

STRATEGIC GOAL 2

IMPROVE THE SPEED AND QUALITY OF OUR DISABILITY PROCESS

Long-Term Outcomes:

- Ensure individuals who are clearly disabled receive a decision within 20 calendar days of filing;
- Reach an online filing rate of 25 percent for disability applications by 2012;
- Regularly update our regulations and policies to incorporate the most recent medical advances;
- Develop and implement a common case processing system for the Disability Determination Services; and
- Make it easier for disabled individuals to return to work.

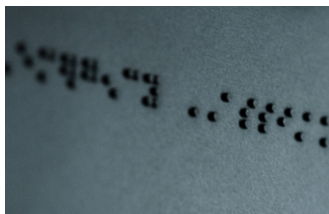
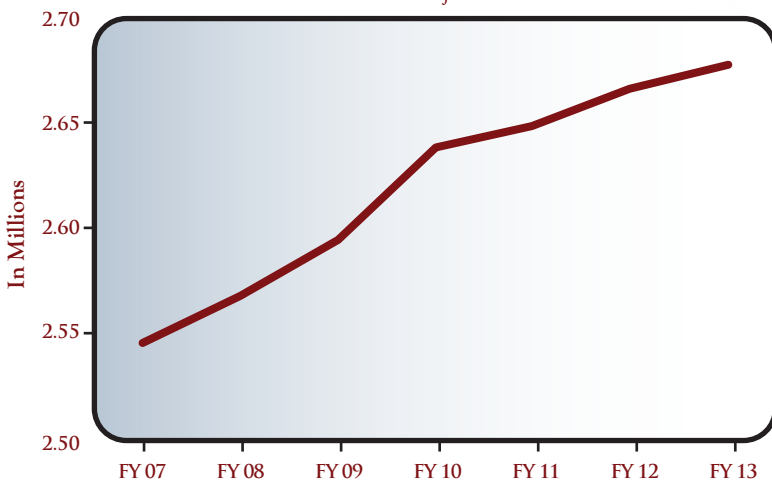
Issues:

We are responsible for the Nation's two primary federal disability programs: Disability Insurance and Supplemental Security Income. Over the last 5 years, our disability workloads have grown significantly; this trend will accelerate as baby boomers reach their most disability-prone years. Due to the significant growth in disability applications, the increased complexity of those applications, limited resources, medical advances, changing

health information technology, and outdated policies and procedures, our ability to process disability applications has fallen short of our own expectations.

There is no single solution to improve our disability process; many improvements are necessary. To achieve this goal, we will focus on the following objectives:

The Number of Initial Disability Applications Received is Projected to Rise



Objective 1: Fast-track cases that obviously meet our disability standards

We have an obligation to provide benefits quickly to individuals whose medical conditions obviously meet our disability standards. We will expand and refine two initiatives that use computer technology to identify cases where the decision is highly likely or certain to be favorable:

- **Quick Disability Determinations (QDD):** The first initiative, QDD, is now in use across the country. Right now, we identify almost 3 percent of all new applications waiting for an initial decision for QDD processing. We favorably decide over 96 percent of them in an average of 6 to 8 days. Many QDD cases involve low birth-weight babies, cancer, and end-stage renal disease. We will continue to increase the percentage and types of cases identified for QDD processing by enhancing our computer model and using it to its maximum capacity to accurately identify these cases.
- **Compassionate Allowances:** The second initiative, Compassionate Allowances, will allow us to quickly identify individuals who are clearly disabled by the nature of their disease or condition. We will be able to favorably decide these applications based on confirmation of the diagnosis alone for such diseases as acute leukemia, amyotrophic lateral sclerosis, and pancreatic cancer. We will pilot this concept in the fall of 2008 and plan to implement it nationally in 2009.

Since these initiatives are new territory for us, we do not know the eventual mix of QDD and Compassionate Allowances cases. However, we expect by the end of FY 2012, we will be able to fast-track 6 to 9 percent of our initial applications, which will benefit nearly a quarter million Americans each year.

A Glimpse of What the Future Holds for Our Disability Process

“We must commend the Hot Springs Social Security Office for its speed and efficiency in processing our application. We filed online for disability January 25th and had a check deposited into our account on February 5th. The application had to be processed with some local office assistance, but I don’t think you could ask for better service than this.”

Letter to the editor of the *Sentinel Record* in Hot Springs, AR.

The writer above benefited from our Quick Disability Determination process, now in use throughout the country, which identifies highly likely allowances.

A second initiative, Compassionate Allowances, involves cases where the disease or condition is so consistently devastating that we can presume the individual is disabled. When we combine these two initiatives with the benefits of direct deposit, as many as a quarter million Americans applying for disability each year can be awarded and paid benefits in a matter of days – just as the writer described in his letter.

Objective 2: Make it easier and faster to file for disability benefits online

In the next 10 years, initial disability application receipts will grow by 10 percent. To address this workload growth, we will implement *Disability Direct*, a new initiative that will allow individuals to apply online for Disability Insurance and Supplemental Security Income. *Disability Direct* will use a simplified, user-friendly application process that will make it easier and faster for individuals to file for disability benefits. It will also simplify or eliminate questions on the current application and include links, prompts, and other tools to assist the user.

Increasingly, representatives (such as attorneys, non-attorneys, representative payees, third parties, etc.) transact business with us on behalf of individuals filing for disability benefits. In FY 2007, approximately 90 percent of all hearings involved representatives. To meet this demand for service from representatives and alleviate workloads in our field offices, as a second element of *Disability Direct*, we will build a comprehensive package of online services for representatives. Ultimately representatives will have the capability to conduct all aspects of their business with us online. This comprehensive package of online services will include: a streamlined, one-time online registration process that satisfies our security and privacy concerns; the ability to file applications and submit documents electronically; secure online access to a read-only copy of the electronic folder for the individual they represent; and the ability to file appeals online (i.e. *iAppeal*). Additionally, since many representatives have created software to take disability applications, we will build an online data interface to accept data and documentation directly from their system to ours. These features will provide greater convenience for representatives and allow our employees to focus on other critical work.

Objective 3: Regularly update our disability policies and procedures

With the growth in our disability rolls, we cannot continue to process cases as we have in the past even with a dramatic increase in our resources. Testing and treatment of impairments have changed over the years. By comparison, the way we process medical information to define disability has not changed in any fundamental way in years. Therefore, we will update our disability policies and procedures and use automation as outlined below:

- **Update the *Listings of Impairments*:** The *Listings* describe impairments considered severe enough to prevent an individual from working and earning above a defined level. The *Listings* are a critical factor in our disability determination process, yet we have not updated some of them for decades. We will update the *Listings* on a regular basis and have developed a schedule to ensure we update all of them at least once every 5 years. Additionally, we will expand the *Listings* to include rare diseases and conditions that clearly represent permanently disabling conditions. Updating the *Listings* will improve the consistency and accuracy of our decisions throughout all levels of the disability process.

- **Develop an Occupational Information System:** The *Dictionary of Occupational Titles* (DOT), produced by the Department of Labor (DOL), is a cornerstone of our disability policy. We rely on the descriptions of work in the DOT to determine whether individuals can do their usual work or any other work in the U.S. economy. However, DOL has not updated the DOT since 1991 and has no plans to do so. It is critical that we base disability determinations on current job information. We are exploring tools to update, on an interim basis, the type of information currently in the DOT. In addition, we are developing a long-term strategy to replace the DOT with updated definitions and objective measures of the requirements of work.
- **Simplify work incentive programs:** One of our key work incentive programs is the *Ticket to Work* program that Congress enacted in 1999 to encourage disabled individuals to return to work. We recently issued final rules designed to improve this program based on our experiences and input from interested parties. Although individuals with disabilities will have greater flexibility in obtaining the services they need to achieve their employment goals, we have concerns that these improvements will fall short of Congressional expectations. We will monitor the results of this recent regulation and, as necessary, revisit the statute to ensure we achieve the goals Congress intended.

We will conduct research and demonstration projects to study ways to improve our services, tie objective medical data to functionality, and address the varied needs of individuals with disabilities. We will also collaborate with Congress to reauthorize our critically important demonstration authority.

- **Assess the value of the reconsideration step:** Reconsideration is the first step in the appeals process after denial of an individual's initial disability application. A team of employees at the Disability Determination Services makes the initial medical determination, and a team that did not participate in the initial decision makes the reconsideration decision. Some stakeholders have questioned the value of the reconsideration step. We will evaluate the reconsideration step and continue to look at alternatives to the current model, as we are doing now in a small pilot in Michigan.
- **Develop and implement a Disability Determination Services common case processing system:** Each of the 54 Disability Determination Services has its own unique case processing system, many of them COBOL-based. Virtually any time we make a change that affects a Disability Determination Services system, we have to address each of the 54 customized systems individually. Much of the code in the current systems is more than 30 years old; the systems are rigid, outdated, and resource-intensive. After a year of planning and consultation with the Disability Determination Services, we plan, with their continued support, to develop and implement a common system. This new system will incorporate additional functionality, such as decision support tools, improved quality checks, high availability, improved management information, and compatibility with industry standards for electronic medical records.

The possible inclusion of decision support tools, such as the electronic case analysis tool (known as eCAT), could guide decision-makers through the steps of the decision-making process and allow us to use cutting-edge technology to support faster, more consistent, and better documented decisions. From a strategic standpoint, a common system will position us to take advantage of rapidly changing health care industry technology and

provide the foundation for a seamless electronic disability case processing system from the point of application to the final level of appeal.

- **Expedite records requests in disability cases:** Each year, we request over 15 million records on behalf of individuals applying for disability benefits. We contact hospitals, clinics, physicians, psychologists, schools, and other health professionals to obtain evidence of an individual's medical condition as it relates to functional ability. Currently, various federal and state laws require most sources of such personal information to obtain the individual's signed authorization prior to disclosure. For this purpose, we obtain multiple signed copies of a carefully worded authorization, Form SSA-827, which is the single remaining paper document required in our otherwise fully electronic disability case processing system.

An electronic copy of a signed SSA-827 meets all requirements of the *Health Insurance Portability and Accountability Act* (HIPAA) and other laws imposed on custodians of personal information regarding disclosure. Many sources, however, will not accept an electronic copy of the signed SSA-827 and instead require an original signature not required by law. Some sources even require use of their own forms, and some do not respond at all. As a result, we are forced to obtain and retain paper originals, and must often recontact individuals to obtain additional signed authorization forms or to schedule consultative examinations when medical sources do not respond to our request for medical records. The current process is a significant burden on applicants, providers, and us, resulting in delays for individuals eager to receive a timely and accurate decision.

We will explore options that would allow a custodian of records to disclose relevant personal information to us when we make a request on behalf of an individual who has filed an application for initial or continuing benefits. We would obtain and document the individual's verbal consent as part of our application process without use of any paper authorization forms. Such changes will relieve health care institutions and professionals of liability for making the requested disclosure. The changes will also enable us to reduce the burden on all parties involved and provide more timely decisions to disabled individuals while respecting the confidentiality of their personal information.

- **Adapt our systems to Health Information Technology:** We manage the largest repository of imaged medical information in the world; we collect and currently store more than 250 million medical documents, and weekly we add 2 million more. In order to effectively manage the largest social insurance system in the world, we must be at the forefront of the health care industry's transition to electronic record keeping and data sharing. Health information technology is an important initiative that the Department of Health and Human Services leads to standardize the storage and transmission of medical records in a uniform electronic format. This initiative (<http://www.hhs.gov/healthit/>) will revolutionize the health care industry, and we need to be fully engaged in its development.

In partnership with other agencies, health care providers, and insurers, we will collaborate to create uniform diagnostic codes, medical report formats, and other data fields for standardized electronic storage of medical records. Such standardization will allow us to not only identify disabling conditions quickly and automatically, but will allow us to search our vast database of medical records to track trends in disability cases and design more objective methods to identify disabling conditions. We will also continue



to participate in the Nationwide Health Information Network trials that will develop the standards for exchanging medical data.

In late 2008, we will collaborate with a Boston hospital to test an automated process to request and receive medical data. When an individual receiving treatment at this hospital files a disability application, our system will automatically send out a medical record request. Almost immediately, the hospital will electronically transmit back to us the individual's medical record. Our early receipt of this evidence will allow the decision-maker at the Disability Determination Services to start evaluating the case right away. This collaboration will also test decision support tools that interpret medical data and recommend actions for the decision-maker's consideration.

- **Promote electronic exchange of records with the federal courts:** Current law allows individuals to request judicial review of the agency's final decision. In recent years, individuals appealed 12,000 to 14,000 Social Security and Supplemental Security Income cases annually to the federal courts. We will work with the courts to improve the process for transmitting our electronic disability records to their electronic systems. This electronic exchange will save scarce agency and judicial resources and provide better service to the public, the courts, and the Department of Justice.
- **Achieve consistent policy application:** We will expand use of the Integrated Disability Process, a collaborative intra-agency initiative, to identify and resolve important disability policy and procedural issues across all decision-making levels. This endeavor will result in clearer and more consistent policies, procedures, and processes. It will also help us address differences and difficulties in applying our disability policies and procedures.
- **Pilot a policy feedback tool to improve disability program accuracy and efficiency:** While we collect a lot of information, it has been historically challenging for us to use it to identify trends. We will pilot a new data collection and analysis tool which will allow us to identify trends that indicate a potential need to change or clarify disability policy. This tool will allow us to do a better job of answering Congressional and other stakeholder questions about our disability process and allow agency executives to make more data-driven decisions.

