
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**THE SOCIAL SECURITY ADMINISTRATION'S
SELECTION PROCESS FOR
QUICK DISABILITY DETERMINATIONS**

July 2012

A-15-11-11175

**EVALUATION
REPORT**



Mission

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

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.**
- Promote economy, effectiveness, and efficiency within the agency.**
- Prevent and detect fraud, waste, and abuse in agency programs and operations.**
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.**
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.**

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.**
- Access to all information necessary for the reviews.**
- Authority to publish findings and recommendations based on the reviews.**

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



SOCIAL SECURITY

MEMORANDUM

Date: July 19, 2012

Refer To:

To: The Commissioner

From: Inspector General

Subject: The Social Security Administration's Selection Process for Quick Disability Determinations (A-15-11-11175)

OBJECTIVE

Our objective was to identify disability cases with similar scores that, depending on the location of the disability determination services (DDS) processing the case, may or may not have been identified as a Quick Disability Determination (QDD) case.

BACKGROUND

In 2006, SSA conducted a QDD pilot in the Boston Region. Between October 2007 and February 2008, SSA implemented the QDD initiative in all 10 regions to expedite the most serious disability cases early in the disability process. The QDD designation identifies certain cases that are likely allowances but does not target specific impairments. Cases selected for QDD processing have a high degree of probability that (1) the individual is disabled and (2) medical evidence is readily available so the DDS can process the case quickly. SSA uses a computer-based predictive model (PM) to identify potential candidates for the QDD process.¹ The PM is a statistical model designed to predict the likelihood of outcomes given established characteristics, variables, or factors. As of Fiscal Year (FY) 2011, the PM had identified approximately 135,000 disability cases as QDD. However, as of FY 2011, SSA had processed approximately 103,000 cases as QDD.² The cases processed in FY 2011 were not necessarily received in FY 2011.

The QDD process is one of the Agency's fast-track initiatives identified in the Strategic Plan to improve the speed and quality of the disability process. Cases identified as

¹ SSA, POMS, DI 23022.010 - Processing Quick Disability Determinations - DDS Instructions.

² This total is from Management Information Disability, *Quick Disability Determination Receipts, Initial Level Cases by Region, Cumulative FYTD September 25, 2010 Through September 30, 2011*.

QDD undergo the same evaluation as non-QDD cases. SSA developed the QDD process to improve operational efficiency and enhance service to the disabled population.

Scoring and Thresholds for Disability Cases

When a field office (FO) transmits a case to the DDS, the Electronic Disability Collect System intercedes and invokes the PM. The PM analyzes the case information and computes a QDD likelihood score of .0001 to 0.9999 for all disability cases. The PM evaluates only the information electronically captured at the time of the initial application. The Office of Program Development and Research (OPDR) established thresholds for each DDS to identify a target percentage of initial disability cases as QDD. According to the *Annual Performance Plan for FY 2012 and Revised Final Performance Plan for FY 2011*, the Agency's target was to identify 5 percent of initial disability cases filed in the last month of the FY as QDD or Compassionate Allowance.³ The threshold identifies the score that the initial disability case must have to qualify as a QDD for each DDS.

SSA stated it tested various methods for setting thresholds. For example, SSA considered setting one national threshold for all DDSs but found that the QDD workloads differed significantly between the DDSs. Through this testing process, SSA determined that it was most equitable to set a different threshold for each DDS, with an objective of setting roughly equivalent workloads at each DDS while ensuring the QDD PM selected quality candidates for the QDD process.

Since each DDS has a different workload capacity, SSA initially established unique score thresholds for each DDS that determined which cases were QDD. This meant that SSA identified similar cases differently depending on the DDS that was processing the case. Specifically, two people with the same score, processed at different DDSs, could be a QDD at one DDS but not at the other. However, since QDD's inception, SSA has continually enhanced the QDD selection process. As of December 2011, SSA had implemented standard score thresholds that were uniformly applied across all DDSs.

Revision of the PM

On July 31, 2011, SSA implemented an updated PM and a new DDS threshold assignment method. The revised PM was to identify more strong candidates for QDD processing. In view of the improvements to the PM, the Agency decided to implement standard national DDS thresholds for Title II, Title XVI Adult and Child, and Concurrent cases. This new threshold setting process allowed SSA to set national thresholds for each major claim processing group in an efficient and less labor-intensive manner. SSA stated the revised PM allows for a standard threshold that should eliminate instances where non-QDD cases would have scores higher than or equal to cases designated as

³ SSA designed the Compassionate Allowance initiative to quickly identify diseases and other medical conditions that invariably qualify under a listing of impairments based on minimal, but sufficient, objective medical information.

QDD. The exceptions to the standard thresholds were temporary adjustments for some DDSs that were necessary to avoid sudden and significant changes in QDD workloads. SSA phased out these temporary adjustments in December 2011.

Before this new approach, SSA optimized thresholds for each DDS and incrementally changed the thresholds based on the Agency's strategic goals, projected (or budgeted) number of initial disability cases, and PM's performance in each DDS. Therefore, sometimes DDSs processed similarly scored cases differently for QDD purposes depending on the DDS assigned the case.⁴

For this evaluation, we analyzed the Agency's selection of QDD cases. Specifically, we reviewed the scoring of cases based on the previous PM to scores on the revised PM. The analysis looked at disability cases that FOs transferred to the DDSs in May 2010 and September 2011.

RESULTS OF REVIEW

Our analysis of May 2010 and September 2011 disability cases determined the following.

1. The Agency identified and processed more cases as QDD in September 2011 than May 2010. Specifically, in May 2010, SSA identified 8,946⁵ (3.6 percent) of 245,382 initial disability cases as QDD, whereas, in September 2011, SSA identified 15,270 (5.3 percent) of 285,981 cases as QDD. Furthermore, SSA processed a majority of the May 2010 QDD cases within 20 days.
2. In May 2010 and September 2011 there were 3,692 and 9,176 disability cases, respectively, not selected for QDD processing that had higher or exactly equal scores of cases identified as QDD, respectively.

The PM did not result in the expedited processing of some disability cases even though the cases had scores that were higher than or equal to cases expedited as QDD. However, SSA stated that in December 2011, it further enhanced the PMs. Management used these enhancements and decided to establish standard thresholds that apply uniformly across all DDSs and eliminated adjustments used for some DDSs to avoid sudden and significant changes in QDD workloads.

⁴ SSA, POMS, DI 23022.010 - *Processing Quick Disability Determinations* - DDS Instructions.

⁵ The number of cases identified here and elsewhere are a result of our analyses we performed on custom data extracts from the Structured Data Repository for May 2010 and September 2011. These totals may vary from the Agency's management information.

Analysis of QDD Scores – May 2010

Our analysis determined that there were 245,382 disability cases transferred from the FO to the DDS in May 2010. Of that number, SSA identified 8,946 as QDD cases. The scores of these cases range from .7500 to .9894. Below is a breakdown of the QDD cases.

May 2010 Cases Identified as QDD	
Disability Case Type	Cases
Title XVI Child	2,146
Title II, Title XVI Adult, Concurrent	6,800
Total	8,946

We identified 12,638 cases whose scores ranged from .7500 to .9894. SSA processed 8,946 as QDD and 3,692 processed as non-QDD. Under the prior threshold assignment process, there were non-QDD cases whose scores were higher than or equal to cases designated as QDD. SSA worked cases as QDD depending on the DDS processing the case. SSA stated this occurred because each DDS had a QDD score threshold that determined the minimum score a case needed for QDD process selection. See Appendix C for examples of QDD cases whose scores were lower than cases not processed as QDD.

During this evaluation, 109 DDS locations processed disability cases including QDD. These locations consisted of State DDSs, Disability Processing Units, Disability Processing Branches, Extended Service Teams, and Offices of Medical and Vocational Expertise.

Non- QDD Elapsed Time Analysis

We reviewed the scores and processing times of disability cases that SSA did not designate as QDD. There were approximately 236,436 of these cases. Specifically, we reviewed the number of days between the date the DDS received the case and the date a medical determination was made. Because of the nature of disability cases, the Agency does not have a required processing timeframe for disability cases.

We performed this analysis to determine how long it took to process each case. Based on this analysis, we determined it ranged from 1 to 354 days to complete these cases. Of that number, SSA processed 101,293 cases (42 percent) between 1 and 60 days. SSA processed a majority of its QDD cases within 20 days. The following table illustrates the aging of these cases.

Aging of Non-QDD Cases		
Aging (in days)	Number of Cases	Percentage
1 - 20	10,129	4
21 -30	14,570	6
31 -60	76,594	32
61 -90	69,907	30
91 - 354	65,236	28
	236,436	100

Analysis of QDD Scores – September 2011

The September 2011 revision of the PM allowed SSA to more accurately select cases for QDD processing because of improved precision of the PM. Therefore, we analyzed the scores of disability cases where SSA determined cases to be QDD and not QDD using the updated PM and revised threshold-setting procedures. We performed this analysis on the following groups of initial disability cases:

- Title II;
- Title XVI Adult;
- Title XVI Child; and
- Concurrent

SSA established a unique score threshold for each of these groups based on the different case characteristic for each population.

Our analysis determined that there were 285,981 disability cases transferred from the FO to the DDS in September 2011. Of that number, SSA identified 15,270 as QDD cases. The scores of these cases ranged from .6025 to .9999. Below is a breakdown of the QDD cases.

September 2011 Cases Identified as QDD	
Disability Case Type	Cases
Title II	7,189
Title XVI Adult	797
Title XVI Child	4,190
Concurrent	3,094
Total	15,270

We identified 24,446 cases whose scores ranged from .6025 to .9999. SSA designated 15,270 cases as QDD and 9,176 as non-QDD.

Furthermore, our analysis showed that there were QDD cases that were below the standard threshold and non-QDD cases that were above the standard threshold.⁶ The following chart illustrates this.

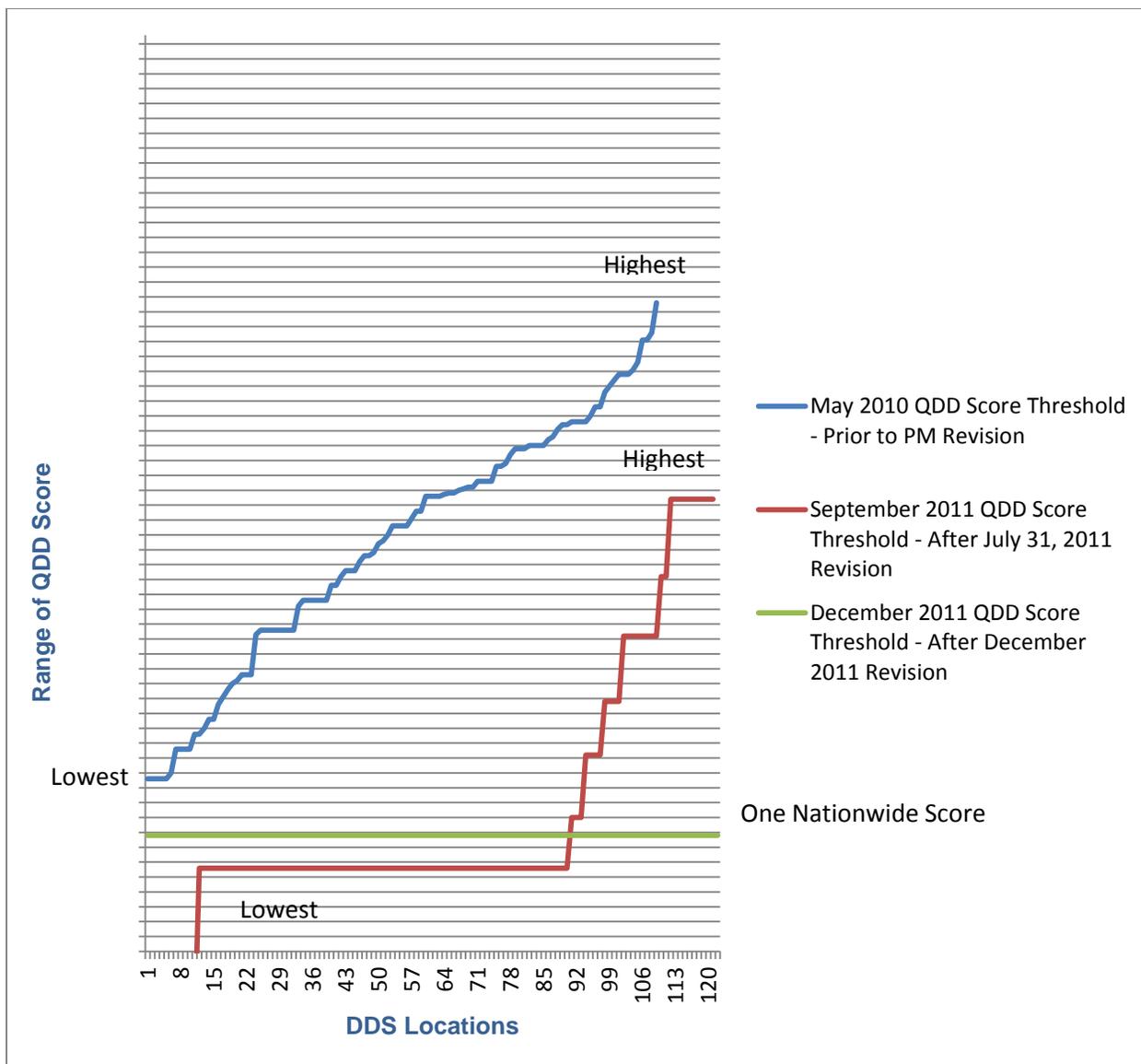
Case Type	QDD Cases That Were Below the Standard Threshold	Non-QDD Cases That Were Above the Standard Threshold
Title II	118	550
Title XVI Adult	38	0
Title XVI Child	54	343
Concurrent	17	153
Total	227	1,046

As we illustrated above, there were non-QDD cases whose scores were higher than or equal to cases designated as QDD. SSA stated that these exceptions to the standard thresholds were temporary for some DDSs to avoid sudden and significant changes in QDD workloads. SSA stated that in December 2011, it made additional enhancements to the QDD PMs and established standard thresholds for each of the four models that applied across all DDSs. Furthermore, SSA eliminated adjustments used for some DDSs to avoid sudden and significant changes in QDD workloads. See Appendix C for examples of QDD cases whose scores were lower than cases not processed as QDD.

The following chart illustrates the effect of SSA’s methods for setting DDS thresholds. For illustrative purposes, the following chart provides the QDD score thresholds for Title II cases for May 2010, September 2011, and December 2011.⁷

⁶ The OPDR assigned national standard score thresholds based on the precision levels of each of the predictive models (Title II, Title XVI Adult and Child, and Concurrent). A case’s score must be at or above the threshold to be considered as QDD. Because of the sensitive nature of the QDD selection process, we cannot disclose the national QDD score thresholds that were in effect in September 2011.

⁷ For illustrative purposes, the following chart provides the QDD score thresholds for Title II (non-current) cases for May 2010, September 2011, and December 2011. Because of the sensitive nature of the QDD selection process, we cannot disclose the QDD score thresholds that were in effect in May 2010, September 2011, or December 2011. Furthermore, as of May 2010, there were only 109 DDS locations that processed disability cases including QDD. As of September 2011, 122 DDS locations processed disability cases including QDD. Therefore, the above chart only displays an incremental score for 109 DDS locations for May 2010.



Of the 15,270 disability cases, the PM identified as QDD in September 2011, SSA processed 12,256 as of October 20, 2011. Thirty days or less had elapsed between the date these cases were transferred to the DDS and the date a decision was made for 12,059 (98 percent) of these cases.

When SSA first contemplated a QDD-type process, its goal was to make a fully favorable determination after receipt in the DDS within 20 days. However, the Agency never implemented a processing time requirement. DDSs are encouraged, but not required, to complete QDD cases within 20 days.⁸

⁸ DI 23022.010 Quick Disability Determination – DDS Instructions.

CONCLUSION AND RECOMMENDATION

Over time, SSA identified more cases for processing as QDD. In May 2010, SSA identified 8,946 initial disability cases as QDD, whereas, in September 2011, SSA identified 15,270 cases as QDD. Furthermore, SSA processed a majority of the May 2010 QDD cases in 20 days or less. The September 2011 data extract run did not enable us to determine whether the majority of these cases were processed in 20 days or less.

In the past, SSA did not expedite processing of some disability cases in some DDSs even though the cases had scores that were higher than or equal to cases expedited as QDD in other DDSs. However, SSA stated that in December 2011, it made further enhancements to the PMs. These model enhancements enabled SSA to establish standard thresholds for each QDD group, which apply uniformly across all DDSs. SSA also eliminated the adjustments used for some DDSs to avoid sudden and significant changes in QDD workloads. We support SSA's move to standard national thresholds, as it allows all cases to have the same opportunity for QDD processing regardless of where the claimant lives or where the case is processed.

We recommend SSA continue efforts to monitor and enhance the PM to meet the objectives of the QDD program.

AGENCY COMMENTS AND OIG RESPONSE

SSA agreed with our recommendation. The Agency's comments are included in Appendix D.



Patrick P. O'Carroll, Jr.

Appendices

APPENDIX A – Acronyms

APPENDIX B – Scope and Methodology

APPENDIX C – Examples of Quick Disability Determination Cases

APPENDIX D – Agency Comments

APPENDIX E – OIG Contacts and Staff Acknowledgment

Acronyms

DDS	Disability Determination Services
FO	Field Office
FY	Fiscal Year
OA	Office of Audit
OIG	Office of the Inspector General
OPDR	Office of Program Development and Research
PM	Predictive Model
POMS	Program Operations Manual System
QDD	Quick Disability Determination
SSA	Social Security Administration

Scope and Methodology

To accomplish our objective:

- We reviewed applicable sections the Social Security Administration's (SSA) regulations, rules, policies and procedures related to Quick Disability Determination (QDD).
- We obtained files of 245,382 and 285,981 unique disability cases that were in process in May 2010 and September 2011, respectively. From these populations, we identified cases that were
 1. scored by the Predictive Model (PM) and selected and processed a QDD case¹ or
 2. not selected for the QDD process.

From this population, we performed the following analyses.

QDD Score Analysis – May 2010

We analyzed the scores of disability cases where SSA selected the cases for QDD processing. We compared these scores to cases with higher or equivalent scores that SSA determined were not QDD. In view of the selection process SSA used at that time, there were non-QDD cases whose scores were higher than or equal to cases designated as QDD. For this analysis, we performed the following steps.

1. We extracted cases that SSA identified and processed as QDD. We sorted the scores of these cases from highest to lowest, accepting a range of cases that had scores of .7500 to .9894.
2. We extracted cases that SSA did not identify as QDD and SSA did not process as a QDD. We sorted the scores of these cases from highest to lowest, accepting a range of cases that had scores of .7500 to .9894.
3. We merged the two above populations to compare scores.

¹ We did not apply audit procedures to assess the PM itself and its related internal controls as part of this evaluation.

Non-QDD DDS Elapsed Time Analysis

From our population of disability cases for May 2010, we extracted cases that were not identified as a QDD case. We determined the number of days to process these cases by comparing the date the DDS received the case and the date SSA made a medical determination.

QDD Score Analysis – September 2011

We analyzed the scores of disability cases where SSA determined the cases to be QDD. First, we determined the number of cases that were above or below the four national thresholds for Title II, Title XVI Adult and Child, and Concurrent cases. Second, we compared the scores to cases with higher or equivalent scores that SSA determined were not QDD. We compared the scores of both of these populations for cases whose scores ranged from .7500 to .9999. Our analysis showed some non-QDD cases whose scores were higher than or equal to cases that were designated as QDD. For this analysis, we performed the following steps.

1. We extracted cases that SSA identified and processed as QDD. We sorted the scores of these cases from highest to lowest, accepting a range of cases that had scores of .7500 to .9999.
2. We extracted cases that SSA did not identify or process as QDD. We sorted the scores of these cases from highest to lowest, accepting a range of cases that had scores of .7500 to .9999.
3. We merged the two above populations to compare scores.
4. We also determined the number of days it took SSA to process cases identified as QDD. To accomplish this, we determined the number of days between date the DDS received the data and the date SSA made a medical determination.

We conducted our evaluation between October 2011 and January 2012 at our SSA Headquarters in Woodlawn, Maryland. The entity reviewed was the Office of Program Development and Research. We conducted our evaluation in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspections*.

Examples of Quick Disability Determination Cases

The following charts present examples of Quick Disability Determination (QDD) cases whose scores were lower than cases not processed as QDD. We judgmentally selected these examples; therefore, they may or may not represent all disability cases.

May 2010 Example Cases

Example	DDS	Disability Case Type	Case Status	Case Score	Number of Days to Process Case
1	New York, NY	Title XVI Child	QDD	Score lower than Non-QDD case	5
	Savannah, GA	Title XVI Child	Non-QDD	Score higher than QDD case	22
2	Buffalo, NY	Title XVI Child	QDD	Score lower than Non-QDD case	33
	Phoenix, AZ	Title XVI Child	Non-QDD	Score higher than QDD case	82
3	Baton Rouge, LA	Title XVI Child	QDD	Score lower than Non-QDD case	15
	San Diego, CA	Title XVI Child	Non-QDD	Score higher than QDD case	70
4	Waterbury, VT	Title II	QDD	Score lower than Non-QDD case	46
	St. Paul, MN	Title II	Non-QDD	Score higher than QDD case	432

In one of the above examples, a QDD case had a score of .7500; whereas, another case with a score of .8866 was not identified as QDD. The case not identified as QDD took longer to process than the QDD case.

September 2011 Example Cases

Example	DDS	Disability Case Type	Case Status	Case Score	Number Days to Process Case
1	Madison, MS	Concurrent	QDD	Score lower than Non-QDD case	17
	Boise, ID	Concurrent	Non-QDD	Score higher than QDD case	70
2	Endicott, NY	T16 Adult	QDD	Score lower than Non-QDD case	10
	Greensburg, PA	T16 Adult	Non-QDD	Score higher than QDD case	144
3	Miami, FL	T16 Adult	QDD	Score lower than Non-QDD case	12
	Jacksonville, FL	T16 Adult	Non-QDD	Score higher than QDD case	96
4	Anchorage, AK	T16 Child	QDD	Score lower than Non-QDD case	13
	Decatur, GA	T16 Child	Non-QDD	Score higher than QDD case	62

In one of the above examples, a QDD case had a score of .6973; whereas, a non-QDD case with a score of .8832 took longer to process than the QDD case.

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: Refer To: S1J-3

To: Patrick P. O’Carroll, Jr.
Inspector General

From: Dean S. Landis
Deputy Chief of Staff

Subject: Office of the Inspector General Draft, “The Social Security Administration's Selection Process for Quick Disability Determinations” (A-15-11-11175)—INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Amy Thompson at (410) 966-0569.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT,
“THE SOCIAL SECURITY ADMINISTRATION’S SELECTION PROCESS FOR
QUICK DISABILITY DETERMINATIONS” (A-15-11-11175)**

Recommendation 1

Continue efforts to monitor and enhance the PM to meet the objectives of the QDD program.

Response

We agree.

OIG Contacts and Staff Acknowledgment

OIG Contacts

Victoria Vetter, Director, Financial Audit Division

Ronald Anderson, Senior Auditor

Acknowledgment

In addition to those named above:

Sigmund Wisowaty, Senior Auditor

For additional copies of this report, please visit our Website at <http://oig.ssa.gov/> or contact the Office of the Inspector General's Public Affairs Staff at (410) 965-4518. Refer to Common Identification Number A-15-11-11175.

DISTRIBUTION SCHEDULE

Commissioner of Social Security

Chairman and Ranking Member, Committee on Ways and Means

Chief of Staff, Committee on Ways and Means

Chairman and Ranking Minority Member, Subcommittee on Social Security

Majority and Minority Staff Director, Subcommittee on Social Security

Chairman and Ranking Minority Member, Committee on the Budget, House of Representatives

Chairman and Ranking Minority Member, Committee on Oversight and Government Reform

Chairman and Ranking Minority Member, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority Member, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Committee on Finance

Chairman and Ranking Minority Member, Subcommittee on Social Security Pensions and Family Policy

Chairman and Ranking Minority Member, Senate Special Committee on Aging

Social Security Advisory Board

Overview of the Office of the Inspector General

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

Office of Audit

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

Office of Investigations

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

Office of the Counsel to the Inspector General

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

Office of External Relations

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

Office of Technology and Resource Management

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