

# **Social Security Advisory Board Annual Report**

**2008**



**May 2009**

Social Security Advisory Board

An independent, bipartisan Board created by the Congress and appointed by the President and the Congress to advise the President, the Congress, and the Commissioner of the Social Security Administration on matters related to the Social Security and Supplemental Security Income programs.

## Message from the Board

Welcome to the *2008 Annual Report* of the Social Security Advisory Board. This year marks our 11<sup>th</sup> *Annual Report*.

Since the Board began meeting in the spring of 1996, we have focused on the mandates set out in our enacting legislation to analyze and make recommendations regarding the Nation's retirement and disability programs. Our work has encompassed a number of important issues including the Social Security disability programs, funding for the Social Security Administration (SSA), the role SSA plays in the public's understanding of financial planning for retirement, information technology and electronic service delivery to the public, the administration of the Supplemental Security Income program, and other challenges facing Social Security. Our reports and recommendations which have been issued by consensus are distributed widely to Members of Congress, the Administration, and the public.

In our last *Annual Report* we noted that 2007 was a year of transition for us with many new initiatives underway. In 2008 we saw a number of those initiatives come to, or near, completion. In September, we published our report, *Working for Retirement Security*, and in December we provided President-elect Barack Obama's Social Security Transition Team with the paper, *Challenges Facing the Social Security Administration: Present and Future*. In May, we published *Issue Brief #4: Need for Review of the Supplemental Security Income Program's Benefit Levels, Asset Limits, and Income Exclusions* and in August we published our *2007 Annual Report*.

Also during 2008 we began to look at other important issues, including one that is having a profound effect on our society: that of the rising cost of health care and in particular, how it affects retirees' standard of living. During the year we met with a number of experts in the health care field and plan to issue a report of our findings in 2009.

In 2008 we continued our practice of meeting regularly with officials of the Social Security Administration and looking at the ways the agency is meeting the public's needs. Two areas that we spent considerable time on were SSA's strategic planning processes and the agency's electronic services initiatives. We continue to discuss both issues with SSA's Commissioner.

2008 was an interesting year for us. This 11<sup>th</sup> issue of the *Annual Report* describes the issues that we are studying, the work that we have completed, and the work that we have underway.

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# **The Social Security Advisory Board: A Year in Review**

## *Economic Security Concerns*

### **Working for Retirement Security**

In January 2008 the Advisory Board and the University of Illinois's Center for Business and Public Policy sponsored a public forum that addressed the public policies and workplace practices that are intended to help older workers extend their working lives. Nine experts from academia, think tanks, Federal, State, and international governmental organizations, and representatives of private employers and organized labor were invited as speakers to share their ideas and perspectives. More than 100 guests, representing policy makers, Federal government agencies, advocacy groups, and independent research organizations attended and participated in the discussion. The papers and presentation materials from that public forum are available on our website at <http://www.ssab.gov/Reports/WorkforceForumMaterials.html>.

The forum was part of our research for a report that would focus on the need to ensure adequate income in retirement by addressing when to withdraw from the workforce and when to begin to receive Social Security retirement benefits. Longer life spans and other demographic changes are making it increasingly expensive to finance adequate retirement income. The report, *Working for Retirement Security*, examines these demographic changes and proposes solutions to ameliorate the projected decline in national labor force growth and add to national income by extending individual working lives. Based on our findings, the report makes several recommendations:

- Older workers should be given information about the personal advantages of delayed retirement.
- The Social Security Administration should continue to provide the most accurate and objective information possible to assist the public in making appropriate choices about when to claim benefits.
- Public policy should aim to remove barriers and improve incentives to encourage continued employment at older age.
- Employers should evaluate how older workers can contribute in the workplace and adapt policies and practices to accommodate a greater share of those who desire to extend their working lives.

Nothing in the report was intended to contradict our strong belief that our Nation's system of providing economic security to those who cannot work should be maintained and even strengthened. The report represents our conviction that there are substantial benefits to individuals and to the Nation of extending the working lives of most Americans. The report, issued in September 2008, is available at [http://www.ssab.gov/documents/ssab\\_report2008\\_508.pdf](http://www.ssab.gov/documents/ssab_report2008_508.pdf).

## **Communications with the Social Security Administration's and the Centers for Medicare and Medicaid Services' Actuaries**

Throughout 2008 we continued our tradition of communicating regularly with the SSA and CMS actuaries to obtain up-to-date information on the assumptions and methods used by the Social Security and Medicare Board of Trustees, and to keep abreast of new developments in actuarial modeling techniques. In April, 2008 we met with SSA's Chief Actuary and Deputy Chief Actuary for a briefing on the 2008 Report of the Social Security Trustees. At this meeting, we learned that the short-term financial forecast for the Social Security programs is slightly worse than predicted previously through 2024 because of slightly less favorable economic assumptions and faster-than-anticipated improvement in mortality rates. The Disability Insurance (DI) trust fund exhaustion date is projected to occur one year earlier than in the 2007 report. The good news, however, was that there was a significant improvement in long-term financing—the 75-year actuarial deficit went from 1.95 percent of taxable payroll in 2007 to 1.70 percent of taxable payroll in 2008. The reason for this was due to an improvement in how the actuaries project immigration patterns. The SSA actuaries also briefed us on improvements being made to the agency's microsimulation model.

In May of 2008, we met with CMS actuaries for a briefing on the 2008 Report of the Medicare Trustees. For the 5<sup>th</sup> year in a row the HI program had failed the short-range test of financial adequacy. The ratio of assets to expenditures for the Hospital Insurance (HI) trust fund (Medicare Part A) is expected to fall below zero in 2019. The reason for the rapid deterioration in the financial position of the HI trust fund is that health care costs and the intensity of health care services are growing much faster than taxable payroll. Expenditures exceed income in 2008 and the HI trust fund will be exhausted in 2019. Over the 75-year estimating period, HI has an actuarial deficit of 3.54 percent of taxable payroll. Medicare Parts B and D have no exhaustion date since the financing each year is set to match expenditures. However, cost growth in both of these programs is expected to exceed regular inflation over the estimating period. Total Medicare spending is projected to rise from 3 percent of GDP to 10.8 percent of GDP between now and 2080. This discussion with the CMS actuaries served as the inaugural event for our new study of health costs and their impact on retirement security.

In September, we met again with SSA's Chief Actuary and Deputy Chief Actuary for an update on the development of a microsimulation-based, long-term solvency projection model. The actuaries have been working on the model for sometime but they have recently devoted more resources to the effort to speed up the process. The new model will allow the actuaries to perform distributional analyses on how Social Security solvency proposals might impact various groups within our society, and it will improve the accuracy of earnings distributions analyses. We will continue to monitor the progress being made at future Board meetings.



## **The Impact of Health Care**

Near the end of 2008, we began discussions with experts on health care costs in preparation for a 2009 Board report on the impact of these costs on retirement security. At the September meeting, we met with Richard Foster, Chief Actuary for the Center for Medicare and Medicaid Services (CMS); Thomas Reilly, Deputy Director for Research, Development and Information, CMS; and Mark Miller, Executive Director of the Medicare Payment Advisory Commission (MedPAC) to obtain an overview of health care costs as they relate to Medicare.

In his presentation, Mr. Foster stated that the real problem for Medicare beneficiaries, taxpayers, and the economy is the growing share of GDP accounted for by Medicare. This share will increase from about 3 percent now to about 11 percent by 2080 unless costs are brought under control. Premiums will consume an increasing share of Social Security checks and general revenue contributions will continue to rise, crowding out other spending. Costs are growing faster than income, and more services are offered each year. Typically, these new services are more expensive. During his discussion, Mr. Reilly described for the Board CMS's research themes: chronic care and disease management, health promotion and disease prevention, value-based purchasing, bundled payments, and comparative cost adjustment. He also noted that CMS is engaged in an electronic health records demonstration.

With respect to health care costs, Mark Miller suggested that we question what is driving health care expenditures. He referred to research at Dartmouth that suggests there is significant variation in services with no relationship to quality of care. He added that there is significant variation in diagnostics and testing. Another factor driving health care costs is the fee-for-service payment system that encourages physicians to do more procedures. MedPAC is trying to find ways to provide constant fiscal pressure on private providers to achieve efficiency and quality in order to contain costs.

In October, we met with John Wennberg, M.D. to discuss issues related to disparities in health care in the U.S. Dr. Wennberg is the Peggy Y. Thompson Professor for the Evaluative Clinical Sciences at Dartmouth Medical School. He described his work which draws on Medicare fee-for-service records. He said there are three categories of unwarranted variation in health care delivery: (1) Effective care, which is evidence-based care that all in need should receive. (2) Preference-sensitive care, which accounts for 25 percent. (3) Supply-sensitive care, which accounts for 63 percent. Preference-sensitive care includes most elective surgery, and most surgery is elective. Decisions should be made based on the patient's preferences, but provider opinion often determines which treatment is used. There are very high regional differences in treatments, driven generally by local opinion. Every region has patterns, and they last for decades.

According to Dr. Wennberg, supply-sensitive care is the most difficult part of the puzzle, and the greatest challenge is convincing providers that this is a problem. "Supply-sensitive care" describes the relationship between the frequency of doctors' ordering procedures that may not have any therapeutic value, and the capacity of the "system" to

accommodate these practices; hospitalizations are an example. The underlying assumption of supply sensitive care is that more is better; that is, all available resources should be utilized fully. There is little medical evidence or theory governing the frequency of use, so the result is that the available supply governs the frequency of use. Supply sensitive care accounts for about 60-65 percent of all spending, mostly on the chronically ill. If the regions that have the lowest in-patient medical spending are considered the benchmark for care delivery, we could save about 40 percent.

Continuing our investigation into health care costs, we met in November with Dr. John Hsu, Director of the Kaiser Permanente Center for Health Policy Studies. Much of the discussion focused on drug costs. He told us that the easiest market response to rising costs is to limit coverage. This is often framed as partial cost-sharing. Shifting risk is common in both private and public programs. Health care costs, especially those for prescription drugs, are increasing while drug benefits are decreasing. There is limited information on the clinical and economic effects of cost-sharing.

Dr. Hsu stated that medical efficacy research is hugely under-funded and that this type of research will not evolve on its own in the private sector because it is seen as a public good. The government should invest more in this type of research. Direct advertising makes people more aware of illnesses and their treatment; but it can also lead to poor consumer/medical choices by convincing people to take higher-cost drugs that they may not need. People do not make good clinical decisions when finances are involved. The tendency of some to make poor decisions can be exacerbated by the lack of objective information.

Also in November David Schwartz, a health policy analyst for the Senate Finance Committee, briefed us on Senator Baucus' recent white paper on health care. The purpose of the issue paper is to highlight several areas that should be considered in the development of health care reform proposals: mandating coverage, building on the existing employer health insurance system to make insurance provision more affordable, expanding eligibility for the public programs (Medicare, Medicaid, SCHIP, emphasizing prevention and wellness, and addressing health disparities (especially in gender and race).

We plan to continue our research on health care costs and will issue a report of our findings in the fall of 2009.

## *Service Delivery Challenges*

### **Effective Use of Technology for the 21<sup>st</sup> Century**

One of our major projects for 2008 was a report on SSA's use of technology to deliver service. For much of the first part of the year we concentrated on completing our research for the report. We interviewed a number of executives from government agencies and the private sector who provided their perspectives on a range of issues including governance, strategic planning, and overall management of IT investments. In

particular, SSA's decentralized governance process was questioned as we learned more about successful management practices used by other public and private organizations. Several of these organizations noted that a much greater emphasis on long-range planning resulted in much improved IT outcomes.

Discussions continued throughout the year with SSA executives to track the status of major systems-related initiatives and to obtain information about new projects that had been initiated in the last year. In early discussions SSA officials had dismissed the need to replace their 30-year-old database systems which were written in COBOL, an antiquated programming language. In later meetings, we were informed that the agency had explored the costs and benefits of conversion with more rigor and had determined that it would be beneficial to begin converting its databases away from COBOL. While we were pleased with SSA's change of position, the length of the conversion schedule is still an issue. Many of the needed service delivery enhancements cannot be undertaken until a more modern database platform is in place and we have encouraged SSA to expedite the conversion process.

SSA has been diligently pursuing the creation of a common disability case processing system. Agreement was reached with the DDSs in June relative to the structure of that new system. DDS systems must interface with SSA's and they must be able to communicate with state financial systems; thus is critical for the success of this project to assure that the common system is able to seamlessly pass information between the federal and state partners. However, when executives discussed the new common disability processing system with us, we raised concerns about the overall strategy being used to design the system. The agency had started the project by looking at only the middle component in the process, the DDSs, rather than taking a more agency-wide comprehensive approach and designing a system that is fully integrated from application through final adjudication.

A number of new efforts, however, suggest that SSA's perspective about the role of technology may be changing. The agency's Internet homepage has been redesigned to remove clutter and make it more user-friendly. Pilots are underway that put the agency at the forefront of the emerging field of health information technology. These pilots automate the requests for medical records and use intelligent systems to assist with the identification of allowable cases. We were also informed that a new Future Systems Technology Advisory Panel was being established to advise the agency on the development of a future IT roadmap.

Despite what seemed to be a great deal of progress for SSA in the IT field, there was one issue that overshadowed that progress. As we were finalizing our report on SSA's IT infrastructure, we learned that the agency's National Computer Center (NCC) in Baltimore had developed structural problems and would no longer be viable beginning in 2013. This prompted us to hold a series of discussions with agency executives relative to the status of the infrastructure. We learned that the second data center currently under construction would not be occupied until 2009 and would not be fully operational until 2012. When we pressed SSA executives to outline the agency's current systems backup

and recovery strategy, they admitted their recovery plan left SSA at considerable risk in the event of a disaster. The current plan relies on the use of a commercial hot-site where SSA could recover only about 25 to 30 percent of its production capacity. The agency was urged to consider alternative plans given the instability of the current workload situation and the anticipated growth over the next 10 years. Funding for a new center had been discussed with the Office of Management and Budget and the agency had begun the exploration of obtaining the needed money from an economic stimulus package under consideration. This was a topic of the Board's discussion with the members of the President-elect's Transition Team in December. Despite the progress made during 2008, we still have major concerns with SSA's strategic planning and implementation of new technology.

### **Budget Constraints on Service Delivery**

Since the Board's inception, we have monitored SSA's budget and advocated for funding that would allow the agency to deliver quality public service. But as we entered 2008, we were well aware that the increasing workloads and a downturn in the economy could have serious implications for the agency. The next 10 years would see SSA's core workloads increase dramatically with retirement claims increasing over 40 percent and disability claims rising nearly 10 percent. In addition, SSA has been given new responsibilities that have added significantly to the agency's workload e.g., determining eligibility for Medicare Part D premium subsidies, implementing the income-related increases in Medicare Part B premiums, and verifying work authorization through the e-Verify program.

We met with executives responsible for the agency's strategic planning and budget processes in February, 2008 to discuss the budget outlook for the coming years. For the first time in several years, they reported that Congress was considering an increase to SSA's budget of roughly \$148 million over the President's Budget request in order for the agency to begin to address its service delivery issues. With this level of funding, SSA executives stated that steps could be taken to begin eliminating the disability hearing backlogs that had risen steadily over the last decade. The executives anticipated that the funding would allow them to hold the line on the rising number of cases in 2008 and set in motion a plan that would begin reducing the backlog in 2009. They were not assuming, however, that this one time injection of additional resources was enough to stop the erosion of service. They presented us with a number of scenarios that outlined SSA's ability to deliver service depending on the level of funding received over the course of several years.

We have expressed frequently our long-held belief that alternative funding mechanisms would better serve the agency's budgetary process. Specifically, we believe that Congress should consider an incentive-based stewardship approach where the agency can retain a percentage of the savings generated by its stewardship activities. With the increasing claims workloads, SSA is often obligated to defer stewardship activities such as continuing disability reviews and SSI redeterminations. Not only is abandoning the ability to minimize improper payments wasteful, it will worsen future year total deficits

that will further constrain future discretionary spending. A second mechanism that we advocate is the use of a capital budget for large, multi-year investments in information technology (IT) that SSA needs in order to develop a modern IT infrastructure.

With the agency's budget scenarios and questions about alternate funding mechanisms in mind, we scheduled a meeting with staff members of the Office of Management and Budget (OMB) who are in charge of SSA's portion of the President's Budget. In order to formulate the annual President's Budget, OMB received very detailed workload projections from SSA's actuaries and estimates of the costs to process the workload from SSA's Office of Budget. At the end of the day, however, SSA's funding level in the President's Budget is determined by a whole mix of factors such as pricing differences, deficit reduction targets, and trade-offs between competing national spending priorities. When asked about alternate funding mechanisms, the OMB staffers told us that the frustration over budget scoring rules that prevent the capture of savings from program integrity activities for use in conducting more of these activities went beyond SSA. Other agencies have similar issues; however, there are jurisdictional issues in the Congress that must be resolved before a solution can be found.

In December 2008, we met with the President-Elect's Transition Team to discuss what we consider to be the immediate needs of SSA, and more importantly, the critical challenges facing SSA. Sufficient and sustainable resources and a stronger strategic planning effort are essential for the agency to continue to deliver high-quality and reliable public service. From our perspective, SSA has not received the level of resources it needs because the decision-makers in Congress and elsewhere do not fully appreciate the scope of SSA's workload or the complexity of the agency's operations. SSA has made significant improvement in the message it delivers to the appropriators but we stressed that the budget presentation should be very clear in portraying what it really costs to run an operation of the size and scope of SSA's, and how, precisely, the agency's money is actually being spent. This message needs to be closely aligned with a comprehensive vision for the future. We reiterated our belief that SSA must engage in a long-range, forward-thinking strategic planning process that is so compelling that policymakers and appropriators will have a fundamental understanding of the needs and stresses on the agency.

### **Improving the *Social Security Statement***

The Social Security Administration plays a significant role in educating the public about its programs and its benefits. The primary communication tool is the *Social Security Statement*, which reaches over 149 million people each year. But how successful has the *Statement* been in achieving its goals and how can it be strengthened to ensure that it meets the needs of the public? Over the last 18 months, we have spent a considerable amount of time analyzing the *Social Security Statement* and exploring ways to improve upon its success. We have made a number of observations about the current *Social Security Statement* and the process used to deliver it:

- The *Statement* attempts to be all things to all people and includes so much information that the parts of it that people most care about are obscured.
- The *Statement* provides information in a one-size-fits-all manner and does not tailor the content to individuals or to groups of individuals.
- Some design features make it difficult to read: it lacks color, white space, and graphics.
- The *Statement* often uses dense, bureaucratic language making it difficult to understand.
- The *Statement* uses some language that could influence individual decisions in unintended ways.
- Problems exist with the mailing of *Statements*; due to a variety of problems with address information, a significant number of workers do not receive a *Statement at all*.

The accuracy of the benefit projection provided on the *Statement* was of particular concern to us. Our specific focus was whether the methods used to project benefits were as accurate as possible by age groups, gender, and earnings level. To examine this issue further, we enlisted the assistance from Office of the Retirement Policy and the Office of the Chief Actuary to perform an empirical analysis of the projection of the future retirement benefit. The results of this analysis indicated that, on average, the benefit estimates provided on the *Social Security Statement* are generally good overall, and get better as the worker approaches retirement age. Projections for younger workers, however, are more likely to underestimate the actual benefit at age 62. The accuracy of projections tends to be considerably lower for women than for men and for lower wage workers than for higher wage workers.

Based on this analysis and other research, we developed a number of conclusions and recommendations for improving the *Statement* which will be published in a report in 2009. SSA should consider alternative methods for developing benefit projections and explore the possibility of tailoring the projections for difference age groups. In addition to the benefit projections, we believe that the design of the *Statement* must be improved, the content made as accurate, clear, and concise as possible, and some effort made to review the efficacy of the *Statement* on a periodic basis. Finally, the agency must reexamine its processes for mailing *Statements* to better ensure that workers are receiving the statements to which they are entitled.

### ***Ready Retirement: Meeting the Needs of a Changing Customer Base***

Over the last two years, we have spent a considerable amount of time analyzing SSA's strategy for using technology to improve the agency's delivery of services. Without new and improved automated service delivery channels, the agency, already struggling with current workloads, will be swamped by exploding demands for service in the future. The agency needs to develop a sharper and more modern plan in order to meet increasing demand; in particular we have expressed repeatedly our concern about the lack of an effective online filing process. In early 2008, the online retirement application was essentially the same form used by SSA employees and as a result was not designed with

the public in mind. As a result, the public has found the application difficult to use, thus it was not surprising that the online filing rate had stagnated at about 10 percent.

As the agency developed its strategic plan in early 2008, SSA confronted some of the issues it faces and in response developed a new electronic filing option for handling the expected tidal wave of applications. Called *Ready Retirement*, this new Internet application is designed to simplify the retirement application process and reduce the time it takes to complete the process online. In March we met with SSA executives to discuss the initiative and were also briefed on other recent improvements to the agency's internet website. SSA stated that this new process is "a transformational initiative that will establish the foundation for all future internet applications."<sup>1</sup> The executives informed us that the new application would be ready for full implementation in December and would be accompanied by a marketing campaign featuring actress Patty Duke.

## *A Strategic Vision for the Future*

### **The Workforce Plan – Managing SSA's Human Resources**

As we researched general policies that would encourage older workers to extend their working lives, we also took a look at the federal government's personnel management policies and how they are being used at SSA. One such policy, the use of early-out retirement authority, raised significant concern among us. This authority is described by the Office of Personnel Management as a "workforce management tool" whereby federal agencies can offer employees the option to retire before they are eligible for their full annuity. As a means to manage the growing retirement wave of the agency's most experienced employees, SSA's primary human resource management strategy has been to use the early-out retirement authority to "flatten" the retirement wave by reducing the number of retirements in the peak years 2007 through 2010. SSA maintained that the early-out policy allowed managers to move poor performers or disruptive employees out of the workforce.

In meetings with the Deputy Commissioner for Human Resources, we pursued persistently the reasoning behind the use of the practice. Rather than encouraging early retirement, we asked why the agency's focus was not on efforts to retain experienced staff beyond their first point of retirement eligibility, especially in light of the staffing levels which were at the lowest points in thirty years. The agency was asked to provide data that would support the correlation between the use of early-out and poor performance. After many internal discussions on the subject, we shared with the Commissioner our analysis and suggested that the early-out policy may not be in the best interests of the agency, its employees, or most important, the American public.

In addition to the use of early-out authority, our discussions with human resource executives centered on the efforts SSA was undertaking to ensure its employees have the

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<sup>1</sup> *Strategic Plan Fiscal Years 2008 -2013*, Social Security Administration, September 2008, page 18.

right skill sets to meet future challenges and that a strategy for leadership succession was in place. The agency reported a significant change in their Senior Executive Service program which, for the first time, included employees at the GS-14 level and candidates from outside the agency. These changes were designed to bring younger employees and individuals with different experiences into the leadership ranks. When asked about employee training in general, executives informed us that a new training strategy was being developed and would be shared with us as soon as it was made final.

### **Developing a Strategic Legislative Agenda**

As is our practice, we met in March with staff members from the Senate Finance Committee and the Social Security Subcommittee of the House Committee on Ways and Means. Most of this discussion focused on a disability process in need of improvement and SSA's efforts to reduce its workload backlogs. We also expressed our concerns about the possibility that SSA could be tapped to perform additional non-mission workloads in the future, and what this would mean for the agency's ability to deliver services to the public. Over the last two years, SSA has stepped up its efforts to meet with key legislators and their staffs to educate them about the agency's mission, its funding levels, and its ability to deliver service both now and in the future. These renewed efforts helped SSA secure increased administrative funding last year and set the stage for obtaining funding designated for addressing the disability backlogs and replacing the agency's aging National Computer Center. We are encouraged by the success of this effort and urge the agency to continue to educate decision-makers about the agency and how it operates.

Aside from processing disability backlogs, making improvements in the disability process, and securing administrative funding, it is unclear to us whether SSA has developed a comprehensive and strategic legislative agenda to support the agency over the coming decades, or a comprehensive plan to educate the Congress in ways that will allow them to understand the impact that each new burden placed on the agency has on its administrative capacity. We believe that developing a strategic legislative agenda should be integral to the agency's strategic plan.

### **A New Strategic Vision**

In early 2008, we became concerned about SSA's strategic planning process, noting that the agency needed to develop a long-range vision that would frame service delivery for the next decade. In the past, SSA had developed comprehensive long-range plans with strategic objectives that were used to direct all other agency planning. For example, SSA's first strategic plan, developed in 1988, laid out guidance for how the agency would conduct business and provide services in 2000. The *2010 Vision*, written in 2000, provided similar direction. But since 2000, this long-range planning process has been absent, leaving SSA without a "true north" vision for the agency's future or any guidance for policy or systems development. In researching our report on information technology (IT), we noted that this lack of a future vision has had consequences for IT planning, resulting in a piecemeal approach to systems development.



Early in the year, we were informed that a new strategic plan was being developed, and in May, SSA executives consulted with us on the general approach the new plan would take in identifying strategic goals and future plans for achieving those goals. But as we continued our conversations with the executives, it became clear to us that there was a real struggle within the agency on what direction this plan should take. Finally, after several months in development, a new strategic plan was published in September 2008. The plan set out four major goals and highlighted initiatives, most of which were already in development, that would allow the agency to achieve more immediate goals through the next few years. The result was, in our view, disappointing because the published plan was more tactical than strategic, and focused more on the near term almost exclusively and provided little insight into the future direction for the agency

This Board is charged with making recommendations relative to SSA's public service. As part of our analysis of the Social Security Administration we cataloged the growing list of future workloads and became concerned that the agency did not have a comprehensive plan for addressing these demands. This assessment resulted in the creation of our vision for the road ahead and identified three principle elements—process, platform and people—that should be addressed in a strategic plan. While this framework was being developed, we had the opportunity to share our perspectives with the President-Elect's Transition Team. The final report, *Challenges Facing the Social Security Administration: Present and Future*, served as a basis for discussions with the Transition Team and was published on their official website.

### ***Ongoing Discussion about the Disability Process***

#### **Board Visits to the Virginia DDS and the Office of Disability and Adjudication Review**

SSA's transition to a fully electronic process will enable the agency to process work in a more efficient and timely manner. The implementation of the electronic file is a tremendous accomplishment, and like any major IT undertaking has had its share of bumps in the road. In April, we met with the Director and adjudicative staff of the Virginia Disability Determination Services (DDS) and with the Deputy Commissioner and senior leadership of the Office of Disability Adjudication and Review (ODAR) to learn of their progress in converting to an electronic disability adjudication process. With disability workloads forecast to grow dramatically in the coming years, we wanted to explore how SSA is developing and using the next generation of electronic tools to improve and speed up case adjudication.

At the DDS the latest version of the Electronic Case Analysis Tool (eCAT) was demonstrated. Through a strong collaboration between SSA and the DDS community, the application has been greatly improved in the last year. This new software tool for disability examiners prompts them with pertinent adjudication decision questions and highlights the documentation requirements needed for a disability determination. The

system shows promise because it eliminates several forms that examiners previously had to fill out manually and summarizes the case information into one document resulting in a more systematic and detailed analysis of the relevant case data. eCAT gathers case information in a more comprehensive manner and will provide SSA with detailed management information on the adjudication processes.

ODAR staff shared information about electronic initiatives that they are developing, including the Findings Integrated Template, (FIT). As described, FIT is designed to improve the quality and consistency of ODAR decisions and to integrate findings of fact into the body of the decision. The staff reported that it has had a significant impact on case processing at the hearing offices, as it provides a clearer rationale for the hearing decision. At the time of our visit about 97 percent of the cases were being processed using FIT.

We also had a demonstration of ODAR's electronic case pulling initiative, scheduled to be piloted in June 2008 and operational by December 2008. Using Tagged Image File Format files, this software locates information needed in order to pull cases electronically. At the time of the demonstration, ODAR leadership was hopeful that the software would be able to reduce the case-pulling time in half, from 3 hours to 1.5, getting cases to ALJs more quickly.

SSA's plan to reduce the disability hearings backlog is comprised of several initiatives; among them is the establishment of a National Hearing Center (NHC). The administrative law judges assigned to the NHC are assisting heavily impacted hearings offices from around the country by holding administrative hearings using state-of-the-art video conferencing equipment. The NHC has also provided the agency with the opportunity to experiment with new organizational structures. In our view, the NHC has tremendous potential to improve public service and this pilot has been well received by claimants and their representatives.

We came away from our visits to the DDS and ODAR impressed with the electronic initiatives that are in development for these components; we believe that SSA is moving in the right direction with these initiatives. But there was also concern that once again the need to redesign its process and infrastructure in a more holistic fashion is not as deeply ingrained into the business process as it should be. From what we heard, both DDS and ODAR processing systems are being developed separately to meet their individual needs and at the time of this visit, it was not clear that SSA had a comprehensive plan for a single, seamless electronic case processing system. We firmly believe that to develop such a system and to make it work, all of SSA's operating components have to be at the same table and discuss what they need as part of a collaborative process.

### **Ongoing Dialogue with Key Disability Leadership Groups**

Since the Board was established, we have been committed to meeting with organizations that have a stake in the Social Security programs and in the way the programs are administered. We maintain an ongoing dialogue with these groups who represent the,

individuals who are on SSA's frontline in serving the public. They provide us with invaluable information on issues that the agency is facing, alert us to potential problems, and make suggestions on how the agency can better serve the public. Over the years we have met with or addressed many organizations, including the National Association of Disability Examiners (NADE), the National Council of Disability Determination Directors (NCDDD), and the Association of Administrative Law Judges (AALJ). In 2008, we met with representatives from these organizations on a number of occasions.

In August, Chairman Schieber addressed the AALJ at its annual meeting where he emphasized the Board's concern over SSA's lack of good case data and its inability to analyze the data that it does have. Although the agency collects all kinds of data on its cases, much of it is of little value in helping to improve case processing efficiency, and even if it were, SSA does not have the staff to convert it into useful information. Without complete data and information, SSA's ability to lay out sound arguments for legislative changes, for shaping public policy, and for supporting its budget requests are compromised.

The National Association of Disability Examiners held its annual meeting in September, and once again, Dr. Schieber was invited to address the conference participants. He took this opportunity to stress that the 50-year disability program was in great need of broad process remedies; that fiddling around the edges of the process and hoping that this time there will be a difference outcome is not an improvement nor is it progress. Change cannot be allowed to happen by change. It must be based on deliberate process analysis that can serve as a new foundation that is well suited for the future.

During the course of the year Board members and staff met informally with members of these organizations as well as members of NCDDD. At all of these meetings the focus was on how the disability case backlogs. The hearings pending workload levels are at an unacceptable, historic high, and an unconscionable number of applicants are waiting to receive their decision. Case processing time is still on the rise, as are the number of initial disability applications and hearing requests. And the numbers of these requests are predicted to go even higher. We emphasized at these meetings that any initiatives SSA takes on to improve the disability decision process must consider all steps of the adjudication process. These steps must be linked together with a seamless infrastructure that supports the adjudicative process in a tightly woven fashion and not as a series of disjointed elements. An improved and modern electronic case processing is crucial for keeping up with the growing disability caseload.

At all of the meetings, it was reiterated that SSA has huge administrative challenges, and there is no magic bullet to solving them. The agency and its employees, including the DDSs, have an unflagging commitment to delivering outstanding public service. Resources can be directed in a more purposeful manner if the agency engages in purposeful strategic and creative planning, adapts appropriate technology, and continues to invest in its personnel.

## **Early Progress, Then Economic Crisis: Status of SSA's Disability Workloads**

One of the Board's primary efforts throughout 2008 was the careful monitoring of SSA's disability workloads; particularly the backlog of cases at the agency's hearing offices. Through monthly reviews of data, visits to State Disability Determination Services (DDSs) and the Office of Disability Adjudication and Review (ODAR), and discussions with SSA's Commissioner and principal executives, we monitored the progress in the agency's efforts to reduce pending workloads. Using SSA's *Plan to Eliminate the Hearing Backlog and Prevent its Recurrence*, we periodically reviewed the status of many of the initiatives identified in the plan. These initiatives included the hiring of 190 new Administrative Law Judges (ALJs), establishing productivity targets for the number of dispositions per ALJ, the opening of the National Hearing Center, and the use of informal remands to send cases back to the DDSs for possible allowance. In addition, we closely followed the progress of technology-based initiatives that use expanded videoconferencing and the new electronic pulling software.

SSA started the fiscal year with over 135,000 hearings cases over 900 days old and through careful management, the agency virtually eliminated those cases during the course of the year. While there was not an actual reduction in the pending caseload, the agency had held the line and slowed the rate of growth for pending cases significantly. Nearly 15,000 more hearings were held during the fiscal year and ALJ productivity increased for the second year in a row.

But while the backlog elimination initiative was achieving success, events were on the horizon that would affect SSA's efforts to control the growth in the disability workload. By the second half of 2008, the country's economic situation was starting to impact workloads through increased applications for benefits. By the end of fiscal year 2008, hearings receipts were up by over 26,000 and in the last quarter of 2008, initial disability claims receipts grew by almost 45,000 claims over the same period the previous year. Discussions were beginning to take place on how an economic stimulus package might affect SSA. We used avenues such as meeting with the President-elect's Transition Team to support SSA's need for additional resources to process these growing workloads.

## **Disability Systems: Decision to Build an Integrated Case Processing System**

Throughout much of 2008, SSA was involved in the planning and early stages of development of a common electronic processing system for disability cases that would encompass all adjudicative levels, from the field offices to the DDSs to the hearing offices. During visits to DDSs in Virginia and Connecticut in April and May, we were informed that the DDS administrators had been in negotiations with agency executives regarding the development of the new system. If agreement could be reached on certain aspects of the new system, a decision was eminent that would allow the agency to move forward to obtain funding. At issue was the consolidation of the 54 computer legacy systems currently in use by the DDSs. These systems have been customized over time to meet individual State requirements. Despite the difficulties in converting to a single

system, the general consensus at SSA and the DDSs was that a common system was necessary to address many of the problems that have existed since the new electronic disability process was established. By the end of May, a “go” decision had been reached on the development of a comprehensive system.

Although the move to a common processing platform for the DDSs is an essential step, we questioned the approach SSA was taking in designing a new system. In the past, the agency’s approach has been to develop systems in component silos, rather than to look across an entire process. This has often left the users with systems that do not share information, resulting in redundant keying, and forcing users to develop workarounds or to take multiple steps to force the system to process an action. In our discussions with SSA executives, we asked how processing efficiencies for the entire disability process would be achieved. We raised questions about the level of participation from field offices and hearing offices in the development process; the data that flow into, through, and out of the DDS is an essential part of a common system.

SSA set out its IT vision in the fall of 2008, and described its plan for a common disability case processing system as “an integrated, streamlined process within the DDSs and between them and the SSA Field Offices and the Office of Disability Adjudication and Review.” The agency also started a business process modeling initiative that would look for common processes across the entire program that could be used in systems development. With both the vision and process modeling initiatives, SSA appeared to be acknowledging the need for a more integrated approach to developing this system. We still have concerns, however, about how the new vision and the process modeling will play out in the actual development of the new system. This is clearly an area that we will continue to track as the agency moves the project forward.

## **Health Information Technology**

SSA’s electronic folder initiative set the stage for the agency’s move into the world of requesting and receiving electronic medical records. Over the past two years, SSA has had a presence at many meetings and workgroups and has played an active role in this national discussion. In July we were briefed on SSA’s experience with health information technology and how health information technology (HIT) can be used to improve its disability process. HIT requires data standards for medical information, uses codes rather than free-format information. These diagnostic and treatment codes can be recognized by computers, which allows systems to do things that they cannot do with paper or images. Using such codes, SSA can move to interoperability and can share and move data.

SSA requests 15 to 20 million medical records per year, and pays about \$500 million for medical evidence, including both existing records and consultative examinations. Automation of requests for medical evidence of record has the potential of significant savings for SSA. Expedited receipt of medical evidence through HIT could reduce the number of consultative examinations and could also result in savings for providers of medical evidence.

SSA will have one of the largest databases of medical information anywhere. It will potentially be useful for research, if it can deal with privacy requirements.

## *A Continuing Look at SSA Policy*

The Social Security Disability Insurance program was enacted more than half a century ago, and the Supplemental Security Income program was enacted more than 35 years ago. Our economy and our society have changed in many ways since then, but the programs have not changed to keep pace with the world in which we now live. To assist in re-examining these programs, we have been conducting review of several aspects of these disability programs.

In our annual statement on the Supplemental Security Income (SSI) program, we reviewed several aspects of the SSI program that should receive a fresh look as part of a comprehensive legislative review: benefit levels for disabled beneficiaries, benefit levels in households with more than one beneficiary, and asset limits and excluded amounts of income. The statement examined the use of equivalence scales, a tool that indicates how much more money a household of a given size needs, compared to a single individual, in order to have the same standard of living as a single individual. We recommended that Congress consider how equivalence scales could be applied to the SSI benefit structure and recommended that Congress consider applying equivalence scales to households regardless of the marital status of the members of the household. We also raised the issue of the additional household costs caused by the disability of a beneficiary and encourage examination of the effect that these additional costs may have when considering equivalency scales. Our statement reviewed briefly research that had been done on this subject and stated that further research was needed to enable Congress to set appropriate benefit rates that would reflect additional household needs. We suggested that income exclusions and asset limits be re-examined to ensure that they still serve the purposes for which they were developed.

We also worked on a review of the concept of substantial gainful activity in the disability programs and began work on a study of representative payees, both to be published in 2009.

### *Advice to the Administration, the Congress, and the Commissioner*

#### **Communicating with Congressional Committees: Perspectives on Budget, Disability Backlogs, and ALJs**

The Social Security Advisory Board's mandate directs us to advise the Congress on matters of Social Security and Supplemental Security Income (SSI) policy. We have fulfilled this mandate over the years by maintaining a close relationship with Members of Congress and their staffs: we meet with them frequently, send them letters bringing matters to their attention, and testify before them. We continued this practice in 2008.

In April, Chairman Schieber testified before the House of Representatives' Committee on Ways and Means at a hearing entitled, "Clearing the Disability Backlog – Giving the Social Security Administration the Resources It Needs to Provide the Benefits

Workers Have Earned.” The focus of the hearing was on SSA’s large backlog of disability claims, its impact on applicants with severe disabilities who are awaiting a decision on their claim, and SSA’s plan to reduce the backlog. It also focused on the impact SSA resource shortages have had on the growth of the backlog and the need for increased administrative funding to address these problems.

SSA’s situation is dire. At the time of the hearing there were over 560,000 initial claims and 107,000 requests for reconsideration pending in the DDSs and another 756,000 claims at the appellate level. The waiting time for a hearing was 503 days in the Office of Disability Adjudication and Review (ODAR).

Extraordinary efforts are needed in the near term to restore workload balance because over the next 10 years, the agency’s workload will increase dramatically. As the baby boom generation moves into its later years, retirement claims will jump by over 40 percent and disability claims will rise by nearly 10 percent.

The solution to the agency’s disability backlog is not simple nor is it one dimensional. SSA cannot look simply at one aspect of the disability process. The disability adjudication process is comprised of three levels – all of them dependent on data that is obtained by the earlier step in the process. Yet, case production processes are not coordinated from beginning to end; SSA does not have a holistic electronic systems strategy that emphasizes the interdependence of the operating components. The DDSs use one electronic tool, and ODAR uses another. In addition, SSA still relies on a COBOL-based operating system.

The Board strongly believes that Congress consider restoring a temporary multi-year capital fund to modernize SSA’s operation and develop systems to implement the solutions. The capital budget would be for a limited duration and would stipulate that the net results be a modern integrated system that delivers efficiencies in operation, increases throughput of workloads, and shortens the processing time for applicants.

In June, the Board went on record to urge the House and Senate Appropriations Committees to approve a 2009 budget that would allow SSA to carry out its responsibilities efficiently and with integrity. For years the agency has received less funding than it requested and, as a result, service has deteriorated. In 2008, it was projected that SSA would receive and process more than 6.5 million new benefit claims and 6.8 million were projected for 2009. Over the next 10 years SSA’s workload will increase dramatically because of the aging of the baby boomers, and post-entitlement workloads, such as continuing disability reviews, will continue to grow. SSA’s administrative system is already strained. At the time that we wrote this letter there were over 24,000 more claims in the disability backlog than there were 8 months prior. We closed our letter by asking the Committees to appropriate SSA an additional \$240 million above the \$10.3 billion in the President’s budget.

In September, the Committee on Ways and Means Social Security Subcommittee held a hearing entitled, “The Performance of Social Security Administration Appeals Hearing

Offices.” The focus of the hearing was on how well SSA’s hearing offices are performing, factors that affect productivity, initiatives SSA is taking to increase efficiency and productivity, and other approaches to improving productivity without compromising the quality and impartiality of decision-making or the due process rights of claimants.

Once again, the Board’s views were represented by Chairman Schieber. The testimony highlighted a number of critical issues that affect timely and efficient service in the hearings offices: ALJ case production varies greatly among judges and the agency does not have a good explanation for that variance; hearing office productivity is constrained because of the lack of support personnel; and it is difficult to keep good hearing office chief judges. In addition, SSA’s ability to hire the strongest candidates for its ALJ position is compromised by its dependence on the Office of Personnel Management (OPM). OPM procedures have often been a barrier to securing the best ALJ candidates for SSA’s specific needs. In addition, we are convinced that lasting performance improvement is dependent on the implementation of strong quality management tools and performance guidelines, and an electronic case processing system that is coordinated with other levels of SSA’s adjudication process.

Chairman Schieber ended his testimony by saying that although SSA has always stepped up to meet every new challenge, it takes adequate resources and investment in its staff to do the work that it now faces. Chronic underfunding has contributed to the current crisis and has diverted the agency’s attention away from long-term planning. The agency has massive administrative challenges ahead and while there is no magic bullet, much can be accomplished through the appropriate adaptation of technology, recruiting and retaining highly skilled staff, and instituting performance measures that ensure timely and equitable hearings.

### **Communicating with the Commissioner of Social Security**

Another mandate in our statute is to advise SSA’s Commissioner on matters of Social Security and Supplemental Security Income (SSI) policy. We have fulfilled this responsibility over the years by maintaining a close relationship with the Commissioners, meeting frequently to discuss important issues and sending written correspondence to bring critical matters to their attention. During 2008, we met formally with Commissioner Michael Astrue at a number of our monthly meetings and maintained contact outside of the meetings through a variety of channels.

Through the year, the Board noted and commented on a variety of issues. We congratulated the Commissioner for redesigning and retooling SSA’s website. The new look and usability of the online services set a high standard for other organizations to follow. Information is much easier to find and the messages about benefit claiming and retirement options are clearer. The site’s new online retirement application process is greatly improved and features a prompt that encourages potential applicants to use the benefit estimate tools. We did suggest that SSA should solicit more input from



individuals outside the agency when making changes to the website so that it ensures that the needs of the public are met.

The decline in SSA's staffing caused us to review the agency's human capital plans. We became concerned about a longstanding practice of offering employees the opportunity to retire at an early age. SSA explains that it offers early retirement as a strategy to manage an anticipated employee retirement wave and is generally made available to employees throughout the organization. We are concerned about this practice for two reasons: it can lead to a considerable loss of experienced staff for the agency, and it sends an unintended message that society's older workers should consider leaving the workforce sooner than they had perhaps intended.

A loss of staff for SSA could be catastrophic because of the huge increase in the disability and retirement applications that it is already receiving the continued growth in claims that it anticipates with the aging of the baby boomers. As for early retirement, whenever possible Americans should be considering whether they should work beyond their earliest possible retirement date—not retiring early—because of greater life expectancy, their financial solvency in old age, rising health care costs, and their standard of living in retirement. We recommend that the Commissioner take another look at the agency's approach to managing the retirement wave and consider the advantages of retaining an experienced workforce.

At our December meeting we approved a third communication to the Commissioner, this one discussing SSA's report, *Information Technology Vision: 2009-2014*. This document identified many of the challenges facing the agency and presented strategies on how IT can provide solutions. The strategic framework laid out for the next five years raised four areas of concern: 1) the agency's plan for IT funding; 2) the replacement of the National Computer Center (NCC) and conversion of the COBOL database platform; 3) SSA's comprehensive backup capability; and 4) a new business process model for the common disability processing system.

First, because of the scope and critical importance of SSA's IT needs, funding for IT should not be drawn solely from the base appropriation and a case should be made to Congress for a multi-year capital fund. While SSA's document sets the stage for a capital funding request, a more detailed plan will be needed and should be developed as soon as possible.

Second, immediate funding requests should be made for the replacement of the National Computer Center and the conversion of the COBOL databases. A new computer center is critical to ensuring the safety of the agency's records and also to avoiding any disruptions that would compromise the integrity of SSA's programs. The conversion of the agency's databases to a new, more modern programming format also needs to be addressed expeditiously.

Third, SSA needs to take immediate action to provide full comprehensive backup capability for its operating systems and databases. The backup capacity currently

available to the agency is only 25 to 30 percent. Even with the new center that is scheduled for completion in 2012, the backup capacity will only increase to about 50 percent. This leaves the agency and the beneficiaries it serves at a level of risk that is not responsible.

Finally, we are very encouraged by SSA's use of Business Process Modeling as outlined in the report and it should facilitate a "re-visioning" of current electronic business processes. SSA should use this modeling protocol to complete a review of its disability adjudication process (from the initial application through the appeals process) before moving forward with its plans to build a single processing system for the DDSs. With a streamlined, efficient process in place, an integrated system that supports a case across all adjudicative levels can be built.

### **A Discussion with the President-elect's Transition Team**

On December 12, 2008, we met with members of President-Elect Barack Obama's Transition Team to discuss the challenges the Social Security Administration will face in the coming years. Susan Daniels and James Roosevelt led the team, and other participants included Bob Nickerson, Dick Eisenger, and Mary Ann Phillips. The discussion covered a number of areas that we believe are essential to understanding the current state of the agency. Transition Team members asked about the agency's current involvement in policies surrounding solvency issues. We stated that the agency is not and had not been involved in the solvency debate to any real degree; further, we questioned whether SSA should be involved in the politics of such a major policy reform. When asked about the lack of adequate funding, we discussed the agency's need to market itself to the Congressional committees, and the constraints placed on the agency that restrict its ability to be more transparent in laying out its budget requirements.

We went on to discuss a number of issues that have concerned us over the last few years. We talked of the upcoming IT report and some of the critical decisions the agency is facing in the area of IT investment. Citing the need to replace the National Computer Center in Baltimore, we urged the new Administration to consider funding the new center as one of the issues that must be addressed during its first 100 days. We also highlighted the lack of integration within SSA: business processes, policies and systems have repeatedly been developed in silos with the result that much needed efficiency is lost. We also talked about our concern about SSA's research capacity, noting that it has diminished over the years, especially in the disability policy area.

As the basis for our discussion, we cited our upcoming report, *Challenges Facing the Social Security Administration: Present and Future*, a report that we developed which outlines a strategic framework for the agency and identifies the challenges SSA faces in three principle areas—process, platform, and people. Following the meeting, we finished the report and sent it to the Transition Team for publication on their official website.

# *Appendices*



## 2008 Board Operations and Communications

**Addresses**—In August 2008, Chairman Schieber addressed the Association of Administrative Law Judges, and in September, he spoke at a meeting of the National Association of Disability Examiners.

**Communications**—In March, the Board issued three letters: we responded to a letter from Senator Harkin asking about the Board’s annual appropriation; we wrote to the Commissioner of Social Security expressing concern about SSA’s practice of offering its employees the opportunity of retire early (an “early out”); and we wrote again to SSA’s Commissioner congratulating him on the agency’s new website design. In May, we responded to questions posed by the Members of the U.S. House of Representatives Committee on Ways and Means stemming from Chairman Schieber’s March testimony. In June, we wrote to members of the House and Senate Appropriations Committees asking the fiscal year 2009 administrative budget of the Social Security Administration be established at least at the level that the Commissioner requested in his budget submission, which was \$100 million above the \$10.327 billion provided in the President’s budget. In November, Chairman Schieber wrote an op.-ed. to The New York Times disagreeing with a November 16 editorial by Paul Krugman that indicated that Democratic Presidential candidates who discussed Social Security’s long-term financing imbalance were misguided in focusing on the problem. In December we approved a letter to send to SSA’s Commissioner thanking him for sharing a draft copy of the agency’s paper, *Information Technology Vision: 2009-2014*, and enumerating recommendations for SSA’s IT strategic plan.

**Meetings**—From January 2008 through December 2008, we met at our offices nine times, conducted a 1-day forum, and held one conference call. In addition, we made a site visit for the purpose of gathering and evaluating information related to the operation of the disability programs, the Social Security hearings and appeals process, and aspects of SSA’s public service.

**Publications**—In May, we published *Issue Brief #4: Need for Review of the Supplemental Security Income Program’s Benefit Levels, Asset Limits, and Income Exclusions*, and in August we published our *2007 Annual Report*. In September we published our report, *Working for Retirement Security*, and in December we provided President-elect Barack Obama’s Social Security Transition Team with the paper, *Challenges Facing the Social Security Administration: Present and Future*.

**Testimony**—In April, Chairman Schieber testified before the House of Representatives’ Committee on Ways and Means regarding the Social Security disability backlogs, and in September he testified before the House of Representatives’ Subcommittee on Social Security regarding the performance of SSA’s hearings offices.

**Board Changes**—Jeffrey R. Brown’s term expired September 30, 2008.



## **Individuals with Whom the Board Met at its Monthly Meetings in 2008**

### **January**

**Alicia Munnell** – Drucker Professor of Management Sciences and Director of the Center for Retirement Research, Boston College

**John Shoven** – Schwab Professor of Economics and Director of the Stanford Institute for Economic Policy Research, Stanford University

**Eugene Steuerle** – Senior Fellow, Urban Institute

**Keith Brainard** – Research Director, National Association of State Retirement Administrators

**Thomas Dowd** – Administrator, Office of Policy Development and Research, Employment and Training Administration, U.S. Department of Labor

**John Martin** – Director, Employment, Labor and Social Affairs, Organization for Economic Cooperation and Development

**Edward P. Lazear** – Chairman, Council of Economic Advisers

**Cynthia Donohoe** – Vice President, Benefits, BAE Systems, Inc.

**Kevin Mahoney** – Associate Director, Human Capital Leadership and Merit System Accountability Division, U.S. Office of Personnel Management

**Gerald Shea** – Assistant to the President for Governmental Affairs, AFL-CIO

### **February**

**Michael Astrue** – Commissioner of Social Security

**Mary Glenn-Croft** – Deputy Commissioner for Budget, Finance and Management, SSA

**Jim Winn** – Acting Deputy Chief of Staff and Acting Chief Strategic Officer, SSA

**Laraine Williams** – Chief Strategic Officer, SSA

**Bonnie Kind** – Associate Commissioner for Budget, SSA

**Angela Arnett** – Associate Commissioner for Legislative Relations, SSA

### **March**

**Kathryn Olson** – Majority Staff Director, Social Security Subcommittee of the U.S. House of Representatives Committee on Ways and Means

**Kim Hildred** – Minority Staff Director, Social Security Subcommittee of the U.S. House of Representatives Committee on Ways and Means

**Alaine Perry** – Majority Staff, Social Security Subcommittee of the U.S. House of Representatives Committee on Ways and Means

**Matt We dinger** – Minority Staff Director, Income Security and Family Support Subcommittee of the U.S. House of Representatives Committee on Ways and Means

**Connie Cookson** – SSA Detailee, U.S. Senate Committee on Finance

**Hy Hinojosa** – SSA Detailee, U.S. Senate Committee on Finance

**David Rust** – Deputy Commissioner for Retirement and Disability Policy, SSA

**Tom Tobin** – Associate Commissioner for Communications Planning and Technology, SSA

**Michelle King** – Deputy Associate Commissioner for Public Service and Operations Support, SSA

**Sean Brune** – Deputy Associate Commissioner for Electronic Services, SSA

**Larry Montgomery** – Webmaster, Office of Communications, SSA

**Frank Sotaski** – Staff, Office of Systems, SSA

## **April**

**Steve Goss** – Chief Actuary, SSA  
**Alice Wade** – Deputy Chief Actuary, SSA  
**Robbie Watts** – Director, Virginia DDS  
**Sharon Gottovi** – Regional Director for Northern Virginia, Virginia DDS  
**Danita Scheriff** – eCAT Project Manager, Virginia DDS  
**Melissa Spencer** – Director, Disability Initial Claims, SSA  
**Marilyn Hull** – Hearings Reduction Plan Project Manager, SSA  
**Margie Dexter** – Hearings Manager, Virginia DDS  
**Dave Koons** – Disability Program Administrator for the Virginia DDS, SSA  
**Lisa De Soto** – Deputy Commissioner for the Office of Disability and Adjudication Review (ODAR), SSA  
**Frank Smith** – Assistant Deputy Commissioner for ODAR, SSA  
**Spike Moore** – Assistant Chief Administrative Law Judge, ODAR, SSA  
**Bill Taylor** – Director of Appellate Operations, ODAR, SSA  
**Pat Jonas** – Assistant Director of Appellate Operations, ODAR, SSA  
**Reggie Jackson** – Chief Federal Reviewing Officer, ODAR, SSA  
**Eileen McDaniel** – Associate Commissioner for Management, ODAR, SSA  
**Beth McKinnon** – Deputy Associate Commissioner for Management, ODAR, SSA  
**Linda Coleman** – Senior Advisor, ODAR, SSA  
**Joe Darr** – Budget Analyst, ODAR, SSA  
**Zane Gill** – Acting Lead ALJ, National Hearings Center, ODAR, SSA  
**Bruce Golden** – Director, IT Division, Office of Systems, ODAR, SSA  
**Chris Field** – Administrative Appeals Judge, ODAR, SSA  
**Julia Gibbs** – Administrative Appeals Judge, ODAR, SSA  
**Bob Johnson** – Administrative Appeals Judge, ODAR, SSA  
**Dee Lundelius** – Administrative Appeals Judge, ODAR, SSA  
**Mark Milett** – Administrative Appeals Judge, ODAR, SSA  
**Gerald Ray** – Administrative Appeals Judge, ODAR, SSA  
**Robin Marquis** – Division Director, Office of Appellate Operations, ODAR SSA  
**Renee Gibbs** – Appeals Officer to the Executive Director, Office of Appellate Operations, ODAR, SSA  
**Ora Tilghman** – Director of Operations, Office of Appellate Operations, ODAR, SSA

## **May**

**David Foster** – Chief of Staff, SSA  
**Ron Bernoski** – President, Association of Administrative Law Judges  
**Saul Mussey** – Director, Medicare and Medicaid Cost Estimates Unit, CMS  
**Claire McFarland** – Deputy Director, Medicare and Medicaid Cost Estimates Unit, CMS  
**John Shatto** – Deputy Director, Part C & D Actuarial Unit, CMS

## **June**

**Jack Smalligan** – Branch Chief, Income Maintenance Branch, OMB  
**Chantel Boyens** – Analyst for SSA's LAE Budget, OMB  
**Kate Bloniarz** – Analyst for Program Integrity Funding, OMB  
**Jake Kaplan** – Analyst for Disability Policy, OMB  
**Reginald Wells** – Deputy Commissioner for Human Resources, SSA



## July

**Michael Astrue** – Commissioner of Social Security

**Jason Fichtner** – Deputy Commissioner, SSA

**Dan Bertoni** – Director, Education, Workforce, and Income Security, GAO

**Sheila Drake** – Assistant Director, Education, Workforce, and Income Security, GAO

**Pat Owens** – Private Consultant on Disability

**Bill Gray** – Deputy Commissioner for Systems, SSA

**Debbie Somers** – Office of Systems, SSA

**Nancy Webb** – Acting Deputy Associate Commissioner for Income Security Programs, SSA

**Phillip Dulaney IV** – Associate Commissioner for Disability Systems, SSA

**Jo Tittle** – Speechwriter, SSA

## September

**Michael Astrue** – Commissioner of Social Security

**Richard Foster** – Chief Actuary, CMS

**Mark Miller** – Executive Director, Medicare Payment Advisory Commission (MedPAC)

**Thomas W. Reilly** – Deputy Director, CMS Office of Research, Development, and Information

**Reginald Wells** – Deputy Commissioner for Human Resources, SSA

**Linda Coleman** – Consultant, Retired SSA Executive

**Steve Goss** – Chief Actuary, SSA

**Alice Wade** – Deputy Chief Actuary

**Glenn Sklar** – Associate Commissioner for Disability Programs, SSA

**Hansalia Alpeshkumar** – Staff Office of Disability Programs, SSA

## October

**Michael Astrue** – Commissioner of Social Security

**Patrick O'Carroll** – Inspector General, SSA

**James Kissko** – Deputy Inspector General, SSA

**John Wennberg, M.D.** – Peggy Y. Thompson Professor, Dartmouth Medical School

**Elizabeth Reich** – Senior Executive Service Candidate, SSA

## November

**Michael Astrue** – Commissioner of Social Security

**David Schwartz** – Majority Staff, U.S. Senate Committee on Finance

**John Hsu, M.D.** – Director, Kaiser Permanente Center for Health Policy Studies

## December

**Susan Daniels** – Co-Director, President-elect Barack Obama's Transition Team for Social Security

**James Roosevelt** (by phone) – Co-Director, President-elect Barack Obama's Transition Team for Social Security

**Bob Nickerson** – Staff, President-elect Barack Obama's Transition Team for Social Security

**Dick Eisinger** – Staff, President-elect Barack Obama's Transition Team for Social Security

**Mary Ann Phillips** – Staff, President-elect Barack Obama's Transition Team for Social Security



## Compendium of Board Reports and Publications

1. *Challenges Facing the Social Security Administration: Present and Future*, December 2008
2. *Working for Retirement Security*, September 2008
3. *Annual Report, Calendar Year 2007* (August 2008). The Board has prepared Annual Report since 1998. The reports were prepared on a Fiscal Year basis from 1998 to 2002.
4. Issue Brief #4: *Need for Review of the Supplemental Security Income Program's Benefit Levels, Asset Limits, and Income Exclusions*, May 2008. The document was also published as "Statement on the Supplemental Security Income Program," by the Social Security Advisory Board in the *Annual Report of the Supplemental Security Income Program*, Social Security Administration, May 2008.
5. *Annual Report, Calendar Year 2006* (August 2007). The Board has prepared *Annual Reports* since 1998. The reports were prepared on a Fiscal Year basis from 1998 to 2002.
6. "Statement on the Supplemental Security Income Program," Additional Statement by the Social Security Advisory Board in the *Annual Report of the Supplemental Security Income Program*, Social Security Administration, May 2007. The Board has prepared these statements annually since 1998. In 2006 the Board also published this statement as the *Social Security Advisory Board Issue Brief #2*.
7. Issue Brief #3: *Recruiting SSA Administrative Law Judges: Need for Review of OPM Role and Performance*, April 2007.
8. *A Disability System for the 21<sup>st</sup> Century*, September 2006.
9. *Improving the Social Security Administration's Hearing Process*, September 2006.
10. *Disability Decision Making: Data and Materials* (2<sup>nd</sup> ed.), May 2006.
11. Issue Brief #1: *The Impact of Immigration on Social Security and the National Economy*, December 2005.
12. *Social Security: Why Action Should Be Taken Soon* (3<sup>rd</sup> ed.), September 2005.
13. *Retirement Security: The Unfolding of a Predictable Surprise*, March 2005.
14. *The Social Security Definition of Disability*, October 2003.
15. *The 2003 Technical Panel on Assumptions and Methods, Report to the Social Security Advisory Board*, October 2003.
16. *Introducing Non-adversarial Government Representatives to Improve the Record for Decision in Social Security Disability Adjudications, A Report to the Social Security Advisory Board*, June 2003.

17. *SSA's Obligation to Ensure that the Public's Funds are Responsibly Collected and Expended*, March 2002.
18. *Alternative Approaches to Judicial Review of Social Security Disability Cases: A Report to the Social Security Advisory Board*, March 2002.
19. *Challenges Facing the New Commissioner of Social Security*, Statement by Stanford G. Ross, December 2001.
20. *Estimating the Real Rate of Return on Stocks Over the Long Term*, Papers presented to the Social Security Advisory Board, August 2001.
21. *Social Security: Why Action Should Be Taken Soon* (Revised Edition), July 2001. The Board issued this report originally in July 1998.
22. *Agenda for Social Security: Challenges for the New Congress and the New Administration*, February 2001.
23. *Charting the Future of Social Security's Disability Programs: The Need for Fundamental Change*, January 2001.
24. *Disability Decision Making: Data and Materials*, January 2001.
25. *The Technical Panel on Assumptions and Methods, Report to the Social Security Advisory Board*, November 1999.
26. *How the Social Security Administration Can Improve Its Service to the Public*, September 1999.
27. *Forum on the Implications of Raising the Social Security Retirement Age*, May 1999 (staff document).
28. *How SSA's Disability Programs Can Be Improved*, August 1998.
29. *Social Security: Why Action Should Be Taken Soon*, July 1998.
30. *Strengthening Social Security Research: The Responsibilities of the Social Security Administration*, January 1998.
31. *Increasing Public Understanding of Social Security*, September 1997.
32. *Forum on a Long-Range Research and Program Evaluation Plan for the Social Security Administration: Proceedings and Additional Comments*, June 24, 1997 (staff document).
33. *Developing Social Security Policy: How the Social Security Administration Can Provide Greater Policy Leadership*, March 1997.

Most reports are available on the Board's web site at [www.ssab.gov](http://www.ssab.gov)

## 2008 Social Security Advisory Board Members

### ***Sylvester J. Schieber, Chairman***

Sylvester J. Schieber is a private consultant on retirement and health issues based in New Market, Maryland. He retired from Watson Wyatt Worldwide in September 2006 where he had served as Vice President/U.S. Director of Benefit Consulting and Director of Research and Information. From 1981-1983, Mr. Schieber was the Director of Research at the Employee Benefit Research Institute. Earlier, he worked for the Social Security Administration as an economic analyst and as Deputy Director of the Office of Policy Analysis. Mr. Schieber is the author of numerous journal articles, policy analysis papers, and several books including: *Retirement Income Opportunities in An Aging America: Coverage and Benefit Entitlement*; *Social Security: Perspectives on Preserving the System*; and *The Real Deal: The History and Future of Social Security*. He served on the 1994-1996 Advisory Council on Social Security. Mr. Schieber received his Ph.D. from the University of Notre Dame. First term of office: January 1998 to September 2003. Current term of office: October 2003 to September 2009. He was appointed by the President in September 2006 to serve as Chairman of the Advisory Board from October 2006 to January 2009.

### ***Dana K. Bilyeu***

Dana K. Bilyeu is the Executive Officer of the Public Employees' Retirement System of Nevada. As the Executive Officer of the \$21 billion pension trust she is responsible for all aspects of fund management including analysis of plan funding, investment oversight, operational and strategic planning, and fiduciary and governance issues. Mrs. Bilyeu is principally responsible for the relationship with the System's independent actuary and oversees the data reconciliation process for actuarial valuations of the System. In her capacity as the Executive Officer, Mrs. Bilyeu provides information and analysis to the Nevada Legislature in consideration of pension policy issues affecting State and local government. Prior to her appointment as the Executive Officer, Mrs. Bilyeu served for eight years as the System's Operations Officer, overseeing all aspects of benefit administration, including survivor, disability, and retirement benefit programs. Mrs. Bilyeu also was responsible for cost effectiveness measurement for all activities of the System. She was accountable for technology oversight as well as policy issues related to the public safety sector of public employment. Prior to her employment at the System, Mrs. Bilyeu was the System's legal counsel, representing the System in a variety of aspects from benefits litigation, contracts analysis, to Board governance. Mrs. Bilyeu is a member of the National Association of State Retirement Administrators, the National Council on Teacher Retirement, the National Conference of Public Employee Retirement Systems, and the National Association of Public Pension Attorneys. She also serves on the Public Employee Advisory Board for the International Foundation of Employee Benefit Plans. She received her *juris doctor* from California Western School of Law and her B.A. from the University of Arizona. Term of office: December 2006 to September 2010.

### ***Jeffrey R. Brown***

Jeffrey R. Brown is a professor in the Department of Finance at the University of Illinois at Urbana-Champaign. Prior to joining the Illinois faculty, Dr. Brown was an assistant professor of public policy at Harvard University's John F. Kennedy School of Government. During 2001-2002, he served as Senior Economist at the White House Council of Economic Advisers, where he focused primarily on Social Security, pension reform, and terrorism risk insurance. During 2001 he also served on the staff of the President's Commission to Strengthen Social Security. In January 2005, President Bush nominated Dr. Brown to become a member of the Social Security Advisory Board for a term ending September 2008. Professor Brown holds a Ph.D. in economics from the Massachusetts Institute of Technology, a Masters of Public Policy from Harvard University, and a B.A. from Miami University. He is a Research Associate of the National Bureau of Economic Research, a Research Fellow with the Employee Benefits Research Institute, and a Senior Fellow of the China Center for Insurance and Social Security Research. Professor Brown is a member of the American Economic Association, the American Risk and Insurance Association, the National Academy of Social Insurance, and the Risk Theory Society. Professor Brown has published extensively on public and private insurance markets, including publications in *The American Economic Review*, *The Journal of Political Economy*, *The Journal of Public Economics*, *The Journal of Monetary Economics*, *The Journal of Risk and Insurance*, *The National Tax Journal*, and numerous books. He is the recipient of the Lumina Award for Outstanding Research in Insurance and E-Commerce. Professor Brown is co-author of the book, *The Role of Annuities in Financing Retirement* (MIT Press), and is co-founder and co-editor of *The Journal of Pension Economics and Finance*, published by Cambridge University Press. He has served as a consultant / expert panel member for the Executive Office of the President of the U.S., the General Accounting Office, the U.S. Treasury, the World Bank, and several private firms. Prior to graduate school, he was a Brand Manager at the Procter & Gamble Company. Term of office: October 2006 to September 2008.

### ***Dorcas R. Hardy***

Dorcas R. Hardy is President of DRHardy & Associates, a government relations and public policy firm serving a diverse portfolio of clients. After her appointment by President Ronald Reagan as Assistant Secretary of Human Development Services, Ms. Hardy was appointed Commissioner of Social Security (1986 to 1989) and was appointed by President George W. Bush to chair the Policy Committee for the 2005 White House Conference on Aging. Ms. Hardy has launched and hosted her own primetime, weekly television program, "Financing Your Future," on Financial News Network and UPI Broadcasting, and "The Senior American," an NET political program for older Americans. She speaks and writes widely about domestic and international retirement financing issues and entitlement program reforms and is the co-author of *Social Insecurity: The Crisis in America's Social Security System* and *How to Plan Now for Your Own Financial Survival*, Random House, 1992. A former CEO of a rehabilitation technology firm, Ms. Hardy promotes redesign and modernization of the Social Security, Medicare, and disability insurance systems. Additionally, she has chaired a Task Force to rebuild vocational rehabilitation services for disabled veterans for the Department of Veterans Affairs. She received her B.A. from Connecticut College, her

M.B.A. from Pepperdine University, and completed the Executive Program in Health Policy and Financial Management at Harvard University. Ms. Hardy is a Certified Senior Advisor and serves on the Board of Directors of Wright Investors Service Managed Funds, and First Coast Service Options of Florida. First term of office: April 2002 to September 2004. Current term of office: October 2004 to September 2010.

***Marsha Rose Katz***

Marsha Rose Katz is a Project Director at the University of Montana Rural Institute in Missoula, where her work has concentrated on assisting persons with disabilities to utilize Social Security work incentives to start their own businesses or engage in wage employment. Since coming to the Rural Institute in 1999, Ms. Katz has focused on providing training and technical assistance on both employment and SSI/SSDI to rural, frontier and tribal communities across the country. Previously, she worked for nearly 20 years in a disability rights community based organization, the Association for Community Advocacy (ACA), a local Arc in Ann Arbor, Michigan. She served as both Vice President of ACA, and Director of its Family Resource Center. It was at ACA that Ms. Katz began her nearly 30 years of individual and systems advocacy regarding programs administered by SSA, especially the SSI and SSDI programs. Ms. Katz has written numerous articles and created many widely distributed user-friendly general handouts on SSI and SSDI, the majority of which focus on the impact of work on benefits, and utilizing work incentives. She is the author of *Don't Look for Logic; An Advocate's Manual for Negotiating the SSI and SSDI Programs*, published by the Rural Institute. Her Bachelor's and Master's Degrees are from the University of Michigan. Ms. Katz's many years of experience as a trainer, technical advisor, and advocate have been guided and informed by her partnership with people with disabilities, from her husband, Bob Liston, to the people she assisted in her work with ACA and the Arc Michigan, her current work at the Rural Institute, and her longstanding participation in ADAPT, the nation's largest cross-disability, grassroots disability rights organization. Term of office: November 2006 to September 2012.

***Barbara B. Kennelly***

Barbara B. Kennelly became President and Chief Executive Officer of the National Committee to Preserve Social Security and Medicare in April 2002 after a distinguished 23-year career in elected public office. Mrs. Kennelly served 17 years in the United States House of Representatives representing the First District of Connecticut. During her Congressional career, Mrs. Kennelly was the first woman elected to serve as the Vice Chair of the House Democratic Caucus. Mrs. Kennelly was also the first woman to serve on the House Committee on Intelligence and to chair one of its subcommittees. She was the first woman to serve as Chief Majority Whip, and the third woman in history to serve on the 200-year-old Ways and Means Committee. During the 105th Congress, she was the ranking member of the Subcommittee on Social Security. Prior to her election to Congress, Mrs. Kennelly was Secretary of State of Connecticut. After serving in Congress, Mrs. Kennelly was appointed to the position of Counselor to the Commissioner at the Social Security Administration (SSA). As Counselor, Mrs. Kennelly worked closely with the Commissioner of Social Security, Kenneth S. Apfel, and members of Congress to inform and educate the American people on the choices they face to ensure

the future solvency of Social Security. She served on the Policy Committee for the 2005 White House Conference on Aging. Mrs. Kennelly received a B.A. in Economics from Trinity College, Washington, D.C. She earned a certificate from the Harvard Business School on completion of the Harvard-Radcliffe Program in Business Administration and a Master's Degree in Government from Trinity College, Hartford. Term of office: January 2006 to September 2011.

***Mark J. Warshawsky***

Mark J. Warshawsky is Director of Retirement Research at Watson Wyatt Worldwide, a global human capital consulting firm. He conducts and oversees research on employer-sponsored retirement programs and policies. A frequent speaker to business and professional groups, Dr. Warshawsky is a recognized thought leader on pensions, social security, insurance and health care financing. He has written numerous articles published in leading professional journals, books and working papers, and has testified before Congress on pensions, annuities and other economic issues. A member of the Social Security Advisory Board for a term through 2012, he is also on the Advisory Board of the Pension Research Council of the Wharton School.

From 2004 to 2006, Dr. Warshawsky served as assistant secretary for economic policy at the U.S. Treasury Department. During his tenure, he played a key role in the development of the Administration's pension reform proposals, particularly pertaining to single-employer defined benefit plans, which were ultimately included in the Pension Protection Act ("PPA") of 2006. He was also involved extensively in the formulation of Social Security reform proposals, and oversaw the Department's comprehensive 2005 study of the terror risk insurance program. In addition, Dr. Warshawsky led the efforts to update and enhance substantially the measures and disclosures in the Social Security and Medicare Trustees' Reports, as well as the setting of the macroeconomic forecasts which underlie the administration's budget submissions to Congress.

Dr. Warshawsky's research has been influential in the 2001-2002 regulatory reform of minimum distribution requirements for qualified retirement plans, the increasing realization of the importance of financial protection against outliving one's financial resources in retirement, and a product innovation to integrate the immediate life annuity and long-term care insurance. For the latter research, he won a prize from the British Institute of Actuaries in 2001 for a professional article he co-authored. Favorable tax treatment for this integrated product was also included in PPA due to Dr. Warshawsky's advocacy. Dr. Warshawsky has also held senior-level economic research positions at the Internal Revenue Service, the Federal Reserve Board in Washington, D.C. and TIAA-CREF, where he established the Paul A. Samuelson Prize and organized several research conferences. A native of Chicago, he received a Ph.D. in Economics from Harvard University and a B.A. with Highest Distinction from Northwestern University. Term of office: December 2006 to September 2012.



## **Legislation that Established the Social Security Advisory Board**

In 1994, when Congress passed Public Law 103-296 establishing the Social Security Administration as an independent agency, it also created an independent, bipartisan Advisory Board to advise the President, the Congress, and the Commissioner of Social Security on matters related to the Social Security and Supplemental Security Income programs. Under this legislation, appointments to the Board are made by the President, the Speaker of the House of Representatives, and the President pro tempore of the Senate.

Advisory Board members are appointed to staggered six year terms, made up as follows: three appointed by the President (no more than two from the same political party); and two each (no more than one from the same political party) by the Speaker of the House (in consultation with the Chairman and the Ranking Minority Member of the Committee on Ways and Means) and by the President pro tempore of the Senate (in consultation with the Chairman and Ranking Minority Member of the Committee on Finance). Presidential appointments are subject to Senate confirmation. The President designates one member of the Board to serve as Chairman for a four year term, coincident with the term of the President, or until the designation of a successor.

### **The Board's Mandate**

Public Law 103-296 as amended gives the Board the following functions;

- 1) Analyzing the Nation's retirement and disability systems and making recommendations with respect to how the Old-Age, Survivors, and Disability Insurance (OASDI) programs and the Supplemental Security Income (SSI) program, supported by the other public and private systems, can most effectively assure economic security;
- 2) studying and making recommendations relating to the coordination of programs that provide health security with programs described in paragraph (1);
- 3) making recommendations to the President and to the Congress with respect to policies that will ensure the solvency of the old-age, survivors, and disability insurance program, both in the short-term and the long-term;
- 4) making recommendations with respect to the quality of service that the Administration provides to the public;
- 5) making recommendations with respect to policies and regulations regarding the old-age, survivors, and disability insurance program and the supplemental security income program;
- 6) increasing public understanding of the social security system;
- 7) making recommendations with respect to a long-range research and program evaluation plan for the Administration; and
- 8) reviewing and assessing any major studies of social security as may come to the attention of the Board; and
- 9) making recommendations with respect to such other matters as the Board determines to be appropriate.



## **Board Staff**

### ***Katherine A. Thornton, Staff Director***

Katherine Thornton was appointed as the Staff Director for the Social Security Advisory in July 2007. Prior to being named to this position she served as the Deputy Staff Director to the Board. Before coming to the Board in 2005, Ms. Thornton held several senior management positions in the Social Security Administration. From 1995-2002, she was the Director of the Center for Disability Programs in the Philadelphia region before relocating to SSA's Baltimore headquarters. While in headquarters, she held a leadership position in the development of SSA's eDib project and had a temporary appointment as a program manager with the International Social Security Association in Geneva Switzerland. During her tenure at the Social Security Administration, Kate was the recipient of several agency awards, including 3 Commissioner's Citations for her work in the disability programs. She holds a Bachelor's Degree in Sociology and Social Work from Western Michigan University.

### ***Deborah K. Sullivan, Deputy Staff Director***

Deborah (Debi) Sullivan joined the Social Security Advisory Board staff in September 2007 as the Deputy Staff Director. Before joining the Board staff, she was a participant in the Social Security Administration's (SSA's) Senior Executive Service Candidate Program and did extensive work on the agency's most recent disability service improvement initiatives. Ms. Sullivan began working for SSA as a claims representative in Columbus, Indiana in 1978 and has held increasingly more responsible supervisory and managerial positions throughout her career. She worked in a number of SSA field offices and the Regional Offices in both Chicago and Atlanta. In 2002, she relocated to SSA's headquarters in Baltimore to become the Executive Officer of SSA's strategic planning component which was responsible for the publication of the agency's annual planning documents and periodic strategic plans. During her tenure at the Social Security Administration, Ms. Sullivan was the recipient of many awards including 5 Commissioner's Citations and a National Performance Award. She holds a Bachelor's Degree in History and Political Science from Ball State University and has completed additional graduate work at Emory University in Atlanta.

### ***Joel A. Feinleib***

Joel Feinleib joined the Advisory Board as Staff Economist in 2005 focusing on long-term financing issues, reform proposals, and empirical research. He previously worked as a research consultant and policy analyst in Washington D.C. and Chicago specializing in the economic, demographic and statistical analysis of social policy issues including welfare policy, drug control policy, environmental health and HIV/AIDS prevention. He holds a B.S. in Economics from The Wharton School, University of Pennsylvania and a Masters in Public Policy Studies from the University of Chicago.

### ***George Schuette***

Before joining the Advisory Board staff in 1999, George Schuette worked for the Kentucky Department for Human Resources and the Social Security Administration, taught in colleges, and served in the Army. He began working for SSA as a generalist claims representative in Cincinnati in 1977. In 1980 he moved to Baltimore to work in the Office of Training. He worked in staff and management positions in a variety of areas, including analyst training, management training, programmatic training, evaluation, and career development. He was involved in the introduction of new technologies to the agency, including personal computers, computer-based training, and interactive video. He has a Ph.D. in history from Duke University.

### ***Beverly Sheingorn***

Beverly Sheingorn began her career with the Federal Government as a claims representative for the Social Security Administration in the Rockville, Maryland field office. She held a number of jobs with SSA, including senior executive analyst for both the Associate Commissioner of Hearings and Appeals and the Deputy Commissioner for Programs. In 1995, she worked with the National Commission on Childhood Disability, serving as an executive assistant to the Staff Director. Prior to working for the Federal Government, Ms. Sheingorn worked as a social worker for the Head Start program and the West Virginia Department of Welfare. Since joining the Board staff in 1996, she has served as Executive Officer. She holds a Bachelor's degree in Social Work from West Virginia University and a Master's degree in General Administration from the University of Maryland.

### ***Jean Von Ancken***

Jean Von Ancken began working for the Federal Government in 1997 when she came to work for the Board as a member of the staff. She previously taught music education in elementary schools in both Kansas City, Missouri and Northern Virginia. She holds a Bachelor's degree in music education.

### ***David Warner***

David Warner began his career with the Federal Government in 1988 as a budget and program analyst for the Office of the Secretary of the Department of Health and Human Services in Washington, D.C. He worked principally on the administrative budget for the Medicare program and the program and administrative budgets for Medicaid and the Social Security Administration. Mr. Warner transferred to the Social Security Administration in 1995. Until 1998, he served as a senior social insurance specialist and executive officer for the Deputy Commissioner for Legislation and Congressional Affairs. In 1998, Mr. Warner completed a developmental assignment as professional staff to the Social Security Subcommittee of the House Committee on Ways and Means. Since joining the staff of the Social Security Advisory Board in 1999, he has served as professional staff to the Board. He holds a Bachelor's degree in psychology from the University of Wisconsin and a Master's degree in public sector and non-profit financial management from the University of Maryland.



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