
Annual Performance Report *Fiscal Year 2019*

*Office of the Inspector General
Social Security Administration*

TABLE OF CONTENTS

| | |
|---|-----------|
| Executive Summary | 1 |
| Performance Results | 2 |
| Performance Discussion and Analysis..... | 3 |
| Goal 1 – Impact | 3 |
| Goal 2 – Value..... | 5 |
| Goal 3 – People..... | 8 |
| Historical Comparison | 9 |
| OIG Mission Statement..... | 10 |

EXECUTIVE SUMMARY

This 2019 Performance Report details the Social Security Administration (SSA) Office of the Inspector General's (OIG) results for the fourth year operating under our [Fiscal Year \(FY\) 2016 – 2020 Strategic Plan](#). We evaluated our progress using 15 performance measures developed within a framework of three strategic goals: **Impact**, **Value**, and **People**. For FY 2019, we successfully met 13 out of 15 performance measures.

The first of our three strategic goals focuses on the **impact** we have on SSA's programs and operations. All OIG components are committed to improving SSA's effectiveness and efficiency through our audits, investigations, and legal activities. We used four performance measures to track our oversight of SSA's programs and operations. We achieved this goal in FY 2019 by exceeding three out of four performance measures. For example, this year 91 percent of our cases opened were directly related to improper payments in SSA's benefit programs; and we achieved an 81 percent successful conclusion rate for our Title II and Title XVI cases closed.

The second goal reflects the **value** we provide to SSA, Congress, and the American public by delivering timely and reliable products and services while sustaining a positive return for each tax dollar invested in OIG activities. We tracked our progress toward this goal using eight performance measures. For FY 2019, we met or exceeded all performance targets for this goal; for example, we generated a positive return of \$39 for every tax dollar invested.

The third goal includes enhancing the work experience of our **people**, who are the foundation of the OIG's value and achievement. We used three performance measures to evaluate our success in maintaining a skilled, motivated, and diverse workforce in a positive and rewarding work environment. This year, we met our target in two of the three performance measures. For example, during FY 2019, 99 percent of our employees received 40 hours or more of appropriate developmental and skill-enhancement training.

PERFORMANCE RESULTS

| MEASURE | DESCRIPTION | TARGET | RESULT | GOALS | |
|---------------|---|------------|--------------------|-------|---------|
| | | | | MET | NOT MET |
| IMPACT | | | | | |
| <u>1.1</u> | Maintain an annual acceptance rate of at least 88 percent for all audit recommendations. | 88% | 97% | X | |
| <u>1.2</u> | Achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency, and effectiveness of SSA. | 85% | 82% | | X |
| <u>1.3</u> | Ensure that at least 80 percent of all cases opened during the fiscal year directly relate to improper payments within SSA's Title II and Title XVI Programs. | 80% | 91% | X | |
| <u>1.4</u> | Achieve a successful conclusion on at least 75 percent of all Title II and Title XVI cases closed during the fiscal year. | 75% | 81% | X | |
| VALUE | | | | | |
| <u>2.1</u> | Generate a positive return of \$8 for every tax dollar invested in OIG activities. | \$8 to \$1 | \$39 to \$1 | X | |
| <u>2.2</u> | Evaluate and respond to 90 percent of all allegations received within 60 days. | 90% | 98% | X | |
| <u>2.3</u> | Complete investigative fieldwork on 75 percent of all cases within 180 days. | 75% | 84% | X | |
| <u>2.4</u> | Respond to 95 percent of constituent-based congressional inquiries within 21 days. | 95% | 95% | X | |
| <u>2.5</u> | Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt. | 90% | 94% | X | |
| <u>2.6</u> | Achieve a positive external user assessment rating of 85 percent for product-service quality. | 85% | 92% | X | |
| <u>2.7</u> | Issue 85 percent of final audit reports within 1 year of the entrance conference with SSA. | 85% | 89% | X | |
| <u>2.8</u> | Complete 85 percent of requests for legal advice and review within 30 days. | 85% | 99% | X | |
| PEOPLE | | | | | |
| <u>3.1</u> | Achieve an annual attrition rate of 5 percent or less. | 5% | 3% | X | |
| <u>3.2</u> | Achieve an average of 75 percent job satisfaction reported in annual job-satisfaction survey results. | 75% | 43% | | X |
| <u>3.3</u> | Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill enhancement training annually. | 90% | 99% | X | |

PERFORMANCE DISCUSSION AND ANALYSIS

This section provides detailed performance information, including a description of our Strategic Plan goals aimed at achieving success in each of the three areas. We state each goal and its associated measures, and describe the method of calculation. We also discuss, where appropriate, how we were successful in meeting our goals.

Goal 1 – IMPACT

Enhance the integrity, efficiency, and effectiveness of SSA programs and operations.

Objectives within this goal include:

1. Promote an OIG-wide process for cross-component communications on potential programmatic and operational vulnerabilities.
2. Communicate with the Agency to identify mission-critical issues and operations that would benefit from OIG audit and investigation services and develop practical solutions to address identified weaknesses or deficiencies.
3. Prioritize investigations, audits, and legal actions dedicated to improving the efficiency and effectiveness of SSA programs and operations.

| Measure1.1 | Maintain an annual acceptance rate of at least 88 percent for all audit recommendations. | FY 2019 Result 97 Percent |
|---|--|------------------------------|
| We calculate this measure by dividing the number of legislative, policy, and regulatory recommendations accepted by SSA and/or the Congress (included in proposed legislation) during the FY by the total number of recommendations with a management decision and legislative proposals made during the FY. For FY 2019, our annual acceptance rate was 97 percent, exceeding our goal of 88 percent. | | |

| | | |
|---|--|--|
| Measure 1.2 | Achieve a 5-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency, and effectiveness of SSA. | FY 2019 Result 82 Percent |
| We calculate this measure by dividing the total number of accepted recommendations implemented by SSA during the past five FYs by the total number of recommendations SSA agreed to implement during the past five FYs. | | |
| Since SSA needs sufficient time to implement the recommendations it has been agreed that a one-year lag exist in this calculation. Thus, for FY 2019 we are reporting the five-year period covering FYs 2014 through 2018. Our average implementation rate for accepted audit recommendations was 82 percent. Although we did not meet our goal for this measure, we have been working with SSA to obtain regular updates on the status of open recommendations. There are a number of open recommendations from FY 2017 and 2018 for which SSA expects to complete corrective action during FY 2020. | | |
| Measure 1.3 | Ensure that at least 80 percent of all cases opened during the fiscal year directly relate to improper payments within SSA's Title II and Title XVI Programs. | FY 2019 Result 91 Percent |
| We calculate this measure by dividing the total number of cases opened during the FY that are directly related to the Title II or Title XVI programs, by the total number of cases opened during the FY. | | |
| For FY 2019, our performance result of 91 percent exceeded our 80-percent target. | | |
| Measure 1.4 | Achieve a successful conclusion on at least 75 percent of all Title II and Title XVI cases closed during the FY. | FY 2019 Result 81 Percent |
| We calculate this measure by dividing the number of closed Title II and Title XVI cases successfully concluded during the FY by the total number of Title II and Title XVI cases closed during the FY. Successful conclusions include criminal, civil, and administrative outcomes favorable to SSA and the integrity of its programs. | | |
| A successful criminal conclusion occurs when a subject either pleads guilty or is convicted, or accepts pre-trial diversion or probation before judgment. A successful civil conclusion occurs when the Office of Counsel to the Inspector General (OCIG) or Office of Counsel for Investigations and Enforcement (OCIE) accepts a CMP referral resulting from our Office of Investigations' (OI) casework. A successful administrative conclusion occurs when SSA denies, terminates, suspends, recovers, or reduces a benefit; or removes a representative payee, based on an OI investigation. | | |
| For FY 2019, our performance result of 81 percent exceeded our 75-percent target. | | |

Goal 2 – VALUE

Provide quality products and services of value in a timely manner to Congress, SSA, and other key decision-makers while sustaining a positive return for each tax dollar invested in OIG activities.

Objectives within this goal include:

1. Maintain a “positive-return” culture within OIG.
2. Ensure continual improvement of OIG products by using a product and service-quality assessment instrument to measure external user satisfaction.
3. Implement best practices to ensure quality and timeliness of OIG products and services.
4. Utilize information technology investments to enhance OIG work products and service delivery.

| Measure 2.1 | Generate a positive return of \$8 for every tax dollar invested in OIG activities. | FY 2019 Result \$39 to \$1 |
|--|--|-------------------------------|
| We calculate this measure by dividing the total amount of all OIG savings identified during the FY by the total amount of appropriated funds during the same period. For FY 2019, we generated a return of \$39 for every dollar invested in our operations. This rate of return was bolstered, in particular, by three audit reports: <ul style="list-style-type: none">• <u>Accuracy of Disability Entitlement Dates for Primary Beneficiaries Who Previously Filed Disability Claims,</u>• <u>The Social Security Administration's Application of Due-process Provisions for Old-Age, Survivors and Disability Insurance Overpayments,</u> and• <u>The Social Security Administration's Use of Averaging When It Determined Substantial Gainful Activity for Disabled Beneficiaries.</u> In these reports, we identified over \$722 million in questioned costs and over \$1.3 billion in funds put to better use. | | |

| Measure 2.2 | Evaluate and respond to 90 percent of all allegations received within 60 days. | FY 2019 Result 98 Percent |
|---|--|------------------------------|
| We calculate this measure by dividing the total number of allegations closed or referred within 60 days during the FY by the total number of allegations closed or referred during the FY. For FY 2019, we evaluated and responded to 98 percent of all allegations received within 60 days. | | |

| Measure 2.3 | Complete investigative fieldwork on 75 percent of all cases within 180 days. | FY 2019 Result 84 Percent |
|--|--|--------------------------------------|
| We calculate this measure by dividing the total number of investigations closed or referred for prosecution, CMP, SSA administrative action, or other State or Federal agency action within 180 days during the FY by the total investigations closed or referred during the FY. | | |
| Measure 2.4 | Respond to 95 percent of constituent-based congressional requests within 21 days. | FY 2019 Result 95 Percent |
| We calculate this measure by dividing the total number of constituent-based congressional inquiries (inquiries made by Members of Congress on behalf of one or more named constituents) responded to within 21 days during the FY divided by the total number of such inquiries received during the FY. Processing days are the calendar days elapsed from the OIG's receipt of such an inquiry to the date of the first written response to the Member of Congress. | | |
| Measure 2.5 | Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt. | FY 2019 Result 94 Percent |
| We calculate this measure by dividing the total number of CMP subjects against whom initial action was taken within 30 days of receipt by OCIG during the FY, by the total number of CMP subjects where action was taken during the FY. For FY 2019, we had a performance result of 94 percent. Initial action is defined as: sending a letter to the subject stating an intention to pursue a CMP, referring the case to SSA for administrative action, or closing the case. For facilitator fraud cases, the measure includes only the lead subject(s), i.e. the facilitators. | | |

| Measure 2.6 | Achieve a positive external user assessment rating of 85 percent for product-service quality. | FY 2019 Result 92 Percent |
|---|--|--------------------------------------|
| <p>The OIG's Office of Quality Assurance and Professional Responsibility, during each quality assurance review, asks external customers to rate their level of satisfaction with the quality of OIG products and services. Recipients and users of OIG products and services include SSA and other Government entities, such as the Congress, U.S. Attorneys Offices, and external law enforcement agencies. This rating, measured using a five-tier scale, is averaged for each Quality Assurance Review conducted during the FY, and then translated into a percentage, with 85 percent indicating satisfaction.</p> <p>For FY 2019, we achieved a 92-percent rating, exceeding our performance target of 85 percent.</p> | | |
| Measure 2.7 | Issue 85 percent of final audit reports within one year of the entrance conference with SSA. | FY 2019 Result 89 Percent |
| <p>We calculate this measure by dividing the total number of audit reports issued during the FY within one year of the entrance conference by the total number of audit reports issued during the FY.</p> <p>For FY 2019, our office achieved an 89 percent rating, exceeding our goal of 85 percent.</p> | | |
| Measure 2.8 | Complete 85 percent of requests for legal advice and review within 30 days. | FY 2019 Result 99 Percent |
| <p>We calculate this measure by dividing the total number of legal opinions, subpoenas, and audit reviews completed by OCIG within 30 days of receipt during the FY by the total number of requests for legal opinions, subpoenas, and audit reviews completed during the FY.</p> <p>During FY 2019, we completed 99 percent of legal opinions, subpoenas, and audit reviews within 30 days of receipt.</p> | | |

Goal 3 – PEOPLE

Promote a skilled, motivated, diverse workforce in a positive and rewarding work environment.

Objectives within this goal include:

1. Identify assignment interests and developmental needs of all employees.
2. Provide OIG components with training and tools necessary to ensure professional development and skills enhancement.
3. Maintain a proactive approach in recruiting and hiring candidates to meet different needs.

| Measure 3.1 | Achieve an annual attrition rate of 5 percent or less. | FY 2019 Result 3 Percent |
|--|---|-------------------------------------|
| We calculate this measure by dividing the total employee separations (excluding retirements and deaths) at the end of the FY (09/30/19), by the number of employees on board at the beginning of the FY (10/1/18). For FY 2019, OIG had a 3 percent attrition rate, which is lower—and thus better—than our goal of 5 percent. | | |

| Measure 3.2 | Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvement is needed. | FY 2019 Result 43 Percent |
|---|--|--------------------------------------|
| OIG's Organizational Health Committee conducts an annual employee job-satisfaction survey that consists of specific job-satisfaction questions, the responses to which are averaged to determine the overall percentage of job satisfaction. We have defined success for this measure as having an average positive-response rate of 75 percent to these questions. For FY 2019, the average positive-response rate from employees for the job-satisfaction related questions was 43 percent. | | |

| Measure 3.3 | Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill-enhancement training annually. | FY 2019 Result 99 Percent |
|---|--|--------------------------------------|
| We calculate this measure by dividing the number of OIG staff who received at least 40 hours of training during the FY and who were on board at the beginning of the FY, by the number of OIG staff on board at the beginning of the FY. In FY 2019, 99 percent of OIG employees completed at least 40 hours of appropriate training. | | |

HISTORICAL COMPARISON

| MEASURE | DESCRIPTION | FY 2017 RESULTS | FY 2018 RESULTS | FY 2019 RESULTS |
|---------|--|-----------------|-----------------|-----------------|
| 1.1 | Maintain an annual acceptance rate of at least 88 percent for all audit recommendations. | 100% | 96% | 97% |
| 1.2 | Achieve a five-year average implementation rate of 85 percent for accepted recommendations aimed at improving the integrity, efficiency, and effectiveness of SSA. | 90% | 85% | 82% |
| 1.3 | Ensure that at least 80 percent of all cases opened during the fiscal year directly relate to improper payments within SSA's Title II and Title XVI Programs. | 96% | 94% | 91% |
| 1.4 | Achieve a successful conclusion on at least 75 percent of all Title II and Title XVI cases closed during the fiscal year. | 85% | 82% | 81% |
| 2.1 | Generate a positive return of \$8 for every tax dollar invested in OIG activities. | \$47 to 1 | \$32 to \$1 | \$39 to 1 |
| 2.2 | Evaluate and respond to 90 percent of all allegations received within 60 days. | 98% | 98% | 98% |
| 2.3 | Complete investigative fieldwork on 75 percent of all cases within 180 days. | 89% | 87% | 84% |
| 2.4 | Respond to 95 percent of constituent-based congressional requests within 21 days. | 100% | 97% | 95% |
| 2.5 | Take action on 90 percent of Civil Monetary Penalty (CMP) subjects within 30 days of receipt. | 96% | 99% | 94% |
| 2.6 | Achieve a positive external user assessment rating of 85 percent for product-service quality. | 96% | 98% | 92% |
| 2.7 | Issue 85 percent of final audit reports within one year of the entrance conference with SSA. | 93% | 92% | 89% |
| 2.8 | Complete 85 percent of requests for legal advice and review within 30 days. | 97% | 100% | 99% |
| 3.1 | Achieve an annual attrition rate of 5 percent or less. | 3% | 3% | 3% |
| 3.2 | Conduct an annual employee job-satisfaction survey and implement corrective action plans to identify areas where improvements are needed. | 70% | 66% | 43% |
| 3.3 | Ensure that 90 percent of OIG staff receives 40 or more hours of appropriate developmental and skill-enhancement training annually. | 98% | 98% | 99% |

OIG MISSION STATEMENT

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

OIG VISION AND VALUES

We strive for continual improvement in the Social Security Administration'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.