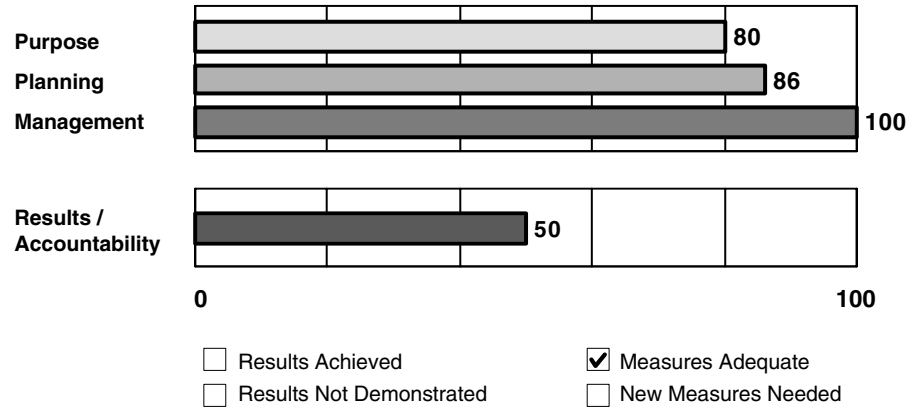


Program: Disability Insurance

Agency: Social Security Administration

Bureau: Social Security Administration



Key Performance Measures

Year Target Actual

Measure	Year	Target	Actual
Long-term Measure: Initial disability claims average processing time (days) This is the number of days from the filing of an application to the date processing is complete.	1999	100	105
	2000	115	102
	2001	120	106
	2004	103	
Annual Measure: Percent of initial disability denials correctly processed	1999		93.0%
	2000		92.4%
	2001	93.5%	92.0%
	2002	93.5%	92.4%
Annual Measure: Number of hearings cases processed per workyear (includes all hearings, not just initial disability)	1999		98
	2000		97
	2001	103	87
	2002	91	97

Rating: Moderately Effective

Program Type: Direct Federal

Program Summary:

The Social Security Disability Insurance (DI) program pays benefits to persons who are unable to earn a living due to a disability. Benefits are based on a person's lifetime average earnings. The program also provides money to dependents.

The assessment indicates that the DI program purpose is clear and addresses a specific need. Of those employees covered by the DI program, 75% are without an employer-provided long-term disability policy. Additional findings include:

1. The DI program is not optimally designed to meet the current needs of people with disabilities. Enacted in 1956, the program has not been revised to reflect changing medical technology, vocational options, and societal attitudes toward the disabled that allow more people with disabilities to work.
2. While funding to run the program directly affects actual performance, the precise relationship between resources and outcomes is not readily known for all outcomes, such as the percent of claims processed correctly and claims processing time.
3. To improve cost effectiveness, SSA periodically reviews DI beneficiaries to ensure that only those who remain disabled continue receiving benefits.
4. SSA's financial management is sound. For example, SSA received its ninth consecutive unqualified opinion on its financial statements.
5. SSA exceeded its targets for average initial processing time. But, SSA has not met its annual goals for the percent of initial disability denials correctly processed.
6. SSA did not make sufficient progress in hearings productivity. While productivity improved in 2002, it remains below the 1999 level of 98 hearings processed per workyear.
7. Reports from the General Accounting Office and the Social Security Advisory Board have repeatedly noted that program improvements are necessary if SSA is to improve productivity and processing times. SSA has worked for several years to make improvements without significant success.

To address these findings, the SSA will:

1. Better connect DI beneficiaries with expanding employment opportunities for individuals with disabilities.
2. More closely line up DI administrative resources with performance benchmarks.
3. Improve the disability claims process, in part, by investing in technology to eliminate the need to store, locate, and mail millions of paper files.

Program Funding Level (in millions of dollars)

2002 Actual	2003 Estimate	2004 Estimate
65,783	75,138	79,801