Agency Priority Goal | Action Plan | FYs 2022–2023 | FY 2022 – Q1

Improve Initial Disability Claims

Goal Leaders:

Goal Leader: Stephanie Hall, Assistant Deputy Commissioner, Office of Operations
Deputy Goal Leader: John Owen, Associate Commissioner, Office of Disability Determinations
Goal Overview

Goal statement
Improve the customer experience by reducing the average processing time for initial disability claims and by prioritizing those individuals who have waited the longest for initial disability determinations.

- By September 30, 2023, achieve an average processing time for initial disability claims of 164 days.¹
- By September 30, 2023, decide 85 percent of pending initial disability claims that begin the fiscal year 180 days old or older.

Problem to Be Solved
- On average, customers are waiting too long (over six months) for an initial disability determination, and there are too many aged cases pending (approximately 200,000 initial cases older than 180 days at the beginning of the FY 2022).
- The pandemic disrupted many of the workloads in our disability process, and we anticipate receiving an increase in initial disability claims that we will need to process.
- State Disability Determination Services (DDS), who make disability determinations, are experiencing difficulties maintaining appropriate staff levels, with historically high attrition and hiring-related challenges.

¹ This target is also a budgeted workload measure.
Goal Overview

What Success Looks Like

- Reduced time customers wait to receive initial disability claims decisions.\(^3\)
- Improved recruitment and retention to sustain necessary staffing and increased processing capacity and performance.
- Full implementation of a unified disability case processing system that allows all States to share work in a more seamless, efficient, and productive environment.

\(^2\) Demonstrates progress towards achieving our Agency Strategic Plan’s Build a Customer-Focused Organization and Improving the Accuracy and Administration of Our Programs strategic objectives.

\(^3\) It will take a multi-year effort and adequate funding to reduce the average initial disability claims wait times.
## Tracking the goal

### Goal target(s)

<table>
<thead>
<tr>
<th>Achievement statement</th>
<th>Key indicator(s)</th>
<th>Quantify progress</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Repeat the achievement statement from the goal statement on the previous slide</td>
<td>A &quot;key performance indicator&quot; measures progress toward a goal target</td>
<td>These values enable us (and you!) to calculate % complete for any type of target</td>
<td>When is there new data?</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>By…</th>
<th>We will…</th>
<th>Name of indicator</th>
<th>Target value</th>
<th>Starting value*</th>
<th>Current value</th>
<th>Update cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td>09/30/23</td>
<td>Achieve an average processing time for initial disability claims of 164 days</td>
<td>Initial Disability Claims Average Processing Time</td>
<td>164 days</td>
<td>165 days</td>
<td>169 days</td>
<td>Monthly</td>
</tr>
<tr>
<td>09/30/23</td>
<td>Decide 85 percent of pending initial disability claims that begin the fiscal year 180 days old or older</td>
<td>Initial Disability Claims Aged Cases</td>
<td>Decide 85 percent of pending initial claims that begin the year 180 days old or older (198,509 in FY 2022)</td>
<td>0%&lt;sup&gt;4&lt;/sup&gt;</td>
<td>57%</td>
<td>Monthly effective FY 2022 Q3</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of indicator</th>
<th>Target value</th>
<th>Starting value*</th>
<th>Current value</th>
<th>Update cycle</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial Disability Claims Productivity Per Workyear&lt;sup&gt;5&lt;/sup&gt;</td>
<td>Not Applicable</td>
<td>208</td>
<td>190</td>
<td>Monthly</td>
</tr>
</tbody>
</table>

*As of 09/30/21

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<sup>4</sup> Percent complete restarts at the beginning of each fiscal year.

<sup>5</sup> DDS initial disability claims productivity per workyear (PPWY) measures the production rate in the DDSs for the initial claims workload and reports how much time an employee spends directly processing a work product to completion. The DDS initial disability claims PPWY is calculated by dividing the number of cases processed by the number of DDS workyears (WYs) expended to process those cases. The number of workyears attributed to initial claims is derived using a statistically valid sampling process.
Goal Team

Leadership Team

Stephanie Hall, Assistant Deputy Commissioner, Office of Operations
Goal Leader

John Owen, Associate Commissioner, Office of Disability Determinations
Deputy Goal Leader

Deputy Associate Commissioner (Office of Operations)
Office of Disability Determinations

Implementation Team

Associate Commissioner (Office of Operations)
Office of Public Service and Operations Support

Associate Commissioner (Office of Analytics, Review and Oversight)
Office of Quality Review

Regional Commissioners (Office of Operations)
Goal Strategies

Implementation Strategies

- Implement information technology (IT) initiatives and automation improvements that will increase DDS initial claims productivity and improve processing time.
- Prioritize claimants who have been waiting the longest for a decision by prioritizing the aged cases in scheduling consultative examinations and medical consultant reviews.
- Optimize DDS recruitment tools and employment flexibilities to hire and retain highly qualified employees.
- Increase Consultative Exam (CE) provider availability by assisting the DDSs with recruiting efforts to expand their CE provider network.
- Complete the deployment of the disability claims in the Disability Case Processing System (DCPS2) by September 30, 2022.
- Expand electronic medical evidence collection via our electronic evidence acquisition framework.
- Deploy Intelligent Medical-Language Analysis Generation technology for medical evidence to all state DDSs by the end of calendar year 2022.
Goal Strategies

External Considerations

• Our Office of the Chief Actuary projects claims to increase, and our performance targets incorporate the effects of the projected increase through FY 2023. Additional unanticipated increases in initial disability claims could further increase our pending levels and extend wait times.

• The DDSs are State entities and subject to State policies and directions that can impact their productivity.

• The DDSs are experiencing high levels of attrition. In FY 2021, the overall DDS staff attrition rate was 13.6 percent, and the disability examiner attrition rate was 19.4 percent, both of which are the highest rates in over 20 years.

• The DDSs are experiencing difficulties with recruitment and retention to maintain staffing levels.

• There are ongoing delays for claimants to receive in-person CEJs, which are required to decide approximately 39 percent of initial disability claims. Recent medical evidence is less frequently available for the DDSs due to reduced treatment and doctor visits during the pandemic. However, the CE provider availability has increased from 54 percent to 85 percent from beginning of pandemic until now.

• While DCPS2 will soon provide across-the-board efficiencies in case processing, transitioning DDSs to the new system tends to have short-term productivity impacts. The three remaining DDSs (New York, California, and Alaska) will begin their transition to DCPS2 in FY 2022.

• Economic factors such as the status of the job market, unemployment, and other benefits may influence whether someone files for disability.

• DDSs must balance their workloads. In FY 2022, our total appropriation was nearly $850 million below the President’s request but our special funding for program integrity was fully funded at the
President’s request. DDS employees process both continuing disability reviews and initial claims. Therefore, we will complete a high level of continuing disability reviews, which also means DDSs will have fewer resources for making medical decisions on initial claims.

- Productivity improvements are contingent upon appropriation levels that allow for consistent overtime and staffing resources to the DDSs.
Key indicators

**Primary Indicator (historical):** Initial Disability Claims Average Processing Time

The pandemic began to impact operations in March of 2020, half-way through the fiscal year. FY 2021 processing time includes the full-year effect from the disruption caused by the pandemic.

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**Primary Indicator:** Initial Disability Claims Average Processing Time

**Chart:**
- **Initial Disability Claims Average Processing Time**
- **Fiscal Year to Date Monthly Results**
- **Axes:**
  - Y-axis: Average Processing Time (Days)
  - X-axis: Months (OCT to SEP)
- **Data Points:**
  - FY 2021: OCT 167, NOV 167, DEC 167, JAN 166, FEB 166, MAR 166, APR 166, MAY 165, JUN 165, JUL 165, AUG 165, SEP 165
  - FY 2022: OCT 169, NOV 168, DEC 166, JAN 166, FEB 166, MAR 166, APR 166, MAY 165, JUN 165, JUL 165, AUG 165, SEP 165
  - FY 2023 Target: 164
**Key indicators**

**Secondary Indicator:** DDS Initial Disability Claims Production per Workyear

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**Initial Productivity Per Work Year (PPWY)**

- **FY 2017:** 259
- **FY 2018:** 261
- **FY 2019:** 254
- **FY 2020:** 214
- **FY 2021:** 208
- **FY 2022, Q1:** 190

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7 Productivity figures are fiscal-year-to-date. Productivity levels are typically lower in the first quarter of the year compared to the annual due to the increased number of holidays. FY 2022 Q1 PPWY also reflects depressed productivity as many sites work through a learning curve as they transitioned to DCPS2 at the end of FY 2021 as well as the continued hiring challenges and historically high attrition across the nation.
# Key milestones

## Milestone Summary

<table>
<thead>
<tr>
<th>Key Milestone</th>
<th>Milestone Due Date</th>
<th>Milestone Status</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time under 170 days</td>
<td>Q1, FY 2022</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Decide 50 percent of pending initial disability claims that began FY 2022 180 days old or older</td>
<td>Q1, FY 2022</td>
<td>Completed</td>
<td></td>
</tr>
<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time under 175 days</td>
<td>Q2, FY 2022</td>
<td>On-Track</td>
<td></td>
</tr>
<tr>
<td>Decide 70 percent of pending initial disability claims that began FY 2022 180 days old or older</td>
<td>Q2, FY 2022</td>
<td>On-Track</td>
<td></td>
</tr>
<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time under 180 days</td>
<td>Q3, FY 2022</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decide 80 percent of pending initial disability claims that began FY 2022 180 days old or older</td>
<td>Q3, FY 2022</td>
<td></td>
<td></td>
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<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time at or below 185 days</td>
<td>Q4, FY 2022</td>
<td></td>
<td></td>
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<tr>
<td>Decide 85 percent of pending initial disability claims that began FY 2022 180 days old or older</td>
<td>Q4, FY 2022</td>
<td></td>
<td></td>
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<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time at or below 185 days</td>
<td>Q1, FY 2023</td>
<td></td>
<td></td>
</tr>
<tr>
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<td>Milestone Due Date</td>
<td>Milestone Status</td>
<td>Comments</td>
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<td>------------------------------------------------------------------------------</td>
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</tr>
<tr>
<td>Decide 50 percent of pending initial disability claims that began FY 2023 180 days old or older</td>
<td>Q1, FY 2023</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time at or below 178 days</td>
<td>Q2, FY 2023</td>
<td></td>
<td></td>
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<tr>
<td>Decide 70 percent of pending initial disability claims that began FY 2023 180 days old or older</td>
<td>Q2, FY 2023</td>
<td></td>
<td></td>
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<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time at or below 171 days</td>
<td>Q3, FY 2023</td>
<td></td>
<td></td>
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<tr>
<td>Decide 80 percent of pending initial disability claims that began FY 2023 180 days old or older</td>
<td>Q3, FY 2023</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Prioritize the most aged initial claims while maintaining an average processing time at or below 164 days</td>
<td>Q4, FY 2023</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Decide 85 percent of pending initial disability claims that began FY 2023 180 days old or older</td>
<td>Q4, FY 2023</td>
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The average processing time for initial disability claims was 169 days at the end of the first quarter of FY 2022, which was below our milestone target of 170 days, but four days higher than our average processing time of 165 days at the end of FY 2021. We anticipate that processing time will continue to increase throughout the remainder of this fiscal year for factors outlined below, and our quarterly milestones reflect this expectation. We acknowledge that it is challenging for individuals to wait over six months on average to receive a disability decision. We have made it a priority to improve the average processing time for initial claims generally and work down older cases, even as we expect to see more initial claims.

We determined that 198,509 initial claims 180 days old or older were pending at the start of FY 2022. As of the end of the first quarter, 113,401 (or roughly 57 percent) of those claims received a decision. This exceeded our first quarter milestone goal of 50 percent.

Several factors contributed to an increase in average processing time in the first quarter of FY 2022, as described in the “Problem to be Solved” section of this action plan. A major challenge is sufficient resources to fund frontline operations, including processing initial disability claims. Our DDS staff are balancing their time between completing initial disability claims and working on program integrity (PI) work to complete the PI volumes funded in the 2022 appropriation. A related challenge is the struggle with recruiting, hiring, and retaining DDS staff. Through the first quarter, the annualized attrition rate for DDS full-time staff was projected at 17 percent nationally and it was over 22 percent for disability examiners. In addition, the DDSs struggled to recruit and hire qualified candidates to fill all available open positions. We anticipate these challenges will continue throughout FY 2022, which will impact our
ability to reduce processing time. As we continue to process older cases, our average processing time will experience a short-term increase. To combat some of our DDS hiring challenges, we established a “Recruitment and Retention” workgroup, comprised of members from the DDSs, the SSA Regional Offices, the Office of Disability Determinations, the Office of Budget, and the Office of General Counsel.
Data accuracy & reliability

Our official data source for average initial disability claim processing time is Management Information (MI) Central, a long-standing and reliable source. MI Central calculates the average processing time by adding time the case was with an SSA field office and with the State DDS, transit time between field offices and DDSs, and quality review time.

The DDS staffing information and workload processed counts used to calculate Productivity Per Workyear (PPWY) come from the Disability Operational Data Store database. The direct PPWY is calculated by dividing the DDS processed count for the initial disability claims workload by the DDS workyears spent directly processing this workload. Direct PPWY excludes other paid time categories such as leave, training, management, travel, etc. This database has been the official source of DDS management information for many years.

The State Agency Workload Sampling (SAWS) report uses the staffing information in conjunction with workload and work-sampling data to provide comprehensive unit times indicating the number of workyears it takes to process DDS workloads and perform other DDS operations. All DDS staff are sampled once a week, every week of the fiscal year. The sample size is statistically valid and is based on the number of workloads sampled and the size of the organization. DDS time is attributed to the various workloads based on the sampling data.
Stakeholder / Congressional Consultations

**Internal Stakeholders:**

- **Office of Quality Review (OQR):** Provides quality review of DDS claims decisions.
- **Office of Retirement and Disability Policy (ORDP):** Oversees policies and criteria used to process disability claims.

**External Stakeholders:**

- **The Public:** The public expects an excellent customer experience when they file a disability claim and interact with Federal and State employees.
- **Disability Determination Services (DDS):** DDSs are Federally funded State agencies that process initial disability and disability reconsideration claims.
- **Claimant Advocacy and Disability Advocacy Organizations:** These organizations advocate for the rights of the disabled and individuals who apply for disability.
- **Congress:** Congress maintains an interest in efficient service delivery options for the public such as phone, face-to-face, and online services.