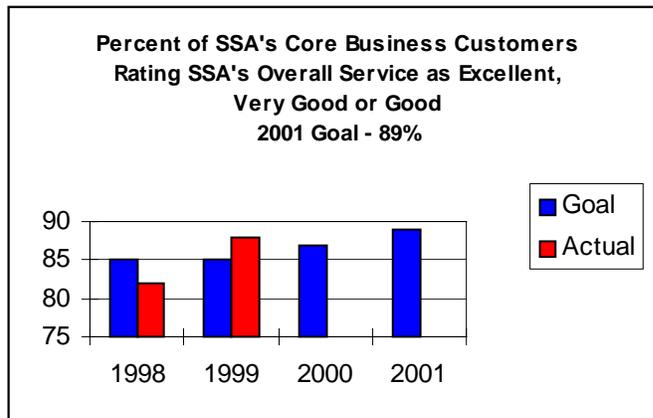
While SSA has, for years, been considered a leader in high-quality telephone service delivery, increasing demands have made it more and more difficult to maintain that capability. Despite budget resource limitations and expanding service demands, SSA remains committed to taking proactive steps toward 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.



**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

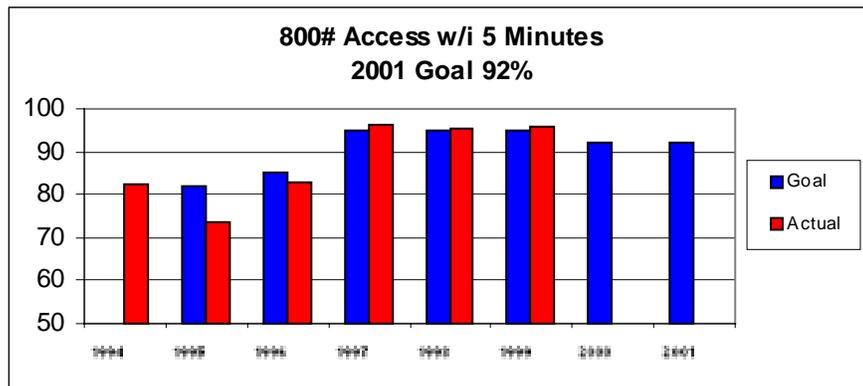
**Definition:** The computation of this rate is the number of employers surveyed by SSA’s OQA who rate overall service as “excellent” divided by the total number of respondents to that question. The estimate for FY 1999 is projected from the results of the last employer satisfaction survey done in FY 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.

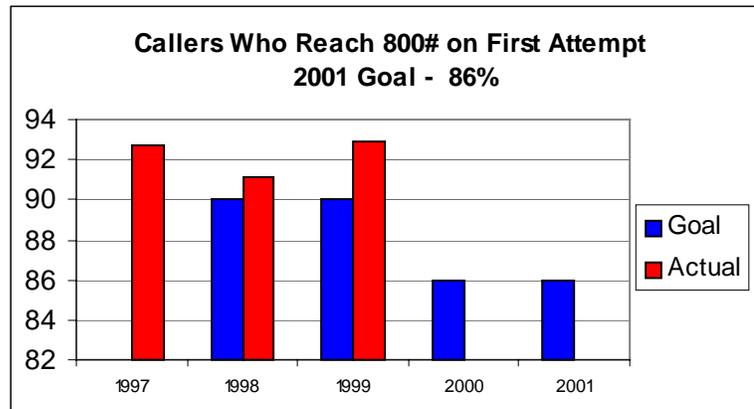
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**Indicator:** Percent of callers who get through to the 800-number on their first attempt

**FY 2001 Goal:** 86%

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



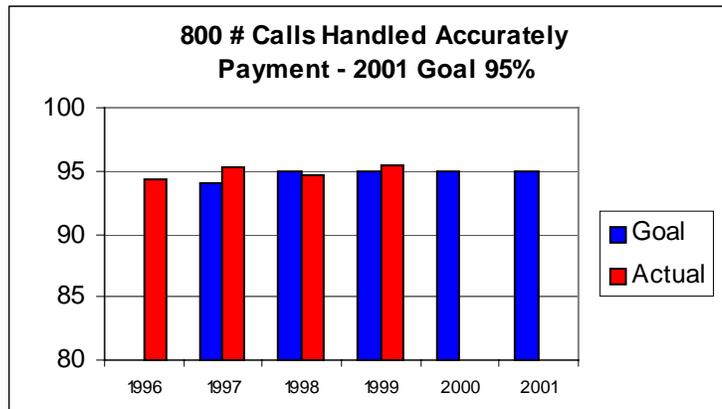
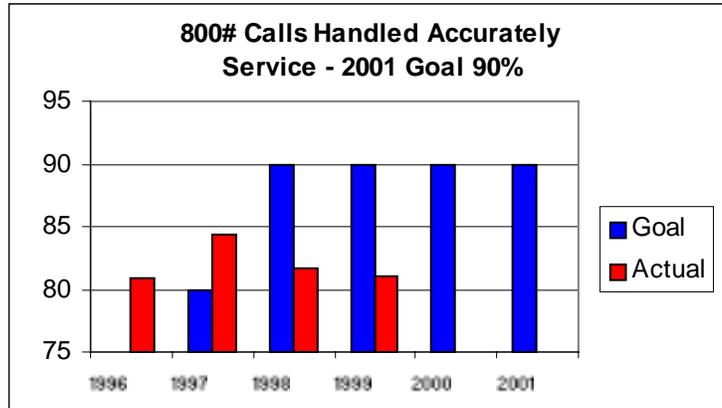
**Definition:** This rate reflects the number of individuals who reach the 800-number (either live or automated service) on their first attempt, divided by the number of unique telephone numbers dialed to the 800-number. An "attempt" is defined as the first attempted call of the day, or a subsequent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

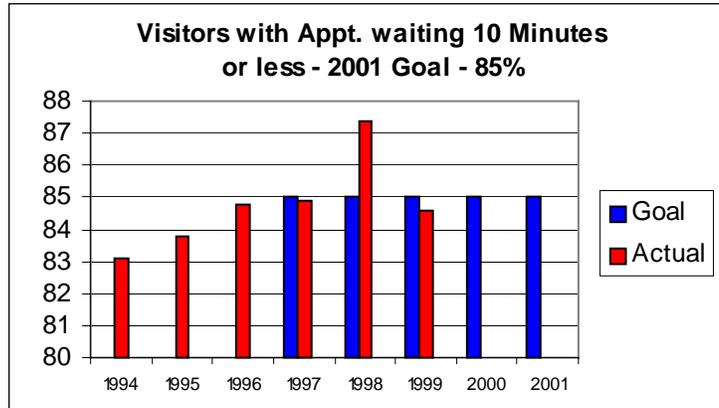
## Social Security Initial FY 2001 Annual Performance Plan

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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%



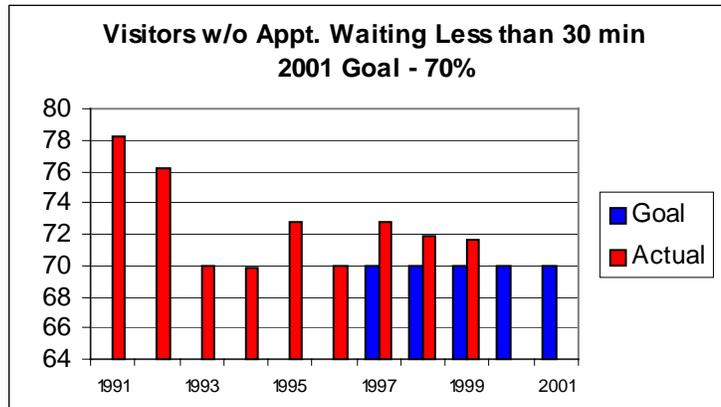
**Definition:** The number of visitors with an appointment who wait 10 minutes or less, divided by the total number of visitors with an appointment during the study time. Waiting time data are collected during a 1-hour window, once a quarter, in each field office.

**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	FY1999 Actual	FY1998 Actual
	70%	71.6%	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**

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- **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:



### **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.

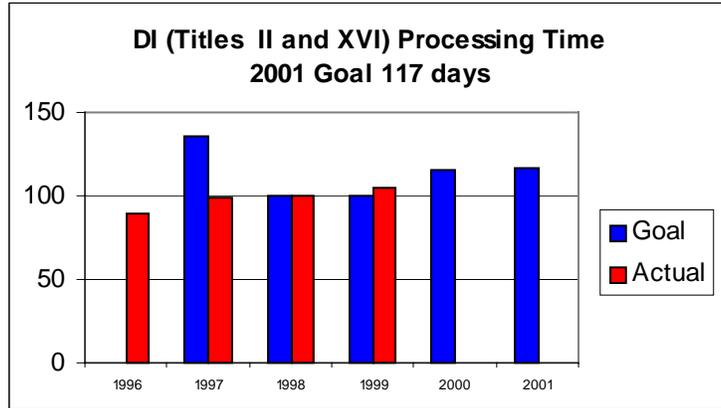
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**Indicator:** Initial disability claims average processing time (days)

**FY 2001 Goal:** 117 days

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



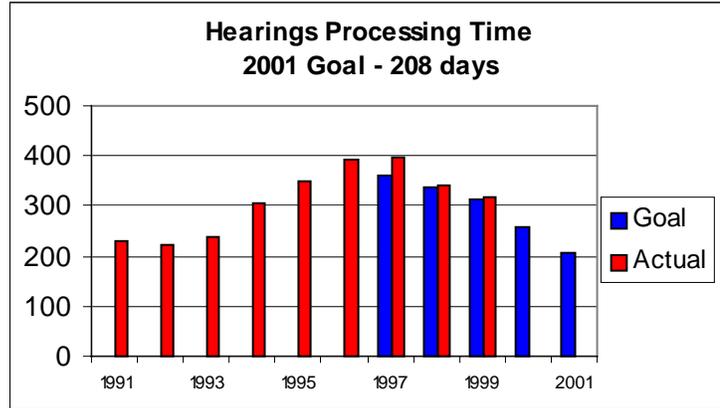
**Definition:** This indicator represents the fiscal year average processing time for DI and SSI claims combined. Processing time is measured from the application date (or protective filing date) to either the date of the denial notice or the date the system completes processing of an award.

**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**

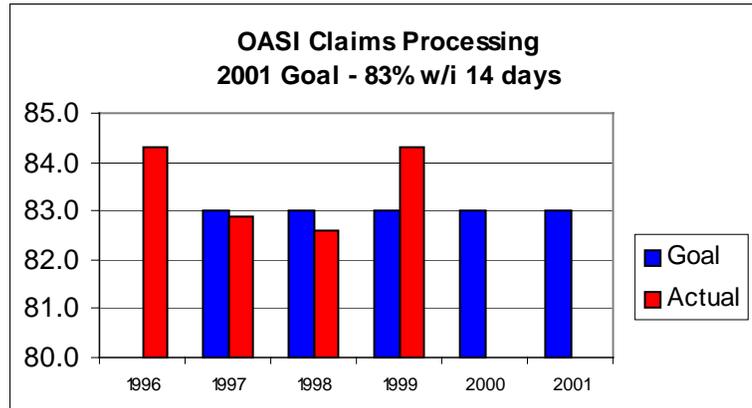
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**payment is due or within 14 days from effective filing date, if later**

**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).

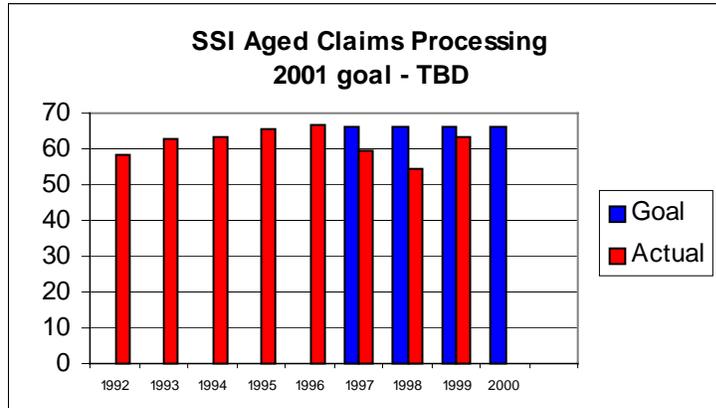
**Baseline Data:** To be developed

**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      FY 1999 Actual      FY 1998 Actual  
                                         66%                            63.5%                            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%

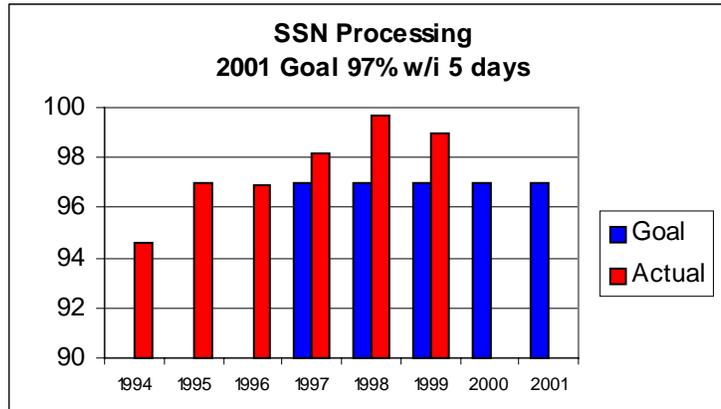
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Baseline Data: FY 2000 APP Goal  
97%

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.