



March 7, 2011

The Honorable Xavier Becerra  
Subcommittee on Social Security  
Committee on Ways and Means  
House of Representatives  
Washington, D.C. 20515

Dear Mr. Becerra:

On April 15, 2010, at a Subcommittee on Social Security oversight hearing on Social Security Administration (SSA) field office service delivery, you asked my office to review the Internet claim (iClaim) application. Specifically, you expressed concern about whether applicants filing for benefits using the iClaim application were receiving an appropriate level of service from SSA. To address this concern, we initiated four reviews of iClaims. These reviews evaluated the iClaim application process for both retirement insurance and disability benefits and obtained applicants' and employees' perceptions on the iClaim application process.

Attached is the report for the first of our four reviews. This review presents applicants' perceptions of the iClaim process for retirement insurance benefits. I appreciate the opportunity to share our insights on this important matter, and I am pleased to provide you the enclosed report. The report addresses the Subcommittee's concerns and highlights various facts pertaining to the issues raised during the hearing. To ensure SSA is aware of the information provided to your office, we are forwarding a copy of this report to the Agency.

If you have any questions concerning this matter, 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

# **CONGRESSIONAL RESPONSE REPORT**

## *Applicant Experiences with Retirement Insurance Benefit Internet Claim Applications*

A-07-10-20167



March 2011

## 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 obtain applicants' perceptions of the Internet claim (iClaim) process for retirement insurance benefits (RIB).

## **BACKGROUND**

In response to customer requests for more Internet services and the requirements of the *Government Paperwork Elimination Act of 1998*,<sup>1</sup> the Social Security Administration (SSA) began allowing applicants to complete and electronically sign an online application for certain Title II Social Security benefits.<sup>2</sup> Specifically, applicants can use the Internet to file for RIB, aged spouse's benefits, Disability Insurance benefits, and Medicare-only benefits.<sup>3</sup> In December 2008, SSA implemented the iClaim application, which modified prior versions of the Internet application.<sup>4</sup>

In Fiscal Year (FY) 2010, SSA received approximately 2.5 million RIB applications, with approximately 920,000 (37 percent) received via iClaim. SSA's goal is to have 50 percent of RIB applications submitted using the iClaim application by FY 2012.

At an April 15, 2010 hearing before the U.S. House of Representatives' Committee on Ways and Means, Subcommittee on Social Security, Congressman Xavier Becerra asked the Office of the Inspector General (OIG) to review the iClaim application to ensure applicants filing for benefits using the iClaim application were receiving an appropriate level of service from SSA.

---

<sup>1</sup> Pub. L. No. 105-277.

<sup>2</sup> SSA, POMS, GN 00204.055.A.

<sup>3</sup> SSA, POMS, GN 00204.055.B.

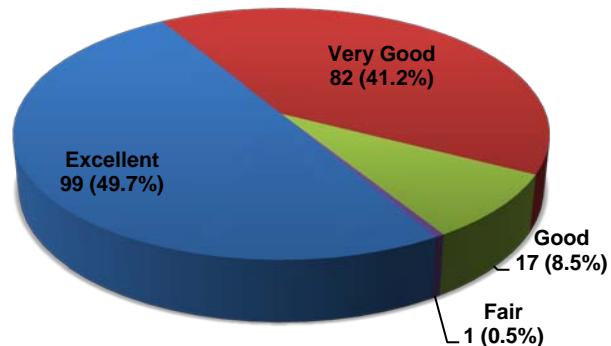
<sup>4</sup> SSA, Teleservice Center Operating Guide, TC 31507.010.A.

# Results of Review

To obtain applicants' perceptions of the iClaim application and determine whether applicants filing for RIB using the iClaim application were receiving an appropriate level of service from SSA, we discussed their experiences with 200 applicants who filed an RIB iClaim application in May 2010.<sup>5</sup> Based on our discussions, we determined that applicants had a positive perception of the RIB iClaim application process. In fact, 198 of the 200 applicants identified their experience filing online to be excellent, very good, or good, with almost half providing the top rating of excellent (see Chart 1).<sup>6</sup> One applicant stated that the iClaim application was as easy as could be, and that, if a person of his age—who did not grow up with the Internet—could do it, he did not see how any future generation would have any problems. Another applicant said, "The application and the process was very easy and saved a lot of time...."

Furthermore, the majority of the applicants found the iClaim very easy to navigate and understood the questions asked of them in the iClaim application as well as the instructions for submitting supporting documentation to SSA. In addition, we found that some applicants in our review were contacted by an SSA employee when it was necessary to obtain more information or clarification of information in the iClaim application.

**Chart 1: Overall Experience with the iClaim Application**



<sup>5</sup> See Appendix B for a detailed discussion of the scope, methodology, and sample results for our review.

<sup>6</sup> One applicant ended the call before rating his experience filing online. Therefore, Chart 1 only includes 199 of the 200 applicants. The applicant who felt the iClaim application was fair stated that the earnings questions were confusing and the application was difficult to navigate.

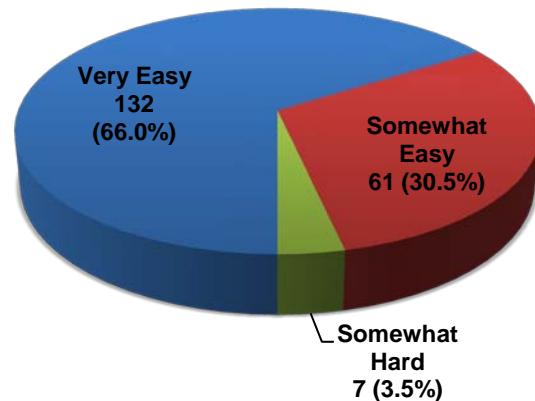
## NAVIGATING THE ICLAIM APPLICATION

The majority of the applicants in our review stated that the iClaim was very easy to navigate. Specifically, 193 of the 200 applicants rated their ability to navigate the iClaim as very easy or somewhat easy (see Chart 2).<sup>7</sup>

In addition, 49 (24.5 percent) of the 200 applicants saved their progress on the iClaim application and completed it at a later time. All 49 of these applicants stated it was very easy or easy to return to the application. Furthermore, there were 36 (18 percent) applicants who changed their answers after reviewing the information they had entered into the iClaim application. Of these 36 applicants, 32 (88.9 percent) indicated that it was either very easy or easy to make the changes.<sup>8</sup>

The results of our review show that, from a customer service perspective, SSA had made the iClaim application easy to navigate for applicants filing for RIB via the Internet.

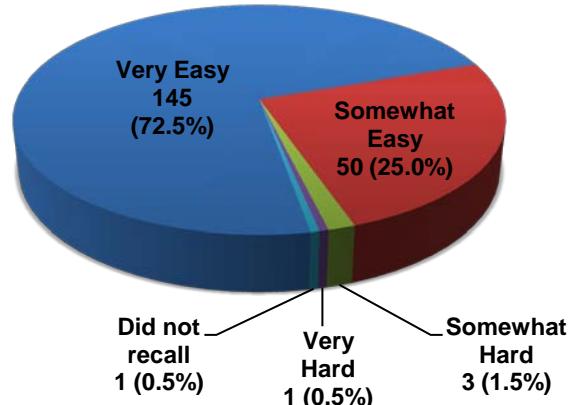
Chart 2: Navigating the iClaim



## UNDERSTANDABILITY OF THE ICLAIM APPLICATION

The majority of the applicants indicated that they understood the questions asked on the iClaim application. In fact, 195 of the 200 applicants responded that answering the questions about general information for their claim, such as marriage history and dependent children, was somewhat easy or very easy (see Chart 3).<sup>9</sup>

Chart 3: Marriage History and Dependent Children Questions



<sup>7</sup> The seven applicants who felt the iClaim was somewhat hard to navigate cited various reasons for the difficulty. Specifically, three applicants found the formatting hard to navigate; two applicants felt the wording made it hard to understand where to go; one applicant felt the navigation was slow; and one applicant had difficulty operating the computer.

<sup>8</sup> All four applicants who felt it was hard or very hard to make changes to information already entered into the iClaim application stated that they had trouble figuring out how to make the changes.

<sup>9</sup> Of the five remaining applicants, one did not recall the understandability of the questions. The remaining four applicants felt answering the general information questions was somewhat hard or very hard because they had difficulty remembering the requested information. The applicants' inability to remember the requested information is beyond SSA's control.

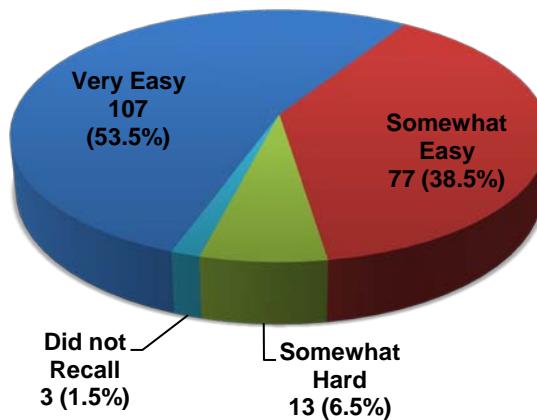
In addition, 184 of the 200 applicants responded that it was somewhat easy or very easy to understand the questions about their work history and earnings (see Chart 4).<sup>10</sup> One applicant stated, “All the questions were very straightforward. The key is that you need to be sure you have all the needed information with you while you are filing.”

While working on the iClaim, some applicants requested additional help or accessed supplementary information to answer some questions. Specifically, we found that 123 applicants used the available online help links to get additional information when answering some of the questions, and 19 applicants contacted SSA for assistance.<sup>11</sup> When asked why they sought help, participants most often responded that they had questions about eligibility or needed clarification of issues related to earnings and month of election.

Furthermore, we found that the applicants understood the instructions for submitting supporting documentation to SSA. In fact, of the 54 applicants who were asked to submit documents, 100 percent felt that the instructions explaining which documents were needed and how the documents should be provided to SSA were very clear or somewhat clear.

The results of our review show that, from a customer service perspective, SSA had made the questions asked in the iClaim application easy to understand for applicants filing for RIB via the Internet.

**Chart 4: Work History and Earnings Questions**



<sup>10</sup> The 13 applicants who felt answering work history and earnings questions was somewhat hard cited various reasons for the difficulty. Specifically, two applicants felt that the wording was confusing. In addition, six applicants had difficulty estimating their earnings; three applicants had difficulty remembering their work history; and two applicants did not have the necessary documentation available. The applicants' inability to provide the requested information is beyond SSA's control.

<sup>11</sup> If applicants need more detailed information, “More Info” or “Things to Consider” buttons that link to “Help” screens are available after most questions in the iClaim application. In addition, applicants can use online links to access SSA’s Retirement Estimator to help estimate different benefit amounts based on when they want to start receiving RIB. Of the 200 applicants in our review, 32 used only the help links, 52 used only the Retirement Estimator, and 39 used both the help links and the Retirement Estimator.

## SSA RE-CONTACT WITH APPLICANTS

There are some circumstances where it is necessary for an SSA employee to re-contact an applicant for more information, or clarification of information, in the iClaim application before the iClaim can be processed.<sup>12</sup> Of the 200 applicants in our review, 67 (33.5 percent) recalled being re-contacted by an SSA employee after submitting their iClaim application. According to the applicants, the employees re-contacted them predominately for two issues—work and earnings or auxiliaries<sup>13</sup> (see Table 1).

Table 1: Reasons for Re-contact <sup>14</sup>		
Re-contact Issue	Applicants	
Work and Earnings	21	31.3%
Auxiliaries	14	20.9%
Did not Recall	12	17.9%
Month of Election	11	16.4%
Needed Documentation	4	6.0%
Military Information	4	6.0%
Confirm Identity	1	1.5%
Medicare	1	1.5%
<b>Total</b>	<b>68</b>	<b>101.5%</b>

We did not review the accuracy of the iClaim applications processed for the applicants in our review. Therefore, we cannot conclude that SSA made all necessary re-contacts. However, our review does provide evidence that SSA is following up with applicants to obtain additional information or clarification of information in the iClaim application.

---

<sup>12</sup> We are completing a review, *Retirement Internet Claim Applications* (A-07-10-20165), that will provide more in-depth information about reasons for employee re-contact.

<sup>13</sup> SSA, POMS, GN 03301.002.B. An “auxiliary” is someone entitled to benefits based on someone else’s work record, by virtue of relationship to the applicant, such as a spouse or child.

<sup>14</sup> The total number of reasons applicants were re-contacted is greater than the number of applicants who were re-contacted because one applicant was re-contacted for two reasons. Therefore, the total percentage of applicants who were re-contacted for various reasons is also greater than 100 percent.

## *Conclusions*

---

During our discussions with the applicants in our review, no comments were made that indicated applicants filing for RIB using the iClaim application did not receive an appropriate level of service from SSA. In fact, we found that applicant satisfaction with the RIB iClaim application was extremely high. Specifically, 99 percent of the applicants found their overall experience filing online to be excellent, very good, or good.

The majority of the applicants responded that the iClaim application was easy to navigate, and the questions asked in the application were easy to understand. In fact, we found only a small percentage of the applicants in our review needed to contact SSA for assistance or information. Instead, the applicants used the available online help links to get more information when needed. Furthermore, we found that SSA is following up with applicants to obtain additional information or clarification of information in the iClaim application.

# Appendices

---

APPENDIX A – Acronyms

APPENDIX B – Scope, Methodology, and Sample Results

### **Acronyms**

FY	Fiscal Year
iClaim	Internet Claim
OIG	Office of the Inspector General
POMS	Program Operations Manual System
Pub. L. No.	Public Law Number
RIB	Retirement Insurance Benefits
SSA	Social Security Administration

# Scope, Methodology, and Sample Results

To achieve our audit objective, we:

- Reviewed applicable Federal laws and regulations as well as Social Security Administration (SSA) policies and procedures pertaining to the Internet claim (iClaim) application process.
- Reviewed prior Office of the Inspector General reports related to SSA's electronic services.
- Obtained a data extract from SSA of 64,785 retirement insurance benefits (RIB) iClaim applications filed in May 2010.<sup>1</sup>
- From the data extract, we selected a random sample of 250 RIB iClaim applications. For each iClaim application, we:
  - ✓ Mailed applicants up to two letters regarding our review.
  - ✓ Called the applicants up to three times.
  - ✓ For those we were able to contact, recorded any information they provided regarding their experiences using the iClaim.
  - ✓ Completed discussions with 200 of the 250 applicants in our sample. For the 50 applicants who did not have a discussion completed,
    - 37 were unable to be contacted, and
    - 13 declined to participate.

Our work was conducted at the Office of Audit in Kansas City, Missouri, from May through December 2010. The entity reviewed was the Office of Operations. We determined that the data used in this report were sufficiently reliable given the objective and their intended use. We conducted our review in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspections*.

---

<sup>1</sup> SSA's Management Information Report for May 2010 reported 67,502 RIB iClaim applications filed in May 2010. Therefore, the data extract contained 2,717 applications fewer than SSA identified. However, we considered the 4 percent difference immaterial.

## SAMPLE RESULTS

**Table B-1: Ability to Navigate the Online Application**

	Applicants	
Very Easy	132	66.0%
Somewhat Easy	61	30.5%
Somewhat Hard	7	3.5%

**Table B-2: Ability to Make Changes to Information Already Entered**

	Applicants	
Very Easy	21	58.3%
Easy	11	30.6%
Hard	3	8.3%
Very Hard	1	2.8%

**Table B-3: Ability to Return to the Application**

	Applicants	
Very Easy	34	69.4%
Easy	15	30.6%

**Table B-4: Ability to Answer Questions About Work History and Earnings**

	Applicants	
Very Easy	107	53.5%
Somewhat Easy	77	38.5%
Somewhat Hard	13	6.5%
Did Not Recall	3	1.5%

**Table B-5: Ability to Answer Questions About General Information**

	Applicants	
Very Easy	145	72.5%
Somewhat Easy	50	25.0%
Somewhat Hard	3	1.5%
Very Hard	1	0.5%
Did Not Recall	1	0.5%

**Table B-6: Factors Considered When Choosing the Date to Start Receiving Benefits**

	<b>Applicants</b>	
Wanted Benefits as Soon as Possible	107	53.5%
Work Status	23	11.5%
Age	19	9.5%
Other Income	17	8.5%
No Specific Answer Given	13	6.5%
Personal Financial Situation	11	5.5%
Benefit Amount	8	4.0%
Health Issues	2	1.0%
Did Not Recall	2	1.0%

**Table B-7: Accessing Supplementary Information**

	<b>Applicants</b>	
Used Only Retirement Estimator	52	42.3%
Used Both Help Links and Retirement Estimator	39	31.7%
Used Only Help Links	32	26.0%

**Table B-8: Reasons for Contacting SSA**

	<b>Applicants</b>	
Did Not Recall	4	21.0%
Eligibility Question	4	21.0%
Choosing When to Start Benefits	3	15.8%
Earnings Question	3	15.8%
Understanding the Meaning of Some Questions	2	10.5%
Determining How to Answer a Question	1	5.3%
Wasn't Sure What to do Next	1	5.3%
Made a Mistake and Could not Fix It	1	5.3%

**Table B-9: Clarity of Instructions About Providing Documentation to Social Security**

	<b>Applicants</b>	
Very Clear	41	75.9%
Somewhat Clear	13	24.1%

**Table B-10: Reasons for Contact by Social Security Employees**

	Applicants	
Work and Earnings	21	31.3%
Auxiliaries	14	20.9%
Did Not Recall	12	17.9%
Month of Election	11	16.4%
Needed Documentation	4	6.0%
Military Information	4	6.0%
Confirm Identity	1	1.5%
Medicare	1	1.5%

**Table B-11: Rating of Social Security's Internet Claim Application**

	Applicants	
Excellent	99	49.8%
Very Good	82	41.2%
Good	17	8.5%
Fair	1	0.5%

## ***DISTRIBUTION SCHEDULE***

Commissioner of Social Security  
Office of Management and Budget, Income Maintenance Branch  
Chairman and Ranking Member, Committee on Ways and Means  
Chief of Staff, Committee on Ways and Means  
Chairman and Ranking Minority Member, Subcommittee on Social Security  
Majority and Minority Staff Director, Subcommittee on Social Security  
Chairman and Ranking Minority Member, Committee on the Budget, House of Representatives  
Chairman and Ranking Minority Member, Committee on Oversight and Government Reform  
Chairman and Ranking Minority Member, Committee on Appropriations, House of Representatives  
Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives  
Chairman and Ranking Minority Member, Committee on Appropriations, U.S. Senate  
Chairman and Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate  
Chairman and Ranking Minority Member, Committee on Finance  
Chairman and Ranking Minority Member, Subcommittee on Social Security Pensions and Family Policy  
Chairman and Ranking Minority Member, Senate Special Committee on Aging  
Social Security Advisory Board

## **Overview of the Office of the Inspector General**

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

### **Office of Audit**

OA conducts financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

### **Office of Investigations**

OI conducts investigations related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

### **Office of the Counsel to the Inspector General**

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Also, OCIG administers the Civil Monetary Penalty program.

### **Office of External Relations**

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

### **Office of Technology and Resource Management**

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.