

MEMORANDUM

To: Social Security Advisory Board
From: Claire Green
Subject: Overview Memo for January 8, 2015 Board Meeting
Date: January 5, 2015

This month we have four speakers and several topics to cover related to the disability program. In the morning, SSA Inspector General, Pat O'Carroll will brief the board on some of the work that the IG has concentrated on in the last year and will discuss recent audits and investigations including some identity theft concerns regarding *MySSA* accounts (the board has supported opening these accounts) and the high profile fraud cases in New York and Puerto Rico.

To continue the research for the SSI report, I've asked that the IG discuss some of the audits his office has done on the interconnection of IV-E benefits (these are federal benefits for foster children administered by the Dept. of Health and Human Services) and the use of SSI benefits. Professor Hatcher had discussed these last month and the IG's office has done several audits of state expenditures, which has been further confused by legislation which allows for an offset waiver, allowing states to keep the money from both federal programs provided they are engaged in a demonstration project to test new programs. This will be important in our work on combining the 2013 and 2014 SSI reports.

Additionally, I've asked the IG to discuss a report issued from his office, a few years ago which considers the question of whether the reconsideration step should be re-instituted in Michigan. The reconsideration step is the second administrative step in the disability process. Approximately 16 years ago SSA initiated a pilot program to remove the reconsideration step, with the expectation that more money would be provided at the initial level to fully develop the disability claim file. Ten states (or in some cases offices in states) were chosen as "prototypes" the reconsideration step was removed and an appeal from an initial determination goes directly to the hearings level. In 2011, SSA decided to reinstitute the reconsideration step in Michigan but dropped its effort when Congress became involved and wanted explanations and data to support its decision. During our trip to New York, we will meet with DDS managers from both New York and New Jersey, a prototype and non-prototype state.

There is more detailed discussion of the reconsideration step and its history in your briefing book which will give you background for the second presentation from Ken Nibali and Art Spencer. Both are former executives at SSA that oversaw the DDS and can provide some insight into the agency decision making process both in the prototype design and initial goals and the administration of the program.

We scheduled a half hour for lunch to provide board members that do not want a boxed lunch to purchase lunch on their own, and also to allow for some personal time . Our next presenter, Teresa Pfender, understands that her presentation will begin as board members finish lunch. This session is geared for board members that may not have a thorough understanding of SSA's disability claims evaluation and process. I've asked that she include in her presentation an overview of the court system and how the courts can influence the disability process, and how the process may be different depending on which judicial district the claim is in. This again is in preparation for our New York trip which has had the largest number of class action cases and significantly affected disability evaluation.

As an aside, please welcome Teresa as SSAB's new detailee. Teresa will be coming to the board for a six month detail beginning in mid-March.

Following Teresa, we will hear from Sam Bagenstos, who we'd tried to schedule in January when we looked at Children on SSI. Professor Bagenstos has written an informative article, *The Disability Cliff*, which provides a great overview and legislative history of the disability rights movement, and discusses the realities that children with developmental disabilities face when they lose their federal entitlement to special education.

We have an hour at the end of the day for board business, which may include an overview of the Tech Panels January and February meetings, a discussion of the New York trip as well as the DDS field trip, the outline of the SSI report and calendaring issues.

[News and Events](#)

Since our meeting in early January staff has attended or watched on CSPAN several congressional hearings on the President's budget, and followed the House Republicans rule that requiring that reallocation of funds from the Old-Age and Survivors Insurance (OASI) program to SSDI could not take place without accompanying measures that improve the overall fiscal health of the Social Security system. The rule can always be waived, which is a customary practice by House Majority, when considering legislation, and the rule also contains a provision indicating that it is only effective over a certain allocation amount. This could allow for a shorter allocation.

The President's budget also contains several provisions relating to the Social Security program, ways to address the disability trust fund depletion, and suggestions on ways to strengthen the program and improve operations. The following are just a few highlights.

1. *Reallocate:* Currently, 0.9 percent of the 6.2 percent of wages paid by employers and employees is allocated for the disability trust fund, if a few tenths of a percentage point of payroll tax revenue from the OASI fund were reallocated to the SSDI fund, both trust funds would be sustained until 2033

2. Early Intervention: Provides for testing of early intervention strategies to help individuals with a potentially work-limiting disability remain in the workforce. Provides supportive services to those with mental impairments, gives employers incentives to retain workers with disabilities, and incentivizes states to coordinate services.
3. Hire More Administrative Law Judges (ALJs): There are now over a million claims pending at the Hearings Level. As of 2015, claimants who were initially denied entry to the program will probably have to wait 16 months to get a determination from an ALJ – this does not include the months of waiting at the other administrative levels. The president’s budget proposes funding to increase the number of ALJs and additionally proposes a workgroup to review and streamline the ALJ hiring process at the Office of Personnel Management.
4. Continuing Disability Reviews: The President’s budget proposes to establish a mandatory funding source (i.e., available on a formula basis rather than being appropriated every year) for CDRs, which will begin in 2017.
5. Offset Disability Benefits with Unemployment Insurance: The President’s budget proposes to offset an individual’s entitled SSDI benefit in any month that they receive state or federal unemployment insurance benefits.

The National Academy of Social Insurance (NASI): NASI held its 27th Annual Policy Research Conference on January 28th and 29th, which focused on Medicare and Medicaid programs, and was the kick-off to a year-long celebration of its 50th anniversary. The conference provided several discussions on benefit integration, cost comparisons, reforms in other countries, health care considerations in retirement planning and work employment supports for workers with disabilities.

Senate Hearing on Immigration: On February 4, 2015, SSA Actuary Steve Goss testified before the Senate Committee on Homeland Security and Governmental Affairs. The hearing focused on how the President’s Executive Order affects Social Security. The Actuary projected that GDP will elevate to about 0.22 percent in 2050 and that it would reduce the current-law actuarial deficit by 0.01 percent of payroll, which is essentially cost neutral. When questioned, the Actuary explained that the increase in GDP is estimated by the population as whole and not just legal workers. He further explained that the modest but positive impact is because more people will be paying taxes. Currently only about 15 percent have fake Social Security numbers, the rest of the added population are underground workers who will now be paying taxes. Also, many of these additional individuals are younger workers who will be paying taxes into the Social Security trust fund for decades.

Early Intervention Disability Demonstration Projects – Concepts for Action: On February 12, 2015, Jason Turner from the Secretary’s Innovation Group hosted an event to discuss reform efforts, current research and demonstration projects on SSA’s disability program. There were several panels each giving speakers a couple of minutes to discuss the research or projects underway. David Weaver from SSA described an early intervention project for workers with mental illness under the

age of 50, which could assist them in staying in the workforce. David Autor, from MIT, discussed ways to extend private disability insurance to more individuals for a longer period of time, before entering SSDI rolls, David Stapleton, from Mathematica, outlined a proposal to gradually implement a revised disability determination system that would include employment supports. Philip de Jong, from the University of Amsterdam, discussed the Dutch reforms to the disability system, and Grant Collins outlined a current project being piloted in New York, where individuals receiving TANF benefits are screened for possible SSI eligibility. After screening for income and resource eligibility, the person goes to an independent medical examiner where a determination is made as to whether the individual should receive assistance in applying for SSI benefits or vocational assistance and training to return to work.

Social Security Advisory Board

**400 Virginia Ave S.W., Suite 625
Washington, D.C. 20024**

Agenda for Monday, February 23, 2015

- 9:00 a.m. to 10:30 a.m.** **OIG perspective on key issues; recent audits and investigations**
Patrick O’Carroll, Inspector General
- 10:30 a.m. to 10:45 a.m.** Break
- 10:45 a.m. to 11:45 a.m.** **History of Disability Redesign leading to 10-state Prototype**
Ken Nibali, Associate Commissioner for Disability, Social Security Administration, Retired
Art Spencer, Associate Commissioner for Disability Policy, Social Security Administration, Retired
- 11:45 a.m. to 12:00 p.m.** Break
- 12:00 p.m. to 12:30 p.m.** **Board’s working lunch**
- 12:30 p.m. to 2:00 p.m.** **Background on disability decision-making process**
Teresa Pfender, ODAR, Appeals Officer, training development and coordination lead
- 2:00 p.m. to 2:15 p.m.** Break
- 2:15 p.m. to 3:15 p.m.** **Transitioning children on disability to adulthood**
Sam Bagenstos, Professor of Law, University of Michigan
- 3:15 p.m. to 3:30 p.m.** Break
- 3:30 p.m. to 4:30 p.m.** **Board business continued**
Tech Panel
Outlines of Reports
Field Trip to DDS
Board Trip to NYC

**Social Security Advisory Board
Board Meeting Summary
January 8, 2014**

Board Business

The Board began the January meeting in Executive Session to discuss upcoming meetings, particularly the planned trip to New York scheduled for March 23-25. Day 1 of the trip is tentatively an “SSA Day,” where the Board will meet with SSA regional executives, ALJs, OIG, DDS administrators from New York and New Jersey, and Field Office staff. In addition, the Board could visit an SSN Card Center on the trip. Day 2 includes several non-SSA specific options: MetLife, MarkLogic, and/or Legal Aid of South Brooklyn.

One major issue emphasized at the meeting was the fact that New York is a “prototype” state, while New Jersey is not. Prototype states are states where the reconsideration level of the disability appeals process is “excluded,” i.e. a claimant who has received an initial denial can appeal directly to an Administrative Law Judge (ALJ) as opposed to receiving a “second look” by a different DDS examiner. Ten states participate in the prototype model, which SSA began 16 years ago. The Board concluded that it would be useful to explore differences between prototype and non-prototype states when they meet with the NY and NJ DDS executives. Some initial questions suggested included: What was the point of the prototype project (i.e. what “problem” was it attempting to solve or explore)? Are data available on the effectiveness (or ineffectiveness) of prototype states? What was the required legislation that established the prototype project?

The Board revisited the idea of skipping the May meeting since April’s Board meeting is scheduled late in the month (24th) while the June meeting is scheduled for early that month (2nd). Alternatively, the June meeting could be changed to a later date.

Meeting with Andrew LaMont Eanes

The Board met with Andrew LaMont Eanes, who was nominated by President Obama in July 2014 to serve as SSA’s Principal Deputy Commissioner. Pending confirmation, Mr. Eanes is currently working as a Senior Advisor to Acting Commissioner Carolyn Colvin. He is new to the agency, but has an extensive background in the private sector – specifically the telecommunications industry. In his current role, he is assisting the Ms. Colvin on cybersecurity, telecommunications and labor-management issues.

Mr. Eanes introduced himself to the Board and discussed his background and experience working in the telecommunications industry, including the diverse management roles he has held throughout his career.

Mr. Eanes also discussed the work he is doing in his current Senior Advisor role, and specifically discussed his work in developing a succession management plan at SSA. Today roughly 50% of the agency is eligible to retire, and that number will rise to almost 70% in just a few years. Currently, SSA has no comprehensive succession plan in place. Mr. Eanes emphasized his desire to develop a more formalized approach to succession planning, where former positions are filled based on strict performance criteria rather than, for example, how “well-connected” a person might be.

Meeting with Nancy Berryhill to discuss SSA Operations Workloads

Nancy Berryhill, Deputy Commissioner for Operations, met with the Board to provide an overview of the Office of Operations’ workloads and the challenges it currently faces. The Office of Operations is SSA’s largest component, and oversees the approximately 1,300 field offices and ten regional headquarters located nationwide.

The meeting included a discussion of Social Security cards, as one Board member questioned the utility of the paper card itself. Despite the fact that transactions are largely handled online, SSA staff noted that the paper Social Security card is still in high demand. For example, it can be required for anything from applying to certain jobs to something as simple as signing a child up for Little League. While Ms. Berryhill stated that at some point in the future there will no longer be any need for the physical card, she felt that that day had not yet come. She also noted that SSN card centers centralize this workload which frees up the field offices to focus on other issues.

There was also some discussion on technology and how it has impacted service in the field. Ms. Berryhill noted that, due to budget cuts, the agency has been consolidating some field offices and closing others. These cuts are causing the agency to reconsider how service is delivered, and develop more innovative ways to harness technology. Some examples include:

- self-help “kiosks” located at SSA field offices and other federal buildings to help streamline service,
- A “click to communicate” feature on the SSA website, as well as a secure “Message Center” similar to what’s already available for Online Banking, and
- More flexible video options for taking claims.

Working Lunch with Kathleen Romig to discuss the WEP/GPO Report

Kathleen Romig joined the Board for lunch to discuss the current draft of the position paper on reforming the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO). Specifically, she gave some background on WEP/GPO as well as a status update on where the report currently stands. Since Kathleen has finished her detail at SSAB, Jeremy will be taking over the project. The report is almost ready for the Board's review; the primary hold-up at this point is waiting on estimates from the Office of Retirement Policy (ORP) and the Office of the Chief Actuary (OCACT).

Meeting with Daniel L. Hatcher to discuss SSI and foster children issues

The Board met with Daniel L. Hatcher, formerly an advocate for vulnerable populations and currently a professor of law at the University of Baltimore's Civil Advocacy Clinic. Professor Hatcher worked on children's issues for several years and authored a law review article that analyzed the current process for foster children receiving SSI benefits and the state's role as representative payee for these children.

Professor Hatcher explained that SSI children in foster care can receive Social Security and SSI benefits as well as benefits based on whether the parents are disabled or deceased. State agencies, often through contractors, refer foster kids for these benefits and keep the benefits to pay for maintenance of the child's well-being. State agencies charge parents for cost of care when possible, but compliance is very low. If foster kids receive SSI as well, the states can potentially double-dip benefits. States do not keep track of both to see if this is occurring.

The *Keffeler* decision was also discussed. The U.S. Supreme Court upheld that states could use foster children's Social Security benefits to reimburse state costs but did not address whether states were acting in the best interest of the child. According to Hatcher, the language of the case is ambiguous about whether the state may take these funds, and nobody has challenged the best interests of the child standard yet.

Mr. Hatcher also stated that SSA is supposed to find the best payee, but that private companies such as MAXIMUS, Inc. have developed revenue maximization strategies for states to become the representative payee and then to use foster care children's SSI and DI or survivor benefits as a state funding source. States have saved \$12 million from the practice and MAXIMUS takes a 12.5% cut for its services.

According to SSA rules, state agencies are the least preferred representative payee for Social Security recipients. When a foster care agency files to be the representative payee for multiple beneficiaries, SSA uses a computer programming shortcut function to process applications faster

and virtually automatically. This allows state agencies to easily become representative payees for large groups of foster children without further review for more suitable options.

Mr. Hatcher also argued that states were violating due process by failing to provide the notice of representative payee to the child or advocates, citing a recent Maryland case where this happened as an example. He stated that POMS requires fiduciaries to work with the beneficiary to determine best use of the money. The beneficiary must get notice that payee is appointed, but this does not happen when the payee is the state.

Meeting with David Wittenburg and Manasi Deshpande to discuss SSI research

The Board met with David Wittenburg, Associate Director of Health Research at Mathematica, and Manasi Deshpande, Ph.D. in Economics at MIT and Post-Doctoral Fellow at NBER. Specifically, Mr. Wittenburg was invited to discuss his ideas for SSI reform, and Ms. Deshpande was invited to present the results of her doctoral research on SSI children.

Ms. Deshpande presented the findings from her dissertation on the effect of removing children from SSI on child and household outcomes. Her research focused on two questions in particular: 1) how removing children from SSI at age 18 affects their long-term outcomes including earnings and income in adulthood; and 2) how removing young children (under age 18) from SSI affects their parents' earnings and income, and their outcomes in adulthood. Ms. Deshpande's presentation focused primarily on the first research question.

Ms. Deshpande implemented a regression discontinuity design based on a change in the probability of SSI removal at age 18 created by the welfare reform law of 1996. This allowed her to estimate direct causal effects on outcomes. She found that SSI youth removed from SSI at age 18 earn an average of \$4,000/year. Ms. Deshpande also found that those youth removed at age 18 also lost \$73,000 in observed income over the next 16 years, or 80 percent of the original SSI loss. By age 30, removed youth earned 1/5 of other disadvantaged youth. Removal also discouraged these youth from applying and receiving SSDI.

In addition, Ms. Deshpande found that:

- When the child is removed from SSI, parents make up lost SSI income one-for-one with earned income.
- Loss of child's SSI payment discourages disability applications by other family members, especially siblings.
- However, loss does not affect disability receipt by other family members, suggesting that it discourages mostly marginal applicants only.

David Wittenburg's presentation was entitled, "*Better Data, Incentives, and Coordination: Policy Options for Transition-Age Child SSI Recipients.*" In the area of SSI reform, he argued that some stagnation has occurred and that not much progress has been made over the years. His presentation centered around three main ideas that could better inform the SSI policy reform discussion:

1) Using administrative data to track the progress of transitioning youth

There is very little data available on transition age youth (age 16+), which makes it difficult to measure progress. Employment is a key outcome that SSA does not track. Options include using SSA and Vocational Rehabilitation (VR) data to track outcomes. One example is to collect wage data (employment, average earnings, and VR participation) on 16-18 year olds and for 19-30 year olds and compare the outcome. This could be used to create an SSI statistical report and would allow us to track data across states.

2) Align outcomes with current policy initiatives

The SSI rules create fear of working among youth and can be discouraging. They are also administratively burdensome to SSA since the agency does not have adequate resources to track reporting. One suggestion is to waive the rules for reporting earnings to SSA for youth beneficiaries. This is a legislative proposal that SSA could move on quickly.

3) Rapid implementation and assessment

Better transition planning for recipients is needed. Children's needs change as they get older and there is no set plan for the transition. Some of them will not have another CDR until they turn 18. An option could be to introduce transition services sooner. The Work Incentives Planning & Assistance (WIPA) could be used to reach out to these youth and connect them to other services. SSA could reach out to youth around age 14 and start setting up plans. One requirement could be to have the child meet with a counselor. Mr. Wittenburg emphasized that age 14 is just a suggestion. He is not sure what the "optimal" age would be, but age 16 should be the latest age this conversation. Another option would be to conduct the adult-standard CDR (aka age-18 CDR) at an earlier age - if the youth (and their support systems) knew whether or not disability benefits would continue past age 18 at an earlier stage, they would have more time and motivation to prepare for the transition off of benefits.

MEMORANDUM

To: Social Security Advisory Board
Subject: Patrick O'Carroll at the February 23rd Board Meeting
Date: February 2, 2015



Patrick O'Carroll has served as the third Inspector General for the Social Security Administration (SSA) since November 24, 2004. Prior to joining the Agency, he had 24 years of experience with the United States Secret Service. Pat has a B.S. from Mount Saint Mary's College, Emmitsburg, Maryland, and a Masters in Forensic Science from the George Washington University, Washington, D.C

The Office of Inspector General (OIG) is responsible for meeting the statutory mission of promoting economy, efficiency and effectiveness in the administration of SSA programs and operations and to prevent and detect fraud, waste, abuse, and mismanagement in such programs and operations. OIG directs, conducts and supervises a comprehensive program of audits, evaluations and investigations, relating to SSA's programs and operations. Also searches for and reports systemic weaknesses in SSA programs and operations, and makes recommendations for needed improvements and corrective actions.

February Topics

- OIG's duties and work, including recent investigations and audits. He will provide his thoughts and recommendations on key issues he believes SSA should address. He will also discuss specific issues related to board projects and concerns.
- OIG's audit on the reconsideration level in the disability process that analyzes whether the prototype pilot should be expanded to remove the reconsideration step nationwide or stopped to reinstate the reconsideration step.
- Overview of the fraud investigations in the New York Region. These discussions will help prepare board members for the New York trip in March.
- Audits of State expenditures on the use of both IV-E benefits and SSI benefits on foster children, and the waiver process. The Board is currently writing a report on children receiving SSI, which includes a section on foster care youth receiving SSI.
- Reports of breaches in *MySSA* accounts, especially since the Board has recommended that people open *MySSA* accounts to guard against identity theft.

MEMORANDUM

To: Social Security Advisory Board
Subject: Background on Prototype States and the Reconsideration Pilot
Date: February 23, 2015

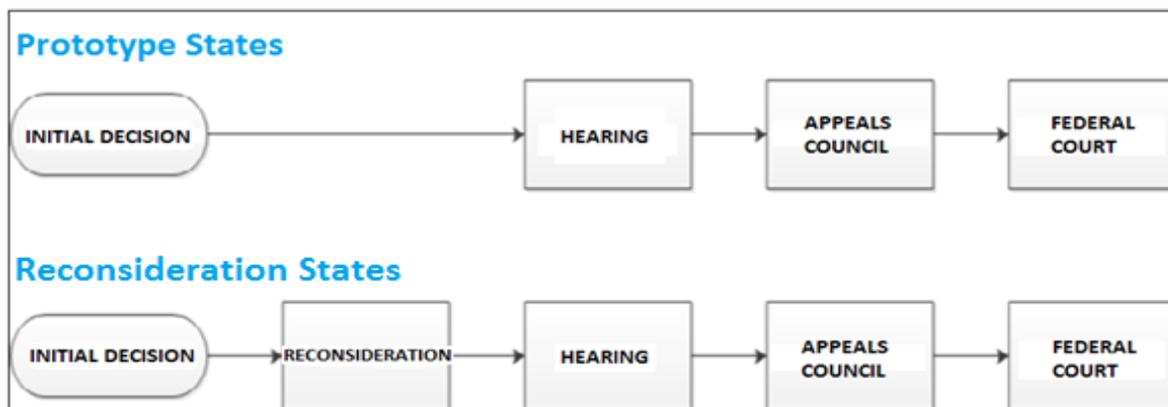
Introduction

The disability claims process at SSA includes four administrative steps. The initial application, the reconsideration step, the hearings level and the Appeals Council review. Beginning in 1999, SSA eliminated the reconsideration step in 10 states¹ with plans to put more resources towards a better initial determination. The reconsideration pilot was part of a larger experiment by the Social Security Administration (SSA) to improve the disability evaluation process. SSA intended to implement the disability redesign nationwide. After evaluating the prototype, SSA determined that eliminating reconsideration provided some benefits, but led to more appeals and higher costs. Due to the inconclusive results, SSA abandoned plans to adopt the disability redesign nationwide, but continues the prototype in the original 10 states.

SSA's disability appeal process: prototype vs. non-prototype

After receiving an application for disability benefits at the field office, SSA sends the case to a state Disability Determination Service (DDS) for a determination. If the initial disability application is denied, SSA rules provide for three levels of administrative review. The first level is reconsideration by the DDS; the second level is a hearing before an administrative law judge (ALJ); and the third level is a review by the Appeals Council. If the Appeals Council review is denied, the applicant may appeal to federal court. In the 10 prototype states, applicants skip the reconsideration phase and go directly to the hearings level.

Disability Appeals Process Comparison Between Prototype States and Other Sites



¹ Alabama, Alaska, California (LA North and LA West only), Colorado, New York, Louisiana, Michigan, Missouri, New Hampshire, and Pennsylvania

What is the prototype?

On October 1, 1999, the prototype was implemented in the DDSs of 10 states representing approximately 25 percent of the national workload. New features intended to improve operations of the DDSs were introduced in prototype states:

1. a single decision-maker (SDM) position
 - to give disability examiners authority to determine eligibility without requiring physician input
2. claimant conference
 - to allow claimants facing a denial decision another opportunity to provide additional evidence
3. enhanced documentation and explanation (rationale)
 - to require more complete case development and explanation of the disability determination
4. removal of the reconsideration level
 - to eliminate this processing time and make those resources available for use at the initial level

SSA's review of the prototype found that fewer cases were wrongly denied, but processing time and the backlog increased. SSA's reviews of disability determinations indicated that the new process improved the accuracy of initial decisions to deny claims from 92.6 percent to 94.8 percent.² Removing the reconsideration step permitted DDSs to redirect their resources so that the individuals who formerly worked on reconsideration claims could work on initial claims. This permitted increased contact with the claimants and improved documentation of the disability determinations. However, initial processing times increased 23 percent from FY 1999 to FY 2001. SSA attributed this to the addition of claimant conferences and enhanced documentation and explanation (rationale). In 1998, prior to the start of the prototype, the number of initial decisions that ended up at the hearings level was 1.4 percentage points higher in the prototype states than in the non-prototype states. By 2007, without reconsideration, the gap had increased to 7.5 percentage points.³ The increased number of hearings in prototype states led to higher allowance rates and a larger backlog of cases waiting to be heard.

Prototype Implementation

SSA initially planned to implement the prototype nationwide by 2001. Due to mixed results of the prototype, the agency abandoned this plan. SSA eliminated claimant conferences and expanded enhanced documentation nationwide. The prototype continues to operate in the same 10 states, but only the SDM and elimination of reconsideration now distinguish these states.

² <http://www.gpo.gov/fdsys/pkg/FR-2001-01-19/pdf/01-1442.pdf>

³ http://www.ssa.gov/legislation/testimony_042710.html

Status of Prototype Features			
Single Decision-maker	Claimant Conference	Enhanced Documentation	Elimination of Reconsideration
The SDM still exists in the prototype states and 10 other states where it was tested independently	Eliminated (2002)	Developed into the electronic Claims Analysis Tool (eCAT), now used nationwide (2009-2011)	The reconsideration step is still skipped in the 10 prototype states but not the rest of the country

Single decision-maker

In SSA’s disability programs, the SDM model authorizes disability examiners to make certain initial determinations without requiring a medical or psychological consultant’s (MC) signature. The SDM model allows disability examiners to decide when to involve MCs in complex claims. For some claims, such as mental impairment denials, policy requires a MC’s signature. SSA intended for the SDM model to allow adjudicating components to use disability examiner and MC resources more effectively and provide faster determinations.

In 1993, SSA proposed allowing disability examiners to make certain categories of disability determinations without a MC’s signature. In 1995, after receiving and addressing public comments on this proposal, SSA finalized the rules for the SDM model. From 1996 to 1999, SSA tested the SDM model at select sites and determined the model to be effective. Therefore, the agency started the SDM pilot at 10 DDS sites—referred to in this report as SDM prototype. Later in 1999, SSA expanded the pilot to an additional 10 DDS sites—referred to as SDM II. These 20 DDSs still operate the SDM pilot.⁴

An SSA OIG report⁵ found positive user feedback about the SDM model, decreased case processing times for initial disability claims, and no significant difference in decision quality. The report also estimated that the SDM model leads to a 0.61% higher allowance rate. Due to the higher allowance rate, SSA actuaries estimated significant savings to the Trust and General Funds with the gradual termination of the SDM pilot.

Eliminating Reconsideration

Other than having retained the SDM, the primary feature that distinguishes the prototype states is the elimination of reconsideration. Since SSA discontinued claimant conferences and expanded enhanced documentation through eCAT nationwide, there are no additional resources being placed into achieving a correct initial decision in prototype states. With reconsideration having

⁴ The Disability Examiner Authority (DEA) which allows disability examiners in all sites to make fully favorable allowance without the approval of a State agency medical or psychological consultation on quick disability determination (QDD) and compassionate allowance (CAL) cases – this authority has been extended to 11/13/2015. <https://federalregister.gov/a/2014-20535>

⁵ <http://oig.ssa.gov/audits-and-investigations/audit-reports/A-01-12-11218>

been eliminated, there is no longer another step between denial and a hearing before an ALJ. This led to more hearings and a higher allowance rate.

Eliminating reconsideration means fewer hand-offs of cases and fewer administrative steps. By itself, eliminating reconsideration immediately reduced the number of administrative steps and reduced the case processing time by the 70 days previously required to perform the reconsideration step. Given that allowance rates at the reconsideration level are low (less than 10 percent in 2011), many felt this step was a waste of resources. However, eliminating reconsideration led more claimants to appeal to the hearings level where allowance rates tend to be higher. Without a reconsideration step, these cases tended to be less-developed at the hearing level. Since implementation, the overall allowance rate in prototype states has been higher than in reconsideration states.

In 2010, SSA considered whether to reinstate reconsideration in Michigan as a possible first step to reintroducing reconsideration nationwide. Disability applicants in Michigan faced some of the longest waits for a hearing in the country, averaging 559 days from requesting a hearing to receiving a decision—or 762 days from the date of application. SSA argued that uniformity would give all Americans the same appeal rights, would provide a faster first-level appeal, would limit the number of hearings, and would produce better-documented cases for the hearings level. SSA committed to providing funding and the Michigan DDS began hiring new staff. However, Congress requested that the SSA Office of the Inspector General (OIG) examine the impact of this change.

The OIG reported that reconsideration would shorten waits for those who receive awards in reconsideration but lengthen waits for a hearing. The OIG estimated that reconsideration awards would take an average of 276 days from application, but hearing decision would end up taking 915 days. Before SSA was able to follow through with plans to reinstate reconsideration in Michigan, the House Ways and Means Committee held a hearing on the issue. Members pressed Commissioner Astrue and Inspector General O'Carroll about the plan. Nancy Shor, representing disability applicants, testified against reinstating reconsideration in Michigan or anywhere in the country.⁶ After members of the committee pressed Commissioner Astrue for more analysis and delay of the plan,⁷ SSA scrapped the plan instead.

Conclusion

Since SSA implemented the prototype, reconsideration and the SDM authority remain in limbo, leaving the nation without a consistent disability policy. SSA has analyzed their data and found:

- Eliminating reconsideration saved some money up front, but led to more appeals, less-developed cases at the hearing level, and a higher allowance rate.

⁶ http://waysandmeans.house.gov/media/pdf/111/2010apr27_shor_testimony.pdf

⁷ <https://levin.house.gov/letter-requesting-analysis-plan-reinstate-reconsideration-level-appeal>

- Using the SDM model streamlined the disability determination process without reducing accuracy. However, by correctly assessing a higher disability rate, the SDM model ended up costing more than expected.

While resources freed up by the elimination of reconsiderations at the state level were initially used to create a better initial determination process, the prototype states no longer receive additional funding – a fact that needs to be taken into consideration in evaluating the success or failure of the programs.

In order to evaluate the success or failure of the prototype, a decision needs to be made about what elements to measure and the relative weight of the measures in making an evaluation. SSA and OIG have used a variety of measures to evaluate the program:

1. Allowance rate
2. Accuracy/quality
3. Productivity
4. Processing time
5. Appeal rate
6. DE attrition rate
7. Program costs
8. Claimant satisfaction
9. Nationally consistent program

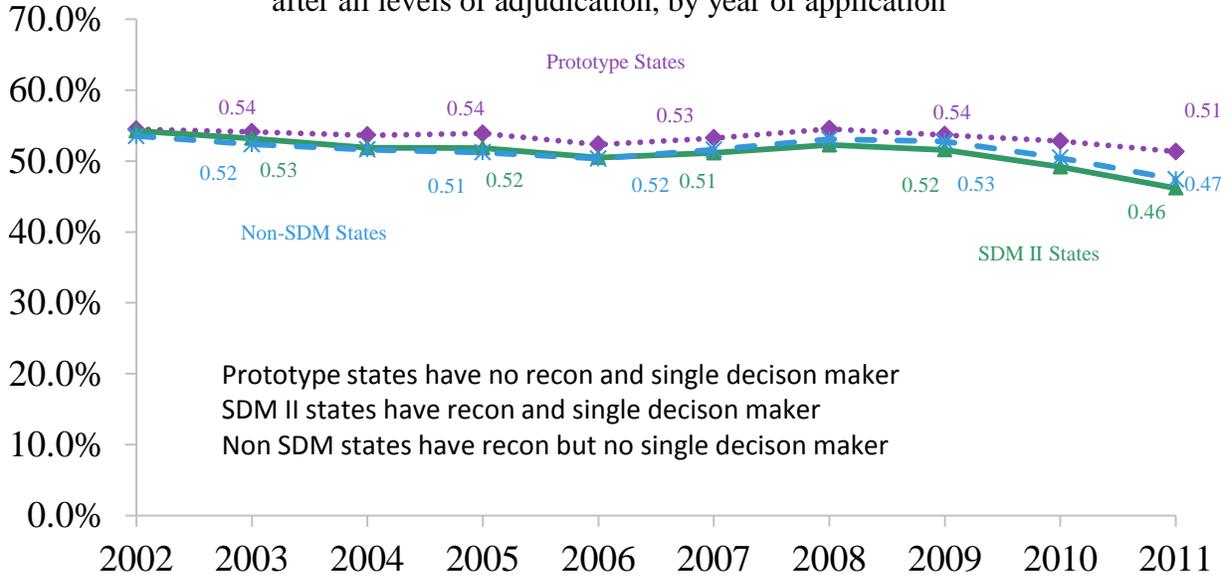
Any evaluation of the success in the program will need to prioritize the importance of these various measures.

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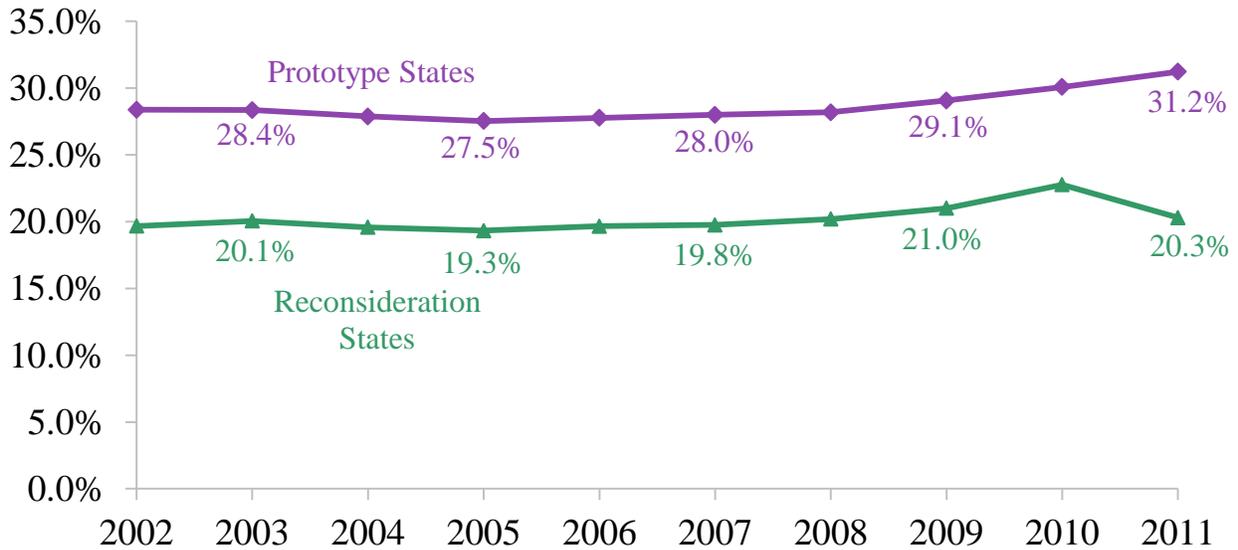
Prototype States Graphs⁸

Final Allowance Rates

after all levels of adjudication, by year of application

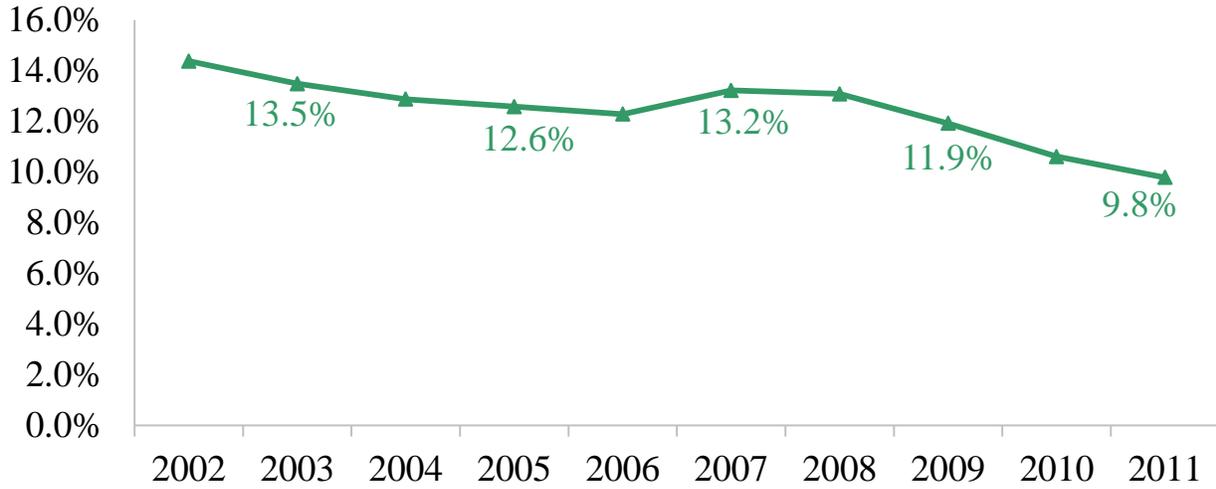


Percent of Initial Determinations that Go to Hearing



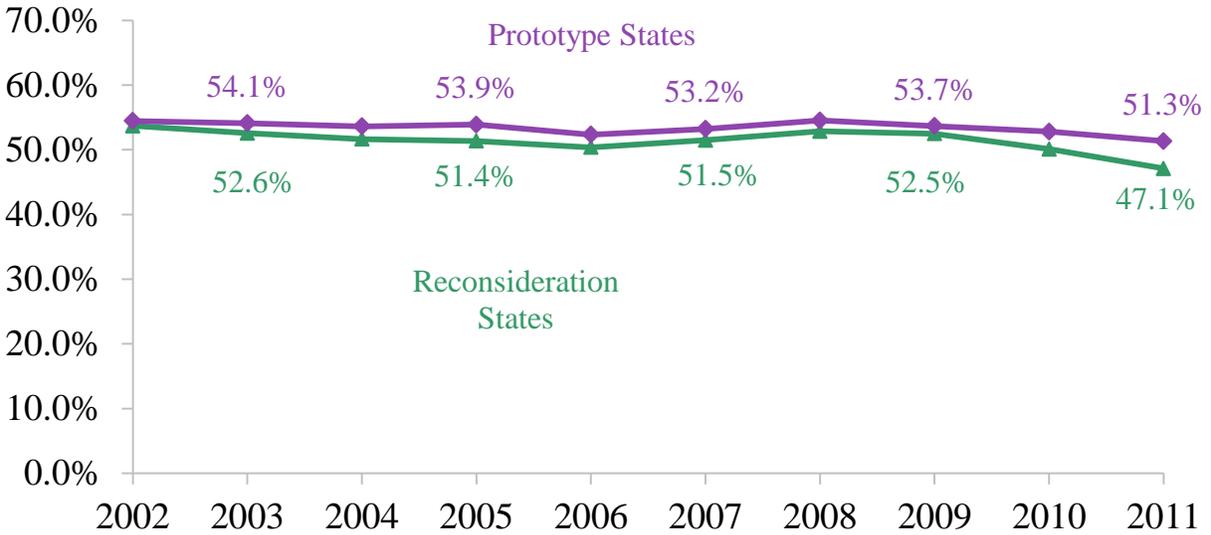
⁸ Graphs are based on SSAB preliminary calculations – data excludes California which operates the prototype in only the Los Angeles North and West DDSs.

Reconsideration Allowance Rate



Final Allowance Rate

after all levels of adjudication, by year of application



A Short History of Disability Redesign leading up to the Prototype

In 1994, SSA released a plan for an improved disability claim process in response to increased DDS caseloads and processing times, and concerns with high reversal rates. The plan included five primary objectives:

- the process is user-friendly for claimants and employees;
- an allowance decision, if applicable, is made as early in the process as possible;
- all disability decisions are made and effectuated quickly;
- the process is efficient; and
- employees find the work satisfying.

In the 1994 plan, SSA proposed an ambitious series of initiatives to improve timeliness, accuracy and customer service. SSA committed to 83 initiatives to be accomplished over 6 years. In 1996, the General Accounting Office (GAO) concluded that SSA’s plan was overly ambitious and complex. At that time, SSA had made little progress in meeting its goals, could not demonstrate positive results, and faced difficulty retaining the support of some stakeholders. In response to the urging of GAO and stakeholders, SSA issued a scaled-back disability process improvement plan in 1997. The revised plan contained eight key initiatives.

1997 Initiatives

Initiatives	Description
Near-term	
Single Decision Maker	New decisionmaker position that would give DDS examiner authority to determine eligibility without requiring physician input
Adjudication Officer	New decisionmaker position that would help facilitate the process when an initial decision was appealed
Full Process Model	Process change that would combine the two above positions with a new requirement to interview the claimant before a denial and would eliminate the reconsideration and Appeals Council steps
Process Unification	A series of ongoing initiatives that were intended to promote more consistent decisions across all levels of the process
Quality Assurance	New procedures to build in quality as decisions were made and to improve quality reviews after decisions were made
Long-term	
Disability Claims Manager	New decisionmaker position to combine the disability claims responsibilities of SSA field office personnel with DDS staff
Reengineered Disability (Computer) System	Initiative to develop a new computer software application to more fully automate the disability claims process
Simplified Decision Methodology	Research to devise a simpler method for evaluating and deciding who is disabled

After two years of testing the initiatives, SSA decided to combine the most promising features into a prototype, and evaluate the combination of features.

What happened to the other elements of the Full Process Model?

Claimant Conference

In the beginning of the prototype, claimants who received a denial were offered a claimant conference via telephone or face-to-face. In May 2001, 64 percent of claimants facing denial chose to participate in the claimant conference. This included 72 percent of DI applicants and 61 percent of SSI applicants. In a customer satisfaction survey of claimants, a majority of those who participated in the claimant conference rated their satisfaction with the application process as excellent, very good, or good. Predictably, those who were awarded disability benefits ranked performance higher than those who were denied benefits.⁹

In 2002, SSA decided to end the claimant conference feature of the prototype. SSA estimated that the conferences added 15 to 20 days of processing time and was not as effective as it had hoped in helping claimants understand claims issues.¹⁰ Anecdotal evidence suggested that claimant conferences were leading to higher employee attrition and six of 10 prototypes had above average attrition the year after the prototype was introduced. Claimant conferences were not introduced independently, so it unclear whether this aspect of the prototype is solely responsible.

Enhanced Documentation

After testing out enhanced documentation in the prototype, SSA developed eCAT to electronically manage these requirements. SSA implemented eCAT nationwide between 2009 and 2011 to gather the comprehensive claim decision rationale created at each adjudicative level. eCAT is a Web-based application designed to document the analysis made by a disability adjudicator and ensure all relevant SSA policies are considered during the disability adjudication process. eCAT produces a Disability Determination Explanation that documents the detailed analysis and rationale for either allowing or denying a claim.

According to an SSA OIG report, eCAT resulted in longer processing for determinations at the DDS level but shorter processing times at the ODAR level, promoted the consistent application of policy, had a positive effect on disability examiner training, and reinforced process unification principles; resulted in better documented determinations; and had a positive effect on ODAR work processes.

Initiatives abandoned prior to prototype

The adjudication officer: role was to help claimants understand the hearings process, obtain new evidence, request consultative exams, develop cases for the ALJs, and issue favorable decisions for clear-cut cases.

⁹ <http://oig.ssa.gov/sites/default/files/audit/full/html/A-07-00-10055.html>

¹⁰ http://www.ssa.gov/legislation/testimony_050202.html

The disability claims manager: role was to act as a DDS disability evaluator and a SSA claimant representative. By vesting these powers in one person, SSA was able to reduce the number of people involved in evaluating a single case and reduce processing time. Disability claims managers reported higher job satisfaction and allowance rates were about the same. However, SSA found that case-processing costs increased and more resources were needed to support a blended federal/state process. SSA discontinued the position in 2001.¹¹

¹¹ <http://oig.ssa.gov/sites/default/files/audit/full/html/A-07-00-10055.html>

MEMORANDUM

To: Social Security Advisory Board
Subject: Biography of Ken Nibali
Date: February 11, 2015

Ken Nibali served as Associate Commissioner for Disability at the Social Security Administration from 1998- 2002. In this position, Mr. Nibali was the top official responsible for the nation's disability program, and ran a \$1.5 billion budget that covered the operations of 54 states and territories as they carried out the adjudication of claims for disability throughout the country. During this time, he was also responsible for the policies and procedures used to make determinations on disability claims, whether by the state agencies or by administrative law judges upon appeal. Mr. Nibali was particularly involved in assuring that legislative changes to the Supplemental Security Income Program for disabled children were regulated and implemented in as fair a manner as possible for the more than one million children affected. Prior areas of leadership included equal employment opportunity and management analysis. Among awards and honors, Mr. Nibali received the Commissioner of Social Security's Leadership Award in 1998 and the President of the United States' Meritorious Executive Award in 1999. After 31 years of service at SSA, Mr. Nibali is currently retired from federal service and works as a private consultant on issues relating to the Social Security disability programs. He recently served as an expert witness in class action lawsuit involving disability insurance companies requiring policyholders to file claims with SSA. He has also been involved in several projects with the National Academy of Social Insurance. Mr. Nibali holds a BA in Economics from Western Maryland College and a JD with Honors from the University of Maryland School of Law. He was admitted to the Maryland Bar in 1978.

MEMORANDUM

To: Social Security Advisory Board
Subject: Biography of Arthur Spencer
Date: February 11, 2015

In 1973, Art began his career with the Virginia Disability Determination Services (DDS), the State Agency adjudicating Social Security disability claims for Virginia. He received a series of promotions, including line and QA supervisor; led all statewide training; and for seven years was the Regional Director in Roanoke, Virginia, leading DDS operations for the southwest quadrant of the State. In 1993 he was selected to be the Director of the Delaware DDS; in 1994 was a Disability Program Administrator in the Philadelphia Region and in 1995 became the Director of the New Jersey DDS, where he served for seven years. Beginning in 2002, he was with the Office of Disability Programs in Central Office, focusing on the development and interpretation of disability policy, primarily non-medical and evaluation policies and procedures. He led the development of the Request for Program Consultation (RPC) process, a new way to resolve questions and disagreements on complex disability issues nationwide. In July 2008, Art was selected for SSA's Senior Executive Service (SES) development program. His first assignment was within the Office of Disability Systems, coordinating the development tasks for the Disability Claims Processing system, and his second assignment took him to the San Francisco region where he led operations for six Teleservice Centers. Between June 2010 and January, 2014, Art was the Associate Commissioner for the Office of Disability Policy responsible for the nation's Social Security's disability policy. Art has a BS degree from Virginia Commonwealth University and the MPA from Virginia Tech and is a member of the National Academy of Social Insurance. Now retired, Art makes stained glass windows, plays with grandchildren, plays the guitar and continues to be involved in Disability program issues.

Letter Requesting the Analysis of the plan to reinstate the reconsideration level of Appeal

May 20, 2010

Dear Commissioner Astrue:

Thank you for your recent testimony at the Committee's joint hearing on the Social Security Administration's (SSA's) disability claims backlogs. As you know, at that hearing a number of Committee members raised concerns about the potential impact of the plan to reinstate the reconsideration level of appeal, which SSA has indicated would begin with Michigan and possibly expand to other prototype states. In addition, witnesses representing disability organizations and SSA Administrative Law Judges (ALJs) testified that they did not support the plan to reinstate the reconsideration stage.

We know you share our goal of ensuring that all citizens - those in Michigan and in other states receive the best possible service from SSA when they attempt the often arduous process of applying for disability benefits. Therefore, before the agency moves forward with such a significant change that would affect a large number of disability applicants, we believe it is essential that the potential effects of this plan be fully analyzed and the results of this analysis communicated to Congress, so that we can better assess the impact this plan would have on applicants.

Congress, SSA, and the stakeholder community have long had concerns about the shortcomings of the reconsideration level of appeal, since nationally fewer than 15 percent of applicants are allowed at this stage. Given these acknowledged shortcomings, the decision about reinstating reconsideration in any of the states must be made with great caution. It is important that we have a full understanding of the potential impact of this change on claimant waiting times, the trade-offs involved, and to what extent claimants may be harmed by this change, including the extent to which claimants who would have been awarded benefits at the hearing level fail to pursue an appeal to this level after being denied at reconsideration.

In addition, because funding reinstatement of the reconsideration stage will be costly, it is critical that a thorough analysis be conducted to assess whether alternative uses of this funding would be more beneficial for disability applicants and do more to reduce overall waiting times. This could include using the funds to improve the initial claims process, to make it more likely that the right decision is

made at this earlier stage; working down the initial claims backlog faster; or increasing hearing office resources.

Therefore, we request that the Committee be provided with the following information by June 10, 2010, and before a final decision is made to move forward with reinstatement of reconsideration in Michigan or any other prototype state:

1) All analyses SSA has conducted related to the plan to reinstate the reconsideration stage in Michigan or in other prototype states. These should include analyses referenced in your testimony at the April 27th hearing. You stated in your testimony, "We expected that eliminating the reconsideration step in the Prototype States would result in earlier decisions and reduced waiting times for claimants; however, we have found that the opposite is true." Please provide the analyses you conducted to support this finding. In addition, you stated that "In addition to Michigan, we are also looking at reinstating reconsideration in Colorado..." and that "In all cases, we thoroughly evaluate the potential reinstatements from a programmatic, budgetary, and legislative perspective." Please provide the Committee with these analyses as well.

2) A detailed analysis of the impact reinstating reconsideration would have on claimant waiting times in Michigan over the next several years. This should include an analysis of the impact on waiting times of alternative uses of the funds that would be used to reinstate reconsideration. (See below for more detail.)

3) A cost benefit analysis of the plan to reinstate reconsideration in Michigan in FY 2011.

4) You testified that cases that are processed through the reconsideration level are more thoroughly developed when they reach the hearings level than cases that have only been processed through the initial level. Please provide the results of any studies the agency has conducted that show that cases adjudicated at the reconsideration level can be processed more quickly at the hearings level, on average, than cases that were processed only through the initial claims level.

Finally, we know that you have had success with initiatives at the hearings level that screen cases to determine which ones are likely to be allowed on the record, without a hearing. Have you conducted any studies to determine to what extent the approximately 15 percent of cases likely to be allowed at the reconsideration level are cases that, if appealed directly to the hearings level, could be allowed without a hearing, through the Senior Attorney Program or similar initiatives?

If so, please provide the results of this analysis to the Committee by the date stated above. If not, we believe it would be helpful to conduct such an analysis before the decision is made to reinstate the reconsideration step, as this would allow a better assessment of the costs and benefits of such a decision.

Thank you for your assistance. We look forward to receiving these analyses, which will be very helpful in allowing the Committee to better assess the advantages and disadvantages of reinstating reconsideration in Michigan and other prototype states, and whether this would be in the best interest of disability benefit applicants.

Sincerely,

Sander M. Levin

Chairman

Jim McDermott

Chairman Subcommittee on Income Security and Family Support

Earl Pomeroy

Chairman Subcommittee on Social Security

MEMORANDUM

To: Social Security Advisory Board
Subject: Biography of Samuel R. Bagenstos, Professor of Law, University of Michigan
Date: January 8, 2015



Samuel Bagenstos, the Frank G. Millard Professor of Law, specializes in constitutional and civil rights litigation. From 2009-2011, he was a political appointee in the U.S. Department of Justice, where he served as the principal deputy assistant attorney general for civil rights, the number-two official in the Civil Rights Division. His accomplishments included the promulgation of the 2010 Americans with Disabilities Act regulations—the first comprehensive update of those regulations since they were first promulgated in 1991—and the reinvigoration of the Civil Rights Division's enforcement of the U.S. Supreme Court's decision in *Olmstead v. L.C.*, which guarantees people with disabilities the right to live and receive services in the most integrated setting appropriate.

He led the negotiations of significant *Olmstead* settlements with the states of Delaware and Georgia, which guarantee appropriate, community-based services to thousands of people with disabilities. He also personally argued major cases in federal district courts and courts of appeals.

As an academic, Prof. Bagenstos has published articles in journals such as the *Yale Law Journal*, the *Columbia Law Review*, the *California Law Review*, the *Virginia Law Review*, the *Georgetown Law Journal*, and many others. He also has published two books: *Law and the Contradictions of the Disability Rights Movement* (Yale University Press, 2009) and *Disability Rights Law: Cases and Materials* (Foundation Press, 2010). Prof. Bagenstos frequently consults with civil rights organizations and remains an active appellate and Supreme Court litigator in civil rights and federalism cases. In one of the most notable cases he has argued, *United States v. Georgia*, 546 U.S. 151 (2006), the U.S. Supreme Court upheld, as applied to his client's case, the constitutionality of Title II of the Americans with Disabilities Act. Prof. Bagenstos also has testified before Congress on several occasions, including in support of the Fair Pay Restoration Act, the ADA Amendments Act, the Employment Non-Discrimination Act, and the Convention on the Elimination of All Forms of Discrimination Against Women, as well as on the application of the ADA to advancing technology and the problem of mental illness in prisons.

Prior to joining the Michigan Law faculty, Prof. Bagenstos was a professor of law and, from 2007 to 2008, also associate dean for research and faculty development at Washington University School of Law. He has been on the faculty of Harvard Law School and was a visiting professor at UCLA School of Law. He clerked for the Hon. Stephen Reinhardt on the Ninth Circuit for one year, then joined the Civil Rights Division of the U.S. Department of Justice. Following that position, he served as a law clerk for Justice Ruth Bader Ginsburg of the U.S. Supreme Court. In 1993, Prof. Bagenstos earned his JD, *magna cum laude*, from Harvard, where he received the Fay Diploma and was articles office co-chair of the *Harvard Law Review*. He

received his BA, with highest honors and highest distinction, from the University of North Carolina.

The Disability Cliff

We're pretty good about caring for our disabled citizens—as long as they're children. It's time to put equal thought into their adulthoods.

The “cliff” is something that all parents of teenagers with developmental disabilities worry about. The Census Bureau estimates that 1.7 million American children have intellectual or developmental disabilities. Unlike in past generations, these children often go to school alongside children without disabilities, taking classes that seek to prepare them for jobs in the competitive economy.

Yet once they age out of special education—usually at 22—many young adults with developmental disabilities find a reality that is very different from the one they had gotten used to. When they lose their federal entitlement to special education, they are thrown into an underfunded and uncoordinated system in which few services are available as a matter of right. They must now contend

SAMUEL R. BAGENSTOS is the Frank G. Millard Professor of Law at the University of Michigan Law School. An expert in disability law, he served from 2009 to 2011 at the Justice Department, where he was the Principal Deputy Assistant Attorney General for Civil Rights.

with services from a variety of providers, financed by a variety of agencies, most of which are not sufficiently funded to cover everyone, and many of which are far too bureaucratic and insufficiently focused on ensuring that their clients can spend meaningful days integrated in community life. They fall, in other words, off the cliff.

Young adults with intellectual disabilities for the most part now live in houses and apartments in the community, not in institutions as they did in years past—a measure of our progress. But far too many spend their days employed in sheltered workshops and activity centers that closely resemble the dayrooms of those old institutions. According to the Institute for Community Inclusion at the University of Massachusetts Boston, 80 percent of the 566,188 people served by state intellectual- and developmental-disabilities agencies in 2010 received services

We have largely achieved the goals of integration in terms of *where* the disabled live. But we have fallen short of those goals in terms of *how* they live.

in sheltered workshops or segregated nonwork settings. Instead of productive, mainstream jobs with competitive wages, these individuals find that the only work options available to them are largely dead-end jobs that pay less—often far less—than the minimum wage. For some, the sheltered workshop is the best-case scenario—not because

they lack the skills to do better, but because our disability policies leave them with nothing even minimally productive to do all day.

We have largely achieved the goals of integration in terms of *where* people with intellectual and developmental disabilities live. But we have fallen far short of those goals in terms of *how* they live. To truly achieve the objectives to which our disability laws are formally committed, we must focus our attention on the cliff.

A fundamental change begins with integrating the various streams of funding for adults with disabilities. Congress should provide a federal entitlement to “supported employment services”—which provide ongoing supports, ranging from job coaches to modifications to work environments, to enable a recipient to obtain and keep a job in the competitive workforce—for all young adults with intellectual and developmental disabilities. That entitlement can be administered by the same public school system that provided services through age 21. And it can be paid for by Medicaid, with its substantial federal financial contribution.

Recent changes in the law have moved policy in the right direction by providing financial incentives and legal mandates for school systems and vocational rehabilitation agencies to begin to integrate their services. But these changes

have not moved nearly far or fast enough. Young adults with disabilities still must shuffle between multiple service systems, and they still often find that, at the precise moment they reach the age when they can benefit from supported employment services, those services stop being available. The costs—in lost human potential, in running expensive sheltered workshops, in dependency, and in the denial to people with disabilities of the opportunity to participate in meaningful, remunerative work—are enormous.

The Foundations of Disability Policy

Our current predicament is the legacy of three policy epochs: the aftermath of World War I; the Great Society of the mid-1960s; and the rights revolution of the 1970s. Each of those eras generated a particular set of laws and programs relating to disability. These laws and programs continue to play a central role in promoting—or failing to promote—employment opportunities for individuals with intellectual and developmental disabilities.

As medical knowledge has developed to enable more and more soldiers with serious injuries to survive their wounds, our nation's periodic wars have often served as catalysts for developments in disability policy. So it was with World War I. More than 200,000 American soldiers returned from that war with injuries. Congress responded by setting up the first national vocational rehabilitation program. That program aimed to prepare disabled veterans for gainful employment. Congress adopted a civilian counterpart to that program two years later to cover nonveterans disabled by industrial accidents.

The general vocational rehabilitation program continued to broaden its reach over the ensuing decades. During World War II, as the nation needed to mobilize new workers to staff war industries, vocational rehabilitation expanded to include individuals with developmental disabilities. And in the 1960s and '70s, the program expanded further. Today, vocational rehabilitation is an approximately \$4 billion-a-year cooperative program between the federal Department of Education and state agencies, with the federal government paying just over three-quarters of the cost and the states kicking in the rest and administering the program. In 2012, the vocational rehabilitation program served roughly 1.4 million individuals with disabilities, of whom just over 160,000 achieved the goal of competitive employment.

The Great Society added another, perhaps unexpected, layer of policy response to disability. In 1965, Congress created Medicaid, a program in which the federal government pays most of the costs but that the states administer. Medicaid was designed to provide health insurance to poor Americans, and it still serves that role. But over time it has also become one of our nation's most

significant disability programs. In fact, individuals with disabilities and elderly persons account for two-thirds of the more than \$400 billion spent annually on Medicaid. More than nine million persons with disabilities receive Medicaid, and what they receive is not just medical care in the traditional sense. For example, the program has long required states to provide nursing-home and other institutional services to individuals who need them.

But by the 1980s, it had become clear that such institutions were often far more expensive—and far more restrictive of basic independence—than necessary for many individuals with disabilities. In 1981, Congress thus authorized states to obtain waivers from Medicaid rules to provide services to support individuals with disabilities in their own homes and communities. These waivers have provided a crucial alternative to institutionalization for individuals with developmental disabilities. States may provide a number of services under a Medicaid waiver, including prevocational services—providing general skills that contribute to employability—and supported employment services.

There's a catch. Medicaid, unlike vocational rehabilitation, is an entitlement program, meaning that every individual with a disability who meets the eligibility criteria is entitled to receive Medicaid services. Services provided under Medicaid waivers, however, are not entitlements. Thanks to Medicaid's institutional bias, an individual is entitled to be placed in a nursing home. But to receive waiver services, such as supported employment, that individual must wait until the state makes a slot available—and some of those waiting lists can be long.

Moreover, the employment services provided under these waivers are themselves tilted toward segregation. A state can provide both prevocational services and supported employment under a waiver. But prevocational services may be provided in a sheltered workshop or other segregated setting, and there is no time limit for them. As a result, individuals may spend their lives “preparing” for integrated jobs that they will never be presented with the opportunity to take—as is happening to hundreds of thousands of disabled adults now. And while current Medicaid policy prohibits providing supported employment services in a sheltered workshop—indisputably a good thing—it also disfavors using Medicaid to pay for supported employment where other federally funded programs might be available to pay for it.

The Rise of Disability Rights

The rights revolution of the 1970s brought the final layer of disability policy. In the past half-century, U.S. disability law has undergone a sea change. It has followed the path marked by the great constitutional scholar and disability-rights activist Jacobus tenBroek in a pair of 1966 articles in the *California Law Review*.

THE DISABILITY CLIFF

In these articles, which created the field of disability law, tenBroek argued that laws covering disabled people had been marked, until very recently, by a policy of “custodialism.” That policy was “typically expressed in policies of segregation and shelter, of special treatment and separate institutions.” Children with significant disabilities received separate schooling, if they received schooling at all. As late as 1970, only a fifth of children with disabilities received public schooling; schools often simply excluded children with developmental disabilities as uneducable. As they grew to adulthood, individuals with developmental disabilities moved to state-run institutions that theoretically provided training and treatment, but in practice warehoused them.

But this system was already, by the mid-1960s, giving way to a policy of “integrationism,” one that “focuses attention upon the needs of the disabled as those of normal and ordinary people caught at a physical and social disadvantage.” Approving of that trend, tenBroek argued that disability law should be read as “entitling the disabled to full participation in the life of the community and encouraging and enabling them to do so.”

The American disability-rights movement made integrationism its main goal, and policy-makers listened. Where disability once triggered responses of care, custodialism, and paternalism, our laws and policies now aim at providing people with disabilities the supports to live as full and equal members of the community. Laws like the 1973 Rehabilitation Act, which prohibited disability discrimination by entities that receive federal funds, the 1975 Education for All Handicapped Children Act (more on this below), and the 1990 Americans with Disabilities Act (ADA) together worked a revolution—one that is the envy of activists with disabilities worldwide. As an American professor who specializes in disability law, I often have the opportunity to work with highly talented young lawyers with disabilities from around the world. These young lawyers consistently speak of the United States as a sort of disability Eden—a place where our buildings, spaces, and institutions are far more accessible than in their home countries, and where people with disabilities are visibly full participants in the life of the community. Although our nation has not yet reached the state of full equality for people with disabilities, we are far ahead of the rest of the world.

Our disability-law revolution has been especially dramatic in the area of education. In the middle of the twentieth century, our nation’s dominant approach to intellectual and developmental disabilities reflected a particularly virulent form of custodialism. Doctors typically advised parents to institutionalize children with these disabilities for life, beginning at a very young age. Parents who wished to reject that advice often found that they had no real alternative, because local school districts refused to allow their children even to attend school. And the

institutions that the state made available often housed individuals in wretched conditions. New York City's notorious Willowbrook State School was one well-known example: After visiting Willowbrook in 1965, then-Senator Robert F. Kennedy described the facility as bordering on a "snakepit," and as "less comfortable and cheerful than the cages in which we put animals in a zoo."

But in 1975, a coalition of civil rights advocates, parents, teachers, and disability professionals pressed Congress to enact the Education for All Handicapped Children Act—now known as the Individuals with Disabilities Education Act (IDEA)—a landmark in disability policy. It guaranteed a free appropriate public education to each and every child with a disability from age five onward (and from age three onward in states that provide public preschool), in the "least restrictive environment," defined as an environment that permits an individual with a disability to be unrestrained, and to be integrated with the mainstream school population as much as possible. Children with intellectual and developmental disabilities—even very significant ones—now go to school in integrated settings. School districts may no longer reject disabled children as uneducable. Moreover, services under the statute, unlike under Medicaid waivers and vocational rehabilitation, are an entitlement.

Life after the Cliff

The IDEA has been, in the main, a dramatic success. For nearly 40 years, we have succeeded in preparing children with even the most severe disabilities for lives that are fully integrated in the community. But it's that very success that creates the cliff that haunts all parents of teenagers with intellectual and developmental disabilities.

IDEA services end at age 22. At that point, a young adult with a disability must turn to vocational rehabilitation or Medicaid waivers to obtain employment supports. But those services, unlike IDEA services, are not entitlements. And unlike IDEA services, they are not administered by the familiar public school system but instead by distinct state bureaucracies: the state Medicaid department (which often provides services through a separate state developmental-disabilities agency) and the state vocational rehabilitation service. Moreover, these state bureaucracies don't deliver the services directly. Rather, they contract with an array of service providers (which may be units of local government, nonprofit groups, or even for-profit corporations) to deliver them.

For example, until the school year in which he turns 21, a young man with an intellectual disability in New York City is entitled to receive services from the New York City Department of Education, an entity he and his parents have been dealing with for most of his life. But if he wants supported employment

services when that school year ends, he will likely apply to the state vocational rehabilitation agency, known as ACCES-VR. When he applies to ACCES-VR, a counselor will conduct a comprehensive assessment of his rehabilitation needs. If the counselor determines that he has a “Most Significant Disability,” and there is funding available, ACCES-VR will refer him to a supported employment provider. Because of the limited funds available for vocational rehabilitation services, federal law requires state vocational rehabilitation agencies to establish an order of priority for receiving services, under which individuals with the most significant disabilities receive services first. When an individual with a developmental disability scores too high on a test of social and behavioral skills, ACCES-VR will not refer that individual for supported employment—even if he needs supports to obtain and retain a job. If he is lucky enough to steer between the Scylla of being too significantly affected by a disability to benefit from supported employment and the Charybdis of being insufficiently affected to qualify for these services, our young man will be referred to a local provider, like the Queens Centers for Progress, a nonprofit organization in Jamaica, Queens. That provider will be the one that employs his job coach.

Hundreds of thousands of individuals with developmental disabilities must content themselves with a dead-end job in a sheltered workshop.

If our young man is denied ACCES-VR services, he may seek to receive supported employment through a Medicaid waiver. Although New York generally administers Medicaid through its Department of Health, it administers Medicaid services for people with developmental disabilities through the Office for People With Developmental Disabilities. To obtain Medicaid-financed services, our young man would have to contact his regional Developmental Disabilities Services Office, which would then refer him (perhaps after a wait) to its own contracted supported employment provider—which might, or might not, be the same nonprofit entity that would provide services under the ACCES-VR program.

The details will change in different states, though the overall story is the same across the nation. But our hypothetical New Yorker is one of the lucky ones—those who receive supported employment are a privileged few. Hundreds of thousands of individuals with developmental disabilities, if they get to work at all, must content themselves with a dead-end job in a sheltered workshop. Such workshops tend to be operated by state and local government entities and nonprofit agencies. But nonprofit doesn’t mean nonlucrative. Disability-rights activists from the National Federation of the Blind and elsewhere have recently

focused attention on Goodwill, which operates sheltered workshops across the country. Pursuant to a loophole in the Fair Labor Standards Act, the workers at these facilities often make well below minimum wage, but many of Goodwill's executives make hundreds of thousands of dollars a year. These workshops are financed by state Medicaid or vocational rehabilitation funds, as well as by the money they receive from selling goods they produce.

As a scholar and an advocate, I have toured today's sheltered workshops. Unlike in the case of the old institutions, nobody is likely to describe them as snakepits. But tenBroek's description from 1962 remains apt: "[A] vague combination of the workhouse, the almshouse, the factory, and the asylum, carefully segregated from normal competitive society and administered by a custodial staff armed with sweeping discretionary authority," sheltered workshops tend "to become terminal places of employment in which so-called unemployables may find a drudge's niche at the workbench."

As the National Disability Rights Network (NDRN) put it in 2011, sheltered workshops "purport to offer pre-employment and pre-vocational skills," but often simply "prepare people with disabilities for long term sheltered employment." Workshops often fail to employ state-of-the-art production techniques, so even those clients who excel in their jobs do not learn how to work in the outside marketplace. At a workshop I visited several months ago, men and women with developmental disabilities spent their days using a simple hand-operated lever to place half-inch rubber rings around pieces of metal that resembled chess pieces. Clients got paid a small amount for each ring they placed on a piece. Some looked almost like human machines, quickly placing the ring on the metal, pulling the lever, and putting the assembled piece in the box, one after another. But these clients were not learning skills that would enable them to do a production-and-assembly job outside of the workshop, which typically requires far more than pulling a single lever over and over.

As I talked to the clients, I found that a number had job-related skills that were readily evident even to the non-expert, including interpersonal, communication, and artistic talents. But the workshop was not helping them find a job that matched those skills. That is all too common. The NDRN's report described the case in another state of an autistic man named Andy. As of 2011, Andy had worked in a sheltered workshop for 15 years. Outside of the workshop, Andy handled much of life independently or with limited support from others. He had taught himself five languages and enjoyed building computers out of old parts. But the sheltered workshop did not put him in a job that fit any of these skills or interests. Instead, his job at the workshop was to feed paper into a shredder, over and over. "So Andy is only able to fulfill his potential in his free time," the

NDRN report noted archly, “by putting computers together while reading a manual in Chinese.” Although Andy’s case is an extreme one, it illustrates the far more general problem highlighted by that report: “[Y]oung people with disabilities who want to transition into traditional work . . . instead wind up trapped in a sheltered workshop with little chance for something different.”

The Beginnings of Reform

These problems are well known among disability-policy experts. And through the years policy-makers have made a number of efforts to address them. These efforts have helped at the margins, but they have not taken on the fundamental issues.

Over the decades, the federal government has substantially increased its investment in supported employment for individuals with developmental disabilities. Supported employment provides job coaches and other ongoing, individualized supports to enable them to work in productive, integrated jobs for competitive wages. As I have explained, Medicaid waiver programs sometimes pay for supported employment, as do vocational rehabilitation programs. A major study published in summer 2014 found that supported employment consistently leads to employment for at least half of young adults with intellectual and developmental disabilities who receive it—and that it substantially increases employment rates over alternative approaches. But it also found that large percentages of young adults with those disabilities—particularly high-school dropouts and those with cerebral palsy or traumatic brain injury—are never offered supported employment services. And the study’s authors singled out the lack of “entitlement to services after age 21” as a particular problem: “For those with severe disabilities who require support after the 90-day closure period [for vocational rehabilitation services], it is often excessively difficult for them to obtain the long-term support they need.” In short, although we know that supported employment works for large numbers of young adults with developmental disabilities, we have not succeeded in extending that policy to all of the individuals who could benefit from it.

Two major recent initiatives promise to provide supported employment opportunities to more young adults with intellectual and developmental disabilities. I played a role in the first of these initiatives when I served in the Justice Department in the first years of the Obama Administration. That was the effort by the department’s Civil Rights Division to use the Americans with Disabilities Act to reorient states’ disability-services systems toward integrationism. As interpreted in the Supreme Court’s landmark 1999 decision in *Olmstead v. L.C.*, the ADA requires states to provide services to individuals with disabilities in

the most integrated setting appropriate. The Justice Department has relied on *Olmstead* to negotiate settlements with eight states, requiring them to provide an array of services to enable individuals with, among other things, intellectual and developmental disabilities to live full lives in the community.

Much of the Justice Department's *Olmstead* enforcement has focused on questions of *where* people with disabilities have the opportunity to live—in institutions or in their own homes and apartments scattered throughout the community. But the department has also relied on *Olmstead* to press states to expand integrated opportunities for employment. Consent decrees with Rhode Island, Virginia, New Hampshire, and Delaware explicitly require those states to provide new supported employment slots for individuals with intellectual disabilities and/or mental illness. A landmark consent decree the Justice Department entered

into with Rhode Island in April 2014 requires the state to provide supported employment services to 3,250 individuals with intellectual and developmental disabilities over ten years. And the department has joined a private *Olmstead* lawsuit against Oregon that challenges that state's heavy reliance on sheltered workshops to serve people

The only way to truly solve the problem is to eliminate the cliff—to give an entitlement to supported employment as disabled people hit age 22.

with intellectual and developmental disabilities.

The Department of Justice's enforcement efforts are likely to accelerate the other major initiative that has helped to increase access to supported employment: the rapid spread of Employment First policies across the states. As the name implies, under an Employment First policy a state commits to making integrated, competitive employment its first option for individuals served by its disability system. Rather than sending individuals to sheltered workshops until they are deemed ready for competitive work—a result that often never arrives—an effective Employment First policy says that the state should match people with disabilities with competitive jobs, place them in those jobs, and give them the supports they need to succeed. Tennessee adopted the first statewide Employment First policy in 2003; today, less than a dozen years later, 32 states have adopted them. While largely abstract statements rather than concrete commitments, these policies serve as a guidepost that should promote efforts by states to expand supported employment services.

But these initiatives still do not directly address the problem of fragmented, uncoordinated service systems. Over the past 20 years, Congress has increasingly attended to that problem. The IDEA has long required that individual

education plans (IEPs) for teenagers with disabilities describe the transition services those students will require as they prepare to leave the school system. When Congress reauthorized the IDEA in 2004, it directed that each IEP for a student age 16 and above must include particular transition goals tied to the student's strengths and interests, and that it must also describe the transition services that will help him or her achieve those goals. Since 1998, the Rehabilitation Act has required that state vocational rehabilitation agencies consult with state education agencies to facilitate successful transitions.

In summer 2014, in a rare break from the partisan polarization that has characterized that body, Congress strengthened these requirements. The Workforce Innovation and Opportunity Act, passed on a bipartisan basis and signed by President Obama in July, requires state vocational rehabilitation agencies to spend 15 percent of their funds on the school-to-work transition for young adults with disabilities.

All of these initiatives will help. But the cliff remains. When they turn 22, young adults with intellectual and developmental disabilities are thrown out of the one system that guarantees services and that has prepared them to live and work in an integrated environment. Expanded supported employment and better transition services can provide some of these young adults a parachute or a hang glider, but the cliff will remain a source of fear and peril for far too many. The only way to truly solve the problem is to eliminate the cliff—to give young adults with intellectual and developmental disabilities an entitlement to supported employment as they age out of IDEA services, and to administer that entitlement through the agencies that are already familiar to them.

Renewing Our Promise

The word “entitlement” sets off alarm bells in Washington. It calls forth images of uncontrollable costs and ballooning budgets. But it makes no sense to spend two decades preparing children with intellectual disabilities for independent, integrated lives in the community and then, just at the moment that they are in a position to begin those lives, take away from them the services that will make that outcome possible. And evidence suggests that concerns about the cost of supported employment are misplaced. Susan Stefan, a leading mental disability litigator and scholar, explains that “supported employment is cost-intensive at the front end: when the client is being interviewed as to his or her desires and preferences, the job is being located, and support is being initially provided” but that supports, and therefore costs, “decline over time as the client becomes familiar with the job.” According to Stefan’s analysis, supported employment programs “provide a net benefit to the taxpayer through the

taxes paid by disabled individuals in competitive employment beginning in the fourth year of the supported employment program.” The costs of a sheltered workshop, by contrast, do not decline over time.

Increased tax revenues are not the only fiscal benefit to wider implementation of supported employment. Adults with disabilities who cannot work receive significant cash benefits through the Social Security system. For each individual who moves into competitive work through supported employment, the federal government will save thousands of dollars in Social Security Disability Insurance and Supplemental Security Income payments per year. And evidence shows that Medicaid costs decline—by up to \$15,000 per person per year—when individuals with significant disabilities move into competitive work. Pundits and policy-makers are increasingly focused on the costs of Social Security’s disability programs and of Medicaid. A commitment to supported employment—even with its up-front price tag—can directly address these concerns.

But which of the many service systems should administer a new entitlement to supported employment? In principle, any of the existing systems—the educational agencies that administer the IDEA, vocational rehabilitation systems, or state Medicaid or developmental-disabilities departments—could be satisfactory. Any move to guarantee supported employment to young adults with developmental disabilities should allow for state experimentation. As a first principle, however, there is important value in continuity. Even when the law grants an entitlement to particular services, individuals risk falling through the administrative cracks when they must travel across multiple bureaucracies to receive what the law guarantees them.

For that reason, the new supported employment entitlement should be administered, at least as a default position, by the state educational agency that runs IDEA services. By the time they reach adulthood, individuals with disabilities (not to mention their parents) have been dealing with the state educational agency for nearly two decades. The state educational agency is familiar, and it is the part of the disability-services system that—notwithstanding real problems—tends to work the best at promoting the opportunity to live an independent, integrated life. Many recent policy initiatives focus on smoothing the handoff from the education agency to vocational rehabilitation. But a better policy would ensure that young adults with disabilities are not handed off at all.

State education agencies will likely resist a mandate that they provide supported employment services. Although some of the financial benefits of supported employment accrue to the state, few of those benefits will accrue directly to the state education agency. Rather, they will flow largely to the state Medicaid and vocational rehabilitation agencies, as well as the state’s general revenue

THE DISABILITY CLIFF

stream. And many of the financial benefits (lower spending on Social Security disability programs, increased federal tax revenue from new workers) will go to the federal government. Accordingly, state education officials may feel that they are being forced to drain resources from valuable school programs in order to improve the finances of other state and federal accounts.

There is an obvious solution to this problem: Have the federal government reimburse (a large fraction of) the cost of the new supported employment mandate. Congress could make the mandate a part of the IDEA. But that would still likely undercompensate the states. The federal government pays less than 20 percent of the cost of services under the IDEA, with the states responsible for the rest. A better answer would be to pay for the mandate by making it an entitlement under Medicaid. Depending on the state, the federal government pays between 50 percent and 75 percent of the costs of Medicaid. And it is state Medicaid agencies that stand the most to gain from an expansion of supported employment. They are typically the ones paying today for sheltered workshops and other prevocational services that supported employment will supplant.

Under the new entitlement, a state education agency would be required to provide the supported employment services to each young adult client with a developmental disability. It would then bill the state Medicaid agency for the service, which would be paid for at the state's normal state-federal match rate. This is hardly the simplest administrative structure, but it is much simpler than what we have today. And it has the advantages of properly aligning agency incentives and of keeping the bureaucratic complexities in the back office, while presenting a simple service delivery face to young adults with disabilities and their families.

The cliff is a human tragedy and a fiscal drag. More importantly, it represents this nation's betrayal of its promise of integration. Children and young adults with intellectual disabilities spend the first two decades of their lives preparing to be full members of the community. We should not break that promise just as it is about to be achieved. A guarantee of supported employment services would help to keep that promise. **■**

MEMORANDUM

To: Social Security Advisory Board
Subject: Biography of Teresa Pfender
Date: February 4, 2015

Teresa Pfender's initial training was in the areas of cognitive development and learning theory, in which she authored several professional publications. She worked during college in an animal learning laboratory and then for five years in a research institute devoted to studying the impact of early childhood intervention on learning, behavior, and school performance. She became an attorney 27 years ago when, as a single mother, she needed to find a reliable way to support her young son. Pfender was in private practice with a large commercial law firm for 10 years, becoming a shareholder and director. At the firm, she was responsible for paralegal and new associate training, in addition to her legal work. She married an active-duty member of the military and left the law firm shortly thereafter when they received an overseas assignment. Her introduction to Social Security disability law came a couple of years after they returned to the States when she began work for a claimant's representative, spending about four years preparing cases for hearing and preparing all documents related to more than 100 Federal district court appeals for that office. She joined the Social Security Administration in May 2006 as a decision writer at the Salt Lake City hearing office. She was promoted to group supervisor, and later joined the Office of Appellate Operations as an appeals officer. After serving about a year in the Division of Quality, she was selected for her current position as a detailee and then as lead in OAO's training office. Ms. Pfender is descendant of a Northern New Mexico Spanish land grant family, and continues her family's tradition of weaving in the traditional Rio Grande style. She also actively works in a wide range of other fiber arts.

MEMORANDUM

To: Lanhee Chen and Bernie Franks-Ongoy
From: Claire Green
Subject: Proposed Outline for SSI Report – Combining the 2013 and 2014 SSI Statements on SSI Children

Attached is the Outline on the SSI Children that we discussed at our November 7, 2014 meeting. I think we still need to do some additional research on the California programs and case study as well as the conclusion (see IV and V below) Once you review I would like to discuss next steps and finalize the outline so we can include in the February Briefing Book, and staff can begin combining the 2013 and 2014 statements.

SSI REPORT OUTLINE

- I. Introduction
 - a. History of the SSI program
 - b. SSI and children
 - i. Implementation and growth of the SSI program for children
 - 1. The court's impact
 - 2. Post-Zebley decision
 - 3. Welfare reform legislation
 - 4. Data analysis of whether the children removed from the program ended up back on the program
 - ii. Current program demographics
 - 1. All Social Security beneficiaries
 - 2. Number of children under age 18 receiving SSI
 - 3. Children by family income
 - 4. Poverty rate of children under 18
 - iii. Interaction between SSI and other government programs such as SNAP and Medicaid
 - 1. SSI Children beneficiaries in families receiving SNAP
 - 2. SSI Children beneficiaries in families receiving Medicaid
- II. Overview of the foster care system
 - a. Overview of children in foster care including health issues

- b. Representative Payees
 - i. The Keffeler care
 - ii. In Re John G

- III. SSI and foster care programs
 - a. Overview of the State/Federal relationship in the foster care system financing (state dollars vs Federal dollars and Federal rules attached to money it provides)
 - b. Eligibility requirements for partial reimbursement under the Social Security Act Title IV-E
 - c. Other Federal funding (focus on adoption)
 - d. Overlap of Title IV-E benefits and SSI
 - e. Title IV-E waivers and its effect on SSI (include discussion about how changing one social program changes other programs)

- IV. California as a case study
 - i. WIC 13757 – requires Counties to screen foster care youth and apply for SSI
 - ii. Supportive Transitional Emancipation Program (STEP) program – promotes self-sufficiency by providing an assistance payment to emancipated foster youth until their 21st birthday under specified circumstances
 - iii. State Verification and Exchange System (SVES) – States can use SSA’s database to determine whether they should apply to be a child’s representative payee

- V. Can the Able Act extend to Children in Foster Care?

- VI. Is the PASS program being utilized as fully as it could be?

- VII. Recovering Overpayments from children years and sometimes decades after the overpayment has occurred.
 - a. Responsibilities of Rep Payee and the loophole that alleviates the responsibility (see 1964 Ruling that allows rep payees to be excused from responsibility of the debt if they indicate that the overpayment money was used for the benefit of the child. (The ruling applies to disability insurance, but under *Harrison v. Heckler*, 746 F.2d 480, 482 (9th Cir. 1984) SSI uses the same approach for recovery of overpayments.
 - b. Due Process concerns, how this process fits with foster children with state rep payees and class action case challenging the practice.

VIII. Conclusion

- a. Example mission statement for SSI program
- b. Recommendations such as early intervention initiatives, educational/informational programs, and/or program coordination/integration

Possible Meetings with Staff and Board Members Assigned to Report

- Alliance for Children’s Rights, Los Angeles, CA
 - Recommendations and best practices
- Department of Public Social Services, Los Angeles, CA
 - Background, demographics of system, recommendations and best practices
- SSA and HHS – Demonstration Project on TANF and SSI integration – components that deal with TANF and Oversight of Foster Care Programs
 - Foster care, poverty, data systems
 - Medicaid – data exchange agreement with SSA

MEMORANDUM

To: Social Security Advisory Board
Subject: Update on the 2015 Technical Panel on Assumptions and Methods
Date: February 23, 2015

The 2015 Technical Panel on Assumptions and Methods recently held the fourth of its eight planned meetings on Friday, February 13th. The Panel held its first organizational meeting in November 2014 and subsequently held public business meetings once in each of the past three months. The current schedule calls for the Panel to meet for one day in March, two days in May (one is a make up for the planned April meeting date), and one day in June. The Panel will draft their report during July and August and deliver a report in September 2015. The Panel appears to be on schedule to meet this deadline.

A BRIEF SUMMARY OF MEETINGS HELD

NOVEMBER 2014. The Panel's initial meeting in November was held in executive session and included a discussion of the Panel's charter with members of the Board, a discussion of possible topics to investigate with the Office of the Chief Actuary, and separately with key congressional staff. The Panel met in the afternoon in a closed-door session to plan and organize their future activities.

DECEMBER 2014. The Panel met in open session on December 12th in the offices of the Advisory Board. In the morning session, the Panel met with the Chief Actuary and his staff to discuss the Trustees' responses to past Technical Panel recommendations, and the accuracy of past projections. Panel members Jeff Brown and Peter Diamond led a discussion about alternative ways of calculating "replacement rates" for presentation in the Trustees Report. During the afternoon session, the Chief Actuary's staff made a presentation on the projection of mortality rates, and Panel member Sam Gutterman led a discussion of mortality projection methods and other key issues of interest to the Panel with respect to the mortality rate assumption. The meeting concluded in executive session, as the Panel met with Public Trustee Bob Reischauer. The other Public Trustee, Charles Blahous, was unable to attend, but sent comments with Dr. Reischauer.

JANUARY 2015. The Panel met in open session on January 16 in Cambridge, Massachusetts in a conference room provided by the National Bureau of Economic Research (NBER). In the morning session, Panel members Katharine Abraham and Claudia Goldin gave a presentation on projecting labor force participation and the Chief Actuary and staff provided comments. Panel members Jeff Brown and Peter Diamond led a second round of discussion about alternative methods for calculating "replacement rates" for use in the Trustees Report. During the afternoon session, the Panel heard presentations from two invited experts on issues of long-range economic growth. John Campbell, Professor of Economics at Harvard University presented on the projection of long-range real interest rates, and Jim Stock, Professor of Political Economy at Harvard and the Kennedy School of Government presented on long-term economic growth prospects based largely on work during his recent tenure on the President's

Council of Economic Advisers. Because the meeting was held in Boston, we provided a teleconference link for the entirety of the meeting that was used by the trustees' staff members, members of the Office of the Chief Actuary and Advisory Board members.

FEBRUARY 2015. The Panel met in open session on February 13 in the offices of the Advisory Board. During the morning session, Panel member Ron Rindfuss made a presentation on the projection of fertility rates with a discussion provided by the Chief Actuary and his staff. Panel member Sam Gutterman made a presentation on the projection of mortality rates with a discussion provided by the Chief Actuary and his staff. In the afternoon, the Panel discussed projections of disability incidence and termination rates with separate presentations by the staff of the Chief Actuary's office, Prof. Jeffrey Liebman of Harvard's Kennedy School of Government (by video), and Panel member David Autor. The presentation by Prof. Liebman, in particular, is very important in laying the empirical foundations for a consensus on the explanations of past growth in the program (which varies over time) and for projections of the size of the program in the future (which is roughly in line with the modest growth currently projected by the Trustees). This discussion probably has direct implications for the Board's project on the solvency of the DI trust fund.

PUBLIC PARTICIPATION

Each of the meetings in December, January, and February were well attended by Trustee's staff members and other interested parties and included staff from Treasury, Labor, CMS, SSA, CBO and various think tanks and interest groups in DC. In Boston, NBER President Jim Poterba attended the meeting as well as a dozen or so others including staff from SSA and the Department of Labor and some academics from Boston College, Harvard and NBER. A teleconferencing link was made available for both the January and February meeting to accommodate the Trustee's and Chief Actuary's staff members as well as a few other select individuals who could not attend the meeting in person.

I have created a publicly accessible page on the SSAB website that provides a record of all the public documents from each meeting including the agenda, handouts and slide presentations. The page is located at <http://ssab.gov/TPAM2015Public.aspx> and will continue to be updated throughout the tenure of the Technical Panel.

REMAINING SCHEDULE

Future meetings are scheduled for March 13th (topics: immigration and uncertainty), May 7th & 8th (topics: economic assumptions), and June 19th (topics: TBA). The June 19th meeting will likely take place primarily in Executive session as the Panel finalizes its recommendations. Once the Panel has completed its report, in September, a final meeting to brief their recommendations to the Board, the Chief Actuary, and the Trustees will be scheduled.

Social Security Advisory Board (SSAB)
Visit to New York
March 22-25, 2015
(last update Feb 18 at 4pm)

Sunday, March 22, 2015

TBD: Members and staff of SSAB arrive New York City
Taxi to hotel

[Millennium Hilton](#)

55 Church Street, New York, New York, 10007

Phone: (212-693-2001)

FAX: (212-571-2316)

Monday, March 23, 2015

- 9:45am** **Transportation from hotel to Regional Office (RO)**
Met by Regional Commissioner Fred Maurin (cell: 212-729-4054)
Driven by Regional Communications Director John Shallman (cell: 917-680-8955) and
Van Driver TBD
- 10:00am** **Official Welcome to RO and meeting with Regional Executives**
26 Federal Plaza, Room 4007
Fred Maurin, Regional Commissioner
Julio Infiesta, Acting Deputy Regional Commissioner
Bryant Wilder, Acting ARC MOS
Ray Egan, Acting DARC MOS
Bernie Bowles, Executive Officer
Jeremiah Schofield, Acting ARC PCO
Frank Barry, Deputy ARC PCO
John Shallman, Regional Communications Director
- 10:15am** **Meet with RO leadership**
Room 4128
Fred Maurin, Regional Commissioner
Julio Infiesta, Acting Deputy Regional Commissioner
Bryant Wilder, Acting ARC MOS
Ray Egan, Acting DARC MOS
Bernie Bowles, Executive Officer
Jeremiah Schofield, Acting ARC PCO
Frank Barry, Deputy ARC PCO
Caren Unger, Chief, Operations Support Branch, NEPSC
John Shallman, Regional Communications Director
Dan Karp, Center Director, Automation
Victoria Shteyman, Deputy Center Director, Automation

Mark Batten, Team Leader, Automation
John Palisoc, Team Leader, Automation
Eric Parhiala, Team Leader, Automation
Joe Cafaro, Acting Center Director, Disability
Melissa Bruckner, Deputy Center Director, Disability
Peggy Flynn, Team Leader, Disability
Stephanie Francis, Center Director, Materiel Resources
Greg Narowski, Deputy Center Director, Materiel Resources
Isabella Maizel, Team Leader, Materiel Resources
Manny Fernandez, Team Leader, Materiel Resources
Alba Jimenez, Team Leader, Materiel Resources
Ken Schmidt, Team Leader, Materiel Resources
Mary Groot, Center Director, Programs Support
Tracey Saverino, Deputy Center Director, Programs Support
Mark Aldridge, Project Officer, Programs Support
Diana Valdes, Center Director, Human Resources
Jonathan Addy, Deputy Center Director, Human Resources
Ron Boyle, Team Leader, Human Resources
Reva Ross, Team Leader, Human Resources
Denise Hachicho, Teleservice Center (TSC) Operations Director
Marjorie Marcillo, TSC Staff Assistant
Althea Phipps, CREO Director

11:00am **Break**

11:10am **Meeting with all RO non-management staff**
Sixth Floor Conference Center, Rooms A&B.
(See attached roster for attendees)

12:10pm **Brown Bag lunch with Regional Executive Team**
(Assorted sandwiches and beverages for \$15.00 per person)
Room 4007

Fred Maurin, Regional Commissioner
Julio Infiesta, Acting Deputy Regional Commissioner
Bryant Wilder, Acting ARC MOS
Ray Egan, Acting DARC MOS
Bernie Bowles, Executive Officer
Jeremiah Schofield, Acting ARC PCO
Frank Barry, Deputy ARC PCO
John Shallman, Regional Communications Director

1:00pm **Meet with DDS Executives and Center for Disability Management Team**
Room 4128

David W. Ramsay, Director, NJ Division of Disability Determination Services
Gloria Toal, Deputy Commissioner, NY Office of Temporary and Disability Assistance

*Joseph Cafaro, Director, NY Regional Center for Disability
Melissa Bruckner, Deputy Center Director, NY Regional Center for Disability*

**2:00pm Meeting with Regional Chief Administrative Law Judge
Room 4128**
*Monica LaPolt, Regional Chief ALJ (Acting)
Thomas Harper, Regional Management Officer*

2:45pm Break

**3:00pm Meeting with Office of the Regional Counsel
Room 4128**
*Steven P. Conte, Regional Chief Counsel
Som Ramrup, Deputy Regional Chief Counsel*

**4:00pm Meeting with the Office of the Inspector General
Room 4128**
*Edward J. Ryan, Special Agent In Charge
John Grasso, Assistant Special Agent In Charge
Fred Maurin, Regional Commissioner
Julio Infiesta, Deputy Regional Commissioner
Bernie Bowles, Executive Officer
Ray Egan, Acting Deputy Assistant Regional Commissioner MOS*

5:00pm En route hotel

5:30pm Arrive hotel

Tuesday, March 24, 2015

8:30am Transportation from hotel to South Bronx District Office

9:30am Arrive South Bronx District Office (DO)
820 Concourse Village West, Third Floor, Bronx, New York 10451
*Met by Area Director Rick Bailey, Deputy Area Director Carmen Colón and District
Manager (DM) Angelina Martínez (855-531-1692)*

9:35am Tour of South Bronx DO

10:35am Arrive Bronx Social Security Card Center (BXSSC)
820 Concourse Village West, Second Floor, Bronx, New York 10451
*Met by Area Director Rick Bailey, Deputy Area Director Carmen Colón and Card
Center Manager David Quintanilla (888-867-9175)*

10:40am Tour of BXSSC

11:40am **Brown Bag Lunch in DO**
(SSAB, Fred Maurin, Rick Bailey, Carmen Colón, Angelina Martínez, David Quintanilla, John Shallman)

12:40pm **Bronx Hearing Office (optional)**
Met by Selwyn Walters, Bronx Hearings Office Chief ALJ

We are still waiting for a response from MetLife. If they are unable to meet with us, then we may cancel the itinerary below and extend our visits to the Bronx DO; Card Center; and Hearing office.

1:40pm **En route MetLife Corporate Headquarters**
200 Park Avenue

2:00pm **Meet with MetLife Executives**

3:00pm **En route MarkLogic**
1 Penn Plaza, Suite 4220

3:45pm **Meet with MarkLogic Executives**

4:45pm **En route hotel**

5:30pm **Arrive hotel**

Wednesday, March 25, 2015

TBD: SSAB Departs NY City

Name: _____

Sandwiches (\$10.00)

Homemade wheat or white bread and served with chips, waffle fries or a side salad

The Razzano – Grilled chicken breast, spicy red pepper sauce pesto sauce, mozzarella cheese, red onions, tomatoes, lettuce and sun-dried tomato mayonnaise

The Napoli - Fresh mozzarella, fresh basil and tomatoes with olive oil sauce

The Milano – Provolone cheese, prosciutto, Genoa salami, ham, tomatoes, and romaine lettuce with olive oil

The Venezia - Provolone, prosciutto, turkey and romaine lettuce with sun-dried tomato mayonnaise

Grilled Cheese Sandwich - Mozzarella, provolone cheese and tomatoes

Angelico Sandwich - Grilled chicken breast, marinara sauce, mozzarella cheese, red onions, roasted red peppers, lettuce and mayonnaise

Italian Feast - Genoa salami, ham, pepperoni, mozzarella cheese, caramelized onions, lettuce, tomatoes, mayonnaise and mustard

Spinach & Artichoke Sandwich – Baby spinach, artichokes, mozzarella and feta cheese, garlic herb sauce, tomatoes and caramelized onions and fresh mushrooms

Portobello Mushroom Sandwich - Portobello mushroom, mozzarella cheese, spinach, roasted red peppers and caramelized onions with sun dried tomato mayonnaise and garlic herb sauce

Roasted Eggplant Sandwich - Roasted eggplant, mozzarella and feta cheese, roasted red peppers, red onions and Kalamata olives with pesto sauce

Philly Steak/Philly Chicken - Steak/chicken, mozzarella cheese, tomatoes, mushrooms, onions, green peppers and lettuce and Italian dressing

Meatball Sandwich - Meatballs, marinara sauce and mozzarella cheese

Ham & Cheese Sandwich - Ham and mozzarella cheese dressed with lettuce, tomatoes, mayonnaise and mustard

Chicken Parmesan - Chicken tenders, mozzarella cheese topped with marinara sauce and sprinkled with parmesan cheese

Turkey Sandwich -Roasted sliced turkey, pesto sauce, mozzarella cheese, red onions, roasted red peppers, lettuce and sun dried tomato mayonnaise

Salads (\$11.50)

Angelico Salad – Romaine lettuce, artichokes, grape tomatoes, red onions with balsamic dressing

Caesar Salad - Romaine lettuce with creamy Caesar salad dressing, croutons and Parmesan cheese

Caesar Salad with Grilled Chicken - Romaine lettuce with creamy Caesar salad dressing, grilled chicken, croutons and Parmesan cheese

Greek Salad – Romaine lettuce, grape tomatoes, red onions, cucumbers, bell peppers, Kalamata olives, feta cheese and balsamic dressing

Grilled Chicken Salad – Romaine lettuce, grape tomatoes, red onions, cucumbers, bell peppers, provolone cheese and grilled chicken with balsamic dressing

Spinach Salad - Baby spinach, red onions, grape tomatoes, Kalamata olives, gorgonzola cheese and balsamic dressing

Salad Dressings - Balsamic vinaigrette, Thousand island, Honey Mustard, Ranch, Caesar, Blue Cheese, Italian, Homemade Greek Dressing

Add chicken breast to any salad \$3.29

Add tuna or steak to any salad \$2.59

Add a slice of garlic bread for \$0.75

Financial Operations of the OASI and DI Trust Funds, December 2014

Old-Age and Survivors Insurance Trust Fund			
	Current month	Fiscal year to date	Calendar year to date
Total receipts	\$94,330,732,390.43	\$196,421,034,109.47	\$769,417,400,066.28
<u>Payroll tax contributions</u>			
Multi-employer tax refund	48,109,628,819.77	143,001,628,819.77	648,390,133,663.03
Net payroll tax contributions	48,109,628,819.77	143,001,628,819.77	646,232,404,663.03
Reimbursement income tax credits	8,555.21	8,555.21	19,046.44
Reimbursement due to P.L. 110-246	0.00	0.00	6,838,709.68
Reimbursement due to P.L. 111-312, 112-78, and 112-96	-16,020,104.83	-16,020,104.83	363,173,123.04
Reimbursement due to P.L. 111-147	0.00	0.00	24,819,808.87
General Fund reimbursement subtotal	-16,011,549.62	-16,011,549.62	394,850,688.03
Income from benefit taxation	15,374,498.60	6,980,314,254.30	27,956,916,509.50
Interest on investments	46,221,732,620.19	46,454,717,002.15	94,831,768,335.32
Interest on reimbursements	8,001.49	385,582.87	1,455,370.40
Interest subtotal	46,221,740,621.68	46,455,102,585.02	94,833,223,705.72
Gifts & miscellaneous income	0.00	0.00	4,500.00
Total expenditures	60,550,115,512.21	179,887,515,228.16	714,170,088,531.55
<u>Benefit payments</u>			
Reimbursements (uncashed checks & misc.)	60,276,030,590.81	179,087,003,519.56	706,820,728,927.34
Vocational rehabilitation payments	-2,862,462.95	-8,444,606.51	-42,762,915.40
Benefits subtotal	60,273,200,913.25	179,079,026,151.90	706,779,781,734.58
SSA-RRB Financial Interchange	0.00	0.00	4,257,101,000.00
Treasury administrative expenses	41,621,750.29	112,666,733.33	504,316,686.34
SSA salaries & expenses	236,675,341.00	698,952,345.00	2,887,840,260.43
Construction	-206,753.00	-206,753.00	23,161,205.00
Other (sale of office supplies, etc.)	-172,416.11	-1,660,069.14	-6,278,517.40
Pension reform reimbursement	0.00	-258,022.00	-971,381.00
Reimbursement for SSA expenses	-1,003,323.22	-1,005,157.93	-3,766,345.49
Adjustments for prior year administrative expenses	0.00	0.00	-271,096,110.91
Administrative expenses subtotal	276,914,598.96	808,489,076.26	3,133,205,796.97
Net increase in assets	33,780,616,878.22	16,533,518,881.31	55,247,311,534.73
Undisbursed balance	-37,872,507.63	-37,872,507.63	-37,872,507.63
Invested assets (book value)	2,729,270,403,000.00	2,729,270,403,000.00	2,729,270,403,000.00
Assets at end of month	2,729,232,530,492.37	2,729,232,530,492.37	2,729,232,530,492.37

Disability Insurance Trust Fund			
	Current month	Fiscal year to date	Calendar year to date
Total receipts	\$9,518,558,433.91	\$26,177,798,981.20	\$114,858,464,980.66
<u>Payroll tax contributions</u>			
Multi-employer tax refund	8,167,216,961.03	24,281,216,961.03	110,103,432,438.77
Net payroll tax contributions	8,167,216,961.03	24,281,216,961.03	109,737,025,438.77
Reimbursement income tax credits	814.17	814.17	1,809.87
Reimbursement due to P.L. 110-246	0.00	0.00	1,161,290.32
Reimbursement due to P.L. 111-312, 112-78, and 112-96	847,195.18	847,195.18	65,238,494.99
Reimbursement due to P.L. 111-147	0.00	0.00	4,214,684.53
General Fund reimbursement subtotal	848,009.35	848,009.35	70,616,279.71
Income from benefit taxation	340,661.50	419,017,601.70	1,680,191,765.00
Interest on investments	1,350,145,308.31	1,476,506,026.58	3,369,426,183.81
Interest on reimbursements	7,493.72	210,382.54	1,205,313.37
Interest subtotal	1,350,152,802.03	1,476,716,409.12	3,370,631,497.18
Total expenditures	11,917,763,752.53	35,858,702,015.16	145,059,931,358.87
<u>Benefit payments</u>			
Reimbursements (uncashed checks & misc.)	11,697,563,902.24	35,179,122,569.13	141,621,847,335.41
Vocational rehabilitation payments	-1,621,630.10	-4,941,420.03	-21,340,207.32
Benefits subtotal	11,700,710,399.02	35,193,330,243.77	141,683,217,118.00
SSA-RRB Financial Interchange	0.00	0.00	443,662,000.00
Treasury administrative expenses	8,040,027.43	20,124,434.43	95,914,265.66
SSA salaries & expenses	209,819,443.00	642,813,001.00	2,693,484,751.61
Construction	-279,589.00	-279,589.00	21,605,451.00
Reimbursement for SSA expenses	-939,652.99	-941,371.28	-3,527,335.70
Demonstration projects	413,125.07	3,655,296.24	17,020,939.42
Adjustments for prior year administrative expenses	0.00	0.00	108,554,168.88
Administrative expenses subtotal	217,053,353.51	665,371,771.39	2,933,052,240.87
Net increase in assets	-2,399,205,318.62	-9,680,903,033.96	-30,201,466,378.21
Undisbursed balance	-67,278,953.88	-67,278,953.88	-67,278,953.88
Invested assets (book value)	60,311,167,000.00	60,311,167,000.00	60,311,167,000.00
Assets at end of month	60,243,888,046.12	60,243,888,046.12	60,243,888,046.12

Notes:

- Fiscal year is the 12-month period ending September 30. See summary of [fiscal year data](#).
- Temporary tax credits were established by the 1983 Amendments (see footnote to our [tax rate table](#) for applicable years). The OASI and DI Trust Funds are reimbursed from the general fund of the Treasury for these tax credits.
- A portion of single- and multiple-employer tax refunds are attributable to Public Laws 111-312, 112-78, and 112-96. These amounts are netted against the General Fund reimbursements due to these laws, shown above.
- Income from taxation of benefits was established by the 1983 Amendments. A relatively small amount of this income is from taxation of benefits paid to non-resident aliens (deducted from monthly benefits). The remainder is transferred to the trust funds at the beginning of each calendar quarter on an estimated basis, with subsequent adjustment for actual income tax data. For further information, see [Taxation of Social Security benefits](#).
- The "SSA-RRB Financial Interchange" is an annual transfer among the Social Security Trust Funds and the Railroad Retirement program's *Social Security Equivalent Benefit Account*. The transfers, computed by the Railroad Retirement Board, are designed to put the Social Security Trust Funds in the same financial position that they would have been if railroad employment had always been covered by Social Security.
- The Employee Retirement Income Security Act of 1974 requires that SSA furnish information on deferred vested benefits to pension plan participants. The general fund of the Treasury reimburses the OASI Trust Fund for the costs incurred by furnishing such information.
- Net increase in assets is calculated as total receipts less total expenditures.
- When a trust fund holds marketable securities, the book value differs from the face value of such securities. The OASI Trust Fund redeemed its marketable securities in November 1982; DI redeemed its last in February 2005. For special issues, book value is the same as face value.

December 2014
Agency Tracking Report
(25.0% through FY 2015, 4 Week Operating Month)

*FYTD Status	Performance Measures	Month of December 2014	FYTD 2015	**FY 2015 Target	Percent of Target	Charts and Sparklines by Month for Rolling 12 Months
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AGENCY PRIORITY GOALS

	Online Services - Total Online Transactions Baseline: 70,768,624 as of FY 2014, Target = 10% Increase	6,429,492	20,167,060	77,845,486	25.9%	
	Video Hearings Held This is a portion of the Hearings - Hearings Held total. The Fiscal Year Target percentage is calculated in relationship to the Hearings Held.	11,804	38,470	30%	30%	
		27.80%	27.60%			
	my Social Security Accounts Established Baseline: 6,138,178 as of FY 2014, Target = 15% Increase	438,650	1,600,307	7,058,905	22.7%	
	SSI Improper Payments Combined Error Rate 8.4%^ (^Rolling data April 13-Mar 14)					Sparkline Not Applicable
	FY 14^ Overpayment Accuracy = 93.3% ^Rolling 12-month data from April 2013 – March 2014	6.7%^ (^Rolling data April 13-Mar 14)	N/A	≤ 6.2%	N/A	
	FY 14^ Underpayment Accuracy = 98.3% ^Rolling 12-month data from April 2013 – March 2014	1.7%^ (^Rolling data April 13-Mar 14)				

*FYTD Status	Performance Measures	Month of December 2014	FYTD 2015	**FY 2015 Target	Percent of Target	Charts and Sparklines by Month for Rolling 12 Months
ONLINE SERVICES						
	Claims Filed Online	257,934	900,570			
		54.2%	55.1%			
	Retirement - Online Claims	101,261	350,691			
	% Online to Total	52.3%	53.6%			
	Disability - Online Claims	89,619	320,077			
	% Online to Total	52.2%	52.9%			
	Spouses - Online Claims	8,053	25,970			
	% Online to Total	24.4%	23.9%			
	Medicare - Online Claims	59,001	203,832			
	% Online to Total	76.1%	76.6%			
	Customer Satisfaction with Our Online Services	84%	83%	80%	N/A	
		(Jul14-Sep14)	(through Sep14)			
	Expand services under my Social Security with SS# Replacement Card Application	Complete development and begin testing of the online SS# Replacement Card Application				Milestone
PROGRAM INTEGRITY						
	OASDI Improper Payments	99.65%				Sparkline Not Applicable
	Combined Error Rate	(for FY 2013)				
	FY 13 Overpayment Accuracy = 99.78%	99.78%	N/A	≥ 99.6%	N/A	
	FY 13 Underpayment Accuracy = 99.87%	99.87%				
		(for FY 2013)				
	SSI Non-Medical Redeterminations Completed	208,347	648,637	2,255,000	29%	
	[Counts Include Scheduled, Unscheduled and Targeted (Limited Issue) Redets]					
	Full Medical CDRs Completed	57,892	199,198	790,000	25%	
	Periodic CDRs Completed	173,471	458,536	1,890,000	24%	
	Redesign Our Earnings System to Improve the Accuracy and Timeliness of Earnings Data Used to Calculate Benefits	Implement the Redesigned Functionality to Process Forms W-2 within the Annual Wage Reporting System by 9/30/2015				Milestone
	Enhance Our Security Features and Business Processes to Prevent and Detect Fraud	Increase my Social Security Potential Fraud Referrals through Public Facing Integrity Review System to the Office of Operations by 10%				Milestone
	Baseline: FY13					

*FYTD Status	Performance Measures	Month of December 2014	FYTD 2015	**FY 2015 Target	Percent of Target	Charts and Sparklines by Month for Rolling 12 Months
FIELD OFFICE						
	Initial DIB Claims Receipts	316,206	1,110,770			
	Initial DIB Claims Completed	337,177	1,143,759			
	Initial DIB Claims Pending	1,019,634	1,019,634			
	Retirement, Survivors, and Medicare Claims Completed	376,882	1,205,792	5,247,000	23%	
	Social Security Numbers Completed	1,068,553	3,752,014	16,000,000	23.5%	
	Annual Earnings Items Completed	352,052	4,414,282	257,000,000	N/A	
	Social Security Statements Issued Target = Total of Public Requested and SSA Initiated Statements	3,385,283	7,971,044	44,000,000	18%	
		(Nov 14)	(thru Nov 14)			
	Minimize Average Response Time to Deliver Medical Evidence to Dept. of Veterans Affairs (VA)	Deliver Medical Evidence within an Average of 5 Business Days				Milestone
DDS LEVEL						
	Initial DIB Claims Receipts	192,639	665,585	2,755,000	24.2%	
	Initial DIB Claims Completed	193,583	653,358	2,767,000	23.6%	
	Initial DIB Claims Pending	633,380	633,380	621,000		
	Average Processing Time for Initial Disability Claims (Days)	114	111	109		
	Initial Disability Cases Identified as a QDD/CAL	6.7%	6.8%			
		12,137	42,376			
	Initial Level Disability Cases with Health Information Technology Medical Evidence (HIT MER)	10,286	32,044	6%	82.0%	
	Initial DIB Net Allowance Accuracy (Rolling Quarter)	99%	99%			
		(thru Sept)	(thru Sept)			
	Initial DIB Net Denial Accuracy (Rolling Quarter)	97%	97%			
		(thru Sept)	(thru Sept)			
	Initial DIB Net Accuracy Rate (Combined Allowances and Denials - Rolling Quarter)	98%	98%	97%	N/A	
		(thru Sept)	(thru Sept)			
	Disability Determinations Production per Workyear (PPWY)	277	288	313		
	Disability Determinations Reconsiderations Receipts	52,276	184,192			

*FYTD Status	Performance Measures	Month of December 2014	FYTD 2015	**FY 2015 Target	Percent of Target	Charts and Sparklines by Month for Rolling 12 Months
	Disability Determinations Reconsiderations Completed	51,491	170,121	739,000	23.0%	
	Disability Determinations Reconsiderations Pending	177,556	177,556	143,000		
	Reconsiderations Processing Time	84.7	82.5			
HEARINGS						
	Receipts	55,507	187,852	805,000	23.3%	
	Completed	46,543	154,859	727,000	21.3%	
	Pending	1,010,729	1,010,729	1,056,000		
	ODAR Production per Workyear (PPWY) (Days)	97	95	104		
	Annual Growth of Backlog (Workyears)			TBD		Milestone
	Hearings Requests Pending over 270 Days	46%	46%			
		465,257	465,257			
	Annual Average Processing Time for Hearing Decisions (Days)	443	439	470		
	Hearings Held	42,458	139,407			
	Randomly Reviewed Cases Using an Inline Review Process (The % is the # of QA reviews completed/decisions.)	2.4%	2.6%			
APPEALS COUNCIL						
	Receipts	11,394	34,456			
	Completed	10,838	34,875			
	Pending	149,964	149,964			
	Case Production per Workyear (PPWY)	231	237			
	Review Appeals Council Requests Pending 365 Days or Older (The % and # are cases pending less than 365 days.)	83%	83%	80%		
		123,850	123,850			
	Average Processing Time for Appeals Council Requests for Review	398	384			

*FYTD Status	Performance Measures	Month of December 2014	FYTD 2015	**FY 2015 Target	Percent of Target	Charts and Sparklines by Month for Rolling 12 Months
800 NUMBER						
	Speed in Answering National 800 Number Calls (in Minutes:Seconds)	14:14	14:38	11:40		
	Busy Rate for National 800 Number Calls	18.3%	16.7%	8%		
	800 Number Calls Handled (Agent + Self-service as per OTS as of FY2014 - Previously 800 Number Transactions)	3,022,708	8,300,193	38,000,000	22%	
STAFFING						
	Teleworking Employees *Indicates the change in the number of employees who telework. **Indicates the total number of employees who teleworked this month. Sparkline available from January.	-121*	9,012**	16,400	55%	
	New Hire - Veterans	60.00%	38.43%	25.00%	153.72%	
	New Hire - Disabled Veterans	40.00%	16.63%	17.50%	95.03%	
	Workforce Population - Targeted Disabilities	0.35%	2.03%	2%	101.5%	
	Improve Talent Management to Strengthen the Competence of Our Workforce	Increase the Talent Management Index Score to 60%				Milestone
	Maintain Status as One of the Top 10 Best Places to Work among the Large Agencies in the Federal Government	Achieve a Top 10 Ranking				Milestone
	Achieve Target Number of Human Capital Metrics to Ensure Progress toward Building a Model Workforce	Achieve 75% of the Human Capital Metrics				Milestone

*FYTD Status	Performance Measures	Month of December 2014	FYTD 2015	**FY 2015 Target	Percent of Target	Charts and Sparklines by Month for Rolling 12 Months
INFORMATION TECHNOLOGY SERVICES						
	Availability to Our Systems During Scheduled Times of Operation	99.99%	99.97%	99.5%	100.5%	
	Upgrade the Telecommunications Infrastructure	Refresh 50% of Our Network Connection Devices by September 30, 2015				Milestone
	Implement Innovative Systems Accessibility and Performance Capabilities	Reduce Open Systems Infrastructure Size from 1,500 Servers to 1,000 Servers by September 2015				Milestone
	Establish a Testing Lab to Promote Research and Development of Innovative Technology Solutions	Conduct Three New Research Projects in Emerging Technologies by September 30, 2015				Milestone
	Improve Cyber Security Performance	Meet the Performance Requirements of the Dept. of Homeland Security's Federal Network Security Compliance and Assurance Program and the Cyber Security Cross-Agency Priority Goals				Milestone
OTHER PERFORMANCE MEASURES						
	Achieve the Targeted Number of Disability Insurance and Supplemental Security Income Disability Beneficiaries with Tickets Assigned and in Use , who Work above a Certain Level	N/A	N/A	50,000	N/A	Sparkline Not Available
	Evaluate Our Physical Footprint	Reduce Our Physical Footprint from Our FY 2012 Level by 1.86 Million Usable Square Feet				Milestone
* A blue box in the FYTD Status column indicates the measure is a Key Budgeted Workload Measure. ** FY 2015 Performance Measures shown.						

2015

January 2015						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

February 2015						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28

March 2015						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April 2015						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May 2015						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

June 2015						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

July 2015						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

August 2015						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

September 2015						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30			

October 2015						
S	M	T	W	T	F	S
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

November 2015						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

December 2015						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

BOARD MEETING DATES

JANUARY 8
 FEBRUARY 23
 APRIL 24
 JUNE 2-3 (TENTATIVE BOARD MEETING)

BOARD TRIPS

MARCH 23-25 NEW YORK

NOTES:

FEBRUARY 24 – FIELD TRIP TO DDS

-  BOARD MEETING DATES
-  BOARD TRIPS
-  HOLIDAY

Poll "Board meetings: January - June 2015"

<http://doodle.com/4qkug4x2v3add85b>

		January 2015														
		Fri 2	Mon 5	Tue 6	Wed 7	Thu 8	Fri 9	Mon 12	Tue 13	Wed 14	Thu 15	Fri 16	Tue 20	Wed 21	Thu 22	Fri 23
		9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM
Jagadeesh	OK						OK					OK				OK
DRHardy			OK	OK	OK									OK	OK	
Lanhee			OK			OK		OK			OK					OK
Hank		OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Barbara			OK		OK		OK		OK							
Alan Cohen			OK	OK	OK		OK	OK	OK	OK		OK	OK			
Bernie																
Count		1	1	5	4	4	4	3	4	3	2	4	2	4	2	4

	January 2015					February 2015									
	Mon 26	Tue 27	Wed 28	Thu 29	Fri 30	Mon 2	Tue 3	Wed 4	Thu 5	Fri 6	Mon 9	Tue 10	Wed 11	Thu 12	Fri 13
	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM
Jagadeesh					OK					OK					OK
DRHardy												OK	OK	OK	
Lanhee		OK			OK		OK			OK		OK			
Hank	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	
Barbara	OK		OK		OK	OK		OK		OK	OK		OK		OK
Alan Cohen	OK	OK	OK	OK			OK	OK	OK			OK	OK	OK	
Bernie															
Count	3	3	3	2	4	2	3	3	2	4	2	4	4	3	2

	February 2015									March 2015					
	Tue 17	Wed 18	Thu 19	Fri 20	Mon 23	Tue 24	Wed 25	Thu 26	Fri 27	Mon 2	Tue 3	Wed 4	Thu 5	Fri 6	Mon 9
	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM
Jagadeesh				OK					OK					OK	
DRHardy	OK	OK			OK	OK	OK	OK	OK		OK	OK	OK	OK	OK
Lanhee					OK	OK									
Hank		OK	OK		OK	OK	OK	OK	OK	OK	OK	OK		OK	OK
Barbara		OK		OK	OK		OK		OK						OK
Alan Cohen	OK	OK	OK	OK	OK	OK	OK	OK		OK	OK	OK	OK		OK
Bernie					OK	OK	OK								
Count	2	4	2	3	6	5	5	3	4	2	3	3	2	3	4

March 2015															
	Tue 10	Wed 11	Thu 12	Fri 13	Mon 16	Tue 17	Wed 18	Thu 19	Fri 20	Mon 23	Tue 24	Wed 25	Thu 26	Fri 27	Mon 30
	9:00 AM														
Jagadeesh				OK					OK					OK	
DRHardy	OK	OK	OK				OK	OK							
Lanhee			OK	OK											
Hank	OK					OK	OK			OK	OK	OK	OK	OK	OK
Barbara		OK		OK	OK		OK		OK	OK		OK		OK	OK
Alan Cohen	OK	OK	OK		OK	OK	OK	OK		OK	OK	OK	OK		OK
Bernie										OK	OK	OK	OK	OK	
Count	3	3	3	3	2	2	4	2	2	4	3	4	3	4	3

	March 2015	April 2015													
	Tue 31	Wed 1	Thu 2	Fri 3	Mon 6	Tue 7	Wed 8	Thu 9	Fri 10	Mon 13	Tue 14	Wed 15	Thu 16	Fri 17	Mon 20
	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM
Jagadeesh				OK					OK					OK	
DRHardy						OK	OK	OK	OK	OK					
Lanhee			OK	OK					OK					OK	
Hank	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Barbara		OK			OK					OK		OK		OK	OK
Alan Cohen	OK	OK	OK							OK	OK	OK	OK		OK
Bernie					OK	OK			OK	OK	OK				OK
Count	2	3	3	3	3	3	2	2	5	5	3	3	2	4	4

	April 2015								May 2015						
	Tue 21	Wed 22	Thu 23	Fri 24	Mon 27	Tue 28	Wed 29	Thu 30	Fri 1	Mon 4	Tue 5	Wed 6	Thu 7	Fri 8	Mon 11
	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM
Jagadeesh				OK					OK					OK	
DRHardy		OK	OK	OK	OK				OK	OK	OK	OK			
Lanhee				OK					OK				OK	OK	
Hank	OK	OK	OK	OK	OK	OK	OK	OK	OK			OK			OK
Barbara		OK		OK	OK		OK		OK	OK	OK	OK	OK	OK	OK
Alan Cohen	OK	OK	OK		OK	OK	OK	OK	OK	OK	OK	OK	OK		OK
Bernie	OK			OK	OK	OK				OK					OK
Count	3	4	3	6	5	3	3	2	6	4	3	4	3	3	4

	May 2015												June 2015		
	Tue 12	Wed 13	Thu 14	Fri 15	Mon 18	Tue 19	Wed 20	Thu 21	Fri 22	Tue 26	Wed 27	Thu 28	Fri 29	Mon 1	Tue 2
	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM	9:00 AM
Jagadeesh				OK					OK				OK		
DRHardy	OK	OK												OK	OK
Lanhee			OK	OK				OK	OK				OK		OK
Hank	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK		OK
Barbara	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK	OK
Alan Cohen	OK	OK	OK		OK	OK	OK				OK				OK
Bernie				OK	OK	OK							OK		OK
Count	4	4	4	5	4	4	3	3	4	2	3	2	5	2	6

June 2015															
	Wed 3	Thu 4	Fri 5	Mon 8	Tue 9	Wed 10	Thu 11	Fri 12	Mon 15	Tue 16	Wed 17	Thu 18	Fri 19	Mon 22	Tue 23
	9:00 AM														
Jagadeesh			OK					OK					OK		
DRHardy	OK	OK	OK		OK	OK	OK	OK					OK		
Lanhee	OK	OK	OK							OK	OK	OK	OK		OK
Hank	OK			OK		OK	OK								
Barbara	OK														
Alan Cohen	OK				OK										
Bernie	OK								OK	OK			OK	OK	OK
Count	6	4	5	3	4	4	4	5	4	5	4	3	5	3	5

June 2015					
	Wed 24	Thu 25	Fri 26	Mon 29	Tue 30
	9:00 AM				
Jagadeesh			OK		
DRHardy					
Lanhee	OK	OK	OK		
Hank	OK	OK	OK	OK	OK
Barbara	OK	OK	OK	OK	OK
Alan Cohen	OK				OK
Bernie			OK	OK	OK
Count	4	3	5	3	4

Comments

<http://doodle.com/4qkug4x2v3add85b>

Lanhee

Friday, November 7, 2014
2:31:46 AM Eastern Time

I would strongly prefer that the February meeting be on either Feb. 23 or 24 since I need to be in DC around those days, in any case, on Stanford business.

DRHardy

Sunday, November 2, 2014
5:08:59 PM Eastern Time

I am overseas from Jan 11-18; and have been called for Federal Jury Duty in Richmond from Jan 23 or 26 for 2 weeks. Best days would be early Jan ...5,6,7,8,possibly Jan 9

Jagadeesh

Friday, October 31, 2014
2:43:14 PM Eastern Time

There are no Fridays listed. I think we had decided during the last meeting that Fridays would work for most members. That's likely to become especially true, even necessary, for me during 2015.

Social Security Advisory Board visit to DDS

February 24, 2015

9:30 AM – 1:30 PM

Arrival

- Introductions
- Overall discussion of the Disability Determination process
- Types of claims processed
- Interaction with local field offices
- Interaction with other stakeholders
- Case preparation process
- Disability determination adjudication process
- Internal and External Quality Review
- Questions and Answers
- Office Tour - Time Permitting

Departure