OFFICE OF
THE INSPECTOR GENERAL

SOCIAL SECURITY ADMINISTRATION

COMPASSIONATE ALLOWANCE
INITIATIVE

August 2010   A-01-10-21080

AUDIT REPORT

Mission

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

Authority

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

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

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

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

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

SOCIAL SECURITY

OBJECTIVE

The objective of our review was to assess the Social Security Administration's (SSA) efforts to expedite disability decisions under its Compassionate Allowance (CAL) initiative.

BACKGROUND

In October 2008, SSA implemented the CAL initiative to expedite the processing of disability claims for applicants whose medical conditions are so severe that their conditions clearly meet SSA's definition of disability.[1] The initiative allows SSA to electronically target and make speedy decisions for the most obviously disabled individuals.[2]

SSA's systems were originally designed to automatically identify disability claims for CAL if the claimant alleged 1 of the 50 conditions—25 rare diseases and 25 cancers— identified as CAL conditions.[3] The initial list of CAL conditions was developed as a result of information received at public outreach hearings as well as comments from the public, SSA and disability determination services (DDS) personnel, and medical and scientific experts.[4] (See Appendix B for a list of CAL conditions in effect when we

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[1] SSA provides Disability Insurance (DI) and Supplemental Security Income (SSI) benefit payments to eligible individuals under Titles II and XVI of the *Social Security Act* §§ 201 *et seq.* and 1601 *et seq.*, 42 U.S.C. §§ 401 *et seq.* and 1381 *et seq.*

[2] For more details on the CAL initiative, see www.socialsecurity.gov/compassionateallowances.

[3] The DDSs and the Disability Quality Branch have the capability to manually add cases to CAL processing if an alleged or existing condition that would allow CAL processing is identified.

[4] DDSs are generally State-run agencies that make disability determinations for SSA, using the Agency's regulations, policies, and procedures. The *Social Security Act* §§ 221 (a)(2) and 1633 (a), 42 U.S.C. §§ 421 (a)(2) and 1383b (a). (See also 20 C.F.R. §§ 404.1601 *et seq.* and 416.1001 *et seq.*)

selected our audit population.) Beginning March 1, 2010, SSA expanded the list of CAL conditions to include 38 more—for a total of 88 conditions.

According to SSA's policy, cases selected under the CAL initiative receive expedited processing within the context of the existing disability determination process. While the DDSs assess medical evidence to determine whether the claimant is disabled under the *Social Security Act*, SSA field office staff assesses the non-medical factors of eligibility, such as evaluating work activity or developing proof of age. If a claim is selected for CAL processing, the SSA field office is required to complete all necessary non-medical development immediately.[5]

The CAL initiative is similar to the Quick Disability Determination (QDD) process.[6] CAL and QDD are linked under the fast-tracked Agency Strategic Plan and Agency Performance goals. Both programs use a predictive model to electronically select claims, but criteria for CAL are simpler than the criteria for QDD. Additionally, cases with a terminal illness (TERI) indicator must be handled in an expeditious manner because of their sensitivity.[7] These cases are identified by SSA or DDS staff and flagged in the Agency's records. See Appendix E for more information on the predictive model.

To perform this review, we obtained a file of 41,524 initial disability claims selected for CAL processing between October 2008 and September 2009. We analyzed disability determination records, benefit records, and electronic disability folder information for a sample of 275 of these claims. Additionally, we obtained a file of 27,044 disability claims not selected for CAL processing between October 2008 and September 2009 that were approved because of 1 of the top 10 diagnosis codes under which CAL cases were allowed in our sample. We analyzed electronic disability folder information for a sample of 50 cases from each of the 10 diagnosis codes. (See Appendix C for additional information on our scope and methodology.)

RESULTS OF REVIEW

We found that SSA generally expedited claims selected for CAL processing. SSA processed most cases selected for CAL processing in fewer days than the national average processing time. However, we found that not all disability claims with alleged CAL conditions were selected for CAL processing. As a best practice, SSA continually monitors the CAL predictive model and makes enhancements when necessary.

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[5] SSA, Program Operations Manual System (POMS) DI 11010.025 G.
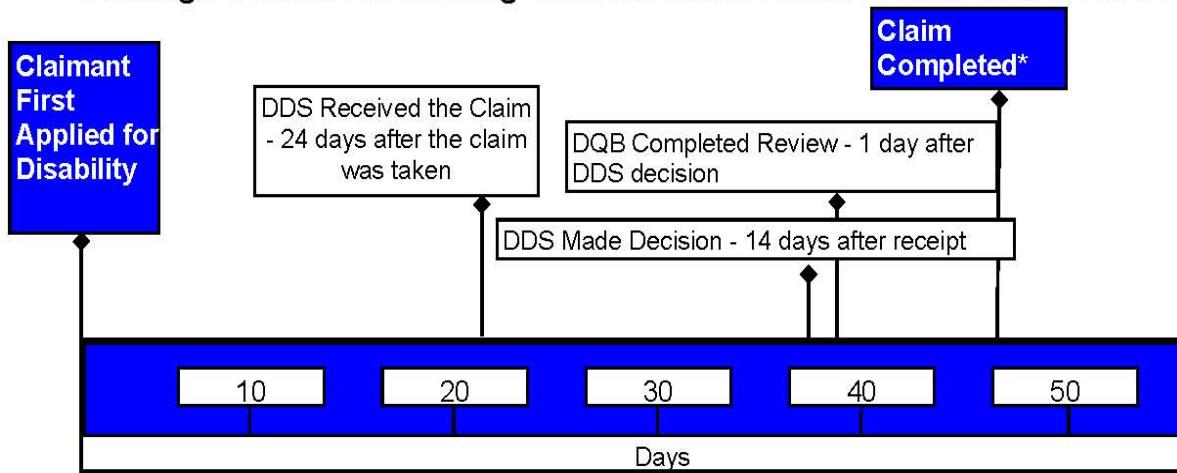
[6] The QDD process—implemented nation-wide in February 2008—electronically identifies disability cases in which there is a high probability that the claimant is disabled, evidence of the claimant's allegation(s) is expected to be easily and quickly verified, and the case can be processed quickly by the DDS. The recommended time frame for processing QDD cases in the DDS is 20 days or fewer. SSA, POMS, DI 23022.010 A and B.

[7] SSA, POMS, DI 23020.045 A. TERI cases may be identified by the teleservice center, field office, or DDS.

SAMPLE RESULTS FOR CASES CODED AS CAL

In our sample of 275 cases with a CAL indicator, we found that SSA's systems and SSA and DDS staff appropriately identified 271 cases.[8] Of the 275 sample cases, 262 cases remained in CAL processing, while 13 cases were removed from CAL processing. The Agency processed these 262 sample cases at the initial level in an average of 47 days. SSA's national average processing time was 101 days in Fiscal Year 2009; therefore, CAL cases were processed in less time than the national average.[9] Chart 1 (below) shows the average CAL processing time[10] for initial disability claims by component.[11]

Average Overall Processing Time for Initial Claims Processed as CAL

*The date of denial or if allowed, date paid or processed.

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[8] We found that four cases were incorrectly identified because the predictive model identified key words out of context.

[9] SSA, *Fiscal Year 2009 Performance and Accountability Report*, p. 54, November 2009. SSA's target was to process disability claims in 129 days. The QDD and CAL initiatives contributed to the ability to meet and exceed this target.

[10] The earliest point at which a case can be identified as CAL is when it is transferred to the DDS. SSA field office staff cannot identify CAL cases. It took SSA 47 days, on average, to process these claims from the date of application to the date the claim was completed—either the date paid, date of denial, or if the claimant was allowed during the waiting period or deceased before payment was due, the date the claim was processed. Of the 275 sample cases, 125 were allowed during the waiting period and 44 were deceased before payment was due. The *Social Security Act* indicates, in part, that, subject to certain exceptions, a DI beneficiary is entitled to receive payments after serving a waiting period of 5 consecutive calendar months throughout which he or she has been under a disability (that is, 5 full months after the date SSA established as the onset of the disability). The *Social Security Act* §§ 223(a)(1)(E) and (c)(2), 42 U.S.C. §§ 423(a)(1)(E) and (c)(2).

[11] The Disability Quality Branch reviews half of all allowances, selected by a predictive model, as well as 70 allowances and 70 denials per DDS per quarter. This ensures statistically valid findings for all DDSs irrespective of size.

In our 275 sample cases selected for CAL processing,

- 256 (93 percent) were allowed for disability benefits at the initial level[12] and

- 19 (7 percent) were not allowed for disability benefits at the initial level.

Chart 2: Results of Review
275 Sample Claims Selected for CAL Processing

Allowed (93%)

Not Allowed (7%)

Table 1 shows the breakout of the 275 sample cases by SSA program—DI and/or SSI–and by Region. (See Appendix D for a breakout by State.)
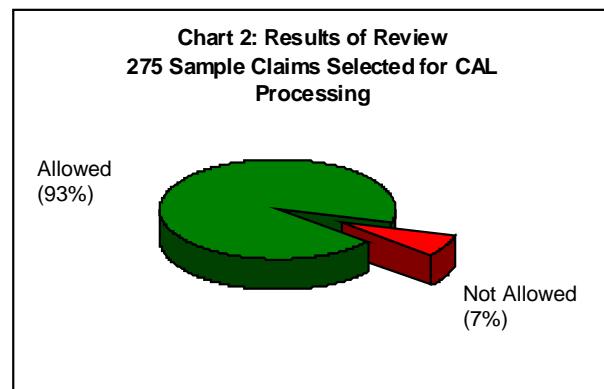
Table 1: Summary of Sample CAL Cases by SSA Program and Region											
Region		DI Only			SSI Only			Both DI and SSI			Total by Region
		Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed		
1	Boston	13	0		1	2		1	0		17
2	New York	12	1		1	0		3	0		17
3	Philadelphia	20	1		4	0		0	1		26
4	Atlanta	39	3		9	1		9	0		61
5	Chicago	33	4		3	0		10	1		51
6	Dallas	22	0		7	1		5	1		36
7	Kansas City	12	0		2	0		3	0		17
8	Denver	7	0		0	0		0	0		7
9	San Francisco	17	2		5	0		5	0		29
10	Seattle	9	1		3	0		1	0		14
	TOTAL	184	12		35	4		37	3		275

Claims Allowed

Of the 275 cases selected for CAL processing, 256 (93 percent) were initially allowed for disability benefits. The average processing time for all allowances was 15 days, ranging from 1 to 139 days from the date the claim was received until the medical determination was completed by the DDS or affirmed by a Federal quality reviewer.

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[12] One of these cases did not receive a determination because it was not a valid claim. This claim was sent to a DDS, but a medical decision was not necessary because the individual was already receiving disability and Medicare benefits on a prior claim.

We sorted the sample claims by diagnosis code and identified the 10 most common diagnoses. Of the 256 allowances in our sample, we found most (195 claimants) had 1 of 10 diagnosis codes (as shown in Table 2).

Table 2: Primary Diagnoses of Allowed Cases		
Diagnosis	**Number of Cases**	**Percent****
Lung Cancer	49	19.1
Breast Cancer	26	10.2
Pancreatic Cancer	25	9.8
Colon Cancer	22	8.6
Liver Cancer	20	7.8
Leukemia	14	5.5
Esophageal Cancer	13	5.1
Brain Cancer	9	3.5
Kidney Cancer	9	3.5
Anterior Horn Cell Disease (including Amyotrophic Lateral Sclerosis, or ALS)	8	3.1
Total	**195**	**76.2**

**The percent is based on the 256 allowed claims in our sample.

For example, a woman filed for DI benefits on June 3, 2009 because of lung cancer. She provided medical evidence with her application, and the DDS was able to make a determination the following day.[13] After SSA's Disability Quality Branch (DQB) reviewed the case and SSA processed the claim, she received her first check on June 9, 2009—6 days after she contacted SSA to file for disability benefits.

Claims Not Allowed

Of the 275 cases selected for CAL processing, 19 (7 percent) were not allowed for disability benefits. The average processing time for all claims not allowed was 75 days, ranging from 16 to 218 days from the date the DDS received the claim until the medical determination was completed by the DDS or affirmed by a Federal quality review. Although only 7 percent of cases selected for CAL were not medically allowed, we analyzed these 19 cases further since one of the factors considered when selecting a case for CAL processing is that the applicant's medical conditions are so severe that his or her condition clearly meets SSA's definition of disability. Table 3 summarizes why these 19 claimants were not allowed benefits.

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[13] Of our sample of 275 cases, 30 claimants provided medical evidence with their applications, and the DDS was able to make a determination based solely on the medical evidence provided.

Table 3: Reasons CAL Cases Were Not Allowed	
Able to perform past work	4
Able to perform work other than past occupation	5
Impairment not expected to last 12 months	2
Impairment not severe	6
Insufficient evidence	1
Returned to work	1
Total	**19**

Based on our review of these cases, it appeared 17 of these 19 claims were appropriately selected for CAL processing, based on information the claimants initially provided SSA. The remaining two cases were incorrectly identified because the predictive model identified key words out of context. For example, in one of the two cases, the claimant alleged liver disease and cervical cancer, but the system mistakenly identified the CAL condition as liver cancer. Additionally, 9 of these 19 claims were removed from CAL processing before the determination was made.

For example, a woman applied for both DI and SSI benefits on June 2, 2009 because of Stage IV Colon Cancer. The DDS denied her claim on September 29, 2009 because, although she had cancer, her condition was not expected to remain severe enough to keep her from working for 12 months in a row. She filed a reconsideration claim on November 12, 2009 and was approved for benefits on December 1, 2009.

CAL Cases with Other Reasons for Expedited Processing

Of the 275 cases selected for CAL processing, 206 cases (75 percent) were also selected for another type of expedited processing. Since these 206 cases were selected for another type of expedited processing, they would have been expedited whether or not they were selected for CAL processing. SSA has separate sets of policies and procedures for adjudicating each type of expedited processing initiative. Of the 206 cases

- 94 cases were also selected for QDD processing, and a determination was made in an average of 11 days;

- 28 cases were also selected for TERI processing, and a determination was made in an average of 28 days; and

- 84 cases were also selected for both QDD and TERI processing and a determination was made in an average of 9 days.

Removal from CAL

Cases may be removed from CAL processing if the medical evidence does not confirm the CAL condition or if the system mistakenly identified the condition as CAL. Of our 275 sample cases, 13 were removed from CAL processing. Most of these cases were removed because the claimant did not actually have the alleged medical

condition. Additionally, it appeared that four cases should have been removed from CAL processing but were not. Three of these cases should have been removed because the claimant did not actually have the CAL condition alleged and one did not allege a CAL condition.

For example, in one case, a man from Massachusetts applied for SSI payments. He alleged pancreatic cancer as his disabling condition and his claim was selected for CAL processing. The DDS denied his claim, and the medical evidence showed that he did not have pancreatic cancer but had pancreatitis. This claim should have been removed from CAL processing so further appeals would not be expedited.

CAL Indicator Manually Added

A CAL indicator is automatically added to the disability folder if the predictive model determines the case qualifies for CAL processing. Also, DDS and DQB have the capability to manually add cases to CAL processing if an alleged or existing condition that would allow CAL processing is identified. Of our 275 sample cases, 10 were not automatically selected for CAL processing. In these 10 cases, a CAL indicator was manually added on average 20 days after the claim was sent to the DDS, ranging from 4 to 38 days. Additionally, these claims were processed in an average of 23 days from the date the DDS received the claim until the medical determination was completed by the DDS or affirmed by a Federal quality review.
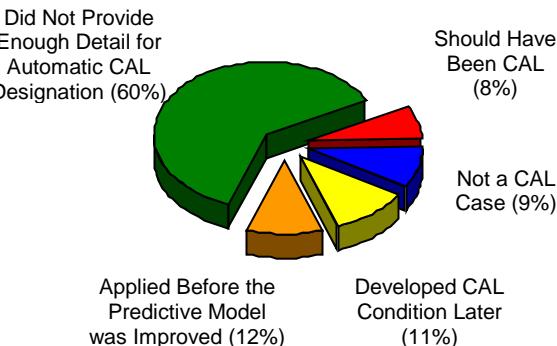
For example, a man filed for disability benefits in May 2009. He alleged lung and bone cancer as his disabling conditions. This claim was not automatically selected for CAL processing, but a CAL indicator was added when the claim was affirmed by a Federal quality review—37 days after the DDS received the claim.

SAMPLE RESULTS FOR CASES NOT IDENTIFIED FOR CAL PROCESSING

We reviewed a sample of 500 cases that were allowed and not processed as CAL, but they had a diagnosis code that matched 1 of the top 10 diagnosis codes of CAL cases in our sample. With SSA's assistance, we determined

- 303 (60 percent) appeared to have a CAL condition but did not provide enough detail for SSA's systems to automatically identify them as CAL;

**Chart 3: Results of Review
500 Sample Claims Not Selected for
CAL Processing**

Did Not Provide Enough Detail for Automatic CAL Designation (60%)

Should Have Been CAL (8%)

Not a CAL Case (9%)

Developed CAL Condition Later (11%)

Applied Before the Predictive Model was Improved (12%)

- 60 (12 percent) had a CAL condition but applied before the predictive model was improved;[14]

- 54 (11 percent) were diagnosed with a CAL condition after the date of application;

- 45 (9 percent) did not have a CAL condition or applied before the implementation of the CAL initiative; and

- 38 (8 percent) should have been identified as CAL.

Did Not Provide Enough Detail for Automatic Designation   Of the 500 sample cases not coded as CAL, 303 had a CAL condition but did not provide enough detail or correct spelling for SSA's systems to automatically identify the cases as CAL. Therefore, it is reasonable that these cases were not automatically selected for CAL processing. However, DDS staff could have recognized that a CAL condition existed and manually selected the cases for CAL processing. The average processing time for these cases was 36 days, ranging from 1 to 247 days from the date the claim was received until the medical determination was completed by the DDS or affirmed by a Federal quality review. Additionally, 50 of these cases were coded as QDD cases, 76 were coded as TERI cases, and 37 were coded as both QDD and TERI cases.

For example, a 45-year-old woman applied for disability benefits on October 31, 2008, and her claim was sent to the DDS on November 3, 2008. She alleged cancer but did not specify what type of cancer even though she was diagnosed with stage 4 urethral cancer in October 2008. Because the claimant only alleged "cancer," the predictive model did not select this case for CAL processing. The DDS allowed her claim in March 2009—123 days after the DDS received the claim. Had the SSA employee handling this case asked for the specific diagnosis and entered it into the computer system, this claim would have been selected for CAL processing and expedited. This case could have been manually selected for CAL processing.

Should Have Been CAL   Of the 500 sample cases not coded as CAL, 38 cases appeared to meet CAL criteria. The average processing time for these cases was 28 days, ranging from 1 to 95 days from the date the DDS received the claim until the medical determination was completed by the DDS or affirmed by a Federal quality review. Additionally, 5 of these cases were coded as QDD cases, 10 were coded as TERI cases, and 5 were coded as both QDD and TERI cases.

By not identifying claims as CAL, SSA may not have expedited claims that qualified under CAL criteria. For example, a 52-year-old woman applied for disability benefits on August 19, 2009 and her claim was sent to the DDS on September 3, 2009. She alleged "liver and bone cancer," but her claim was not selected for CAL processing.

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[14] The CAL predictive model was updated in March, May, and August 2009 to correct problems and identify more CAL terms and misspellings.

The DDS allowed her claim on October 1, 2009—29 days after receiving the claim. This case may have been expedited if it had been selected for CAL processing.

Developed CAL Condition Later   Of the 500 sample cases not coded as CAL, 54 were diagnosed with a CAL condition after the date of application, and therefore were not automatically selected for CAL processing. The average processing time for these cases was 81 days, ranging from 2 to 192 days from the date the claim was received until the medical determination was completed by the DDS or affirmed by a Federal quality review. The average processing time from the date SSA became aware of the CAL condition was 22 days. Additionally, seven of these cases were coded as TERI cases.

For example, a 61-year-old man applied for disability benefits in January 2009. At that time, he alleged a crushed disc and pinched nerves in his back as his disabling condition. In April 2009, he was diagnosed with lung cancer, and the DDS approved his claim 5 days after becoming aware of his condition.

SSA's Efforts to Enhance CAL   The Commissioner of SSA has held five CAL public outreach hearings to obtain the public's views about the advisability and possible methods of identifying and implementing new CAL conditions. The hearings were on rare diseases, cancers, traumatic brain injury and stroke, early-onset Alzheimer's disease and related dementias, and schizophrenia.

Additionally, as a best practice, SSA continually monitors the CAL predictive model and makes enhancements when necessary. For example, the Agency identified some issues and made systems enhancements in March, May, and August 2009.

CONCLUSION AND RECOMMENDATIONS

Generally, we found SSA's efforts to expedite disability decisions under its CAL initiative were successful. SSA processed cases identified as CAL in an average of 47 days—faster than the national average of 101 days in Fiscal Year 2009. However, many of these claims would have been expedited even if not selected under CAL, since they were also selected under other expedited procedures. Also, the Agency did not identify all cases that qualified for CAL processing.

We recommend that SSA

1. Continue the best practice of reviewing the CAL predictive model periodically and identify enhancements, such as a medical spell check program, to ensure it is working at its optimal level.

2. Assess whether policies and procedures for adjudicating all claims identified for expedited processing should be combined and simplified for the claims adjudication process.

AGENCY COMMENTS

SSA agreed with our recommendations. See Appendix F for the Agency's comments.

Patrick P. O'Carroll, Jr.

Appendices

APPENDIX A – Acronyms

APPENDIX B – Compassionate Allowance Conditions

APPENDIX C – Scope and Methodology

APPENDIX D – Sample Cases by Region and State

APPENDIX E – Predictive Model Software

APPENDIX F – Agency Comments

APPENDIX G – OIG Contacts and Staff Acknowledgments

Acronyms

CAL	Compassionate Allowance
C.F.R.	Code of Federal Regulations
DDS	Disability Determination Services
DI	Disability Insurance
DQB	Disability Quality Branch
OIG	Office of the Inspector General
PM	Predictive Model
POMS	Program Operations Manual System
QDD	Quick Disability Determination
SSA	Social Security Administration
SSI	Supplemental Security Income
TERI	Terminal Illness
U.S.C.	United States Code

Compassionate Allowance Conditions

Table B-1 shows the Compassionate Allowance (CAL) condition alleged for each of our 275 sample cases and the average elapsed processing time, which is the number of days between the date the claim was received by the disability determination services (DDS) until the date the claim was completed by the DDS or affirmed by a Federal quality reviewer.[1] Table B-2 shows a list of the remaining CAL conditions.[2]

Table B-1: Alleged Impairment for 275 Sample Cases		
Diagnosis	**Number of Cases**	**Elapsed Processing Time**
Acute Leukemia	16	12 days
Amyotrophic Lateral Sclerosis	11	16 days
Astrocytoma	1	5 days
Bladder Cancer	1	2 days
Bone Cancer	8	7 days
Breast Cancer	26	28 days
Esophageal Cancer	12	7 days
Friedreichs Ataxia	4	23 days
Frontotemporal Dementia, Picks Disease	4	41 days
Gallbladder Cancer	4	14 days
Gliblastoma Multiforme (Brain Tumor)	13	13 days
Head and Neck Cancers	10	20 days
Kidney Cancer	7	11 days
Large Intestine Cancer	22	22 days
Liver Cancer	35	25 days
Mantle Cell Lymphoma	1	143 days [3]
Non-Small Cell Lung Cancer	33	12 days
Ornithine Transcarbamylase Deficiency	1	38 days
Ovarian Cancer	7	9 days
Pancreatic Cancer	31	21 days
Small Cell Cancer of the Large Intestine, Ovary, Prostate, or Uterus	5	21 days

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[1] Of the 275 sample cases, 32 alleged more than one CAL condition, and 7 alleged a CAL condition that was different from the CAL condition the predictive model selected.

[2] See www.socialsecurity.gov/compassionateallowances for a detailed description of CAL impairments.

[3] SSA stated that this case may have been handled inappropriately. Additionally, the processing time includes approximately 3 months in which the claim was on medical hold to see how the claimant responded to treatment.

Table B-1: Alleged Impairment for 275 Sample Cases		
Diagnosis	**Number of Cases**	**Elapsed Processing Time**
Small Cell Lung Cancer	14	11 days
Small Intestine Cancer	1	4 days
Stomach Cancer	3	15 days
Thyroid Cancer	1	4 days
Not a Compassionate Allowance Condition	4	61 days
Total	**275**	**19 days**

Table B-2: CAL Conditions Not in Sample
Adrenal Cancer
Alexander Disease
Anaplastic Adrenal Cancer
Canavan Disease
Cerebro Oculo Facio Skeletal Syndrome
Chronic Myelogenous Leukemia
Creutzfeldt-Jakob Disease
Ependymoblastoma
Farber's Disease
Gaucher Disease
Infantile Neuroaxonal Dystrophy
Inflammatory Breast Cancer
Krabbe Disease
Lesch-Nyhan Syndrome
Metachromatic Leukodystrophy
Niemann-Pick Disease
Osteogensis Imperfecta
Peritoneal Mesothelioma
Pleural Mesothelioma
Pompe Disease
Rett Syndrome
Salivary Tumors
Sandhoff Disease
Spinal Muscular Atrophy
Ureter Cancer

Scope and Methodology

To accomplish our objective, we:

- Reviewed applicable sections of the *Social Security Act* and the Social Security Administration's (SSA) regulations, rules, policies, and procedures.

- Reviewed SSA's *Fiscal Year 2009 Performance and Accountability Report* showing the average processing time for all initial disability claims.

- Obtained a file of 41,524 claims selected for Compassionate Allowance (CAL) processing between October 24, 2008 and September 30, 2009. From this population, we selected a sample of 275 claims for detailed review. For each claim, we:

  - Reviewed SSA's systems, including the Disability Determination Services Query, Master Beneficiary Record, Supplemental Security Record, and electronic disability folder.

  - Determined whether the claim was appropriately selected for CAL processing and whether the claim should have remained in CAL processing.

  - Calculated the number of days to complete the medical determination (including quality reviews) after the application date.

  - Calculated the number of days to complete all actions to process the claim.

- Obtained a file of 27,044 disability claims not selected for CAL processing between October 24, 2008 and September 30, 2009 that were approved with 1 of the top 10 diagnosis codes under which CAL cases were allowed in our sample. From this population, we selected a sample of 50 cases from each of the 10 diagnosis codes for detailed review. For each claim, we:

  - Reviewed the electronic disability folder.

  - Determined, with assistance from SSA, whether the case should have been selected for CAL processing.

  - Calculated the number of days to complete the medical determination (including quality reviews) after the claim was received by the DDS.

We conducted our audit between January and April 2010 in Boston, Massachusetts. The entities audited were the Offices of Disability Programs under the Deputy Commissioner for Retirement and Disability and Disability Determinations under the Deputy Commissioner for Operations. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We tested the data obtained for our audit and determined them to be sufficiently reliable to meet our objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Sample Cases by Region and State

Tables D-1 through D-10 show the breakout of the 275 sample cases selected for Compassionate Allowance (CAL) processing by Disability Insurance (DI) and/or Supplemental Security Income (SSI) program and by Region and State.

Table D-1: Summary of Sample CAL Cases in Region 1 - Boston							
State	**DI Only**		**SSI Only**		**Both DI and SSI**		**Total by State**
	Allowed	**Not Allowed**	**Allowed**	**Not Allowed**	**Allowed**	**Not Allowed**	
Connecticut	3	0	0	0	0	0	3
Maine	2	0	0	0	0	0	2
Massachusetts	6	0	0	2	0	0	8
New Hampshire	1	0	0	0	1	0	2
Rhode Island	1	0	0	0	0	0	1
Vermont	0	0	1	0	0	0	1
TOTAL	**13**	**0**	**1**	**2**	**1**	**0**	**17**

Table D-2: Summary of Sample CAL Cases in Region 2 - New York							
State	**DI Only**		**SSI Only**		**Both DI and SSI**		**Total by State**
	Allowed	**Not Allowed**	**Allowed**	**Not Allowed**	**Allowed**	**Not Allowed**	
New York	8	0	1	0	1	0	10
New Jersey	3	0	0	0	2	0	5
Puerto Rico	1	1	0	0	0	0	2
TOTAL	**12**	**1**	**1**	**0**	**3**	**0**	**17**

Table D-3: Summary of Sample CAL Cases in Region 3 - Philadelphia

State	DI Only			SSI Only			Both DI and SSI			Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed		
Delaware	1	0		0	0		0	0		1
Maryland	4	0		1	0		0	0		5
Pennsylvania	7	0		2	0		0	0		9
Virginia	5	0		1	0		0	1		7
West Virginia	3	1		0	0		0	0		4
TOTAL	20	1		4	0		0	1		26

Table D-4: Summary of Sample CAL Cases in Region 4 - Atlanta

State	DI Only			SSI Only			Both DI and SSI			Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed		
Alabama	5	1		1	0		2	0		9
Florida	9	0		3	1		1	0		14
Georgia	11	0		1	0		3	0		15
Kentucky	0	0		0	0		1	0		1
Mississippi	1	1		1	0		1	0		4
North Carolina	7	1		2	0		1	0		11
South Carolina	4	0		1	0		0	0		5
Tennessee	2	0		0	0		0	0		2
TOTAL	39	3		9	1		9	0		61

Table D-5: Summary of Sample CAL Cases in Region 5 - Chicago

State	DI Only			SSI Only			Both DI and SSI			Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed		
Illinois	5	0		0	0		2	0		7
Indiana	6	0		0	0		0	0		6
Michigan	8	3		0	0		4	0		15
Minnesota	5	0		2	0		0	0		7
Ohio	3	1		1	0		2	1		8
Wisconsin	6	0		0	0		2	0		8
TOTAL	33	4		3	0		10	1		51

Table D-6: Summary of Sample CAL Cases in Region 6 - Dallas								
State	DI Only			SSI Only			Both DI and SSI		Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed	
Arkansas	1	0		0	0		1	0	2
Louisiana	2	0		0	0		1	0	3
New Mexico	0	0		0	0		0	0	0
Oklahoma	2	0		1	1		1	0	5
Texas	17	0		6	0		2	1	26
TOTAL	**22**	**0**		**7**	**1**		**5**	**1**	**36**

Table D-7: Summary of Sample CAL Cases in Region 7 - Kansas City								
State	DI Only			SSI Only			Both DI and SSI		Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed	
Iowa	4	0		0	0		0	0	4
Kansas	2	0		2	0		1	0	5
Missouri	5	0		0	0		2	0	7
Nebraska	1	0		0	0		0	0	1
TOTAL	**12**	**0**		**2**	**0**		**3**	**0**	**17**

Table D-8: Summary of Sample CAL Cases in Region 8 - Denver								
State	DI Only			SSI Only			Both DI and SSI		Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed	
Colorado	2	0		0	0		0	0	2
Montana	1	0		0	0		0	0	1
North Dakota	0	0		0	0		0	0	0
South Dakota	0	0		0	0		0	0	0
Utah	2	0		0	0		0	0	2
Wyoming	2	0		0	0		0	0	2
TOTAL	**7**	**0**		**0**	**0**		**0**	**0**	**7**

Table D-9: Summary of Sample CAL Cases in Region 9 - San Francisco										
State	DI Only			SSI Only			Both DI and SSI			Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed		
Arizona	1	0		0	0		1	0		2
California	14	1		5	0		3	0		23
Hawaii	2	0		0	0		1	0		3
Nevada	0	1		0	0		0	0		1
TOTAL	17	2		5	0		5	0		29

Table D-10: Summary of Sample CAL Cases in Region 10 - Seattle										
State	DI Only			SSI Only			Both DI and SSI			Total by State
	Allowed	Not Allowed		Allowed	Not Allowed		Allowed	Not Allowed		
Alaska	0	0		0	0		0	0		0
Idaho	1	0		0	0		0	0		1
Oregon	2	1		2	0		0	0		5
Washington	6	0		1	0		1	0		8
TOTAL	9	1		3	0		1	0		14

Predictive Model Software

The Social Security Administration (SSA) provided the following information, which describes the predictive model (PM) used to select Compassionate Allowance (CAL) and Quick Disability Determination (QDD) cases.

> The PM software was originally designed by International Business Machines Corporation for the QDD process. It is a statistical modeling program that generates a score to identify initial cases that have a high degree of probability that the claimant is disabled, evidence of the claimant's allegations can be easily and quickly obtained, and the case can be processed quickly in the Disability Determination Services (DDS).

> The CAL initiative leveraged the PM software for a different purpose. Each CAL condition (for example acute leukemia) was given a unique identification number. The conditions and their short descriptors—including alternative names and abbreviations—are contained in two global reference tables. These tables work with the PM to support its ability to appropriately identify cases by the named condition and allow SSA to facilitate rapid changes to improve the accuracy of the PM. The CAL PM uses both tables to scan and compare what is entered for allegations in SSA's disability case processing system.

> Cases determined to be CAL can also meet the criteria for QDD and would be designated both QDD and CAL. Also, cases can be manually added as CAL at all adjudicative levels. CAL cases receive priority processing at all levels of adjudication.

> The PM software enables automated identification of both QDD and CAL cases at the moment the initial disability application is transmitted from the field office to the DDS for a medical determination. The CAL initiative relies not only on the electronic process, but also on the experience of adjudicators, to identify cases for expedited adjudication.

Agency Comments

SOCIAL SECURITY

MEMORANDUM

Date: July 28, 2010   Refer To: S1J-3

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

From: James A. Winn   /s/
         Executive Counselor
           to the Commissioner

Subject: Office of the Inspector General (OIG) Draft Report, "Compassionate Allowance Initiative"
         (A-01-10-21080)—INFORMATION

Thank you for the opportunity to review and comment on the draft report. We appreciate OIG's efforts in conducting this review. Attached is our response to the report recommendations.

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

Attachment

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT, "COMPASSIONATE ALLOWANCE INITIATIVE" (A-01-10-21080)

We appreciate that you recognize our efforts to expedite processing of disability claims under the compassionate allowance (CAL) initiative. We also appreciated your cooperation during the audit.

You present an accurate description of the CAL initiative. We offer the following responses to your recommendations.

Recommendation 1

Continue the best practice of reviewing the CAL predictive model periodically and identify enhancements, such as a medical spell check program, to ensure it is working at its optimal level.

Comment

We agree and will review the CAL predictive model periodically and improve it if necessary to make sure it operates at an optimal level.

Recommendation 2

Assess whether policies and procedures for adjudicating all claims identified for expedited processing should be combined and simplified for the claims adjudication process.

Comment

We agree and will assess whether we can combine or simplify policies and procedures for expedited claims processing to enhance further the claims adjudication process.

OIG Contacts and Staff Acknowledgments

OIG Contacts

Judith Oliveira, Director, Boston Audit Division

Phillip Hanvy, Audit Manager

Acknowledgments

In addition to those named above:

Katie Greenwood, Auditor

Kevin Joyce, IT Specialist

Katie Toli, Auditor

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