



SOCIAL SECURITY

MEMORANDUM

Date: December 19, 2008

Refer To:

To: The Commissioner

From: Inspector General

Subject: Disability Claims Overall Processing Times (A-01-08-18011)

The attached final report presents the results of our review. Our objective was to determine the Social Security Administration's average overall processing time for disability claims decided by Disability Determination Services, Administrative Law Judges, the Appeals Council and Federal Courts.

Please provide within 60 days a corrective action plan that addresses the recommendation. If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.

A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr." with a stylized flourish at the end.

Patrick P. O'Carroll, Jr.

Attachment

**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**DISABILITY CLAIMS
OVERALL PROCESSING TIMES**

December 2008 A-01-08-18011

AUDIT REPORT



Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.**
- Promote economy, effectiveness, and efficiency within the agency.**
- Prevent and detect fraud, waste, and abuse in agency programs and operations.**
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.**
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.**

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.**
- Access to all information necessary for the reviews.**
- Authority to publish findings and recommendations based on the reviews.**

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.

Executive Summary

OBJECTIVE

Our objective was to determine the Social Security Administration's (SSA) average overall processing time for disability claims decided by Disability Determination Services (DDS), Administrative Law Judges (ALJ), the Appeals Council (AC) and Federal Courts.

BACKGROUND

SSA provides Social Security Disability Insurance and Supplemental Security Income disability benefits to eligible individuals under Title II and Title XVI of the Social Security Act. To receive either benefit, an individual must first file an application with SSA. The SSA Field Office then determines whether the individual meets the non-disability criteria for benefits, and if so, forwards the claim to a State DDS for a disability determination.

If the applicant disagrees with the initial disability determination, he or she can file an appeal within 60 days from the date of being notified of the determination. In most cases, there are four levels of appeal, including a: (1) reconsideration by the DDS, (2) hearing by an ALJ, (3) review by the AC and (4) review by the Federal Courts.

RESULTS OF REVIEW

We determined the average overall processing time for disability claims completed in Calendar Year 2006 from the date of application to the date of denial or the date benefits were paid at time of allowance (including any back payments).

Sample Cases for 2006	DDS		ALJ	AC	Federal Courts
	Initial	Reconsideration			
Office of the Inspector General's Measure of Average Overall Processing Time (in days)	131	279	811	1,053	1,720

CONCLUSION AND RECOMMENDATION

We believe the processing times determined in our review may assist SSA and the Congress in making decisions about the disability programs. According to SSA's Strategic Plan, "[the Agency's] effectiveness will be determined by how well [SSA] meets the needs and expectations of the American people. Its success will also be measured by how we manage resources to provide services and benefits in a way that is responsive to the American public."

Therefore, we recommend SSA develop and publish a measure that shows the overall disability processing time from the claimant's perspective.

AGENCY COMMENTS

SSA agreed that the recommendation would benefit the Agency, Congress, the public, and prospective disability claimants. The Agency stated it previously considered using this type of performance measure but did not move forward because it was unable to capture the management information necessary to calculate this measure. Further, SSA stated that making systems changes to capture additional data would require redirecting already limited resources.

Table of Contents

	Page
INTRODUCTION	1
RESULTS OF REVIEW	3
DDS Sample Results	3
ALJ Sample Results	6
Appeals Council Sample Results.....	8
Federal Courts Sample Results.....	10
CONCLUSION AND RECOMMENDATION	13
APPENDICES	
APPENDIX A – Acronyms	
APPENDIX B – Scope, Methodology and Sample Results	
APPENDIX C – The Social Security Disability Claims Process	
APPENDIX D – Agency Comments	
APPENDIX E – OIG Contacts and Staff Acknowledgments	

OBJECTIVE

Our objective was to determine the Social Security Administration's (SSA) average overall processing time for disability claims decided by Disability Determination Services (DDS), Administrative Law Judges (ALJ), the Appeals Council (AC) and Federal Courts.

BACKGROUND

SSA provides Social Security Disability Insurance (DI) and Supplemental Security Income (SSI) disability benefits to eligible individuals under Title II and Title XVI of the Social Security Act. To receive either benefit, an individual must first file an application with SSA. Once an application is filed, the SSA Field Office (FO) determines whether the individual meets the non-disability criteria for benefits,¹ and if so, forwards the claim to the DDS for a disability determination. Once the DDS makes a determination, it sends the claim back to the FO for final processing² or to the Disability Quality Branch (DQB) for review prior to final processing.³

If the applicant disagrees with the initial disability determination, he or she can file an appeal within 60 days from the date of notice which notified the individual of the determination. In most cases, there are four levels of appeal, including a:

- (1) reconsideration by the DDS,
- (2) hearing by an ALJ,
- (3) review by the AC and
- (4) review by the Federal Courts.⁴

In its annual Performance and Accountability Report, SSA has performance measures for the average processing times of (1) initial disability claims (2) hearing decisions and (3) AC decisions. Each measure is designed to capture the average processing time for a specific segment of the disability process, instead of the average overall processing time. For example, the performance measure for hearings captures the average processing time from the date the claimant requests a hearing to the date the ALJ

¹ For DI benefits, the non-disability criteria includes such factors as sufficient earnings, while for SSI benefits, the non-disability criteria includes such factors as low income and resources.

² If the FO cannot process the claim or partially processes the claim (i.e., initiates payment but does not issue any back payments), then it will send the claim to the Payment Service Center (PSC) for final processing.

³ DQB selects half the DDS' allowances and a statistically valid sample of DDS' denials. In the DQB, a Federal quality reviewer reviews each sample case to determine whether the record supports the determination and whether the evidence and determination conform to SSA operating policies and procedures.

⁴ The reconsideration step of the appeals process is eliminated for DDSs participating in the Disability Redesign Prototype (Alabama, Alaska, California—Los Angeles North and Los Angeles West Branches, Colorado, Louisiana, Michigan, Missouri, New Hampshire, New York and Pennsylvania).

renders a decision, not from the date the claimant first files an application to the date the ALJ denies the claim or allows the claim and SSA issues the benefits.

See the table below for the average processing times that SSA reported on in its Fiscal Year (FY) 2006 Performance and Accountability Report.

Average Processing Times Reported by SSA in FY 2006		
Initial Disability Claims	Hearing Decisions	AC Decisions
88 days	483 days	203 days

In July 2007, at the DDS Management Meeting, SSA expressed interest in having information on the overall processing time for disability claims to assist in making decisions about the disability programs. For this reason, we conducted this review to determine processing time from a claimant's perspective, which was how long it took, on average, for a claimant to go through the entire disability process from the date he or she filed an application until the date SSA denied the claim or awarded the claim and issued the benefits due at that time.

To perform our review, we obtained files of all disability decisions made in Calendar Year (CY) 2006. From these files, we identified:

- 2,618,926 individuals who received initial/reconsideration determinations from DDSs,
- 480,529 individuals who received decisions from an ALJ,
- 64,473 individuals who received decisions from the AC, and
- 8,102 individuals who received decisions from the Federal Courts.

We also obtained a file of disability decisions made in CY 2007. From this file, we identified 2,662,212 individuals who received initial/reconsideration determinations from DDSs.

We then randomly selected 275 sample cases from each DDS population and 100 sample cases from each of the other populations—for a total of 850 cases—and conducted a detailed analysis to determine the average overall processing time and the average processing times based on SSA's performance measures. (See Appendix B for more information on scope, methodology and sampling.)

Results of Review

As shown in the table below, we determined the average overall processing time for disability claims completed in CY 2006 from the date of application to the date of denial or the date benefits were paid at time of allowance (including any back payments).

Sample Cases for 2006	DDS		ALJ	AC	Federal Courts
	Initial	Reconsideration			
Office of the Inspector General's Measure of Average Overall Processing Time (in days) ⁵	131	279	811	1,053	1,720

DDS SAMPLE RESULTS

The DDS obtains and evaluates evidence from medical and other sources to determine whether a claimant is disabled. If the claimant is dissatisfied with the DDS determination, the claimant may request that the DDS reconsider it.⁶

Based on our review of 275 sample cases with a DDS determination in CY 2006, we determined that it took SSA 131 days,⁷ on average, to completely process an initial claim—ranging from 16 days to about a year.⁸ SSA measures the average processing time from the application date to the date of denial or date the award is processed. This measure does not capture all the processing time because sometimes the Agency determines the back payments after it processes an award.

⁵ Since we measured the average overall processing time from the date of application to the date of denial or the date benefits were paid at time of allowance (including any back payments), it includes time which SSA has no control over such as mail time and time for the claimant to request an appeal—which we called “Down Time.” SSA also has no control over the time it takes the Federal Courts to review a case and render a decision.

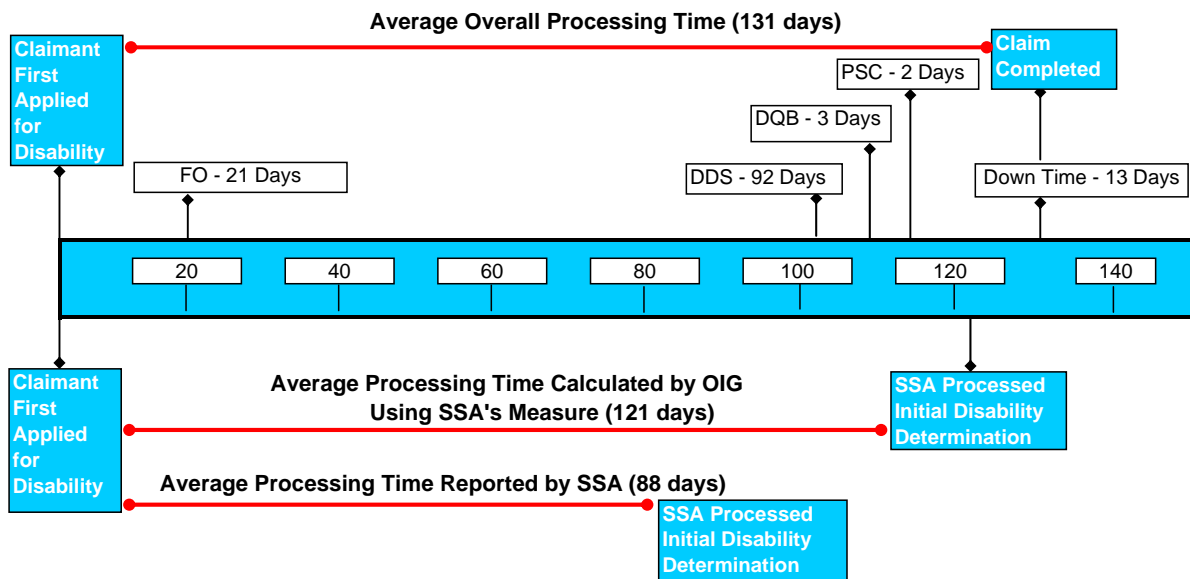
⁶ The reconsideration step of the appeals process is eliminated for DDSs participating in the Disability Redesign Prototype (Alabama, Alaska, California—Los Angeles North and Los Angeles West Branches, Colorado, Louisiana, Michigan, Missouri, New Hampshire, New York and Pennsylvania).

⁷ Assuming the processing time of the population of DDS cases with determinations in CY 2006 is normally distributed and using inferential statistical techniques, we are 90 percent confident that the average processing time for the entire population would be found between 124 and 137 days.

⁸ Of the 275 sample cases, the DDSs allowed 91 cases (33 percent) and denied 184 cases (67 percent). For the 91 allowances, it took SSA 48 days, on average, to initiate payment following a DDS determination and an additional 8 days (including mail time and processing time), on average, to issue the back payments.

Using SSA's measure, we determined the average processing time for initial disability claims was 121 days. In its FY 2006 Performance and Accountability Report, SSA reported this processing time was 88 days. We calculated more processing time than SSA did because—unlike SSA's measure—our measure was only for claims that met the non-disability criteria for benefits and, therefore, needed to be reviewed by a DDS.⁹ In FY 2006, SSA denied 610,681 claims that did not need to be reviewed by a DDS.

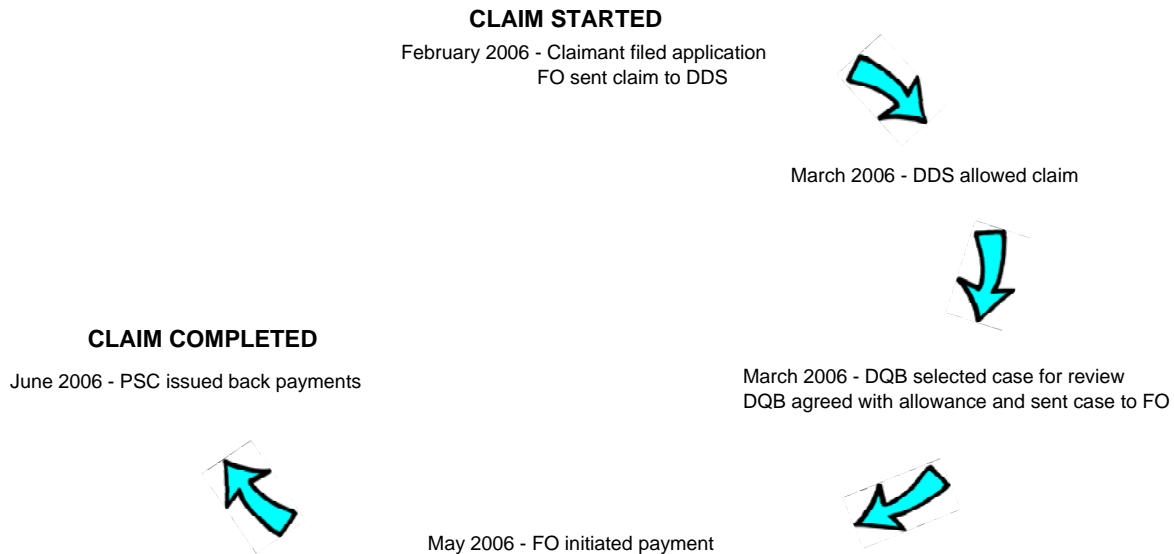
The following timeline shows (1) the average overall processing time for initial disability claims by component,¹⁰ (2) the average processing time we calculated using SSA's measure and (3) the average processing time reported by SSA.



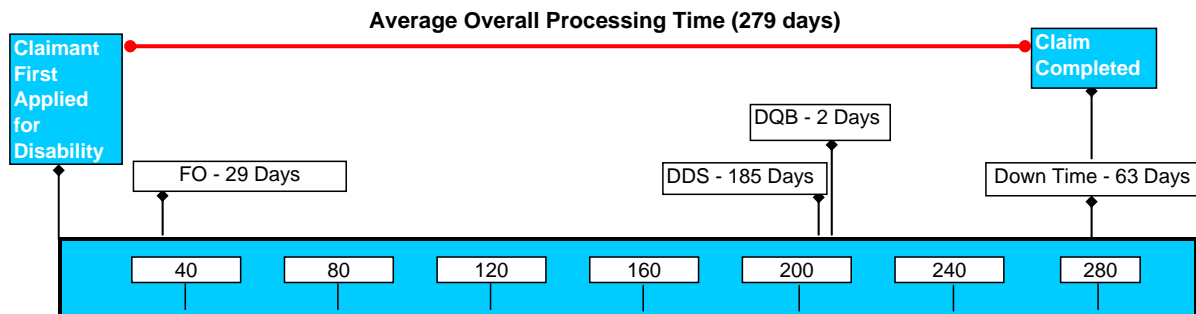
⁹ According to the Annual Performance Plan for FY 2009 and revised Final Performance Plan for FY 2008, SSA modified its measure for the average processing time for initial disability claims to only include claims that met the non-disability criteria for benefits.

¹⁰ The component processing times combine all the days that each component had the case and do not necessarily fall in adjudicative order on the timeline. For example, the FO average processing time of 21 days includes time before the claim was sent to a DDS (15 days on average) and time for processing the claim after it was returned from DDS (6 days on average). Furthermore, some components did not process every claim. For example, DQB reviewed only 39 of the 275 initial disability determinations.

For example, as shown in the flowchart below, a claimant filed an application in February 2006 and was allowed a month later by the DDS. DQB then selected this case for review and, upon finding no errors, sent the case to the FO for processing. In May 2006, the FO processed the claim and initiated payment. In June 2006, the PSC issued the back payments due the claimant at that time. It took SSA 145 days to completely process this claim and 100 days to process the claim from the application date to the award processing date.



Of the 275 sample cases, 54 had a reconsideration determination in 2006.¹¹ Based on our review of these 54 cases, we determined that it took SSA 279 days, on average, to completely process a reconsidered claim—ranging from about 4 to 16 months. SSA does not have a performance measure for the processing time of reconsiderations. The following timeline shows the average overall processing time for reconsideration disability claims by component.¹²



¹¹ Of these 54 cases, the DDSs upheld the initial determination in 48 cases and reversed the initial determination in 6 cases.

¹² The Down Time of 63 days includes 49 days during which SSA was waiting for the claimant to request an appeal.

We also reviewed a sample of 275 cases with a DDS determination in 2007. Based on this review, we determined that it took SSA 121 days,¹³ on average, to completely process an initial claim—ranging from 22 days to about a year.¹⁴ We also determined that it took SSA 115 days, on average, to process an initial claim from the application date to the date of denial or the date the award was processed.

Of the 275 sample cases, 61 had a reconsideration determination in 2007.¹⁵ Based on our review of these 61 cases, we determined that it took SSA 283 days, on average, to completely process a reconsideration claim—ranging from about 3 months to over a year.

The average overall processing times for initial disability claims in CY 2007 (121 days) was 10 days less than the average overall processing times in CY 2006 (131 days).

ALJ SAMPLE RESULTS

A claimant may request a hearing before an ALJ if he or she is dissatisfied with the reconsideration determination. When the claimant does not waive his or her right to appear at the hearing, the ALJ reviews information obtained from questioning the claimant, his or her representative and witnesses. In addition, the ALJ reviews the evidence on file and any additional evidence submitted for consideration. The ALJ then issues a decision.

Based on our review of 100 sample cases, we determined that it took SSA 811 days,¹⁶ on average, to completely process a disability claim through the hearing level—ranging from about 6 months to just over 4 years.¹⁷ SSA measures the average processing time from the date the claimant requests a hearing until the date the ALJ issues a decision, which we determined was 482 days for our sample cases. In the FY 2006

¹³ Assuming the processing time of the population of DDS cases with a determination in 2007 is normally distributed and using inferential statistical techniques, we are 90 percent confident that the average processing time for the entire population would be found between 115 and 127 days.

¹⁴ Of the 275 sample cases, the DDSs allowed 93 cases (34 percent) and denied 182 cases (66 percent). Two claimants died before payments could be initiated. For the remaining 91 allowances, it took SSA 30 days (including mail time and processing time), on average, to initiate payment following a DDS determination and an additional 11 days, on average, to issue the back payments.

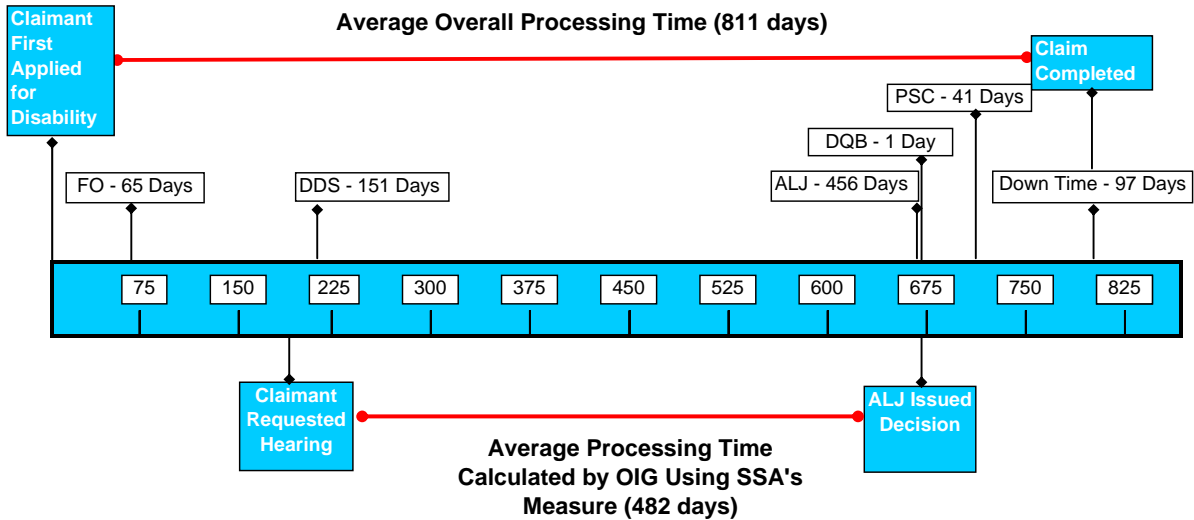
¹⁵ Of these 61 cases, the DDSs upheld the initial determination in 50 cases and reversed the initial determination in 11 cases.

¹⁶ Assuming the processing time of the population of ALJ cases is normally distributed and using inferential statistical techniques, we are 90 percent confident that the average processing time for the entire population would be found between 762 and 859 days.

¹⁷ Of the 100 sample cases, the ALJs upheld the decision in 24 cases, reversed the decision in 68 cases and dismissed 8 cases. Payments could not be initiated for 1 case because the claimant was working. For the remaining 67 reversals, it took SSA 38 days, on average, to initiate payment following an ALJ decision and an additional 46 days (including mail time and processing time), on average, to issue the back payments.

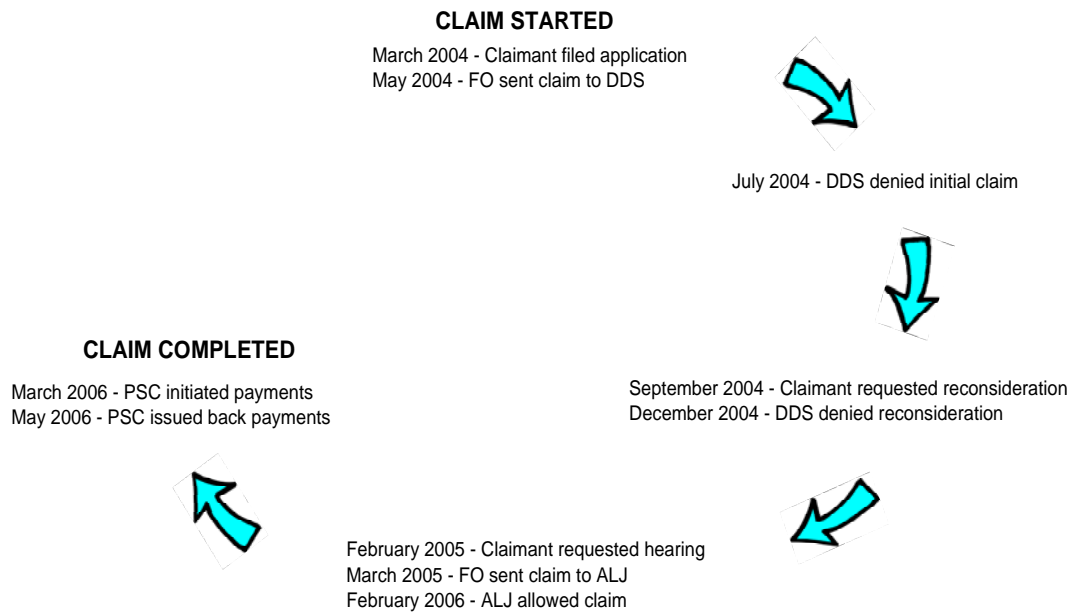
Performance and Accountability Report, SSA reported the average processing time for hearing decisions was 483 days.

The following timeline shows the average overall processing time for ALJ cases by component as well as the average processing time we calculated using SSA's measure.¹⁸



¹⁸ The Down Time of 97 days includes 69 days during which SSA was waiting for the claimant to request an appeal.

For example, as shown in the flowchart below, a claimant filed an application in March 2004, which the DDS denied. The claimant then requested a reconsideration, which the DDS also denied. In February 2005, the claimant requested a hearing by an ALJ, who allowed the claim in February 2006. In March 2006, the PSC initiated payment, and in May 2006, issued the back payments that were due at that time. It took SSA about 2 years to completely process this claim and about a year to process the claim from the hearing request date to the ALJ decision date.

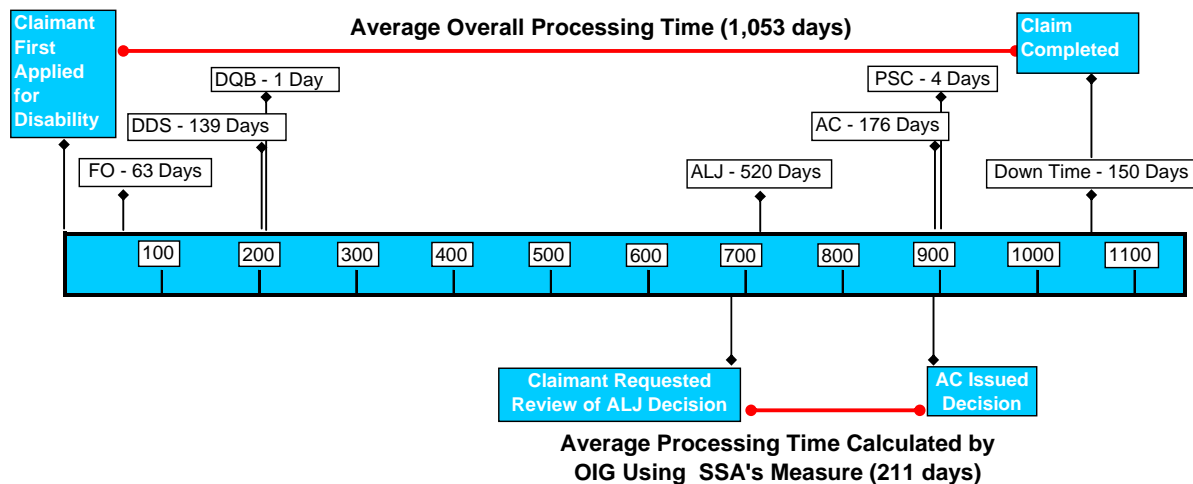


APPEALS COUNCIL SAMPLE RESULTS

A claimant may request the AC to review his or her case if dissatisfied with the ALJ's decision. If the AC agrees to review the case, it will consider the evidence on file, any additional evidence submitted by the claimant and the ALJ's findings and conclusions. The AC will then: (1) uphold or reverse the ALJ's decision or (2) remand the case to the ALJ to issue a new decision, to obtain additional evidence or to take additional action.

Based on our review of 100 sample cases, we determined it took SSA 1,053 days,¹⁹ on average, to completely process a disability claim through the AC level—ranging from about a year to just under 10 years.²⁰ SSA measures the average processing time from the date the claimant requests an AC review to the date the AC makes a decision, which we determined was 211 days for our sample cases. In the FY 2006 Performance and Accountability Report, SSA reported the average processing time for Appeals Council decisions was 203 days.

The following timeline shows the average overall processing time for AC cases by component as well as the average processing time we calculated using SSA's measure.²¹

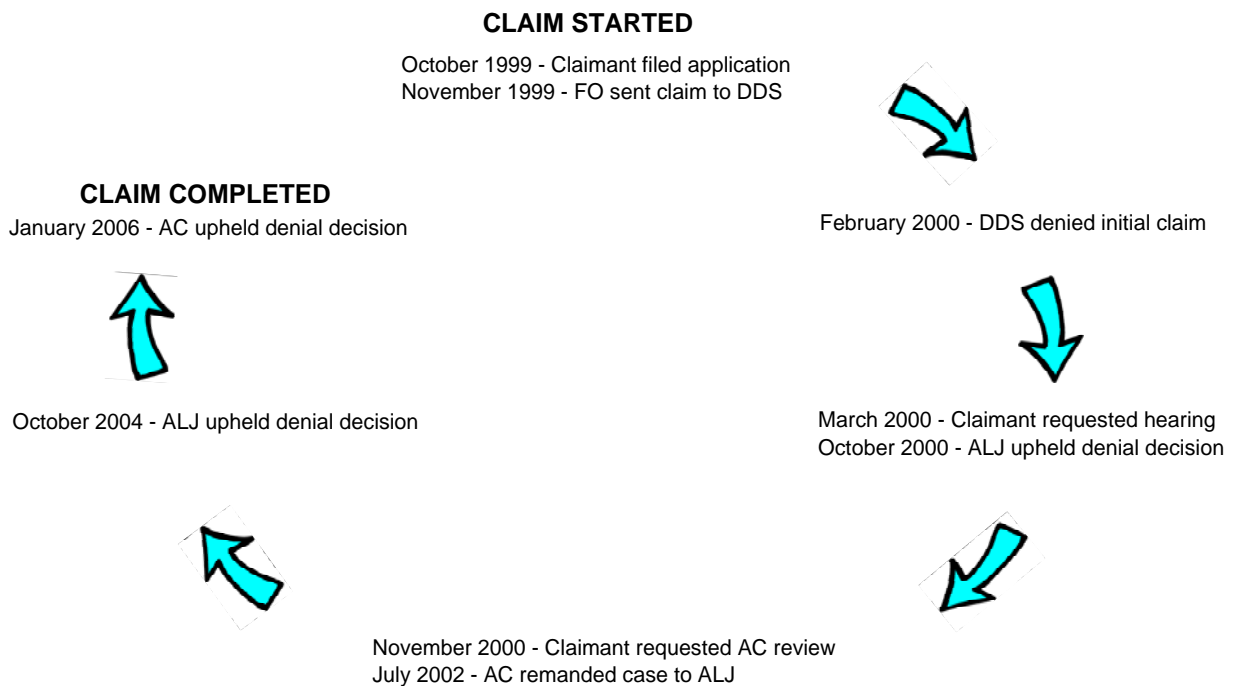


¹⁹ Assuming the processing time of the population of AC cases is normally distributed and using inferential statistical techniques, we are 90 percent confident that the average processing time for the entire population would be found between 981 and 1,124 days.

²⁰ Of the 100 sample cases, the AC declined to review 92 cases, reversed the decision in 6 cases and dismissed 2 cases. The AC changed one decision from an allowance to a denial. For the remaining 5 reversals, it took SSA 95 days, on average, to initiate payment following the AC decision and an additional 18 days (including mail time and processing time), on average, to issue the back payments.

²¹ The Down Time of 150 days includes 97 days during which SSA was waiting for the claimant to request an appeal.

For example, as shown in the flowchart below, a claimant filed his application in October 1999. The DDS denied his application and the ALJ upheld the decision. In November 2000, the claimant requested the AC review his case. After reviewing the case, the AC remanded it to the ALJ, who upheld the decision again. Then, in January 2006, the AC reviewed the case once more, and this time upheld the decision. It took SSA about 6 years to completely process this claim and about 5 years to process the claim from the AC request date to the AC decision date. However, while appealing this claim, the claimant filed a new initial claim in November 2000, which the DDS allowed in 2001.

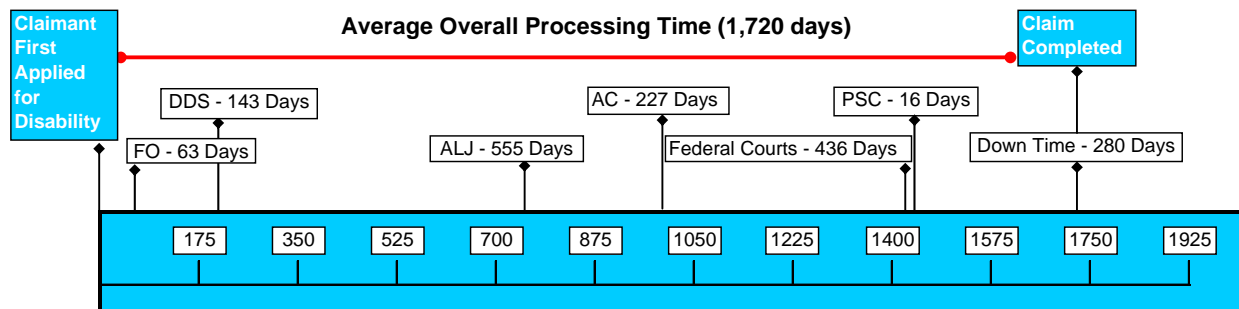


FEDERAL COURTS SAMPLE RESULTS

The claimant may file a suit with a Federal District Court if he or she is dissatisfied with SSA's decision. The Federal District Court reviews all evidence on file as well as the ALJ's and AC findings and conclusions. The court then upholds or reverses SSA's decision or remands the case to SSA for a new decision. If it does not find in favor of the claimant, he or she can continue to appeal to the U.S. Circuit Court of Appeals and ultimately to the Supreme Court of the United States.

Based on our review of 100 sample cases, we determined that it took 1,720 days,²² on average, to completely process a disability claim through the Federal Courts level—ranging from about 2½ years to about 14 years.²³ SSA has no control over how long it takes the Federal Courts to review a case and render a decision, nor does SSA have any performance measures associated with these cases.

The following timeline shows the average overall processing time for Federal Court cases by component.²⁴

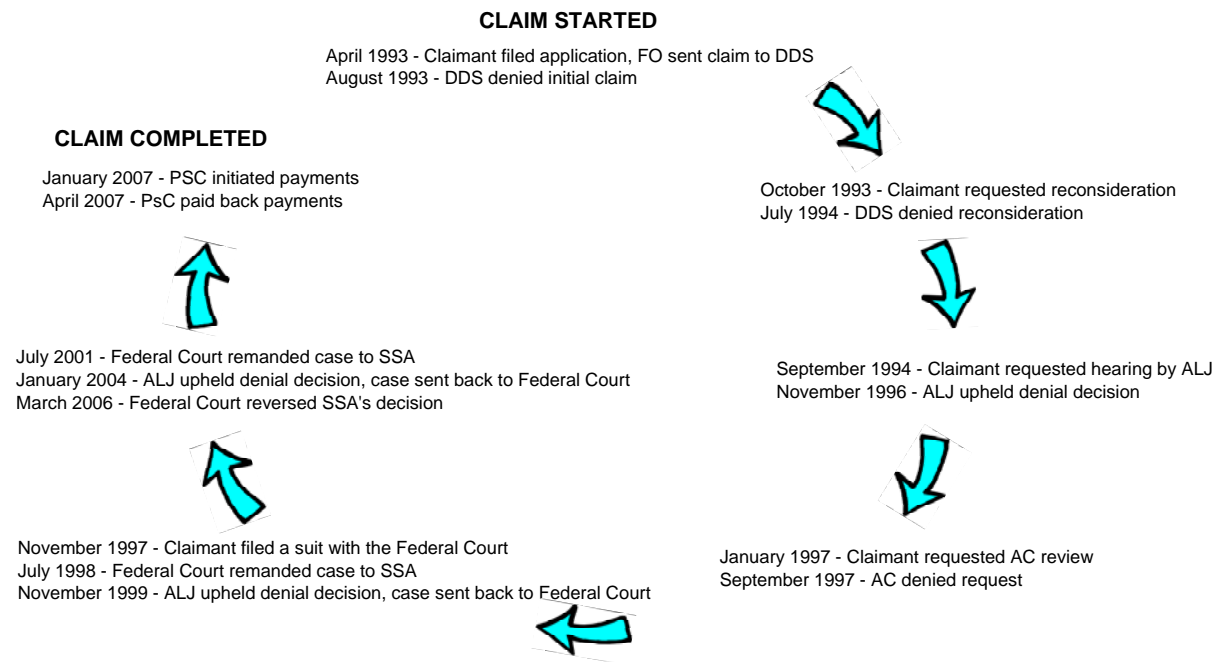


²² Assuming the processing time of the population of ALJ cases is normally distributed and using inferential statistical techniques, we are 90 percent confident that the average processing time for the entire population would be found between 1,583 and 1,858 days.

²³ Of the 100 sample cases, the Federal Courts upheld SSA’s decisions in 80 cases, dismissed 11 cases and reversed 9 cases. For the 9 reversals, it took SSA 126 days, on average, to initiate payment following the Federal Court decision and an additional 40 days (including mail time and processing time), on average, to issue the back payments.

²⁴ The Down Time of 280 days includes 165 days during which SSA was waiting for the claimant to request an appeal.

For example, as shown in the flowchart below, a claimant filed her application in April 1993. The DDS denied her application (at both the initial and reconsideration levels) and the ALJ upheld the denial decision. The claimant then requested that the AC review her case, but it denied her request. In November 1997, she filed a suit with the Federal District Court. Over the next several years, the Federal District Court remanded her case to SSA twice, and each time, SSA upheld its decision. Then, in March 2006, the Federal District Court reversed SSA's decision and requested SSA to award the claimant benefits. In January 2007, the PSC initiated payment, and in April 2007, it issued the back payments that were due at that time. It took almost 14 years for this claim to go through the disability process.



Conclusion and Recommendation

During the course of this review, we determined how long it took, on average, for a claimant to go through the entire disability process from the date he or she filed an application until the date SSA denied the claim or awarded the claim and issued the benefits due at that time. This processing time, which is based on the claimant's perspective, may amount to years, during which time, a claimant's condition may worsen or additional evidence may become available. As a result, he or she may be denied benefits at one adjudicative level and later allowed at another adjudicative level.

While our measure tracks the amount of time it takes a person to go through the entire process, SSA's measures track the amount of time it takes a person to go through specific segments of the disability process for the purpose of managing the workloads within each component.

We believe that the processing times determined in this review may assist SSA and the Congress in making decisions about the disability programs—which is especially important in light of the increasing number of baby-boomers entering their “disability prone” years.

According to SSA's Strategic Plan, “[the Agency's] effectiveness will be determined by how well [SSA] meets the needs and expectations of the American people. Its success will also be measured by how we manage resources to provide services and benefits in a way that is responsive to the American public.”

Therefore, we recommend SSA develop and publish a measure that shows the overall disability processing time from the claimant's perspective.

AGENCY COMMENTS

SSA agreed that the recommendation would benefit the Agency, Congress, the public, and prospective disability claimants. The Agency indicated it previously considered using this type of performance measure but did not move forward because it was unable to capture the management information necessary to calculate this measure. Further, SSA indicated that making systems changes to capture additional data would require redirecting already limited resources. (See Appendix D for the full text of SSA's comments.)

Appendices

Acronyms

AC	Appeals Council
ALJ	Administrative Law Judge
CY	Calendar Year
DDS	Disability Determination Services
DI	Disability Insurance
DQB	Disability Quality Branch
FO	Field Office
FY	Fiscal Year
OIG	Office of the Inspector General
PSC	Payment Service Center
SSA	Social Security Administration
SSI	Supplemental Security Income

Scope, Methodology and Sample Results

To achieve our objective, we:

- Reviewed the Social Security Act and Social Security Administration (SSA) regulations, rules, policies and procedures on disability case processing and routing.
- Reviewed prior Governmental Accountability Office and Social Security Advisory Board reports on the overall administration of SSA's disability programs.
- Reviewed SSA's Performance and Accountability Reports for Fiscal Years 2006 and 2007 and Annual Statistical Report on the Social Security Disability Insurance Program, 2007.
- Obtained data files of all disability decisions made in Calendar Year (CY) 2006. From these files, we identified the latest decision on a claim. We then excluded any decision to remand a claim to a lower adjudicative level. Through this analysis, we identified:
 - ✓ 2,618,926 individuals who received initial/reconsideration determinations from the Disability Determination Services (DDS);¹
 - ✓ 480,529 individuals who received decisions from an Administrative Law Judge (ALJ);
 - ✓ 64,473 individuals who received decisions from the Appeals Council (AC); and
 - ✓ 8,102 individuals who received decisions from the Federal Courts.
- Obtained a data file of all disability decisions made in CY 2007, and through analysis, identified 2,662,212 individuals who received initial/reconsideration determinations from DDSs.²
- Randomly selected 275 sample cases from each DDS population and 100 sample cases from each of the other populations—for a total of 850 cases. For each case, we:

¹ Some of these individuals had a DDS reconsideration determination in 2006 but the initial determination was in 2005.

² Some of these individuals had a DDS reconsideration determination in 2007 but the initial determination was in 2006.

- ✓ Reviewed records from SSA’s systems such as the Disability Determination Services Query and the Office of Hearings and Appeals Query.
- ✓ Reviewed documents in SSA’s electronic disability folder.
- ✓ Calculated the number of days from the date of application to the date of denial or the date all benefits were paid that were due at the time of allowance.³
- Used the results of these calculations to determine the average overall processing time of disability claims.
- Determined (1) the average processing time within each component and (2) the average processing time of initial disability claims, hearing decisions and Appeals Council decisions based on SSA’s performance measures.

We conducted our audit between June and September 2008 in Boston, Massachusetts. The entities audited were SSA’s field offices, DDSs and Payment Service Centers under the Deputy Commissioner for Operations; SSA’s Disability Quality Branches under the Deputy Commissioner for Quality Performance; and SSA’s ALJs and AC under the Deputy Commissioner for Disability Adjudication and Review. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We tested the data obtained for our audit and determined them to be sufficiently reliable to meet our objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

SAMPLE RESULTS

Table 1: 2006 Initial Disability Determinations	
Population size	2,618,926
Sample size	275
Overall Processing Time	
Average Overall Processing Time	131 days
Lower Limit	124 days
Upper Limit	137 days

Note: The limits above reflect a 90-percent confidence interval.

³ When we could not obtain either of these dates for a sample case, we replaced it with another sample case. In total, we replaced 6 ALJ cases, 4 AC cases and 18 Federal Court cases.

Table 2: 2007 Initial Disability Determinations	
Population size	2,662,212
Sample size	275
Overall Processing Time	
Average Overall Processing Time	121 days
Lower Limit	115 days
Upper Limit	127 days

Note: The limits above reflect a 90-percent confidence interval.

Table 3: 2006 Administrative Law Judge Decisions	
Population size	480,529
Sample size	100
Overall Processing Time	
Average Overall Processing Time	811 days
Lower Limit	762 days
Upper Limit	859 days

Note: The limits above reflect a 90-percent confidence interval.

Table 4: 2006 Appeals Council Decisions	
Population size	64,473
Sample size	100
Overall Processing Time	
Average Overall Processing Time	1,053 days
Lower Limit	981 days
Upper Limit	1,124 days

Note: The limits above reflect a 90-percent confidence interval.

Table 5: 2006 Federal Court Decisions	
Population size	8,102
Sample size	100
Overall Processing Time	
Average Overall Processing Time	1,720 days
Lower Limit	1,583 days
Upper Limit	1,858 days

Note: The limits above reflect a 90-percent confidence interval.

The Social Security Disability Claims Process

The Social Security disability process begins when a person files a disability claim and does not end until SSA completes the claim. As a claim moves through the process, it goes through a network of components, with each component responsible for some aspect of the claim. The components involved in the process may include the: Field Offices (FO), Disability Determination Services (DDS), Disability Quality Branches (DQB), Payment Service Centers (PSC), Administrative Law Judges (ALJ), the Appeals Council (AC) and Federal Courts.

FO Role

The FO assists a claimant with completing an application for disability benefits and any subsequent requests for appeal. Once the appropriate form(s) is completed, the FO sends the claim to the appropriate component for further processing—as long as the claimant meets the non-disability criteria for benefits¹—and may receive the claim again at some point for final processing.²

DDS Role

The DDS is a State-run agency that makes disability determinations for SSA. At most DDSs, a disability examiner, using SSA's regulations, policies, and procedures, obtains the relevant medical evidence and then, working with a physician and/or a psychologist, evaluates the case and determines whether the claimant is disabled under the Social Security Act.³

DQB Role

To ensure a high level of accuracy, DQBs review half the initial and reconsideration allowances and a statistically valid sample of initial and reconsideration denials made at each DDS. In the DQB, a Federal quality reviewer reviews each case to determine whether the evidentiary record supports the determination, and the evidence and determination conform to SSA operating policies and procedures. If the DQB finds the DDS determination is not supported, it will return the claim to the DDS to reverse the determination or gather additional evidence.

¹ SSA may defer developing whether a person meets the non-disability criteria until receipt of a favorable medical decision from a DDS.

² If the FO cannot process or partially processes the claim, then it will send the claim to the PSC for final processing.

³ At other DDSs, where single decision makers are used, a disability examiner can generally make the disability determination without signoff from a State agency physician or psychologist.

PSC Role

The PSC processes favorable hearing decisions and AC review and Federal Court decisions. It also processes initial disability determinations when the FO cannot complete them, such as when it needs assistance in determining the amount of back payments due to the claimant.

ALJ Role

An ALJ conducts a hearing. Before the hearing, the claimant and his or her representative may examine the evidence used in making the determination under appeal or submit new evidence. At the hearing, the ALJ can question the claimant and any witnesses the claimant brings to the hearing. The ALJ may request other witnesses, such as medical or vocational experts, to testify at the hearing. The claimant and his or her representative may also question the witnesses.

The ALJ issues a decision based on all the evidence, unless the claimant waives the right to appear at the hearing. When this happens, the ALJ makes a decision based on the evidence on file and any new evidence submitted for consideration.

AC Role

The AC, which consists of administrative appeals judges, looks at all requests for review and considers the evidence on file, any additional evidence submitted by the claimant and the ALJ's findings and conclusions. The AC may grant or deny a request for review. The AC may also, on its own motion, review a case within 60 days of the ALJ's decision. If the AC reviews a case, it will (1) uphold or reverse the ALJ's decision or (2) remand the case to the ALJ for a new decision, additional evidence or additional action.

Federal Courts Role

The Federal District Court is the first of three courts with which a claimant may file a suit regarding SSA's decision on his or her disability claim. When a suit is filed with the Federal District Court, the court reviews all evidence on record as well as the ALJ's and AC findings and conclusions. The court then upholds or reverses SSA's decision or remands the case to SSA for a new decision. If it does not find in favor of the claimant, he or she can continue to appeal to the U.S. Circuit Court of Appeals and ultimately to the Supreme Court of the United States.

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: December 10, 2008 **Refer To:** S1J-3

To: Patrick P. O'Carroll, Jr.
Inspector General

From: James A. Winn /s/
Chief of Staff

Subject: Office of the Inspector General (OIG) Draft Report, "Disability Claims Overall Processing Times" (A-01-0818011)--INFORMATION

Thank you for the opportunity to review and comment on the draft report. We appreciate OIG's efforts in conducting this review. Our response to the report findings and recommendation is attached.

Please let me know if we can be of further assistance. You may direct staff inquiries to Ms. Candace Skurnik, Director, Audit Management and Liaison Staff, at (410) 965-4636.

Attachment:
SSA Response

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT, “DISABILITY CLAIMS OVERALL PROCESSING TIMES” (A-01-08-18011)

Your analysis of processing times from a claimant’s perspective was detailed and insightful. We agree that an overall processing time measure would be useful to the agency, Congress, the public, and disability claimants. While we recognize disability claim processing times need to be more transparent and meaningful, we have concerns about the implementation of this additional performance measure. We previously considered using this type of performance measure but did not move forward because we lacked (and continue to lack) the ability to capture the management information necessary to support this measure. We would need to make systems changes to capture additional data (such as the time it takes to process the award), and making these changes would require us to redirect already limited resources.

Also, there are variables that change from case to case, making it difficult to calculate an overall processing time. For example, claimants may not appeal at all or if they do appeal, some may appeal immediately and others may appeal at the end of the 60-day appeal period. Some claims that are appealed may be remanded back to a lower adjudicative level, which will skew, or make it difficult to calculate, overall processing time. In addition, we have no control over the judicial branch

Our response to your specific recommendation is as follows.

Recommendation

SSA should develop and publish a measure that shows the overall disability processing time from the claimant’s perspective.

Comment

We agree that there would be a benefit to the agency, Congress, the public, and prospective disability claimants. However, we have concerns about implementing this additional performance measure. For example, an overall processing time measure portrays a “worst case scenario” where the claimant proceeds through all levels of appeal, which occurs in a relatively small handful of cases, but some observers may cite the measure as applying to all cases. An additional complication is that multiple components have different pieces of the overall processing time; these components use different systems to collect and report disability process-related data. It would also be difficult to define the reporting period because claims that go deep into the appeals process often are pending for extremely long periods of time, and much of this time is not within our control. While we agree with the intent of this recommendation, we must fully consider and address these issues before adopting an overall processing time measure.

OIG Contacts and Staff Acknowledgments

OIG Contacts

Judith Oliveira, Director, Boston Audit Division, (617) 565-1765

David Mazzola, Audit Manager, (617) 565-1807

Acknowledgments

In addition to those named above:

Phillip Hanvy, Senior Program Analyst

Kevin Joyce, IT Specialist

N. Brennan Kraje, Statistician

Toni Paquette, Program Analyst

Kathleen Toli, Auditor

For additional copies of this report, please visit our web site at www.socialsecurity.gov/oig or contact the Office of the Inspector General's Public Affairs Staff Assistant at (410) 965-4518. Refer to Common Identification Number A-01-08-18011.

DISTRIBUTION SCHEDULE

Commissioner of Social Security

Office of Management and Budget, Income Maintenance Branch

Chairman and Ranking Member, Committee on Ways and Means

Chief of Staff, Committee on Ways and Means

Chairman and Ranking Minority Member, Subcommittee on Social Security

Majority and Minority Staff Director, Subcommittee on Social Security

Chairman and Ranking Minority Member, Committee on the Budget, House of Representatives

Chairman and Ranking Minority Member, Committee on Oversight and Government Reform

Chairman and Ranking Minority Member, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority Member, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Committee on Finance

Chairman and Ranking Minority Member, Subcommittee on Social Security Pensions and Family Policy

Chairman and Ranking Minority Member, Senate Special Committee on Aging

Social Security Advisory Board

Overview of the Office of the Inspector General

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

Office of Audit

OA conducts financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

Office of Investigations

OI conducts investigations related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Office of the Counsel to the Inspector General

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Also, OCIG administers the Civil Monetary Penalty program.

Office of External Relations

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

Office of Technology and Resource Management

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.