



SOCIAL SECURITY

Office of the Inspector General

April 22, 2010

The Honorable Earl Pomeroy
Chairman, Subcommittee on
Social Security
Committee on Ways and Means
House of Representatives
Washington, D.C. 20515

Dear Mr. Pomeroy:

On April 5, 2010, we received a request from the House Committee on Ways and Means, Subcommittee on Social Security, to review the impact of reinstating reconsiderations in the Michigan Disability Determination Services (DDS). Specifically, the Subcommittee requested an analysis of the cumulative average processing time for Michigan claimants under the four scenarios below for each of the following Fiscal Years: 2011, 2012, and 2013.

1. The Social Security Administration (SSA) implements its plan to reinstate reconsideration and fully funds the new reconsideration process.
2. SSA retains current policy in Michigan: It remains a Prototype State, and no additional funds are allocated to the Michigan DDS to process reconsiderations.
3. Michigan remains a Prototype State, and the funds SSA would have used for the reinstatement of reconsideration are provided to the Michigan DDS for processing initial claims.
4. Michigan remains a Prototype State, and the funds SSA would have used for the reinstatement of reconsideration are provided to Michigan hearing offices for processing administrative law judge hearings.

Thank you for the opportunity to provide the Committee with the requested information. To ensure the Agency is aware of the information provided to your office, we are forwarding a copy of this report to the Agency. I have also sent a similar response to Ranking Member Sam Johnson of the Subcommittee on Social Security.

If you have any additional questions, please call me, or have your staff contact Misha Kelly, Congressional and Intra-governmental Liaison, at (202) 358-6319.

Sincerely,



Patrick P. O'Carroll, Jr.
Inspector General

Enclosure

cc:
Michael J. Astrue
Sam Johnson



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Ranking Member, Subcommittee on
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Page 2 - The Honorable Sam Johnson

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A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr."

Patrick P. O'Carroll, Jr.
Inspector General

Enclosure

cc:

Michael J. Astrue
Earl Pomeroy

CONGRESSIONAL RESPONSE REPORT

Reinstatement of the Reconsideration Step in the Michigan Disability Determination Services

A-01-10-20153



April 2010

Mission

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

Authority

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

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

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

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

Vision

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

Background

OBJECTIVE

The objective of our review was to assess the impact of reinstating the reconsideration step in the Michigan Disability Determination Services (DDS) under four scenarios.

BACKGROUND

SSA provides Disability Insurance (DI) and Supplemental Security Income (SSI) to eligible individuals under Titles II and XVI of the *Social Security Act*.¹ The Social Security Administration (SSA) generally refers claims for disability benefits to the State DDS for disability determinations.² If the claimant disagrees with an initial disability determination, he or she can file an appeal within 60 days from the date he or she receives notice of the determination. In most States, the first level of appeal is reconsideration by the DDS.³

In 1999, SSA began testing several modifications to the disability determination procedures, including the elimination of the reconsideration step in 10 Prototype States: Alabama, Alaska, California (Los Angeles North and Los Angeles West Branches), Colorado, Louisiana, Michigan, Missouri, New Hampshire, New York, and Pennsylvania. The Agency has decided to assess the effect of reinstating the reconsideration step as part of the disability claims process in Prototype States because allowing claims at the reconsideration level provides benefits earlier to some claimants who would otherwise wait for a hearing. Michigan was selected as the first Prototype State to reinstate the reconsideration step and will resume reconsiderations in Fiscal Year (FY) 2011. Decisions about other Prototype States are still pending.

On April 5, 2010, we received a request from the Subcommittee on Social Security, Committee on Ways and Means, U.S. House of Representatives, to review the impact of reinstating reconsiderations in the Michigan DDS. Specifically, the Subcommittee

¹ The *Social Security Act* §§ 201 *et seq.* and 1601 *et seq.*, 42 U.S.C. §§ 401 *et seq.* and 1381 *et seq.*

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

³ In most cases, there are three levels of administrative appeal: (1) reconsideration by the DDS, (2) hearing by an administrative law judge (ALJ) in SSA's Office of Disability Adjudication and Review (ODAR), and (3) request for review by the Appeals Council. Claimants still dissatisfied after exhausting administrative remedies can appeal to the Federal courts.

requested an analysis of the cumulative average processing time for Michigan claimants under the four scenarios below for each of the following FYs: 2011, 2012, and 2013.⁴

1. SSA implements its plan to reinstate reconsideration and fully funds the new reconsideration process.
2. SSA retains current policy in Michigan: It remains a Prototype State, and no additional funds are allocated to the Michigan DDS to process reconsiderations.
3. Michigan remains a Prototype State, and the funds SSA would have used for the reinstatement of reconsideration are provided to the Michigan DDS for processing initial claims. (This should include the impact on the level of pending initial claims at the end of each FY and the impact on average processing time at the initial claims level.)
4. Michigan remains a Prototype State, and the funds SSA would have used for the reinstatement of reconsideration are provided to Michigan hearing offices for processing ALJ hearings. (This should include the impact on the level of pending hearings at the end of each FY and the impact on average processing time at the hearings level.)

To perform this review, we gathered and reviewed data related to claims processing times and allowance rates in FYs 2008 through 2010; contacted SSA officials and staff to obtain information on how reinstatement of reconsiderations will affect SSA's budget and operations; and researched the impact reinstatement of reconsiderations will have on DI beneficiaries and SSI recipients. Our review was an assessment of processing time changes due solely to whether or not the reconsideration step is reinstated in Michigan. We did not consider the relationship between budgeted workload receipt and pending levels on processing times. (See Appendix B for additional information on our scope and methodology.)

⁴ The Subcommittee requested our analysis include cumulative average processing time for two groups (as applicable): (1) for claimants allowed at the reconsideration level, the total cumulative processing time to receive a reconsideration determination (that is, including processing time at the initial and reconsideration levels) and (2) for claimants denied at the reconsideration level who appeal to the ALJ level, the total cumulative processing time to receive an ALJ decision (that is, including processing time at the initial, reconsideration, and hearing levels). Also, the Subcommittee requested the percentage of claimants who appeal a denial at the initial level who will fall into each of the two groups.

Results of Review

Based on available information, we assessed the impact of reinstating the reconsideration step in the Michigan DDS under four different scenarios—summarized in Table 1 below. SSA was able to provide the assumptions—specific to reinstating reconsiderations in Michigan—it used in preparing the FY 2011 budget request; however, it was not able to provide the assumptions for FYs 2012 and 2013.⁵

Table 1: Summary of Analysis and Estimates		
Scenario	DDS	ODAR
1	Average cumulative processing time for initial claims in FY 2011: 123 days. Processing times would not change significantly in future FYs.	Average cumulative processing time in FY 2011: 915 days. Processing times may decrease in future FYs.
2	Average cumulative processing time for initial claims in FY 2011: 123 days. Processing times would not change significantly in future FYs.	Average cumulative processing time in FY 2011: 762 days. Processing times would not change significantly in future FYs.
3	DDS could adjudicate about 25,300 more initial claims in FY 2011. Processing times would not change significantly in future FYs.	ODAR could receive about 6,780 more hearing requests per year. Processing times would probably increase in future FYs.
4	Average cumulative processing time for initial claims in FY 2011: 123 days. Processing times would not change significantly in future FYs.	ODAR could process about 17,600 additional hearings per year. Processing times would probably decrease in future FYs.

Scenario 1 SSA implements its plan to reinstate reconsiderations and fully funds the new reconsideration process.

SSA has committed to reinstating the reconsideration step in the Michigan DDS. The Agency planned for the additional reconsideration workload in the FY 2011 budget request, estimating the Michigan DDS would receive 33,750 reconsideration claims

⁵ SSA only breaks out operational budgets at the State level for the current budget year. The Agency budget requests for future FYs do not include State-specific assumptions. The President's budget estimates new initial disability claims will be 3,275,400; 3,192,000; and 2,887,400 in FYs 2011 through 2013, respectively.

during the year, and 114 staff resources will be needed to process the anticipated workload.⁶ Currently, the DDS is hiring additional staff—fully funded and supported by SSA.⁷

These additional staff and resources would allow the Michigan DDS to maintain the current level of service to claimants at the initial level. In FY 2010 (as of March 26, 2010), the DDS had processed initial DI claims in about 123 days and SSI claims in about 119 days from date of application to determination.⁸ (See Appendix C for statistics by DDS for FYs 2008, 2009, and 2010.) During the same time period at the national level, DDSs had processed DI reconsideration claims in about 276 days cumulatively from date of application through reconsideration.⁹ We assume that Michigan would process reconsideration claims in line with the national average. Historically, about 44 percent of claimants appealed initial determinations, and about 14 percent of reconsideration claims were allowed.¹⁰ We estimate that about 4,700 claimants would be allowed at the reconsideration level and thus receive benefits sooner than if they were to go through the entire hearing process.

The Agency does not report cumulative processing time for claims at the hearing level. However, in our December 2008 report, *Disability Claims Overall Processing Times* (A-01-08-18011), we determined it took SSA an average 811 days to process a disability claim from date of application through the hearing level in Calendar Year 2006, with 482 of those days spent at ODAR.¹¹ In FY 2010, the five ODAR offices in Michigan

⁶ The 114 staff resources is the number of workyears—the equivalent of full-time positions or a combination of full-, part- or overtime hours worked—not the number of employees the DDS will need to process the reconsideration workload.

⁷ We did not factor in the time for training new disability examiners so they are able to work at full capacity.

⁸ The average processing time is the overall, cumulative number of elapsed days, including both DDS and field office processing times, from the date of filing through the date payment is made or the denial notice is issued for all initial claims that require a medical determination.

⁹ The average processing time is the overall, cumulative number of elapsed days, including both DDS and field office processing times and time for claimants to file appeals, from the date of filing through the date payment is made or the denial notice is issued for all reconsideration claims that require a medical determination.

¹⁰ SSA, Office of Retirement and Disability Policy, April 2009.

¹¹ The average processing time is the overall, cumulative number of elapsed days, including DDS, field office, ODAR and payment center processing times and time for claimants to file appeals, from the date of filing through the date payment is made or the denial notice is issued for all reconsideration claims that require a medical determination. In our 2008 review, we determined claims processed through the hearing level took, on average, 65 days in SSA's field offices, 151 days in DDSs (including initial and reconsideration levels), 456 days in ODAR hearing offices, 1 day for Federal quality reviews, 41 days in other Agency offices, and 97 days of down time (time over which SSA had no control, such as mail time or time for the claimant to file appeals). The full report can be found at <http://www.ssa.gov/oig/ADOBEPDF/A-01-08-18011.pdf>.

have processed hearings in an average 559 days.¹² (See Appendix D for ODAR statistics for FYs 2008 through 2010.) Historically, about 73 percent of claimants appeal reconsideration determinations.¹³ Since the hearing offices nationwide have a backlog of cases to process, reinstating the reconsideration step in the DDS would not necessarily result in decreased processing time at ODAR in FY 2011. However, as ODAR works through the backlog, processing times may decrease in future FYs.

Assuming that all appeals of initial determinations in FY 2011—which begins October 1, 2010—would be reconsiderations, there would be about a 2-month period in which ODAR would not receive new requests for hearings while the reconsiderations are being processed. Additionally, claimants allowed at the reconsideration step would not be likely to appeal to ODAR. Because of these 2 factors, SSA expects about 11,250 fewer appeals to ODAR in FY 2011.

Based on these data and assumptions, we estimate in FY 2011:

1. The Michigan DDS would process initial claims in 123 days from the date of application and reconsiderations in about 276 days from the date of initial application. Based on available information, we have no reason to believe processing times would change significantly in FYs 2012 and 2013.
2. ODAR would process appeals of reconsideration denials from the Michigan DDS in about 915 days from the date of initial application.¹⁴ However, the reduced number of appeals would allow ODAR to focus on processing older claims and decreasing the number of pending hearings. This could result in decreased processing times and the number of pending hearings in FYs 2012 and 2013.

Scenario 2**Michigan remains a Prototype State, and no additional funds are allocated to the Michigan DDS to process reconsiderations.**

The Michigan DDS is hiring new staff in anticipation of reinstating reconsiderations in FY 2011. SSA has already committed to supporting the DDS and funding these new hires. However, if the new staff to process reconsiderations were not hired, we assume, in FY 2011, the DDS would continue to process initial claims in 123 days from the date of application, and hearing offices in Michigan would continue to process hearings in

¹² In Michigan, ODAR has hearing offices in Detroit, Flint, Grand Rapids, Lansing, and Oak Park. Nationally, in FY 2010, ODAR offices have processed hearings in 442 days, on average.

¹³ SSA, Office of Retirement and Disability Policy, April 2009.

¹⁴ We calculated the 915 days by taking the results from our 2008 review and updating them with available FY 2010 data, including 559 days for the hearing decisions in Michigan ODAR offices and 276 days (cumulative) for reconsideration determinations in the Michigan DDS.

559 days from the date of the request for hearing—or 762 days from the date of application.¹⁵ Based on available information, we have no reason to believe processing times would change significantly in FYs 2012 and 2013.

Scenario 3 Michigan remains a Prototype State, and the funds SSA would have used for the reinstatement of reconsiderations are provided to the Michigan DDS for processing initial claims.

As of March 2010, the Michigan DDS had almost 32,000 initial claims pending. SSA estimates the DDS will process about 222 initial claims per employee per year in FY 2011. The DDS is hiring new staff to process the anticipated reconsideration workload.¹⁶ We assume all disability examiners in Michigan, including the new staff, would continue to process initial claims, rather than reconsiderations, at the current rate. Based on these assumptions, we estimate:

1. The Michigan DDS could adjudicate about 25,300 more initial claims in FY 2011. This would result in a significant decrease in initial claims pending, approximately 9,000 additional allowances, and about 6,780 additional appeals to ODAR.¹⁷ Based on available information, we have no reason to believe processing times and the number of claims processed would change significantly in FYs 2012 and 2013.
2. ODAR would process appeals of initial denials from the Michigan DDS in about 762 days from the date of application. In FY 2011, the additional appeals to ODAR would not significantly impact processing time. However, without additional resources, the increased ODAR workloads would increase processing times and the number of pending hearings in FYs 2012 and 2013.

Scenario 4 Michigan remains a Prototype State, and the funds SSA would have used for the reinstatement of reconsiderations are provided to Michigan hearing offices for processing ALJ hearings.

The Michigan DDS is hiring new staff in anticipation of reinstating reconsiderations. SSA has already committed to supporting the DDS and funding these new hires. However, if the new staff to process reconsiderations were not hired, we assume the

¹⁵ We calculated the 762 days by taking the results from our 2008 review and updating them with available FY 2010 data, including 559 days for the hearing decisions in Michigan ODAR offices and 123 days (cumulative) for initial determinations in the Michigan DDS.

¹⁶ We did not factor in the time for training new disability examiners so they are able to work at full capacity.

¹⁷ Historically, the appeal rate to ODAR in Prototype States has been 41.6 percent. SSA, Office of Retirement and Disability Policy, April 2009.

DDS would continue to process initial claims in 123 days from the date of filing. The funds SSA would have used to reinstate reconsiderations, totaling almost \$20.6 million, could be moved to ODAR.¹⁸ If ODAR were able to immediately use these funds to processing hearings in FY 2011, it could process about 17,600 additional hearings.¹⁹

However, according to SSA, all hearing offices nationwide are operating at full capacity, and the Agency has implemented its *Plan to Eliminate the Hearing Backlog and Prevent Its Recurrence*.²⁰ Any funding transferred from the DDS to ODAR could be used for additional overtime for support staff to prepare more claims for hearings. Otherwise, these funds would not result in additional hearings being processed in FY 2011 because the Agency would need to acquire additional office space and hire more ALJs and support staff—which could not be fully implemented quickly. If ODAR did use these funds to acquire additional office space and hire more ALJs and support staff, we would expect the number of hearings held to increase and processing times to decrease in FYs 2012 and 2013.

BENEFITS OF REINSTATING THE RECONSIDERATION STEP

According to SSA, reinstatement of the reconsideration step in the Prototype States offers several potential benefits.

- The Agency would return to a uniform national disability determination process with the same appeal rights for all claimants. Currently, disability applications in Prototype States do not have a reconsideration step, while applicants in non-Prototype States do. Further, applicants living in one part of California have a reconsideration process while applicants in other parts of California do not.
- The reconsideration process would provide a faster first-level appeal—currently 84 days in the DDS, rather than 559 days at ODAR. Although the reconsideration allowance rate would be lower than at the initial or hearings levels, the claimants who are allowed would get positive results much sooner than if they were to go through the entire hearing process.
- The reconsideration process would moderate the volume of hearing requests. The national reconsideration allowance rate is about 14 percent, and 27 percent of those denied at the reconsideration level do not request a hearing—resulting in many new cases per year that would not proceed to hearing.

¹⁸ The Michigan DDS cost per case (as of March 2010) was \$611.61, based on a 12-month rolling average. This cost includes all costs related to claims adjudication, such as examiner salaries and benefits, medical consultant salaries, medical records and examination costs, and overhead. The cost of processing the anticipated 33,750 reconsiderations would be \$20.6 million.

¹⁹ In FY 2009, the ODAR cost per case was \$1,171, based on costs throughout the entire FY.

²⁰ SSA, *Plan to Eliminate the Hearing Backlog and Prevent Its Recurrence*, Annual Report, Fiscal Year 2008. The plan is at http://www.socialsecurity.gov/appeals/Backlog_Reports/Annual_Backlog_Report_FY_2008-Jan.pdf.

- For reconsideration denials, a well documented claim will go forward to ODAR, with less documentation needed at the hearing level for an overall more efficient process.

Conclusions

Based on the available information, we assessed the impact of reinstating the reconsideration step in the Michigan DDS under four different scenarios.

1. If SSA reinstates the reconsideration step in the Michigan DDS and fully funds the process, we estimate, in FY 2011, (a) the Michigan DDS would process initial claims in 123 days from the date of filing and reconsideration claims in 276 days from the date of filing, and (b) ODAR would process appeals of reconsideration determinations in the Michigan DDS in about 915 days from the date of initial application. Based on available information, we have no reason to believe DDS processing times would change significantly in FYs 2012 and 2013. However, as ODAR works through the backlog, processing times may decrease in FYs 2012 and 2013.
2. If the Michigan DDS continues to be a Prototype State without additional funding, we estimate, in FY 2011, (a) the DDS would continue to process initial claims in 123 days from the date of filing, and (b) ODAR would continue processing appeals of initial determinations from the Michigan DDS in 559 days from the date of the request for hearing—or 762 days from the date of initial application. Based on available information, we have no reason to believe processing times would change significantly in FYs 2012 and 2013.
3. If Michigan remains a Prototype State and funds for reinstating reconsiderations are used to process initial claims, we estimate, in FY 2011, (a) the Michigan DDS could adjudicate about 25,300 more initial claims—resulting in approximately 9,000 additional allowances and about 6,780 additional appeals to ODAR, and (b) ODAR would process appeals of initial determinations from the Michigan DDS in about 762 days from the date of application. Based on available information, we have no reason to believe DDS processing times would change significantly in FYs 2012 and 2013. However, without additional resources for ODAR, the increased workloads would increase processing times and the number of pending hearings in FYs 2012 and 2013.
4. If Michigan remains a Prototype State and funds for reinstating reconsiderations are used to process hearings, we estimate ODAR could process almost 17,600 additional hearings, if the Agency were able to immediately use these funds for processing hearings in FY 2011. However, since hearing offices nationwide are operating at full capacity, any funds transferred from DDS to ODAR would not result in additional hearings being processed in FY 2011. If these funds were used to acquire additional office space and hire more ALJs and support staff, we would expect the number of hearings held to increase and processing times to decrease in FYs 2012 and 2013.

Appendices

APPENDIX A – Acronyms

APPENDIX B – Scope and Methodology

APPENDIX C – Disability Statistics by Jurisdiction

APPENDIX D – Office of Disability Adjudication and Review Statistics

Appendix A

Acronyms

ALJ	Administrative Law Judge
C.F.R.	Code of Federal Regulations
DDS	Disability Determination Services
DI	Disability Insurance
FY	Fiscal Year
ODAR	Office of Disability Adjudication and Review
SSA	Social Security Administration
SSI	Supplemental Security Income
U.S.C.	United State Code

Scope and Methodology

To achieve our objective, we:

- Reviewed the *Social Security Act* and Social Security Administration (SSA) regulations, rules, policies, and procedures on disability case processing.
- Reviewed prior Office of the Inspector General reports.
- Reviewed disability claims processing data from SSA for Fiscal Years 2008 through 2010.
- Contacted SSA officials and staff to obtain information on SSA's budget costs, processing times, and workload information relative to reinstating reconsiderations in the Michigan Disability Determination Services. Because of time constraints, we did not independently verify the data the Agency provided.
- Estimated cumulative processing times for disability hearing decisions in Fiscal Year 2011, using results from our December 2008 report, *Disability Claims Overall Processing Times* (A-01-08-18011) and updating them with available Fiscal Year 2010 data. Our review was an assessment of processing time changes due solely to whether or not the reconsideration step is reinstated in Michigan. We did not consider the relationship between budgeted workload receipt and pending levels on processing times.

We conducted our review during April 2010 in Boston, Massachusetts. The principle entity reviewed was the Office of Disability Determinations under the Deputy Commissioner of Operations. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspections*.

Disability Statistics by Jurisdiction

Table C-1 shows non-Prototype State disability determination services' (DDS) average overall processing times for Disability Insurance (DI) claims in Fiscal Years (FY) 2008 through 2010 (as of March 26, 2010).¹

C-1: Non-Prototype Overall Processing Times for DI Claims Sent to a DDS

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Arizona	124.9	353.3	108.5	301.4	116.5	279.2
Arkansas	85.9	205.2	83.3	186.0	98.6	209.1
Connecticut	97.7	232.9	111.4	261.9	116.2	259.6
Delaware	125.5	341.9	140.1	280.0	133.5	279.9
District of Columbia	117.3	351.8	103.7	299.3	136.3	279.4
Florida	108.6	284.9	99.5	257.5	101.4	252.4
Georgia	113.8	308.9	120.4	345.9	149.7	437.5
Hawaii	116.2	374.8	113.0	313.7	128.2	329.6
Idaho	88.6	214.7	89.7	205.3	95.6	212.2
Illinois	103.8	256.3	101.5	238.4	112.6	270.6
Indiana	108.1	225.2	100.9	213.2	109.4	228.0
Iowa	96.8	246.0	91.8	219.2	92.7	224.5
Kansas	93.8	234.9	96.9	255.6	109.0	279.8
Kentucky	100.9	215.8	103.7	214.0	109.7	215.8
Maine	94.6	244.8	107.7	280.5	108.7	323.3
Maryland	110.2	300.7	117.6	306.2	156.3	356.6
Massachusetts	109.5	265.3	123.2	284.3	141.2	337.4
Minnesota	103.9	252.7	101.4	243.0	107.6	239.4
Mississippi	93.1	191.9	95.8	186.0	102.3	197.3
Montana	104.3	269.4	100.3	248.9	109.8	263.9
Nebraska	83.9	212.3	85.3	206.2	100.1	224.6
Nevada	122.7	416.0	117.1	300.3	142.6	302.0

¹ SSA, Office of Disability Programs, Performance Management System On-Line Reporting of DDS Performance, April 2010. SSA tracks initial processing times for both DI and Supplemental Security Income claims (SSI) claims. However, the Agency only tracks reconsideration processing times for DI claims. Therefore, this chart includes information for DI claims only.

C-1: Non-Prototype Overall Processing Times for DI Claims Sent to a DDS

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
New Jersey	151.0	391.1	127.8	343.1	137.6	331.3
New Mexico	100.4	242.2	104.4	273.2	112.6	372.5
North Carolina	115.9	271.9	124.0	293.7	108.9	283.2
North Dakota	90.1	215.8	96.1	237.9	109.7	248.6
Ohio	118.3	299.6	113.5	286.9	144.8	334.8
Oklahoma	112.3	261.1	103.3	235.4	120.1	243.3
Oregon	111.1	278.5	104.1	266.6	121.5	276.9
Puerto Rico	167.2	557.6	153.4	360.3	144.0	310.3
Rhode Island	156.4	356.3	155.5	348.4	167.9	371.9
South Carolina	109.1	267.6	116.8	287.9	128.7	354.3
South Dakota	110.2	254.3	109.9	248.3	113.9	251.2
Tennessee	117.0	287.2	114.8	260.6	135.9	276.3
Texas	93.3	216.7	89.1	198.6	104.9	214.6
Utah	108.4	267.1	115.1	250.8	138.8	263.3
Vermont	131.5	292.2	129.1	294.5	134.1	313.3
Virginia	107.5	272.3	115.1	290.9	143.9	325.8
Washington	102.8	252.1	96.1	242.6	106.0	238.8
West Virginia	98.9	243.6	101.8	246.3	107.4	241.3
Wisconsin	108.2	280.2	137.0	315.6	114.8	278.1
Wyoming	111.5	232.6	95.7	207.2	108.1	201.5

Table C-2 shows Prototype State DDS average overall processing times for DI claims in FYs 2008 through 2010 (as of March 26, 2010).²

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Alabama	88.7	432.7	88.2	446.0	95.3	500.3
Alaska	115.3	410.8	130.0	382.4	122.8	288.6
California	111.7	282.6	100.4	250.1	111.4	282.6
Colorado	103.5	401.4	115.6	381.2	156.6	575.1
Louisiana	92.8	478.3	86.9	430.1	99.0	707.8
Michigan	107.7	832.8	120.9	656.5	122.7	572.1
Missouri	79.9	436.6	80.6	506.1	97.4	776.1
New Hampshire	129.8	462.0	124.2	360.5	146.9	948.8
New York	115.4	401.9	105.6	367.2	107.6	419.8
Pennsylvania	120.1	538.4	119.3	461.9	135.2	413.9

Table C-3 shows non-Prototype State DDS claims dispositions in FYs 2008 through 2010 (as of March 26, 2010).³

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Arizona	35,247	10,558	43,508	13,024	22,126	6,935
Arkansas	43,285	13,696	44,624	13,242	22,304	7,200
Connecticut	23,536	2,186	24,695	7,444	14,083	4,515
Delaware	6,242	1,600	6,138	1,890	3,148	699
District of Columbia	5,509	1,676	8,323	1,936	4,905	829
Florida	162,414	45,510	190,282	56,727	106,892	31,857
Georgia	85,149	27,625	89,377	19,458	45,339	12,680
Hawaii	6,782	1,300	8,090	1,118	4,024	711
Idaho	11,372	2,780	15,021	3,770	7,875	2,489
Illinois	100,541	27,236	96,050	25,095	51,367	15,415
Indiana	58,842	18,213	63,552	19,063	37,765	11,514
Iowa	20,352	6,316	22,956	6,672	11,856	3,875

² SSA, Office of Disability Programs, Performance Management System On-Line Reporting of DDS Performance, April 2010. SSA tracks initial processing times for both DI and SSI claims. However, the Agency only tracks reconsideration processing times for DI claims. Therefore, this chart includes information for DI claims only.

³ SSA, Office of Disability Programs, Performance Management System On-Line Reporting of DDS Performance, April 2010. This table includes information for both DI and SSI claims.

Table C-3: Non-Prototype DDS Claims Dispositions

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Kansas	20,679	6,332	21,923	5,855	11,776	3,928
Kentucky	58,899	22,468	62,290	21,925	33,387	12,387
Maine	12,062	1,149	13,705	3,922	7,135	3,311
Maryland	42,832	10,564	43,938	11,059	21,598	5,249
Massachusetts	51,021	3,912	52,496	11,525	27,213	8,343
Minnesota	34,556	11,266	35,579	10,925	19,965	6,244
Mississippi	48,289	15,869	50,331	16,816	26,976	9,626
Montana	6,674	1,940	7,606	1,905	3,758	1,081
Nebraska	11,549	3,326	12,097	3,237	6,505	1,741
Nevada	18,046	4,337	18,874	5,077	9,879	2,796
New Jersey	54,346	15,845	55,297	14,437	27,868	6,010
New Mexico	18,134	5,762	19,367	4,108	11,323	1,751
North Carolina	82,808	27,350	100,416	33,174	51,695	19,189
North Dakota	3,493	1,143	3,361	1,149	2,054	567
Ohio	123,373	34,547	120,609	42,110	63,603	17,395
Oklahoma	37,176	11,134	39,163	10,645	20,778	6,385
Oregon	26,183	7,617	29,438	9,571	16,800	4,458
Puerto Rico	16,960	9,626	20,109	5,355	10,729	2,456
Rhode Island	9,942	1,036	10,008	2,913	6,018	1,922
South Carolina	46,048	15,532	51,272	12,062	29,372	6,817
South Dakota	5,204	1,536	5,318	1,210	2,961	700
Tennessee	64,972	27,853	72,421	28,237	42,747	15,187
Texas	198,414	49,755	209,817	48,943	115,294	28,048
Utah	11,162	3,158	11,765	3,674	6,742	2,285
Vermont	4,931	414	5,256	1,231	2,884	702
Virginia	54,541	14,153	55,783	13,615	28,488	8,961
Washington	45,574	13,314	48,951	16,202	26,838	8,945
West Virginia	26,029	9,663	26,401	11,071	14,204	5,935
Wisconsin	40,903	11,405	45,951	10,903	29,646	7,092
Wyoming	2,981	565	3,186	451	1,870	426

Table C-4 shows Prototype State DDS claims dispositions in FYs 2008 through 2010 (as of March 26, 2010).⁴

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Alabama	62,546	342	72,384	455	39,927	361
Alaska	4,129	26	4,374	21	2,455	10
California	261,511	55,805	273,068	59,675	132,599	29,124
Colorado	27,799	165	27,662	112	14,319	63
Louisiana	54,510	345	60,790	348	32,634	178
Michigan	104,178	401	107,181	400	58,437	247
Missouri	61,737	322	65,796	267	36,432	192
New Hampshire	9,319	16	9,919	37	5,578	34
New York	150,299	1,330	156,742	1,334	86,901	546
Pennsylvania	121,703	346	123,351	372	65,951	204

Table C-5 shows non-Prototype State DDS allowance rates in FYs 2008 through 2010 (as of March 26, 2010).⁶

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Arizona	36.9	20.0	34.3	17.1	31.8	15.2
Arkansas	36.1	11.1	37.1	11.7	34.3	10.1
Connecticut	33.1	14.7	31.9	14.2	31.2	11.4
Delaware	44.5	15.0	42.9	10.1	40.9	9.1
District of Columbia	44.6	22.1	40.5	17.0	47.4	19.6
Florida	33.6	14.0	34.7	14.7	33.4	13.8
Georgia	24.9	10.3	28.7	16.6	29.6	16.5
Hawaii	52.6	25.2	50.3	23.8	47.3	27.8
Idaho	39.2	10.4	38.6	10.9	34.4	10.9
Illinois	35.6	14.1	36.0	12.5	34.4	10.9

⁴ SSA, Office of Disability Programs, Performance Management System On-Line Reporting of DDS Performance, April 2010. This table includes information for both DI and SSI claims.

⁵ In California, only two of the DDS branches are Prototype, and the other non-Prototype branches process reconsiderations. For any claimant who files a reconsideration claim in a non-Prototype State and moves to a Prototype State, the claim will be transferred to the DDS in the new State of residence, which will continue to process the reconsideration. Therefore, Prototype States process a small number of reconsideration claims.

⁶ SSA, Office of Disability Programs, Performance Management System On-Line Reporting of DDS Performance, April 2010. This table includes information for both DI and SSI claims.

Table C-5: DDS Non-Prototype Allowance Rates

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Indiana	36.2	6.8	35.1	6.6	34.0	6.6
Iowa	32.4	12.2	33.3	10.4	32.4	9.5
Kansas	36.0	16.2	38.3	18.3	39.0	18.0
Kentucky	28.8	7.7	32.3	8.8	30.4	8.3
Maine	35.7	15.5	32.4	13.3	33.0	15.5
Maryland	37.6	20.0	38.7	18.9	37.5	17.7
Massachusetts	45.7	29.0	46.2	27.4	44.6	26.4
Minnesota	37.4	12.4	39.6	11.0	37.7	9.7
Mississippi	24.5	6.9	26.6	6.9	25.2	6.2
Montana	41.6	14.6	41.5	15.0	40.5	14.4
Nebraska	37.3	12.0	38.6	12.9	39.6	14.9
Nevada	42.7	22.6	41.4	16.4	38.5	16.1
New Jersey	45.0	20.8	48.4	20.8	47.4	15.2
New Mexico	36.4	13.2	37.2	14.4	36.1	16.4
North Carolina	30.9	13.2	29.6	12.5	28.6	11.7
North Dakota	38.2	12.7	40.4	10.8	44.1	14.7
Ohio	27.1	10.5	28.6	10.4	31.1	12.8
Oklahoma	39.7	14.6	38.6	12.5	36.6	11.8
Oregon	37.4	13.2	39.9	13.1	40.3	12.8
Puerto Rico	43.7	28.1	59.8	35.5	61.7	30.2
Rhode Island	38.2	18.2	37.5	14.9	36.0	13.8
South Carolina	31.1	15.3	31.9	15.1	29.8	15.4
South Dakota	35.8	11.6	40.0	11.9	42.8	12.5
Tennessee	25.1	8.7	27.5	9.3	25.8	7.9
Texas	42.5	20.1	43.5	19.8	41.4	17.5
Utah	44.3	15.6	44.4	13.1	40.8	11.9
Vermont	48.1	15.9	48.3	15.7	44.2	21.4
Virginia	39.6	14.3	40.4	14.3	40.0	12.9
Washington	39.7	10.7	39.9	10.8	39.3	11.1
West Virginia	26.4	10.2	26.4	8.2	25.8	8.4
Wisconsin	40.3	17.8	44.1	18.2	38.9	16.2
Wyoming	48.0	10.4	51.8	7.0	49.1	4.5

Table C-6 shows Prototype State DDS allowance rates in FYs 2008 through 2010 (as of March 26, 2010).⁷

DDS	FY 2008		FY 2009		FY 2010	
	Initial	Recon	Initial	Recon	Initial	Recon
Alabama	31.8	22.3	31.6	17.3	30.8	20.7
Alaska	42.9	28.0	51.2	16.7	47.8	0.0
California	39.0	12.9	37.6	12.1	36.0	12.2
Colorado	34.9	21.5	39.4	20.4	38.5	31.6
Louisiana	36.6	25.7	36.2	24.9	35.4	27.3
Michigan	30.2	27.7	36.6	31.3	34.1	28.4
Missouri	33.6	28.3	33.6	27.7	32.5	22.8
New Hampshire	51.9	36.4	51.9	35.5	50.1	35.5
New York	44.3	51.2	45.0	44.2	42.1	38.2
Pennsylvania	36.7	27.9	35.3	25.9	34.0	23.5

⁷ SSA, Office of Disability Programs, Performance Management System On-Line Reporting of DDS Performance, April 2010. This table includes information for both DI and SSI claims.

Appendix D

Office of Disability Adjudication and Review Statistics

In April 2010, the Social Security Administration provided us data on hearing decisions. Table D-1 shows Office of Disability Adjudication and Review (ODAR) hearings processed in Michigan and nationally in Fiscal Years (FY) 2008 through 2010 (as of March 2010).

Table D-1: ODAR Hearings Processed			
Michigan DDS	FY 2008	FY 2009	FY 2010
Detroit	5,488	5,515	3,135
Flint	4,032	3,667	1,943
Grand Rapids	4,314	4,704	2,179
Lansing	3,818	3,719	1,807
Oak Park	4,991	6,058	2,976
Total	22,643	23,663	12,040
National Total	575,380	660,842	353,988

Table D-2 shows ODAR processing times in Michigan and nationally in FYs 2008 through 2010 (as of March 2010).

Table D-2: ODAR Processing Times			
Michigan DDS	FY 2008	FY 2009	FY 2010
Detroit	629	663	584
Flint	722	622	491
Grand Rapids	676	618	548
Lansing	726	636	584
Oak Park	731	674	590
Average	697	643	559
National Average	514	491	442

Table D-3 shows ODAR allowance rates in Michigan and nationally in FYs 2008 through 2010 (as of March 2010).

Table D-3: ODAR Allowance Rates			
Michigan DDS	FY 2008	FY 2009	FY 2010
Detroit	56%	56%	62%
Flint	61%	65%	75%
Grand Rapids	54%	53%	62%
Lansing	59%	62%	67%
Oak Park	56%	56%	64%
Average	57%	58%	66%
National Average	63%	63%	N/A

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