

GPRA Performance Report

The Government Performance and Results Act (GPRA) of 1993 requires agencies to develop and institutionalize processes to plan for and measure mission performance in the basic management cycle. Planning, execution and measurement are integral parts of the traditional management feedback loop. GPRA defines specific efforts, at the highest level, that Federal agencies must undertake to address this measurement process.

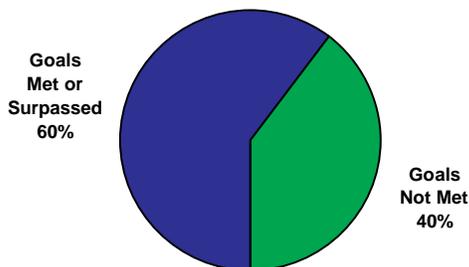
In response to the mandates of GPRA, SSA has developed a framework of performance indicators that better defines service from the perspective of our customers. That framework, SSA's strategic plan, "Keeping the Promise," released in 1997, provides the basis for SSA's GPRA Annual Performance Plan (APP). SSA's FY 1999 APP supports the goals set forth in SSA's strategic plan and serves as a link between the strategic plan and SSA's budget.

Outcome indicators included in SSA's FY 1999 GPRA Performance Report represent a critical bridge to accomplishment of SSA's longer-term strategic objectives. Some of these indicators have appeared in annual Business Plans previously published by SSA. Others were formulated as the new strategic plan was crafted. Still others represent "milestones" the Agency is striving to reach during the period covered by the performance plan and report.

FY 1999 Performance

During FY 1999, SSA was able to meet 60 percent of the FY 1999 goals set forth in the Agency's FY 1999 APP as shown below. Due to timing differences in studies conducted to obtain certain numeric performance data, FY 1999 data were not available at the issue date of this report for certain indicators. The approximate dates when this information should be available are provided later in this report.

Summary of Achievement FY 1999 Performance Goals*

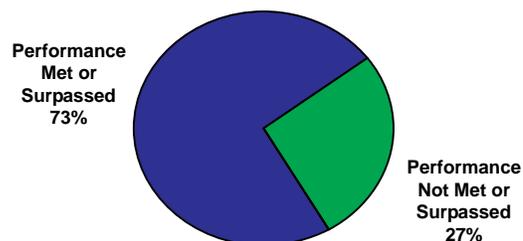


* Excludes indicators that do not have intermediate FY 1999 goals and indicators where FY 1999 actual data is unavailable.

The following chart shows that in FY 1999, 73 percent of the numeric indicators met or surpassed their FY 1998 performance. These results indicate a favorable trend in performance regardless of whether or not we met or exceeded the FY 1999 goal.

Comparison of FY 1999 Performance to FY 1998 Performance*

(Numeric Indicators Only)



* Excludes indicators where FY 1999 actual data is unavailable.

The Performance Report is categorized under the five strategic goals in the Agency's strategic plan and reports on 59 performance indicators which were included in SSA's FY 1999 APP. Numeric performance indicators as well as "milestone" indicators are shown under their respective strategic goals as defined in the APP. In addition to showing the actual data and goals for FY 1999 performance indicators, actual performance data for FYs 1996, 1997 and 1998 are included. Throughout the report we have used a red check mark (✓) to indicate when a goal was met. When calculating the percentages shown in the preceding pie charts, each check has a value of one except for indicators 17, 38, 41, 45, 47, 55 and 56. These indicators have two components and the value of each those components is .5.

Several performance indicators found in the FY 1999 APP contained performance goals for FY 1998 only. We addressed their actual performance in SSA's FY 1998 GPRA Performance Report which can be found on pages 60 - 69 of SSA's Accountability Report for FY 1998. However, to provide a complete picture of all performance indicators found in the FY 1999 APP, we have provided their current status in the Appendix to the performance report beginning on page 78.

In addition, several performance indicators and/or goals in the following report have been revised based on SSA's FY 1999 Operating Plan or

FY 2000 APP. These indicators have been noted. We are reporting against these revised performance indicators and/or goals. However, for each of these revised indicators/goals, we have also included the original FY 1999 indicator/goal from the FY 1999 APP. In the report, we have provided explanations for all goals that were not met, including the original FY 1999 APP goals.

SSA's final FY 2000 APP, submitted to Congress in February 1999, committed SSA to levels of performance concomitant with the funds requested. Our FY 2000 performance targets also were based on the most recent data and analysis, Agency consideration and decisions. Since that time, further Agency consideration based on our review of program performance information for FY 1999, as well as other data and analysis, have led SSA to revise some FY 2000 performance commitments.

Verification and Validation

SSA is committed to ensuring that those who use our reported performance information to make decisions can do so with the assurance that our data are valid and reliable. For example, pages 24 - 26 of this report discuss SSA's comprehensive program of conducting reviews of: (1) management and security controls in both SSA's administrative and programmatic processes; and (2) accounting controls in financial management systems. Also discussed are the results of the audit of the FY 1999 financial statements and internal controls by PricewaterhouseCoopers, the independent accounting firm. Such reviews and assessments assure that our systems are secure and confirm SSA's confidence in the reliability of its performance data.

Another method of verifying and validating our performance measures is through various program audits/evaluations conducted by our Office of the Inspector General (OIG). OIG has a four-point approach to reviewing SSA's performance measures:

- Assess SSA's systems capacity to produce performance data;
- Assess whether reported performance data is valid;
- Ensure that SSA has the appropriate measures to indicate vitality of its programs; and
- Ensure that the performance measures fully capture the program segments that they are intended to capture.

SSA will take appropriate action to correct any reported deficiencies. These actions may include disclosure of data gaps, changes in performance indicators, improvements to or additions of data collection systems or combinations thereof.

Also, the performance level for several indicators relating to the accuracy of our processes and public satisfaction comes from surveys and workload samples designed to achieve very high levels (usually 95 percent confidence level) of statistical validity. The Office of Quality Assurance and Performance Assessment reviews a stratified sample of recently completed actions and of ongoing entitlement rolls to determine the accuracy of SSA payments and service transactions. In addition, to help ensure the integrity of management information (MI) data, SSA implemented a Management Information Integrity Monitoring (MIIM) team in February 1998. The MIIM team serves as the clearinghouse for resolving allegations of inappropriate practices affecting MI. Line managers and staff throughout the Agency also review MI data regularly to identify anomalies and correct reporting problems.

Program Evaluation

SSA has vastly improved its program evaluation capacity by broadening the scope of its evaluation activities beyond studies of outputs and performance measures. The Agency has expanded its capacity to evaluate the outcomes of SSA's programs in terms of their effect on the lives of the American public. Evaluations are used to build models and create baseline information that can be used to address the Agency's long range issues. SSA has moved to multi-dimensional evaluations that coordinate quality, customer satisfaction, timeliness, etc., into a cohesive whole. An example of this is the Disability Redesign Full Process Model evaluation, which was the most complete and rigorous multi-dimensional intercomponent evaluation the Agency has undertaken. This evolved into the current Disability Prototype.

Program evaluations are independent systematic studies conducted to assess how well a program is working. SSA uses various types of program evaluations to examine program performance and context. The Agency prepares an annual Agency coordinated evaluation plan to ensure evaluation activities are in place for all the Agency's goals, objectives and business processes. The plan also ensures that there are no overlaps, duplications or gaps among the Agency's evaluating components' activities. The FY 1999 Agency Coordinated Evaluation Plan contained 263 scheduled evaluation activities, many of which were multi-year or recurring/ongoing projects. In addition to the ongoing, recurring periodic evaluations of accuracy, customer service, etc., the evaluation activities described below were completed in FY 1999. They focused on the Agency goals, objectives and business processes.

The findings from many of the Agency's evaluation activities are woven throughout various sections of this report, especially in the areas of quality, customer satisfaction and accuracy. Copies of the evaluation results can be obtained by contacting the Office of Strategic Management by mail at:

Office of Strategic Management
Social Security Administration
250 Altmeyer Building
6401 Security Blvd.
Baltimore, MD 21235.

There are four main types of program evaluation that SSA uses to learn the benefits of a program or how to improve it. They are:

- process evaluation;
- outcome evaluation;
- impact evaluation; and
- cost-benefit /cost-effectiveness analyses.

Many of SSA's evaluations are combinations of the above. Following are brief summaries of the evaluations completed in FY 1999.

Process (or implementation) evaluation assesses whether a program is operating as it was intended (i.e., conformance to statutory and regulatory requirements, program design, and professional standards or customer expectations). SSA conducted the following process evaluations for the Best-In-Business and World-Class Service goals:

- Disability Redesign - Evaluation of Full Process Model (FPM) , Full Process Model I and Full Process Model II were three evaluations of the impact of FPM and expanded rationales on productivity and processing time that evolved into the Disability Prototype.
- Law Manager Software on Scheduling in the Office of Hearings and Appeals (OHA) evaluated the impact of using Law Manager software to schedule hearings in OHA offices and determined manual scheduling is a labor-intensive process.
- Single Decision Maker Disability Process Change evaluated the impact of the Single Decision Maker on productivity, processing time and workforce with results showing a slight increase in Disability Determination Service (DDS) productivity.
- Videoconferencing evaluated the impact of taking disability claims and conducting disability hearings using videoconferencing technology on field offices, DDSs, and hearing offices in terms of productivity, processing time, and the workforce. Results indicate

that videoconferencing is a feasible option for use in SSA's claims processes. It appears better suited for the appeals process and works best in rural locations where substantial claimant/SSA employee travel is involved.

- Telephone Replacement Card Process evaluated the impact of processing telephone requests for "no change" replacement Social Security cards on productivity. The results indicate potential workyear savings and a reduction in the number of people who visit SSA offices that must be balanced with the possible increased risk of fraud.
- Modular Disability Folder (MDF) studied SSA's progress in implementing the MDF and measured the impact of the MDF on DDS and Hearing Office folder preparation times. The study concluded that the savings envisioned had not materialized as expected. Implementation recommendations included process modifications and procedural consistency.
- Modernized SSI Claims System Release 4.4 evaluated the impact of the release of new SSI software on productivity, processing time, and workforce. Results indicate an increase in task time that is counter-balanced by process improvements.

Outcome evaluations assess the extent to which a program achieves its outcome-oriented objectives. The focus is on outputs and outcomes (including unintended effects), but may also assess program processes. Following is a listing of the outcome evaluations the Agency completed in FY 1999:

- The online Internet Survey determined how much of SSA's website use is new workload versus workload shifted from the 800 number service of field offices. This survey also gathered Internet customer satisfaction information. The results indicate that SSA Online deflects far more work than it generates and that customer reaction to the website overall was very positive. The survey also confirmed that SSA has a strong constituency for the Agency's electronic service delivery initiatives.
- The 800 Number Customer Survey is conducted semiannually to determine the opinions and perceptions of callers to SSA's 800 number regarding SSA's telephone service. The results indicate that customer satisfaction has remained stable, with the 84 percent of respondents in the most recent survey rating service as "excellent," "very good" or "good." A contractor was used to conduct telephone interviews for this survey.

- The Customer Satisfaction Survey of the Disability Redesign Full Process Model focused on the effectiveness of the predecision interview and its influence on satisfaction for customers. Survey results indicated that the outcome of the claim was the strongest factor affecting overall satisfaction, with 91 percent of awarded claimants satisfied with SSA's service, as opposed to 60 percent of denied claimants. The insights from the survey are being used to improve communication with claimants. Another study based on this survey evaluated the impact on productivity, processing time and the workforce. This study indicated that employees generally reported a positive change in job satisfaction. Specific recommendations for training and mentor selection were made based on the survey to improve the model.

Impact evaluation assesses the net effect of a program by comparing program outcomes with an estimate of what would have happened in the absence of the program. This form of evaluation is used extensively to assess the Responsive Programs goal. In FY 1999, the Office of Policy did impact evaluations on:

- The Overall Effects of Welfare Reform on SSA-Administered Programs;
- The characteristics of the people affected by the Drug Addiction and Alcoholism legislation (P. L. 103-296 and P. L. 104-121);
- The Effects of Changing the Retirement Earnings Test on individual's earnings and/or the timing of their retirement; and
- The Implications of Trends in Marriage, Divorce and Remarriage on the Social Security program.

Cost-benefit and cost-effectiveness analyses compare a program's outputs or outcomes with the costs (resources expended) to produce them. They determine the cost of meeting a single goal or objective and identify the least costly alternative to meet that goal. Following are those SSA conducted in FY 1999:

- IWS/LAN Administration Time Study evaluated the amount of resources required to support the IWS/LAN technology in operational components. The results showed no significant difference from original study findings.
- Corrective Action Tests/WorkYear Analysis to Establish Means for Implementing Recommendations are ongoing tests and research projects that focus on high-impact workloads and opportunities for increased automation to improve accuracy and administrative cost efficiency. These tests and projects, used to devise automated solutions to correct inaccurate records and inefficient processes, led to new processes to correct adjustment of reduction

factor/delayed retirement credits and Automatic Earnings Reappraisal Operations (AERO) underpayments. The prototype systems developed from this activity have thus far handled more than 1 million actions.

The Office of the Inspector General, Office of Audit (OIG/OAO) also contributes to SSA's efforts to assure audit and evaluation coordination and coverage of SSA goals, objectives, key initiatives and business processes. OIG/OA conducts the following types of audits and evaluations:

- **Financial statement audits** provide reasonable assurance about whether the financial statements of an audited entity present fairly the financial position, results of operations, and cash flows in conformity with generally accepted accounting principles and the entity has complied with laws and regulations that may have a material effect on the financial statements.
- **Financial-related audits** determine whether financial information is presented in accordance with established or stated criteria, the entity has adhered to specific financial compliance requirements, or the entity's internal control structure over financial reporting and/or safeguarding assets is suitably designed and implemented to achieve control objectives.
- **Economy and efficiency audits/evaluations** determine whether the entity is acquiring, protecting, and using its resources economically and efficiently, the causes of inefficiencies, and whether the entity has complied with laws and regulations on matters of economy and efficiency.
- **Program audits/evaluations** determine the extent to which the desired results or benefits established by the legislature or other authorizing body are being achieved, the effectiveness of organizations, programs, activities, or functions, and whether the entity has complied with significant laws and regulations applicable to the program.

For a detailed explanation of specific reports see the Office of the Inspector General - Office of Audit section of this report. A discussion of the Agency's goals and performance indicators follows.

GOAL: To promote valued, strong and responsive social security programs and conduct effective policy development, research and program evaluation

The ultimate intent of this goal is for SSA to help create responsive programs - programs that provide value by meeting the needs of the varied constituents today and adapting to the changing needs of constituents tomorrow. For the FY 2000 APP, SSA revised the strategic objectives, indicators and performance goals under this strategic goal to more accurately reflect the Agency's responsibility for providing information and policy options and for working to improve program outcomes to the greatest possible extent.

The major objectives for this strategic goal for FY 1999 are:

- To support the principles of social adequacy and individual equity in the Old-Age and Survivors Insurance (OASI) and Disability Insurance (DI) programs.
- To support a Supplemental Security Income (SSI) program that provides appropriate benefits to the nation's most needy aged, blind and disabled people and links effectively with other assistance programs.
- To support the executive and legislative branches in a bipartisan effort to preserve Social Security for the long run.
- To decrease the need for long-term disability benefits by helping people return to the workplace.
- To build and strengthen SSA's capacity to undertake necessary research, evaluation, policy development and actuarial studies for the Social Security and SSI programs.

Return to work

1. **Implement the "Ticket to Independence" Program contingent upon enactment of legislation in FY 1998**

FY 1999 Goal - Implementation begun

FY 1999 Actual - (√) The legislation for the Ticket to Independence Program was not enacted in FY 1999. The Senate has passed S.331, "The Work Incentives Improvement Act of 1999." The House has passed a similar bill, H.R. 1180. The bills are currently in conference. The Agency has begun developing implementation strategies in anticipation of enactment of this bill. This bill supports the Agency's comprehensive strategy to increase the number of disabled beneficiaries who return to work, despite their impairment, and thereby lessen their dependence on public benefits. Key features of this legislation are expanded eligibility for health care services, the establishment of a ticket to work and self-sufficiency program that would allow consumers choice of public or private employment service providers, and authorization to conduct demonstration projects.

Adequacy/Equity

2. **Conduct the Disability Evaluation Study (study fielded by FY 2000; final report issued by FY 2001)**

FY 1999 Goal - NA

FY 1999 Actual - The contract for the DES was awarded on December 21, 1998. Work on the instruments and procedures has progressed at a rapid rate. The OMB clearance package was submitted on June 22, 1999 and approved November 1999. The Pilot Study will begin in January 2000, and the Main Study will begin early in calendar year 2001. The final report is due September 2002.

Review of the proposals was extensive, including experts from outside and inside SSA. This delayed award of the contract beyond original projections. In addition, the Pilot Test was revised based upon recommendations from the Institute of Medicine.

3. **Complete testing of a prototype on an improved method for making sound decisions regarding the capacity for persons with disabilities to work (by FY 2001)**

FY 1999 Goal - NA

FY 1999 Actual - SSA is continuing to test the prototype for software that will enable persons with disabilities to make informed decisions about the effect work and earnings will have on Social Security benefits and net income from certain other Federal benefits.

In FY 1999, SSA awarded a contract to study the feasibility of adding information about Federal food stamp and housing subsidies and State-provided benefits. If feasible, such information would be added to the decisional software beginning in FY 2000.

4. **Complete all currently planned return-to-work research and analysis (by FY 2002)**

FY 1999 Goal - NA

FY 1999 Actual - The 12 State Partnership Initiative (SPI) cooperative agreement States completed their end-of-year reports; and most have begun to enroll participants for services. Virginia Commonwealth University (VCU), which is managing data collection for the SPI, completed forms for collecting data for the evaluation and made technical assistance site visits to each project. In addition, VCU also hosted an orientation conference in December 1998 and the first annual dissemination conference in September 1999 for all Federal agency partners and SPI project teams.

SSA awarded a contract to Mathematica, Inc. for a cross-site net outcome evaluation of SPI.

Social Security Research

5. **Conduct planned research and policy evaluation necessary to assist the Administration and Congress in devising proposals to strengthen and enhance the Social Security program**

FY 1999 Goal - Research and evaluation continued

FY 1999 Actual - (√) SSA continued development of a long-run microsimulation model for estimating the impact on various socioeconomic groups (e.g., income, marital status, gender, etc.) of major changes in the Social Security system. The model with its existing capacity was used to respond to congressional requests and to undertake preliminary analyses of major reform proposals.

SSA evaluated a number Social Security reform proposals that were designed to alleviate poverty among aged women. These analyses were provided to the White House, other Federal agencies and members of Congress.

SSA produced estimates of those in the nonapplicant population who are medically eligible for benefits under SSA's disability programs (DI and SSI). These estimates were used in studying the possible effects of increasing SSA's early retirement age.

The Agency completed a report that provides an overview of the more important studies of lifetime redistribution under Social Security's OASI and DI programs. The report considers both studies that focus on redistribution across generations of workers and studies that focus on the distribution of outcomes across different groups of interest (varying, for example, by earnings level, race, gender or family status) within particular generations.

SSA completed a study of employer pensions that integrate benefits with Social Security designed to compare the characteristics of individuals who are covered under integrated pension plans with people covered by nonintegrated plans and with no pension plans.

GOAL: To deliver customer-responsive, world-class service

This goal encompasses the range of services that SSA provides in response to customer demand, across all the programs that we administer—OASI, DI and SSI—and through all modes that we use to interface with the public—telephone, in-office, mail and third parties. Chief among these services are processing claims and appeals for benefits, issuing Social Security numbers (SSN) and updating our records to reflect changes in circumstances reported by customers that affect the amount or continuation of payments.

The major objectives for this strategic goal are:

- By 2000, to increase the range of program and information services available to customers over the phone or electronically.
- To raise the number of customers who receive service and payments in a timely manner.
- By 2002, to have 9 out of 10 customers rate SSA's service as good, very good or excellent, with most rating it excellent.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Access					
6. Percent of callers who successfully access the 800-number within 5 minutes of their first call	83.0%	96.2%	95.3%	95%	95.8% ✓
7. Percent of callers who get through to the 800-number on their first attempt	NA	92.7%	91.1%	90%	92.9% ✓

Discussion (indicators 6,7) - The Agency exceeded both goals in FY 1999 and improved on its performance from FY 1998. The access goals were met through enhanced network and computer technology to more effectively balance incoming calls among the call centers and through the use of automated services to handle calls that do not require interaction with an agent.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
8. Percent of public with an appointment waiting 10 minutes or less	84.8%	84.9%	87.4%	85%	84.6%

Discussion - The actual percentage of the public who were seen within 10 minutes or less of their appointment was 84.6 percent, just under the FY 1999 plan. With increased stewardship responsibilities and increases in redeterminations, continuing disability reviews and alerts, more appointments were made in 1999 than in the past. We expect this trend to continue. The performance goal was set at an approximate level and the deviation from that level is slight.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
9. Percent of public without an appointment waiting 30 minutes or less	70.0%	72.7%	71.9%	70%	71.6% ✓

Discussion - Despite the demands on staff to meet the heavy appointment traffic, we were able to exceed the 70 percent goal of serving the public without an appointment in 30 minutes or less.

10. **Complete development of SSA standards for client authentication and establish a leadership role in governmentwide authentication policy⁽¹⁾**

FY 1999 Goal - Standards developed; leadership role established

FY 1999 Actual - Based on experience gained with the early Internet services, SSA found that it was not feasible to develop authentication standards as previously planned and changed our strategy to a more appropriate one. Instead, SSA is in the process of developing a methodology for making application-specific authentication policy decisions. This will be an ongoing effort. The methodology will evolve over time as different types of electronic services are undertaken and its effectiveness is evaluated.

During 1999, SSA continued to demonstrate leadership through participation in government and private sector policy-making bodies and demonstration projects. In addition, SSA was requested and accepted the responsibility for developing and managing the governmentwide Access America for Seniors website which gives the public a single gateway to information and services of interest to aging citizens. SSA also was instrumental in the development of the governmentwide contract for digital signature technology to be used by the public in requesting government services.

11. **Take retirement or survivor claims immediately over the telephone, or in person, as long as applicant has all the information needed⁽²⁾**

FY 1999 Goal - Accomplished by or before September 2000

FY 1999 Actual - On November 16, 1998, SSA began to pilot an immediate claims service option for customers who contact us on the national 800 number to file a claim for retirement or survivors (RSI) benefits. The process, which is being piloted in selected areas, is to be rolled out nationally by September 2000. The pilots began with immediate claims taking sites in the Albuquerque Teleservice Center, Great Lakes Program Service Center, Southeastern Program Service Center and selected field offices in the Atlanta, Chicago and Dallas Regions. In January 1999, sites in the Mid-America, Western and Mid-Atlantic Program Service Centers started taking immediate claims, and in March 1999, a new site opened in the Northeastern Program Service Center. We are collecting data from the pilot sites to determine the public demand for the immediate claims taking service, as well as the best process and technology for achieving the project objective.

The public response to immediate claims taking has been favorable, so we have been slowly expanding the service area of the pilot to customers living in additional selected area codes. As a result of these expansions, the immediate claims taking pilot area currently includes about one-half of the area codes in New York, about two-thirds of the area codes in California, and all the area codes in 16 other States.

Through the week ending October 1, 1999, the pilot sites have taken 20,668 RSI applications. We are planning to proceed with the rollout of the immediate claims taking process beginning in early spring 2000 and proceeding through September 2000 for full national access to the immediate claims taking service.

12. **Provide overnight electronic Social Security number verification for employers⁽²⁾**

FY 1999 Goal - Accomplished by or before September 2000

FY 1999 Actual - This project is to provide the business community (employers) who have personal computers (PC) and modems with overnight name and SSN verification services electronically. Currently, SSA's verification services for employers are limited to telephone requests for five or fewer employees or the submission of requests on magnetic media or paper listings. These methods are labor-intensive and time-consuming for both SSA and employers. Work has been initiated to design and implement an Internet based system. The system is due to become operational in September 2000.

13. **Give employers the option to transmit wage reports to SSA electronically using a personal computer or high-speed data transmission lines⁽²⁾**

FY 1999 Goal - Accomplished by or before September 2000

FY 1999 Actual - This initiative is to provide the business community with convenient and inexpensive electronic options for filing wage reports (Forms W-3/W-2). Two market segments are being targeted: small to medium size companies who could transmit their wage reports using PCs and modems; and large companies who could transmit their submissions over high speed data transmission lines. This effort is currently on schedule.

SSA plans to offer a full suite of Internet filing services for the business community within the next 2 years. A pilot system will be implemented in 2000 for tax year 1999 filings. Among the services that will be provided include system registration, filing status, error information, filing instructions, and customer support.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
<i>Processing Times</i>					
<u>Disability and Appeals Processing</u>					
14. Initial disability claims processing times (days)	89	99	100	100	105
15. Percent of DI claims decided within 6 months after onset or within 60 days after effective filing date, whichever is later⁽¹⁾	57.5%	52.4%	51.3%	53%	49.2%
16. Percent of SSI disability claims decided within 60 days of filing⁽¹⁾	29.5%	25.0%	24.4%	26%	22.3%

Discussion (indicators 14 - 16) - In FY 1999, ten disability determination services (DDSs) began preparations for implementation of the Disability Prototype process. This resulted in significant training efforts in those States that hampered productivity and led to increased initial case processing times, higher initial pendings and fewer initial dispositions. All the DDSs were also called upon to complete the highest number of full medical continuing disability reviews (CDRs) ever processed. To some degree, this emphasis on CDRs also detracted from their ability to meet the initial case goals. In addition, the Agency's emphasis on up-front quality decisions also impacted initial case processing times, dispositions and pendings.

In an effort to improve our service to disability applicants, over the past few years SSA has tested various process improvements to determine what changes would meet our goal of providing better customer service. After analyzing the results of these extensive tests, we are now focusing on the most promising approaches. SSA anticipates that these changes will improve the disability adjudication process by creating a decision-making process that reduces fragmentation and duplication, produces greater consistency and coordination at all adjudicative levels and takes advantage of new technology. By taking these steps, SSA is striving to ensure that the correct disability decision is made and that benefits are awarded as early in the process as possible. SSA plans to prototype a series of changes which will improve the initial disability determination process by:

- Providing greater decisional authority to the disability examiner and more effective use of the expertise of the medical consultant in the disability determination process;
- Ensuring appropriate development and explanations in initial cases;
- Increasing opportunities for claimant interaction with the decision maker; and
- Simplifying the appeals process by eliminating the reconsideration step.

These changes will allow us to process as many cases with a greater degree of accuracy in a single adjudicative step as were formerly processed in two steps. Because of better quality, more claimants will get paid sooner, at the initial level, reducing the number of cases needing a hearing.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
17. a. Hearings processing time (days)- September	392	397	341	274 ⁽³⁾	317
Original FY 1999 APP Goal				284	

Discussion - After steadily declining all FY to a low of 298 days in August, processing time rose to 317 days in September, or 43 days above the 274 day goal. This September anomaly occurred because Medicare cases, which had an average processing time of 464 days in September, constituted more than double the usual proportion of Medicare cases in total dispositions. We expect the downward trend in monthly processing time, reflected in the 298 day processing time achieved in August, to continue throughout FY 2000.

The FY 1999 average processing time for SSA cases was 301 days. The September SSA case processing time of 276 days represents a 48 day decrease since the beginning of FY 1999 and the lowest average processing time for SSA cases since FY 1994.

SSA will no longer be reporting the September average for Hearings Processing Time. In future reports, SSA will measure the FY average processing time for all cases as shown in indicator 17b.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
b. Hearings processing time (days)- Annual average	379	389	372	313 ⁽⁴⁾	316

Discussion - The FY 1999 average processing time for hearings was 316 days, about 56 days less than the FY 1998 average processing time, and just 3 days short of the goal of 313 days. The performance goal was set at an approximate target level, and the deviation from that level is slight.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
18. Percent of hearings decisions made and notices sent within 120 days of filing⁽¹⁾	10.1%	10.0%	14.0%	15%	14.2%

Discussion - The actual percent of cases decided and notices sent within 120 days was 14.2 percent for September. Prior to September, a month in which high-processing time Medicare cases constituted more than twice the usual proportion of monthly dispositions, SSA met the goal of 15 percent in May, June, July and August. The performance goal was set at an approximate level, and the deviation from that level is slight. Although SSA missed the target goal for FY 1999, the overall performance trend for this indicator is positive.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
<u>Other Claims Processing</u>					
19. Percent of OASI claims processed by the time the first regular payment is due or within 14 days from effective filing date, if later	84.3%	82.9%	82.6%	83%	84.3% ✓

Discussion - One of the major elements in providing “World-Class Service” to our customers is to ensure their claims for benefits are processed accurately and payments are made timely. In FY 1999, the timeliness of payments to our OASI beneficiaries increased by 1.7 percentage points over FY 1998. In FY 1998, the Agency processed 82.6 percent of the OASI claims in a timely manner compared to an increased percentage of 84.3 percent for FY 1999. The FY 1999 national goal for this timeliness measure was 83 percent and the Agency not only met, but also exceeded this goal. An Agency commitment to make timely and accurate payments to all SSA customers continues to be one of our highest priorities.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
20. Percent of initial SSI Aged claims processed within 14 days of filing	66.4%	59.5%	54.2%	66%	63.5%

Discussion - SSI Aged claims processing time for FY 1999 decreased significantly from FY 1998 and more closely mirrors the “pre-welfare reform” time. SSI Aged processing time was skewed for the majority of FY 1998 by inclusion of disability time for non-citizen SSI Aged alien cases that required a disability determination. Processing times improved from 32.6 days in FY 1998 to 20.8 days for FY 1999. The SSI Aged timeliness measure of 66 percent for FY 1999 was not met. Meeting this goal in the first half of FY 1999 proved to be a challenge. However, after an issue concerning the computation used in determining this measure was clarified, the timeliness percentage for this goal improved. Additionally, the small volume of this workload makes it vulnerable to cases with unavoidably high processing times. However, the Agency met or exceeded this measure’s goal in each of the last five months of FY 1999. SSA has not wavered in its commitment to the timely payments of all benefits, and fully expects to meet or exceed the SSI Aged timeliness measure for FY 2000.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
<u>Social Security Number (SSN) Cards</u>					
21. Percent of original and replacement Social Security cards issued within 5 days of receiving all necessary documentation	96.9%	98.2%	99.7%	97%	99.0% ✓

Discussion - The public’s lifetime earnings records are used to determine eligibility and benefit amounts. As such, they must be maintained and safeguarded. SSNs are crucial to the accuracy and protection of these earnings records. The issuance of new and replacement numbers must be prompt and efficient. For the last 2 years, the Agency has processed all requests for new and replacement SSN cards within five days of receiving all necessary documentation, at 99.7 and 99.0 percent, respectively.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
<u>Customer Satisfaction⁽⁵⁾</u>					
22. Percent of public rating SSA service as “good” or “very good”⁽⁶⁾	79%	85%	82%	87%	88% ✓

Discussion - The increase in overall satisfaction from 82 percent in FY 1998 to 88 percent in FY 1999 is significant. However, the improvement cannot be attributed to just one or a few specific activities. The largest increase in overall satisfaction ratings this year came from DI and SSI respondents, even though they were not involved in any of the disability redesign prototype activities currently underway. It may be that the principles and practices of redesign are spilling over into the traditional disability claims processing, i.e., employees are more conscious about communicating with customers and advocates.

In looking at data from other sources to help explain the increase in satisfaction, we note an extremely high satisfaction rate with 800 number callers who had their business completed in one contact. Systems upgrades have helped employees process work better and provide more complete service at the first point of contact, and this may have had an impact on the increase in overall satisfaction. Satisfaction with 800 number and field office telephone access increased, as well as satisfaction with the clarity of mail (which went up 5 percentage points - see indicator 24). Because we know from our surveys that telephone access and clarity of notices have a significant impact on overall satisfaction, we can surmise that efforts to improve telephone access and our notices have played a role in the increase in overall satisfaction.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
23. Percent of public “satisfied” or “very satisfied” with the courteousness of SSA staff⁽⁷⁾	85%	85%	87%	90%	90% ✓

Discussion -The Intelligent Workstation/Local Area Network (IWS/LAN) rollout and the addition of more services and information on the Internet have provided direct contact employees with the tools and time to provide more comprehensive and complete service at the first point of contact. This, in turn, has a direct link in enabling employees to provide courteous service.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
24. Percent of public who are “satisfied” or “very satisfied” with the clarity of SSA mail⁽⁷⁾	78%	82%	81%	82%	86% ✓

Discussion - The increase in satisfaction with SSA mail from 81 percent in FY 1998 to 86 percent in FY 1999 is significant. There were two major notice improvements that contributed to the increase in customer satisfaction with notices: 1) The On-Line Notice Retrieval System (ONRS), which has the potential to affect all SSA beneficiaries who contact the Agency about a notice; and 2) the plain language rewrite of overpayment recovery and accounting notices that are sent to approximately 2.5 million beneficiaries annually.

For the first time, using ONRS, field employees were able to easily view a copy of any automated notice that SSA sends. This allows for quicker, more accurate service to those inquiring about a notice they received. The new, personalized, one page overpayment recovery and accounting notice is a much-improved replacement for the old, cumbersome, multi-use form letter that preceded it.

GOAL: To make SSA program management the best in business, with zero tolerance for fraud and abuse

This goal addresses SSA’s responsibility, from both a service and business perspective, to pay benefits accurately and otherwise be a good steward of the money entrusted to its care. This responsibility entails establishing and maintaining a record of an individual’s earnings for use in determining entitlement to benefits and payment amounts, making accurate eligibility and entitlement decisions, detecting overpayments, deterring fraud, collecting debt and ensuring that we carry out our operations efficiently.

The major objectives for this strategic goal are:

- To position the Agency’s resources and processes to meet emerging workloads.
- To maintain current levels of accuracy and timeliness in posting earnings data to individual’s records.
- To make benefit payments in the right amount.
- To become current with statutory requirements for DI and SSI CDRs by 2002.
- To increase debt collections by 7 percent annually.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
<i>Position Agency to Meet Emerging Workloads</i>					
<i>Disability and Appeals Workloads</i>					
25. Number of initial disability claims processed	2,360,034	2,187,263	2,024,524	2,090,000 ⁽³⁾	2,013,089
Original FY 1999 APP Goal				2,117,900	

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
26. Initial disability claims pending	510,454	399,392	416,378	408,000 ⁽³⁾	457,823
Original FY 1999 APP Goal				410,188	

Discussion (indicators 25, 26) - See discussion for indicators 14, 15 and 16 for rationale on not meeting targets and what SSA will do in the future to correct it.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
27. Number of hearings processed	580,832	574,795	618,578	650,000	596,999

Discussion - Several factors hampered our ability to reach the target. Lower than budgeted receipts created imbalances between receipts and SSA's Office of Hearings and Appeals (OHA) staff allocations that required increased case transfers, increased Administrative Law Judge (ALJ) travel, etc., resulting in lost productivity by ALJs and support staff. In addition, higher, and earlier, than expected ALJ attrition resulted in a decline of dispositions in FY 1999 due to lower ALJ staffing than projected. Other factors included the change in the mix of cases (more complex cases requiring more vocational and medical expert testimony) and more Medicare cases, as a percent of total (10 percent overall). The Medicare workload rose about 8 percent in FY 1999.

Our strategy for dramatically improving the hearing adjudication process in FY 2000 will be through implementation of the Hearings Process Improvement (HPI) plan. HPI focuses on three major areas: process improvements, group-based accountability, and automation and data collection improvements. Under HPI, more cases will be processed without the need for additional resources. OHA also will continue to aggressively pursue other national and regional opportunities for increasing dispositions in FY 2000.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
28. Hearings pending	510,895	483,712	384,313	288,000 ⁽³⁾	311,958
Original FY 1999 APP Goal				311,599	

Discussion - Please refer to the discussion for indicator 27 for rationale on not meeting targets and what SSA will do to correct it. OHA reduced the hearings pending in FY 1999 by 72,355 cases. The pending decreased in each month during FY 1999. The end of year pending level of 311,958 is the lowest since FY 1992.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
29. OASI claims processed	3,058,745	3,129,238	3,020,268	3,142,600	3,076,937

Discussion - The intake of new claims accounts for the majority of SSA's total workload. In FY 1999, we did not reach our target goal because the projected workload did not materialize. In spite of nonachievement of the target goal for FY 1999, the overall performance trend for this indicator is positive.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
30. SSI Aged claims processed	161,649	125,680	135,442	145,500	148,382 [√]

Discussion - The volume of SSI Aged claims processed in FY 1999 exceeded the target. Despite the unique differences in the qualifying factors for SSI Aged claims versus OASI claims, SSA processed a significantly higher number of SSI Aged claims in FY 1999 than in any of the three previous years. FY 1999 represented a year in which SSA recovered from the affects of Welfare Reform Legislation, and used the necessary resources to contact and obtain applications from our SSI Aged population. This work effort resulted in an increased number of SSI Aged claims processed for FY 1999. SSA expects its progress to continue in the next fiscal year.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
31. SSI non-disability redeterminations	1,762,967	1,772,818	1,852,842	2,091,600	2,122,279✓

Discussion - In FY 1999, the Agency considered the processing of the SSI redetermination workload a top priority. As a result, this workload was closely monitored and emphasis was placed on their timely processing. SSA not only met, but exceeded the target for the processing of its FY 1999 SSI redeterminations. The additional resources that were made available to process specific types of redeterminations proved to be instrumental in enabling SSA to meet our goal. SSA has taken steps to upgrade or modify the system used to track the redetermination workload. In doing so, we expect to be better positioned to meet the challenges of FY 2000, as it is projected that the processing of even more redeterminations will be required.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
32. Representative payee actions	6,936,772	6,295,379	7,063,595	6,948,400	7,644,563✓

Discussion - In FY 1999, SSA exceeded the goal in this workload category. SSA recognizes that our responsibilities do not end with the issuance of a check that is paid accurately and timely. We are required to designate a representative payee for many of our beneficiaries. SSA must investigate the suitability of the payee and make a determination whether he/she is suitable to continue serving as payee. To further improve performance, the Representative Payee System is being modified/enhanced to better document the payee selections made and to guard against the selection of payees that have previously been determined to be unsuitable. The Representative Payee System continues to be a work in progress. Expected future enhancements will provide more data that can be used to identify suitable payees as well as improve the accountability process.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
33. SSN requests processed	15,944,788	15,523,338	16,200,000	16,600,000	16,322,588

Discussion - In FY 1999, the Agency did not meet the target goal of SSNs processed because the projected SSN workload did not materialize. In FY 1999, SSA processed more SSN requests than in any previous year. The overall performance trend for this indicator is positive.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
34. 800-number telephone calls handled	48,000,000	55,500,000	54,700,000	55,500,000	58,800,000✓

Discussion - The Agency handled 58.8 million calls which is the highest number of calls served in the history of the national 800 number. This is due to enhanced network and computer technology which more effectively balanced incoming calls among the call centers and through the use of automated services to handle calls that do not require interaction with an agent.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
35. Annual earnings items	239,958,058	249,123,545	266,011,984	254,500,000	249,868,000

Discussion - Annual earnings items reflect the total number of paper annual wage items processed through the balancing operation plus the total number of magnetic media and self-employment items posted for FY 1999. Although SSA did not achieve the target goal, our performance is good. As of September 24 (the end of the FY for management information purposes), SSA had achieved 98 percent of its FY 1999 goal of posting 254.5 million annual earnings items. SSA's performance level was directly affected by the fact that the magnetic media submittal of a large third-party filer, representing approximately 7 million wage items, was not completely processed until October 9. Had those items been completely processed 2 weeks earlier, SSA would have exceeded its FY 1999 posting goal.

SSA plans to pursue a number of initiatives to help ensure that it meets its FY 2000 goal of posting annual earnings items:

- Develop improved management information which will track magnetic media submittals by processing location, provide processing time, and provide the number of wage items associated with each submittal;
- Target and track large submitters to ensure their submittals are processed timely;
- Begin follow-up on magnetic media returns and corrections earlier in the tax year (TY) process (the follow-up process for TY 1998 began in July); and
- Improve communications between SSA components as well as between SSA and the employer community.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
36. Percent of earnings posted to individuals' records by September 30	97.3%	97.8%	98.5%	98%	95.3% est.

Posting Earnings Data

Discussion - SSA's FY 1999 actual of 95.3 percent represents the number of TY 1998 earnings items posted through October 2, 1999 divided by the estimated total earnings items to be posted for TY 1998. (The TY 1998 database will not close until early in calendar year 2000.) SSA fell short of the 98 percent goal primarily because the magnetic media submittal of a large third-party filer, representing approximately 7 million wage items, was not completely processed until October 9 (see Item 35 above). Had those items been processed 2 weeks earlier, SSA would have achieved its 98 percent goal.

SSA plans to pursue a number of initiatives to help ensure that it meets its FY 2000 goal of posting 98 percent of earnings items to individuals' records by September 30 (see item 35 above).

This performance goal is based upon an estimate of the total earnings items to be posted for TY 1998. The actual FY 1999 information should be available by the end of January 2000. Based on historical experience, the final number of earnings items posted for TY 1998 will likely be lower than the current estimate. Also, the number of earnings items to be posted are affected by various factors over which SSA has no control (e.g., the quality of data received from submitters, the promptness of a submitter's refiling magnetic media that SSA returned for correction). (This indicator does not include earnings from self-employment reported to SSA by the Internal Revenue Service.)

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
37. Percent of earnings posted correctly	99.0%	99.0%	99.0%	99%	99.0% ✓

Discussion - SSA met its FY 1999 goal of posting correctly 99 percent of TY 1998 earnings. SSA's automated paper process in the Wilkes-Barre Data Operations Center helps to ensure that earnings reported via paper are posted accurately. SSA has a number of online reference sources (http://www.ssa.gov/employer_info) to support the accuracy of earnings reported via magnetic media. The cited website offers the following information to employers and third-party filers:

- AccuWage/AccuW2C software (checks for more than 200 different types of errors before the file is transmitted to SSA);
- Wage Tips for Magnetic Media and Electronic Filers (cites common types of errors and provides hyperlinks to both SSA's magnetic media reporting guidelines and IRS' reporting requirements);
- Details on the new Integrated Registration for Employers and Submitters process to be implemented on December 1, 1999 (which will include a number of security features including a Personal Identification Number);
- A 93-page booklet with instructions on magnetic media reporting for TY 1999, when submitters will begin transitioning to the new Magnetic Media Reporting and Electronic Filing specifications (a single record format which will be used for reporting either domestic or territorial reports).

SSA has Employer Services Liaison Officers distributed throughout the country to respond to questions from employers and third-party filers, as well as an Employer Reporting Service Center (1-800-772-6270). These services, combined with SSA's initiatives to increase electronic wage reporting, should ensure that SSA continues to meet its 99 percent performance goal for the accuracy of posted earnings.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Accuracy					
38. Dollar accuracy of OASI payment outlays:					
Percent without overpayments	99.8%	99.9%	99.9%	99.8%	NA ⁽⁸⁾
Percent without underpayments	99.8%	99.9%	99.9%	99.8%	NA ⁽⁸⁾
39. DDS decisional accuracy	96.9%	96.5%	96.2%	97%	NA ⁽⁹⁾
40. Percent of SSNs issued accurately	99.6%	99.9%	99.8%	99.8%	NA ⁽¹⁰⁾
41. Percent of 800-number calls handled accurately:					
Payment accuracy	94.4%	95.2%	94.7%	95%	95.4%√
Service Accuracy	80.8%	84.3%	81.7%	90%	81.0%

Discussion - Payment accuracy is a measure of whether 800 number representatives respond correctly to inquiries related to eligibility and payment of benefits. Service accuracy is a measure of whether 800 number representatives respond correctly to inquiries related to issues other than payment and eligibility. The actual FY 1999 data presented above represents the 6-month period ending March 31, 1999. Actual FY 1999 information should be available in January 2000.

The payment accuracy goal of 95 percent was exceeded in FY 1999 with an accuracy rate of 95.4 percent. Service accuracy was 81 percent which is consistent with previous years. Disclosure accuracy remains problematic and is a significant factor in service accuracy performance. To improve quality, SSA has implemented software which helps agents to respond correctly to frequently asked questions. Data obtained from SSA's service observation activities are also used to determine ongoing training initiatives.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Continuing Disability Reviews (CDRs)					
42. Number of periodic CDRs processed	498,445	690,478	1,391,889	1,637,000	1,703,414√
43. Percent of multi-year CDR plan completed	6.1%	13.5%	27.7%	44%	45.9%√

Discussion (indicators 42, 43) - In the program management and stewardship area, SSA conducts periodic reviews called continuing disability reviews (CDRs) to determine whether individuals receiving disability benefits have medically improved so that they are no longer disabled and no longer eligible for benefits. The CDR process allows SSA to ensure the integrity of payments to individuals in the DI and SSI programs by monitoring the disability status of beneficiaries. During FY 1999, SSA was able to perform 1,703,414 periodic reviews and 18,752 medical reviews related to work issues. SSA expects to perform 1.8 million CDRs in FY 2000.

SSA has developed a 7-year plan for conducting CDRs and expects to conduct approximately 5.8 and 3.6 million CDRs for DI (including DI/SSI concurrent) and SSI beneficiaries, respectively over the life of the plan. SSA estimates benefit savings for the OASDI and SSI programs in FYs 1996 through 2002 resulting from CDRs processed in those years to be approximately \$7.7 billion. This includes an estimated program savings of \$3.8 billion for OASDI and \$3.9 billion for SSI. The CDR backlog will be eliminated by the end of FY 2000 for the DI program and by the end of FY 2002 for the SSI program.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Debt Collection					
44. Annual increase in debt collected ⁽¹⁾	8.1%	13.0%	(3.4%)	7%	11.5%√
45. Overpayment dollars collected ⁽⁴⁾ (in millions):					
OASDI dollars collected	\$1,078.3	\$1,186.5	\$1,103.4	\$1,180.6	\$1,191.5√
SSI dollars collected	\$423.9	\$511.0	\$539.2	\$576.9	\$640.0√

Discussion (indicators 44 and 45) - SSA's current 7 percent goal represents the average increase in debt collections over the last five years and therefore requires SSA to maintain existing performance. Although SSA did not implement any new debt collection provisions this fiscal year, we were able to meet the FY 1999 goal. This is a result of the Agency focus on aggressively pursuing delinquent debtors by using all available debt collection tools.

We are developing a new debt collection measure for future APPs. Our new measure will establish a targeted percentage of debt that is in a repayment arrangement or newly established and that is being collected by the Agency. Until this new goal is available, we will continue with the existing goal and reevaluate the percentage at the end of each fiscal year.

Original FY 1999 APP Goal ⁽¹¹⁾ (OASDI and SSI combined - in millions)	\$1,502.7	\$1,698.0	\$1,642.6	\$1,936.0	\$1,831.5
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Discussion of Original FY 1999 APP Goal - SSA did not meet the original FY 1999 APP goal because this goal was established before FY 1998 actual information was available; i.e., it represented a 7 percent increase over projected collections for FY 1998. The revised FY 1999 goal of \$1,757,500,000 represents a 7 percent increase over the FY 1998 actuals and was exceeded.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Anti-Fraud Activities					
46. Number of allegations that will be opened as investigations	1,354	5,455	6,291	5,700	9,238√
47. Dollar amounts reported from investigative activities ⁽⁴⁾ (in millions):					
OASDI dollars reported	NA	NA	NA	\$17.0	\$45.0√
SSI dollars reported	NA	NA	NA	\$18.0	\$140.0√
Original FY 1999 APP Goal (OASDI and SSI combined)	\$9.3	\$28.0	\$61.7	\$35.0	\$185.0
48. Number of criminal convictions	570	2,507	2,762	1,800	3,139√

Discussion (indicators 46-48) - The increase in number of investigations opened can be attributed to the increase in OIG Hotline staff in FY 1999 from 12 telephone operators to over 50. Throughout the year, as the new operators became proficient in handling allegations, the number of cases opened continued to grow to numbers well above what was initially anticipated.

OIG's efforts in attacking fraud within the SSI program, which had been identified by the General Accounting Office as a high-risk program, resulted in the reporting of large sum monetary achievements. Two investigative projects that resulted in significant savings to SSA were the Cooperative Disability Investigations (CDI) teams and SSI eligibility

fraud projects. For example, the CDI teams accounted for \$2.8 million in 1998. That number rose to \$23 million in 1999. The same growth pattern was evident in the eligibility fraud projects that are referred in the Inspector General's Report to Congress. Millions of dollars in savings were reported from New York City alone.

The OIG is attempting to develop better tools for predicting performance.

GOAL: To be an employer that values and invests in each employee

Unlike our four other strategic goals that address SSA's core functional responsibilities, this goal addresses the Agency's most important asset—the employees of SSA and the DDSs. The focus of this goal is to ensure that SSA continues to have the highly skilled, high performing and highly motivated workforce that is critical to achievement of our mission. It also reflects SSA's conviction that employees deserve a professional environment in which their dedication to the SSA mission and to their own goals can flourish together.

The major objectives for this strategic goal are:

- To provide the necessary tools and training to achieve a highly skilled and high-performing workforce.
- To provide a physical environment that promotes the health and well-being of employees.
- To promote an Agency culture that successfully incorporates our values.
- To create a workforce to serve SSA's diverse customers in the 21st century.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Tools and Training					
49. Percent of front-line employees with intelligent workstations connected to a local area network⁽¹⁾	27.4%	50.2%	85.9%	100%	93%

Discussion - The original FY 1999 commitment assumed that 100 percent of front-line employees would have access to IWS/LAN by this time. Installation of workstations from the National Buy (Phase 1) was completed in July 1999 and the workstation installations ceased at that time. However, some of the workstations installed at the start of this project (i.e., the "Interim Buy") were determined to be technically obsolete and were later replaced by workstations from the National Buy. Thus, completion of the national rollout to all front-line employees has been delayed until FY 2000 pending installation of workstations from a follow-on contract needed to complete the project.

Site preparation and furniture installations remain on track for future workstation acquisitions. SSA will proceed with the installations when the follow-on contract is in place and workstation deliveries are restarted. The 100 percent target will be achieved in FY 2000.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
50. Interactive Video Training/ Interactive Distance Learning (IVT/IDL):					
Percent of front-line employees with access to IVT/IDL	NA	NA	NA	82% ⁽⁴⁾	87%✓

Discussion - The number of employees who now have direct access to IVT (i.e., in their home office) is estimated at 73 percent. However, the original figure of 82 percent also included employees who have access to IVT programs with a short commute, defined as about 30 minutes or less, one way. We estimate that 14 to 15 percent of SSA employees at non-downlink sites fall into this category. Using the original criteria on which the goal was based, this means an estimated 87 percent of SSA employees can now access IVT programs.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Original FY 1999 APP Goal - Percent of offices receiving IVT/IDL connectivity as planned	NA	26%	65%	100%	93%

Discussion of Original FY 1999 APP Goal - The FY 1999 plan was based on expanding SSA's IVT system to an additional 610 downlink sites, bringing the total to 830 sites. As of September 30, 1999, 55 of these additional sites remain to be installed. Approximately one-third of the locations are approved and ready to install, but were delayed due to a shortfall in funding caused by unexpectedly large installation costs at previously installed sites. Additional funds have been appropriated and installation at these sites is expected to proceed shortly. The remaining sites were delayed because:

- (1) The office is relocating shortly (all moves scheduled before the end of calendar year 1999) and it was decided to wait rather than install the equipment and then move it;
- (2) Negotiations with landlords for permission to install and/or additional rent demands are still ongoing;
- (3) The site is undergoing renovations, usually the construction of a room to use for IVT training; or
- (4) In some few cases, local municipal permit requirements must still be met.

We expect all remaining sites to be fully installed by the end of calendar year 1999.

51. **Implement formal management development programs**

FY 1999 Goal - Management intern program implemented

FY 1999 Actual - (✓) We have met the FY 1999 goal of implementing the Leadership Development Program (which replaced the Management Intern Program) by competitively announcing it for all eligible GS-9 to GS-13 employees in early 1999. We received approximately 800 applications and have completed several stages of the competitive selection process.

To date, all applications have been screened for eligibility and panels of higher level managers have been convened from all over the country and completed their evaluations of the applications. A Highly Qualified List has been established and the last phase of the selection process, the Personal Interview, took place in September 1999. All 800 applicants have been advised as to their individual status. We anticipate that selections to the Leadership Development Program will be made in December 1999.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
52. Percent of managerial staff participating in management/leadership development experiences	NA	NA	40%	60% ⁽⁴⁾	60%✓

Original FY 1999 APP Goal 50%

Discussion - A Leadership Seminar ("Leadership and Learning: Developing Strategies for Growth") was delivered "live" at 54 regional and headquarters locations nationwide between February and September 1999. Managers and supervisors from every component and every grade level attended these seminars nationwide. By the end of FY 1999, SSA had met the overall goal to provide a management/leadership training experience to 100 percent of SSA managers/supervisors over FYs 1998-1999.

We anticipate beginning the next phase of this initiative by providing the opportunity for at least one-third of all SSA managers/supervisors to participate in management/leadership development experience each fiscal year.

Transition Plan

53. **Complete Agency plan for transitioning to the workforce of the future**

FY 1999 Goal - Curriculum for non-supervisory employees based on identification of new skill sets required in the future implemented

FY 1999 Actual - The core competencies and reinforcing core curriculum were identified and developed. Specifically, an automated competency-based self-assessment survey tool was developed to assist employees in identifying needs and training resources available. The self-assessment survey and core curricula will be piloted in a selected region and headquarters component in FY 2000. Following an evaluation of the process and subsequent revision, as may be appropriate, the process will then be expanded to all employees.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
54. Percent of employees reporting they are satisfied with the level of security in their facility	NA	64%	64%	70%	74%✓

Physical Environment

Discussion - To reach our goal, SSA implemented a wide range of security enhancements. In the regions, for example, a significant investment was made for the purchase and installation of additional security services and devices such as duress alarms, closed circuit television cameras, peep holes, additional locks, etc. We have also significantly expanded the use of security guards. Staff from both SSA and the General Services Administration conduct periodic risk assessments of our offices to determine whether additional enhancements are needed.

SSA continues its partnership with the American Federation of Government Employees through a National Health and Safety Partnership Committee on Security (NHSPCS). The NHSPCS meets monthly to discuss security concerns and the actions needed to resolve them.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
55. Percent of environmental indoor air quality surveys completed and percent of corrective actions taken when called for:					
Facilities surveyed	NA	NA	23.6%	20%	37%✓
Corrective actions taken	NA	NA	72.3%	75%	76%✓

Discussion - We exceeded the FY 1999 goal for percentage of facilities surveyed and corrective actions taken because the Indoor Air Quality (IAQ) computerized tracking system implemented in July 1998 enabled us to take quicker action and keep remediations on track. By automating the reporting and tracking processes, we were able to intervene quickly, resolve problems as they arose and avoid the delays that we experienced in the past.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
56. Number of facilities having water quality testing and percent of corrective actions taken when called for:					
Facilities tested	NA	NA	496	600	662✓
Corrective actions taken	NA	NA	100%	100%	100%✓

Discussion - The development of the testing protocol and research into acceptable remediation methods was completed in FY 1998. These new tools allowed us to exceed our FY 1999 goals for facilities tested and corrective actions.

GOAL: To strengthen public understanding of the social security programs

This goal addresses SSA's basic responsibility to the public to ensure that they understand the benefits available to them individually under the Social Security programs and the impact of the programs on society as a whole.

The major objective of this strategic goal is:

- ° By 2005, 9 out of 10 Americans will be knowledgeable about Social Security programs in five important areas.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
Increasing Public Knowledge					
57. Percent of individuals issued Social Security Statements (formerly PEBES) as required by law	100%	100%	100%	100%	100% [√]

Discussion - SSA is required by legislation (section 1143 of the Act) to issue one-time Social Security Statements (formerly Personal Earnings and Benefit Estimate Statement (PEBES)) to approximately 15 million individuals who turn age 60 during FYs 1996-1999 and, effective in October 1999, annually to all workers age 25 and older who are not receiving Social Security benefits. SSA accelerated the mailings and far exceeded the legislative mandate. As of the end of FY 1999, SSA mailed approximately 73 million statements to individuals age 40 and older. Beginning in October 1999, SSA will mail annual statements to approximately 123 million workers. About 500,000 statements will be mailed each business day. The statements will be mailed about three months before the worker's birth month. The statement for a working spouse will be mailed about three months before the spouse's birth month.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
58. Number of Social Security Statements issued upon request and automatically by SSA	9,020,650	15,690,571	24,102,756	36,000,000 ⁽³⁾	30,131,400
Original FY 1999 APP Goal				33,000,000	

Discussion - In FY 1999, as in the years FY 1996-FY 1998, the anticipated number of Social Security Statements (formerly PEBES) to be issued, 36 million, was set by the budget process. This estimated total included both those statements to be issued automatically and those to be issued on request. Allowing for returns, SSA understated the number necessary for issuance. The volume of Social Security Statements issued on-request remained at 3.5 million, consistent with prior years. This indicator will no longer be tracked effective FY 2000.

	FY 1996 Actual	FY 1997 Actual	FY 1998 Actual	FY 1999 Plan	FY 1999 Actual
59. Percent of public who perceive they are "very well" informed or "fairly well" informed about Social Security	59.0%	56.0%	56.0%	59%	NA

Discussion - FY 1999 data is not available for this indicator. This indicator will be replaced by "Percent of public who are knowledgeable about Social Security" in future performance reports. The FY 1998 and 1999 APP goal was based on an annual survey compiled by the American Council of Life Insurance (ACLI). The new indicator is based on methodology developed by the Gallup Organization and approved by SSA which measures the public's actual knowledge of Social Security programs as contrasted with the ACLI data which was based on an individual's self-assessed knowledge of Social Security. FY 1999 data for the new indicator will be available for the FY 2000 GPRA Performance Report.

Endnotes

1. This performance indicator does not appear in the FY 2000 APP.
2. In the FY 2000 APP, this performance indicator appears as a performance goal for a new performance indicator, "New or expanded services available electronically."
3. The FY 1999 goal was revised per the FY 1999 Operating Plan.
4. The FY 1999 performance indicator and/or goal was revised per SSA's FY 2000 APP.
5. This is the last year that the three indicators (22, 23, and 24) shown for this objective will be used to measure SSA's success in customer satisfaction. For future reports, new performance indicators were developed to better reflect overall customer satisfaction.
6. Data for FYs 1998 and 1999 represent respondents ratings of "Excellent," "Very Good" or "Good."
7. Data for FY 1999 represent respondents ratings of "Excellent," "Very Good" or "Good".
8. FY 1999 actual performance is not available at this time. The actual FY 1999 performance for this indicator should be available in August 2000.
9. FY 1999 actual performance is not available at this time. Net accuracy is calculated approximately 3 months following the close of the fiscal year and should be available in January 2000.
10. This indicator is calculated on a calendar year basis; therefore, the accuracy rate for 1999 is not available at this time. The actual FY 1999 information should be available in the fall of 2000.
11. Total overpayment collection figures for FYs 1996 and 1997 include Black Lung overpayment collections.

Appendix

The performance indicators listed below are found in the FY 1999 APP, but contained performance goals for FY 1998 only. We addressed their FY 1998 performance against those goals in SSA's FY 1998 GPRA Performance Report found on pages 60-69 of SSA's Accountability Report for FY 1998. However, to provide a complete picture of all performance indicators found in the FY 1999 APP, we have provided their current status below.

1. Increase the opportunities that disabled beneficiaries have to receive vocational rehabilitation services by contracting with alternate providers

Status - The contract with Birch & Davis Associates, Inc. of Silver Spring, MD is operational. Birch & Davis is collecting data for evaluation purposes as well as for operation of the demonstration.

Milestones - Have at least 450 alternate participants under contract by September 30, 1999. To date, 437 alternate participants are under contract to SSA. Have at least 500 alternate participants under contract by September 30, 2000.

2. Establish an on-going retirement policy research consortium

Status - External research regarding social security programs and policy proposals is stimulated through the Retirement Research Consortium. On September 29, 1998, the Agency entered into cooperative agreements with Boston College and the University of Michigan, forming SSA's first Retirement Research Consortium. Over ninety of the premier scholars in the areas of retirement income policy are affiliated with the two Centers. Each Center will plan and conduct a broad research program that describes and evaluates retirement policy. In addition, the Centers will disseminate information, train and educate scholars and practitioners, and facilitate the use of SSA administrative data. Twenty-five projects are in progress and will be completed by the end of calendar year 1999. A joint conference was held in Washington, D.C. on May 20-21, 1999 and was attended by over 200 people. A conference volume was published and papers were also published on a web-site. The Boston College Center started an "Issues in Brief" series and have published and distributed 3 briefs to a broad audience. Internet web-sites were developed at both Centers. Each Center has awarded several dissertation and postdoctoral fellowships. A seminar on Social Insurance was developed and taught at the MIT Monthly Graduate Colloquium on Retirement, and a one-week course was held on stochastic modeling in Washington. A one-day conference was held in May at the Survey Research Center in Ann Arbor between SSA experts and researchers on issues of data facilitation.

3. Expand income modeling capabilities to include all sources of retirement income

Status - The Modeling Income in the Near Term (MINT) model projected the demographic status of persons in the baby boom (born 1946-1964) and expected retirement income of new retirees from Social Security benefits, assets, pensions, and continued employment of beneficiaries for those born in 1946-60. It also estimates this data for the aged population of 2020. Using contracted support from the Urban Institute and the RAND Corporation, MINT statistically projected Census Bureau data in the 1990-92 panels of the Survey of Income and Program Participation matched to SSA data. In FY 1999, SSA staff worked on checking the contractor-supplied data and developing computer programs for processing policy analyses.

SSA also presented preliminary data analyses to the Technical Panel on the Trustees' report of the Social Security Advisory Board, at the Retirement Research Consortium, and at the 1999 Annual meetings of the Population Association of America.

The CORSIM Microsimulation Model is a dynamic microsimulation model, built at Cornell University, which begins with a population sample from 1960 and moves it forward into the future. CORSIM has a detailed Social Security module and has been used outside of SSA for Social Security policy analysis. SSA analysts have worked jointly over the last year to evaluate the CORSIM model for its potential use in-house to aid in cost and distributional analyses. The evaluation team involved SSA analysts and outside consultants.

4. Complete analysis of the operational implications of major proposals by the Advisory Council for long-term financing

Status - The analysis is ongoing. SSA's Office of Policy is looking at more aspects than administrative costs as the work plan and ongoing analysis evolve.

5. Increase the customer base for SSA Online and bring a modified online Social Security Statement (formerly PEBES) response to full-scale operation

Status - In FY 1999, the number of customers who accessed the Social Security Online homepage rose to 8.5 million, surpassing the goal of 5.6 million by 52 percent. Higher than expected customer growth partly reflects the rapid increase in 1999 in the number of new users accessing the Internet for the first time. It also can be attributed to the public's increasing awareness of SSA's website as a convenient way to get information. Last year, customers downloaded over one million forms and requested over 1.2 million Social Security Statements electronically.

The modified online Social Security Statement (formerly PEBES) is being considered along with other options for issuing online Social Security statements as part of the overall Internet services strategy which is currently under executive review within the Agency.

6. Complete a business case analysis for future online services and bring up two new online services

Status - The Electronic Services Delivery Business Case was completed in December 1997 and presented to SSA's Chief Information Officer Core Team in January 1998. It estimated that SSA could recoup its investment within three years, and over 950 workyears annually could be saved beginning in 2010 by offering the public electronic options for transacting business.

On February 23, 1999, two new online services were implemented on our website—the Request for 1099 Replacement and the Request for Benefit Verification. These services are the first ones targeted specifically for our customers who are receiving monthly benefits. The 1099 Replacement service allows beneficiaries to request a duplicate statement of the amount of benefits received during the preceding year for tax purposes. The Benefit Verification service enables beneficiaries to request a letter from SSA verifying the amount of benefits that they are receiving. Both the 1099 statements and benefit verification letters are mailed to the address in SSA's records to prevent unauthorized receipt of this information.

7. Complete comprehensive action plan to improve management of the SSI program

Status - See discussion in Major Issues Facing SSA section under SSI Management Improvement on pages 11 and 12.