

Compendium of Board Reports and Publications (all Board reports can be found at www.SSAB.gov)

2012

- *Annual Report 2011*, July 2012
- Supplemental Security Income Statement, May 2012
- *Aspects of Disability Decision Making: Data and Materials*, February 2012

2011

- The Report of the 2011 Technical Panel on Assumptions and Methods, November 2011
- *Annual Report 2010*, May 2011
- Supplemental Security Income Statement, May 2011
- *The Social Security Administration: A Vision of the Future – The First Steps on the Road to 2020*, March 2011

2010

- *Social Security: Why Action Should Be Taken Soon* (4th ed.), December 2010.
- *Keeping the Record Straight – An Overview of How SSA's Data Exchange Program Works*, December 2010.
- *Disability Programs in the 21st Century Series: The Representative Payee Program*, September 2010. This paper also appeared in the Social Security Administration's *Annual Report of the Supplemental Security Income Program* as "Statement on the Supplemental Security Income Program, Additional Statement by the Social Security Advisory Board," May 2010.
- *Annual Report*, Calendar Year 2009 (August 2010).

2009

- *The Unsustainable Cost of Health Care*, September 2009
- *The Social Security Statement: How It Can Be Improved*, August 2009
- *Annual Report*, May 2009
- *Statement on the Supplemental Security Income Program: A Look Back at the Last 10 Years*, Issue Brief #4, May 2009
- *Bridging the Gap: Improving SSA's Public Service through Technology*, April 2009
- "Substantial Gainful Activity," *Disability Programs in the 21st Century Issue Brief Series*, Volume 1, Number 3, April 2009
- "Need for Review of the Supplemental Security Income Program's Benefit Levels, Asset Limits, and Income Exclusions," *Disability Programs in the 21st Century Issue Brief Series*, Volume 1, Number 2, reissued March 2009

- “Interactions between Supplemental Security Income and Temporary Assistance for Needy Families,” *Disability Programs in the 21st Century Issue Brief Series*, Volume 1, Number 1, reissued February 2009

2008

- *Challenges Facing the Social Security Administration: Present and Future*, Report to the President-Elect Transition Team, December 16, 2008
- *Working for Retirement Security*, September 2008
- *Annual Report 2007*, August 2008
- Supplemental Security Income Statement, May 2008

2007

- The Report of the 2007 Technical Panel on Assumptions and Methods, October 2007
- *Annual Report 2006*, August 2007
- Supplemental Security Income Statement, May 2007
- *Office of Personnel Management's Role in Hiring Administrative Law Judges*, Issue Brief #3, April 2007

2006

- *A Disability System for the 21st Century*, September 2006
- *Improving the Social Security Administration's Hearing Process*, September 2006
- *Annual Report 2005*, September 2006
- *Disability Decision Making: Data and Materials*, May 2006
- *Statement on the Supplemental Security Income Program: Transition from Childhood to Adulthood*, Issue Brief #2, May 2006
- Supplemental Security Income Statement, May 2006

2005

- *The Impact of Immigration on Social Security and the National Economy*, Issue Brief #1, December 2005
- Board Comments on Ticket To Work Regulations, December 2005
- *Annual Report 2004*, October 2005
- *Social Security: Why Action Should Be Taken Soon*, September 2005
- *Overview and Discussion of the Social Security Mortality Projections*, May 2005
- *Retirement Security: The Unfolding of a Predictable Surprise*, March 2005
- Supplemental Security Income Statement, May 2005

2004

- SSAB Statement on CBO Projections, June 2004

- Supplemental Security Income Statement, May 2004
- *Annual Report 2003*, May 2004
- Discussion Forum on the Definition of Disability, April 14, 2004

2003

- The Report of the 2003 Technical Panel on Assumptions and Methods, October 2003
- *The Social Security Definition of Disability*, October 2003
- *Introducing Nonadversarial Government Representatives to Improve the record for Decision in Social Security Disability Adjudications*, May 2003
- Supplemental Security Income Statement, May 2003

2002

- *Annual Report Calendar Year 2002*, December 2002
- Supplemental Security Income Statement, May 2002
- *Alternative Approaches to Judicial Review of Social Security Disability Cases*, March 2002
- *SSA's Obligation To Ensure That The Public's Funds Are Responsibly Collected and Expended*, March 2002

2001

- *Annual Report Fiscal Year 2001*, October 2001
- *Estimating the Real Rate of Return on Stocks Over the Long Term*, August 2001
- *Social Security: Why Action Should Be Taken Soon*, Revised Edition, July 2001
- Supplemental Security Income Statement, May 2001
- *Agenda for Social Security: Challenges for the New Congress and the New Administration*, February 2001
- *Charting the Future of Social Security's Disability Programs: The Need for Fundamental Change*, January 2001
- *Disability Decision Making: Data and Materials (Part One)*, January 2001
- *Disability Decision Making: Data and Materials (Part Two)*, January 2001

2000

- *Annual Report Fiscal Year 2000*, October 2000
- Supplemental Security Income Statement, May 2000

1999

- The Report of the 1999 Technical Panel on Assumptions and Methods, November 1999
- *Annual Report Fiscal Year 1999*, October 1999

- *How the Social Security Administration Can Improve Its Service To The Public*, September 1999
- Forum on Implications of Raising the Social Security Retirement Age, May 1999
- Supplemental Security Income Statement, May 1999

1998

- *Annual Report Fiscal Year 1998*, October 1998
- *How SSA's Disability Programs Can Be Improved*, August 1998
- *Social Security: Why Action Should Be Taken Soon*, July 1998
- *Strengthening Social Security Research: The Responsibilities of the Social Security Administration*, January 1998

1997

- *Increasing Public Understanding of Social Security*, September 1997
- Forum on a Long-Range Research and Program Evaluation Plan for the Social Security Administration, June 24, 1997
- *Developing Social Security Policy: How the Social Security Administration Can Provide Greater Policy Leadership*, March 1997

SOCIAL SECURITY ADVISORY BOARD REPORTS: RETROSPECTIVE

The following is an overview that was written in September 2009 of the major issues that the Advisory Board has studied since it began operations in 1996. It includes summaries of the Board's report findings and recommendations, and an update (as of July 2012) on where the Social Security Administration stands with regard to those recommendations. The Board's body of work, beginning in 1997, includes 51 reports, 8 Issue Briefs, and 15 Statements that are included as part of the Social Security Administration's annual report on the Supplemental Security Income (SSI) program. The focus of the reports has been on five major topics: policy development, public understanding, finance and income security, service delivery and stewardship, and disability. While the 15 SSI Statements have covered a broad spectrum of issues and the SSI connection is featured in other reports, the Board has never written a major report that looks solely at the SSI program.

POLICY DEVELOPMENT

Much of the Board's early work focused on policy development. In two reports from 1997 (*A Long-Range Research and Program Evaluation Plan for the Social Security Administration; Strengthening Social Security Research: The Responsibilities of the Social Security Administration*) and one from January 1998 (*Developing Social Security Policy: How the Social Security Administration Can Provide Greater Policy Leadership*) the Board addressed specifically the status of policy development at the Social Security Administration, and provided suggestions for improvement. Since 1998, none of the Board's reports have focused on the issue of policy development exclusively but many, especially those dealing with the disability programs, have included some discussion of it. These early Board reports made specific recommendations on how SSA can enhance its policy development process. A consistent theme was to urge SSA to take a leadership role in the development of policies affecting its programs.

SSA's Policy Staff and Organization. In the three reports the Board expressed concerns about the size and make-up of SSA's policy development staff. In the 1980s, the staff employed over 300 analysts, but by 1998 it had fallen to just 133 analysts. The three reports called for SSA to recruit personnel with particular expertise; public policy analysts and economists, and individuals with the ability to interact with the larger research community, Congress, the Office of Management and Budget, and other government agencies.

The reports discussed SSA's policy research and development and how it figures into the agency's organizational structure. The Board found that SSA's organizational structure results in insufficient interaction between the policy research and the program staffs. It also results in fragmentation of the responsibility of policy research, and insufficient interaction with the larger research community. The report's recommendations included that SSA's policy development function be elevated to a separate policy office that would report directly to the Commissioner to give this work high priority status.

Update: It is difficult to determine the size of the policy research and development staffs at SSA, and how many of those employees are trained public policy analysts and economists. The Board estimates, however, the size of the research staffs at SSA at less than 200. What is known

is that the agency has taken steps to recruit leaders from the outside who are experienced researchers with solid credentials in the field. SSA could still benefit from additional staff in the area of disability policy expertise, however.

SSA's organizational structure for research and analysis has undergone a number of changes since the Board looked at the agency's policy development. SSA separated the policy development function into a separate department and made it responsible for the full range of program policy research. Subsequently, the disability aspect of policy development, however, was taken out of that department and placed in SSA's Office of Retirement and Disability Policy, the office that is responsible for program policy at the operational level.

SSA's Focus on Research and Development. SSA's lack of focus on policy research and development was one of the problems the Board discussed in its early reports. The Board cited SSA's reluctance to take on controversial issues such as Social Security solvency, and broad policy issues such as the disability programs, and stated that long range, in-depth studies that address major concerns are needed. Noting that the dynamics of disability policy are poorly understood, the Board called for an increased focus in this area, including an analysis of how SSA's disability programs are consistent or inconsistent with the *American with Disabilities Act* and the success of work incentive efforts. The Board also stated that SSA's policy research should also include smaller efforts – with quick turnaround time – that will allow the agency to address more pressing, critical issues.

The Board commented on SSA's lack of a long-range strategy for its research program, and recommended that the agency develop a comprehensive plan that includes performance measures. The Board also suggested that SSA does not effectively market its research efforts and should develop a marketing plan as part of its overall strategy.

Update: As an indicator of the agency's renewed focus on research, SSA's Office of Retirement and Disability Policy has released over 70 publications in the last two years, including ten volumes of the *Social Security Bulletin*. The publications discussed SSA's research on such topics as the return on work near retirement; an index that measures overall progressivity of the Social Security system for current and future retirees; and the effect of raising the taxable maximum wage base. Other ORDP publications included statistical supplements that contain Old-Age and Survivors, Disability, and Supplemental Security Income program data.

In a recent search of SSA's websites, no type of research strategy or agenda was found. SSA, however, has made its website more user-friendly with regard to finding information on the research that it has done, and analysis and data are now searchable alphabetically and by subject, date, and type.

External Research and Data Access: In its early reports, the Board stressed the need for SSA to expand and encourage extramural research, and recommended that the agency participate in visiting researcher programs and allocate resources to fund outside studies. To encourage extramural research, SSA would need to improve the data made available for research purposes and address the access and confidentiality issues that impede outside researchers currently. The

Board also cited the agency's limited contribution to research surveys and suggested more and better-directed involvement in an assortment of targeted surveys. It also suggested that survey data would be more effective if it were linked to SSA's data for analysis.

Update: After the Board released, *Developing Social Security Policy: How the Social Security Administration Can Provide Greater Policy Leadership*, in 1998, SSA announced that it would establish a Retirement Research Consortium. The agency selected two universities, Boston College and the University of Michigan, as initial members, and later added the National Bureau of Economic Research. In its first ten years, the Consortium produced several hundred research papers on a range of retirement-related topics. It is still in operation.

In 2000, SSA established another research organization, the Disability Research Institute, to conduct research pertinent to the agency's disability programs and policy. This effort was not as successful as the RRC. SSA funded disability research efforts at the University of Illinois for a five year period but did not renew that grant or fund others. The fiscal year 2012 budget, however, does include \$5 million to establish a Disability Research Consortium.

In September 2009, SSA announced that it was establishing a Financial Literacy Consortium. Three research centers, Boston College, RAND, and the University of Wisconsin received funding to develop innovative, research-based communications and programs to help the public plan for retirement. In conjunction with academicians from across the country, the centers developed a number of projects. SSA, however, decided to discontinue funding the centers effective with fiscal year 2012. The results of the work done to date are under review.

Disability Program Policy Development: In subsequent reports, the Board discussed the complexities of disability policy and characterized SSA's disability policy infrastructure as weak. The Board cited SSA's lack of a consistent, single presentation of policy for its decision makers as a major factor of decision inconsistency, and urged the agency to develop one. The Board also commented on the need for SSA to better understand the changing dynamics of disability-related programs and rehabilitation services. Two of the Board's reports, *The Social Security Definition of Disability* (2003) and *A Disability System for the 21st Century* (2006), provided in-depth analyses of disability policy issues and cited the need for major change. (These reports are discussed below under **Disability**.)

Update: SSA's efforts to develop a single presentation of policy have progressed only so far. Its multiple paper manuals and other directives have been posted on a searchable website, *PolicyNet*, which is accessible throughout the agency. But *PolicyNet* does not represent a single presentation of policy, it only acts as a central repository for procedural instructions, many of them developed for use at specific levels of adjudication. As new policies and procedures are written now, however, SSA is developing one "version" for all users; i.e., the same language that is used in its regulations is used in the program operating manual and in the Office of Disability Adjudication and Review's operating instructions.

PUBLIC UNDERSTANDING

The Board has always noted that it is SSA's responsibility to communicate effectively with the public and inform individuals about available Social Security benefits and programs, and to provide them with retirement planning information. In 1997 the Board first discussed the need for SSA to work to increase the public's understanding of the Social Security programs when it released its report, *Increasing Public Understanding of Social Security*. The report noted that only one-third of Americans believe that SSA provides clear explanations of benefits to Americans, and stated that SSA can and should do more to strengthen its efforts.

Throughout the years, the Board has commented on this issue a number of times, linking the lack of public understanding with a decline in confidence in the Social Security programs. In 2009, the Board published another report, *The Social Security Statement: How It Can Be Improved*, and looked at ways the Social Security Statement – SSA's most direct and important means of communicating with the public – can be enhanced. The purpose of the report was to encourage SSA to continue its efforts to improve the accuracy of its benefit projections for all workers, to examine continuously all aspects of the Social Security Statement for both accuracy and understandability, and to make needed improvements based on the results of careful analysis.

Communications Strategy: *Increasing Public Understanding of Social Security* noted that although SSA was moving away from many of its traditional grassroots efforts to communicate with the public, it had not developed a viable national communications plan. The Board urged the agency to develop such a plan, and recommended that it cultivate new tools and staff positions designed specifically for outreach. The Board also recommended that the plan address how SSA could take a leadership role and partner with the private sector to educate workers and their families about financial planning.

Update: Since the Board wrote its 1997 report, SSA has made a number of changes in its communications strategy. Gone are the field representatives who handled public relations on an office-by-office basis. There are now approximately 150 public affairs specialists located in field offices and area directors' offices around the country who are responsible for public relations in the larger geographic areas. The public affairs specialists report to regional directors who are located in one of the 10 regional commissioners' offices, and these directors report to the Office of Communications at SSA headquarters. Whether the agency has a national communications plan is unclear; what is clear is that the Office of Communications appears to be tied more closely into a number of SSA's strategic objectives.

Communication Tools: *Increasing Public Understanding of Social Security* focused on SSA's Personal Earnings and Benefit Estimate Statements (which was later renamed the Social Security Statement), recommending that the agency make it more useful, accurate and readable, and improve it as a financial planning tool. The Board also pointed out that SSA had not taken advantage of the Internet as a communications mechanism and that its website needed to be more user-friendly. It said that SSA needs to provide a clearer description of the disability and survivor programs, especially for younger workers, so that the public will no longer consider it solely a retirement agency. The Board also stated that it is SSA's responsibility to provide information to the public about long-range solvency and the status of the Trust Funds.

The Social Security Statement: How It Can Be Improved looked more closely at the Statement's distribution (who receives it and who does not), and at its content and presentation. The Board recommended that SSA improve the Statement's design, and make it more readable and a more valuable way for the agency to communicate with the public. It also recommended that SSA improve the methods it uses for the Statement in developing benefit projections for specific groups such as younger workers and women.

Update: SSA has taken steps to improve the tools it provides its public affairs specialists when they meet with the public. It developed the *Public Affairs Resource Center* on its Intranet site as a one-stop center for materials that the specialists can use for any number of topics. Also, to improve its financial education products and services, the agency began working recently on a special initiative to encourage saving and established a financial literacy consortium to assist with this initiative. SSA also updated its Internet website and added a retirement calculator that allows individuals to calculate their benefits.

Although SSA made some changes to improve the Statement after the Board's report, overall it looked much the same as it did before the Board's report. Inserts for young workers and workers nearing retirement age were developed and included. Most recently, however, the agency decided to suspend mailing of the Statement temporarily as part of its efforts to deal with budget shortfalls. SSA intends to provide an online version in the near future.

FINANCE AND INCOME SECURITY

The Board has published six reports addressing Social Security financing and income security in retirement. *Social Security: Why Action Should Be Taken Soon*, published in 1998, and updated in 2001, 2005, and 2010, looked at the issues surrounding and options available to ensure long-term solvency of the Social Security programs. The other reports – *The Unsustainable Cost of Health Care*, *Working for Retirement Security*, *Retirement Security: The Unfolding of a Predictable Surprise*, and the *SSAB Statement on CBO Projections* – focused on such specific issues as the rates of return on investments, the pressures that 21st Century challenges are having on the Social Security system, and how an extended working life can increase retirement security. The Board also looked at workforce trends and policies that could extend the working life of older adults, and the effect of high health care costs on income security.

In general, the Board's reports have called for a comprehensive strategy to fortify income security programs, including – and possibly most importantly – bolstering Social Security's financial footing. Recommendations have included strengthening policy for defined benefit and defined contribution plans, encouraging personal savings, improving financial education, encouraging older workers to stay in the labor force, developing Social Security policies that support work, and raising the retirement age.

Work and Income Security: In its reports, the Board has highlighted the need to improve opportunities and eliminate barriers for older Americans who wish to work. In *Working for Retirement Security*, the Board stressed that policies are necessary to address these barriers, and better coordination within the government to implement them. The report suggested that policy

changes should be transparent and clearly understood, and should consider the diverse needs of all workers, including those with disabilities.

In *The Unsustainable Cost of Health Care* the Board recommended a number of options for containing health care costs, including ways to improve the efficiency of the health care delivery system and align financial incentives to reward effective and efficient care. The report focused primarily on how health care costs affect older Americans.

Long-term Solvency Proposals: An important section of the Board’s report, *Social Security: Why Action Should Be Taken Soon*, provided brief descriptions of recent proposals that address long-term solvency of the Social Security programs. The proposals included: reducing the beneficiary cost-of-living allowance, modifying the benefit formula (or upper levels of benefit formula), changing indexing rules, raising the normal retirement age, reducing or eliminating benefits for higher income workers, returning to a pay-as-you-go system, increasing the threshold for benefits subject to income taxes and the earnings amount subject to payroll taxes, extending coverage to all new state and local employees, investing reserves in the stock market, using general revenues to make up the deficit, and allowing or requiring workers to invest a portion of their wages in individual retirement accounts. While the report explained a number of proposals that address the Social Security solvency problem, the Board did not endorse any particular option. Instead, it presented the proposals in a bipartisan manner and urged the Congress to take prompt action.

Update: The changes or reforms discussed in these reports call for broad policy changes that require Congressional action and coordination across government agencies. The reforms are outside of SSA’s control and are part of the larger political debate on “fixing” Social Security. There has been at least one cross-agency effort to look at policy issues involved in encouraging older workers to remain in the workforce, but no significant policy changes have been enacted in the last several years.

In 2010, the national discussion regarding debt reduction focused much attention on issues regarding the solvency of the Social Security programs. The release of the Board’s most recent edition of *Social Security: Why Action Should Be Taken Soon* coincided with the release of reports by other policy groups, including the National Commission on Fiscal Responsibility and Reform, the Bipartisan Policy Center’s Debt Reduction Task Force, the Senate Special Committee on Aging, and the Congressional Budget Office. These reports also described many of the policy options found in the Board’s report.

SERVICE AND STEWARDSHIP

In its 1999 report, *How the Social Security Administration Can Improve Its Service to the Public*, the Board discussed SSA’s service delivery, noting that growing workloads, increasing program complexity, Congressional mandates, and growing backlogs had placed huge strains on the agency. Over the years the Board has continued to point out declines in SSA’s service delivery – both in terms of access and quality – in many of its subsequent reports, including *Bridging the Gap: Improving SSA’s Public Service through Technology*. The Board has also taken a look at SSA’s stewardship responsibilities and its ability to address them, most notably in

its 2002 report, *SSA's Obligation To Ensure That The Public's Funds Are Responsibly Collected and Expended*. In that report, the Board pointed out that mounting workloads and declining resources have deprived managers and employees of the time and tools needed to do high quality work and ensure program integrity.

Service Delivery Channels: *How the Social Security Administration Can Improve Its Service to the Public* cited several of SSA's service delivery problems, including inadequate telephone service, long waiting times in field offices, and appeals that take too long. The Board recommended that the agency improve and expand its telephone service, and that it also accelerate its work on automated service initiatives such as eDib. The report also suggested that SSA develop a strategy for working with third parties to expand service delivery.

In its 2009 report, *Bridging the Gap: Improving SSA's Public Service Through Technology*, the Board took an in-depth look at the status of SSA's systems and how it uses technology to carry out its mission. The report highlighted many of the challenges the agency faces in this regard, including its aging technology infrastructure, poor systems development practices, problems with IT governance, and lack of strategic vision. The current state of SSA's National Computer Center was of particular concern to the Board, as well as the agency's slow progress in developing a second, backup data center. The report also described SSA's efforts – both its deficiencies and progress – in developing online services for service delivery.

Update: Since 1999, SSA has expanded its telephone service structure and made a number of advancements. Its national 800 number has added a menu of automated options, including ones that can be completed without speaking to an operator. A new Voice-over-Internet Protocol telephone system is being installed in all field offices. SSA's website is more user-friendly and the online retirement process – including a benefit estimator – has been streamlined. The agency has made efforts to improve services for third parties who assist Social Security claimants, and there is a push to hold more hearings by videoconference.

While changes in SSA's electronic services have resulted in some improvements, issues with infrastructure and systems development remain. The agency has not made significant progress in converting old systems (built with obsolete programming language) to a modern format, and its systems development strategy is antiquated, clunky, or non-existent. The replacement of SSA's current National Computer Center has been delayed, and the Center is not expected to be fully operational until at least 2016. In addition, the agency's new data center in North Carolina is only capable of providing a partial backup.

Staffing/Resources for Service Delivery and Stewardship: For the past several years, SSA has been experiencing an employee retirement wave. This loss of staff, coupled with the fact that it is happening at the same time the agency is seeing increasing workloads – because of the retiring baby boomers and the downturn in the economy – has raised even more concerns about SSA's ability to provide quality service. In its report, *How the Social Security Administration Can Improve Its Service to the Public*, the Board discussed a number of SSA's staffing and resource challenges and stressed that the agency must ensure it has the right tools and skills to address the burgeoning workload.

The Board cited SSA's need to strengthen its management structure. At the time the report was written, reductions in the number of managers and other supervisory staff left little time for them to perform quality reviews and other important management functions. The Board also noted that SSA's budget, especially with regard to stewardship activities, was insufficient and recommended that these activities be funded outside the discretionary funding cap. The Board stressed that the budget requests that SSA submits to Congress should reflect an adequate and appropriate level of staffing and resources needed to manage agency workloads.

Update: SSA has addressed to varying degrees its resource problems cited by the Board in the 1999 report. Before implementing a hiring freeze in July 2010 because of budget constraints, the agency hired nearly 9,000 new staff in fiscal years 2009 and 2010 for its teleservice centers, field offices, and hearing offices. The budget to hire this number of new staff, however, was allocated only in the last few years and its effect on service delivery is yet unknown. And because SSA is now at the peak of its retirement wave a number of the newly hired employees are replacing the experienced, more productive staff.

Strategic Planning and Communications: The Board has called repeatedly for SSA to develop a comprehensive plan that would set out service delivery strategies, clarify priorities, and communicate them throughout the agency. *How the Social Security Administration Can Improve Its Service to the Public* outlined communication problems between SSA's field offices and its headquarters and stated that the agency needed to promote teamwork and consider structural changes to create a more service-oriented organization. The report also cited two problems with SSA's stewardship strategy, noting that there was a need for the agency to incorporate and communicate program integrity as a priority to its employees, and a need for staff to work more aggressively with other agencies on these activities.

In its 2008 report to President Barack Obama's transition team, *Challenges Facing the Social Security Administration: Present and Future*, the Board stressed that SSA should develop a long-range strategic plan to serve as a roadmap for future initiatives. In October 2010, the Board worked with SSA's regional leaders to help the agency develop a vision of its year 2020 operations, and in 2011, the Board discussed the results of those efforts – and again emphasized the need for a long-range plan – in its report, *The Social Security Administration: A Vision for the Future*.

Update: SSA does not have a separate service delivery plan outside of a few general objectives that are cited in its 2008 *Agency Strategic Plan*. Currently, it is developing a new *Agency Strategic Plan* that is expected to be released sometime in late 2011. It is unclear how SSA will address service delivery options in this new document but it is anticipated that electronic services will be featured.

DISABILITY

Over the last dozen years, the Board has studied and written about Social Security disability programs extensively. The reports published on disability can be divided into three categories: 1) synopses of the overarching issues involved in the administration of the current disability programs, 2) analyses of the policies articulated in the disability program regulations, and

3) review of the disability appeals process. While there are findings and recommendations that overlap, each of these categories deals with a distinct set of problems.

Administration of Disability Programs: A theme that the Board has raised repeatedly in its reports is the need for SSA to improve consistency and fairness in its decision-making process. Several factors have been cited as contributing to the problem: current policy makes consistency hard to achieve; lack of quality management information; tension between speed of adjudication and an accurate product; and outdated medical listings and vocational standards. Over the years, Board reports have suggested a number of actions to address these issues: joint training across components to improve consistency; a quality management system that will produce comprehensive program information; updates to the medical listings and vocational rules including a revision to the *Dictionary of Occupational Titles*; and procedures that promote the unified application of policy between the State Disability Determination Services and SSA's administrative law judges. In its reports the Board raises a number of organizational issues including SSA's need to assert strong leadership, improve accountability, and promote teamwork across all departments. The Board noted particularly that SSA needs to strengthen its relationship with the State Disability Determination Services and ensure that the DDSs participate in the decision-making process. The Board also noted that SSA's field offices need to improve their intake function by developing quality measures.

Update: To address program consistency issues, SSA established in 2006 "Request for Program Consultation," a process aimed at resolving policy conflicts between its departments, not only with regard to adjudicating individual claims but also toward improving institutional inconsistencies. In addition, SSA has made considerable progress in updating its medical listings and establishing a schedule to ensure they continue to remain current. Also, in 2009, the agency established an external workgroup that was tasked with either updating the *Dictionary of Occupational Titles* or finding an alternate resource for adjudicators to use when determining disability program eligibility. With regard to its partnership with the State DDSs, SSA has been collaborating recently with them to develop a common disability case processing system.

Social Security Disability Policy: Two Board reports – *The Social Security Definition of Disability* (2003) and *A Disability System for the 21st Century* (2006) – reviewed SSA's disability policy structure. Both reports concluded that the current structure is flawed and needs to be reformed on behalf of both claimants and taxpayers. One of the major questions presented in the 2003 report was whether SSA's current definition of disability could be administered effectively. Statute defines "disability" simply as the inability to work; it disregards completely a disabled individual's potential for work. This brings into question whether the current definition is proper for the 21st Century. The report outlined a number of policy reform options, including paying benefits based on a medical definition without a work provision; reducing benefits gradually as earnings rise; and divorcing benefits from health care by providing some type of lifetime healthcare coverage.

The *Disability for the 21st Century* report acknowledged that fundamental changes are needed to the current "one size fits all" programs. In its recommendations, the Board outlined a triage-type assessment process that would direct claimants to the program most suited to their situation. The report discussed multiple programs that would be available: a traditional benefit program

based on a more permanent disability; a temporary or transition program with tax incentives and work supports; and a specific program for youth that prepares the young adult for a smoother transition to adult independence.

The Board noted that administration of the current definition requires a streamlined and coherent set of program policies. Its recommendations included simplifying and strengthening work incentive policies using lessons learned from existing return-to-work efforts, revising earnings and assets rules to make work less threatening, partnering with insurers on work incentives, and coordinating efforts with other public sector organizations.

Update: Almost none of the major policy changes discussed in these reports have been implemented. While efforts to improve the work incentives programs continue, there has been little change in the number of individuals moving off the disability roles and into employment.

Structure of the Appeals Process: In 2002 and 2003, the Board commissioned two studies that looked at alternative approaches to the current appeals structure. The resulting reports described a number of suggestions for reform: establish a Social Security Court that would review administrative law judges' (ALJs') decisions; close the record after the hearing with a provision that it could be reopened if new and material evidence was submitted; and develop a two-stage appeals process that would replace the Appeal Councils and allow for collegial review of cases. The reports further recommended that SSA establish a non-adversarial counselor position that would develop the government's case and serve as a liaison between the State Disability Determination Services and the ALJs. The counselors would be non-attorneys with disability experience who would develop the case and oversee the process.

Subsequent to these reports, in 2006 the Board released its own report about SSA's appeals process entitled *Improving the Social Security Administration's Hearing Process*. In it, the Board explained its major concerns with the current process: a lack of process and decision consistency, excessive processing times and backlogs, productivity issues, hearing office management, and the SSA-ALJ relationship. The Board discussed the need for performance improvement and recommended multi-level performance appraisals for all parts of the hearing office process (including ALJs), the need for statutory change to permit SSA to establish guidelines for an ALJ performance review process, improved training for new ALJs in managing a large caseload, and the development of annual training plans to ensure ongoing ALJ professional training. The Board also urged that something be done to clarify the lines of authority within the hearing offices.

In 2007 the Board released [The] *Office of Personnel Management's Role in Hiring Administrative Law Judges*, an issue brief that described an OPM process that does not produce a candidate register that ensures ALJs will have the required skills to manage a large disability caseload. In that issue brief the Board recommended that Congress review OPM recruitment and hiring practices and make needed changes to the relevant statute.

Update: Most of the Board's recommendations have not been put into place. OPM remains the focal point for recruiting and hiring new judges but SSA has begun to conduct its own background checks on applicants, no longer relying solely on OPM's investigations. SSA

continues to struggle with efforts to hire significant numbers of ALJs from depleted applicant lists, however, recent meetings between the Commissioner and the Director of OPM show signs of a new cooperative spirit. In an effort to improve the productivity of the judges, SSA's Chief Administrative Law Judge has set suggested targets for the number of hearings a judge should process in a year. Additional training for new judges has been added, but the extent to which training focuses on and has improved case management practices is unclear.

SUPPLEMENTAL SECURITY INCOME (SSI) STATEMENTS

As part of its statutory charge, the Board has issued an annual Statement each year since 1998 on the status of the SSI program. These Statements are included in the Social Security Administration's *Annual Report to Congress on the SSI Program* and provide an independent assessment of issues that affect the program. While the fourteen Statements the Board has written have covered a wide range of topics, there has been a consistent theme – one that discusses the difficulties of administering a program that was cobbled together from State welfare programs for the aged and people with disabilities.

Service to the SSI Population: Historically, the Board has questioned whether the Social Security Administration has sufficient and appropriate resources to deliver quality service to the SSI population. This population includes many people with special needs because of their economic standing and/or their disabling condition. The Board has urged SSA to collect and analyze data that would provide a better understanding of the characteristics and needs of these individuals. In 2007, the Board's Statement addressed the necessity for better coordination of service between the SSI and Temporary Assistance for Needy Families programs. In 2010, the Board examined how the representative payee program serves this population.

Program Complexity: Almost all of the Board's Statements have referred to the complex policies used to administer the SSI program. Some of the most complicated rules deal with issues such as living arrangements, in-kind support and maintenance, and assets and income limits. Problems with the policies range from them being applied differently depending on whether a single individual or a couple is involved to serving as disincentives for recipients to find and retain employment. Over the years, the Board has called for both simplification of many SSI policies and an update of certain rules, many of which have not changed since the program began in 1974.

Disability and SSI: The majority of SSI recipients receive benefits as the result of a disabling condition. In its Statements, the Board has discussed the broad issues involved in the disability decision-making process and how they relate to the SSI program. For instance, in its 2006 Statement, the Board reviewed the issues involved in the transition from SSI childhood benefits to adult benefits. Because of the different criteria used for the two age groups, a little over half of 18 year olds continue to receive benefits as an adult. In the Statement the Board recommended that SSA notify parents and beneficiaries of the mandated age 18 redetermination process well before the beneficiary's 18th birthday and develop work and educational incentives especially targeted for youth.

Program Integrity: SSA uses two program integrity tools – the redetermination process and continuing disability reviews – to determine whether an individual continues to be entitled to SSI benefits. In its Statements, the Board has noted repeatedly that these activities are essential to identifying improper payments and program fraud and abuse. Because redeterminations and continuing reviews have often been the first casualties of staffing and budget cuts, the Board has urged that SSA provide adequate resources and develop the tools to support these activities.

In its 2009 Statement, the Board took a look back over the previous ten years to examine SSA's accomplishments in payment accuracy, combating program fraud, and improving debt collection. Despite the actions taken, the Board concluded that the bottom-line results were disappointing. The recommendations in this Statement echoed those that the Board had made in the past: a reliable and consistent source of funding is needed for continuing reviews and redeterminations; efforts to improve the use of technology must be continued; the work done to achieve minor program simplifications efforts do not go unnoticed; and new strategies must be developed to improve beneficiary reporting.