



Performance

Section



Agency Performance

Summary of FY 2005 Performance

The following summarizes the Social Security Administration's (SSA) achievements toward reaching its targets for the performance measures specified in its *Revised Final Performance Plan for Fiscal Year 2005*. In cases where end-of-year data are not available, estimated performance is shown along with an indication of when the final data will be available. Similarly, for those measures where end-of-year estimates were used in the last *Performance and Accountability Report (PAR)*, final data are displayed in the "trend" section of the particular measure. For milestones and new performance measures, there is a discussion section in place of a chart or trend section.

For the 31 measures for which end-of-year data were available, SSA met 22 of the goals, or 71 percent, and almost met an additional 3 goals or 10 percent – a total of 81 percent for these two categories. The Agency did not meet 6 of its goals, which represents 19 percent of the performance measures where actual data were available—the same percentage of goals not met in FY 2004. The term *almost met* refers to instances where SSA came within 95 percent of the goal. For goals stated in whole numbers, actual numbers have been rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those that are .4 or less. In instances where the goal is shown as a decimal, the actual number is also reported as a decimal.

The performance data presented in this section are in accordance with the guidance provided by the Office of Management and Budget (OMB) Circular No. A-11 and A-136. The *Data Quality* discussion in the *Overview of Key Performance Indicators, Goals and Results* section (page 20) describes continuing efforts to strengthen the quality and timeliness of SSA's performance information in order to increase its value to SSA's management and interested parties. Agency managers routinely use this performance data to improve the quality of program management and to demonstrate accountability in achieving program results.

Status of FY 2005 Performance Measures by Goal and Objective

The tables on the following pages provide an overview of SSA's performance measures and show which goals or targets were met, almost met, or not met. The measures are organized under the objectives they support. The objectives are those specified in SSA's *Strategic Plan for FY 2003 – FY 2008* and the *Revised Final Performance Plan for Fiscal Year 2005*. The strategic plan is updated every 3 years, with a revised plan scheduled for release in the spring of 2006 or earlier.

Agency Performance Summary

Key:

-  **Target met**
-  **Target almost met (within 95 percent of the goal)**
-  **Target not met**
- N/A Not (yet) available**

KPI – Denotes one of the Agency’s 14 Key Performance Indicators

Strategic Goal 1: SERVICE

To deliver high quality, citizen-centered SERVICE

Strategic Objective 1.1: Make the right decision in the disability process as early as possible

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#
1.1a KPI Number of initial disability claims processed by the Disability Determination Services (DDS)	2,677,000	2,617,231 ¹		67
1.1b KPI Maintain the number of initial disability claims pending in the DDS (at or below the FY 2005/2006 goal)	592,000	560,529		68
1.1c KPI Number of SSA hearings processed	525,000	519,359 ²		69
1.1d KPI Maintain the number of SSA hearings pending (at or below the FY 2005/2006 goal)	714,000	708,164		69
1.1e KPI Number of appellate actions processed	1,158,412	1,043,807		70
1.1f KPI Average processing time for initial disability claims	93 days	93 days		71
1.1g KPI Average processing time for hearings	442 days	415 days		72
1.1h KPI Reduce the average number of days needed to process hearings appeals	250 days	242 days		73
1.1i KPI DDS net accuracy rate (allowances and denials combined)	97%	96% <small>ESTIMATED</small>		74
1.1j KPI Disability hearings accuracy rate	90%	90% <small>ESTIMATED</small>		75
1.1k KPI Agency decisional accuracy (ADA) rate	97%	97% <small>ESTIMATED</small>		76

¹ The volume of initial disability claims received was lower than anticipated and DDSs were unable to maintain previous levels of productivity due to the transition to eDib.

² Resources were redirected to processing Medicare only hearings to expedite the transfer of that workload to The Centers for Medicare and Medicaid Services (CMS).

Summary of Results: SSA met or almost met all but one of the goals associated with this objective. Detailed information of these successes can be found in the sections pertaining to each performance measure. The primary reason the one goal was not met was due to the decrease in the number of reconsiderations and court remands received. Also, the number of initial claims received was lower than anticipated and resources were redirected to processing Medicare only hearings.

Strategic Objective 1.2: Increase employment for people with disabilities

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#
1.2a Number of DI and SSI beneficiaries, with tickets assigned, who work (over CY 2003 baseline of 14,052)	19,673*	N/A ESTIMATED TO BE MET	↑	77
1.2b Number of SSI disabled beneficiaries earning at least \$100 per month	255,637 5%	240,465 ESTIMATED	↓	78

Summary of Results: SSA anticipates that it will meet one of the goals associated with this objective and not meet the remaining goal. The Ticket-to-Work program provides beneficiaries with disabilities expanded options for access to employment services, vocational rehabilitation services, and other support services to help them work and reach their employment goals. In 2005, SSA conducted numerous promotional activities to increase participation in the Ticket-to-Work through:

- Encouraging Employment Networks and prospective Employment Networks to assist disability beneficiaries in finding and holding jobs;
- Conducting outreach and marketing activities to educate the public about programs and services that facilitate entry into the workforce; and,
- Partnering with other public and private groups to remove employment barriers for people with disabilities.

*The calendar year (CY) 2003 baseline was initially established in February 2004 and the results did not reflect the full number of beneficiaries with tickets, who worked in CY 2003. The CY 2003 and CY 2004 totals obtained in June 2005 resulted in more accurate data for both CY 2003 and CY 2004. Further, they are based on nationwide implementation and reflect the assistance of Social Security’s Area Work Incentive Coordinators with outreach and marketing. By changing the report month from February to June of the following year, a more complete record of CY 2003 and CY 2004 wages posted to the Disability Claims File was obtained. This change will provide more accurate information for subsequent years. The change in the CY 2003 baseline affects the CY 2005 goal. See page 77 for additional information.

Strategic Objective 1.3: Improve service through technology

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#
1.3a Retirement and Survivor Insurance (RSI) claims processed	3,458,000	3,762,977	↑	79
1.3b Optimize the speed in answering 800-number calls	330 seconds	296 seconds	↑	79
1.3c Optimize the 800-number Agent busy rate	10%	10%	↑	80
1.3d Increase the usage of electronic entitlement and supporting actions KPI	120% over FY '03 baseline	471.1%	↑	81
1.3e Increase the percent of employee reports (W-2 forms) filed electronically KPI	60%	66.%	↑	82

1.3f KPI	Percent of individuals who do business with SSA rating the overall service as “excellent,” “very good,” or “good”	83%	85%	↑	83
1.3g	Improve workload information using <i>Social Security Unified Measurement System (SUMS)</i>	46%	42%	↓	84

Summary of Results: SSA met six of the goals associated with this objective and did not meet one of the goals. The Agency continues to promote efficient use of the Internet for filing benefit applications and processing post-entitlement actions. SSA also continues to support the employer community in its efforts to convert to electronic wage report filing. Increased telephone network efficiency helped meet increased workload demands.

Strategic Goal 2: STEWARDSHIP

To ensure superior STEWARDSHIP of Social Security programs and resources

Strategic Objective 2.1: Prevent fraudulent and improper payments and improve debt management

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#	
2.1a KPI	SSI non-disability redeterminations	1,696,000	1,724,875	↑	85
2.1b KPI	Periodic CDRs processed	1,384,000	1,515,477	↑	86
2.1c	Percent of SSI payments free of preventable overpayment (O/P) and underpayment (U/P)	94.9% (O/P) 98.8% (U/P)	93.6% (O/P) 98.7% (U/P) <i>ESTIMATED</i>	↔	87
2.1d	Percent of outstanding SSI debt in a collection arrangement	53%	53%	↑	88
2.1e	Percent of OASDI payments free of O/P and U/P	99.8% (O/P) 99.8% (U/P)	99.8% (O/P) 99.8% (U/P) <i>ESTIMATED</i>	↑	89
2.1f	Percent of outstanding OASDI debt in a collection arrangement	42%	42%	↑	90

Summary of Results: SSA met or almost met all of the goals associated with this objective. The timely processing of redeterminations and Continuing Disability Reviews (CDRs), which are used to detect improper payments, contributed to the Agency’s success in this area. Continued use of debt recovery tools allowed the Agency to collect substantial amounts of OASDI O/Ps.

Strategic Objective 2.2: Strengthen the integrity of the Social Security Number (SSN)

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#	
2.2a	Percent of SSNs issued that are free of critical error	99.8%	99% <i>ESTIMATED</i>	↔	91
2.2b	Process 99 percent of SSN requests received	99%	Not available	↑*	93

* This goal has been considered “met” by virtue of a zero pending figure at the end of the fiscal year. Technically, the receipt of an SSN request is not counted until the request is processed. The goal will be converted to a numeric goal in FY 2006.

Summary of Results: SSA met one goal and almost met the other goal associated with this objective. The decrease in the current accuracy rate of SSNs issued free of critical error is due almost entirely to the change in the definition of critical error.

Strategic Objective 2.3: Increase the accuracy of earnings records

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#
2.3a Process 99 percent of annual earnings items received	99%	100%	↑	93
2.3b Increase the percent of incoming earnings items removed from the earnings suspense file for a new tax year	5%	2%	↓	94

Summary of Results: SSA met one goal associated with this objective and did not meet the other goal. New editing and screening mechanisms related to electronic wage reporting is expected to decrease the number of new items going into the earnings suspense file.

Strategic Objective 2.4: Efficiently manage Agency finances and assets, and effectively link resources to performance outcomes

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page #
2.4a Increase Agency productivity by 2 percent annually on average	2%	2.7%	↑	95
2.4b Disability Determination Service (DDS) cases processed per workyear (PPWY) KPI	278	260 ³	↓	96
2.4c Number of SSA hearings cases processed per workyear (PPWY)	103	102	↔	97
2.4d Maintain zero outside infiltrations of SSA's programmatic mainframes	0	0	↑	98
2.4e Enhance efforts to improve financial performance using Managerial Cost Accountability System (MCAS)	15%	5%	↓	99
2.4f Receive an unqualified opinion on SSA's financial statements from the auditors	Receive unqualified opinion	yes	↑	100
2.4g Get to "green" on four of five President's Management Agenda (PMA) initiatives KPI	Maintain "Green" on four of five PMA initiatives	"Green" on three of five PMA initiatives	↓	100

Summary of Results: SSA met or almost met four of the goals associated with this objective and did not meet three of the goals. There were notable successes. For example, the Agency exceeded its productivity goal and maintained its record of zero outside infiltrations of its programmatic mainframes. In addition, SSA once again received an unqualified opinion on its financial statements.

³ SSA was not able to meet this goal due to training, the learning curve and transition to new business processes with the implementation of the new electronic disability (eDib) claims process.

Strategic Goal 3: SOLVENCY

To achieve sustainable SOLVENCY and ensure Social Security programs meet the needs of current and future generations

Strategic Objective 3.1: Through education and research efforts, support reforms to ensure sustainable Solvency and more responsive retirement and disability programs

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#
3.1a KPI Provide support to the Administration and Congress in developing legislative proposals and implementing reforms to achieve sustainable solvency for Social Security	Milestone	Completed	↑	102
3.1b Measure the public's knowledge of Social Security programs and related issues, including long-range financing	Milestone	Discontinued	N/A	103
3.1c Issue annual SSA-initiated <i>Social Security Statements</i> to eligible individuals ages 25 and older	100%	100%	↑	103

Summary of Results: SSA met two of the goals associated with this objective. The Agency provided the Administration and Congress with a wide range of analyses on solvency issues and reform legislation.

Strategic Goal 4: STAFF

Strategically manage and align STAFF to support Social Security's mission

Strategic Objective 4: Recruit, develop, and retain a high-performing workforce

Performance Indicator	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#
4.1a Minimize skill and knowledge gaps in mission-critical positions	Milestone	Completed	↑	104
4.1b Align employee performance with Agency mission and strategic goals	Milestone	Delayed	N/A	105

Summary of Results: SSA met one of the performance goals for this objective. In August 2005, SSA and the American Federation of Government Employees (AFGE) reached an agreement on a new 4-year National Agreement. Because of the complexity of the negotiated changes to the performance management process and related subjects for AFGE-covered employees, implementation of the provisions of the 2005 National Agreement regarding performance assessments is delayed until FY 2006.

Program Assessment Rating Tool (PART) Measures

Measure	FY 2005 Goal	FY 2005 Actual	Goal Met?	See Page#
Average processing time for initial disability claims	93 days	93 days	↑	71
Average processing time for hearings	442 days	415 days	↑	72
Disability Determination Service (DDS) net accuracy rate (allowances and denials combined)	97%	96% ESTIMATED	↗	74
Number of DI and SSI beneficiaries, with tickets assigned, who work (over CY 2003 baseline of 14,052)	19,673*	N/A ESTIMATED TO BE MET	↑	77
Percent of SSI payments free of preventable overpayments	94.9%	93.6% ESTIMATED	↗	87
Percent of SSI payments free of preventable underpayments	98.8%	98.7% ESTIMATED	↗	87
Disability Determination Services (DDS) cases processed per workyear (PPWY)	278	260	↓	96
Number of SSA hearings cases processed per workyear (PPWY)	103	102	↗	97
Percent of Supplemental Security Income (SSI) Aged claims processed by the time the first payment is due or within 14 days of the effective filing date	75%	88%	↑	106

[Note: Not a performance measure for the Annual Performance Plan (APP)]

*The CY 2003 baseline was initially obtained in February 2004 and the results did not reflect the full number of beneficiaries with tickets, who worked in CY 2003. The CY 2003 and CY 2004 totals obtained in June 2005 resulted in more accurate data for both CY 2003 and CY 2004. Further, they are based on nationwide implementation and reflect the assistance of Social Security's Area Work Incentive Coordinators with outreach and marketing. By changing the report month from February to June of the following year, a more complete record of CY 2003 and CY 2004 wages posted to the Disability Claims File was obtained. This change will provide more accurate information for subsequent years. The change in the CY 2003 baseline affects the CY 2005 goal.

Summary of Results: SSA met or almost met eight of the goals associated with the PART and did not meet one of the goals. There were notable successes in FY 2005. Detailed information on these successes can be found in the sections pertaining to each performance measure.

Individual Performance Measure Results

This section reports SSA's FY 2005 performance for each individual performance and PART measure. Also reported are final FY 2004 data for those performance measures for which final data was not available when the FY 2004 PAR was submitted. For each performance measure, this section includes the FY 2005 goal, the actual performance achieved, whether the goal was met, and if the goal was not met, an explanation as to why and what actions the Agency will take toward improvement. Established measures include historical data and trend charts. For new and revised measures, historical and trend information is not provided.

Strategic Goal 1: SERVICE

To deliver high quality, citizen-centered SERVICE

Strategic Objective 1.1: Make the right decision in the disability process as early as possible

1.1a — Number of initial disability claims processed by the Disability Determination Services (DDS)

FY 2005 Goal: 2,677,000

Performance: 2,617,231

Goal Met: Almost

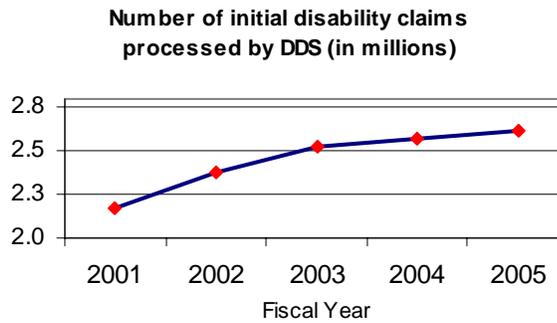
Discussion: The number of disability claims processed by the DDS has steadily increased each year from 2001 through 2005. SSA almost met this goal in FY 2005, while meeting or exceeding the goal in prior years. The 2.6 million initial disability claims processed by the DDS in FY 2005 was the second highest total in SSA's history, exceeding the FY 2004 total disability claims processed by 42,000.

Two factors affected the number of claims processed. First, the number of initial disability claims received in FY 2005 was lower than anticipated, which affected the number of claims to be processed. Further, during the transition to the new electronic disability (eDib) process, the DDSs were unable to maintain previous levels of productivity. This was due to implemented changes in business processes and systems enhancements, start-up activities, training, learning curve, and working simultaneously in the old and new process, which prevented SSA from further increasing the number of claims processed to achieve this goal.

The Agency continues to develop and enhance new approaches to the disability claims process, including the eDib process. The Agency anticipates improvements in processing time and productivity as the new process is fully implemented and staff overcomes the learning curve. The new process will be more efficient for claimants and SSA and will allow the Agency to process more claims.

Trend:

Fiscal Year	Performance	Goal Met?
2001	2,166,623	n/a
2002	2,376,572	n/a
2003	2,526,020	↑
2004	2,574,848	↑
2005	2,617,231	↘



Data Definition: DDS count of initial disability claims processed, including disabled dependents.

Data Source: National Disability Determination Services System.

1.1b — Maintain the number of initial disability claims pending in the DDS (at or below the FY 2005/2006 goal)

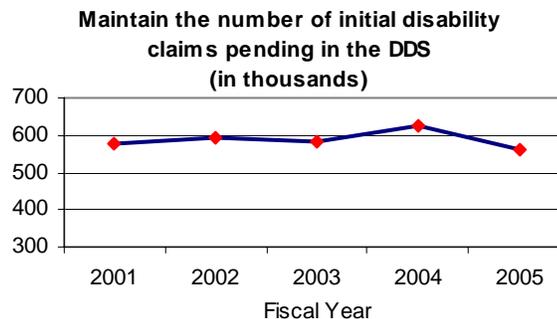
FY 2005 Goal: 592,000
Performance: 560,529
Goal Met: Yes

Discussion: In FY 2005, Social Security was able to meet and surpass the initial disability claims pending goal. Despite the reduction in productivity caused by the learning curve needed to fully utilize the eDib process, SSA met this goal by reprioritizing workloads, reallocating resources, and maximizing overtime. The unanticipated decrease in initial disability claim receipts also contributed to the decrease in pending caseloads.

As the DDSs work through the learning curve associated with eDib and the changes in SSA’s approach to processing disability claims, unnecessary steps in processing will be eliminated and delays inherent in mailing, requesting and retrieving evidence, and locating and organizing paper folders will be reduced. Because the new initiatives will allow SSA to process claims more quickly, the Agency anticipates a continuing reduction in pending levels in the near future.

Trend:

Fiscal Year	Performance	Goal Met?
2001	578,524	n/a
2002	592,692	n/a
2003	581,929	↑
2004	624,658	↓
2005	560,529	↑



Note: In SSA’s FY 2004 PAR, this measure was termed *Number of initial disability claims pending*.

Data Definition: DDS count of initial disability claims pending, including disabled dependents.

Data Source: National Disability Determination Services System.

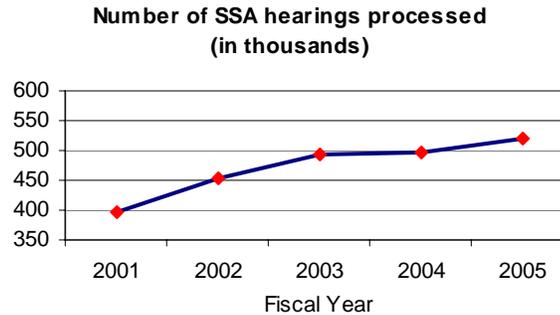
1.1c — Number of SSA hearings processed

FY 2005 Goal: 525,000
Performance: 519,359
Goal Met: Almost

Discussion: Hiring a total of 100 new Administrative Law Judges (ALJs) in February 2005 contributed to the increase in the number of SSA hearings processed as they become more experienced toward the end of the fiscal year. The Office of Hearings and Appeals (OHA) worked with the Regional Chief ALJs to monitor the output from the new judges and identify training needs and workload issues. Increased focus on the electronic initiatives, video hearings, and bench decisions has increased the overall number of hearings processed. The use of an early screening review to render *on-the-record* decisions also contributed to this increase. (An *on-the-record* decision occurs when an ALJ, prior to a hearing having been held, grants an approval to a disability claimant on the basis of available medical evidence.) Resources were redirected from processing SSA hearings to processing Medicare only hearings in order to expedite the legislatively mandated transfer of that workload to the Centers for Medicare and Medicaid Services by October 1, 2005, which resulted in this goal not being fully attained.

Trend:

Fiscal Year	Performance	Goal Met?
2001	395,565	n/a
2002	454,718	n/a
2003	493,923	↗
2004	497,379	↓
2005	519,359	↗



Note: Excludes Medicare hearings, which in the future will be handled by the Centers for Medicare and Medicaid Services.

Data Definition: Social Security Administration (SSA) hearings processed by the Office of Hearings and Appeals (OHA)

Data Source: OHA Case Processing Management System (CPMS)

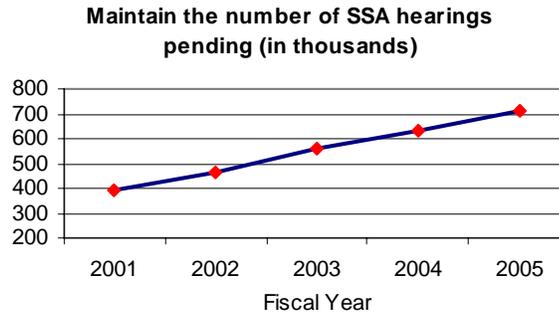
1.1d — Maintain the number of SSA hearings pending (at or below the FY 2005/2006 goal)

FY 2005 Goal: 714,000
Performance: 708,164
Goal Met: Yes

Discussion: SSA’s overall level of service to the public is heavily affected by the number of claimants awaiting hearing decisions. When an individual has already waited for the initial decision, waiting even longer for a decision at the hearing level often increases the individual’s economic burden. It is critical that SSA continue to develop new methods for expediting the hearing process. With the increase in hearings, the amount of resources dedicated to process hearing cases has also increased. In February 2005, the OHA hired an additional 100 new ALJs. These judges reported to their respective hearing offices in May and July 2005. The OHA has requested the authority to fill 400 critical positions in order to partially offset the imbalance in the ratio of lower support staff to ALJ.

Trend:

Fiscal Year	Performance	Goal Met?
2001	392,387	n/a
2002	463,052	n/a
2003	556,369	↗
2004	635,601	↓
2005	708,164	↑



Note: In SSA’s FY 2004 PAR, this measure was termed *Number of SSA hearings pending*.

Data Definition: SSA hearings pending in OHA.

Data Source: Case Processing Management System (CPMS).

1.1e — Number of appellate actions processed

FY 2005 Goal: 1,158,412

(Reconsiderations	1,028,665)
(Requests for Appeals Council Review	101,859)
(New Court Cases	15,419)
(Court Remands	12,469)

Performance: 1,043,807

(Reconsiderations	925,378)
(Requests for Appeals Council Review	94,083)
(New Court Cases	14,455)
(Court Remands	9,891)

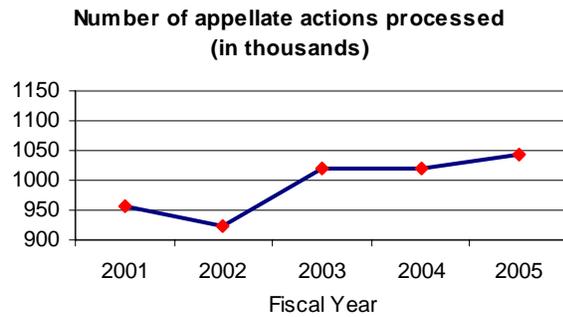
Goal Met: No

Discussion: This goal is directed toward delivering timely decisions on appeals other than hearings. These include both disability and non-disability requests for reconsideration, review of hearing level decisions by the Appeals Council, new court cases (civil actions), and court remands to the Appeals Council. It is important to the public to ensure timely processing at each of these appeal levels.

The primary reason SSA did not meet its goal is due to the volume of reconsiderations and court remands. The level of anticipated reconsiderations was lower than expected in FY 2005. In addition, the level of court remands to the Appeals Council decreased. This is a positive sign in terms of the quality of hearing decisions. The goal for this measure was based on higher projected reconsideration receipts and court remands.

Trend:

Fiscal Year	Performance	Goal Met?
2001	915,971	n/a
2002	923,636	n/a
2003	1,019,815	↑
2004	1,019,007	↑
2005	1,043,807	↓



Data Definition: Appellate actions processed represents the number of SSA level reconsiderations, Appeals Council Reviews, new court cases, and court remands disposed of in a fiscal year. OHA is responsible for holding hearings and issuing decisions as part of the SSA process for determining whether or not a person may receive benefits. Administrative Law Judges conduct impartial de novo hearings and make decisions on appealed determinations involving retirement, survivors, disability, and supplemental security income.

Data Source: Appeals Council Automated Processing System (ACAPS) and SSA-Level Cost Accounting System.

1.1f — Average processing time for initial disability claims

FY 2005 Goal: 93 days

Performance: 93 days*

Goal Met: Yes

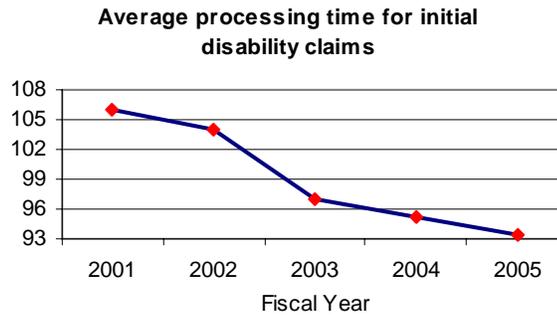
Discussion: Timely processing of initial disability claims is a critical factor of SSA's service delivery to the public. The Agency has made positive strides in this area over the last several years. The average processing time for initial disability claims has steadily decreased from 106 days in 2001 to 93 days in 2005. Because of the recent improvements in the disability claims process in both the SSA field offices and State DDSs, such as the implementation of the eDib process, SSA met its FY 2005 goal. In addition, the average processing time for FY 2005 decreased from FY 2004.

Implementation of the eDib process is expected to continue to improve performance in this area. During FY 2005, the SSA field offices and State DDSs implemented changes in business processes and systems enhancements and had to absorb the effect of start-up activities, training, learning curve, and working simultaneously in the old and the new process. Despite these changes and the employee learning curve that is typically associated with such change, the goal was met. Improvements are expected to continue as employees gain increased proficiency in using new software and technological enhancements.

The Agency will be closer to an all electronic business environment and reliance on the paper disability folder will steadily decrease by the end of FY 2006. The end result will be improved processing time by reducing the time it takes to obtain medical evidence electronically and by eliminating the time used in mailing, handling and storing of the paper claims folders.

Trend:

Fiscal Year	Performance	Goal Met?
2001	106 days	n/a
2002	104 days	n/a
2003	97 days	↑
2004	95 days	↑
2005	93 days*	↑



*The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Note: The disability determination process is the same for both Social Security and SSI disability claims.

Data Definition: This is the fiscal year average processing time for Title II (Social Security) and Title XVI (Supplemental Security Income) claims combined. Processing time is measured from the application date (or protective filing date) to either the date of the denial notice or the date the system completes processing an award.

Data Source: Title II *Management Information Initial Claims Record (MICR) Processing Time*; *Social Security Unified Measurement System*.

1.1g — Average processing time for hearings

FY 2005 Goal: 442 days
Performance: 415 days
Goal Met: Yes

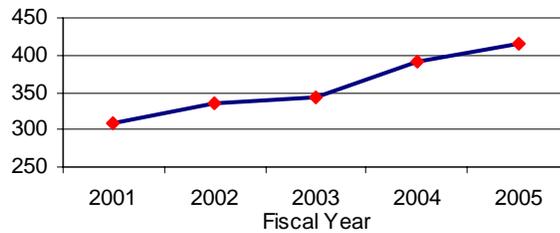
Discussion: Expedient processing of hearings translates into better service to the public. The hiring of additional ALJs in FYs 2004 and 2005 will steadily lead to more hearings being processed by improving processing time.

Despite the increasing number of hearing requests during FY 2005, SSA met this goal. In addition to increasing the number of ALJs, the OHA took other actions that helped improve performance of this measure. For example, the expanded use of video hearing equipment and the use of an early screening review process to render *on-the-record* decisions contributed to increased performance. (An *on-the-record* decision occurs when an ALJ, prior to a hearing having been held, grants an approval to a disability claimant on the basis of available medical evidence.) These and other initiatives will lead to even greater improvements in performance in the coming years.

Trend:

Fiscal Year	Performance	Goal Met?
2001	308 days	n/a
2002	336 days	n/a
2003	344 days	↑
2004	391 days	↘
2005	415 days	↑

Average processing time for hearings



Data Definition: This indicator represents the average elapsed time, from the hearing request date until the date of the notice of the decision, of all hearings level cases (disability and non-disability cases) processed during all months of the fiscal year (includes Medicare and SSA hearings).

Data Source: Case Processing Management System (CPMS)

1.1h — Reduce the average number of days needed to process hearings appeals

FY 2005 Goal: 250 days

Performance: 242 days

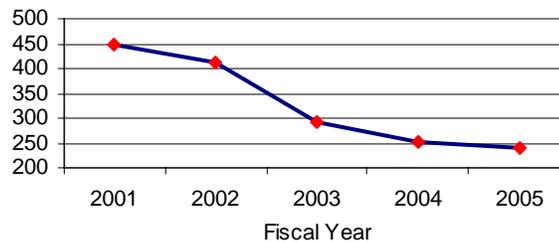
Goal Met: Yes

Discussion: Reducing the time it takes for an individual to receive a decision on a claim, from initial filing to final administrative appeal, is one of SSA’s high priorities. The current process for Appeals Council review of the hearing level decision takes too long. In fact, this final level of appeal historically represents the longest waiting time in the entire process. Therefore, improvement under this measure would improve SSA’s service across many lines. Not only did SSA meet this goal, but also eliminated the backlog of older cases reducing the pending to an acceptable level. An acceptable level of pending cases is between 40,000 to 50,000. SSA’s pending cases are currently at 41,000.

Trend:

Fiscal Year	Performance	Goal Met?
2001	447 days	n/a
2002	412 days	n/a
2003	294 days	↑
2004	251 days	↑
2005	242 days	↑

Reduce the average number of days needed to process hearings appeals



Note: In SSA’s FY 2004 PAR, this measure was termed *Average processing time for decisions on appeals of hearings*.

Data Definition: This measure represents the 12-month average processing time for decisions on appeals of hearings. The monthly processing time is calculated as an average over the course of the fiscal year. The cumulative to date figure is the monthly figure reported to the Office of Strategic Management for the tracking

report. Processing time begins with the date of the request and ends with the disposition date. The disposition date is the date the decision is released/date stamped and mailed.

Data Source: Appeals Council Automated Processing System (ACAPS)

1.1i — DDS net accuracy rate (allowances and denials combined)

FY 2004 Goal: 97%

FY 2004 Actual Performance: 96%*

Goal Met: Almost

FY 2005 Goal: 97%

FY 2005 Estimated Performance: 96% (Based on data through June 2005)**

Goal to be Met: Almost

Discussion: The Agency invests a great deal of effort toward ensuring the accuracy of decisions on initial disability claims. These efforts include providing training and regional office support to the State DDS. Efforts also include building better relationships with medical providers to ensure that medical evidence is received and complete, and ensuring claims files are randomly selected for consistency and quality review.

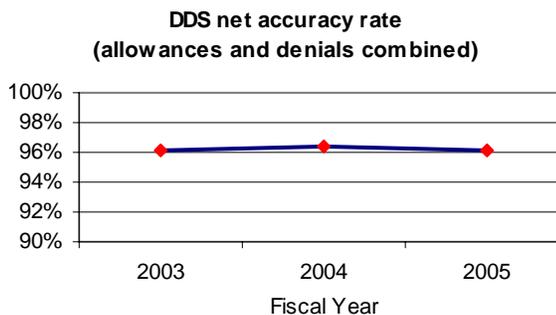
In spite of these efforts, SSA did not fully meet the net accuracy goal of 97 percent for FY 2004, and based on performance through June 2005, the goal again will not be fully met for FY 2005. The accuracy of denied claims is one of SSA’s problematic areas. Over the years, this goal has proven to be very challenging. The regulations, rules and instructions for administering the disability adjudication process are very complex. It takes years for the disability adjudicator to become proficient. In order to address the complexities of the disability adjudicative process, the DDSs invest significant time in training and mentoring programs and performing in-line quality reviews of claims.

The Agency is addressing ways to provide the disability adjudicator with relevant and timely information at one convenient website. This website provides a variety of policy information and instructions as well as information for disability training programs and newsletters.

Trend:

Fiscal Year	Performance	Goal Met?
2003	96%*	↘
2004	96%*	↘
2005 <i>ESTIMATED</i>	96%*	↘

* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.



**The performance data shown for FY 2005 is an estimate based on performance through June 2005. Actual data will not be available until January 2006 and will be reported in the FY 2006 PAR.

Data Definition: Net accuracy is the percentage of correct initial State disability determinations. Net accuracy is based upon the net error rate, which is defined as the number of corrected deficient cases with changed disability decisions, plus the number of deficient cases that are not corrected within 90 days from the end of the period covered by the report, divided by the number of cases reviewed.

Data Source: Disability Quality Assurance Data Bases.

1.1j — Disability hearings accuracy rate

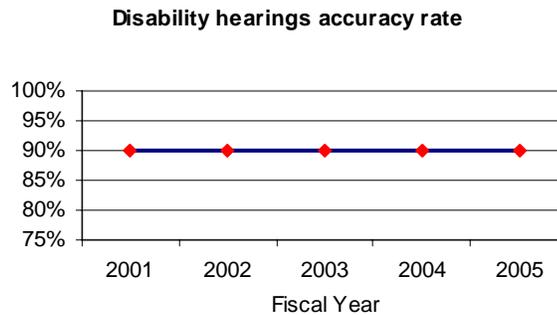
FY 2003 Goal:	90%
FY 2003 Estimated Performance:	90%*
Goal to be Met:	Yes
FY 2004 Goal:	90%
FY 2004 Estimated Performance:	90%*
Goal to be Met:	Yes
FY 2005 Goal:	90%
FY 2005 Estimated Performance:	90%*
Goal to be Met:	Yes

Discussion: The Agency strives to ensure that hearing decisions are made accurately. The OHA has placed a great deal of focus on decisional accuracy as part of the training for its new ALJs. In addition, the OHA has focused both national and local resources toward additional training for experienced ALJs. Many hearing offices work with local courts and legal organizations to maintain a working knowledge of key issues, receive training from medical experts, and coordinate with SSA’s Office of General Council to cover challenging legal areas.

In addition, SSA’s Office of Quality Assurance and Performance Assessment and the OHA conduct the Disability Hearings Quality Review Process peer review. The peer review process is unique compared to other Agency quality review processes, as the in-depth hearing-level evaluations are performed by current ALJs who assess the conduct of the hearings and the decisional outcomes of their colleagues. This use of “professional peers” in place of designated “quality review experts” is a quality approach currently being used in more advanced quality management systems.

Trend:

Fiscal Year	Performance	Goal Met?
2001	90%	n/a
2002	90%	n/a
2003 <i>ESTIMATED</i>	90%*	↑
2004 <i>ESTIMATED</i>	90%*	↑
2005 <i>ESTIMATED</i>	90%*	↑



*Based on past performance the Agency expects to meet its goal for FYs 2003-2005. Actual data for FYs 2003 and 2004 will not be available until December 2005 and will be reported in the FY 2006 PAR. Actual data for FY 2005 will not be available until December 2007 and will be reported in the FY 2008 PAR.

Note: In SSA's FY 2004 PAR, this measure was termed *Hearings decision accuracy rate*.

Data Definition: The decisional accuracy rate is the percent of disability hearing decisions - both favorable and unfavorable supported by "substantial evidence." Substantial evidence is defined as evidence, which, although less than a preponderance, nevertheless is sufficient to convince a reasonable mind of the credibility of a position taken on an issue, when no evidence on the opposing side clearly compels another finding or conclusion. The "substantial evidence" rule requires less in support of a finding or conclusion than the "weight of the evidence" rule. Evidence on one side of an issue need not possess greater weight or be more convincing and credible to be "substantial". This is the standard used by the Federal courts to evaluate accuracy of decisions, and by the Appeals Council in determining which hearing decisions to review.

Data Source: *Biennial Disability Hearings Quality Review Process Peer Review Reports*.

1.1k — Agency decisional accuracy (ADA) rate

FY 2005 Goal: 97%

Estimated Performance: 97% *(Based on data through June 2005)

Goal to be Met: Yes

Discussion: This is a new measure for FY 2005. The ADA rate is updated quarterly on a fiscal year-to-date basis and is reported after the close of the 3-month period following the report period. This allows time for corrective actions to take place. While it is predicted that the final numbers will indicate that SSA did meet its 97 percent accuracy target, the Agency will use findings from the measure to target areas needing improvement in accuracy.

This measure more precisely portrays the Agency's initial disability determination accuracy because it includes in the calculation all corrective actions taken in connection with SSA quality control reviews that are performed before DDS determinations are effectuated. (This measure expands on the DDS accuracy rate measure 1.1i described on page 74 in that it includes among Agency correct decisions those incorrect DDS determinations that were corrected by SSA on a pre-effectuation basis.) As a **SERVICE** measure, it is a way for both the public and the Agency to know that a high standard of accuracy is being maintained and that the accuracy of SSA decisions can be relied on to a high degree.

Trend: This was a new measure for FY 2005.

* The performance data shown for FY 2005 is an estimate based on performance through June 2005. Actual data will not be available until January 2006 and will be reported in the FY 2006 PAR. The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Data Definition: ADA estimates total errors in all initial State agency disability determinations based on the quality assurance (QA) sample review conducted in the disability quality branches. Errors are defined as those cases whose decisions change upon correction. The errors that are corrected in the regional QA and Pre-effectuation reviews (PER) are subtracted from the total estimated errors. The remaining uncorrected estimated errors are the "incorrect" cases in ADA. ADA represents the remaining correct cases divided by the total cases.

Data Source: *Disability Quality Assurance Data Bases*.

Strategic Objective 1.2: Increase employment for people with disabilities

1.2a — Number of Disability Insurance (DI) and Supplemental Security Income (SSI) beneficiaries, with tickets assigned, who work (over calendar year 2003 baseline of 14,052)*

FY 2004 Goal: 20% over baseline – 16,862*

FY 2004 Actual Performance: 24,784*

Goal Met: Yes

FY 2005 Goal: 40% over baseline – 19,673*

FY 2005 Actual Performance: n/a** Not reported until June 2006.

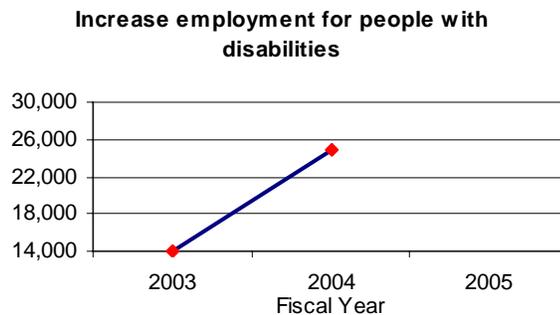
Goal to be Met: It is anticipated that the target will be met.

*The baseline for CY 2003 and the estimated target for CY 2004 that were reported in the FY 2004 PAR have been updated to include additional beneficiaries, with tickets, who work. See page 78 for additional information.

Discussion: This measure supports the Agency’s service goal by increasing disabled beneficiaries’ access to employment opportunities through the Ticket-to-Work program and ensuring that disabled recipients have the opportunity to learn and develop skills to help them return to work. Through changes in legislation, advances in medicine, and technology improvements, the workplace is now more amenable to persons with disabilities than in past decades. SSA is committed to facilitating access to employment by educating employers and the public about the benefits of the Ticket-to-Work program.

Trend:

Fiscal Year	Performance	Goal Met?
2003	14,052	(baseline)
2004	24,784 (76%)	↑
2005	n/a**	↑



** Based on past performance the Agency expects to meet its goal for FY 2005. Actual data for FY 2005 will not be available until June 2006 and will be reported in the FY 2006 PAR.

Note: In SSA’s FY 2004 PAR, this measure was titled *Percent increase in the number of DI and SSI beneficiaries, with tickets assigned, who work*.

Data Definition: The number of SSDI and SSI beneficiaries with tickets assigned who work are measured by counting the number of DI and SSI and concurrent beneficiaries who have assigned their tickets to an Employment Network or State vocational rehabilitation agency and who have recorded earnings on the Master Earnings File (MEF). This is a calendar year measure, January 1 – December 31, and reported in February of the following year.

Data Source: Disability Control File (Verify Update Earnings Screen [VERN], Work and Earnings Reports field) and Master Earnings File (MEF).

1.2b — Number of SSI disabled beneficiaries earning at least \$100 per month

FY 2004 Goal: 243,464 (5% over FY 2003 performance)
FY 2004 Actual Performance: 232,775 (<0.5% over FY 2003 performance)
Goal Met: No

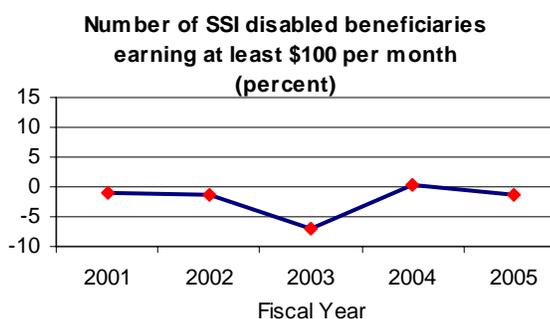
FY 2005 Goal: 255,637 (5% over FY 2004 goal)
FY 2005 Estimated Performance: 240,465* (Based on data through June 2005)
Goal to be Met: No

Discussion: This measure reflects a specific effort to encourage disabled SSI recipients to gain employment at a minimum level. SSA encourages all disabled beneficiaries to take advantage of various work incentives in order to increase their economic independence and self-sufficiency. Due to the dynamics of the SSI population, which include factors such as levels of education, work experience, and capacities for working, a more graduated approach to joining the workforce is often appropriate.

The strategies for increasing employment for disabled individuals are guided by and directly support the President's *New Freedom Initiatives*, a nationwide effort to remove barriers to community living for people of all ages with disabilities and long-term illnesses. Despite SSA's strategies to assist disabled individuals who want to become more self-sufficient, it will take several years to see the full benefits and results of the program.

Trend:

Fiscal Year	Performance	Goal Met?
2001	252,219 (-1.1%)	n/a
2002	249,175 (-1.2%)	n/a
2003	231,870 (-6.9%)	↓
2004	232,775 (<0.5%)	↓
2005 <i>ESTIMATED</i>	240,465 (-1.2%)*	↓



*The performance data shown for FY 2005 is an estimate based on performance through June 2005. Actual data will not be available until late November 2005 and will be reported in the FY 2006 PAR.

Note: In SSA's FY 2004 PAR, this measure was termed *Percent increase in the number of SSI disabled beneficiaries earning at least \$100 per month*.

Data Definition: The number of working Supplemental Security Income (SSI) disabled beneficiaries earning at least \$100 per month. This measure is intended to reflect the impact of all work incentives for SSI disabled beneficiaries. Through FY 2004, performance against this measure was calculated based on an end-of-year snapshot. Effective with FY 2005, SSA will average the four FY quarterly results to determine annual performance.

Data Source: *SSI Disabled Recipients Who Work* report

Strategic Objective 1.3: Improve service through technology

1.3a — Retirement and Survivors Insurance (RSI) claims processed

FY 2005 Goal: 3,458,000

Performance: 3,762,977

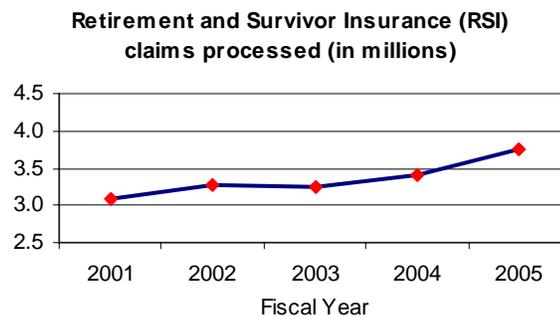
Goal Met: Yes

Discussion: Over the past few years, SSA introduced a number of initiatives toward improving the process for retirement and survivor claims. Since the implementation of the Internet Social Security Benefit Application in FY 2001, SSA has successfully managed and expedited the claims process using improved technology for an ever increasing number of beneficiaries. As this trend is expected to continue over the next decade, SSA faces the challenge of providing cost effective electronic service delivery.

Each year, this goal is based on actuarial estimates, prior years' claims receipts, legislative or policy changes and other factors. This method of forecasting has allowed the Agency to meet the goal every year since FY 2000.

Trend:

Fiscal Year	Performance	Goal Met?
2001	3,092,743	n/a
2002	3,266,297	n/a
2003	3,238,871	↑
2004	3,399,471	↑
2005	3,762,977	↑



Data Definition: All retirement, survivors, and initial claims for Medicare processed by Regional Commissioner (RC)/Field Offices and Office of Central Operations (OCO). Includes totalization claims.

Data Source: Integrated Work Measurement System/District Office Workload Report (IWMS/DOWR) cells 00112, 00212; Office of International Operations (OIO) Ad hoc Report, Division of Direct Service Operations (DDSO) Teleclaims Report; Payment Service Center (PSC): Internet Retirement Insurance Benefits (IRIB); and Immediate Claims Taking (ICT).

1.3b — Optimize the speed in answering 800-number calls

FY 2005 Goal: 330 seconds

Performance: 296 seconds

Goal Met: Yes

Discussion: Advances in telephone communication technology provide the public with greater access to services and allow SSA to more efficiently meet the needs of the public. Telephone communication is an important tool in conducting business with the public. Whether or not an individual is receiving benefits from SSA, they will likely have an occasion to contact SSA by telephone, and SSA wants to be responsive and timely.

In 2005, SSA continued to realize increased efficiencies through the Call Center Network Solution, a system that allows the routing of calls to the next available agent at any site in the national network. This allows the network to handle the optimum number of calls per agent, which translates into improved service to the public through

technological enhancements. The increased use of automated response options also contributed to success in achieving the goal.

Trend: This is a new measure for FY 2005.

Note: The number of transactions (either live or automated service) handled by SSA's 800 number is estimated to be 56,900,000 in FY 2005 and 57,700,000 in FY 2006.

Data Definition: Answer wait time of all calls divided by all calls answered by agents (includes calls that do not queue). Wait time begins from the time callers first hear the message that they will be connected with the next available agent, and ends when an agent answers. Calls that go straight to an agent without waiting in queue have a zero average speed of answer (ASA) but are included in the ASA for all calls, i.e., they are included in the average. ASA does not include callers who abandon from queue before being answered by an agent.

Data Source: Report generated by Cisco router software

1.3c — Optimize the 800-number Agent busy rate

FY 2005 Goal: 10%

Performance: 10%*

Goal Met: Yes

Discussion: Closely related to 800-number wait times, is SSA's effort to minimize the agent busy rate. This measure is positively affected by the advancements under the Call Center Network Solution, a new system that allows more efficient routing of calls to an 800-number agent. Expanding the capacity for connecting callers to agents, regardless of the origin of the call and the location of the Agent, allows SSA to reach more callers on the first try, enhancing the service level through the use of advanced technology.

Trend: This is a new measure for FY 2005.

* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Note: The number of transactions (either live or automated service) handled by SSA's 800 number is estimated to be 56,900,000 in FY 2005 and 57,700,000 in FY 2006

Data Definition: Number of busy messages divided by number of calls offered to agents (displayed as a percentage). A busy message is the voice message a caller receives when no agent is available to answer the call and the caller is asked to call back later.

Data Source: Report generated by Cisco router software.

1.3d — Increase the usage of electronic entitlement and supporting actions

FY 2005 Goal: 120% (649,482)

Performance: 471.1% (1,685,959)

Goal Met: Yes

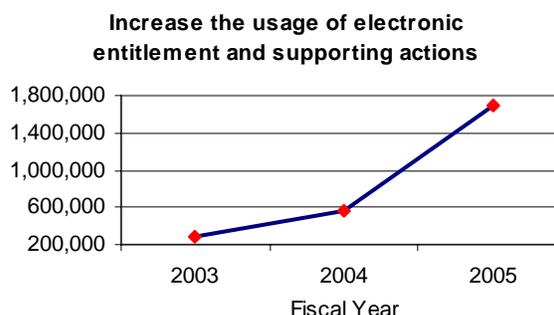
Discussion: SSA continues to expand access to information and services through Internet resources and enhance the functionality and usability of current applications. Expanding the services SSA can provide through additional use of technology not only improves the level of service to the public but also saves the Agency time and money. Efforts under this measure also contribute to increased Agency productivity and technological enhancements increase the accuracy of Agency decisions and processes.

In FY 2004, this performance indicator was revised to measure broader performance than in previous years. The goal includes the Internet applications listed in the data definition section below. Progress under this measure continues to exceed expectations, further driving the Agency to set still higher goals for the future. The Agency continues to add new services.

Trend:

Fiscal Year	Performance	Goal Met?
2003	295,219	(baseline)
2004	87.3% growth* (552,810)	↑
2005	471.1% growth* (1,685,959)	↑

*Over baseline



Note: In SSA’s FY 2004 PAR, this measure was termed *Usage of electronic entitlement and supporting actions*. This measure relates to an earlier (FY 2003) measure termed *Percent of Retirement Claims Initiated via the Internet*. Because the data definition changed in FY 2004, it was considered a new measure at that time. The FY 2005 Revised APP neglected to indicate this.

As a result of the decision to count only fully successful transactions beginning in FY 2005, the FY 2003 baseline changed from 334,016 to 295,219 to reflect fully successful transactions for comparison to the FY 2005 performance target. For the same reason, the FY 2004 performance changed from actual performance of 611,266 to 552,810. The FY 2006 target has been modified to 300% growth over the FY 2004 baseline. This is expected to be a more realistic reflection of what the Agency can accomplish than the FY 2005 performance target.

Data Definition: This indicator consists of an aggregate measure of representative electronic transactions the public performs with SSA. The following are included in FY 2003 baseline:

- *Internet Social Security Benefit Application (ISBA):*
 - ❖ Retirement Application (effective 11/00)
 - ❖ Spouse Application (effective 3/01)
 - ❖ Disability Application (effective 1/02)
- *Proof of Income Letter* (previously known as *Benefit Verification Statement*[BEVE]) (effective 3/99)
- *Internet Medicare Replacement Card (iMRC)* (effective 7/00)
- *Password Based Change of Address* (effective 4/01)
- *Internet Change of Direct Deposit (iDD)* (effective 8/01)

Applications continue to be added on an ongoing basis.

Data Source: *Executive and Management Information System (EMIS); Title II Internet Claims Report; Electronic Service Delivery Report.*

1.3e — Increase the percent of employee reports (W-2 forms) filed electronically

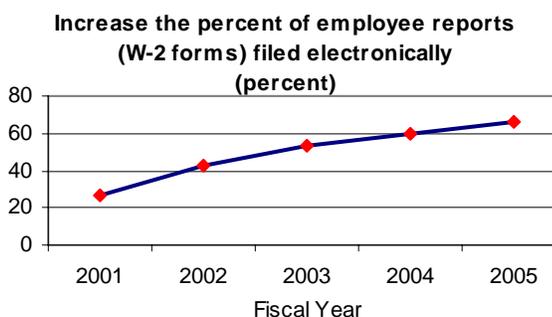
FY 2005 Goal: 60%
Performance: 66%
Goal Met: Yes

Discussion: SSA’s vision is to provide a variety of cost-effective electronic Government services to citizens, businesses and other government agencies, within the next few years. Within the scope of this measure, Electronic Wage Reporting simplifies the wage reporting process for businesses by allowing them to submit employee wage reports (Forms W-2) online. The service also includes the *AccuWage* tool for businesses, which improves reporting accuracy and reduces the volume of error correction and necessary follow-up contacts. In addition, *W-2 Online* is a service that meets the needs of small businesses by providing online entry and printing of W-2 wage and tax statement forms for distribution to employees. The Agency’s ability to receive electronically filed wage reports through the Internet provides the business community with an easy-to-use, cost effective filing process.

SSA has made significant improvements in the earnings process and service to employers. Sixty percent of all 2004 W-2 forms were filed electronically. Additional opportunities to move diskette and paper filers to electronic reporting still exist. As of 2005, SSA no longer accepts tapes or cartridges and will eliminate diskettes in 2006. The Agency recently received results from a survey that was conducted to provide insight into how to encourage small paper wage reporters to report electronically. The survey results indicated that most small businesses switched from paper to the electronic reporting process as a result of SSA’s promotional materials, payroll and employer conferences, articles in trade publications, and direct contact with large employers. SSA also plans to increase electronic business via the Internet by improving earnings products and services for accountants that prepare W-2s. In June 2005, SSA hosted a Software Developers Conference to identify what additional actions would be needed to switch those paper filers to the electronic filing process. The information obtained is currently being analyzed so that an action plan can be developed and implemented.

Trend:

Fiscal Year	Performance	Goal Met?
2001	27%*	n/a
2002	43%*	n/a
2003	53%*	↑
2004	60%	↑
2005	66%	↑



* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Note: In SSA’s FY 2004 PAR, this measure was termed *Percent of employee reports (W-2s) filed electronically*.

Data Definition: This percent is the number of W-2s filed electronically and processed to completion for a tax year, divided by the total number of W-2s for that tax year processed to completion by the end of the processing year (mid-January).

Data Source: *Earnings Management Information Operational Data Store reports (EMODS)*

1.3f — Percent of individuals who do business with SSA rating the overall service as “excellent,” “very good,” or “good”

FY 2005 Goal: 83%

Performance: 85%

Goal Met: Yes

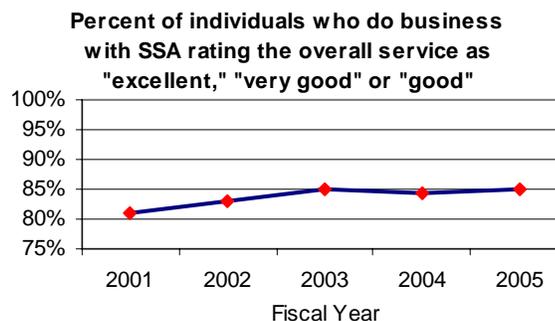
Discussion: Technological advancements, both in external services made available to the public electronically through the Internet and on the telephone, and in internal applications utilized by employees, are critical to the public’s perception of how well SSA delivers service. SSA’s increased use of technology has been essential to achieving increased efficiency and to enabling employees to deliver the kind of service that every claimant, beneficiary and the general public needs and deserves. SSA is working continually to enhance Internet and other service options to meet the needs of the growing segment of the public who prefer to do business electronically. At the same time, the Agency must pursue technological advancement in its internal systems to enable employees to meet the diverse needs of the public, many of whom prefer to conduct their business as they have traditionally, with agents on the telephone or in person. The high quality service provided by SSA employees, as evidenced by the very favorable ratings they receive for their courtesy, helpfulness, job knowledge and the clarity of their explanations*, continues to be a key factor in the overall public perception of the Agency’s service.

On September 20, 2005 Foresee Results published its American Customer Satisfaction Index. Within the E-Government Satisfaction Index, SSA had the two top scoring websites. The American Customer Satisfaction Index measures satisfaction on a 100-point scale, and for the latest quarter, SSA’s *Help with Medicare Prescription Drug Costs* scored 91, the highest score ever reported in the Index. The *Internet Social Security Benefits Application* scored 87. The entire report, which can be found at <http://www.foreseeresults.com>, states “... the Social Security Administration is effectively providing very targeted information and services to a niche audience—people at or approaching retirement age and their family members. While senior citizens have been somewhat overlooked on the Internet and have lower adoption rates than other age groups, they are now a fast-growing Internet audience and the Social Security Administration is at the forefront in meeting their needs.”

*Excellent, very good or good ratings of these categories were virtually all 90 percent or better for all service delivery channels (800 number service, field office telephone service, and office visits).

Trend:

Fiscal Year	Performance	Goal Met?
2001	81%	n/a
2002	83%	n/a
2003	85%	↑
2004	84%	↑
2005	85%	↑



Note: In SSA’s FY 2004 PAR, this measure was titled *Percent of people who do business with SSA rating the overall service as “excellent”, “very good”, or “good.”*

Data Definition: Percent of respondents surveyed by SSA’s Office of Quality Assurance and Performance Assessment (OQAPA) who rate overall service as “good,” “very good,” or “excellent” on a 6-point scale ranging from “excellent” to “very poor” divided by the total number of respondents to that question.

Data Source: Performance indicator satisfaction ratings are derived from the OQAPA's annual surveys of 800-number callers, field office callers and office visitors, including both field office and hearings office visitors.

1.3g — Improve workload information using *Social Security Unified Measurement System (SUMS)*

FY 2005 Goal: 46%

Performance: 42%

Goal Met: No

Discussion: The Agency has recognized the need to improve the quality, consistency and access to information that is used by managers and analysts throughout SSA to manage work and account for resources. The objective of SUMS is to create a system for SSA operational components that counts and measures all work in a consistent manner regardless of where the work is processed. This system provides access to information needed to meet changing business requirements, support process reviews and comply with government standards. Access to web based reports and workload control listings and other information are available on demand, eliminating the need for paper reports.

Such information is used in a way that work priorities and resource allocations can be adjusted to best handle operational workloads. This in turn supports more efficient service to the public as well as more efficient resource utilization.

The Agency did not meet the performance goal for FY 2005. This is because the following projects that were planned to be completed in FY 2005 will actually be completed in FY 2006: Enumeration Performance Measures (1 percent—October 2005), Medicare Counts and Performance Measures (1 percent—December 2005), Reconsideration/Limited Issue Social Security Unified Management System Counts (1% - September 2006), CSR CHIP (1 percent – October 2005).

Trend: This is a new measure for FY 2005.

Data Definition: SUMS provides improved control and management information for workloads in separate projects with multiple releases. A methodology which weights individual projects to create a combined percentage is used to track the overall completion of this initiative. This formula scores the deliverables within each project, which includes the creation of the SUMS data store, control listings, performance measures, and SUMS counts. Completion percentages are also attributed to cross cutting projects, including Time Allocation and the Customer Service Record to derive an overall SUMS completion percentage.

Data Source: SUMS/MCAS project plan tracking and releases as reported to the SUMS/MCAS Executive Steering Committee

Strategic Goal 2: STEWARDSHIP

To ensure superior STEWARDSHIP of Social Security programs and resources

Strategic Objective 2.1: Prevent fraudulent and improper payments and improve debt management

2.1a — SSI non-disability redeterminations

FY 2005 Goal: 1,696,000

Performance: 1,724,875

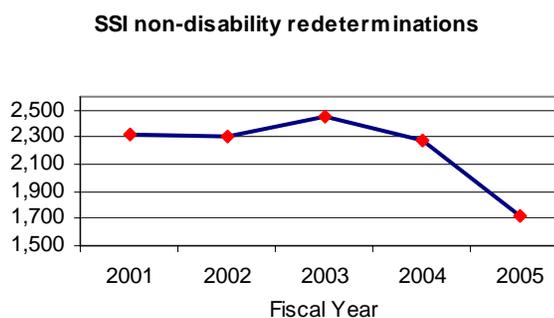
Goal Met: Yes

Discussion: Redeterminations are periodic reviews of non-medical factors of entitlement (income, resources, and living arrangement) for SSI eligibility. They are a powerful tool that SSA uses to detect and prevent O/Ps. Conducting timely redeterminations ensures that beneficiaries receive the correct amount of benefits and that general revenue funds are correctly spent. Redeterminations allow for early detection and prevention of O/Ps as well as U/Ps. The Agency saves approximately \$7 for every \$1 spent on processing redeterminations.

Many systems enhancements have contributed to the Agency's ability to manage this workload. SSA has consistently met (or nearly met) its goal for number of redeterminations processed through careful adherence to scheduled dates and improved reporting methods for changes in information. Overall Agency budget constraints caused a reduction in the FY 2005 performance goal.

Trend:

Fiscal Year	Performance	Goal Met?
2001	2,315,856	n/a
2002	2,311,499	n/a
2003	2,449,674	↘
2004	2,278,566	↑
2005	1,724,875	↑



Data Definition: All non-disability eligibility redeterminations of SSI beneficiaries that are processed to completion resulting from diary actions (scheduled), and those initiated as a result of events reported by beneficiaries (unscheduled).

Data Source: Redeterminations Service Delivery Objective (RZ SDO) Report (Post-eligibility Operational Data Store – PEODS)

2.1b — Periodic CDRs processed

FY 2005 Goal: 1,384,000
Performance: 1,515,477
Goal Met: Yes

Discussion: SSA uses CDRs to periodically determine if disabled beneficiaries continue to meet the definition of disability, and whether disability benefits should continue. CDRs help ensure the integrity of the disability program by ensuring that beneficiaries receive the benefits they are due and help to ensure that Trust Fund money and general revenue funds are spent correctly.

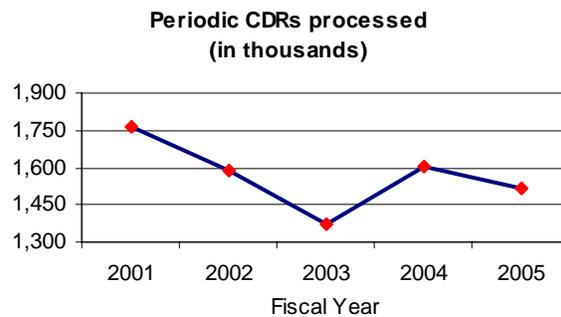
Improvements in profiling resulted in an increased number of CDRs processed by mail rather than by more expensive full medical reviews. CDR mailers are released to disabled individuals scheduled for a review in October, February, June, and August each year. Achieving this goal is also linked to resources. For FY 2006, legislation has been introduced to earmark funds for conducting increased numbers of CDRs. The Agency saves over \$10 for every \$1 spent on processing CDRs.

The Agency has made progress in its efforts to improve the CDR process. SSA began processing an additional category of SSI adult cases as CDR mailers. To illustrate the savings this innovation has generated, of the approximately 115,000 mailers on these cases received to date for review, approximately 70 percent (80,000) have been completed without full medical reviews. Prior to this new process, all of these cases would have been processed as full medical reviews. SSA continues to focus on large-scale sampling to maintain program integrity while exploring new technologies to determine if further efficiencies can be realized.

Although the FY 2005 goal was met, overall Agency budget constraints resulted in SSA not being able to process as many CDRs as in prior years.

Trend:

Fiscal Year	Performance	Goal Met?
2001	1,762,517	n/a
2002	1,586,091	n/a
2003	1,371,255	↑
2004	1,604,680	↑
2005	1,515,477	↑



Data Definition: Count includes periodic reviews and other CDRs processed by the DDS and mailers not requiring medical reviews.

Data Source: Disability Operational Data Store (DIODS) and the CDR tracking files

2.1c —Percent of SSI payments free of preventable overpayment (O/P) and underpayment (U/P)

FY 2004 Goal:

Overpayment accuracy: 95.4%
Underpayment accuracy: 98.8%

FY 2004 Actual Performance:

Overpayment accuracy: 93.6%
Underpayment accuracy: 98.7%

Goal Met: Almost

FY 2005 Goal:

Overpayment accuracy: 94.9%
Underpayment accuracy: 98.8%

FY 2005 Estimated Performance:

Overpayment accuracy: 93.6%*
Underpayment accuracy: 98.7%*

Goal to be Met: Almost

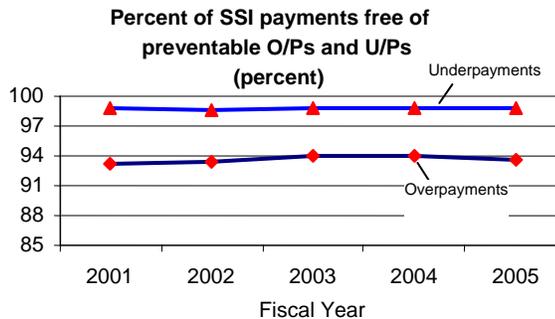
Discussion: As stewards of that portion of general funds that supports SSI payments, it is critical that SSA carefully manages amounts paid. A large part of this performance measure is addressed through the SSI redetermination process (*measure 2.1a*). Because of the way benefits are paid, many payments are based on projections, such as future earnings, that must later be verified and a determination made as to the accuracy of the initial payment amount. Through careful management of entitlement factors and monthly reporting requirements, SSA continues to improve payment accuracy and, in turn, reduces O/Ps and U/Ps.

Achieving this goal is linked both to resources and implementing new error prevention initiatives. In FY 2005, the Agency piloted additional initiatives, including SSA access to financial data of recipients and an automated telephone wage reporting system. Also, computer matches with the Department of Homeland Security (DHS) provides deportation information so SSA can stop SSI payments timely.

Trend:

Fiscal Year	Performance	Goal Met?
2001	O/P: 93.3%; U/P: 98.8%	n/a
2002	O/P: 93.4%; U/P: 98.6%	n/a
2003	O/P: 93.9% U/P: 98.8%	↗
2004	O/P: 93.6% U/P: 98.7%	↗
2005	O/P: 93.6%* U/P: 98.7%*	↗

ESTIMATED



*Based on past performance, SSA expects to almost meet the FY 2005 performance goal. Actual data for FY 2005 will not be available until July 2006 and will be reported in the FY 2006 PAR.

Data Definition: The SSI payment accuracy rate free of preventable overpayments and underpayments is determined by an annual review of a statistically valid sample of the beneficiary rolls; i.e., the findings are representative of the universe of the payments issued with 95 percent precision and confidence levels of plus or minus 1 percent for overpayments and plus or minus 0.3 percent for underpayments. The rate is computed by first subtracting the amount of “unpreventable” incorrect payments from the dollars overpaid or underpaid in a fiscal year, and then dividing these dollars by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate. The current measuring system captures the accuracy rate of the non-medical aspects of eligibility for SSI payment outlays.

Data Source: SSI Stewardship Report

2.1d —Percent of outstanding SSI debt in a collection arrangement

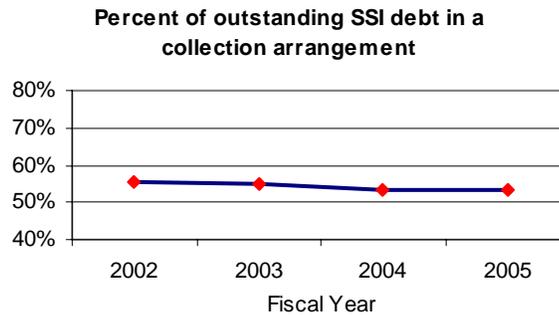
FY 2005 Goal: 53%
Performance: 53%*
Goal Met: Yes

Discussion: In spite of Agency efforts to prevent them, O/Ps occur that the Agency is responsible for recovering. The Agency uses aggressive debt collection tools to increase the amount of debt in collection arrangements. Debts are in a collection arrangement when recovery is being made by offsetting monthly benefits, refunds are being made in a timely manner or a new refunding agreement has been made and it has not become delinquent. The tools SSA uses include referring delinquent debts to the Treasury Offset Program to recover debts from Federal tax refunds and other Federal payments, withholding SSI O/Ps from OASDI payments, and referring debts to credit bureaus.

A measurable positive effect of about 0.5 percent has resulted from identifying many thousands of additional debtors eligible for offset against Social Security benefits and beginning that offset. It is likely that broader use of a new tool that efficiently organizes debt information will have a positive effect on debt collection performance, and in turn, the Agency’s Trust Fund stewardship responsibility.

Trend:

Fiscal Year	Performance	Goal Met?
2002	55%*	n/a
2003	55%*	↑
2004	54%**	↘
2005	53%*	↑



* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

**The data reported from October 2003 through April 2004 was incomplete and could not be accurately recalculated. The actual FY 2004 performance represents cumulative data from May 2004 through September 2004 only.

Note: To improve performance as measured by this indicator, SSA will focus on the debt not in a collection arrangement by developing initiatives to collect or eliminate it if it is unproductive.

Data Definition: The percent of outstanding SSI debt that is scheduled for collection by benefit withholding or installment payment. The rate is expressed as the average for the year. Outstanding SSI debt is grouped into four main categories: newly established debt; debt that involves a current due process request, such as waiver; debt that is in a collection arrangement; and debt that is not in a collection arrangement. The percent of debt in a collection arrangement is computed by dividing the dollars in that category by the total dollar amount of outstanding debt in all four categories.

Data Source: Supplemental Security Record (SSR)

2.1e — Percent of OASDI payments free of overpayment (O/P) and underpayment (U/P)

FY 2004 Goal: Overpayment accuracy: 99.8%
Underpayment accuracy: 99.8%

FY 2004 Actual Performance:
Overpayment accuracy: 99.5%
Underpayment accuracy: 99.8%

Goal Met:
Overpayment accuracy: Almost
Underpayment accuracy: Yes

FY 2005 Goal: Overpayment accuracy: 99.8%
Underpayment accuracy: 99.8%

FY 2005 Estimated Performance:
Overpayment accuracy: 99.8%*
Underpayment accuracy: 99.8%*

Goal to be Met:
Overpayment accuracy: Yes
Underpayment accuracy: Yes

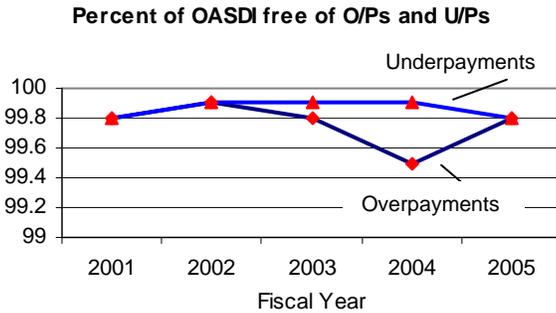
Discussion: As stewards of the Social Security Trust Fund, it is critical that SSA carefully manage the benefits paid against the benefits actually due. For disability benefits, the greatest source of OASDI O/Ps, the work CDR process plays an important role in keeping O/P and U/P levels in check. Identification of Workers Compensation and unreported earnings as early as possible also contributes to payment accuracy. In addition, through careful management of entitlement factors and reporting requirements, SSA will continue to maintain payment accuracy and, in turn, control the incidence of O/Ps and U/Ps.

Improvements to the work CDR profiling and control process have improved coordination of work among field offices. This allows earnings information to be recorded at the point of contact, reducing the occurrence of O/Ps. SSA also expects positive results from new initiatives for posting earnings from the suspense file and for improving the tracking of work reports. Further, computer matches with the DHS provide deportation information, enabling SSA to stop Social Security and SSI payments timely.

Trend:

Fiscal Year	Performance	Goal Met?
2001	O/P: 99.8% U/P: 99.8%	n/a n/a
2002	O/P: 99.9% U/P: 99.9%	n/a n/a
2003	O/P: 99.8% U/P: 99.9%	↑ ↑
2004	O/P: 99.5% U/P: 99.8%	↓ ↑
2005	O/P: 99.8%* U/P: 99.8%*	↑ ↑

ESTIMATED



*Based on past performance and new initiatives being implemented, SSA expects to meet the FY 2005 performance goal. Actual data for FY 2005 will not be available until July 2006 and will be reported in the FY 2006 PAR.

Note: GAO raised a concern that combining payment accuracy data from the OASI and DI programs may affect Social Security’s ability to sufficiently monitor and manage performance. While the PAR combines data from these two programs, stewardship reports continue to include the accuracy of OASI and DI payment outlays separately.

Data Definition: Old-Age, Survivors, and Disability Insurance (OASDI) payment accuracy rate is determined by an annual review of a statistically valid sample of the beneficiary rolls. Separate rates are determined for the accuracy of payments with overpayment dollars and the accuracy of payments with underpayment dollars. The rates are computed by dividing these dollars by the total dollars paid for the fiscal year. This percentage is subtracted from 100 percent to attain the accuracy rate. Prior to FY 2001, the accuracy of only Old-Age and Survivors Insurance (OASI) outlays was included. Effective FY 2001, the non-medical accuracy of Disability Insurance (DI) outlays was added to the measure.

Data Source: OASDI Stewardship Report (The actual FY 2005 performance data were not available for reporting in the FY 2005 Performance and Accountability Report (PAR) because of the length of time required to gather, validate and analyze the data, and then prepare the final report. The data will be reported in the FY 2006 PAR.)

2.1f — Percent of outstanding OASDI debt in a collection arrangement

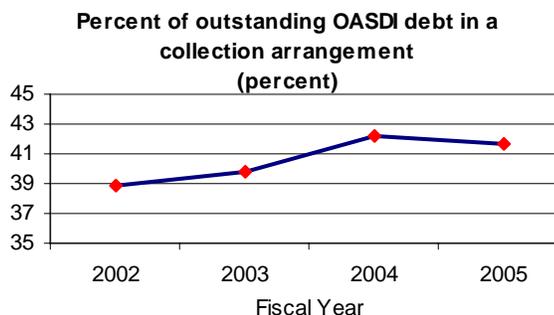
FY 2005 Goal: 42%
Performance: 42%*
Goal Met: Yes

Discussion: As with SSI payments, SSA makes every effort to avoid overpaying OASDI beneficiaries. However, in those instances where O/Ps are incurred, it is important that the Agency use aggressive debt collection tools to recover benefit O/Ps from current and former beneficiaries. Not only is this in keeping with the Agency’s Trust Fund stewardship responsibilities, current beneficiaries as well as the public in general deserve the assurance that Trust Fund monies erroneously paid out, for whatever reason, need to be recouped to the extent possible. The tools used by SSA include referring delinquent debts to the Treasury Offset Program to recover debts from Federal tax refunds and other Federal payments, referring debts to credit bureaus, and requesting employers to offset the wages of delinquent debtors. Debts are in a collection arrangement when recovery is being made by offsetting monthly benefits, refunds are being made in a timely manner, or a new refunding agreement has been made and it has not become delinquent. The Social Security Protection Act expanded the cross-program recovery to withhold a Social Security debt from a SSI payment due.

SSA attributes its success in collecting these debts to continued use and expansion of a broad range of debt collection processes and tools. It is likely that broader use of a new tool, the *Overpayment Wizard*, which organizes debt information efficiently, will have a positive effect on debt collection performance in the future.

Trend:

Fiscal Year	Performance	Goal Met?
2002	39%*	n/a
2003	40%*	↑
2004	42%*	↑
2005	42%*	↑



* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Note: In SSA’s FY 2004 PAR, this measure was termed *Percent of outstanding OASDI debt in collection arrangement*.

To improve performance as measured by this indicator, Social Security will focus on the debt not in a collection arrangement by developing initiatives to collect or eliminate it if it is unproductive.

Data Definition: This is the percent of outstanding OASDI debt that is scheduled for collection by benefit withholding or installment payment. The rate is expressed as the average for the year. Outstanding OASDI debt is grouped into four main categories: newly established debt; debt that involves a current due process request such as waiver; debt that is in a collection arrangement; and debt that is not in a collection arrangement. The percent of debt in a collection arrangement is computed by dividing the dollars in that category by the total dollar amount of outstanding debt in all four categories.

Data Source: *Recovery of Overpayments, Accounting and Reporting (ROAR) system.*

Strategic Objective 2.2: Strengthen the integrity of the Social Security Number (SSN)

2.2a — Percent of SSNs issued that are free of critical error

FY 2004 Goal: 99.8%
FY 2004 Actual Performance: 99.0%
Goal Met FY 2004: Almost

FY 2005 Goal: 99.8%
FY 2005 Estimated Performance: 99.0%*
Goal to be Met: Almost

Discussion: Initially established in 1936 as a record keeping device for newly created Social Security accounts, the SSN has become the most universal personal identifier in the United States. Because maintaining accurate Social Security records is essential to paying benefits in the correct amount to the correct person, SSA continually seeks to ensure the accuracy of SSN issuances. With the increase in fraudulent use of SSNs the Agency is faced with an

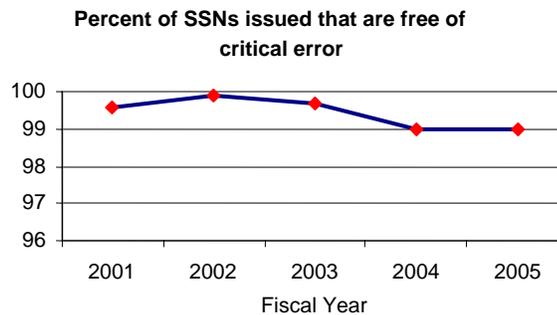
even greater responsibility to ensure the accuracy of its SSN records. The public, and employers in particular, are entitled to assurances that abuse of the SSN is not tolerated by the Agency.

The Agency takes this responsibility very seriously as demonstrated by the various systems, and operational and policy initiatives that are directed towards the enumeration process. (Enumeration is the term Social Security traditionally used to encompass the SSN assignment and card issuance processes.) For example, SSA now verifies evidentiary documents with the DHS for non-U.S.-born individuals, or with State Bureaus of Vital Statistics for U.S.-born individuals age one or older prior to issuing a Social Security card. In FY 2004, SSA began issuing an enumeration alert when a parent applies for SSNs for an unusually large number of children. In this situation, the Agency investigates the SSN request before numbers are issued. Another enhancement to improve accuracy was the mandatory use of the *SS-5 Assistant* beginning in March 2005. This is a system that ensures completed SSN applications are in compliance with policy requirements regarding evidence, verification, and documentation. The Agency also opened a second Social Security Card Center in Las Vegas, Nevada in April 2005. The Center provides better public service and better program stewardship by concentrating all SSN business within a particular service area in a single facility with a highly trained specialized staff.

The FY 2004 goal for this performance objective was 99.8 percent. However, the goal was established based on the definition of critical error that had been previously in effect through FY 2003, i.e., a misassigned SSN that is either an assignment of a SSN that belongs to someone else or a multiple SSN that is not cross-referred on the existing records. Effective with the Enumeration Process Quality Review for FY 2004, which is the data source for the FY 2005 PAR accuracy measure, the definition of critical error was brought into alignment with the policy requiring collateral verification of evidentiary documents with the issuing Agency. It expanded the definition to include verification that the sampled individual was entitled to receive the SSN based on supporting documentation (i.e., U.S. Citizenship and Immigration Service documents for aliens and birth certificates for U.S. born applicants age one or over). Thus, despite the aforementioned enhancements to the SSN process, in FY 2004 the accuracy rate under the newly aligned definition was 99.0 percent. The difference between the observed rate and the Agency goal is considered statistically significant. However, had the previous definition of SSN accuracy still been in place, the accuracy rate would have been 99.7 percent, which is not statistically different from the Agency goal. The decrease in the current accuracy rate is due almost entirely to the change in the definition of critical error.

Trend:

Fiscal Year	Performance	Goal Met?
2001	99.6%	n/a
2002	99.9%	n/a
2003	99.7%	↗
2004	99.0%	↗
2005 <i>ESTIMATED</i>	99.0%*	↗



*Based on past performance SSA expects to almost meet the FY 2005 performance goal. Actual data for FY 2005 will not be available until September 2006 and will be reported in the FY 2006 PAR.

Note: Beginning with the FY 2006 Enumeration Process Quality Review (the results of which will be reported in the FY 2007 PAR) the universe of SSNs subject to this review and used in the calculation of this performance measure will change. Enumeration-at-Birth and Enumeration at Entry SSNs will be included in the FY 2006 review. Also, the universe of cases used to calculate the FY 2006 accuracy rate will include requests for original SSNs only. A sample of requests for replacement cards will continue to be reviewed, but reported on separately. With the exclusion of requests for replacement cards from the accuracy rate calculation, and the inclusion of Enumeration at Entry cases in the universe of cases subject to review, there is an expectation that this performance measure will be approximately 98 percent for FY 2006.

Data Definition: The rate is based on an annual review of SSN applications to verify that: (1) the applicant did not receive a SSN that belonged to someone else; (2) if the applicant had more than one SSN, the numbers were cross-referenced; and (3) the applicant was entitled to receive a SSN based on supporting documentation; i.e., the field office verified appropriate documentation — U.S. Citizenship and Immigration Services (USCIS) document for foreign born and birth certificate for U.S. born, and made a correct judgment of entitlement to a SSN. Included are requests for new and duplicate cards. Enumeration-at-birth activities are not included in the review.

Data Source: *Enumeration Process Quality Review*

2.2b — Process 99 percent of SSN requests received

FY 2005 Goal:	99%
FY 2005 performance:	Not Available
Goal Met:	Yes

Discussion: SSNs are required for employment, insurance, and medical benefits, most of which are needed on a time sensitive basis. As the sole provider of this service, SSA is ever mindful of the need to properly manage and forecast this workload to ensure the Agency is providing both accurate and timely service. Job applicants as well as employers rely on this service.

The volume of SSNs processed depends on the number of persons applying for original numbers and replacement cards. This number varies moderately from year to year and the Agency strives to meet the needs of the public as those needs fluctuate. The goal is to process 99 percent of all requests received rather than a specific number because that appears to be a better measure of service.

Trend: This is a new measure for FY 2005.

Data Definition: Includes SSN issuance for duplicate or original numbers processed by Regional Commissioner (RC)/ Field Offices and Office of Central Operations (OCO), plus Enumeration-at-Birth (EAB) activity and the count of fraud investigations not resulting in issuance of a SSN and an EAB. **Note:** *Ninety-nine percent represents approximately 17,400,000 SSN requests processed in FY 2005 and FY 2006.*

Data Source: *Social Security's Monthly Tracking Report.* Tracking Report sources are: *Field Office Social Security Number Enumeration Report (FOSSNER), EAB Year-To-Date processing statistics.*

Strategic Objective 2.3: Increase the accuracy of earnings records

2.3a — Process 99 percent of annual earnings items received

FY 2005 Goal:	99%
Performance:	100%
Goal Met:	Yes

Discussion: Earnings records are the basis for the OASDI benefit payment calculation. The earlier that errors are identified and corrected and items correctly posted, the greater the benefit to the public. Further, accuracy and timeliness of earnings record postings ensures a more accurate benefit estimate of retirement, survivor and disability benefit as well as accurate benefit amounts once an individual becomes entitled.

SSA has encouraged employers to increase use of electronic filing of W-2 forms. Much of the public's confidence in Social Security hinges on the reliability of earnings records.

The number of annual earnings items processed depends on the number of earnings items reported. The trend over the past 4 years has shown a decrease in the number of earnings reports (W-2s). The volume each year, however, is difficult to predict because of many variables, not the least of which are the unemployment rate and workers' movements from one job to another. In an effort to better manage the workload, Social Security launched an earnings improvement effort to increase the use of electronic filing by employers. The SSN Verification Service, which allows employers to verify that they are submitting earnings under the correct SSN, has been implemented on the Business Services Online site with positive results. The feedback from employers has been very positive, accuracy of the earning record has improved and the movement of employers to self-service online is significant. Items submitted are received on a timelier basis.

Trend: This is a new measure for FY 2005.

Data Definition: Annual earnings items reflect the total number of paper annual wage items processed through the balancing operation, plus the total number of electronic, magnetic media, and self-employment items posted in a fiscal year. This includes delinquent reports and adjustments processed. **Note:** *Ninety-nine percent represents approximately 264,300,000 earnings items processed in FY 2005 and 259,600,000 in FY 2006.*

Data Source: *Earnings Posted Overall Cross Total/Year-to-Date System (EPOXY).* This data resides in the *Social Security Management Information Systems (SSAMIS) Integrated Work Measurement System (IWMS)* cells 188 and 189, Office of Earnings Operations.

2.3b — Increase the percent of incoming earnings items removed from the earnings suspense file for a new tax year

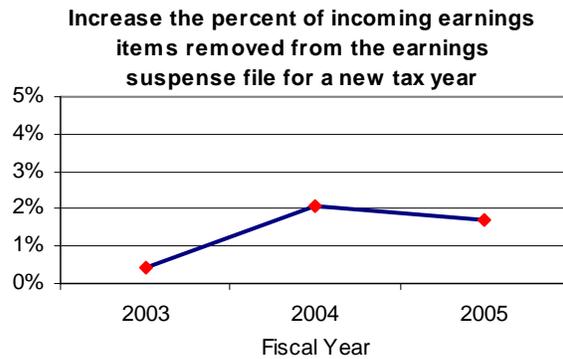
FY 2005 Goal:	5%
Performance:	2%*
Goal Met:	No

Discussion: Earnings are the primary basis used to determine the amount of benefits payable to OASDI beneficiaries. When an earnings report (W-2 or a report of self-employment income) cannot immediately be matched with an individual because of inconsistent identifying data—name or SSN—the reported earnings are placed in what is known as the *Earnings Suspense File* until a the Agency succeeds in properly associating the earnings to the right individual. Removing items from the suspense file and more effectively managing the suspense file are essential features of SSA's goal for improving earnings record accuracy. SSA has an educational campaign to inform the wage reporting community of various error detection tools available to them.

This was a new goal for FY 2004, and although the Agency did not meet the 5 percent FY 2004 goal, the Agency is making progress. (The FY 2004 achievement was 2.1 percent for tax year 2000.) The Agency continues to develop initiatives to prevent items from entering the suspense file and to remove items that are in the suspense file. New matching software removed about 10 million items since the beginning of FY 2004. Refined matching processes concentrating initially on tax year 2001 earnings in suspense are being created and validated. More extensive use is being made of SSA's enumeration data and self-employment earnings are included.

Trend:

Fiscal Year	Performance	Goal Met?
2003	0.40%	↓
2004	2%*	↓
2005	2%*	↓



* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Notes: In SSA’s FY 2004 PAR, this measure was termed *Percent of incoming earnings items removed from the suspense file at the end of the annual earnings posting cycle*.

Five percent of the items that remain in the suspense file for a tax year is approximately 450,000 items. For 2005 the tax year is 2001, for 2006 the tax year will be 2002.

Data Definition: Items that remain in suspense are wage and self-employment items not matched to an earnings record after all current matching operations for the new tax year are complete. The 5-percent reduction will be achieved by using new matching routines developed by the Office of Quality Assurance and Performance Assessment (OQAPA) and the Office of Systems. These new matching routines supplement the current processes. The percentage is determined by comparing the number of items added to suspense for a tax year to the number later removed by the new processes.

Data Source: Items in the Earnings Suspense File (ESF) at the end of the full posting cycle compared to items removed by the new process

Strategic Objective 2.4: Efficiently manage Agency finances and assets, and effectively link resources to performance outcomes

2.4a — Increase Agency productivity by 2 percent annually on average

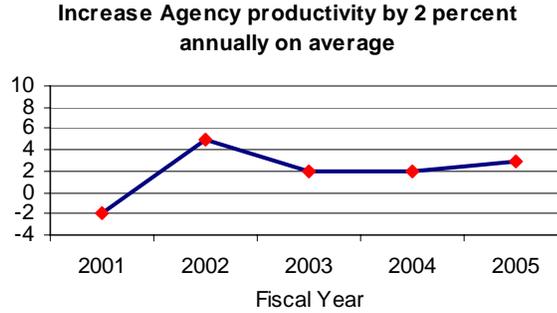
FY 2005 Goal: 2%
Performance: 2.7%
Goal Met: Yes

Discussion: Consistent with the Agency’s Strategic Plan, SSA’s Service Delivery Budget includes a commitment to achieve an average annual productivity increase of 2 percent each year through FY 2008. SSA is very proud of this goal and its performance to date. The public can also be assured that SSA maintains its high standards of productivity and can look forward to improvements each year. The Agency believes that, given the array of services SSA provides and the major workload processing initiatives the Agency implements each year, incremental productivity improvements are sustainable.

SSA has met or exceeded this goal for the last 4 years. The total change over the 4 years from FY 2001 (the base year) through FY 2005 is 12.64 percent. This success can be attributed to the hard work of the Agency’s employees and ongoing efforts to streamline the business processes and automate workloads. As workloads increase, the public benefits when SSA can process more work, while improving processing time and maintaining accuracy.

Trend:

Fiscal Year	Performance	Goal Met?
2001	-2%	n/a
2002	5.1%	n/a
2003	2.1%	↑
2004	2.2%	↑
2005	2.7%	↑



Note: In SSA’s FY 2004 PAR, this measure was termed *Percent improvement in Agency productivity*.

Data Definition: The percent change in productivity is measured by comparing the total number of SSA and Disability Determination Service (DDS) workyears that would have been expended to process current year SSA-level workloads at the prior year’s rates of production to the actual SSA and DDS workyear totals expended.

Data Source: Agency Cost Accounting System

2.4b —DDS cases processed per workyear (PPWY)

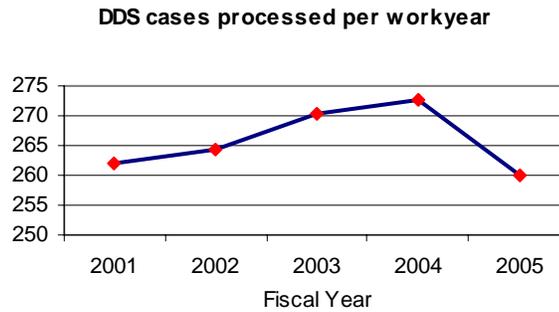
FY 2005 Goal: 278 cases PPWY
Performance: 260 cases PPWY*
Goal Met: No

Discussion: This goal measures, the average number of cases processed by an individual DDS employee during the fiscal year. This count represents outcomes that are directly linked to overall Agency performance. Efficient and effective management of Agency resources is the key to success under this goal.

Until this fiscal year, the number of cases PPWY has increased each year since FY 2001, keeping pace with the record number of initial disability claims received in the DDS offices. In FY 2005, the DDS cases PPWY fell to a level well below prior years. The implementation of the new eDib claims process required changes in business processes and systems enhancements, start-up activities, training, learning curve, and working simultaneously in the old and new process. SSA expects to realize benefits from efficiencies gained with full implementation of the eDib process and, beginning next year, return to or exceed the performance levels of recent years. In addition, the Agency believes that future enhancements to the eDib process will allow SSA to achieve even higher increases in performance.

Trend:

Fiscal Year	Performance	Goal Met?
2001	262	n/a
2002	265	n/a
2003	270	↑
2004	273	↑
2005	260*	↓



* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Data Definition: This indicator represents the average number of DDS cases processed per workyear expended for all work. A workyear represents both direct and indirect time, including overhead (time spent on training, travel, leave, holidays, etc.). It is inclusive of everyone on the DDS payroll, including doctors under contract to the DDS.

Data Source: National Disability Determination Services System

2.4c — Number of SSA hearings cases processed per workyear (PPWY)

FY 2005 Goal: 103

Performance: 102*

Goal Met: Almost

Discussion: In line with timeliness and quality, this indicator measures the average number of hearings processed by an individual employee during the fiscal year. SSA strives to maximize productivity to ensure that the public receives the best return from the resources that their tax dollars support with careful management of its human resources. The Agency’s current initiatives to improve and shorten the hearing process, in addition to providing better service, also improve efficiency and productivity. These initiatives include the eDib process and increased use of video hearings.

Annual productivity in this area increased yearly from FY 2001 through FY 2003. There was a slight dip in FY 2004. The increase over the past few years primarily is due to the rise in individual ALJ productivity. Hiring a total of 100 new ALJs in February 2005 contributed to the increase in the number of SSA hearings processed as they become more experienced toward the end of the fiscal year. The OHA worked with the Regional Chief ALJs to monitor the output from the new judges and identify training needs and workload issues.

Trend:

Fiscal Year	Performance	Goal Met?
2001	85*	n/a
2002	95*	n/a
2003	103*	↑
2004	100*	↗
2005	102*	↗



* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Data Definition: This indicator represents the average number of SSA hearing cases processed per “direct” workyear expended. A direct workyear represents actual time spent processing cases. It does not include time spent on training, Administrative Law Judge (ALJ) travel, leave, holidays, etc.

Data Source: Office of Hearings and Appeals (OHA) Monthly Activity Reports, the Case Processing and Management System (CPMS), Payroll Analysis Recap Report, Time and Attendance Management Information System, OHA Bi-weekly Staffing Report, and Training Reports

2.4d — Maintain zero outside infiltrations of SSA’s programmatic mainframes

FY 2005 Goal: 0 infiltrations
Performance: 0 infiltrations
Goal Met: Yes

Discussion: With the volume of personal and confidential information housed in SSA’s mainframe systems, the Agency takes its role to guard this information very seriously. SSA reviewed and implemented industry “best practices,” to ensure that information security corresponds to the critical importance and sensitive nature of the information it processes and maintains. SSA’s Risk Management Program ensures a continuous review and monitoring of development, implementation, and maintenance of the automated systems critical to the Agency’s mission. In addition to ensuring the security of Agency information systems and the integrity and privacy of the personal information, SSA also provides safe and secure environments in which employees can work and the public can transact business.

SSA has never had an outside infiltration of its programmatic mainframes. The Agency employs an Intrusion Protection Team and Agency-wide Security Response Team, as well as routine contact with the Federal Computer Incident Response Center to exchange up-to-date information on threats and countermeasures.

Trend:

Fiscal Year	Performance	Goal Met?
2001	0	n/a
2002	0	n/a
2003	0	↑
2004	0	↑
2005	0	↑

Data Definition: An infiltration is an unauthorized access that requires a cleanup or restoration of backup files to a state prior to the infiltration. This measure is a count of the number of times that an infiltration of mainframes is detected.

Data Source: Count of the times that infiltration of mainframes is detected, obtained from Change Asset and Problem Reporting System

2.4e — Enhance efforts to improve financial performance using *Managerial Cost Accountability System* (MCAS)

FY 2005 Goal: 15%

Performance: 5%

Goal Met: No

Discussion: MCAS focuses on critical performance and financial information needed by managers and employees, and promotes performance accountability for Social Security programs. As stewards of the Social Security Trust Fund, SSA must also model appropriate information management processes to ensure accountability for workloads. The Agency's MCAS includes a number of projects designed to update the cost analysis system, reporting systems, workload measurement systems, and system access. The integration of financial and performance management systems will allow the Agency to routinely assess performance and financial information in order for local managers to make more timely and efficient day-to-day decisions.

Delivery of the first release of the Cost Analysis System Replacement was scheduled for September 2005. Meeting this date would have allowed the Agency to meet its performance goal. After the inception of MCAS and the closely related SUMS effort, the project was expanded to include the Time Allocation System effort. The Time Allocation System will use routine data captured from the Agency's automated workload transaction systems and support functions to measure the work time expended on work activities. This will provide accurate, timely and detailed information on the way that these workloads are handled and the resources that they require. Implementing the Time Allocation System has entailed a considerable resource burden on all involved components. Because of the high value of the Time Allocation System, SSA has accepted and endorsed delays in delivery of certain applications in order to make resources available for its pursuit. Release 1 of Time Allocation System is scheduled for January 2006. Release 1 of the MCAS has been postponed until March 2006 to facilitate that effort.

Trend: This is a new measure for FY 2005.

Data Definition: MCAS provides improved managerial accountability, cost accounting, and financial management information for SSA, its component organizations, and the programs and workloads that it supports in separate projects with multiple releases. A methodology which weights individual projects to create a combined percentage, is used to track the overall completion of this initiative. This formula scores the deliverables within each project.

Data Source: SUMS/MCAS project plan tracking and releases as reported to the SUMS/MCAS Executive Steering Committee

2.4f — Receive an unqualified opinion on SSA’s financial statements from the auditors

FY 2005 Goal: Receive an unqualified opinion

Performance: Received an unqualified opinion

Goal Met: Yes

Discussion: SSA is committed to providing data that is complete and reliable. In accordance with the Chief Financial Officer’s Act of 1990, SSA’s financial statements were independently audited by PricewaterhouseCoopers. The audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. In their audit, PwC found that SSA’s financial statements, as contained in the FY 2005 PAR, were presented fairly in all material respects and were in conformity with accounting principles generally accepted in the United States. The Agency has a strong and continued commitment to sound financial management practices and has received an unqualified independent auditor’s opinion every year since 1994.

Trend: SSA received an unqualified audit opinion every year from FY 1994 – FY 2005.

Data Definition: An unqualified opinion on the financial statements is provided when an independent auditor determines that the financial statements are presented fairly; and, in all material respects, in conformity with accounting principles generally accepted in the United States.

Data Source: Auditors’ working papers

2.4g — Get to “green” on four of five President’s Management Agenda (PMA) initiatives

FY 2005 Goal: Maintain an overall status rating of “green” on four of five PMA initiatives

Performance: Maintained an overall status rating of “green” on three of five PMA initiatives

Goal Met: No

Discussion: The PMA helps guide Federal agencies in establishing strategies to improve management and performance of their respective programs, and assures accountability for Agency activities. Every American and many foreign workers rely on SSA to provide quality, timely service. SSA takes seriously its role in their lives. For this reason, SSA uses the PMA as an important tool to guide process improvements toward results-oriented outcomes.

In the OMB’s role to track agencies’ efforts to implement the PMA initiatives, it uses a scorecard that uses a simple “traffic light” grading system. As good stewards for the individuals who are contributing to and benefiting from the Social Security and SSI programs, the Agency is committed to this goal to get to “green” on four of the five PMA initiatives.

Trend: The following summarizes SSA’s performance under the PMA for FY 2003 through FY 2005:

PMA Plan	September 2003		September 2004		September 2005	
	Status	Progress	Status	Progress	Status	Progress
Strategic Management of Human Capital	 Yellow	 Green	 Green	 Green	 Green	 Green
Competitive Sourcing	 Red	 Green	 Yellow	 Green	 Yellow	 Green
Improved Financial Performance	 Green	 Green	 Green	 Green	 Green	 Green
Expanded Electronic Government	 Yellow	 Green	 Yellow	 Yellow	 Yellow	 Green
Budget and Performance Integration	 Yellow	 Green	 Green	 Green	 Green	 Green

SSA’s scorecard can be viewed, along with the other Federal Agency scorecards, at <http://www.whitehouse.gov/results/agenda/scorecard.html>

Note: In SSA’s FY 2004 PAR, this performance measure was titled “Get to green” on all five PMA initiatives.

Data Definition: Receiving a “green” score on the *President’s Management Agenda* (PMA) initiative status scores.

Data Source: Office of Management and Budget’s PMA initiative scorecard for SSA

Strategic Goal 3: SOLVENCY

To achieve sustainable SOLVENCY and ensure Social Security programs meet the needs of current and future generations

Strategic Objective 3: Through education and research efforts, support reforms to ensure sustainable Solvency and more responsive retirement and disability programs

3.1a — Provide support to the Administration and Congress in developing legislative proposals and implementing reforms to achieve sustainable solvency for Social Security

FY 2005 Goal: Conduct analysis for the Administration and Congress on key issues related to implementing Social Security reforms.

Performance: Conducted analysis for the Administration and Congress on key issues related to implementing Social Security reforms.

Goal Met: Yes

Discussion: Although SSA implements Social Security programs and policies, it does not set policy related to solvency. This does not, however, diminish SSA's role in the solvency of the Trust Fund. Solvency is directly tied to SSA's mission, *To advance the economic security of the Nation's people...* The Agency has a vested interest in the future of the programs it administers and provides the information necessary for the Administration and Congress to pursue thoughtful debate and examination of how to stabilize the economic base for Old-Age, Survivors and DI benefits.

This was a new performance measure beginning in FY 2003. For the past 3 years, SSA has conducted numerous analyses related to Social Security reforms for the Administration and Congress. Particularly during FY 2005 SSA officials frequently provided briefing papers, testimony, and responses to questions. SSA will continue to support the Administration and Congress to the extent necessary to support discussions and analyses of the Agency's programs.

Note: In SSA's FY 2004 PAR, this measure was titled *Provide support to the Administration and Congress in developing legislative proposals to achieve sustainable solvency for Social Security and implementing reform legislation.*

Trend: This was a new measure beginning in FY 2003. SSA met this goal in FY 2003 and FY 2004 by conducting analyses related to Social Security reforms.

Data Definition: Completed reports and analysis of present law provisions, as well as proposed and pending legislation and other proposals relating to solvency of the system.

Data Source: Office of Policy records

3.1b — Measure of public’s knowledge of Social Security programs and related issues, including long-range financing

FY 2005 Goal: Develop a new performance measure and establish related goals.

Performance: This performance measure has been discontinued

Goal Met: N/A

Discussion: SSA has provided service and programs to the American people for over 70 years. These services and programs have evolved to better meet the needs of a changing society. Increased public awareness of SSA’s programs and challenges ensures constructive feedback on how the Agency can improve. In addition, the public must be knowledgeable about the available programs and services in order to take advantage of Social Security programs and services in their daily lives. Through outreach programs, educational efforts, improvements to the *Social Security Online* web page, and improving access to person-to-person information, SSA has been proactive in increasing the public’s knowledge of Social Security.

This performance measure was discontinued in FY 2005. In the past, it was measured by a cumulative knowledge score on the *Public Understanding Measurement System* (PUMS) annual survey. The most recent survey, *PUMS VI*, conducted by the Office of Communication’s contractor, did not provide a cumulative score. Rather, each individual question was analyzed separately.

Note: In SSA’s FY 2004 PAR, this measure was titled *Percent of adult Americans knowledgeable about Social Security programs and related issues, including long-range financing*.

Trend: Not available – This was a new measure for FY 2003, but a baseline was never developed.

Data Definition: The public’s knowledge of Social Security programs and related issues as determined by an annual *Public Understanding Measurement System* (PUMS) survey.

Data Source: The FY 2004 PUMS survey conducted in November 2004

3.1c — Issue annual SSA-initiated *Social Security Statements* to eligible individuals ages 25 and older

FY 2005 Goal: 100%

Performance: 100%

Goal Met: Yes

Discussion: In line with improving the public’s knowledge of Social Security’s programs is the issuance of the *Social Security Statement*. The *Social Security Statement* informs workers of their posted earnings for each year, provides OASDI benefit estimates, and provides valuable information about Social Security programs and services. The *Statement* allows members of the public to take ownership of their future and to ensure the accuracy of SSA’s information regarding their earnings.

SSA began issuing the *Statement* in 1999 in an effort to educate workers and help them to begin planning for retirement earlier in life. The Agency established this as a performance measure in FY 2005 as a means to highlight the importance of providing this service. Solvency of the Trust Funds is of concern to many in the working population. By providing annual estimates of benefits payable, workers will become more informed about the future of Social Security and their stake in the solvency issue and debate.

Trend: This is a new measure for FY 2005.

Data Definition: As required by law, SSA issues annual *Social Security Statements* to all eligible individuals (SSN holders age 25 and older who are not yet in benefit status and for whom we can determine a current mailing address). The *Statement* contains information about future financial challenges facing the trust funds, information about Social Security benefit programs, and personal benefit estimates.

Data Source: *Executive and Management Information System* (EMIS)

Strategic Goal 4: STAFF

Strategically manage and align STAFF to support SSA's mission

Strategic Objective 4: Recruit, develop and retain a high-performing workforce

4.1a — Minimize skill and knowledge gaps in mission-critical positions

FY 2005 Goal: Identify job-specific competencies for 100 percent of the remaining targeted public contact positions – Benefit Authorizers, Claims Authorizers, and Technical Support Technicians

Performance: Completed

Goal Met: Yes

Discussion: SSA's public contact positions are the face of the Agency and its programs. It is critical that staff in these positions reach high levels of competence as quickly as possible. Training is an important component of ensuring this competency. However, in order to properly target training and evaluation programs, the Agency needs to first identify the job-specific knowledge, skills, and abilities necessary for successful performance in each of these public contact positions.

A competency-based plan for instructions shifts the learners from achieving a single instructional objective to focusing on the acquisition of competencies during the training. The instruction, training objectives, and training materials are all centered around the required competencies. The competencies for these technical positions were identified through an extensive data collection effort involving both technicians and management officials.

Trend: This was a new measure for FY 2005.

Data Definition: Job-specific competencies are the knowledge, skills, and abilities associated with high or superior performance on the job as it exists today. The job-specific competencies are identified by working with SSA components and private sources. **Note:** *There are six targeted public contact positions in Field Offices, Teleservice Centers, and Program Service Centers. In FY 2003, SSA developed job-specific competencies for three of the direct service mission-critical positions: Claims Representative (CR), Service Representative (SR) and Teleservice Representative (TSR) in Field Offices and Teleservice Centers. In FY 2004, redesigned competency-based training was developed for the CR and SR positions. In FY 2005, OHR plans to identify competency-based entry-level training for three additional mission-critical positions, and in FY 2006, OHR plans to develop competency-based training for them. The three mission-critical positions are Benefit Authorizers (BA), Claims Authorizers (CA), and Technical Support Technicians (TST) in the Program Service Centers. The BAs, CAs, and TSTs provide direct service to the public and are responsible for making critical decisions to determine the amount of benefits paid to individuals.*

Data Source: Office of Human Resources

4.1b — Align employee performance with Agency mission and strategic goals

FY 2005 Goal:

1) Implement a multi-tiered results-oriented performance assessment system for wage grade and GS-14 and below employees who are covered by the American Federation of Government Employees (AFGE) during the fiscal year in which the new agreement is implemented.

2) Develop a communication plan to facilitate implementation of the new performance plan after completion of union negotiations.

Performance: Delayed

Discussion: In August 2005, SSA and the AFGE reached an agreement on a new 4-year National Agreement. Because of the complexity of the negotiated changes to the performance management process and related subjects for AFGE covered employees, implementation of the provisions of the 2005 National Agreement regarding performance assessments, awards and within-grade increases is delayed to allow the Agency sufficient time to develop the instructions and training needed to properly effectuate the agreement.

A communication plan is in development with notice to be released in the second quarter of FY 2006. Similarly, Agency-level workgroups have been formed to develop training for delivery in late FY 2006. The Agency will rollout and implement the multi-tiered results-oriented performance assessment system October 1, 2006.

Trend: This is a new measure for FY 2005.

Data Definition: Performance assessments are performance appraisal systems that provide for ongoing interaction and communication on performance between employee and manager tailored to the component/employee. The performance appraisal system will help align the employee performance element to Agency strategic goals and objectives and make distinctions between levels of performance.

Data Source: Office of Human Resources records.

Program Assessment Rating Tool (PART) Measures

The PART is a diagnostic tool designed by the OMB to examine different aspects of program performance to identify the strengths and weaknesses of a given Federal program. The DI and SSI Aged programs were selected for the initial assessment period and the results were published in the President's FY 2005 Budget. In the summer of 2004, the entire SSI program (disabled, blind and aged) was assessed and the results were published in the President's FY 2006 Budget. SSA did not have any new programs assessed in FY 2005.

OMB's finding from the assessments of the DI and SSI programs are consistent with the areas SSA identified as requiring attention. SSA continues to work with the OMB to ensure that plans are developed and implemented to improve program performance and address the following PART findings:

DI program

- Improve the disability claims process by fully implementing technology to eliminate the need to store, locate and mail millions of paper filers and finalize proposals to redesign the disability process.
- Better connect DI beneficiaries with expanding employment opportunities for individuals with disabilities.
- Better match DI administrative resources with performance benchmarks.

SSI Program

- Speed up and increase the accuracy of the process used to determine whether an applicant for benefits is disabled.
- Better connect SSI recipients with expanding employment opportunities for individuals with disabilities.
- Address payment accuracy issues by aggressively pursuing strategies outlined in the SSI Corrective Action plan, such as simplifying income reporting requirements.

SSA’s *Strategic Plan, APP*, and budget requests all address OMB’s findings from the assessments. In addition, the performance measures and targets below were provided by SSA and used by the OMB and SSA to evaluate the effectiveness of the DI and SSI programs. It should be noted that of the nine PART measures, eight are also Government Performance and Results Act measures.

Disability Insurance and Supplemental Security Income PART Measures	Target Met?	See page for detailed discussion
Average processing time for initial disability claims	↑	71
Average processing time for hearings	↑	72
Disability Determination Service (DDS) net accuracy rate (allowances and denials combined)	↔	74
Number of DI and SSI beneficiaries, with tickets assigned, who work (over CY 2003 baseline of 14,052)	↑	77
Percent of SSI payments free of preventable overpayments	↔	87
Percent of SSI payments free of preventable underpayments	↔	87
Disability Determination Services (DDS) cases processed per workyear (PPWY)	↓	96
Number of SSA hearings cases processed per workyear (PPWY)	↔	97
Percent of Supplemental Security Income (SSI) Aged claims processed by the time the first payment is due or within 14 days of the effective filing date	↑	106
(Note: Not a performance measure for the APP)		

The following describes the non-GPRA PART performance measure:

PART Measure – Percent of Supplemental Security Income (SSI) Aged Claims Processed by the Time the First Payment is Due or within 14 Days of the Effective Filing Date

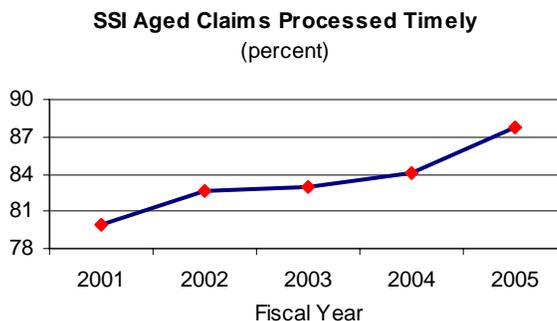
FY 2005 Goal: 75%

FY 2005 Performance: 88%*

SSA met its goal. The goal was increased from 70 percent to 75 percent for FY 2005 because SSA has demonstrated increased performance over the past few years. SSI payments are made to qualified individuals who have limited income and financial assets. The Agency has provided and will continue to provide sufficient resources through this program to ensure that the needs of this segment of the population are met and that the claims are processed as expeditiously as possible. SSA's performance reflects a national commitment to make timely and accurate payments to SSI Aged recipients.

Trend:

<u>Fiscal Year</u>	<u>Performance</u>	<u>Goal Met?</u>
2001:	80%*	n/a
2002:	83%*	n/a
2003:	83%*	↑
2004:	84%*	↑
2005:	88%*	↑



* The actual number is rounded to the nearest whole number using the standard rounding convention of rounding up numbers that are .5 or higher and rounding down those .4 or less.

Data Definition: This rate reflects the number of SSI Aged applications completed through the SSA operational system (i.e., award or denial notices are triggered) before the first regular continuing payment is due or not more than 14 days from the effective filing date, if later, divided by the total number of SSI Aged applications processed. The first regular continuing payment due date is based on the first day of the month that all eligibility factors are met and payment is due. This definition came into effect beginning FY 2001.

Data Source: The SSI Operational Data Store System.

Program Evaluation

SSA continues to build on its body of program data, research and analyses to identify strengths and weaknesses in its programs and processes, which are used in allocating Agency resources and rendering management decisions. The Agency uses this information to develop strategies that address the major challenges it faces and to improve the day-to-day administration of its programs. SSA evaluates the potential effects of proposals for change and the actual effects of change after implementation.

The annual Agency coordinated evaluation plan cuts across SSA's strategic goals, objectives and business processes. It helps the Agency ensure that there are no duplications, or gaps in its evaluation program. Many of SSA's evaluations are completed on an annual basis, while others are one-time efforts. The purpose of this section is to highlight some of the internal major program evaluations and how the results of these evaluations were used to assist management in decision-making.

The OMB's PART was developed to assess and improve program performance so that the Federal government can achieve better results. SSA's DI and SSI programs have been evaluated using the PART. However, in agreement with OMB, in FY 2005, no additional SSA programs were subject to the PART assessment.

Following are brief summaries of selected evaluations completed during FY 2005, arrayed by the strategic goals in SSA's *Strategic Plan*. Copies of the complete results can be obtained by writing to:

Social Security Administration
Office of Strategic Management
4215 West High Rise
6401 Security Boulevard
Baltimore, MD 21235

Strategic Goal 1: SERVICE

To deliver high quality, citizen-centered SERVICE

Enumeration at Entry

In October 2002, SSA implemented a process whereby the Department of State (State) and the DHS would provide SSA with information collected as part of the immigration process to enable the automatic assignment of SSNs and issuance of Social Security cards to lawfully admitted aliens. SSA calls this process Enumeration at Entry.

In FYs 2004 – 2005, SSA conducted a study to evaluate the Enumeration at Entry process. Key findings from the study were that 12.8 percent of Enumeration at Entry-issued SSNs resulted in the same individual being assigned two different SSNs. This was because the immigrant filed the Form-SS-5 for a SSN either previous to, or subsequent to, the processing of the Enumeration at Entry transaction, and the information provided to SSA from the Enumeration at Entry process was different than the SSN application. SSA was informed of and cross-referred one-third of the Enumeration at Entry-related multiple SSNs. Ultimately 8.5 percent of the Enumeration at Entry-issued SSNs resulted in multiple SSNs that were not cross-referred on SSA's records. These are considered "critical errors" in SSA's enumeration process. In comparison, only 2.6 percent of all original SSNs assigned to aliens through the regular (i.e., SS-5) enumeration process resulted in multiple SSNs that were not cross-referred. The reasons discovered for this significant incidence of multiple SSNs in Enumeration at Entry cases included:

- The Enumeration at Entry process is prone to multiple SSN applications being filed at the Foreign Service post and at the field office on arrival in the United States.
- Immigrants who indicated on their State's Application for Immigrant Visa and Alien Registration declined a SSN but one was still issued; or they were previously assigned a SSN during an earlier period of United State's residency and requested another SSN through Enumeration at Entry.
- Limitations in the ability of SSA's automated enumeration verification matching routines to distinguish multiple requests for a SSN by the same person.
- Data entry errors regarding compound surnames and dates of birth at the Foreign Service Post that are not corrected at subsequent points in the immigration process.
- Enumeration procedures are not always being followed by SSA employees.

As a result of this evaluation, SSA management was provided with specific information that led to the decision to place on hold the further expansion of the Enumeration at Entry process to additional categories of immigrants until necessary corrective actions are taken by State, the DHS and SSA. The findings from this evaluation have been communicated.

Enumeration Review

The Office of Quality Assurance and Performance Assessment conducts an Enumeration Process Quality Review to measure the quality of SSN issuances. Data from this review are used to determine whether the Agency's meets the annual performance goal for issuing SSNs that are free of critical error. The FY 2004 performance goal for this objective was 99.8 percent. However, the goal was established based on the definition of critical error that had been previously in effect through FY 2003; i.e., a misassigned SSN that is either an assignment of an SSN that belongs to someone else or a multiple SSN that is not cross-referred on the existing records. Effective with the Enumeration Process Quality Review for FY 2004, the definition of critical error was brought into alignment with the policy requiring collateral verification of evidentiary documents with the issuing Agency and expanded to include verification that the sampled individual was entitled to receive the SSN based on supporting documentation (i.e., U.S. Citizenship and Immigration Service documents for aliens and birth certificates for U.S. born applicants age 1 or over). The FY 2004 accuracy rate under the newly aligned definition was 99.0 percent. The difference between the observed rate and the Agency goal is considered statistically significant. However, had the previous definition of SSN accuracy that did not include the requirement for collateral verification of evidentiary documents still been in place, the accuracy rate would have been 99.7 percent, which is not statistically different from the Agency goal. The decrease in the current accuracy rate is due almost entirely to the change in the definition of critical error.

800 Number Expanded Hours Survey

The survey was conducted with callers who contacted SSA's 800 number during late-night and weekend hours, with live service being offered as part of a pilot that began in FY 2002 and will continue through FY 2006. Service with expanded hours was not advertised to the public, except in 3 states where the 800 number automated message was modified to mention the expanded hours. The purpose of the study was to determine the reasons for after-hours calls, caller expectations for expanded hours, and caller satisfaction with the service to aid in Agency planning.

The primary reason for calling during expanded hours was the immediacy of the need for help, e.g., a benefit-affecting change had occurred. Over 40 percent of those surveyed said they had expected to be able to speak with a live representative; and more than half said that in the future, they would prefer to call during expanded hours. Callers were very positive about the service they received with ninety percent giving it a rating of excellent/very good/good.

Service Satisfaction Surveys

The Office of Quality Assurance and Performance Assessment conducts annual satisfaction surveys of 800 number callers, field office callers and visitors, including both field and hearings office visitors, to support results for the Agency's overall service satisfaction performance measure. Results of the separate surveys are combined to produce a single measure. Individually, the survey results provide a gauge of public satisfaction with SSA's major service delivery channels, including satisfaction with aspects of service such as access and staff courtesy. The FY 2005 combined overall satisfaction rate of 85 percent (rounded from 84.8 percent) was consistent with the previous two years' performance (FY 2004 – 84.2 percent; FY 2003 – 84.9 percent) and sustained the statistically significant improvement that occurred when satisfaction rose in FY 2003 from the FY 2002 rate of 83 percent. Although the combined rating of access for these service delivery channels declined slightly in FY 2005 from 76 percent to 74 percent excellent/very good/good, the high quality service provided by SSA employees, as evidenced by the very favorable ratings they receive for their courtesy, helpfulness, job knowledge and the clarity of their explanations, continues to be a key factor in the overall public perception of the Agency's service. Courtesy in particular received a very high rating of 93 percent excellent/very good/good.

Strategic Goal 2: STEWARDSHIP

To ensure superior STEWARDSHIP of Social Security programs and resources

Retirement, Survivors, Disability Insurance Stewardship Review

The Title II RSI and DI review is based on an annual review of about 1,000 RSI cases and 500 DI cases. The beneficiary or representative payee is interviewed, collateral contacts are made as needed, and all non-medical factors of eligibility are redeveloped. Accuracy rates (percent of dollars paid that are free of O/Ps and the percent of dollars paid that are free of U/Ps) are reported for an overall retirement, survivors, and DI rating, as well as separate accuracy rates for RSI, and DI cases. Stewardship review findings provide the basis for reports to Congress and other monitoring authorities.

In FY 2004, the Title II O/P accuracy rate was 99.5% and the U/P accuracy rate was 99.8%. This is slightly down from the FY 2003 rates of 99.8% for O/Ps and 99.9% for U/Ps (however, this change is not statistically significant).

Because of the small sample size, retirement, survivors and DI error data are viewed over a period of years to aid in identifying trends. The Retirement, Survivors and DI Stewardship data have been used to assist management decision-making regarding the:

- Application of Workers' Compensation offset provisions to ensure that benefit amounts are correctly calculated based on receipt or termination of workers' compensation benefits;
- Resolution of earnings record discrepancies through the implementation of the Earnings Alert Project, which will automate the earnings review for Internet claims and extend the automation of review criteria to all initial claims; and
- Identification of substantial gainful work activity through the implementation of a new tool – e-Work. e-Work is an automated tool for monitoring the CDR workload to ensure these cases are prioritized for timely processing. e-Work allows SSA staff to process and record work activity in a single national web-based database; and it is synchronized with SSA's national database of work and earnings determinations.

Supplemental Security Income Payment Accuracy Stewardship Review

The SSI payment accuracy (Stewardship) review is based on a random, non-medical review of approximately 4,000 SSI cases. The review involves an examination of documents in SSA's records and verification of payment accuracy through contact with recipients, their representatives, and collateral sources such as employers and financial institutions. Information in the stewardship report is used by the Agency in reporting to Congress and other monitoring authorities on the accuracy of SSI payments.

Reductions in resources available for conducting SSI non-disability redeterminations and limited issue cases (reassessments of eligibility factors) had a significant effect on the Agency's ability to improve or even maintain its payment accuracy rate. One of the most significant elements affecting payment accuracy is the volume and mix of these workloads. The FY 2004 volume of field office redeterminations represented a decrease of about 5 percent from FY 2003 and the volume of limited issue cases represented a decrease of nearly 50 percent from FY 2003.

The FY 2004 SSI O/P accuracy rate was 93.6 percent and the U/P accuracy rate was 98.7 percent. This is slightly lower than, but not statistically significant from, the FY 2003 O/P and U/P accuracy rates of 93.9 percent and 98.8 percent, respectively.

Annual Report of the Supplemental Security Income Program

The 2005 report, published by SSA's Office of the Chief Actuary, provides a 25-year forecast spanning the years 2004 to 2029. Significant projections are:

- By 2029, the end of the 25-year projection period, the Federal SSI recipient population is estimated to reach 8.7 million. The projected growth in the SSI program over the 25-year period is largely due to the overall growth in the U.S. population. The rate of participation is projected to vary somewhat by age group, with the overall participation of the 65 or older age groups projected to decline and the participation of the under 65 age groups projected to increase slightly.
- Expressed as a percentage of the total U.S. population, the number of Federal SSI recipients remained essentially level at 2.2 percent in 2004, and is projected to increase gradually to 2.4 percent of the population by 2029.
- Federal expenditures for SSI payments in CY 2005 are estimated to increase by \$2.2 billion to \$36.4 billion, an increase of 6.4 percent from 2004 levels.
- In constant 2005 dollars, Federal expenditures for SSI payments are projected to increase to \$45.8 billion in 2029, a real increase of 1.1 percent per year.
- When compared to the Gross Domestic Product (GDP), Federal SSI expenditures are projected to decline over time, from the current level of 0.29 percent of GDP in 2004 to 0.24 percent of GDP by 2029.

The Chief Actuary uses these projections to provide Congress and other interested parties information on the future of the SSI Program.

Strategic Goal 3: SOLVENCY

To achieve sustainable SOLVENCY and ensure Social Security programs meet the needs of current and future generations

Annual Report of the Board of Trustees of the Federal Old-Age and Survivors Insurance, and Disability Insurance (OASDI) Trust Funds

The OASDI program provides protection against the loss of earnings due to retirement, death, or disability. The OASDI program consists of two separate parts, OASI and DI, which pay monthly benefits to workers and their families. The Social Security Act requires that the Board of Trustees report annually to Congress on the financial and actuarial statistics of the OASI and DI Trust Funds. Congress then uses its legislative authority to adjust benefit amounts to the trust funds, and/or entitlement factors.

Strategic Goal 4: STAFF

Strategically manage and align STAFF to support SSA's mission

Retirement Wave Report

The Retirement Wave report was established to assist Agency leaders in assessing workforce needs and to foster workforce planning by providing objective information to support our human capital initiatives. This report provides each SSA component and region a snapshot of their current workforce and a projection of probable retirement losses. Because it is an early alert for our leaders and managers, they have a tool that guides them in establishing new initiatives that will be successful in addressing leadership and knowledge management

deficiencies. One example of an emerging initiative is a competency-based management training and development program which could also serve to offset the effects of the retirement wave.

To address our future workforce challenges, several initiatives were born from the retirement wave analysis. Some of these initiatives are the:

- Strategic use of the Voluntary Early Retirement Authority to accelerate retirements and, in turn, adequately address succession planning and knowledge management needs;
- Development and maintenance of the “Future Workforce Transition Plan”;
- Revitalized recruitment and retention program;
- Development of a Human Capital Plan; and
- Development of multiple Agency-wide leadership development programs.

As a result of the Agency’s effective, efficient and strategic management of human capital, we have seen some evidence of success in flattening the retirement wave and have created solid mechanisms for leadership succession and knowledge management to maintain efficient operations and mission accomplishment.

Competency Assessment Process Report

Several years ago, SSA realized that concentrated recruitment efforts are a critical aspect to successfully filling vacancies for the Agency’s highly skilled and diverse workforce. Also, because retaining a high-performing workforce will be more critical than ever before, it is equally imperative that the Agency recruit employees who possess skills compatible with the nature of the work that needs to be accomplished.

The Agency determined that successful hiring into the Claims Representative position was especially critical because the majority of employees hired into the Agency’s direct service positions are hired as Claims Representatives. Therefore, in an effort to develop a mechanism that aided the Agency in selecting Claims Representatives with the requisite skills for successful performance, SSA initiated the Competency Assessment Process project. This competency-based interview tool was piloted in the Atlanta, Chicago, and San Francisco Regions for use by field office management in hiring external applicants for the Claims Representative position. The objective of the pilot was to determine whether this competency-based tool enables managers to assess applicants objectively and to select candidates likely to become high performers.

Use of the Competency Assessment Process benefited interviewers in that it:

- Provided a standard process, eliminated the need for individual interviewers to analyze and select the interview questions and assessment criteria to use for a standard position;
- Ensured consistency in the treatment of applicants;
- Focused on past behaviors in the context of the workplace, which could increase the likelihood of a good selection;
- Supported objective decision-making in the event of a employee initiated complaint or appeal; and
- Resulted in successful hires for the Agency.