



Highlights of [GAO-10-667T](#), a testimony before the Subcommittees on Social Security and Income Security and Family Support, Committee on Ways and Means, House of Representatives

## Why GAO Did This Study

For years, the Social Security Administration (SSA) has been challenged to manage its large disability claims workload. Difficulties in making timely and accurate decisions have contributed to backlogs accumulating at different levels of the claims process. These backlogs have occurred most often at the hearings level, the level at which initial claims that were denied are appealed and await a hearing before an administrative law judge. Claimants often experienced long waits for a decision on their claim because of this backlog. In May 2007, SSA released a plan designed to eliminate its hearings-level backlog. GAO was subsequently asked by Congress to evaluate this plan and issued a report in September 2009 (GAO-09-398).

This testimony discusses SSA's backlog reduction plan and the challenges the agency faces in managing its overall claims workload. It draws primarily from GAO's September 2009 report as well as from SSA's *Fiscal Year 2009 Performance and Accountability Report*, its *Annual Performance Plan for Fiscal Year 2011 and Revised Final Performance Plan for Fiscal Year 2010*, its fiscal year 2011 budget request documents, and recent reports issued by SSA's Office of the Inspector General (OIG).

View [GAO-10-667T](#) or key components. For more information, contact Daniel Bertoni at (202) 512-7215 or [bertonid@gao.gov](mailto:bertonid@gao.gov).

# SOCIAL SECURITY DISABILITY

## Management of Disability Claims Workload Will Require Comprehensive Planning

### What GAO Found

In September 2009, GAO reported that SSA's backlog reduction plan should help reduce the hearings backlog, but that SSA's ability to eliminate it by the agency's target date of 2013 would require SSA to achieve all of its key workforce and performance goals. GAO found that these goals set higher levels of performance than the agency has ever experienced. GAO also found that SSA's 2007 Plan did not include performance goals and measures or cost estimates for many initiatives. Finally, GAO reported that the 2007 Plan, which could pose some risks to the quality of hearings decisions and to other operations, lacked an appropriate risk assessment with contingency plans. GAO recommended that SSA develop additional performance goals and measures and cost estimates for the initiatives it considered most critical, conduct analyses of risks associated with the Plan's implementation, and identify strategies to address them. In response, SSA noted that it was expanding its risk analysis capabilities. The agency also agreed to examine the Plan's potential impact on other SSA operations. However, SSA did not believe additional performance goals and measures and cost estimates were necessary since the agency was tracking plan initiatives to ensure that they were on schedule and had developed total cost estimates as part of its budget process.

Since September 2009, SSA has reported progress toward eliminating its hearings-level backlog—defined as reducing the number of pending cases to SSA's target of 466,000. In March 2010, SSA reported that pending cases were down to 697,437 from 760,000 in fiscal year 2008. SSA also reported additional backlog reduction strategies in its 2010 and 2011 annual performance documents. One strategy is to relieve pressure on the hearing offices by reinstating the Disability Determination Services (DDS) reconsideration process in 10 states where it had previously been eliminated as a pilot project. SSA also announced that it will open two new centralized operations to help the hearing offices with administrative tasks. Meanwhile, SSA also reported in its 2011 annual performance plan that it will develop strategies to deal with potential backlogs at the initial claims level. At the end of fiscal year 2009, about 780,000 initial claims were pending at state DDS offices and the agency projects that number will exceed 1 million by the end of fiscal year 2010. In its 2011 annual performance plan, SSA outlined several other remedies, including hiring, increasing overtime, and simplifying policies. Finally, SSA requested additional funds to help with its continuing disability reviews, which were reported by SSA's OIG to be backlogged at 1.5 million cases at the end of fiscal year 2009. GAO has yet to assess the agency's new strategies, but GAO's prior work suggests that changes to any one operation in the disability program can affect work flow in unexpected ways at other stages. Therefore, given its many growing pressure points, effective management of the disability claims process will require comprehensive and integrated planning.