

**Social Security Advisory Board
Minutes
Board Meeting
December 14, 2011**

Location: 400 Virginia Avenue, S.W., Suite 625
Washington, D.C. 20024

Time: 8:45 a.m. – 4:00 p.m.

SSAB Members: Marsha Katz, Acting Chair
Jagadeesh Gokhale
Dorcas Hardy
Mark Warshawsky

Presenters: Carolyn Colvin, Deputy Commissioner, SSA
Stephen Goss, Chief Actuary, SSA
Alice Wade, Deputy Chief Actuary (Long-range), SSA
Eli Donkar, Deputy Chief Actuary (Short-range), SSA
Pat Jonas, Executive Director of Appellate Operations, SSA
Gerald Ray, Deputy Director of Appellate Operations, SSA

SSAB Staff: Debi Sullivan, Acting Staff Director
Jackie Chapin
Jeremy Elder
Joel Feinleib
Beverly Rollins
David Warner

During the December meeting, the Board held two fact-finding meetings and met in executive session. In the morning, Board members discussed the status of the Disability Insurance Trust Fund with Stephen Goss, Alice Wade, and Eli Donkar from SSA's Office of the Actuary.

The actuaries reported that the 2011 Trustees Report estimated that the DI Trust Fund will become insolvent early in 2018. However, because of a higher than expected cost of living adjustment (3.6 percent instead of the projected 0.7 percent), the exhaustion date has been moved up to 2017, maybe even 2016. The impact of the baby boom on DI benefits has already happened because the baby boomers have reached their peak disability ages (they reached ages 45-64 in 2010). As a result, DI costs have reached their peak. The actuaries project that the future workforce will grow at the same rate as DI beneficiaries, therefore, the drop in the ratio of workers to DI beneficiaries has already occurred. The actuaries noted that DI cost drivers include the growing number of individuals insured for DI, the increasing DI incidence rate, economic conditions, and DI policy changes.

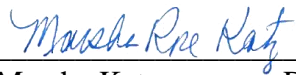
During lunch, the Board members met with Carolyn Colvin and discussed a number of administrative issues such as SSA's budget, staffing, and the agency's use of electronic services.

In the afternoon, the Board members met with Pat Jonas and Gerald Ray to discuss new quality initiatives at the Appeals Council. SSA's Office of Disability Adjudication and Review established a new Division of Quality Review in 2010 to perform Disability Case Reviews – an ongoing, post-effectuation quality review of ALJ hearing decisions that includes an in-depth

analysis of the accuracy of those decisions. ODAR staff has developed a new quality measurement tool – a decision tree – to assist adjudicators in writing quality decisions. The tool helps the Appeals Council look at and address policy issues that are causing problems. ODAR is now seeing improvement in Appeals Council decision making because of this analysis tool.

Throughout the course of the day, the Board met in executive session and discussed potential Board projects, a recent Inspector General report regarding SSA's cost allocation process, and the Retirement Research Consortium's request for fiscal year 2013 research projects. The Board also decided on a 2012 meeting schedule.

I certify that the minutes written for the December 14, 2011 meeting of the Social Security Advisory Board are correct.



Marsha Katz

Date: January 12, 2011

Acting Chair

Social Security Advisory Board