



News Release

SOCIAL SECURITY

Commissioner Barnhart Announces Proposed Regulation to Improve Social Security's Disability Process

Jo Anne Barnhart, Commissioner of Social Security, today announced that Social Security will publish a proposed regulation to improve the disability determination process. The improvements, which build upon Social Security's new electronic disability claims process, would shorten decision times and pay benefits to people who are obviously disabled much earlier in the process.

"In developing a new disability determination process, I have been guided by three questions President Bush asked me during a meeting to discuss disability programs," Commissioner Barnhart said. "Why does it take so long to make a disability decision? Why can't people who are obviously disabled get a decision immediately? and Why would anyone risk going back to work after going through such a long process to receive benefits?' My goal was to address the President's questions and ensure that we make the correct decision as early in the process as possible. The regulation we are proposing would allow us to do that."

The proposed regulation:

- Establishes a quick disability determination process for those who are obviously disabled. Appropriate claims would be identified and referred directly to special units in the State agencies for expedited action.
- Establishes a Federal Expert Unit comprised of State and Federal experts to provide medical and vocational expertise for adjudicators at each level of the disability determination process.
- Eliminates the reconsideration step of the appeals process and establishes a Federal Reviewing Official level of review. The Reviewing Official would review initial State agency denials if the claimant requested such review. The Reviewing Official would not conduct a hearing but would issue a decision based on a review of the record.
- Retains the *de novo* hearing before the Administrative Law Judge (ALJ). The ALJs would be required to explain in their decisions why they agree or disagree with the rationale of the written decision of the Reviewing Officials.

- Closes the record after the ALJ issues a decision. However, new and material evidence would be considered after a decision is issued under certain limited circumstances.
- Establishes a Decision Review Board (DRB) to select and review both favorable and unfavorable ALJ decisions and to handle dismissals. Other review functions currently performed by the Appeals Council would eventually shift to the DRB when the new process is phased in.
- Strengthens in-line and end-of-line quality review mechanisms at the state agency, Federal Reviewing Official, hearings and DRB levels of the disability determination process. Pre-effectuation review at the initial claims level would continue while quick disability decisions would be subject to expedited pre-effectuation review as well. The current Disability Quality Branch review of State agency claims would be replaced with a new centrally-managed quality assurance system that would perform independent end-of-line reviews of targeted cases, perform a random sample of all cases, and provide for an in-line quality process performed by State agencies.
- Provides that Social Security plans to implement the new disability determination process on a phased-in basis, allowing the Agency to make adjustments as necessary.

“None of the changes we are proposing would require legislative action,” noted Commissioner Barnhart. “Nor would they adversely affect the employment status of current Social Security or state agency employees.”

In conjunction with the changes in the disability determination process, Social Security also plans to conduct several demonstration projects aimed at helping people with disabilities return to work. These projects support the President’s New Freedom Initiative and provide for work incentives and opportunities earlier in the process. In these demonstrations, the Agency will test providing cash supports, various forms of medical benefits, and employment supports such as transportation assistance. Social Security will look at how making these available will help people with disabilities successfully work.

The proposed regulation provides for a 90 day comment period and is the result of collaborative discussions that have been underway since Commissioner Barnhart first presented her approach for improving the disability determination process at a hearing before the House Ways and Means Subcommittee on Social Security in September 2003. Commissioner Barnhart personally held meetings with over 60 professional organizations, advocates, Members of Congress and congressional staff, and Social Security and State employee groups.

“I sincerely believe that the new disability determination process is a system that responds to the challenge inherent in the President’s questions,” Commissioner Barnhart said. “We have looked beyond the status quo to the possibility of what can be. I believe the proposed regulation will help Social Security provide more accurate and timely service for the American people. And that’s what we are all about.”

NOTE TO CORRESPONDENTS: For more information on the proposed regulation to improve the disability process, go to www.socialsecurity.gov/disability-new-approach . The proposed regulation is on display at the Federal Register today and, starting tomorrow, can be read online at www.regulations.gov.