

Audit Report

Request for Review Workloads at the
Appeals Council

A-12-13-13039 / March 2014

OIG

Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: March 7, 2014 Refer To:

To: The Commissioner

From: Inspector General

Subject: Request for Review Workloads at the Appeals Council (A-12-13-13039)

The attached final report presents the results of our audit. Our objective was to assess steps the Appeals Council had taken to reduce its pending *request for review* workloads and related processing times.

If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.



Patrick P. O'Carroll, Jr.

Attachment

Request for Review Workloads at the Appeals Council

A-12-13-13039



March 2014

Office of Audit Report Summary

Objective

To assess steps the Appeals Council (AC) had taken to reduce its pending *request for review* workloads and related processing times.

Background

The AC, within the Office of Appellate Operations (OAO), is the final level of administrative review for claims filed under Titles II and XVI of the *Social Security Act*. The AC's role is to review administrative law judge (ALJ) decisions and orders of dismissal, either at the claimant's request or on its own volition. When the AC conducts a review, it may render the Commissioner's final decision, issue an order of dismissal, or remand the case to an ALJ for further proceedings.

Both administrative appeals judges (AAJ) and appeals officers (AO) issue actions on cases. AAJs issue favorable, partially favorable, unfavorable, denial, dismissal, or remand order actions while AO's only issue denials. Before an adjudicator decides the case, an analyst reviews the claimant's file and provides a recommendation to the adjudicator.

Our Findings

Since Fiscal Year (FY) 2007, the AC has struggled to keep up with the increasing number of *request for review* cases it has received. As a result, by FY 2013, the AC's case backlog had tripled, and related processing times were about 60 percent higher than FY 2007. Throughout this period, the AC continued increasing dispositions and productivity through hiring, improved training, and analyst performance goals. Moreover, the AC's focus on the oldest cases benefited claimants waiting the longest for their cases to be decided.

Our review identified steps the AC could take to further increase productivity. For instance, the lack of productivity goals and caps for AAJs or AO's processing *requests for review* cases, particularly given the wide range in the number of dispositions each AAJ and AO issued, increases the risk that AC managers may miss opportunities to increase production as well as identify potential quality issues. In addition, while the AC has established division-level productivity goals, some managers and staff were uncertain how these goals are established. Moreover, the Agency reduced the number of performance goals shared with the public. Finally, although the AC established quality control initiatives covering AC workloads, some of these initiatives were limited in duration or review results were undocumented. We also found the quality review lacked a monitoring system to identify trends and collectively they did not cover all parts of the AC workload.

Our Recommendations

We made a number of recommendations to (1) improve published performance goals, (2) establish adjudicator productivity goals, (3) enhance communication of internal goals, (4) formalize successful quality reviews, and (5) explore additional methods for conducting quality reviews of all relevant workloads.

The Agency agreed with all of our recommendations.

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ABBREVIATIONS

AAJ	Administrative Appeals Judge
AC	Appeals Council
ACAT	Appeals Case Analysis Tool
ALJ	Administrative Law Judge
AO	Appeals Officer
APP	Annual Performance Plan
APT	Average Processing Time
ARPS	Appeals Review Processing System
DDS	Disability Determination Service
DPA	Division of Program Adjudication
DQ	Division of Quality
FY	Fiscal Year
HALLEX	Hearings, Appeals, and Litigation Law Manual
OAO	Office of Appellate Operations
ODAR	Office of Disability Adjudication and Review
OIG	Office of the Inspector General
OGC	Office of General Counsel
OQP	Office of Quality Performance
PAR	Performance and Accountability Report
QRB	Quality Review Branches
SAA	Senior Attorney Adjudicator

OBJECTIVE

Our objective was to assess steps the Appeals Council (AC) had taken to reduce its pending *request for review* workloads and related processing times.

BACKGROUND

The AC is part of the Social Security Administration's (SSA) Office of Appellate Operations (OAO).¹ OAO's primary mission is to provide individuals seeking disability-related Social Security benefits with a decision that is timely, accurate, fair, and in compliance with Social Security laws, regulations, and policies. The AC is the final level of administrative adjudicatory review for claimants appealing hearing-level decisions for Old-Age, Survivors and Disability Insurance and Supplemental Security Income. As part of its duties, the AC also reviews a sample of hearing-level decisions that were not appealed to determine whether they are factually and legally supported. OAO uses this and other quality review data for feedback to adjudicators, to improve training, and to clarify policies and procedures.

When the AC grants a claimant's *request for review*,² it issues a decision, issues an order of dismissal, or remands the case back to an ALJ for further proceedings. Both administrative appeals judges (AAJ) and appeals officers (AO) adjudicate *request for review* cases.³ AAJs can issue favorable, partially favorable, or unfavorable decisions, denials of review, dismissals, or orders of remand, while AOs can only issue denials of review. Before an adjudicator decides the case, an analyst reviews the claimant's file and provides a recommendation to the adjudicator. Adjudicators, analysts, managers, and support staff are located in OAO's Division of Program Adjudication (DPA).⁴ DPA has seven divisions that oversee 33 Disability Program Branches and a Retirement and Survivors Insurance Branch.⁵ Each division has its own analysts and adjudicators.⁶

To assess steps the AC has taken to reduce its growing backlog of *requests for review* cases and related processing times, we interviewed OAO executives, managers, adjudicators, analysts, and support staff. We also discussed the AC's quality controls and initiatives. Finally, we analyzed trends in AC key workload indicators from FYs 2007 to 2013 using information from the

¹ OAO is a component of SSA's Office of Disability Adjudication and Review (ODAR).

² *Request for Review of Hearing Decision/Order* (SSA Form HA-520-U5).

³ See Appendix A for a flowchart of the AC's *request for review* business process.

⁴ See Appendix B for an organization chart and a chart of DPA job duties.

⁵ Each division's workload is aligned with relevant Federal district courts.

⁶ OAO has other divisions responsible for processing civil actions and conducting sample reviews of unappealed hearing decisions.

Appeals Review Processing System (ARPS) database and related management information reports.⁷

RESULTS OF REVIEW

In FY 2013, AC *request for review* dispositions exceeded FY 2007 dispositions by about 102 percent. However, receipts were greater than dispositions during the same period, resulting in a tripling of pending cases from about 53,000 to about 157,000 cases by the end of FY 2013. The increase in pending claims resulted in longer average processing times (APT) at the end of FY 2013, with claimants waiting about 364 days for an AC action, up from 227 days in FY 2007. While SSA had an APT goal for AC workloads in prior years, SSA ended its annual reporting on APT in FY 2012. During this same period, the AC focused its efforts on processing the oldest cases in the backlog under the Agency's *Aged Case* initiative and made progress in reducing the average age of its pending claims. Moreover, the growth in the number of dispositions over this 7-year period follows the addition of adjudicators and staff as well as efforts to increase the productivity of analysts and staff supporting adjudicators.

While OAO established numerical productivity goals for analysts, it did not establish similar productivity goals for AC adjudicators, although it did have timeliness goals for its adjudicators. In FY 2012, AAJ annual dispositions ranged from 780 to 3,471 cases. We found a similar range with AO adjudicators. The lack of productivity goals and caps for AAJs or AOs, particularly given the wide range in the number of dispositions each AAJ and AO issued, increases the risk that OAO may miss opportunities to increase production as well as identify potential quality issues. Finally, while OAO executives had created internal, division-level productivity goals for every DPA division and communicated those goals with OAO managers, some managers and staff were confused as to how those internal goals were determined.

The AC established quality control initiatives to review AAJ remands, AO actions, and analyst recommendations. Although the AC established quality control initiatives covering AC workloads, some of these initiatives were limited in duration or review results were undocumented. We also found the quality review lacked a monitoring system to identify trends and collectively they did not cover all parts of the AC workload. For instance, the AC had a two-AAJ sign-off requirement for some actions, which provided a measure of quality control. However, this requirement did not cover all the AAJ actions, and its scope was limited. As part of its own business process, the Office of General Counsel (OGC) also provided a subsequent quality check on AC actions appealed to the Federal courts, though these OGC cases were not intended to be a representative sample of AC actions.

Requests for Review Trends

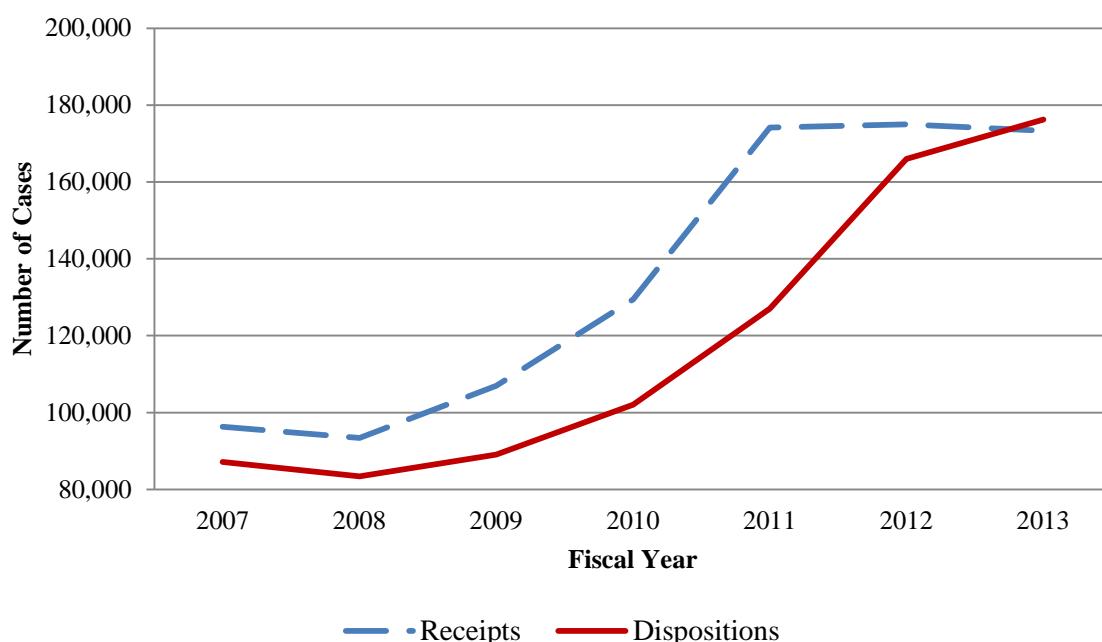
We reviewed trends in the *request for review* workloads from FYs 2007 to 2013. In addition, we assessed AC actions to improve overall productivity during this period.

⁷ See Appendix C for further information about our scope and methodology.

Requests for Review Workload Indicators

While AC *request for review* dispositions increased between FYs 2007 and 2013, receipts continued to exceed dispositions until the middle of FY 2013 (see Figure 1). In FY 2007, dispositions were about 87,000 cases, which increased to about 176,000 cases in FY 2013 (102 percent). During the same time, receipts increased from about 96,000 to approximately 173,000 per year (80 percent).⁸ During our audit,⁹ we noted receipts had leveled off at about 175,000 cases per year since FY 2011. As a result, for the first time in 6 years, dispositions exceeded receipts in FY 2013.

**Figure 1: Request for Review Receipts and Dispositions
(FYs 2007 Through 2013)**

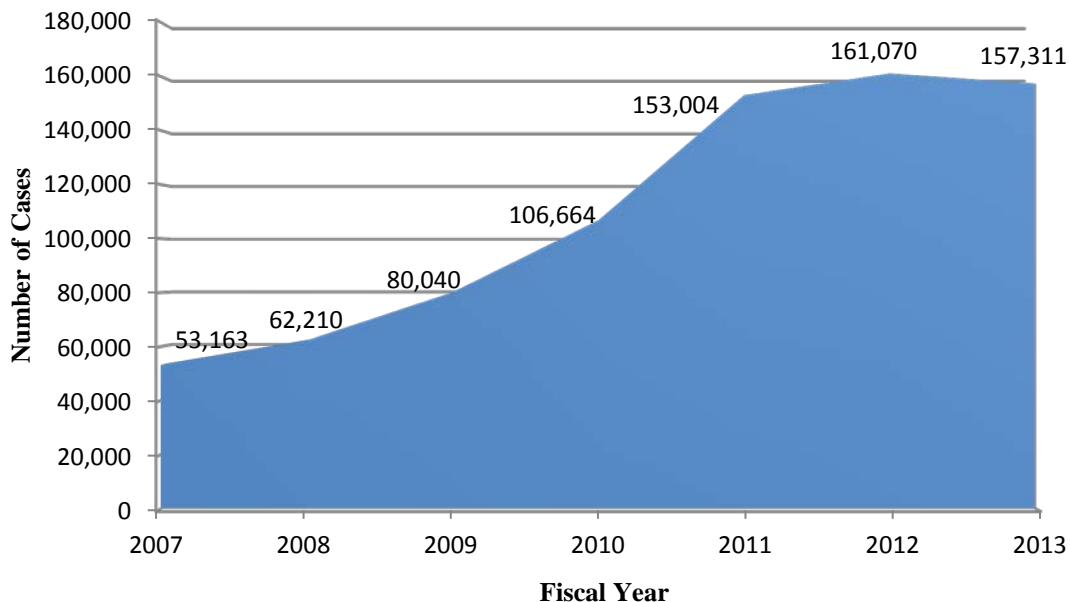


The gap between receipts and dispositions during the 7-year period led to an increase in the backlog. The number of pending cases almost tripled from about 53,000 in FY 2007 to approximately 157,000 in FY 2013 (see Figure 2:). As noted earlier, the AC was able to close the gap between receipts and dispositions, leading to a decrease in the pending request for review case backlog in FY 2013.

⁸ We also discuss increases in AC hiring and productivity during this same period in a later section.

⁹ We conducted our review from December 2012 through September 2013.

**Figure 2: Growth in AC Pending Request for Review Cases
(FYs 2007 Through 2013)**



We could not identify any Agency-published *request for review* backlog goals for the AC based on the number of available adjudicators and staff to process these cases. In the *Agency Strategic Plan* for FYs 2008 to 2013,¹⁰ SSA had a strategic goal to “Eliminate Our Hearings Backlog and Prevent its Recurrence,” and set a goal for initial hearings of 466,000 cases by the end of FY 2013. However, the Agency did not establish a goal for the number of *request for review* cases pending in the AC backlog. Instead, SSA acknowledged that efforts to reduce the hearings backlog would result in increased AC receipts. The *Agency Strategic Plan* stated, “We will closely monitor the Appeals Council workload and take necessary actions to prevent backlogs at that level and reduce the amount of time it takes to receive an Appeals Council decision.”¹¹ That said, the *Agency Strategic Plan* for FYs 2013 to 2016 does not mention the AC workloads.¹²

Requests for Review Average Processing Times

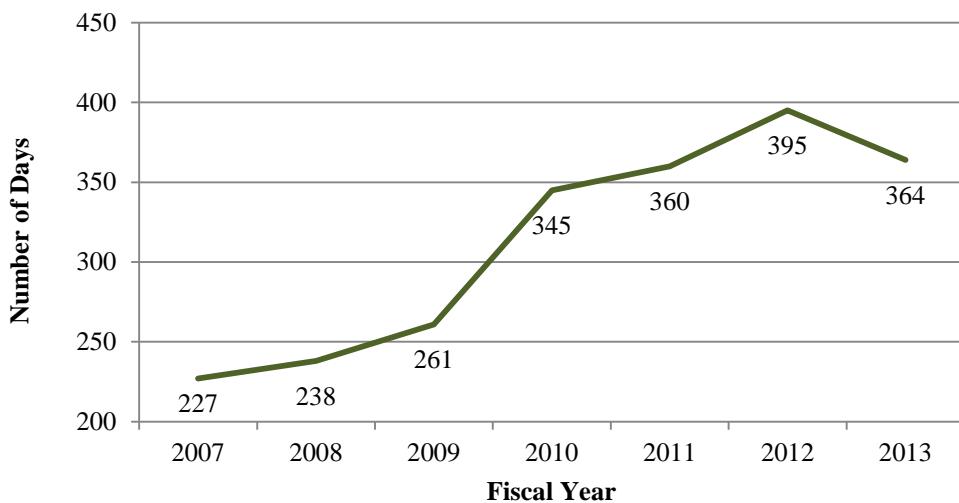
From FYs 2007 through 2012, *request for review* APT rose steadily from 227 to 395 days (see Figure 3). APT improved in FY 2013, decreasing to 364 days.

¹⁰ SSA, *Strategic Plan Fiscal Year 2008 – 2013*, September 2008.

¹¹ *Id.* at p.10.

¹² SSA, *Agency Strategic Plan, Securing Value for America, Fiscal Years 2013 – 2016*, released February 2012. We also examined SSA’s FY 2013 *Annual Performance Plan* (APP) and found that SSA does not have a published goal for the number of pending claims at the AC, while other disability workloads have such goals. See Appendix D for more on these published goals.

**Figure 3: Trends in Request for Review APT
(FYs 2007 Through 2013)**



SSA established APT performance targets for *request for review* cases in six of the FYs in our audit period in its APP (see Table 1). However, SSA discontinued the APT performance measure in FY 2012 and did not report on the goal in its FY 2012 *Performance and Accountability Report* (PAR).¹³ In SSA's FY 2013 APP, SSA explained that it eliminated the APT goal because "We have successfully reduced Appeals Council average processing time over the last few years and want to now focus on eliminating Appeals Council cases pending 365 days or over."¹⁴ However, as shown in Table 1, APT had increased over the last few years.

¹³ The APP represents the Agency's goals for the upcoming FY, whereas the PAR is the Agency's report on those goals at year-end.

¹⁴ SSA, *Annual Performance Plan for Fiscal Year 2013 and Revised Final Performance Plan for Fiscal Year 2012*, February 2012, p. 71.

Table 1: AC Request for Review APT Performance Goal Versus Actual APT (FYs 2007 Through 2013)

FY	APT Goal ¹	Actual APT
2007	242	227
2008	290	238
2009	242	261
2010	370	345
2011	370	358
2012	340	395
2013	N/A	N/A

Note 1: APT goals as published in the annual APP. The FY 2012 goal was later withdrawn and not reported in the FY 2012 PAR.

We believe having a timeliness goal would inform the public about the expected timeliness of AC case processing.¹⁵ While we understand that various circumstances, such as AC receipts, are outside of the Agency's control, timeliness goals should be part of SSA's overall strategic framework to identify the necessary resources to eliminate such backlogs.

Requests for Review Aged Cases

The average age of pending (AAP) for AC *request for review* cases has decreased in recent years. From FYs 2010 to 2013, AAP decreased from 233 days to 202 days.¹⁶ OAO attributes this decrease to its *Aged Case* initiative, started in 2007, where the AC targeted the oldest cases in the backlog for processing. OAO also attributed the decrease to its case management approach based on data analysis, in which it worked cases in groups based on criticality and complexity. In FY 2013, the AC focused on cases that would be 545 days or older by the end of the FY,¹⁷ completing 99.74 percent of them by the end of the FY. We commend the Agency for its efforts on older cases.

In its FY 2013 APP, SSA established a goal to have less than 19 percent of pending *requests for review* at 365 days or older by the end of the FY.¹⁸ Compared to the FY 2012 aged case goal, the FY 2013 aged pending goal decreased from 20 to 19 percent, while the target age of pending

¹⁵ In FY 2013, SSA published a performance goal for APT at the hearings level. *Id.* at p.6 and 14. See Appendix D for more on hearing-level performance goals.

¹⁶ SSA, *Average Age of Pending* national report for FY 2013, ARPS.

¹⁷ We completed an audit of the *Aged Case* initiative at the hearing level. For further information, please see our report, *Aged Claims at the Hearing Level* (A-12-08-18071), September 25, 2009

¹⁸ Supra note 11, at p. 15.

cases stayed at 365 days.¹⁹ The AC ended FY 2013 with 9 percent of pending requests for review at 365 days or older.²⁰

Factors Affecting Dispositions and Productivity

Since FY 2007, the AC has added 60 adjudicators as well as 265 managers, analysts, and support staff to process AC workloads (see Table 2).²¹ This growth contributed to an increase in dispositions over this same period.

**Table 2: AC Employees Assigned to Request for Review Workload
(FYs 2007 Through 2012)**

FY	Adjudicators ¹	Staff ²	Staff Per Adjudicator	Request for Review Dispositions
2007	NA	446	NA	87,129
2008	55	453	8.2	83,407
2009	96	558	5.8	89,066
2010	91	660	7.3	102,062
2011	112	725	6.5	126,992
2012	115	711	6.2	166,020

Note 1: OAO was unable to provide adjudicator figures for FY 2007. In addition, throughout the 6-year period, adjudicators could be working on a variety of workloads.

Note 2: These counts include managers, analysts, and support staff.

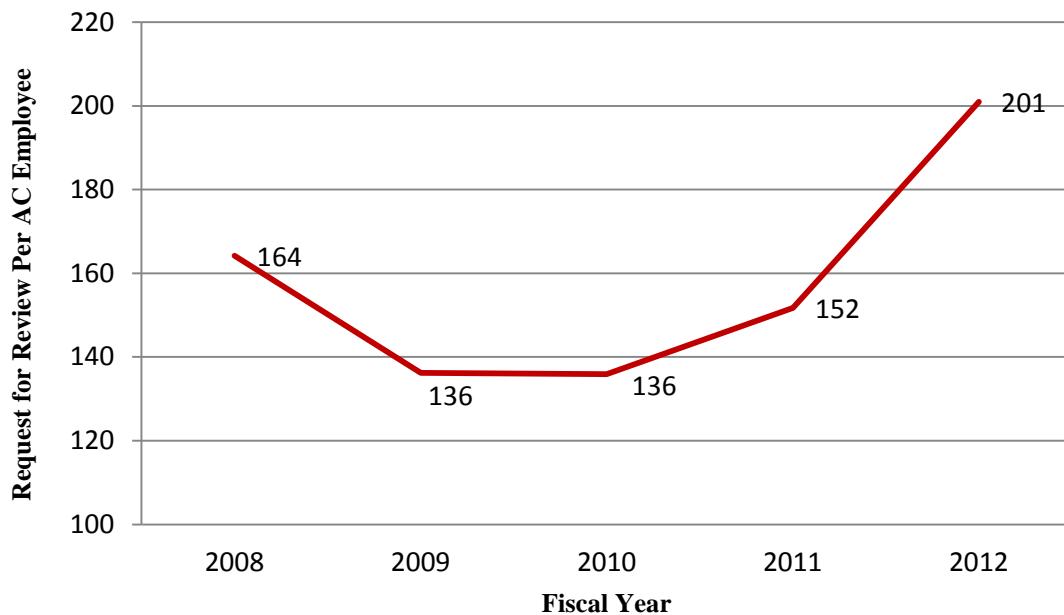
Overall, AC productivity was higher in FY 2012 than it was in FY 2008 (see Figure 4), from 164 cases per employee to 201 cases per employee, though overall productivity dropped in the intervening years.

¹⁹ SSA's FY 2013 aged pending goals for hearing level cases was less than 0.5 percent pending cases 700 days or older by the end of the FY. Supra note 11, at p. 14. See Appendix D for additional information on these performance measures.

²⁰ OAO, *Executive Director's Broadcast (OAO Newsletter)*, November 1, 2013, p. 1.

²¹ OAO hired an additional 50 adjudicators and analysts in FY 2010 for the newly created Division of Quality (DQ). DQ provides operational support to the AC in its quality review responsibilities overseeing SSA's national appeals program for claims filed under Titles II and XVI of the *Social Security Act*, as amended. DQ provides advice and recommendations on individual cases and the application of Social Security regulations and rulings. DQ also conducts focused reviews on ALJ-related issues to ensure compliance with SSA policies and procedures. While staff assigned to DQ focus on quality reviews, they occasionally assist DPA with its workload. OAO established the DQ during a time of increased public and congressional attention related to ALJ workloads. For more information, see *Congressional Response Report: The Social Security Administration's Review of Administrative Law Judges' Decisions* (A-07-12-21234), March 2012.

**Figure 4: AC Request for Review Productivity
(FYs 2008 Through 2012)**



When we removed the adjudicators, we found the number of dispositions per adjudicator dropped in FY 2009 before rising annually through FY 2012. However, by the end of FY 2012, adjudicator productivity had not reached the FY 2008 disposition level (see Table 3).

**Table 3: Trends in AC Request for Review Productivity
(FYs 2007 Through 2012)**

FY	Request for Review Dispositions per Adjudicator ¹	Request for Review Dispositions per Staff Member ²
2007	NA	195
2008	1,516	184
2009	928	160
2010	1,121	155
2011	1,134	175
2012	1,444	234

Note 1: OAO was unable to provide adjudicator figures for FY 2007. In addition, during this period, adjudicators could be working on a variety of workloads.

Note 2: These counts include managers, analysts, and support staff. These individuals were permitted to work overtime, whereas AAJs are not.

The decrease in adjudicator dispositions in FY 2009 coincided with the lowest staff-per-adjudicator ratio that year (see Table 2). A higher staff-to-adjudicator ratio in other years may have contributed to greater adjudicator productivity. Moreover, until the end of FY 2011, the AC was adjusting to a significant increase in new adjudicators and staff, which

may have affected productivity. As an SSA official noted in prior testimony, new hires tend to decrease short-term productivity since training can be a lengthy and resource-intensive process, whereas more experienced employees assisting with training and mentoring will have less time to process their own work.²²

OAO managers attributed the increased productivity in recent years to (1) hiring attorneys who quickly become proficient in the job, (2) productivity goals, and (3) an improved training program. In the past, OAO hired paralegals for the analyst positions. However, since FY 2009, OAO has hired only attorneys for its analyst positions. One supervisor told us the new hires had boosted productivity, while another supervisor attributed productivity increases to the strong writing skills of the new hires.

In FY 2007, the AC created productivity goals for its analysts.²³ The AC established a unique numerical time credit for each type of *request for review* case (that is, favorable, unfavorable, denial, dismissal, and remand) the analyst recommended. This allowed an analyst's manager to track the time credits to ensure the analysts achieved a minimum level of productivity.²⁴ Once an analyst had 3 years' experience, management increased the productivity requirements. Additionally, the AC established benchmarks for timely processing of *request for review* cases. Depending on their grade and experience levels, analysts had 10 to 15 days to process each case. A supervisor told us the minimum productivity score encouraged greater productivity because it gave analysts a clear productivity expectation. Another supervisor cited the productivity goals for analysts as a significant factor in the increased productivity.

OAO managers also stated that OAO modified training for new analysts in FY 2010, which they believed contributed to analyst productivity. While the original training was primarily classroom instruction, the modified training was an integrated, multi-modal, interactive program.²⁵ For example, the training provides hands-on experience on the electronic folder, the ARPS database control system, and the Appeals Case Analysis Tool (ACAT).²⁶ OAO training staff stated the organization continually updated its training programs based on manager and analyst feedback. After the introductory training, the analyst worked with a mentor until the quality of the analyst's

²² *Oversight Hearing on SSA's Use of Recovery Funds*, Prepared Statement of Mary Glenn-Croft, Deputy Commissioner for Budget, Finance, and Management before the Subcommittee on Social Security, House Committee on Ways and Means, April 28, 2009.

²³ To determine an OAO analyst's productivity, OAO breaks out the type of casework they perform and weighs different types of cases based on the average length of time required to process the case.

²⁴ The target productivity score during this period was 70 percent, meaning the analyst was spending a minimum of 70 percent of their time processing case recommendations. Other time may be spent in training, administrative duties, research, and other activities.

²⁵ In 2011, OAO received the W. Edwards Deming Award from the U.S.D.A. Graduate School, now the Graduate School USA. This annual award is presented in recognition of a workforce development and training initiative that has measurably improved an organization's performance.

²⁶ See Appendix E for further information about technology improvements at the AC.

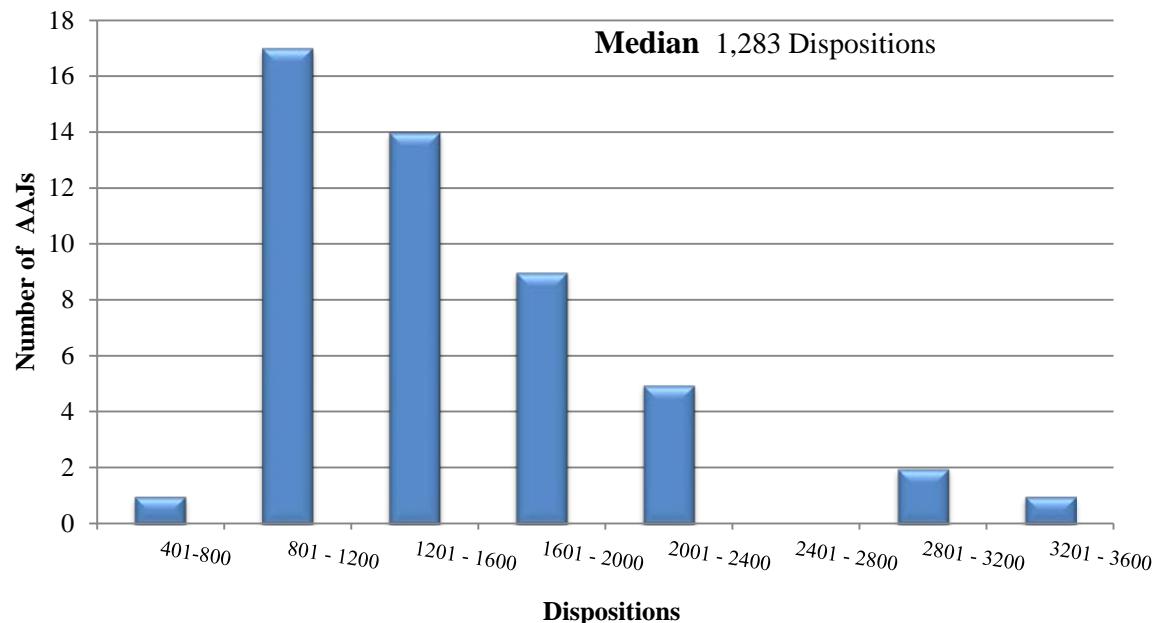
work reached a certain threshold. In addition, OAO created an online library of training materials for new and existing analysts.

Workload Performance Goals

While the AC established individual productivity goals for its analysts, it had not established similar productivity goals for its adjudicators. ODAR established the ALJ annual goal of 500 to 700 dispositions in October 2007, as well as a cap on annual productivity beginning in FY 2012. For FY 2014, the annual disposition cap is 840 dispositions. While there is no similar productivity goal for AC members, they are subject to performance plans that do include timeliness goals. Our review of AC adjudicator productivity in FY 2012 found wide ranges in the number of dispositions issued by AAJs and AOs.

For instance, in FY 2012, the 74 AAJs issued about 81,000 dispositions. However, the number of dispositions per AAJ dedicated to request for review work ranged widely from 780 to 3,471. The median number of dispositions issued was 1,283 (see Figure 5).

**Figure 5: Range in AAJ Dispositions
(FY 2012)**



Note: We excluded 23 AAJs because their primary duties were other than adjudicating cases. We also excluded 2 AAJs with more than 2,000 dispositions because they were AOs for most of FY 2012. Moreover, we only examined A judge dispositions, which we discuss later in this report.

Two AAJs issued over 3,000 dispositions in FY 2012, about 12 dispositions per day.²⁷ Variations in AAJ dispositions could relate to a number of factors, including the following.

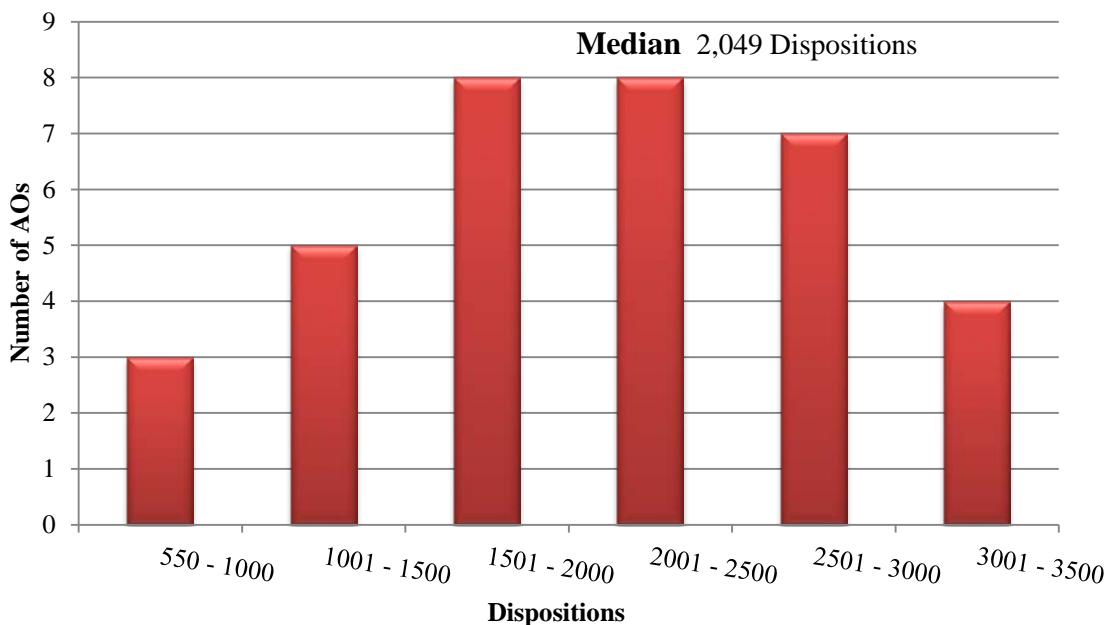
- Some AAJs had duties other than adjudicating *request for review* cases, such as adjudicating other types of workloads, working in the front office, managing divisions, and other special projects.
- Some AAJs may have worked only part of the year on dispositions because they were hired or departed during the year.
- The mix of cases available to AAJs may differ, since some divisions had fewer AOs to process denials.²⁸
- An AAJ's workload is partly dependent on the speed and quality of the analyst's work.

We also found a wide range in the number of dispositions issued by the AOs. The 46 AOs issued about 79,000 dispositions in FY 2012, with a median of 2,049 dispositions per AO. However, AO dispositions ranged widely from 625 to 3,386 (see Figure 6). Four AOs issued more than 3,000 dispositions in FY 2012. As noted earlier, this totals about 12 dispositions per day.

²⁷ We estimate about 250 available workdays per year.

²⁸ For instance, the average favorable decision takes longer to process than the average denial action.

**Figure 6: Range in AO Dispositions
(FY 2012)**



Note: We excluded 11 AOs because they worked in other areas of OAO and issued dispositions part-time.

When we asked about the lack of individual productivity goals and caps for AC adjudicators, OAO managers stated adjudicators processed cases differently than ALJs at the hearings level. They stated that it was more effective to set productivity goals for analysts than adjudicators because productivity goals for analysts were established to ensure cases were being processed efficiently before adjudicator review. In addition, they stated OAO and each DPA division had continually met annual and quarterly goals and therefore there was no need to establish productivity goals for its adjudicators. Moreover, unlike ALJs at the hearing level, every AAJ and AO is subject to a performance plan with clear workload expectations.²⁹

OAO managers also noted that, despite the lack of an individual numerical goal and cap, AAJs are subject to some timeliness benchmarks. An A judge (the first AAJ to review the case) is expected to clear the case within 30 days, while a B judge (the second AAJ to review the case) is expected to clear the case within 5 days.

While OAO has some supervisory measures in place to manage AC adjudicator workloads, we believe OAO managers should consider establishing uniform productivity goals and caps for adjudicators processing *request for review* cases for the periods they are assigned this workload.

²⁹ Per 5 C.F.R. 930.206(a), in terms of workloads, the Office of Personnel Management's regulations provide that an agency may not rate the job performance of an ALJ.

An organization's ability to track progress toward its goals ensures that everyone is equally contributing and helps determine whether a different level of productivity is possible. In addition to goals, productivity caps help ensure a greater focus on quality. For instance, by not having a productivity cap, the AC might be overlooking potential quality issues related to the dispositions made by its high-producing adjudicators.

Even though the AC had focused on annual and quarterly goals for each DPA division, during our interviews, we learned some managers and staff were uncertain about how the productivity goals for each division were established. For instance, one manager thought the division's productivity goals were based on staffing levels and staff experience but was not certain. Another manager stated that OAO headquarters set the goals but had no idea how the goals were established. Similarly, one analyst stated the division had productivity goals, but the analyst was not sure how the goals were determined. Although the AC had made efforts to communicate how the goals were established to the management team, greater clarification concerning the goal-setting process could contribute to both increased understanding and support for those goals.

AC Quality Reviews

The AC has established quality control initiatives to review AAJ remands, AO actions, and analyst recommendations. However, some of these initiatives were limited in duration or review results were undocumented. We also found the quality review lacked a monitoring system to identify trends and collectively they did not cover all parts of the AC workload. We believe OAO should review and formalize the successful elements of the existing quality review process for all types of AC actions, and monitor quality trends to demonstrate improvement as well as areas in need of greater attention. Moreover, OAO should also explore additional methods for conducting quality reviews of the AC workload to ensure all relevant workloads are covered. We describe each of the AC quality review initiatives below.

AAJ Remands

In July 2012, the AC implemented a *Remand Feedback* initiative to offer ALJs the opportunity to refer back to the AAJs those remands they believed were unclear; noncompliant with policy; or, while technically correct, contained only insignificant errors that would not likely result in a Federal court remand. AC managers said the initiative's goals were to identify specific issues, such as inconsistent application of SSA policy, and suggest training needs at both the AC and hearing levels. As of May 2013, the initiative had resulted in 50 remand referrals. However, OAO managers did not have any formal reports that could be shared with us at the time of our audit, which limited our ability to learn more about the effectiveness of this initiative and potential improvements to the remand process over time.

AAJ Two-Signature Policy

The AC had a policy requiring that two AAJs sign off on favorable decisions, unfavorable decisions, or remands.³⁰ In these cases, the first AAJ to review the case is the A judge. The A judge has 30 days to decide the case. The second AAJ to review the case is the B judge, and their decision is due within 5 days. If the A and B judges disagree, the case goes to an adjudicator C judge.³¹

AC managers said the reviews were limited to identifying a legal error and not designed to adjudicate the case, allowing some adjudicators to process a B case in about 5 minutes. At the time of our review, the AC had a workgroup studying the role of adjudicator B as well as ways to enhance communication between the parties involved in the process. Since the two-signature policy does not cover AAJ denials and dismissals, OAO may want to consider a cost-effective quality review process that would cover all types of AAJ actions in its current review of the two-signature policy.³²

AO Actions

In FY 2005, the AC established an *In-line Quality Review of AO Actions* initiative to review AOs' adjudicatory actions.³³ A cadre of nine AOs, serving as a peer review, determines whether AOs followed administrative case procedures. However, AC managers stated this workgroup was a special, temporary AC initiative, not a permanent part of the AC's business process. Moreover, the workgroup had not produced written reports that identified trends in decision making.³⁴ As a result, we were unable to determine the effectiveness of this initiative.³⁵

Analyst Recommendations

Since FY 2005, OAO has periodically reviewed a 1-percent sample of analyst recommendations to evaluate the quality of analyst decision making. Branch Chiefs randomly select completed analyst recommendations and assign the cases to a technical assistant for review.³⁶ Technical

³⁰ See Appendix F for more information about the number of adjudicators and what type of adjudicators are needed for each type of recommendation.

³¹ In FY 2012, of 80,762 AAJ actions, we identified only 5 that required a judge C sign-off.

³² We estimate that AAJs processed approximately 55,000 denials and dismissals in FY 2012, representing about 33 percent of the FY 2012 AC request for review dispositions.

³³ As noted earlier, AOs can only process denial actions.

³⁴ In our previous review of the AC Process Improvement Action Plan, we found that OAO did not track the effectiveness of most of its initiatives at that time. See our report, *Appeals Council Process Improvement Action Plan* (A-12-02-12015), January 2004.

³⁵ In addition to the quality review of AO actions, an AO's work is also reviewed by their supervisor on a regular basis. See Appendix B for more information about the AO position.

³⁶ In addition to performing this review, the TA acts as a mentor to attorney advisers and paralegal specialists as well as processes recommendations for the AC. See Appendix B for more information about the TA position.

assistants hold the cases until the quality review is completed. After completing the case review, the technical assistant reports the findings to the Branch Chief using an automated online form. Branch managers report the results to the OAO Executive Director and Deputy Executive Director. According to OAO managers, the technical assistant's quality review findings improve the quality of the analyst recommendations, identify decision-making trends, and highlight training that might be needed. As with some of the earlier quality reviews, OAO managers did not have any formal reports that could be shared with us at the time of our audit, limiting our ability to learn more about the effectiveness of this initiative and potential improvements to the remand process over time.

Remands Related to Federal Court Appeals

While not a quality review of a random set of cases, SSA's OGC provides a de facto quality review of denied and dismissed cases appealed to the Federal district courts.³⁷ If a claimant disagrees with the AC's action, the claimant can file a civil action with the Federal district court. OGC reviews the original ALJ decision and assesses the case for its potential defensibility before the Federal courts. If OGC believes there is a deficiency or error in the ALJ decision, it writes a voluntary remand memorandum asking the AC to review the case again instead of defending the case in Federal court. The voluntary remand process is informal, and the AC makes the ultimate decision on whether to accept the voluntary remand and on what basis.³⁸ If OGC believes the case is defensible, it prepares and submits a brief to the Federal court, which reviews the administrative record. If the Federal court identifies any deficiencies or errors in the original ALJ decision, it can remand the case back to the Agency, where it is handled by the OAO Division of Civil Actions. The AC captures the reasons for the Federal court remands so it can use the information to update employee training.

CONCLUSIONS

The AC's pending case backlog and APT have increased significantly since FY 2007. However, additional hiring and increased staff productivity has led to an increase in dispositions and has enabled the AC to catch up with its current workload. Greater focus on aged cases has also benefited claimants waiting the longest for their cases to be decided. Nonetheless, we believe publishing clear workload goals, setting uniform adjudicator productivity goals and caps, and establishing well-documented quality processes will assist the AC in the future. While SSA had an APT goal for AC workloads in prior years, SSA ended its annual reporting on APT in FY 2012. In addition, the lack of productivity goals and caps for AAJs or AOs, particularly

³⁷ About 12 percent of AC actions are appealed to the Federal Courts.

³⁸ Per HALLEX I-4-2-32 – *Additional Evidence Affects the Defensibility of the Pending Court Case* (last updated September 13, 2005), if the AC agrees with the recommendation to seek voluntary remand of the pending court case, the AC prepares a memorandum to OGC setting forth the reasons, including good cause, for seeking remand of the case and the action the AC proposes to take upon remand. If the AC disagrees with the recommendation to seek voluntary remand of the pending court case, the AC prepares a memorandum to OGC setting forth the AC's reasons for concluding that the case still should be defended.

given the wide range in the number of dispositions each AAJ and AO issued, increases the risk that OAO may miss opportunities to increase production as well as identify potential quality issues. While OAO had established internal division-level productivity goals, some managers and staff were uncertain about how these goals are established. Finally, although the AC had established quality control initiatives covering AC workloads, some initiatives were temporary or lacked a monitoring system to identify trends and improvements. We also found initiative workgroups did not produce written reports and the reviews did not cover all parts of the AC workload.

RECOMMENDATIONS

To improve the AC's ability to measure and monitor key workloads, we recommend the Agency:

1. Revisit the appellate-level performance goals shared with the public to ensure they provide sufficient information about the AC's performance processing *request for review* workloads.
2. Consider establishing uniform individual productivity goals and caps for AC adjudicators for the time they spend processing *request for review* cases.
3. Improve communication of AC quarterly and annual performance goals with adjudicators, managers, and staff to instill a greater understanding of organizational goals.
4. Review and formalize successful parts of the existing quality review process for *request for review* workloads, and monitor trends to demonstrate improvement as well as areas in need of greater attention.
5. Explore additional methods for conducting quality reviews of the AC *request for review* workload to ensure all relevant adjudicative actions are covered.

AGENCY COMMENTS

The Agency agreed with all of our recommendations. See Appendix G for the full text of SSA's comments.

APPENDICES

Appendix A – APPEALS COUNCIL REQUEST FOR REVIEW BUSINESS PROCESS

When the Appeals Council (AC) receives a *request for review* (appealed case),¹ it gives the case to a legal assistant. The legal assistant screens the case, checks for any special requests, and associates all pertinent documents with the case file. The legal assistant prepares the case for the analyst to review. The analyst (either an attorney adviser or a paralegal specialist) reviews the case file and, as appropriate, further researches the case. The analyst independently formulates his/her recommendations. After the analyst reviews the case, they formulate a comprehensive recommendation and send it to the adjudicator (either an AAJ or AO) in writing (see Figure A–1 for a flowchart diagram of the process).

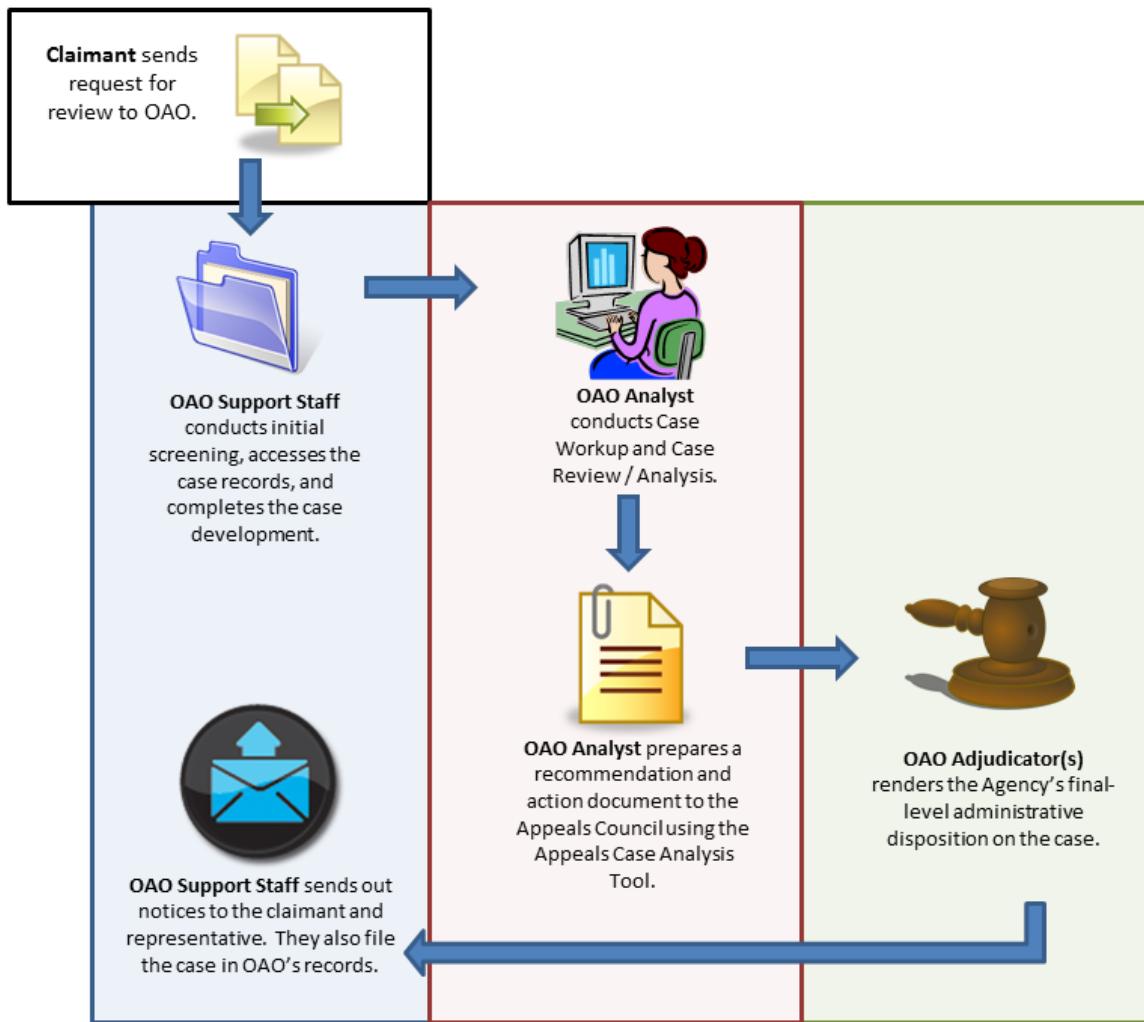
If the analyst recommends a denial, the recommendation usually goes to an AO. An AO has the authority to review recommendations to deny review and subsequently issue a denial action. An AO does not have the authority to issue other types of actions (grant review, favorable decision, partially favorable decision, unfavorable decision, dismissal, or remand). However, should a case sent to an AO for denial need additional review, the AO can recommend the case to an AAJ.

Any type of analyst recommendation can go to an AAJ. An AAJ has the authority to issue all types of actions/decisions (favorable decision, partially favorable decision, unfavorable decision, dismissal, denial, or remand order). The AAJ reviews the ALJ's decision from the hearing level and then renders SSA's final administrative disposition on the case. Denial and dismissal actions require only one AAJ signature, whereas all other types of actions require two AAJ signatures (see Appendix F).

After the case is adjudicated, legal assistants send notices to the claimant and representative and file the case in OAO's records.

¹ *Request for Review of Hearing Decision / Order* (SSA Form HA-520-U5)

Figure A–1: Flowchart of Business Process for Processing AC requests for review



Appendix B – OFFICE OF APPELLATE OPERATIONS ORGANIZATION CHART AND POSITION DESCRIPTIONS

Figure B–1: Office of Appellate Operations Organization Chart

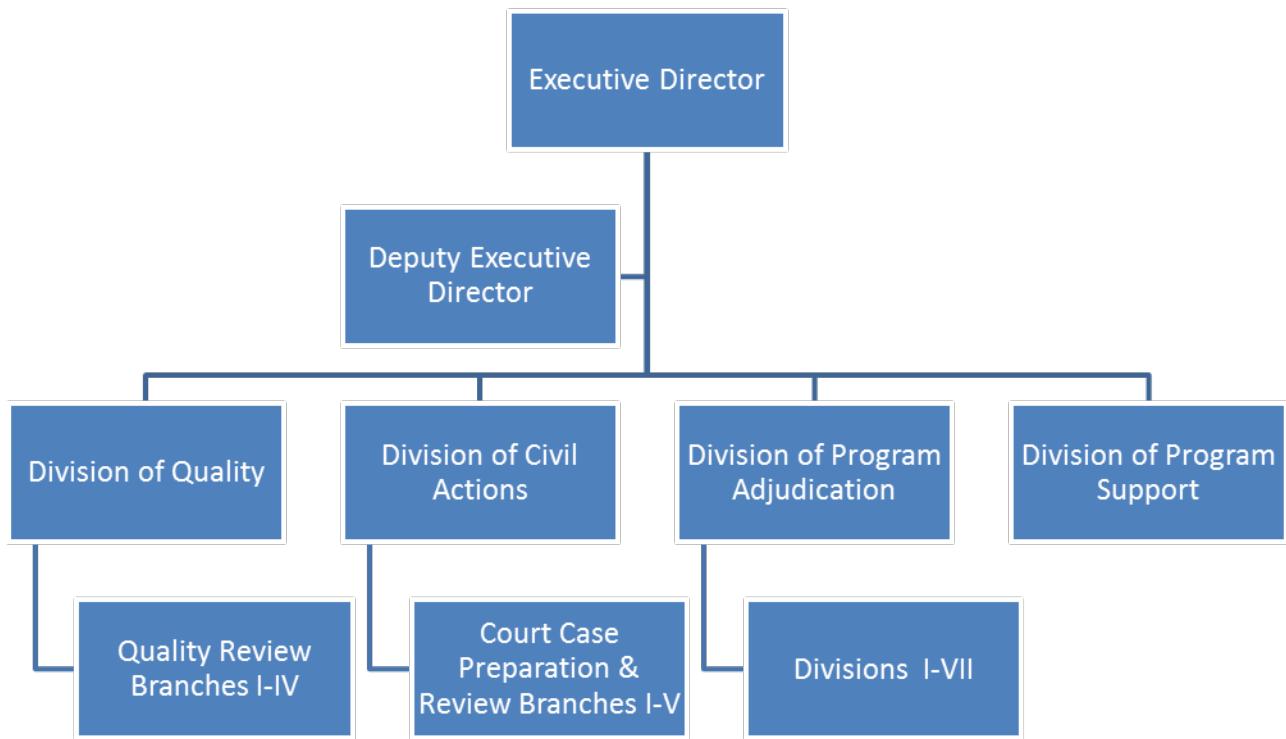


Figure B–2: Division of Program Adjudication I – VII Organization Chart

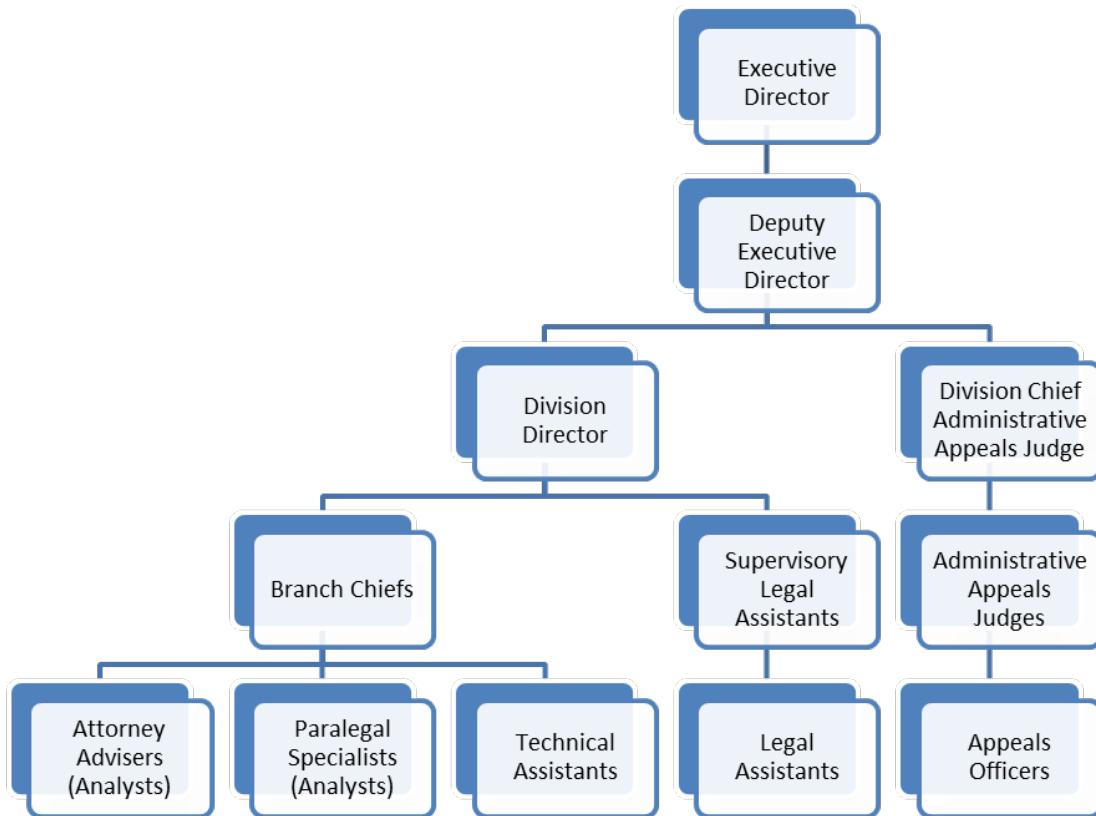


Table B–1: Position Descriptions for Division of Program Adjudication Employees

Title	Position Description
Division Chief Administrative Appeals Judge	<p>The Division Chief Administrative Appeals Judge (DCAAJ) supervises the administrative appeals judges (AAJ) and administrative officers (AO) in his/her Division. The DCAAJ can also review administrative law judge (ALJ) decisions and render SSA's final administrative disposition.</p> <p>In the DCAAJ's supervisory capacity, he/she is responsible for checking and balancing caseloads and ensuring cases are not backed up anywhere. The DCAAJ uses management information to assist in accomplishing these tasks.</p> <p>The DCAAJ is also responsible for planning training for the AAJs and AOs in his/her Division.</p>

Title	Position Description
Administrative Appeals Judge	<p>The AAJ reviews ALJ decisions and renders the Agency's final administrative disposition. As part of the Appeals Council (AC), the AAJ also provides direction and guidance to the hearing organization. Each AAJ can direct ALJs to take corrective action in case-related matters. The AAJ position is a non-supervisory position. The AAJ must be in good standing and authorized to practice law by a Bar in the United States.</p>
Appeals Officer	<p>An AO works under the administrative supervision of the Supervisory Attorney Adviser or is assigned to an AAJ.</p> <p>An AO reviews recommendations to deny <i>requests for review</i> of ALJ decisions, and, at his or her discretion may deny the <i>request for review</i> of the ALJ's decision or dismissal.</p> <p>When the AO decides to grant a <i>request for review</i>, he/she forwards the case with an analysis and recommendation to an AAJ for consideration.</p> <p>An AO exercises independent judgment in individual cases, while being subject to program guidance and adjudication direction from an AAJ.</p>
Division Director	<p>A Division Director serves as the director of an operation division that includes several Disability Program Branches (DPB), a Retirement and Survivors Insurance and Supplemental Security Income Branch and/or Court Case Preparation and Review Branches. A Division Director serves as first- or second-line supervisor for a staff of professional, technical, and clerical support employees in grades general schedule 4 through 14. A Division Director is responsible for managing a workload operation responsible for administrative appeals and/or court cases arising in one or more judicial circuits.</p>
Branch Chief	<p>The branch chief is responsible for supervising, directing, and coordinating the work activities of a DPB, which consists of analysts, one technical assistant, and six support staff. The branch chief performs direct supervisory functions over 25 employees. The branch chief position directs the work of analysts and support staff handling cases within the DPB's assigned area or the Retirement and Survivors/Supplemental Security Income Branch's assigned area.</p> <p>The branch chief position is also responsible for providing information and technical advice to AAJs on complex issues involving questions of Office of Appellate Operations (OAO), Office of Disability Adjudication and Review (ODAR), and Social Security policies and procedures. The branch's mission is to provide staff assistance to the AC in all program areas.</p>

Title	Position Description
Attorney Adviser (Analyst)	<p>An attorney adviser analyzes, researches, and formulates comprehensive recommended actions, including decisions, on behalf of the AC. An attorney adviser acts independently in formulating his/her recommendations and provides those recommendations in writing with additional oral advice or consultation as necessary.</p> <p>Adjudicators first review the case only after the attorney adviser (or paralegal specialist) has reviewed the record and has prepared an analysis and proposed action.</p> <p>An attorney adviser also is responsible for reviewing new court cases, court remands, and requests for voluntary remand initiated by the Office of General Counsel.</p>
Paralegal Specialist (Analyst)	<p>A paralegal specialist analyzes, researches, and formulates comprehensive recommended actions, including decisions, on behalf of the AC. A paralegal specialist acts independently in formulating his/her recommendations and provides those recommendations in writing with additional oral advice or consultation as necessary.</p> <p>Adjudicators first review the case only after the paralegal specialist (or attorney adviser) has reviewed the record and has prepared an analysis and proposed action.</p> <p>A paralegal specialist also is responsible for reviewing new court cases, court remands, and requests for voluntary remand initiated by the Office of General Counsel.</p>
Technical Assistant	<p>The primary function of the position is to provide technical assistance to the branch chief by reviewing a sample of analysts' final action documents and recommendations. This is to ensure the quality, timeliness, and consistency of the Branch's work products, and the legal sufficiency of final products prepared for release by the AC.</p> <p>The technical assistant also acts as a mentor to attorney advisers and paralegal specialists.</p> <p>Technical assistants can also prepare recommendations to the AC adjudicators.</p>
Legal Assistant	<p>The legal assistant provides legal and technical support to the AC in the processing of reviews of decisions and dismissals rendered by ALJs.</p> <p>The legal assistant is responsible for developing and processing an appeal from its receipt to its completion, independently performing a wide range of case development actions.</p>

Appendix C – SCOPE AND METHODOLOGY

To accomplish our objective, we:

- Reviewed Social Security Administration (SSA) policies, procedures, and Hearings, Appeals and Litigation Law Manual guidelines that pertain to the Appeals Council (AC) workloads.
- Reviewed prior Office of the Inspector General reports, Congressional Research Service reports, and Administrative Conference of the United States reports on the AC.
- Reviewed relevant SSA testimony before Congress.
- Reviewed OAO management initiatives designed to reduce the AC backlog and processing times.
- Reviewed SSA's *Performance and Accountability Reports, Electronic Key Workload Indicator* reports, and Fiscal Year (FY) 2007 to 2013 *request for review* data from the AC's Appeals Review Processing System to obtain key workload information on OAO's pending case levels, average processing times, dispositions, receipts, and average age of pending.
- Interviewed OAO executives, administrative appeals judges (AAJ), division chief AAJs, appeals officers, attorneys, paralegal specialists, technical assistants, division directors, branch chiefs, legal assistants, supervisory legal assistants, as well as managers from the OAO's Division of Quality Review.
- Interviewed managers from SSA's Office of General Counsel.
- Met with OAO managers to receive a demonstration of management information systems that pertain to the AC workload.

We found the FYs 2007 to 2013 appeals data used in this review to be sufficiently reliable to meet our objective. The entity audited was the OAO under the Deputy Commissioner of Disability Adjudication and Review. We conducted this performance audit from December 2012 through September 2013 in accordance with generally accepted government auditing standards. Those standards require that we plan and conduct the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix D – ADDITIONAL DATA ON APPELLATE LEVEL WORKLOADS

In Fiscal Year (FY) 2013, the Appeals Council (AC) had one performance goal in the Agency's *Annual Performance Plan* (APP): to reduce the number of aged cases in its backlog. We found other levels of the Social Security Administration's (SSA) disability process have multiple annual performance goals.

Aged Case Goal

The one annual performance goal for the AC in the FY 2013 APP was to have less than 19 percent of pending *request for review* cases at 365 days or older by the end of the FY.¹ Compared to the FY 2012 aged pending cases performance goal, the FY 2013 aged pending cases performance goal decreased from 20 to 19 percent of its pending cases, while the age of pending target stayed at 365 days old (see Table D–1).

Table D–1: Trends in Pending Aged Cases at the AC

FY	Annual Performance Goal	Met Goal
2010	To have less than 1 percent of pending <i>request for review</i> cases 700 days or older	Y
2011	To have less than 1 percent of pending <i>requests for review</i> cases 650 days or older	Y
2012	To have less than 20 percent of pending <i>request for review</i> cases 365 days or older	Y
2013	To have less than 19 percent of pending <i>request for review</i> cases 365 days or older	Y

Note: The percentage is derived by dividing the total number of AC cases pending at the target number of days or over at the end of the FY, by the total number of AC cases pending at the end of the FY.

Because of their focus on aged cases, the Agency has reduced the average pending time on appealed cases (see Table D–2). At the end of FY 2010, a claimant who had a hearing and then appealed had an average pending time of 458 days (225 days at the hearings level, 233 days at the appeals level); at the end of FY 2013, this figure was 423 days (221 days at the hearings level, 202 days at the appeals level)—an 8-percent decrease.

¹ SSA, *Annual Performance Plan for Fiscal Year 2013 and Revised Final Performance Plan for Fiscal Year 2012*, February 2012, p 15.

Table D–2: Trends in Average Age of Pending Cases at the Hearings and Appellate Levels

FY	AAP at the Hearings Level (Days)	AAP at the Appellate Level (Days)	Total AAP Hearings and Appeals (Days)
2010	225	233	458
2011	200	221	421
2012	216	201	417
2013	221	202	423

Multiple Performance Goals at Other Levels of the Disability Process

While the AC had one annual performance goal in FY 2013, other levels of SSA's disability process had multiple performance goals. For example, the Agency had hearing-level performance goals for dispositions, production per work year, average processing time (APT) and aged cases (see Table D–3). In addition, the Agency had more than one performance goal for cases at the disability determination services (DDS) and the reconsideration levels.

Table D–3: Annual Performance Goals for SSA's Disability Program (FY 2013)

Performance Goal	DDS	Reconsideration	Hearings	AC
Dispositions	2,970,000	803,000	836,000	No Goal
Production per Work Year ¹	318	No Goal	112	No Goal
Pending	796,000	179,000	No Goal	No Goal
APT	107 days	No Goal	380 days (September only)	No Goal
Age of Pending Cases	No Goal	No Goal	Less than 0.5 percent pending cases 700 days or older by the end of the FY	Less than 19 percent of pending cases 365 days or over by the end of the FY

Note: At the DDS, this indicator represents the number of all DDS cases produced per work year expended. At the hearings level, this indicator represents the average number of hearings completed per direct work year used. A direct work year represents actual time spent processing cases.

Under the *Government Performance and Results Act*, agencies are required to establish performance goals and express goals in an objective, proven and measurable form.² SSA's APP and *Performance and Accountability Report* (PAR) provides full disclosure of its financial and programmatic operations and discusses SSA's programs and organization, its accomplishments, and its plans to achieve its mission. Having only one performance goal for the AC may not provide the public an adequate picture of the AC's functions, its accomplishments, its shortcomings, or its plans to achieve its mission. Moreover, as previously noted, the AC has the fewest performance goals compared to the other disability adjudication levels. As we stated in the body of our report, we believe the Agency should revisit the appellate-level performance goals shared with the public to ensure they provide sufficient information about the AC's performance processing *request for review* workloads.

At the time of our review, the Agency was sharing AC-level performance data (receipts, dispositions, pending) for FYs 2012 and 2013 on their public Website (ssa.gov) as well as the Data.gov Website.³ The available data did not discuss the timeliness of AC case processing, such as APT. In addition, we do not believe providing raw data are the same as setting Agency goals. That said, such public information allows interested parties to learn more about the status of the AC's workload and come to their own conclusions.⁴

² *Government Performance and Results Act of 1993*, Pub. L. 103-62, § 4(b), 107 Stat. 285, 287 (1993) as amended by the *GPRA Modernization Act of 2010*, Pub. L. 111-352, § 3, 124 Stat. 3866, 3867, (2010), codified at 31 U.S.C. § 1115.

³ Data.gov is an official website of the U.S. Government. The purpose of Data.gov is to increase public access to high-value, machine-readable datasets generated by the Executive Branch of the Government.

⁴ Access to a longer period of data would also allow the reader to have a better understanding of trends.

Appendix E – TECHNOLOGY IMPROVEMENTS AT THE APPEALS COUNCIL

New Technology and Management Information

In March 2008, the Appeals Council (AC) converted to a new case processing and management system—the Appeals Review Processing System (ARPS). The new system provided field office and teleservice center staffs with more information about AC cases than was previously available.

ARPS can generate detailed and structured management information reports on receipts, adjusted receipts, dispositions, average processing time, pending, and average age of pending. It can sort reports by fiscal year, month, and week. The system can also produce listings based on a large selection of criteria, such as by projected age of the case, by case status, by the assigned analyst, by branch, type of case, and State. The system also allows the user to drill down to the case details.

All AC staff and executives we interviewed stated that ARPS has proven to be very useful and has contributed to increases in productivity.

Appeals Case Analysis Tool

The Appeals Case Analysis Tool (ACAT) is an analytical template tool in ARPS used by analysts to draft their action memorandum to the adjudicator. All analysts are required to use it.

The tool has set questions and answers, but the tool also allows for narrative answers. The questions are designed to capture all the case issues and elicit all the case information the adjudicator(s) will need. After the information is entered into the tool, the tool produces a one-page Facts of Finding memorandum; this memorandum goes to the adjudicator.

Nearly all the AC analysts and adjudicators we interviewed reported that ACAT effectively summarizes the relevant case information for the adjudicator. They also said the tool has improved overall efficiency.

“How MI Doing?” Tool for Adjudicators

The “How MI Doing?” tool is a management information tool that allows the AC adjudicators to compare their productivity to the productivity of other adjudicators, both within their division or throughout OAO. The tool also provides data on a weekly, monthly, or a fiscal year-to-date basis. AC supervisory adjudicators also use the “How MI Doing?” tool to track the productivity of their adjudicators. However, while the tool can provide productivity numbers for adjudicators, it does not provide information on the quality of the case action.

The adjudicators we interviewed reported that the tool has contributed to greater productivity. The adjudicators reported that seeing their production numbers in comparison to other adjudicators gave them extra incentive to challenge themselves. Supervisory adjudicators also said the tool allows them to have more management information to initiate discussions with lower-producing adjudicators. The tool is only accessible by AC adjudicators and their supervisors.

Appendix F – DECISIONAL REQUIREMENT MATRIX FOR APPEALS COUNCIL ADJUDICATORS

In Table F–1, we list the different types of Appeals Council (AC) actions associated with *request for review* cases, and the adjudicators required for each type of action.

**Table F–1: AC Request for Review Actions and Related Adjudicator Sign-Off
(Fiscal Year 2012 Workloads)**

AC Action	Number and Type of Adjudicator	Percent of Total AC Actions
Deny	One Appeals Officer or One Administrative Appeals Judge (AAJ)	77 percent
Dismiss	One AAJ	4 percent
Favorable	Two AAJs	2 percent
Remand	Two AAJs	18 percent

Appendix G – AGENCY COMMENTS



SOCIAL SECURITY

MEMORANDUM

Date: January 23, 2014

Refer To: S1J-3

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

From: Katherine Thornton 
Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, "Request for Review Workloads at the Appeals Council" (A-12-13-13039)--INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Gary S. Hatcher at (410) 965-0680.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT,
“REQUEST FOR REVIEW WORKLOADS AT THE APPEALS COUNCIL”**

Recommendation 1

Revisit the appellate-level performance goals shared with the public to ensure they provide sufficient information about the Appeals Council’s (AC) performance processing *request for review* workloads.

Response

We agree. Our Office of Disability Adjudication and Review’s Office of Appellate Operations will provide possible options for consideration in our Annual Performance Plan during the fiscal year (FY) 2016 budget cycle.

Recommendation 2

Consider establishing uniform individual productivity goals and caps for AC adjudicators for the time they spend processing *request for review* cases.

Response

We agree. We will consider whether other individual goals or recommendations might be appropriate for AC adjudicators, to improve further the handling of request for review cases.

Recommendation 3

Improve communication of AC quarterly and annual performance goals with adjudicators, managers, and staff to instill a greater understanding of organizational goals.

Response

We agree. While we communicate quarterly and annual performance goals to our employees, we will improve our communication strategies to help employees understand how the work they do fits into the performance goals. We will continue to communicate this information in a variety of ways, including through ongoing discussions with managers and employees, by asking managers to discuss the goals and answer questions in their team meetings, and through additional broadcast articles.

Recommendation 4

Review and formalize successful parts of the existing quality review process for *request for review* workloads, and monitor trends to demonstrate improvement as well as areas in need of greater attention.

Response

We agree. We will formally document our quality review processes. Additionally, we will begin publishing reports on our quality reviews starting with the results of our FY 2014 quality reviews. We expect the reports to enhance our training and feedback to employees.

Recommendation 5

Explore additional methods for conducting quality reviews of the AC *request for review* workload to ensure all relevant adjudicative actions are covered.

Response

We agree. We are exploring ways to enhance our quality assurance processes, such as ensuring that it has a strong two-member approval process for remand decisions. Additionally, based on available resources, we are exploring quality assurance efforts for other parts of the request for review workload, such as a quality review process for clerical support functions.

Appendix H– MAJOR CONTRIBUTORS

Walter Bayer, Director, Chicago Audit Division

Nicholas Milanek, Audit Manager, Crystal City Audit Office

Ken Wong, Auditor-in-Charge

MISSION

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