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DISABILITY INSURANCE

Broader Management Focus Needed to Better Control Caseload

Statement of Jane L. Ross, Director,
Income Security Issues
Health, Education, and Human Services Division

GAO/T-HEHS-95-164

Mr. Chairman and Members of the Subcommittee:

Thank you for inviting me to testify on the growth in the Social Security Disability Insurance (DI) program and the Social Security Administration's (SSA) initiatives to manage this growth. Over the last 10 years, the number of beneficiaries grew 43 percent and benefit costs doubled, raising congressional and public concern. Today 5.6 million disabled workers and their dependents receive $38 billion in DI benefits per year.

My testimony today is based on our reports and ongoing studies of SSA's disability programs. (See app. I for a list of related GAO products.) Our work has shown that increases in applications for disability benefits have led to increased work loads and growing backlogs of claims. As a result, applicants are waiting longer to find out if they have been awarded benefits. Applicants wait almost 90 days to find out if they have been awarded benefits, while persons who appeal their claims to SSA's administrative law judges (ALJs) wait more than a year. These long waits can cause substantial hardship for applicants, particularly those with limited income and no medical insurance.

SSA has undertaken a number of short-term initiatives to address the immediate backlog problem. It also has begun a longer-term effort to redesign its disability determination process. We share congressional concerns that these changes may sacrifice decisional accuracy for faster processing, and we will be working closely with the subcommittee to monitor the situation. SSA is addressing its work load increases while facing substantial resource constraints. Nonetheless, SSA must broaden its management focus beyond expediting and streamlining the eligibility process. It needs to focus more attention on terminating benefits for those who are no longer eligible and encouraging beneficiaries to return to work.

SSA, now an independent agency, also needs to provide more data and advice to the Congress on matters affecting DI policy. We hope its forthcoming research efforts on disability will assist the Congress in overseeing the program and considering improvements.

In my testimony today, I will provide an overview of the growth in disability applications and appeals. Then I will discuss SSA's efforts to reduce its backlogs and redesign its disability determination process. Finally, I will describe SSA's current efforts and future plans for conducting continuing disability reviews (CDRs) and improving its performance in returning beneficiaries to work.

BACKGROUND

Before presenting our findings, let me provide some background on two disability programs administered by SSA: the DI program and the Supplemental Security Income (SSI) program. We realize this subcommittee does not have jurisdiction over the SSI program, but

to fully understand what is happening in the DI program, it is necessary to understand the SSI program as well. An increasing number and percentage of DI beneficiaries also receive SSI benefits, and both programs are growing rapidly.

The DI program was enacted in 1956 and provides monthly cash benefits and Medicare eligibility to severely disabled workers. The program defines disability as an inability to engage in substantial gainful activity by reason of a severe physical or mental impairment. The impairment must be medically determinable and expected to last at least 12 months or result in death.

The program is funded through Federal Insurance Contributions Act (FICA) taxes paid into the DI Trust Fund by employers and employees.[1] Applicants for DI must have worked long enough and recently enough to be insured for disability benefits. Cash benefits received by disabled workers average $660 a month and continue until a beneficiary returns to work, reaches full retirement age (when disability benefits convert to retirement benefits), dies, or is found to have medically improved and regained his or her ability to work.

DI was originally established to extend Social Security old age and survivors assistance to workers who became too disabled to work. Although in effect the program served as an early retirement plan, original legislation also promoted the rehabilitation of disabled beneficiaries. At the time DI legislation was being considered, the House Committee on Ways and Means reported that it

> "...recognizes the great advances in rehabilitation techniques made in recent years and appreciates the importance of rehabilitation efforts on behalf of disabled persons. It is a well-recognized truth that prompt referral of disabled persons for vocational rehabilitation services increases the effectiveness of such services and enhances the probability of success."

DI legislation required that persons applying for disability benefits be promptly referred to vocational rehabilitation agencies for services to maximize the number of such individuals who could return to productive activity.

Turning briefly to SSI, it was enacted in 1972 as a means-tested income assistance program for persons who are aged, blind, or disabled. SSI benefits are based on income rather than work history, and program costs are funded from general revenues. SSI disabled beneficiaries receive an average monthly federal benefit

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[1]FICA payroll taxes are divided into the Disability Insurance Trust Fund, the Old Age and Survivors Insurance Trust Fund, and the Medicare Hospital Insurance Trust Fund.

of $380 and immediate Medicaid eligibility in most states.[2] The SSI program uses the same criteria and procedures as the DI program for deciding who is disabled and, like DI, SSI terminates benefits to persons who medically improve and are able to return to work. Moreover, the SSI law also requires applicants to be referred for vocational rehabilitation.

Persons can receive both DI and SSI benefits. If a beneficiary's DI benefit--based on work history--is less than the maximum SSI benefit, the DI benefit is supplemented with SSI. These persons are known as concurrent beneficiaries.

Both DI and SSI are administered by SSA and state disability determination services (DDS). SSA field offices determine whether applicants meet the nonmedical criteria for eligibility and DDSs make the initial determination of whether applicants meet the programs' definition of disability. In 1994, it cost SSA $2.7 billion to manage the disability claims process for these programs.

SSA has a multilayered administrative structure to handle appeals of denied disability applications. When an application is denied by a DDS, the person may request that the DDS reconsider the application. The reconsideration is conducted by different personnel from those who made the initial determination; the criteria and process for determining disability, however, are the same.

If the application is denied at the reconsideration level, the person may request a hearing before one of SSA's 1,011 ALJs. At these hearings, applicants and medical or vocational experts may submit additional evidence. Attorneys usually represent applicants at these hearings.

When an application is denied by an ALJ, the applicant may then request a review by SSA's Appeals Council. The Appeals Council may affirm, modify, or reverse the decision of the ALJ, or it may remand the case to the ALJ for further consideration or development. Either the applicant or the agency may appeal the Council's decision in federal court.

Once DI beneficiaries are on the rolls, SSA is required to perform periodic reviews to determine their continued eligibility. The law requires SSA to perform CDRs at least every 3 years on DI beneficiaries for whom medical improvement is expected or possible, in order to determine whether their condition has improved to the point that they are no longer disabled. SSA is also required by

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[2]Forty-three states provide a supplemental benefit. In 1993, SSI recipients in these states received an average state supplemental benefit of $110.

regulation to perform CDRs at least once every 7 years on persons for whom medical improvement is not expected.

Let me now turn to our findings.

GROWTH IN THE NUMBER OF DISABLED BENEFICIARIES

The number of disabled beneficiaries has been growing steadily in the last 10 years. At the end of 1994, almost 5.6 million disabled workers and their dependents were receiving DI benefits, up from 3.9 million at the end of 1985--a 43-percent increase. Most of this growth--an addition of 1.1 million beneficiaries--occurred in the last 3 years.

The caseload has grown primarily because applications and awards have increased. From 1985 to 1994, DI applications grew from 1.1 to 1.4 million, and the percentage of applicants receiving awards increased from 35 percent to 44 percent. Most award decisions are made by DDSs. In fiscal year 1994, DDSs awarded benefits to 437,000 initial applicants, about 33 percent, and 60,000 awards to persons whose initial denials they reconsidered. ALJs awarded DI benefits to 193,000 persons, or 79 percent of those who appealed.

Many factors have contributed to the growth in DI over the last decade. Expansions in eligibility criteria, especially for persons with mental impairments, have played a role. Other factors are program outreach and poor economic conditions in the early 1990s.

Increases in the number of DI beneficiaries tell only part of the story of the rapidly rising disability rolls. Much of the growth in DI worker beneficiaries is coming from persons who also receive SSI benefits. These concurrent beneficiaries increased 107 percent since 1985.

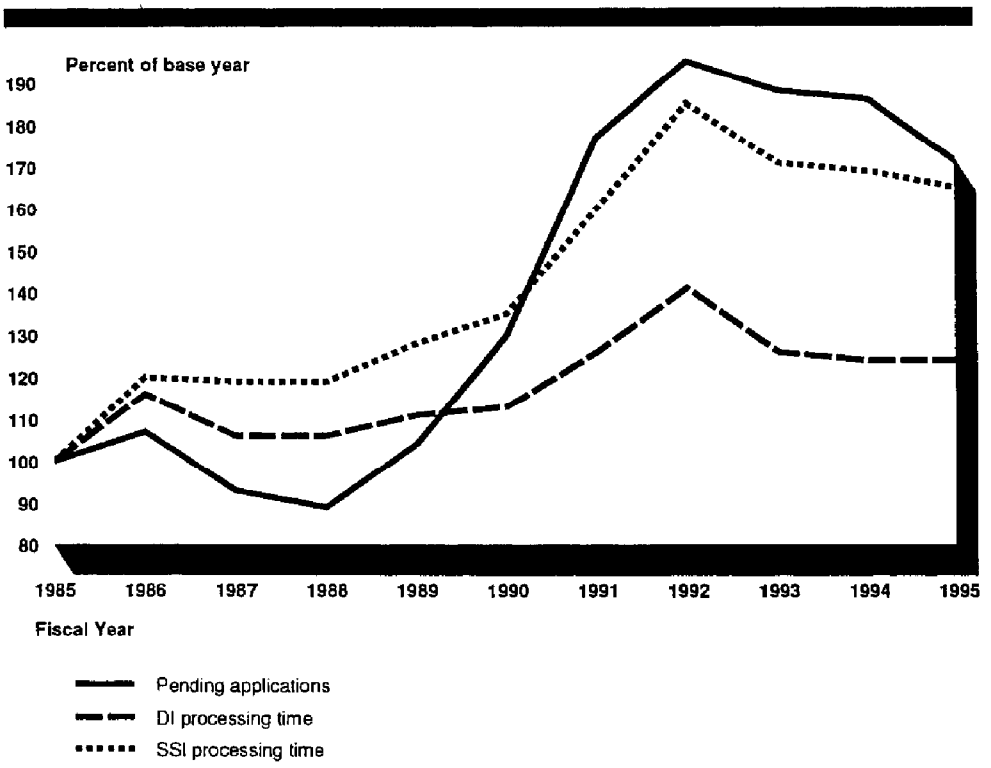
INCREASED APPLICATIONS AND APPEALS RESULT IN HUGE BACKLOGS

The huge increase in initial applications and appeals have created work load pressures for DDSs and ALJs. Since 1985, initial DI and SSI applications received by DDSs increased 65 percent to 2.6 million, and appeals to ALJs more than doubled to 549,000 in 1994. Backlogs have grown substantially and applicants are waiting longer to find out whether they have been awarded benefits. For those applicants who are awarded benefits on appeal to ALJs after twice being denied by DDSs, the wait is especially long--often much more than a year after they first applied.

In March 1995, DDS backlogs of initial applications were 71 percent higher than in 1985. However, recent DDS backlogs have decreased from their peak in 1992. At the end of March, 505,000

initial applications were pending in DDSs. Their processing times are 87 days for a DI application and 107 days for an SSI application, compared with 70 days and 65 days, respectively, in fiscal year 1985.[3] (See fig. 1.) Since fiscal year 1992, DDSs have added more staff years and productivity has improved.

Figure 1: Huge DDS Backlogs and Processing Times Starting to Improve (Fiscal Year 1985-95)



Note: Fiscal year 1995 data are through March.

For the ALJ caseload, backlogs are larger and processing times are longer. From September 1985 to March 1995, backlogs of pending appeals for all ALJ work loads have increased almost fivefold to 521,000, while average processing times have more than doubled from 167 days to 342 days.[4] (See fig. 2.) At the end of September 1993, 16 percent of all ALJ appeals had been pending for 270 days or more. By March 1995, 37 percent had been pending that long.

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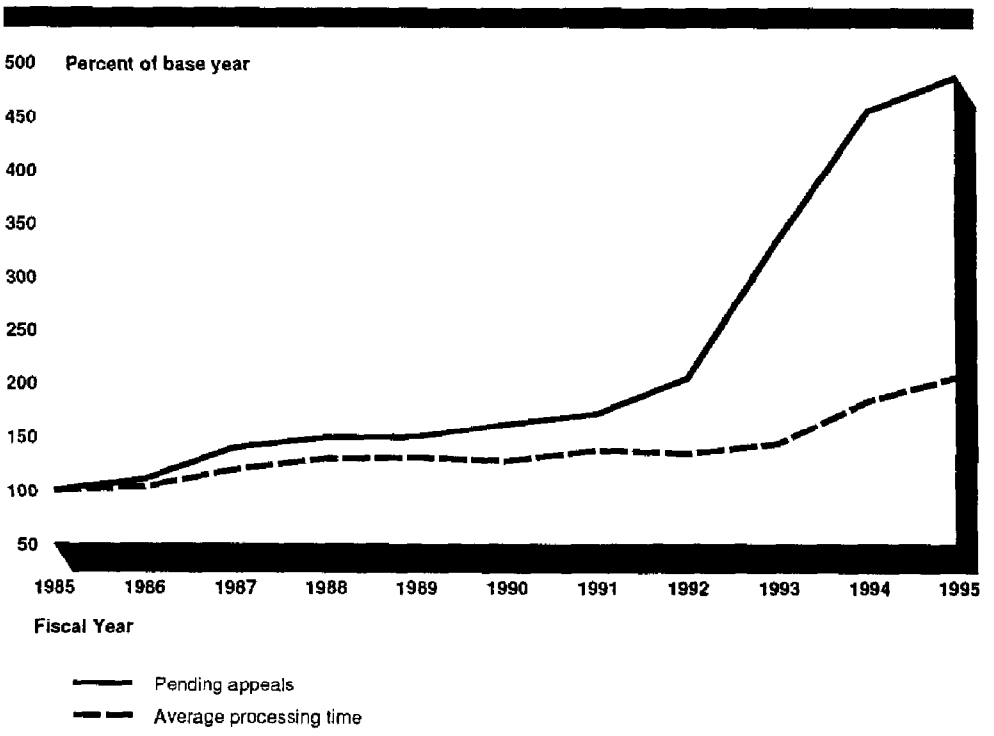
[3]These processing times are measured from the date of application to DDS clearance. Most of this time involves DDS processing.

[4]ALJ processing time is measured from the date SSA receives the appeal to the date that it notifies the applicant of the decision.

Figure 2: Huge Increase in ALJ Backlogs and Processing Times Continue (Fiscal Year 1985-95)



Note: Fiscal year 1995 data are through March.

These long waits can cause substantial hardships for applicants, many of whom have limited income and little or no medical insurance. In March 1995, SSA identified 488 pending ALJ cases in its Philadelphia region in which the applicant was in dire need because they were either terminally ill, homeless or about to lose their homes due to foreclosure, or were without money to buy medicine or food for their children.

Short-Term Initiatives

Over the past few years SSA has relied on short-term efforts to address its increasing work load. Its latest short-term effort began in November 1994, and consists of 19 initiatives[5] to help reduce claims processing time and cut into the DDS and ALJ backlogs at the hearings level in SSA's Office of Hearings and Appeals (OHA).[6] At the DDSs, SSA expects that additional funding and

[5]Appendix II lists the 19 short-term initiatives.

[6]The ALJs are part of SSA's Office of Hearings and Appeals.

procedural changes will reduce the backlog, while at OHA, it expects reductions from an initiative intended to develop and process cases without a hearing.

SSA's 19 initiatives are in various stages of implementation and not as far along as SSA had originally planned. Part of the delay is attributed to the time associated with asking staff involved in the claims process to do things differently than they have in the past. As a result, there have been considerably more negotiations with employees than anticipated, especially on the initiative that involves using OHA attorneys and paralegals to review appealed claims for possible allowances. In addition, SSA will need regulatory changes in order to permit OHA senior attorneys to make an allowance without ALJ review.

In its efforts to improve its processes, it will be especially important for SSA to guard against sacrificing the quality of decisions for greater speed. We share concerns that these process changes could result in more allowances, and that the number of incorrect allowances could rise.

Long-Term Disability Reengineering Efforts

In October 1993, a disability reengineering project team consisting of federal and state officials began to take a hard look at SSA's disability claims process. The objective of this review was to fundamentally rethink and redesign the process so that it becomes many times more efficient and, as a result, significantly improves service to disabled claimants.

The success of this reengineering effort is critical because the administrative cost of these programs is so significant--$2.7 billion annually. Couple this spending with a system that is viewed as slow, labor-intensive, and paper reliant and the need for a new process is obvious. A reengineered process could make better use of technology and assist SSA in more effectively managing its shrinking resources. SSA estimates that it will cost $148 million to administer this reengineering effort, but that the net savings will be $704 million through fiscal year 2001. SSA has also estimated annual savings of $305 million once reengineering is fully implemented. However, SSA has not tested all the assumptions it used for estimating these savings, and they are, therefore, subject to change.

Key features of the reengineering plan that was issued in September 1994 include (1) creation of a disability claims manager position to give claimants access to the decisionmaker, (2) development of a simplified disability decision methodology, (3) emphasis on an SSA and claimant partnership for developing necessary medical evidence, and (4) the use of a predecision interview to provide the claimant with an opportunity to meet with

the decisionmaker to discuss the claim before a medical decision is disallowed.

Another key feature is the creation of an adjudication officer who would participate in the process as the initial step in the first appeal level. The adjudication officer would have responsibility for explaining the hearing process, obtaining new evidence, narrowing issues for appeal, developing the case record, and issuing a favorable decision if the evidence warrants.

SSA expects that implementation of the reengineered process will be accomplished over a 6-year period beginning in fiscal year 1995 and concluding in 2000. Full implementation is targeted for fiscal year 2001. We are in the process of evaluating SSA's reengineering effort, and we will expand our work to include validating SSA's model, and assessing its plan and subsequent implementation.

We will also address congressional concerns that this new process will result in pressure to allow more cases, sometimes inappropriately, which would further deplete the trust fund and erode public confidence. To protect against this, long-term reengineering, like the short-term initiatives, should include safeguards to ensure that more cases are not allowed at the expense of correct decisions. Some believe that pressure to allow could come from creating the adjudication officer position, which makes permanent the positions held by attorneys in the short-term initiatives. Others are concerned that the disability claims managers will be more likely to allow borderline cases rather than put themselves in the position of informing applicants face-to-face that they have been denied benefits. Still others worry that speeding up the process could cause inappropriate short-cuts in documentation. If so, this could jeopardize SSA's ability to conduct CDRs in the future. Finally, as SSA attempts to move to a single standard for making disability decisions, we urge paramount attention to program integrity by keeping the process as objective as possible. As we agreed, GAO will monitor the impacts of SSA's reengineering efforts as well as short-term changes in allowance rates and measures of quality assurance.

A SMALLER PROPORTION OF BENEFICIARIES LEAVE THE ROLLS

While SSA has devoted its management attention and resources to improving the disability determination process, it has focused too little attention and resources on determining whether beneficiaries already on the rolls should still be there and whether more beneficiaries could be encouraged to return to work. For every new beneficiary entering the DI program in 1985, one left. In 1994, one beneficiary left for every two new DI beneficiaries.

Why is a smaller proportion of beneficiaries leaving the rolls? Part of the reason is the trend toward younger adults entering the program. Another reason is that people who medically improve and no longer qualify for DI benefits are not being identified because SSA is not performing enough CDRs.

Finally, SSA has done little to facilitate the movement of persons with disabilities from the DI rolls to payrolls. This is especially evident when we look at the limited role of vocational rehabilitation (VR) and work-incentive provisions used to motivate beneficiaries to return to work.

Changing Beneficiary Characteristics

Before 1985, the typical new beneficiary was a male over 50 years old with either a cardiovascular or musculoskeletal impairment. Newly awarded beneficiaries today are more likely to be younger and mentally impaired.

Changes in eligibility standards prompted by legislative, regulatory, and judicial action have contributed significantly to the increase in awards to people with mental impairments (which include mental retardation and mental illness). The percentage of all persons accepted into DI with mental impairments in 1985 was 18 percent; whereas in 1994, one-fourth of all new beneficiaries were accepted based on a mental impairment.

A beneficiary with a mental impairment is generally younger and likely to receive benefits for a longer period of time than the physically impaired individual. In 1994, three-fourths of new beneficiaries with mental impairments were under 50, compared with one-third of new awardees with physical impairments.

Fewer CDRs

In the early 1990s--because of SSA resource constraints and increasing initial claims work loads--the number of CDRs declined dramatically. For example, SSA performed a total of 367,000 SSI and DI medical CDRs in 1989 and only 73,000 in 1992. Currently, the backlog of DI CDRs is about 1.7 million cases with about 500,000 additional cases coming due each year.

To help reduce the backlog of DI CDRs, SSA now uses computer profiling and beneficiary mail questionnaires, commonly referred to as a mailer, to more efficiently target limited CDR resources. The mailers cost SSA about $50 each, while a medical review costs about $1,000. SSA plans to conduct 234,000 DI CDRs in fiscal year 1996, which includes 119,000 medical reviews. Depending on how beneficiaries answer certain mailer questions and their profiles (e.g., age, impairment type, date of last CDR), those cases with the highest probability of benefit termination are then scheduled

for a medical review. SSA estimates that its new CDR process has doubled its cost-benefit ratio from 3:1 to 6:1. The new CDR process is both more efficient and has resulted in more terminations.

Although it has increased its cost effectiveness and better targeted limited resources, SSA needs to do more CDRs and, therefore, should explore ways to allocate more resources to this activity. Combined with the surge in applications and the growing tendency to remain on the programs longer, conducting CDRs has profound implications for expenditures. For example, in 1994, SSA determined that 17,000 DI beneficiaries were no longer eligible for benefits after conducting a CDR. These results are subject to appeal. SSA estimates that 65 percent will be upheld and that these terminations will save an average of $90,000 in lifetime DI and Medicare benefit costs. As a result, total savings from these CDRs could be almost $1 billion.

Few Rehabilitated Through VR

The Social Security Act requires that persons applying for disability benefits be promptly referred to state vocational rehabilitation agencies for services to maximize the number of individuals who could return to productive activity. Yet SSA has not made this a priority of the DI program. Over the last 5 years, SSA has referred only about 7 percent of initial applicants awarded benefits. Moreover, for every $100 SSA spends on DI cash benefits, it spends a little more than a dime on VR for DI beneficiaries. While we do not know what the appropriate level should be or what other employment assistance might be required, we believe that we need to determine how much this underrepresents the potential for returning beneficiaries to work.

As we reported recently, state VR agencies accept only a small percentage of all persons referred by SSA, and those that are accepted generally receive only modest services with disappointing long-term outcomes.[7] Only about 1 of every 1,000 DI beneficiaries is successfully rehabilitated, which means that they are gainfully employed for 9 months. One reason for VR's limited effectiveness is that a little more than one-third of DI applicants have been out of the work force for more than 12 months before they even apply for DI benefits. Experts generally agree that rehabilitation offered sooner--closer to the onset of the disability--would be more successful.

Another factor contributing to VR's limited effectiveness is that applicants are referred for VR services when their

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[7]Vocational Rehabilitation: Evidence for Federal Program's Effectiveness Is Mixed (GAO/PEMD-93-19, Aug. 27, 1993).

applications for benefits are being processed--a time when applicants are focused on trying to prove their inability to work. The program expectation that one will go back to work after receiving VR services is an expectation that is difficult to reconcile in a program that has historically been for workers who have left the work force because of their inability to work.

We are looking at other ways to offer rehabilitative services and hope to identify more effective approaches to provide vocational rehabilitation. We will share our findings with you when our work is completed.

Despite Work Incentives, Beneficiaries Unwilling to Risk Losing Benefits

Another factor contributing to the low numbers of beneficiaries leaving the rolls is the perceived high risk of losing cash and medical benefits by going back to work. Program provisions--called work incentives--are intended to allow beneficiaries to try to return to work without jeopardizing their benefits.

DI work incentives allow beneficiaries to continue to get full benefits during a 9-month trial work period regardless of their earnings. But, after the trial work period, benefits stop if they earn at least $500 a month, which is below the federal poverty level.[8] This total loss of cash assistance may discourage beneficiaries from attempting work. Beneficiaries with low earnings potential especially may be making a rational financial choice to limit work in order to continue receiving cash benefits. SSA officials estimate that in December 1994, approximately 16,000 DI beneficiaries were not receiving cash benefit payments because they had successfully completed this 9-month trial work period. This represents a small fraction of the 4 million disabled workers on the rolls at that time.

DI beneficiaries who work also risk losing medical coverage, not because they have medically improved, but because of earnings. Beneficiary fear of this loss is viewed by advocates and VR counselors as one of the most significant barriers to beneficiaries participating in a VR program and returning to work. DI work incentives provide for 39 months of premium-free Medicare coverage after the trial work period. When this coverage ends, beneficiaries may purchase Medicare coverage. However, the cost of

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[8]After the trial work period, cash benefits continue for a 3-month grace period then stop if the beneficiary is earning $500 per month or more. The 9 months of the trial work period do not have to be consecutive.

this coverage, currently about $300 a month, may be especially unattractive to low-wage earners.

Few DI Beneficiaries Use SSI Work Incentives

DI beneficiaries who are concurrently receiving DI and SSI benefits may take advantage of the SSI work-incentive provisions as well. In fact, about one-half of the beneficiaries using the SSI work incentives are concurrent beneficiaries. Nevertheless, the number of DI beneficiaries using the SSI work-incentive provisions remains small. Approximately 34,000, or less than 1 percent of all DI beneficiaries, use the SSI work incentives.

SSI work-incentive provisions differ significantly from the DI provisions. Cash benefits do not abruptly stop once a beneficiary begins earning $500 a month or more but are gradually reduced by less than $1 for every $2 earned. SSI work incentives also allow recipients to continue receiving Medicaid coverage until earnings reach an amount considered high enough to replace one's cash and Medicaid benefits.[9]

SSA Developing New Strategies to Employ People With Disabilities

Recognizing that SSA does not have an effective structure in place to steer beneficiaries toward employment, in late 1994 the Commissioner formed a team under the leadership of the Associate Commissioner for Disability to develop a strategy to promote the rehabilitation and employment of current and potential beneficiaries. SSA acknowledges that if it maintains its present structure

-- program expenditures would continue to steadily escalate,

-- people who can work would continue to be trapped on the benefit rolls rather than gaining employment and achieving economic independence,

-- SSA's disability programs would continue to be viewed as being at odds with the Americans with Disabilities Act and other disability legislation, and

-- DI would continue to be viewed as "retirement."

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[9]SSA uses a threshold amount to measure whether a person's earnings are high enough to replace SSI and Medicaid benefits. The threshold amount is based on (1) the amount of earnings that would cause cash payments to stop plus (2) the annual per capita Medicaid expenditure for the state in which the beneficiary lives.

We agree that SSA needs to focus more attention and resources on rehabilitating beneficiaries and returning them to productive employment. We also agree that SSA's current structure and administration of the DI program does not lend itself to doing this. SSA has just begun these efforts and it is too early to assess their effectiveness.

In addition to the work of this group, SSA will soon have the results of Project Network, which is a demonstration initiative for testing alternative ways to provide rehabilitation and employment services to SSA's disability beneficiaries. Project Network, with a budget of approximately $25 million, will test the use of case management to encourage and facilitate movement into the labor force as a possible alternative to long-term benefit receipt.

Although SSA seems to be moving in the right direction, we are not convinced that its current level of effort will be sufficient. A shift in orientation toward helping more people move back into the work force and reengineering the rehabilitation and incentive structure may be required.

CONCLUDING OBSERVATIONS

At nearly $40 billion annually in cash payments to disabled workers, plus $16 billion more for medical coverage, the DI program represents a significant investment of public resources. A program of this magnitude and importance needs proper management and controls to ensure that funds are being spent as the Congress intended.

Our work to date shows that SSA has not paid enough attention to controlling the program and managing caseload growth. Especially in light of this, we share congressional concerns that SSA's emphasis on reeingineering should be closely watched to ensure that it does not result in increased allowances and less accurate decisions. If the public perceives that the program is loosely run, more people with only mild disabilities may be encouraged to apply for benefits. Finally, keeping the disability determination process as objective as possible will be paramount in managing caseload growth and improving program integrity, especially as SSA moves to a single standard for decisionmaking.

The high and growing costs of the DI program make it more urgent than ever for SSA to conduct more continuing disability reviews. As such, it is critical that reengineering efforts do not adversely affect the documentation in case files necessary to conduct future CDRs. In addition to CDRs, SSA should expand its focus to include more return-to-work efforts. Technological and social changes that have occurred since the 1950s make it more likely that beneficiaries can return to work and reduce their dependence on disability benefits. Even persons with severe

disabilities are now able to work with the help of assistive devices. And the Americans with Disabilities Act sets high expectations for involving persons with disabilities in the work force.

SSA is beginning to look at the return-to-work aspects of the DI program. We believe that it can and should do more to improve the productive capacity of disabled beneficiaries and, in the process, better manage the DI rolls. Our ongoing work focuses on identifying alternative ways in which federal disability programs can better assist beneficiaries to return to work. To this end, we are ready to help the Congress in its deliberations on program improvements.

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This concludes my prepared statement. I will be happy to answer any questions you may have.

For more information on this testimony, please call Cynthia Bascetta, Assistant Director, at (202) 512-7207 or Christopher Crissman, Assistant Director, at (202) 512-7051. Other major contributors include Susan Higgins, Senior Evaluator, and Ellen Habenicht, Evaluator.

RELATED GAO PRODUCTS

Supplemental Security Income: Recipient Population Has Changed as Caseloads Have Burgeoned (GAO/T-HEHS-95-120, March 27, 1995).

Social Security: Federal Disability Programs Face Major Issues (GAO/T-HEHS-95-97, Mar. 2, 1995).

Disability Benefits for Addicts (GAO/HEHS-94-178R, June 8, 1994).

Social Security: Most of Gender Difference Explained (GAO/HEHS-94-94, May 27, 1994).

Social Security: Major Changes Needed for Disability Benefits for Addicts (GAO/HEHS-94-128, May 13, 1994).

Social Security: Continuing Disability Review Process Improved, But More Targeted Reviews Needed (GAO/T-HEHS-94-121, Mar. 10, 1994).

Social Security: Disability Rolls Keep Growing, While Explanations Remain Elusive (GAO/HEHS-94-34, Feb. 8, 1994).

Social Security: Increasing Number of Disability Claims and Deteriorating Service (GAO/HRD-94-11, Nov. 10, 1993).

Vocational Rehabilitation: Evidence for Federal Program's Effectiveness Is Mixed (GAO/PEMD-93-19, Aug. 27, 1993).

Social Security: Rising Disability Rolls Raise Questions That Must Be Answered (GAO/T-HRD-93-15, Apr. 22, 1993).

Social Security Disability: Growing Funding and Administrative Problems (GAO/T-HRD-92-28, Apr. 27, 1992).

Social Security: Racial Difference in Disability Decisions Warrants Further Investigation (GAO/HRD-92-56, Apr. 21, 1992).

Vocational Rehabilitation Program: Client Characteristics, Services Received, and Employment Outcomes (GAO/T-PEMD-92-3, Nov. 12, 1991).

Social Security Disability: Action Needed to Improve Use of Medical Experts at Hearings (GAO/HRD-91-68, May 20, 1991).

Social Security: SSA Could Save Millions by Targeting Reviews of State Disability Decisions (GAO/HRD-90-28, Mar. 5, 1990).

Impact of Vocational Rehabilitation Services on the Social Security Disability Insurance Program (GAO/T-HRD-88-16, May 26, 1988).

APPENDIX II

INITIATIVES IN SSA's SHORT-TERM DISABILITY PROJECT

1. Publication of work load reduction targets.
2. Informal denials for nonimpairment cases.
3. Reduction of pre-effectuation review reconsideration sample.
4. Increase DDS review of reconsideration claims.
5. Rescind DDS adoption of initial level residual functional capacity or psychiatric review technique form for reconsideration decision.
6. Increase effectiveness of screening units.
7. Expand the prehearing conference initiative.
8. Assure effective utilization of necessary automation in OHA.
9. Increase OHA case preparation capacity.
10. Increase OHA decision drafting capacity.
11. Implement standardized folder assembly format.
12. Increase DDS systems purchases flexibility.
13. Enlist field office cooperation in medical evidence collection when hearing is filed.
14. Implement field office medical evidence of record process.
15. Make Office of Disability and International Operations examiners available to assist OHA.
16. Identify fiscal year 1995 DDS costs that can be forward funded.
17. Front-load fiscal year 1995 DDS budget.
18. Redirect central office staff to process disability work loads.
19. Continue Office of Disability evaluation of process improvement suggestions.

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