

Report Summary

Social Security Administration Office of the Inspector General

November 2008



Objective

The objectives of our audit were to ensure (1) the services and related costs Lockheed Martin Government Services, Inc. charged the Social Security Administration (SSA) under Contract Number SSOO-05-40013 adhered to the negotiated contract terms and applicable regulations and (2) SSA personnel properly monitored the contract.

Background

Electronic Disability (eDIB) is a major SSA initiative to automate and improve the disability claims process. Under eDIB, an electronic claims folder is created for individuals applying for Disability Insurance benefits. Before the implementation of eDIB, the disability claims process involved gathering paper evidence and assembling the documents into a paper-based disability claims folder.

To view the full report, visit
http://www.ssa.gov/oig/ADO_BEPDF/A-04-08-18066.pdf

Contract with Lockheed Martin Government Services, Inc., for Digital Imaging Services (A-04-08-18066)

Our Findings

The services Lockheed provided and costs it charged SSA generally adhered to the contract terms. Lockheed provided SSA with quality digital images of paper documents in a timely manner. The unit prices charged to SSA agreed with the contract prices, and the quantity of services billed agreed with the contractor's production reports. Lockheed submitted the invoices promptly, and SSA made timely and accurate payments. Finally, SSA personnel properly monitored the contract.

However, SSA could save as much as \$67,311 a month in shipping and related costs by reducing the number of paper documents Lockheed is required to forward (send) to SSA components and State disability determination services (DDS). The paper documents being forwarded have already been scanned, and the electronic images are available to their users. As such, we believe shipping scanned paper documents—which may cost about \$1.6 million over the remainder of the contract—is unnecessary.

Our Recommendations

We recommended that SSA

1. Determine whether the requirement to forward all paper documents with a missing or damaged barcode to the responsible SSA component should be eliminated.
2. Ensure State DDSs and SSA components review the appropriateness of the forwarding instructions in their SSA-generated barcode.
3. Consider having DDSs and SSA components print the document from the electronic file, in lieu of Lockheed forwarding paper documents, when a paper claims folder is involved.