

Medical Denial Rates for Presumptive Disability Determinations

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Office of Audit Report Summary

Objective
To evaluate medical denial rates for presumptive disability (PD) determinations by medical impairment and quantify the associated PD payments.
Background
A claimant, including a child, applying for Supplemental Security Income (SSI) based on disability or blindness may receive up to 6 months of payments before the final determination of disability or blindness if he/she is found to be presumptively disabled or blind and meets all other eligibility requirements.
A PD determination requires that evidence reflect a high degree of probability that the claimant's impairment or combination of impairments meets the Social Security Administration's (SSA) definition of disability or blindness.
According to SSA policy, payments based on a PD determination are not considered overpayments if it is later determined the claimant is not disabled or blind.

Findings

From Fiscal Years (FY) 2010 through 2014, SSA made 422,178 PD determinations where the claimant received between 1 and 6 PD payments. SSA subsequently denied 42,960 (10.2 percent) because the claimants were found to be ineligible for continuing SSI payments. SSA paid over \$74 million to these claimants during the period of PD, of which approximately \$67.7 million cannot be recovered because the claimants were denied because of medical ineligibility and therefore were not considered overpaid.

- \$60.3 of the \$67.7 million was paid based on disability determination services' (DDS) PD determinations.
 - \$31.5 million of DDS' unrecoverable payments was paid based on PD determinations for impairments SSA identified as having limited potential for PD, or impairments for which DDS personnel are instructed to exercise caution because of the difficulty of predicting the severity or duration.
- \$7.4 of the \$67.7 million was paid based on field office PD determinations.
 - \$4.6 million of field office unrecoverable payments was paid based on only two impairments.

Recommendation

Evaluate policy and procedures for PD determinations on impairments that have a medical denial rate that is well outside the national average for all PD determinations. This should include those impairments we identified with the highest medical denial rates, such as substance abuse, Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome, and low birth weight.

SSA agreed with our recommendation.