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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**USE OF VIDEO HEARINGS TO REDUCE  
THE HEARING CASE BACKLOG**

April 2011                    A-05-08-18070

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**AUDIT REPORT**

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- 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.
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## SOCIAL SECURITY

### MEMORANDUM

Date: April 22, 2011

Refer To:

To: The Commissioner

From: Inspector General

Subject: Use of Video Hearings to Reduce the Hearing Case Backlog (A-05-08-18070)

### OBJECTIVE

Our objective was to assess the ongoing implementation and use of video hearing technology in the Office of Disability Adjudication and Review (ODAR).

### BACKGROUND

Chief among the Commissioner's initiatives to eliminate the hearings backlog and prevent its recurrence is the use of video teleconferencing (VTC) technology to conduct claimant hearings.<sup>1</sup> Video hearings are a key component of ODAR's ability to manage its ongoing disability hearings workload.<sup>2</sup> The primary goals of the VTC initiative are to boost claimant satisfaction, provide more timely hearings, save administrative law judge (ALJ) travel time, process cases faster, and realize a greater ratio of hearings held to hearings scheduled.<sup>3</sup>

VTC technology enables ALJs to hold video hearings at permanent remote sites (PRS) as well as to hear cases transferred among ODAR's offices in different cities nationwide. A video hearing allows the claimant and the other hearing participants to see and hear each other via color monitor. The ALJ remains in his or her office, and the claimant goes to a site convenient to where he or she lives. Except for the VTC equipment, a video hearing is virtually the same as a hearing where the claimant

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<sup>1</sup> Social Security Administration (SSA), *SSA Strategic Plan Fiscal Years 2008 – 2013, Strategic Goal 1 – Eliminate our hearings backlog and prevent its recurrence.*

<sup>2</sup> SSA regulations that authorize and discuss the use of VTC are at 20 C.F.R. §§ 404.929, 404.936, 404.938, 404.950, 416.1429, 416.1436, 416.1438, and 416.1450.

<sup>3</sup> *Video Teleconferencing Appearances Before Administrative Law Judges of the Social Security Administration.* Federal Register (FR) Vol. 68, No. 238, 68 FR 69003, December 11, 2003.

appears in person.<sup>4</sup> The judge interacts with the claimant and anyone accompanying the claimant, such as a representative or a witness. See Appendix B for a description of the video hearing.

ODAR began testing the use of video hearing technology in 1996 and implemented video hearings nationwide in 1999. The Agency is using two types of video equipment: a full-sized room package costing approximately \$23,000 and a compact Desktop Video Unit (DVU) costing about \$8,500.<sup>5</sup> VTC sites include standard hearing rooms, permanent remote hearing sites, and other SSA facilities, such as the National Hearing Centers (NHC),<sup>6</sup> throughout the 50 States, the District of Columbia, Puerto Rico, Guam, and American Samoa.

## SCOPE AND METHODOLOGY

As part of our review, we met with ODAR management and staff at the national, regional, and hearing office level to understand the video hearing process, observe hearings, and collect relevant data. In addition, we interviewed 26 ALJs to discuss their use or non-use of video equipment. We also analyzed hearing case information for closed claims from 2005 through 2009 to identify trends and points of interest. See Appendix C for additional procedures applied and further detail on our scope and methodology.

## RESULTS OF REVIEW

The number of hearings held by video increased by 260 percent over a 4-year period, from 23,418 in Fiscal Year (FY) 2005 to 84,121 in FY 2009. Approximately 18 percent of all hearings was conducted by video in FY 2009. Video usage varied from 34.8 percent of all hearings in the Boston Region to 9 percent in the New York Region. Moreover, the Atlanta Region held approximately 26 percent of all video hearings nationwide in FY 2009, double the next highest Region, Dallas, at 13 percent.

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<sup>4</sup> SSA's Office of Quality Performance (OQP) issued a report after assessing (1) any differences or problematic areas between hearings conducted by VTC and hearings conducted in-person, and (2) any specific issues unique to the processing of VTC hearings. After a review of 560 hearing decisions – 280 related to VTC hearings and 280 related to in-person hearings – OQP reported no significant differences between the accuracy rates of hearing decisions related to both types of hearings. The OQP reviewers also examined several areas unique to the VTC hearing decision, such as location of the claimant and technical difficulties associated with the VTC hearing, and found that these issues were generally handled appropriately. See *Quality Review Assessment Report of Video Teleconference Hearings*, OQP, November 2009.

<sup>5</sup> These costs include installation but not communication lines. See Appendix B for more on this equipment.

<sup>6</sup> NHCs, which conduct VTC hearings only, operate in Albuquerque, New Mexico; Baltimore, Maryland; Chicago, Illinois; Falls Church, Virginia; and St. Louis, Missouri. NHCs are directed by the Office of the Chief ALJ in Falls Church, Virginia, not the Regional Chief ALJs.

Hearing office video usage varied widely, with approximately 22 percent of the hearing offices using video equipment for less than 1 percent of their hearings. We also found that 19 percent of ALJs did not use the equipment at all in FY 2009. In our discussions with ALJs, we learned that some ALJs did not conduct video hearings based on their workloads and/or preferred work styles. In addition, some reported equipment problems as well as a lack of training on using video equipment. While it is not necessary for every ALJ to use the equipment, perceptions of equipment problems may inhibit greater use.

The video hearing technology has provided the Agency with greater flexibility in allocating hearing workloads and addressing backlogs nationwide. SSA can transfer cases and entire service areas to new locations that can continue servicing claimants by video. The cost of this equipment has been reduced as smaller, less expensive units become available for ALJs. Moreover, some private firms have installed video equipment in their own facilities. Finally, while video hearings assisted in addressing backlogs and therefore overall timeliness, cases processed with video hearings took more time than in-person hearings. This occurred mostly because of the age of the cases being worked.

## USE OF VIDEO EQUIPMENT IN HEARINGS

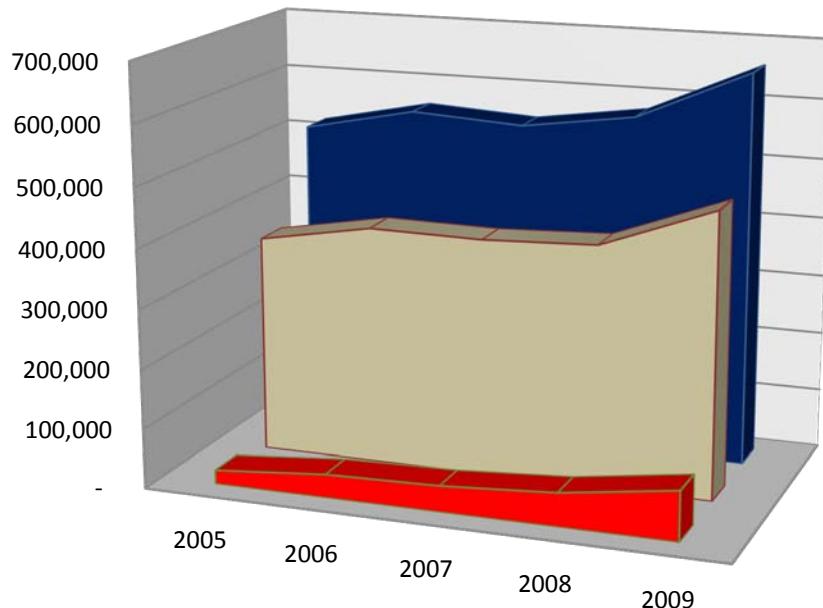
The number of video hearings increased by 260 percent, from 23,418 in 2005 to 84,121 in 2009 (see Figure 1).<sup>7</sup> Similarly, the number of video hearings as a percentage of total hearings held increased from 6.4 percent in 2005 to 17.6 percent in 2009.<sup>8</sup> This trend indicates successful execution of management's strategy to increase the number and percent of hearings using video technology.

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<sup>7</sup> We reviewed closed hearing case data in ODAR's Case Processing and Management System (CPMS), a Web-based application that controls and processes hearing claims and produces management information. CPMS is a centralized repository for case data, provides scheduling capabilities, has hyperlinks to reference material, and interfaces with other SSA systems.

<sup>8</sup> Agency data reported on *Hearings Held In-Person or Via Video Conferencing* indicated the rate had risen to 20.3 percent as of June 25, 2010. We focused our analysis on FY 2009 data since that was the last full year of data available at the time of our review.

**Figure 1: Year to Year Trend – Closed Claims and Hearings Held FYs 2005 to 2009**



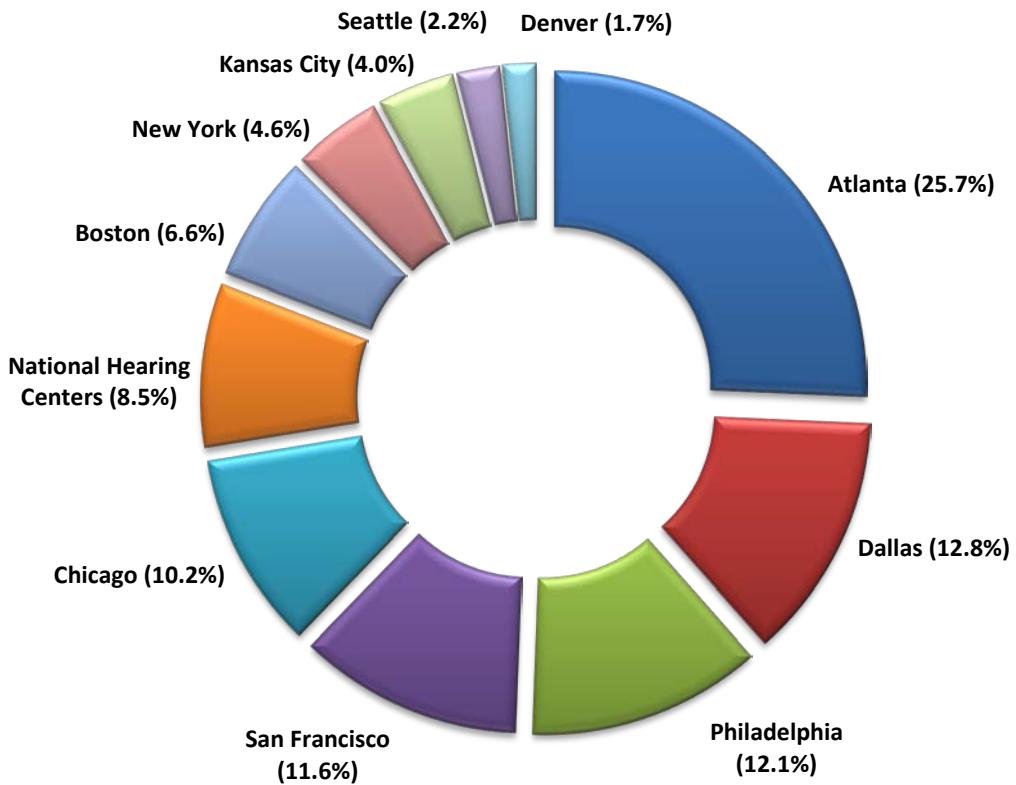
	2005	2006	2007	2008	2009
Hearings Held by Video	23,418	39,568	43,985	56,464	84,121
Total Hearings Held	366,932	400,766	398,016	405,826	477,903
Total Closed Claims	519,364	558,977	547,952	575,381	660,843

**Note:** “Total closed claims” refers to all hearing dispositions in a particular FY.

### Video Hearings and Demographics

The Atlanta Region held approximately 26 percent of all video hearings in FY 2009, double the next highest region, Dallas, at 13 percent (see Figure 2). These breakouts do not reflect the workloads of the NHCs, which conducted approximately 8 percent of all video hearings that year. Over this period, the NHCs assumed a greater number of cases from heavily burdened hearing offices in distant geographic locations.

**Figure 2: Share by Region for FY 2009 Video Hearings**

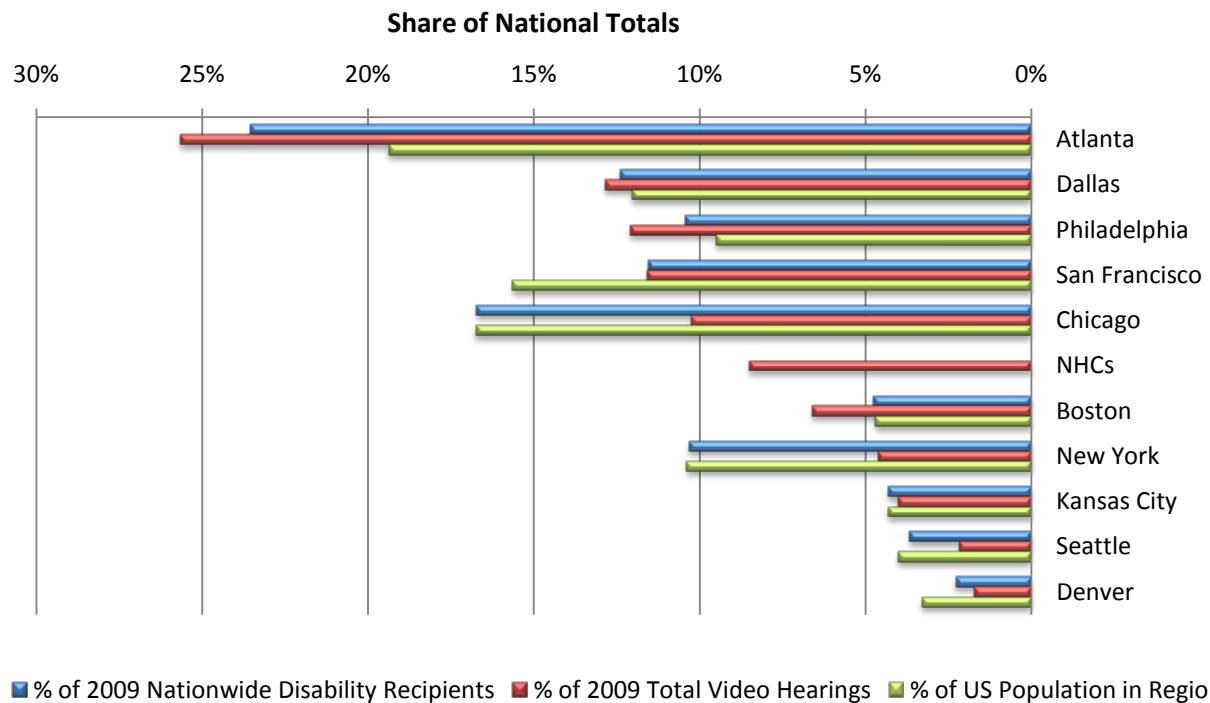


Based on our analysis and as shown in Figure 3, with the exceptions of the New York and Chicago Regions, we found the percentage of nationwide disability recipients<sup>9</sup> by region and the percentage of video hearings held in each region in FY 2009 were closely aligned. In addition, with the same exceptions, we found the number of video hearings conducted per region and regional population distribution were closely aligned.<sup>10</sup>

<sup>9</sup> Total disability payments represent the sum of those receiving disbursements under Titles II and XVI in 2009. See SSA, Office of Research, Statistics, & Policy Analysis Data, *Annual Statistical Supplement, 2009 to the Annual Statistical Report*, [http://www.socialsecurity.gov/policy/docs/factsheets/cong\\_stats/2009/index.html](http://www.socialsecurity.gov/policy/docs/factsheets/cong_stats/2009/index.html) (as of July 6, 2010).

<sup>10</sup> U.S. Population by Region statistics used in Figure 3 are government estimates for July 1, 2010. See U.S. Census Bureau, Population Division, *Interim State Population Projections*, 2005, Table A1—*Interim Projections of the Total Population for the United States and States: April 1, 2000 to July 1, 2030*. Statistics used for Nationwide Disability Recipients were taken from SSA sources. See SSA, Office of Retirement and Disability Policy, *Congressional Statistics*, December 2009, [www.socialsecurity.gov/policy/docs/factsheets/cong\\_stats/2009](http://www.socialsecurity.gov/policy/docs/factsheets/cong_stats/2009).

**Figure 3: Comparison of FY 2009 Video Hearings and Disability Recipients by Region**



**Note:** We did not provide disability recipient or population totals for the NHCs since they do not represent a specific area in the country.

The Chicago and New York Regions were anomalies in FY 2009. In the Chicago Region, the fewer number of video hearings relative to the number of disability recipients and regional population was related in part to the transfer of cases or service areas to other regions and the NHCs. Because of significant backlogs in some parts of the Chicago Region, the Agency redirected caseloads to lessen the burden on the Region's hearing offices. Assisting offices conducted video hearings on these redirected claims, such as the NHCs and hearing offices in other regions, including hearing offices in the Philadelphia and Boston Regions.<sup>11</sup>

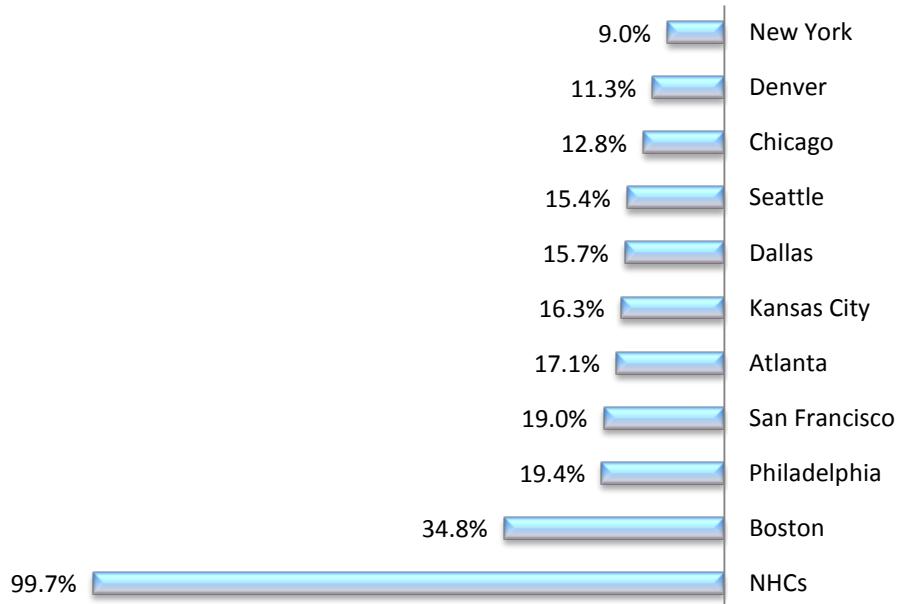
In the New York Region, the fewer number of video hearings relative to the number of disability recipients and regional population is partially attributable to population density, which lessened the need for video hearings to the same relative frequency found in other regions. In addition, we understand from ODAR management that the New York Region was among the first regions to receive assistance from the NHC, whose VTC statistics would have registered with the NHC instead of the New York Region.

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<sup>11</sup> Hence, the Philadelphia and Boston Regions show a higher use of video hearings than expected given the underlying disability recipients and population.

Figure 4 further illustrates the lower use of video equipment in the New York, Denver, and Chicago Regions. Outside the NHCs, the use of VTC ranged from 34.8 percent of all hearings in the Boston Region to 9 percent in the New York Region in FY 2009.

**Figure 4: FY 2009 Video Hearings as a Percentage of Total Hearing Workload by Region**

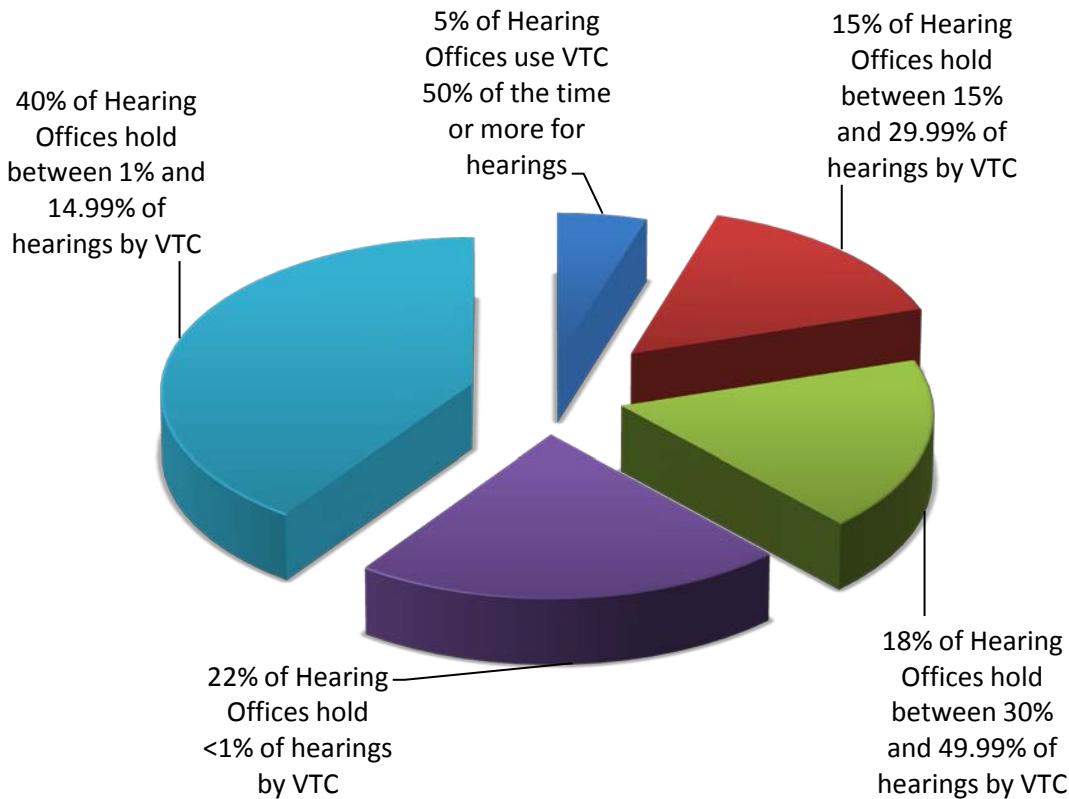


### **Video Equipment Use at Hearing Offices**

In our review of hearing office usage of video equipment, we also noted intra-regional pockets of video equipment under-usage. Specifically, we examined video equipment usage rates<sup>12</sup> for all non-NHC hearing offices for the first 9 months of FY 2010 to identify those offices that had a low proportion of total hearings held by video. We noted that approximately 62 percent of all video-equipped offices nationwide held fewer than 15 percent of their total hearings by video, and 22 percent of the offices held fewer than 1 percent of hearings by video. We provide VTC equipment usage rates in Figure 5.

<sup>12</sup> We derived the usage rates by dividing the number of video hearings per office by the total number of hearings conducted by ALJs in the office for September 1, 2009 through June 25, 2010, per SSA information provided at [www.data.gov](http://www.data.gov) (as of August 30, 2010).

**Figure 5: Hearing Office VTC Equipment Usage Rates in FY 2010**



Those offices with little or no VTC usage were generally heavily burdened hearing offices in such locations as Detroit, Michigan, where the local ALJs focus on in-person hearings. Other locations assisted these offices with the claims that could be conducted by video from remote locations or claimant-only hearing rooms, if available. In sum, the Agency purchased, shipped, and installed video equipment for facilities having virtually no ALJs conducting video hearings. As a result, in facilities with low VTC rates, video equipment was largely unused because the hearing rooms were used for in-person hearings. We estimate the costs related to the 22 percent of hearing offices with under-used video hearing equipment to be approximately \$1.9 million as of June 2010. The low usage rates may indicate offices with excess equipment that could be better used where demand is higher.<sup>13</sup>

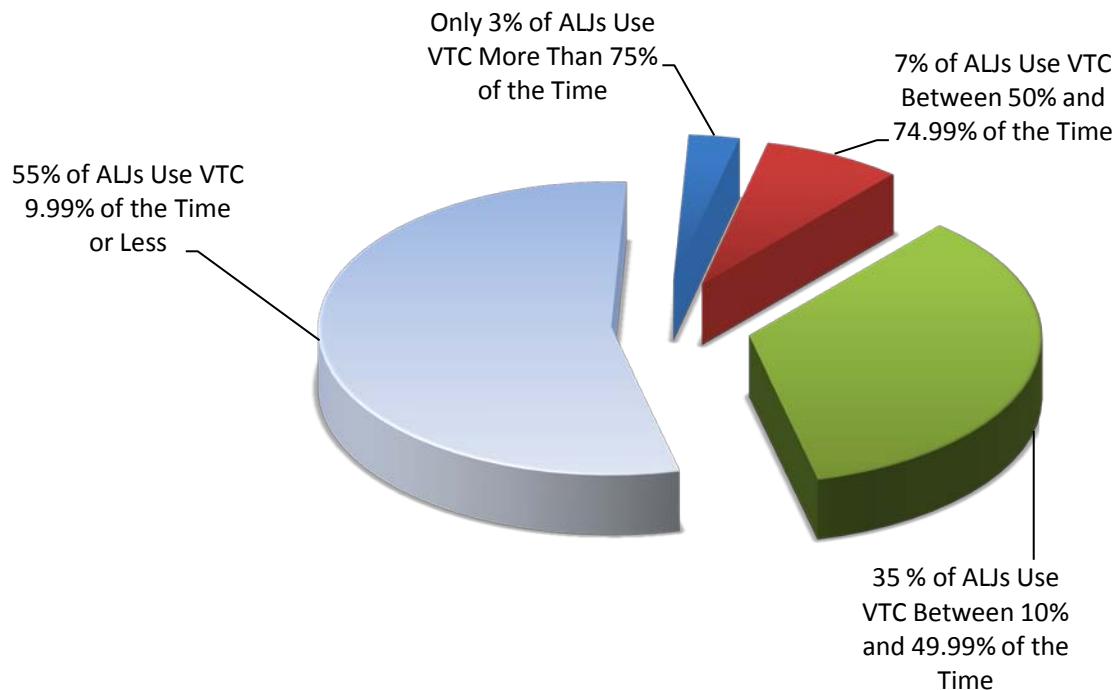
### **Video Equipment Use by ALJs**

As shown in Figure 6, about 55 percent of ALJs nationwide heard cases by video 9 percent of the time or less in FY 2009, and only 3 percent of ALJs used video to hear cases 75 percent of the time or more for the same period. These statistics indicate a

<sup>13</sup> We understand that demand will fluctuate as workloads shift and new hearing offices are opened. In addition, any decision to move VTC units from low use to high use offices would have to consider the costs associated with moving equipment.

widespread ALJ adoption of VTC to hear cases but with limited frequency when viewed as a percentage of total ALJ hearing workloads.

**Figure 6: Nationwide ALJ Hearing Activity by Video in FY 2009**



## COMMENTS ON VIDEO EQUIPMENT

We spoke with a sample of ALJs about their use or non-use of video equipment in hearings. We also spoke with outside organizations representing ALJs and claimant organizations to obtain their impressions.

### ALJ Interviews

We interviewed 26 ALJs to gather qualitative input on VTC versus in-person hearing usage and experience. In addition, to understand better the reasons for use and non-use of video equipment, we selected ALJs from 2 groups: 20 ALJs with little or no video hearing activity in video-equipped facilities and 6 ALJs with relatively high video hearing activity.

Overall, we found that those ALJs with little or no video hearing activity did not use VTC because there was no need given sufficient in-person hearing workloads. ALJs in this group also reported (1) a preference for in-person hearings as a superior means of

evaluating a claimant and (2) an insufficient number of hearing rooms.<sup>14</sup> Overall, the ALJs we interviewed had positive comments regarding the video hearing format but suggested improvements to the VTC process, including the need for better voice transmission and larger monitor screens.<sup>15</sup>

### **Additional Comments on Video Hearings**

We also spoke with organizations representing both the ALJs and claimant representatives to obtain additional comments on the video hearing process. We spoke with representatives from the Association of Administrative Law Judges (AALJ), National Organization of Social Security Claimant Representatives (NOSSCR), and National Association of Disability Representatives (NADR).

The AALJ noted a number of concerns consistent with some of the ALJ statements during our interviews.

- Reduction in the ability to observe the claimant when conducting a hearing by way of video equipment and loss of “connection” with claimant.
- Small screens or poor video restricting the ability to observe everything in the hearing room at the same time.<sup>16</sup>
- An audio lag in video hearings that inhibits the free flow of speech.
- Scarcity of hearing room space, as a video hearing requires two or more hearing rooms.
- Problems with last-minute evidence shared by fax.

Representatives from NOSSCR and NADR had mostly positive comments about the role of VTC in the hearings process. However, NOSSCR meeting participants expressed some concerns about substandard audio quality.

### **FLEXIBILITY USING VIDEO HEARING TECHNOLOGY**

The use of video hearings to adjudicate disability claims has added substantial flexibility, as well as additional complexity, to the Agency’s ability to hear cases more timely through innovative technological approaches, all of which are designed to

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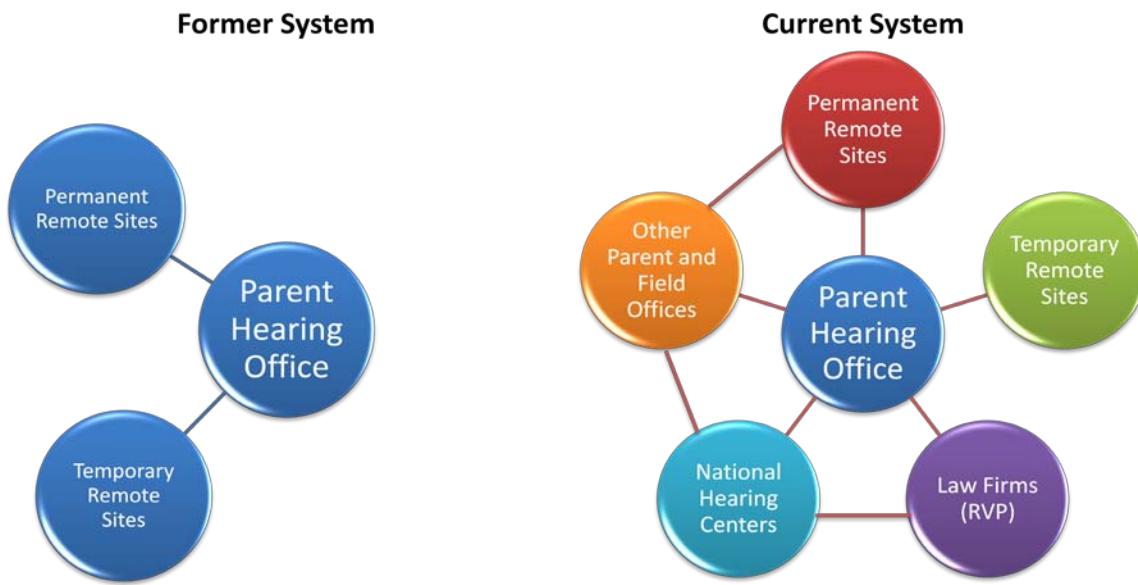
<sup>14</sup> Video hearings generally require the use of two hearing rooms, while in-person hearings require only one room. For example, when an ALJ conducts a video hearing from a parent hearing office to a video-equipped permanent remote site, two hearing rooms are needed compared to only one room had the ALJ traveled to the permanent remote site instead to conduct the hearing in person.

<sup>15</sup> Please see Appendix E for full details on the results of our ALJ interviews.

<sup>16</sup> This comment relates to DVU screens.

improve ALJ productivity and drive down administrative costs.<sup>17</sup> Figure 7 shows the increased types of video-enabled hearing arrangements that the Agency now has at its disposal.<sup>18</sup>

**Figure 7: Hearing Process Flexibility Before and After VTC**



- Notes:**
- (1) The current system also permits a video-equipped PRS to videoconference with a NHC.
  - (2) ODAR is increasingly using claimant-only DVU meeting rooms (not shown) attached to the parent hearing office as another means of increasing hearing room capacity.
  - (3) RVP refers to SSA's "Representative Video Project" discussed later in the report.

Before video hearings were used, a parent hearing office typically served a fixed geographic area, and the extended reach of parent hearing offices was historically limited to nearby areas serviced by ALJs traveling to temporary and permanent remote sites.<sup>19</sup> Through video hearing technology, geography has become less of a factor when determining where each of the parties is located. In addition, this new

<sup>17</sup> As part of our work, we considered whether video hearings improved hearing office productivity and provided claimants with more timely service. However, as we gained an understanding of video hearings and hearing office operations, it became apparent that many inseparable variables outside the scope of our review have a significant impact on hearing office productivity and customer service. For example, during the period we reviewed, ODAR was also initiating a number of significant structural and operational changes, such as the *Senior Attorney Adjudicator* program, increased ALJ hiring, *Aged Claim Backlog* initiative, NHCs, the *Service Area Realignment* initiative, and the *Electronic Disability Project*.

<sup>18</sup> Flowcharts depicting the processes associated with some of these scenarios are in Appendix D.

<sup>19</sup> ODAR has two types of remote sites—permanent and temporary. According to ODAR criteria, a PRS is a space that has been assigned to or leased for ODAR by the General Services Administration in a city within the defined service area of a hearing office. A temporary remote site (TRS) is a location where hearings are held in space not under a General Services Administration lease or assignment to ODAR.

configuration reduces the amount of time and related costs that would have been incurred had the ALJ traveled to the remote location.<sup>20</sup>

Perhaps the most important capability provided by the use of video hearings is the ease with which pending cases can be reassigned from heavily backlogged offices to virtually any video-equipped ALJ who has excess hearing capacity anywhere in the country. This flexibility became a critical component of other initiatives, such as the *Aged Claim*<sup>21</sup> and *Service Area Realignment* (SAR)<sup>22</sup> initiatives. For example, aged cases could be heard by any video-equipped ALJ in the country. One key component of this new flexibility is the NHCs. Now located in five cities, these new centers conduct only VTC hearings to alleviate backlogs at hearing offices. As noted earlier, the NHCs conducted about 9 percent of all video hearings in FY 2009.

To expand the number of claimant-related locations for hearings, SSA initiated the Representative Video Project (RVP) in FY 2008. RVP permits claimant representatives to purchase their own video conferencing equipment (that must meet SSA specifications) to conduct hearings from their own office space. This initiative increases the number of hearing locations available to some claimants.<sup>23</sup>

We commented on the increased flexibility offered by video hearings in a September 2009 audit,<sup>24</sup> where we noted that the hearing office in Springfield, Missouri, was able to transfer approximately 1,500 claims to 60 different locations in FY 2008, with the San Francisco Region receiving the most claims. In fact, one PRS associated with the Springfield Hearing Office was used exclusively for claimant video hearings by assisting offices.

We found similar instances of flexibility in this review. For instance, video equipment provided flexibility in the Chicago Region as it attempted to work down hearing backlogs while awaiting the construction of new hearing offices. We reviewed the FY 2010 hearing data through June 2010 and found video hearings varied from approximately 1 percent of all hearings in Michigan-based hearing offices to about 43 percent in Illinois-based hearing offices.

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<sup>20</sup> Because of security and technology issues, TRSs are not equipped with ODAR video equipment. TRSs may include hotels or local government offices.

<sup>21</sup> Under the *Aged Claim* initiative, SSA emphasized processing the oldest claims in the backlog. For example, in FY 2010, ODAR focused on eliminating all claims pending 825 days or longer.

<sup>22</sup> The SAR initiative has been conducted in two phases. The first phase includes permanent interregional transfer of claims, which was designed to decrease aged pending workloads of heavily impacted offices between regions. Once the flow of transfer claims began, phase two involved realigning specific SSA field offices in high workload regions to hearing offices in lower workload regions. This meant that new claims would be processed and heard in hearing offices in a different part of the country from where the claimant lived.

<sup>23</sup> We are conducting a separate audit on *Representative Video Project* (A-05-09-19101).

<sup>24</sup> SSA OIG, *Aged Claims at the Hearing Level* (A-12-08-18071), September 2009.

**Table 1: VTC Hearings in the Chicago Region as a Percent of Workload  
(FY 2010 Data Through June 2010)**

State	Number of Hearing Offices	Total Hearings	VTC Hearings	Percent of Hearings Conducted by VTC
Illinois	5	15,852	6,870	43.3
Indiana	3	8,135	935	11.5
Michigan	5	13,441	137	1.0
Minnesota	1	4,989	287	5.8
Ohio	4	13,322	691	5.2
Wisconsin	2	4,901	344	7.0
<b>Total/Average</b>	<b>20</b>	<b>60,640</b>	<b>9,264</b>	<b>15.3<sup>1</sup></b>

**Note 1:** We used a weighted average to calculate this figure.

We spoke with Chicago regional staff about the varied use of VTC in the Chicago Region. They informed us that the vast majority of VTC hearings was intra-regional workload redistributions. For example, the Evanston, Illinois, office assumed 800 aged cases from the Grand Rapids, Michigan, Hearing Office and another 500 cases from the Flint, Michigan, Hearing Office in the summer of 2009. The majority of these transferred cases was heard by VTC, and the presiding ALJ's home hearing office received credit for the video hearing.

DVUs are a key part of the Agency's video hearing expansion plans for the convenience of individuals who have filed a hearing request. Using the small, flat screen DVU monitors enables ALJs to conduct video hearings in their offices instead of occupying a hearing room. After limited testing of DVUs in FY 2008, the Agency reported positive feedback and continues to install new equipment nationwide, such as in field office personal interview rooms and attorney/claimant conference rooms at the hearing offices. However, to date, the only parties using this equipment have been the Hearing Office Chief ALJs and ALJs in the NHCs.

ODAR hearing office configuration allows one full-size hearing room for every two ALJs. This model has not changed in recent years, and new hearing offices are being constructed to this standard. As a result, while the use of VTC can reduce ALJ travel to remote sites, the use of additional full-size hearing rooms in parent hearing offices to conduct video hearings can create capacity problems. Given the lower costs of the DVU equipment, as well as potential VTC capacity issues in the future should video usage grow, ODAR may be able to reduce costs and increase its flexibility by expanding the DVUs to additional ALJs.

## TIMELINESS OF VIDEO HEARINGS

We reviewed case processing times for claims involving either a video or an in-person hearing to identify any significant differences for closed claims from FYs 2005 to 2009. We found that hearings conducted using video took slightly longer to dispose of than did

claims heard in-person. One factor contributing to this difference is the Commissioner's initiative to hear oldest claims first, which led to many older hearings being reassigned to less-burdened hearing offices and NHCs where they were ultimately heard by video.<sup>25</sup>

## CONCLUSION AND RECOMMENDATIONS

SSA is steadily increasing its VTC capacity to address growing workloads and hearing backlogs. The use of this equipment varies by ALJ, hearing office, and region depending on the particulars of each situation. Moreover, the nature of the equipment, as well as the addition of new locations to host this equipment, has provided SSA with additional flexibility in eliminating its hearings backlog. Given the variances in the use of the equipment among offices, the Agency may have opportunities to align more accurately equipment placement with equipment needs. Finally, the use of less costly equipment such as the DVU provides an opportunity for the Agency to reduce the costs of VTC hearings.

To ensure the video hearing technology is used to the greatest extent possible and the Agency receives the greatest benefit from its investment, we recommend the Agency:

1. Periodically evaluate video hearing equipment requirements at each location against historical and expected usage. Such periodic evaluations should be conducted before new equipment is ordered.
2. Consider expanding the use of DVU equipment to all interested ALJs.

## AGENCY COMMENTS

The Agency agreed with our recommendations, noting it continues to refine its processes for determining where VTC is most useful and promote the ALJ's use of DVU technology.

## OIG RESPONSE

To assist with future determinations on VTC equipment placement, we provided ODAR with the list of hearing offices we identified with low use of VTC equipment.



Patrick P. O'Carroll, Jr.

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<sup>25</sup> See Appendix F for additional information and analysis on the timeliness of video versus in-person hearings.

# *Appendices*

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[APPENDIX A](#) – Acronyms

[APPENDIX B](#) – Video Hearing Format, Equipment, and Costs

[APPENDIX C](#) – Scope and Methodology

[APPENDIX D](#) – Primary Video Teleconference Processes

[APPENDIX E](#) – Results of Administrative Law Judge Interviews

[APPENDIX F](#) – Timeliness of Video Hearings

[APPENDIX G](#) – Agency Comments

[APPENDIX H](#) – OIG Contacts and Staff Acknowledgments

## **Appendix A**

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### **Acronyms**

AALJ	Association of Administrative Law Judges
ALJ	Administrative Law Judge
AO	Administrative Officer
C.F.R.	Code of Federal Regulations
CPMS	Case Processing and Management System
DDS	Disability Determination Services
DRAP	Digital Recording Acquisition Project
DVU	Desktop Video Unit
FR	Federal Register
FY	Fiscal Year
ME	Medical Expert
NADR	National Association of Disability Representatives
NHC	National Hearing Center
NOSSCR	National Organization of Social Security Claimant Representatives
OCALJ	Office of Chief Administrative Law Judge
ODAR	Office of Disability Adjudication and Review
OIG	Office of the Inspector General
OQP	Office of Quality Performance
OTSO	Office of Telecommunications and Systems Operations
PRS	Permanent Remote Site
RVP	Representative Video Project
SAR	Service Area Realignment
SSA	Social Security Administration
TRS	Temporary Remote Site
VE	Vocational Expert
VTC	Video Teleconference

# **Video Hearing Format, Equipment, and Costs**

During a video hearing, the claimant can see the judge and anyone who is with the judge. If needed, the judge and the claimant can video teleconference concurrently with other parties, such as medical or vocational experts, located at other video hearing sites. In addition, technical assistants are present at each end of the video teleconference (VTC) to ensure the equipment works smoothly.



**Picture B-1**

zoom functionality. The video equipment for full-sized hearing rooms comes with a separate codec box<sup>1</sup> about the size of a VCR. The monitor may be wall or cart mounted at the option of the hearing office. If the monitor is wall-mounted, the camera sits on a shelf immediately below the monitor. The codec unit is mounted in a box below the camera. A separate remote controls the camera.

A standard Desktop Video Unit (DVU) set-up (see Picture B-2) consists of a desktop camera with the same functionality as the room-size units in terms

The Social Security Administration (SSA) maintains a secure electronic transmission to ensure claimant privacy. As a matter of policy, SSA does not videotape hearings, though the Agency makes audio recordings, as is customary for all hearings.

By design, VTC facilitates the virtual integration of expert testimony to broaden the pool of experts available for hearings, particularly in those areas where access to experts is limited.

The main components for each VTC room system include a camera and a 58" color monitor, as shown in Picture B-1. The camera has full pan and



**Picture B-2**

<sup>1</sup> The codec contains the video system software.

of compatibility and digital recording equipment with voice add-on for video calls. Like the room-sized version, the DVU's camera has full pan and zoom capabilities. The high definition viewing set is the size of a 20" computer monitor with the controls in the base of the unit. Unlike the full-sized room version, there is no separate handset remote control.

The Office of Disability Adjudication and Review (ODAR) uses the Office of Telecommunications and Systems Operations (OTSO) to contract with vendors to acquire, install, and maintain additional video units. OTSO is also responsible for providing appropriate bandwidth, switches, and other network infrastructure to the VTC sites.

ODAR is responsible for site selection, site preparation, and providing on-site contacts to ensure smooth delivery and installation. Site preparation includes electrical work, telephone lines, and wall reinforcement to support large, flat panel video monitors.<sup>2</sup> The costs associated with each standard equipment package are shown in Tables B-1 and B-2.

**Table B-1: Room System Video Costs**

VTC Room System – 58' Wall Mounted – Components	Cost
HD Video Conferencing System <sup>1</sup>	\$15,046
Premier 1 Year Maintenance	1,417
58" HD Flat Panel Monitor	2,237
Chief Tilting Plasma Mount	216
Cable Floor Track	61
Uniduct Raceway	44
Low Profile Wall Rack	305
Camera Shelf	118
Custom Shipping	1,040
Surge Protector	11
Cables, Wiring, and Installation	2,338
<b>Total Cost</b>	<b>\$22,833</b>

**Note 1:** A similar Room Cart System is also available for approximately \$24,000.

**Table B-2: DVU Costs**

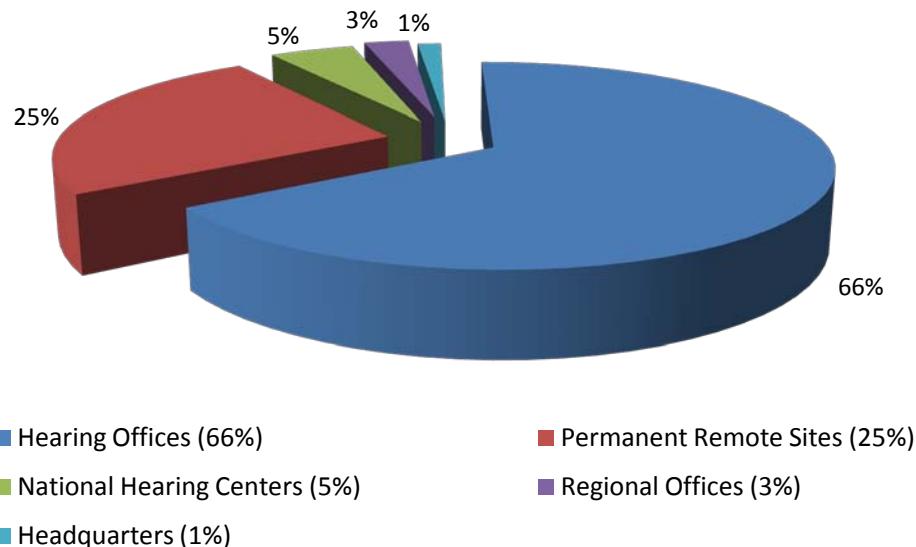
Desktop Video Unit – Components	Cost
HD Videoconferencing System	\$6,053
Premier 1 Year Maintenance	762
Surge Protector	11
Cabling/Installation	1,730
<b>Total Cost</b>	<b>\$8,556</b>

As of June 2010, the Agency had 951 video units installed around the country (see Figure B-1). Of the 951 units, 201 (22 percent) are DVUs. For instance, all the video

<sup>2</sup> ODAR Initiative Fact Sheet on Video Hearings (as of June 1, 2010).

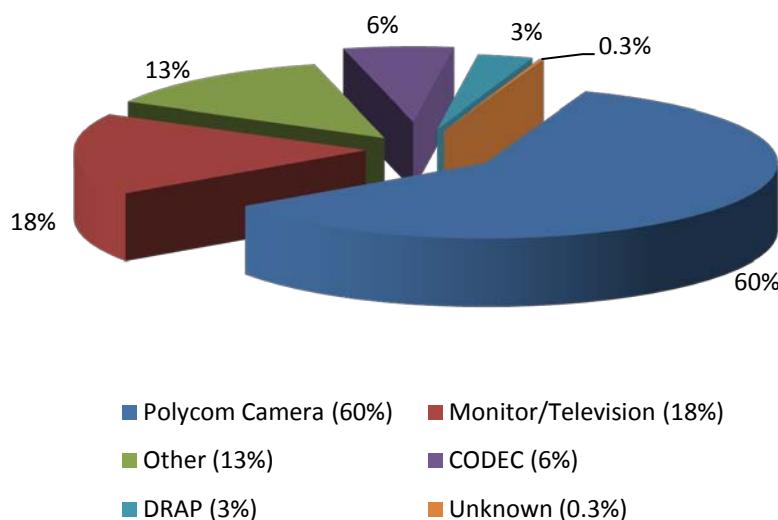
units installed at the National Hearing Centers are DVUs. In addition, about 12 percent of the permanent remote site units are in field offices.

**Figure B-1: Location of 951 Video Units  
(as of June 2010)**



From January 2009 to September 2010, OTSO recorded 393 video equipment trouble reports nationwide. Sixty percent of these service calls were related to the Polycom camera equipment, while 18 percent of the calls related to the video monitors/television screens. The median and average number of days reported to resolve open tickets during the period under review were 6.5 and 9.3 days, respectively.

**Figure B-2: Reported VTC Equipment Trouble by Type  
(January 2009 through September 2010)**



**Notes:** Portions may not add to 100 percent due to rounding. Digital Recording Acquisition Project (DRAP) equipment is used to record the audio portion of hearings.

# **Scope and Methodology**

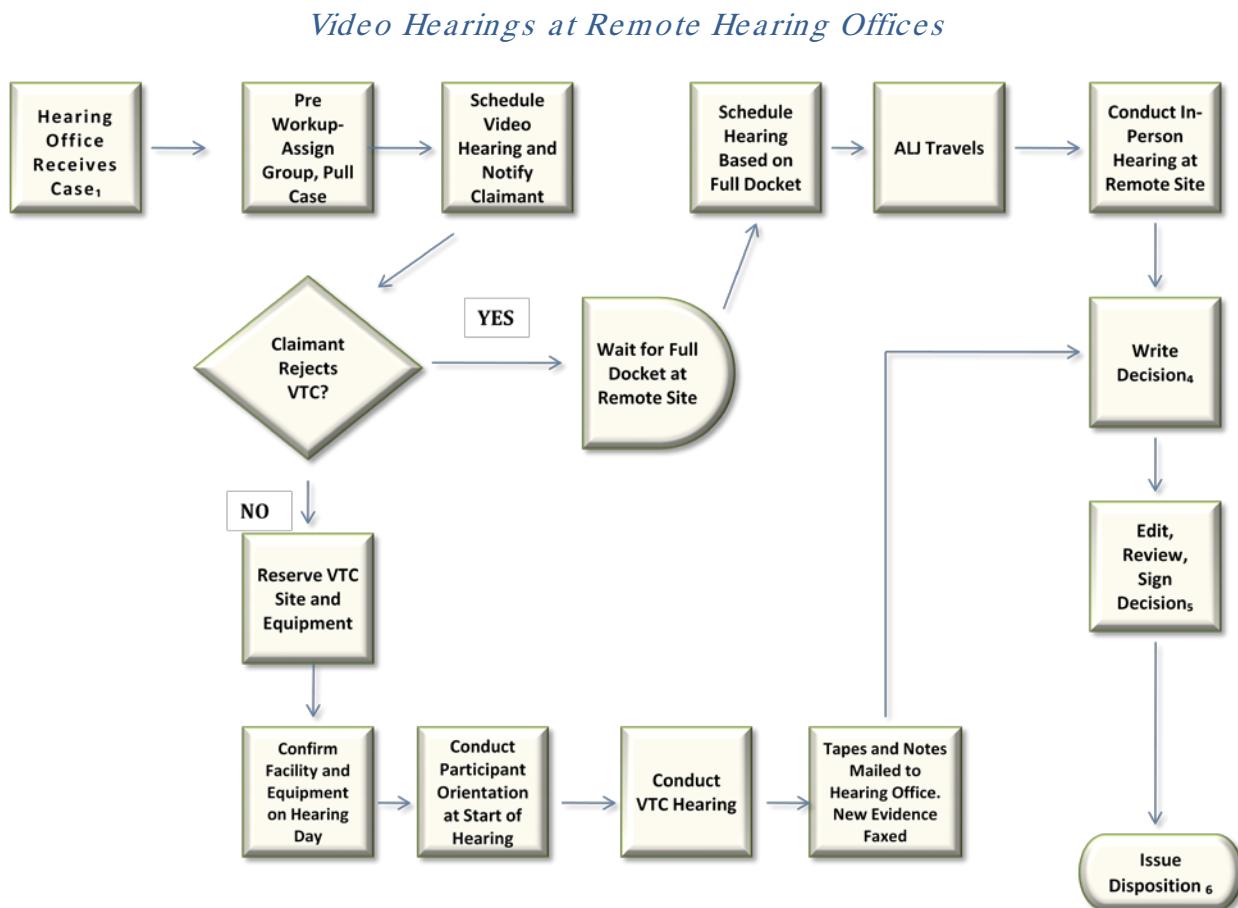
To accomplish our objective, we:

- Reviewed applicable Federal laws and regulations pertaining to the use of Social Security Administration (SSA) video hearings, including the Code of Federal Regulations.
- Reviewed SSA and the Office of Disability Adjudication and Review's (ODAR) policies and procedures pertaining to video teleconferencing (VTC), including the Program Operations Manual System and the Hearings, Appeals, and Litigation Law Manual.
- Reviewed information maintained by ODAR on its Video Hearing Website, including hearing site location information and VTC equipment operating procedures.
- Met with management and staff at ODAR hearing offices and Headquarters to understand and document the processes and technology associated with VTC.
- Prepared flowcharts for the most common VTC operations and verified their accuracy with ODAR staff and management.
- Gathered and analyzed Case Processing and Management System (CPMS) data for closed claims from 2005 through 2009 to identify trends and points of statistical interest, such as percentage of hearings conducted by video and geographical dispersion of video usage. We also reviewed published 2010 data for the purpose of comparison.
- Worked with ODAR and Office of Telecommunications and Systems Operations (OTSO) staff to obtain current cost, purchasing, and inventory information related to the VTC equipment.
- Interviewed a non-representative sample of 26 administrative law judges (ALJ) to (1) gather qualitative input on VTC versus in-person hearing usage and experience and (2) validate selected elements of CPMS data as accurate. We divided our ALJ sample into 2 parts, selecting 20 ALJs with little or no VTC activity in video-equipped facilities in 2007 and 2008, and 6 ALJs with relatively high VTC activity in 2008. We separated our sample data in this manner to understand, through phone interviews with each ALJ chosen, the underlying reasons for having distinctly low or high VTC usage.
- Solicited comments from the Association of ALJs, National Organization of Social Security Claimant Representatives, and National Association of Disability Representatives on the use of VTC equipment in the adjudication of disability claims.

- Visited three hearing locations: the Detroit, Michigan, Hearing Office; Evanston, Illinois, Hearing Office; and National Hearing Center in Chicago, Illinois. At the Detroit Hearing Office, we observed two live hearings; one VTC and one in-person. We spoke with the ALJs following the conclusion of the hearings we observed and gathered their opinions on the VTC versus in-person format.
- Performed an in-depth analysis of VTC equipment deployed in the Chicago Region, as well as nationwide, in comparison to actual VTC equipment usage. To do this, we used the OTSO-provided inventory and ODAR-reported hearing data for Fiscal Year 2010 through June 2010. The purpose of this analysis was to identify potential situations where hearing offices have been equipped with unnecessary or underutilized equipment.
- Reviewed data from video equipment trouble reports as maintained by OTSO for the period January 2009 through September 2010.

We found the hearings data to be sufficiently reliable to meet our objectives. We performed our fieldwork from March 2009 until August 2010. We performed our audit at the Office of Audit in Chicago, Illinois. The entity reviewed was ODAR. We conducted our work 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 believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

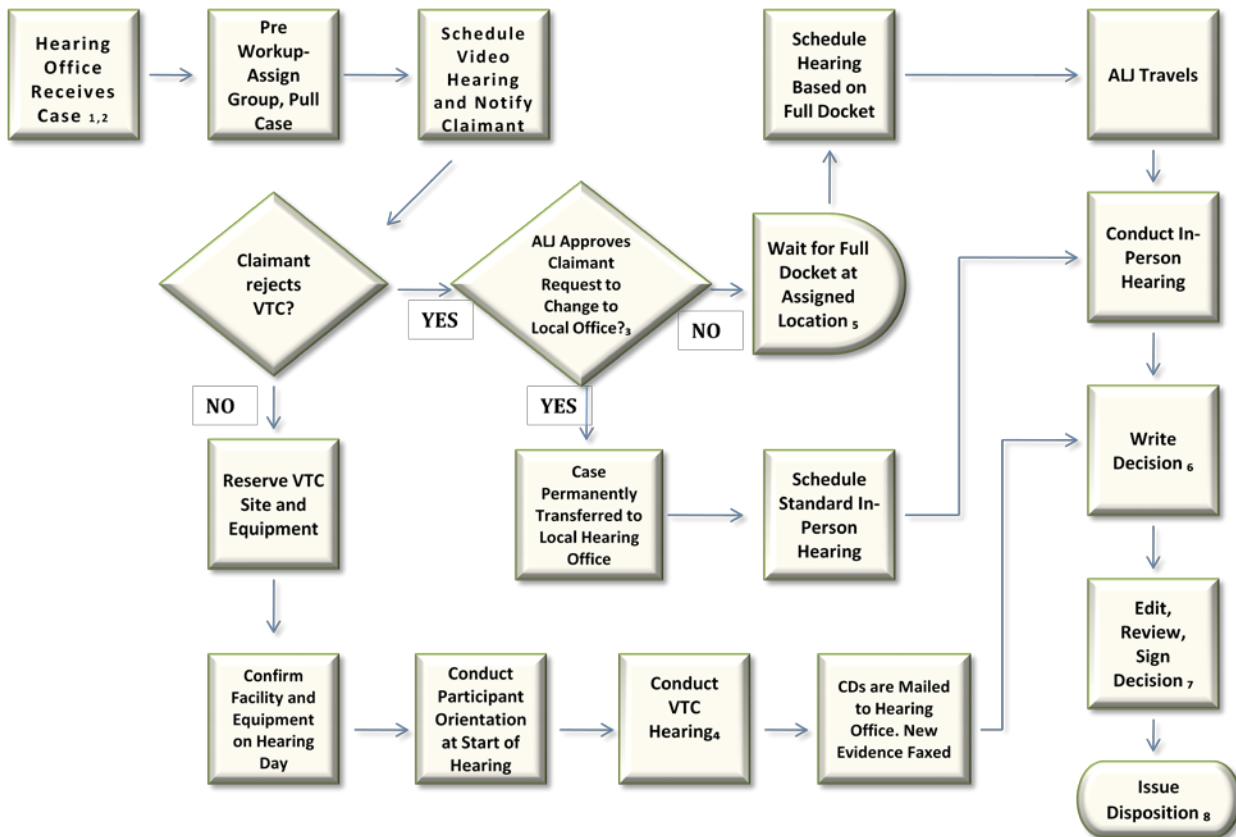
# Primary Video Teleconferencing Processes



**Notes:**

1. Diagram represents the generic process for a hearing requested at a hearing office with a video-equipped, permanent remote site.
2. Before hearing office case receipt, an initial claim filed at a Social Security Administration (SSA) field office has been denied by a State disability determination service (DDS). An initial claim denial prompts some claimants to revisit the field office to appeal the DDS decision. Denial appeals are then picked up by an SSA hearing office for adjudication.
3. Exhibit lists are copied onto compact disks and sent to the claimant or the claimant's representative. Medical experts (ME) and vocational experts (VE) will later participate in a video hearing by telephone, be at the site with the presiding administrative law judge (ALJ), at the site with the claimant, or at a separate video-teleconferencing (VTC) location.
4. The ALJ's decision may be written by the National Case Assistance Center at the discretion of the Office of the Chief ALJ (OCALJ).
5. Decision editing, review, and signature are all electronic activities.
6. A centralized outside contractor performs printing and mailing activities via SSA system access.

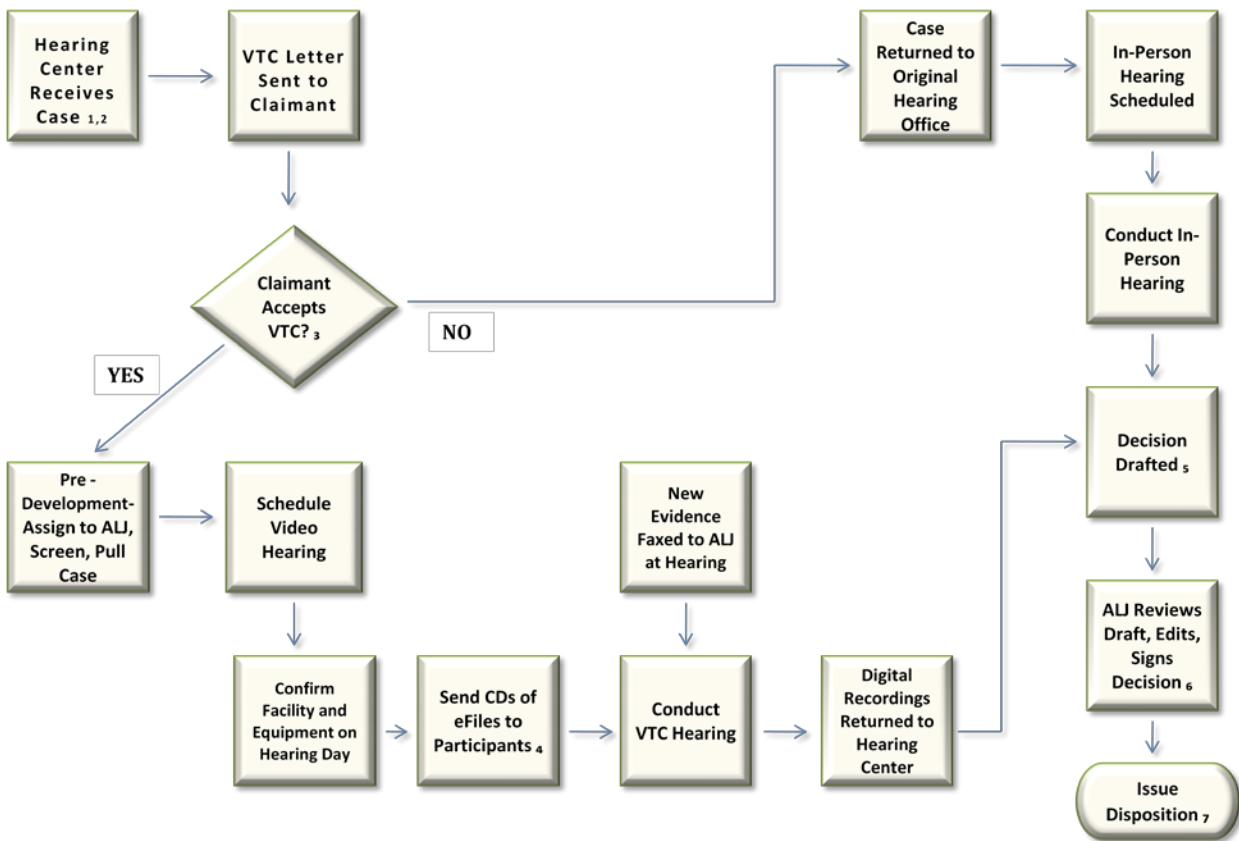
## Video Hearings Resulting from Service Area Realignments



**Notes:**

1. Process depicts a typical new (hearing) case affected by Service Area Realignment (SAR). Annually, the OCALJ determines which field offices are subject to a SAR and issues instructions defining which distant hearing offices will assume case management responsibility for realigned offices. Cases routed to distant hearing offices as part of SAR generally necessitate video hearings.
2. Before hearing office case receipt, an initial claim filed at an SSA field office has been denied by a State DDS. An initial claim denial prompts some claimants to revisit the field office to appeal the DDS decision. Denial appeals are then picked up by an SSA hearing office for adjudication.
3. A claimant affected by SAR may elect to have his case heard in person. In this situation, the claimant must wait until the distant hearing office ALJ has a full docket and travels to the claimant's local area. Alternatively, a claimant may request an in-person hearing and then request a change of venue to a hearing office in the claimant's local area. If a claimant requests such a change of venue, the ALJ has statutory discretion in determining whether to grant the request.
4. Exhibit lists are copied onto compact disks and sent to the claimant or the claimant's representative. MEs and VEs will later participate in a video hearing by telephone, be at the site with the presiding ALJ, at the site with the claimant, or at a separate VTC location.
5. In practice, if there is not a full docket to justify travel by an ALJ from the realigned hearing office, the local hearing office may consent to have the case transferred from the realigned office. Operationally, this may result in some duplication of effort and delay if the ALJ in the realigned office already invested time reviewing the case prior to the hearing, or if the ALJ in the local hearing office wishes to review the case in detail prior to the hearing. If the case is part of the aged case initiative, approval must be secured from OCALJ before being transferred.
6. The ALJ's decision may be written by the National Case Assistance Center at the OCALJ's discretion.
7. Decision editing, review, and signature are all electronic activities.
8. A centralized outside contractor performs printing and mailing activities via SSA system access.

## Video Hearings at National Hearing Centers



**Notes:**

1. Process depicts a typical new (hearing) case permanently transferred to a National Hearing Center (NHC). The Administrative Officer (AO) at each NHC perpetually assesses workload availability (hearing scheduling capacity) 6 months into the future. As hearing capacity becomes available, the AO will communicate with the OCALJ NHC at headquarters to request additional hearings sites or additional workload to maximize productivity. OCALJ NHC headquarters works with OCALJ Division of Workload Management to obtain approval to assist any hearing office deemed to require NHC assistance. For example, at the time of our review, the NHC in Chicago had instructions to support eight hearing offices in six States: Alabama, Indiana, Florida, Michigan, Missouri, and Wisconsin.
2. Before case receipt, an initial claim filed at an SSA field office has been denied by a State DDS. An initial claim denial prompts some claimants to revisit the field office to appeal the DDS decision. Denial appeals are then permanently transferred from a backlogged hearing office location to an NHC for adjudication.
3. A claimant having his or her case permanently transferred to an NHC may elect to have the case heard in person. When a claimant declines an NHC video hearing, the case is sent directly back to the original hearing office to await an in-person hearing.
4. The Certified Electronic Folder containing the evidence of record is copied onto compact disks and sent to the claimant or the claimant's representative, and any contracted ME or VE before the hearing. VEs and MEs will later participate in a video hearing by telephone.
5. NHCs assume responsibility for all decision writing and do not use National Case Assistance Center resources.
6. Decision editing, review, and signature are all electronic activities.
7. A centralized outside contractor performs printing and mailing activities via SSA system access.

## ***Appendix E***

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# **Results of Administrative Law Judge Interviews**

We interviewed a non-representative sample of 26 administrative law judges (ALJ) to gather qualitative input on video teleconferencing (VTC) versus in-person hearing use and experience. In addition, to better understand the reasons for use and non-use of video equipment, we divided our ALJ sample into 2 parts, selecting 20 ALJs with little or no video hearing activity in video-equipped facilities, and 6 ALJs with relatively high video hearing activity. The following summarizes the results of these interviews.

### Low Video Equipment Usage

Of the 20 ALJs with little or no video activity, we found the average annual number of hearings held in this sample was 419 per ALJ, with 99 percent of all hearings having been conducted in-person. Moreover, ALJs in this group reported an average tenure of 15 years as a judge, and reported scheduling an estimated 54 cases per month. The top three reasons given in explanation for low video hearing usage were as follows:

- 13 ALJs (65 percent) reported a lack of need based on a sufficient number of in-person cases;
- 9 ALJs (45 percent) expressed a preference for in-person hearings, citing in-person observation as a superior means to evaluate a claimant; and
- 6 ALJs (30 percent) reported an insufficient number of hearing rooms as an explanatory factor.

Seven of these ALJs, or 35 percent, gave more than one reason to explain their lack of video hearing usage. Overall, 10 ALJs expressed favorable views of VTC as a hearing format, 3 ALJs were neutral, and 7 ALJs expressed generally negative sentiment toward video hearings. Anecdotal technical comments on video communications and equipment included a desire for larger video monitor screens and annoyance with a voice transmission delay when communicating with video hearing participants.

### High Video Equipment Usage

Of the six ALJs with a high amount of video activity, we found the average number of hearings held in this sample was 483 per year per ALJ,<sup>1</sup> with 37 percent of their hearings conducted in-person and 63 percent conducted by video. Moreover, ALJs in this group reported an average tenure of 14 years as a judge, and reported scheduling an estimated 56 cases per month. While all six ALJs interviewed in this sample stratum

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<sup>1</sup> As this was a non-representative sample, we are making no inferences pertaining to ALJ productivity and the use of video equipment.

expressed positive views about the VTC hearing format, they did have certain issues with the equipment, as follows:

- two ALJs reported better ability to assess claimant cases when heard in-person compared to using video;
- two ALJs reported difficulty with a voice transmission time lag; and
- one ALJ would like to have larger or better quality video monitors.

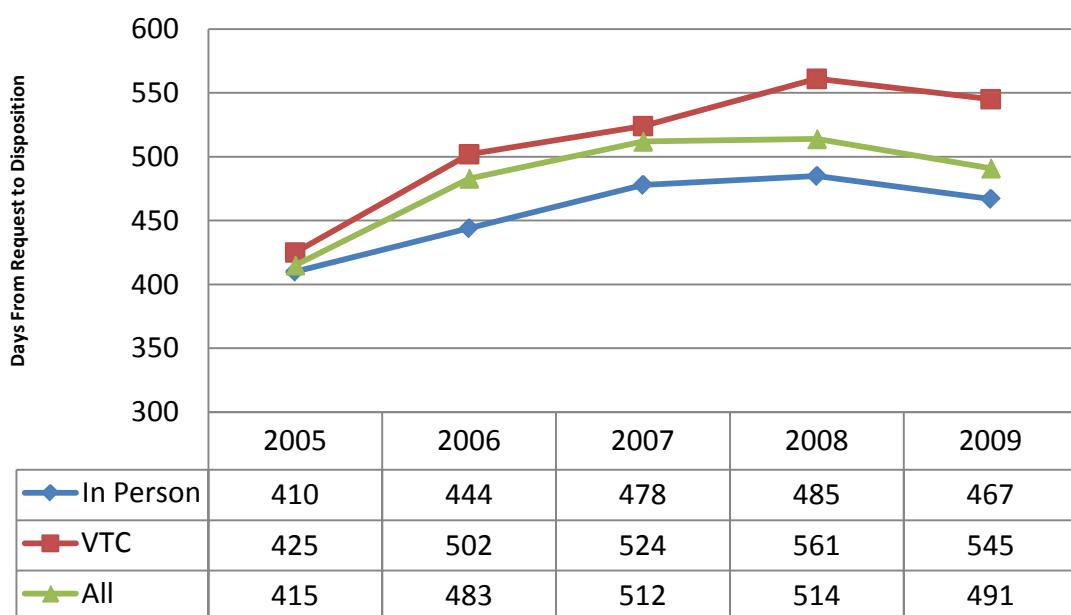
Anecdotal technical comments on video communications and equipment from this group included reports of problems with last-minute evidence submission by fax and occasional line connection failures.

# Timeliness of Video Hearings

We also reviewed case processing times for claims involving either video teleconferencing (VTC) or an in-person hearing to identify any significant differences. Specifically, we examined the relationship between the average number of days elapsed between hearing request dates to final claim disposition dates for VTC versus in-person hearings for closed claims from Fiscal Years (FY) 2005 to 2009.

As shown in Figure F-1, hearings conducted using video took slightly longer to dispose of than claims heard in-person. One factor contributing to this difference is the Commissioner's *Aged Claim* initiative to eliminate the oldest claims, which led to many older hearings being reassigned to less-burdened hearing offices and National Hearing Centers where they were ultimately heard by video.<sup>1</sup> All other factors holding constant, the Agency could expect to see this difference shrink over time as the average age of claims heard by video decreases.

**Figure F-1: Average Processing Time: In-Person Versus Video Hearings (Fiscal Years 2005-2009)**



**Note:** The Agency has reported the FY 2005 average processing time as 443 days when adjusted for Medicare hearings.

<sup>1</sup> Social Security Administration, Office of the Inspector General, *Aged Claims at the Hearing Level* (A-12-08-18071), September 2009.

Our analysis indicated that the majority of the time to dispose of a hearing case occurs before the hearing itself. In 2009, for example, cases heard by VTC took approximately 545 total days to close, on average. Of those 545 days, 490 days (approximately 90 percent) elapsed before the hearing. Cases involving in-person hearings took slightly less time to process, 467 days, on average. In 2009, activities occurring after a hearing is held, primarily decision writing and issuance, took 55 days on average for video hearing cases and 62 days on average for in-person cases.

The average time it took to close claims involving both VTC and in-person hearings climbed steadily from FY 2005 through FY 2008. It then showed signs of improvement in 2009, with overall case processing time decreasing 3 percent in comparison to the prior year.

## **Appendix G**

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### **Agency Comments**



## SOCIAL SECURITY

### MEMORANDUM

Date: March 28, 2011 Refer To: S1J-3

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

From: Dean S. Landis /s/  
Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, "Use of Video Hearings to Reduce the Hearing Case Backlog" (A-05-08-18070)--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 Chris Molander, Senior Advisor, Audit Management and Liaison Staff, at (410) 965-7401.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT,  
“USE OF VIDEO HEARINGS TO REDUCE THE HEARING CASE BACKLOG”  
(A-05-08-18070)**

Thank you for the opportunity to review the subject report. We offer the following comments:

**Recommendation 1**

Periodically evaluate video hearing equipment requirements at each location against historical and expected usage. Such periodic evaluations should be conducted before new equipment is ordered.

Response:

This is already our practice. As we phase-in use of video teleconferencing technology (VTC), we continue to refine our processes for determining where it will be most useful. As you found in your study, several factors influence VTC usage. We consider these factors and study historical trends as we make decisions to expand the project.

We consider this recommendation closed for tracking purposes.

**Recommendation 2**

Consider expanding the use of DVU equipment to all interested ALJs.

Response:

We agree. Desktop Video Units (DVU) offer a less costly, effective means for conducting hearings. We will continue to promote administrative law judges' use of DVU technology.

[In addition to the information listed above, SSA also provided technical comments, which we addressed, where appropriate, in this report.]

## **Appendix H**

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# OIG Contacts and Staff Acknowledgments

### ***OIG Contacts***

Walter Bayer, Director, Chicago Audit Division

### ***Acknowledgments***

In addition to those named above:

Gregory Geisert, Auditor-in-Charge

Elizabeth Ochoa, Senior Auditor

Charles Zaepfel, IT Specialist

For additional copies of this report, please visit our Website at [www.socialsecurity.gov/oig](http://www.socialsecurity.gov/oig) or contact the Office of the Inspector General's Public Affairs Staff Assistant at (410) 965-4518. Refer to Common Identification Number A-05-08-18070.

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Social Security Advisory Board

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