

Address of Sylvester J. Schieber to the
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Good morning. Thank you so much for extending the invitation to spend a little bit of time with you at your conference. I was sorry to have missed last year's meeting in South Dakota, but it is truly a pleasure to be here today.

As I looked over the agenda for this conference I noted that you have heard from a number of SSA leaders – and I am sure that they expressed their gratitude to all of the dedicated DDS employees who make the disability program work. And I want to add the Advisory Board's thank you. We continue to be impressed by your commitment to excellence, while meeting the demands of processing over 3 million claims each year.

What is even more impressive is that you do this year in and year out while working under processing time, productivity measures, and quality control rules that put considerable stress on your part of the adjudication continuum. And on top of this, all of you have dealt with changing priorities, whether it involved setting aside reconsideration claims and CDRs to concentrate on initial claims, stepping up and assisting ODAR with its growing backlogs, or, for the Boston region DDSs, preparing for, implementing, and then dismantling DSI.

Last April the Committee on Ways and Means held a hearing on clearing the disability backlogs. In my testimony I stressed that the focus had to be on more than just the state of the workload at the hearings level. The disability program needs to be a seamless process and should be treated as one. If the SSA and the Congress are truly serious about eliminating the growing backlogs, then they must take into consideration the critical steps all along the determination process. They must recognize the problems with the systems infrastructure that supports the work being done by staff at all levels. They must acknowledge that the baby boomers that will put pressure on the retirement program down the road are now in their disability prone years resulting in increased applications that would require higher productivity if the workforce handling cases remained stable. But it has not remained stable; we have seen the result of the triple jeopardy: a workforce that is being shrunk relentlessly, steady workload increases, and a lack of an organized approach to technological investments that could balance demands.

The resources that are allocated to the DDSs assume that the proven production capacities of the DDSs will continue to push out cases quickly and cheaply with only minor modifications to the traditional adjudication process. New screening mechanisms and electronic tools to secure medical evidence have been adopted in order to speed up the process and the public is better served; but merely speeding up the process addresses only one part of the problem. As important as this is, there need to be broader remedies in order to truly improve the adjudication process. The tendency to fiddle around the edges of a 50-year old process and hope that somehow there will be a different outcome

is not my definition of progress. After all, “If all you ever do is all you’ve ever done, then all you’ll ever get is all you’ve ever gotten.”

There are several workgroups in place looking at the content and format for collecting initial disability claim information, whether it is done in the office or over the internet. This initiative has potential but it must be tied to an overarching unified business process – one that goes beyond just focusing on the field office/disability determination service part of the process. In order to illustrate my message and concern here I would like to make an analogy. In Stephen Ambrose’s description of the building of the American transcontinental railroad after the end of our Civil War, he tells of the separate efforts building the railroad originating in Sacramento and Omaha. No one was coordinating these two initiatives to the extent that when they reached their connecting point that they actually connected the respective sets of rails they were laying. For a time, the two efforts simply laid track past each other until the funding authorities stepped in and insisted that the rails be linked in Provo, Utah.

In April this year, on successive days our Board met with some folks in the Virginia DDS who were working on an electronic system for development of disability application files at the DDS level—a system known as *eCat*. The next day, we met with some senior folks at the Office of Disability Adjudication and Review who had been working on their own electronic system for pulling case materials together for the adjudication process at the ALJ level. From these two meetings we got the distinct impression that there was little or

no coordination between the two efforts. It is possible by happenstance that the rails may connect in this instance but it seems to us that the problems with the current system are too apparent, the costs of failure are too high and the risks to the credibility of the whole organization are too great to simply let these initiatives develop by happenstance. There needs to be a purposeful analysis of why we do what we do and how can it be done in a better way that will be useful to any adjudicator anywhere in the system. This process analysis needs to be the foundation of all systems initiatives going forward. Once the processes are designed and the platforms to deliver them are built, the people to make it all work must be in place and trained to make disability determination much more efficient and much less painful than it has become.

Throughout the Board's existence, we have tried to reconcile the reported high accuracy rates at various stages of the determination process with the inconsistent application of program rules. I know that there are some new initiatives in place that are trying to identify, coordinate and fix unclear policy areas and these should help. But we remain concerned about a quality review process that targets allowance decisions almost exclusively and the unintended message that is sent. When only a small fraction of denied cases are selected for quality review, the chance of an insufficiently documented denial determination sliding through the system unchecked cannot be discounted. This is not about a culture of denial but more about human nature. When faced with pressure to clear cases quickly, adjudicators may take shortcuts and those shortcuts can lead to unintended outcomes.

One of the initiatives in the Commissioner's *Plan to Eliminate the Hearings Backlog* is the informal remand process. Cases that were denied by the DDS and are waiting for a hearing at the Office of Disability Adjudication and Review (ODAR) are being screened and where appropriate returned to the DDS for another look. The program has been in place for a little over a year and the cases that are sent back have been purposely selected because they are the most likely to be proper allowances. Nonetheless, out of the 45,000 cases informally remanded so far, the DDSs have allowed 32 percent (this is especially striking when compared to the "usual" DDS reconsideration allowance rate of around 14 percent). But even more striking is that a significant number of these cases were not given any additional development before disability benefits were granted. Mind you, some of these cases had set in the ODAR queue for up to 900 days before being remanded. How can a case that needs no further development to be awarded disability benefits be allowed to fester for 900 days without any consideration? There are a variety of reasons for this, but we cannot discount that processing pressures in earlier stages of adjudication could have caused inadequate review the first time. From the Board's perspective, there must be investment in the front end of the process. DDS management should not have to make choices about which cases are fully developed and adjudicated under tight time constraints and which are not but that is the situation the current system creates.

When new members join our Advisory Board they often remark that they have a real challenge keeping up with the conversations because of all of the acronyms; and even those of us who have been around a while find ourselves referring to a “cheat sheet” more often than in the past. Electronic case processing has, I think, spawned many of these – eDib, eCat, ePulling, ERE, and now there is HIT and MegaHIT. The proliferation of acronyms may be indicative of the levels of effort being expended here. It is important, however, that we not just work harder but that we work smarter as well.

The willingness over the last 4-5 years of the DDSs to experiment, pilot, and push for better electronic systems is remarkable; especially when you consider the short term disruptions to work flow and productivity that “progress” always brings. eDib has been rolled out and the electronic folder is the agency’s official record. And even though there are still too many work-arounds with eDib and systems response time can be problematic at times, the Virginia and Connecticut DDSs have signed on to test another new tool – eCat.

We have followed the trials and tribulations of eCat, first meeting with the folks in the Connecticut DDS shortly after the initial version of the system was pulled from production. Even though the Connecticut case analysts were extremely frustrated at the time, they were very enthusiastic about what eCat had the potential to become. This past April the Board visited the Fairfax, Virginia DDS to see the latest incarnation of the system and we were quite pleasantly surprised by the progress that has been made and the

enthusiasm of the staff using it. In a meeting a few weeks later with Connecticut DDS examiners, they expressed the desire to see eCat go even further and incorporate web-style technology that would bring quicker and easier access to reference tools to their desk tops. They complained that the tool they were seeing was still a green-screen version of paper forms that have been used in the application process for years rather than a modern-day web based technology solution that could facilitate your work and make it more consistent across all DDS units.

While no single tool holds the key to assuring consistent application of policy, we believe that eCat is an essential first step. Now, we recognize that in fact eCat may slow down the adjudication production lines because it takes time to apply the structured case analysis that it enforces on examiners – but that is not all bad. Investing more time in the front end of the process will have long run payoffs if we simply have the patience to make the investment and the native intelligence to reap the returns. Consistent application of policy will ensure more equitable decisions, minimize case-to-case variation, and ultimately help stem the flow of appeals to the hearings level.

SSA has made tremendous strides in moving its work into an electronic environment and continues to expand the menu of automation pilots. The Board recently received a briefing on the health information technology projects and they seem to hold great promise. However, the challenge is that most of this work is piecemeal and lacks an

overarching vision to facilitate coordination across the projects and to provide a guide for setting priorities.

Many of you are – or will be - participating in the health information initiatives being set up with Beth Israel Deaconess Medical Center in Boston and with MedVirginia and The North Carolina Healthcare Information and Communication Alliance. These are designed to reduce the time it takes to develop medical evidence and will likely succeed at doing that. But what is troublesome to the Board is that these activities are intended to streamline *existing* business processes. It seems to us that this is the perfect time to take a hard look at those existing processes and determine if, they are in fact, the *right* business approaches and how they impact downstream operations. It is time to make sure the rails connect all the way from the time an applicant walks into the field office until that case is finally disposed of whether at the DDS, the ALJ or at the appeals level.

At the same time, the agency's plan to reduce the hearings backlog is highly dependent on the successful implementation and rollout of a series of streamlined and automated case tasks in the hearing office. This past June electronic file assembly (ePulling) was implemented in Tupelo, Mississippi and in July a pilot to permit claimant representatives access to the electronic folder was initiated. In this instance, we believe that it is critical to reflect back on what information is coming *into* the hearings office and figure out how to maximize the DDS data in a way that adds efficiencies in the hearings process. At our meeting with the ODAR folks when we discovered they were not well-informed about

the *eCat* initiative, one ALJ opined that their not knowing about this system was not all that material anyway because the hearings offices could not depend on DDS case development and had to develop their cases from scratch anyway. Given limited resources and crushing case loads we do not accept that observation. We believe the rails have to connect from beginning to end.

Now add to this the development of the DDS “one system”. The decision made last June to move forward with this is one that the Board believes was long overdue. Laying out the functional requirements for this will not be easy and it will require compromises by both the DDSs and SSA. But the creative aspects of hammering out what the system will look like and how it will work should generate new thinking about the process and its interconnectedness with the field offices and the hearings offices, about the platform on which it is built, and how people will use it.

The accomplishments in the DDS world and in the hearings environment taken individually represent important achievements, but their cumulative effect may be far less than what could have been possible given the resources that have been used. It is not clear that anyone is looking at all of these activities in a holistic fashion and mapping out the relationships between tasks, tying together the menu of electronic options under review, and coordinating how each piece leverages the next throughout the disability process. The lack of a unifying vision inhibits SSA’s ability to identify and set developmental priorities.

Even with a unifying vision, managing the disability application process in an electronic environment will be hampered without meaningful performance measures. The agency needs to be able to measure the productivity and accuracy gains resulting from these new systems. This requires the ability to measure performance consistently with and without the changes. Furthermore, detailed information about staffing and resource requirements for each new system are needed in order to determine what will be required to take them to scale within the agency. Part of the reason that the annual budget allocations have come up short in recent years is because a compelling case has not been made for more resources. A stronger case for increased funding can be made if appropriate data are collected and meaningful analysis is conducted.

Throughout the Board's existence, we have spent the vast majority of our time studying the disability program and how well it serves the public. In our 1999 report on how SSA can improve service to the public, we noted that SSA needed to improve the way it measures performance. This is an agency that collects a wealth of data on case characteristics, decisional outcomes, timeliness, productivity, quality, and cost. The data are tallied and put into charts and called "management information." I am not convinced that much of this is nearly as helpful as it might be. I believe that many modern organizations confuse data with information. They are not the same.

Part of the problem may be that data itself is often of little value if not refined into information and knowledge that managers on the ground can use to improve the efficiency of the units they run. There is a real opportunity with the development of the new DDS system. I have heard some DDS managers talk about the new system having “hooks” into SSA’s data systems. Getting at the data is important but many managers are so busy managing that they do not have time and may not have the capability or inclination to become data analysts. Data have to be analyzed and the results summarized for managers in a way that it shows them how their units are operating relative to meaningful performance criteria. If this is just about getting at data, this is short sighted and at the end of the day the program will lose and so will the public. We are concerned that the research and evaluation capabilities needed to convert data into information and knowledge have largely been disassembled within the agency in recent years. Without complete information, the agency’s ability to lay out sound arguments for legislative changes, for shaping public policy, and for supporting its budget requests will be compromised.

SSA has massive administrative challenges ahead and there is no magic bullet. However, much can be accomplished through purposeful strategic and creative planning, adaptation of appropriate technology, and unflagging commitment to improving public service.

Again, thanks for inviting me and I would be glad to answer any questions – or actually, more importantly – hear about your concerns and perspectives.

