

Report Summary

Social Security Administration Office of the Inspector General

February 2012



Objective

To determine the extent of unnecessary medical determinations for Supplemental Security Income (SSI) disability claims, which incur additional costs to the Social Security Administration (SSA).

Background

In Fiscal Year 2009, the cost for SSA to process a non-medical denial was \$16.70 per claim. The cost for disability determination services (DDS) to make a medical determination was \$519 per claim, and the cost for a hearing was \$1,690 (this includes the \$519 DDS medical determination cost plus the cost of an administrative law judge decision, which is \$1,171 per claim).

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<http://oig.ssa.gov/audits-and-investigations/audit-reports/A-01-10-20120>

Unnecessary Medical Determinations for Supplemental Security Income Disability Claims (A-01-10-20120)

Our Findings

SSI disability claims received medical determinations even though the claimants did not meet the non-medical criteria for SSI. Based on our review, we estimate that 7,391 SSI claims received a medical determination unnecessarily in 2009. As a result, SSA spent approximately \$3.8 million on unnecessary medical determinations.

Our Recommendations

SSA remind staff to process non-medical denials for SSI claims that do not meet requirements before referring to the DDS. SSA disagreed with the recommendation.