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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**CASE PROCESSING AND  
MANAGEMENT SYSTEM  
AND WORKLOAD MANAGEMENT**

June 2006

A-12-06-26012

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**AUDIT REPORT**

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# SOCIAL SECURITY

## MEMORANDUM

Date: June 15, 2006

Refer To:

To: The Commissioner

From: Inspector General

Subject: Case Processing and Management System and Workload Management  
(A-12-06-26012)

## OBJECTIVE

Our objective was to assess the ability of the Case Processing and Management System (CPMS) to improve workload management at hearing offices within the Office of Disability Adjudication and Review (ODAR).<sup>1</sup>

## BACKGROUND

CPMS was designed to (1) control and process hearing claims and (2) produce management information. This system is one of the components of the Social Security Administration's (SSA) electronic disability (eDib) initiative. eDib is a major SSA long-term initiative (see Appendix B). The goals of eDib are to expand the use of the Internet for completing disability-related forms, to automate the disability claims intake process, to provide electronic access to disability-related information and ultimately to produce a paperless disability process. SSA's eDib is expected to move all components involved in disability claims adjudication and review to an electronic business process through the use of an electronic disability folder. These components include the field offices (FO), regional offices (RO), program service centers, State disability determination services (DDS), and hearing offices. When eDib is fully implemented, these components will process claims by electronically accessing and retrieving information that is collected, produced and stored as part of the electronic disability folder. Through the implementation of eDib, the official claims folder is evolving from paper to partially electronic to fully electronic, expected by January 2007.<sup>2</sup>

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<sup>1</sup> On April 3, 2006, the Commissioner announced the establishment of ODAR. The Office of Hearings and Appeals moved from the Office of Disability and Income Security Programs to form the nucleus of this new organization.

<sup>2</sup> During our review, we visited the Tupelo, Mississippi Hearing Office to observe the electronic processing of some disability claims. None of the other hearing offices we visited during our review conducted electronic processing of claims.

## **PRIOR AUDIT WORK**

In a May 2001 SSA Office of the Inspector General (OIG) report,<sup>3</sup> we found that the Hearing Office Tracking System (HOTS), the predecessor to CPMS, had inaccurate data and lacked consistent management controls over data inputs. We recommended ODAR establish consistent quality assurance reviews of the data in HOTS. CPMS was established, in part, to improve data reliability and management controls. CPMS implementation began in hearing office pilot sites in December 2003 and by August 2004, it was operational in all 140 hearing offices.<sup>4</sup>

## **SCOPE AND METHODOLOGY**

Our goals of this review were to test (1) the accuracy of four key CPMS management reports and (2) assess the role of CPMS in terms of performance and employee experiences when using the system. We visited hearing offices<sup>5</sup> and ROs where we interviewed administrative law judges (ALJ), managers and staff.<sup>6</sup> See Appendix C for additional information on our scope and methodology and Appendix D for office selection.

## **RESULTS OF REVIEW**

The CPMS management reports we tested were accurate, though ODAR managers did not always use the CPMS reports in their workload management. For instance, we found that claims were not being processed timely because the hearing offices were waiting extended periods of time for the claim folder to be sent from the FOs. Although the CPMS management reports noted the delays, hearing office managers were not taking action on these claims. Hearing office employees told us they received adequate CPMS training, and we observed that they were skilled at using CPMS to manage their workloads. However, we found that hearing office staff need training in using the appropriate codes for tracking potentially violent claimants. Moreover, CPMS does not have an electronic indicator on the scheduling sheet that would allow hearing office employees to readily identify potentially violent claimants prior to their hearing. Finally, SCTs told us they need additional training in extracting pertinent claim information from SSA's systems related to incoming claims.

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<sup>3</sup> SSA OIG, *Performance Measure Review: Reliability of the Data Used to Measure the Hearing Process* (A-02-98-91003), May 2001. See Appendix F for related OIG reports.

<sup>4</sup> See Appendix B for background on the development and implementation of CPMS.

<sup>5</sup> Manchester, New Hampshire (NH); Los Angeles (downtown), California (CA); Seattle, Washington (WA); Tupelo, Mississippi (MS); Queens, New York, (NY); and Morgantown, West Virginia (WV).

<sup>6</sup> We interviewed case intake specialists (CIS), case technicians, senior case technicians (SCT), lead case technicians (LCT), hearing office system administrators, group supervisors (GS), hearing office directors (HOD), ALJs, and hearing office chief administrative law judges (HOCALJ).

## CPMS MANAGEMENT REPORTS

We reviewed four key CPMS management reports and determined that each accurately listed the location and status of claims in the hearing offices (see Table 1).<sup>7</sup> Since this was our initial audit of CPMS, we decided to focus our accuracy tests on key management information reports that hearing office managers use regularly to examine the overall workload, such as the age and current status of the workload. Below is a summary of what is contained in each of these key CPMS management reports:<sup>8</sup>

- Workload Summary by Status report: The *Workload Summary by Status* report provides a snapshot view of the status of all claims in the hearing office (see Appendix E for a flow diagram of the hearing process and an explanation of the main types of status that are used for tracking claims as they flow through the hearing process). For our review, we examined claims in Mail/Closed status.
- Pending Claims report: The *Pending Claims* report identifies all pending claims in the hearing office. For our review, we examined claims that were logged into CPMS, but had not yet been assigned to a hearing office clerk for processing.
- Workload Detail by Age report: The *Workload Detail by Age* report allows hearing office managers to view claims by specified dates. For our review, we focused on claims that were greater than or equal to 442 days old.<sup>9</sup>
- No Status Change report: The *No Status Change* report allows managers to identify claims that are held in a particular hearing status beyond a benchmarked time. For our review, we examined claims that were 10 days past the benchmark among all the types of status.

To test the accuracy of the four CPMS management reports, we (a) requested ODAR generate CPMS management reports a few days prior to our arrival in each of the hearing offices; (b) generated a random sample of 50 claims from each of the CPMS management reports; (c) correlated the random numbers to the numbered computerized inventory; (d) tracked the 50 selected sample items from CPMS to the claim folder's actual physical location and processing status; and (e) cross-checked the claim folder against the CPMS inventory for that day to determine its existence on the day of our sample.

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<sup>7</sup> See Appendix D for a detailed discussion of our hearing office selection methodology and see Appendix E for an illustration of the status placed on a claim as it progresses through ODAR's hearing process.

<sup>8</sup> ODAR management refers to these management reports as "Big Picture" reports.

<sup>9</sup> In its *Revised Final Fiscal Year (FY) 2006 Annual Performance Plan*, SSA increased the time of the average processing time goal for SSA hearings from 442 days to 467.

**Table 1: CPMS Management Report Test Results (July to November 2005)**

CPMS Management Report Tested	Number of Claims in the Population	Number of Claims Sampled	Number of Claims that Met Measurement Characteristic	Percent of Claims Found
<i>Workload Summary by Status</i> report <sup>1</sup> (claims in Mail/Closed status)	1,435	300	300	100%
<i>Pending Claims</i> report <sup>2</sup> (claims in unworked status)	14,957	300	299	99.67%
<i>Workload Detail by Age</i> report <sup>2</sup> (claims greater than or equal to 442 days)	10,641	300	300	100%
<i>No Status Change</i> report <sup>3</sup> (claims more than 10 days past the benchmark in all types of status)	3,577	300	300	100%

Notes: 1. We planned to review 50 claims in Mail status at each of the six hearing offices. For those hearing offices that did not have 50 claims in Mail status, we supplemented our sample with closed cases found in a CPMS Disposition report.  
 2. We randomly selected a sample of 300 claims (50 from each hearing office at 6 hearing offices) from the *Pending Claims* and *Workload Detail by Age* reports.  
 3. We selected a sample of 300 claims (50 from each hearing office at 6 hearing offices) from the *No Status Change* reports.

### Workload Summary by Status Report

We found that the *Workload Summary by Status* report accurately listed the location and status for the 300 claims that we reviewed. The hearing offices located all of the claim folders and the status of the claim was coded correctly in CPMS. Hearing office managers<sup>10</sup> use the *Workload Summary by Status* report to:

- determine how monthly disposition<sup>11</sup> goals could be accomplished;
- analyze each status and the pending per ALJ to determine any imbalances;
- determine the need to shift staff focus based on workload imbalances; and
- determine claims that could be closed by the end of the day.

By examining the number of claims in each status, hearing office managers can measure how close the hearing office is to meeting its monthly disposition goal.<sup>12</sup>

<sup>10</sup> The HOCALJ, HOD, and GS are considered the managers in a hearing office.

<sup>11</sup> Dispositions are defined as the number of hearing requests processed, including favorable and unfavorable decisions issued, as well as requests that are dismissed.

<sup>12</sup> For a discussion of ODAR’s hearing office performance goals, see our March 2005 report, *The Effects of Staffing on Hearing Office Performance* (A-12-04-14098).

Under its Strategic Goal for Service, SSA designated the number of SSA hearings processed (dispositions) as one of its Key Performance Indicators (KPI).<sup>13</sup>

We also reviewed whether the ALJ's final decision in CPMS matched the ALJ's final decision in the paper folder.<sup>14</sup> We chose the *Workload Summary by Status* report and focused on claims in MAIL<sup>15</sup> status. We selected 50 final ALJ decisions to review at each of the hearing offices we visited. We initially planned to test 50 claims in MAIL status. However, during our first hearing office visit, we realized that there were not enough claims in MAIL status to get our sample size to 50. Instead, we supplemented our sample using closed ALJ claims from the CPMS Disposition report from each of the hearing offices that we visited. The CPMS Disposition report contains a record of the closed claims in each hearing office. We obtained the paper folder for all 300 final ALJ decisions, and compared those 300 final ALJ decisions to the decisions recorded in CPMS. All 300 final ALJ decisions recorded in CPMS matched the final ALJ decisions found in the paper folder.

### **Pending Claims Report**

We found that the *Pending Claims* report accurately listed the location and status for 299 of 300 claims we reviewed. The hearing offices located 299 claim folders and the status of each claim was coded correctly in CPMS. One claim folder could not be found and the FO had to reconstruct the claim. Pending claims are defined as any claim in a hearing office that has not been closed, regardless of the stage of processing. Under its Strategic Goal for Service, SSA designated the number of SSA hearings pending as one of its KPIs.<sup>16</sup>

The number of pending claims in ODAR's hearing offices increased from 392,387 in FY 2001 to 708,164 claims in FY 2005—an 80 percent increase. SSA's overall level of service to the public is heavily affected by the number of claimants awaiting hearing decisions. When a claimant has already waited for the initial decision, waiting even longer for a decision at the hearing level often increases the claimant's economic burden.

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<sup>13</sup> See SSA's *Performance and Accountability Report for FY 2005*, pages 16 and 17.

<sup>14</sup> Prior to the implementation of CPMS, hearing offices used HOTS to process and track case workloads. Due to weaknesses related to internal controls governing ALJ's decisions, ODAR implemented the Automated Verification Input Database (AVID) in August 2000 to improve the internal controls over ALJ decisions. AVID requires all ALJs to personally input a validation of their decision before the claim can be closed in the hearings process. By August 2004, CPMS replaced HOTS in all ODAR hearing offices, and AVID was incorporated as an integral part of CPMS. See ODAR's AVID guidelines for ALJs in its Hearings, Appeals and Litigation Law (HALLEX) manual - Program Operations Manual System, section DI 80550.110: *ALJ Automated Verification Input Database (AVID) Process*.

<sup>15</sup> MAIL status indicates that the claim was signed by the ALJ and is ready for release.

<sup>16</sup> See SSA's *Performance and Accountability Report for FY 2005*, pages 16 and 17.



## Workload Detail by Age Report

We found that the *Workload Detail by Age* report accurately listed the location and status for the 300 claims we reviewed. The hearing office located all the claim folders and the status of each claim was coded correctly in CPMS. SSA has designated average processing time for hearings as a KPI under its Strategic Goal for Service. Average processing time for hearings has increased from 316 days in FY 1999 to 415 days in FY 2005.

Prior to our arrival in each of the six hearing offices, we asked ODAR to provide a *Workload Detail by Age* report. Table 2 is a summary of the data found in the *Workload Detail by Age* reports for five of the six hearing offices we visited. As Table 2 illustrates, over 35 percent of claims in the Seattle, Washington and Queens, New York Hearing Offices were over 442 days old.<sup>17</sup> Moreover, both hearing offices had more than 550 claims greater than 2 years old. All of the hearing offices had pending claims that were over 2 years old, and five of the hearing offices had at least one claim pending that was over 3 years old.

**Table 2: Workload Detail by Age Reports**

Hearing Office	Total Claims Pending	Number of Claims Greater than or Equal to 442 Days	Percent of Pending Greater than 442 Days	Number of Claims Greater than 2 Years Old	Oldest Claim
Manchester, NH	----- <sup>1</sup>	349	----	26	1,412 days
Los Angeles, CA	3,789	613	16%	20	1,338 days
Seattle, WA	11,112	4,084	37%	557	2,205 days
Tupelo, MS	3,572	896	25%	75	1,291 days
Queens, NY	5,273	1,895	36%	668	4,158 days <sup>2</sup>
Morgantown, WV	2,205	49	2%	3	866 days
<b>Totals</b>	<b>25,951</b>	<b>7,886</b>		<b>1,349</b>	

- Notes: 1. We performed our initial walk-through and tests of CPMS reports in the Manchester Hearing Office. We did not obtain the total number of pending claims in the Manchester Office, and could not create the total pending because of the ever changing nature of the workload. We modified our procedures to obtain this information for the rest of our visits.
2. The Request for Hearing date was June 10, 1994. Since the claim had two court remands, the claim was not in the possession of the hearing office the entire time. The latest disposition was issued on October 29, 2005 and it was an unfavorable decision.

## No Status Change Report

We found that the *No Status Change* report accurately listed the location and status for all 300 claims we reviewed. The hearing office located all of the claim folders and the status of each claim was coded correctly in CPMS. However, most of the hearing office managers at the hearing offices we visited were not using this report to identify and take

<sup>17</sup> Beginning in FY 2000, the average processing time indicator was redefined to represent the average elapsed time, from the hearing request date until the date of the notice of the decision, of all hearings level cases processed during all months of the FY.



action on claims that were staying in the Master Docket<sup>18</sup> (MDKT) status for extended periods of time. In addition, CISs were not following procedures for requesting the FO send the claim to the hearing office.

The CPMS *No Status Change* report provides a listing of claims that are not being processed in a timely and efficient manner. If a claim stays in any status past a benchmark time,<sup>19</sup> the claim will appear in the *No Status Change* report.

We sampled and reviewed claims in each status. During our review of claims in the MDKT status, we discovered that 230 claims were staying in this status, while the hearing offices waited for the claim folders (see Table 3). The claim cannot move into the next stage of processing until the hearing office receives the claim folder. In addition, 58 of those claims were in MDKT status over 100 days. One claim was held in MDKT status over 400 days, while the hearing office waited for the claim folder to be sent by the FO. When we asked why this claim was in MDKT status for over 400 days, the CIS immediately called the RO and asked for assistance. The RO called the FO and shortly after that, the claim folder was sent to the hearing office, and the claim was moved to the next stage of processing.

**Table 3: CPMS No Status Change Reports - Claims Held in Master Docket Status**

Hearing Office	Number of Claims in Master Docket Status Benchmark (30 days)	Number of Claims in Master Docket Status Over 100 days	Time a Claim was in Master Docket Status (Median)
Manchester, NH	12	7	123 days
Los Angeles, CA	37	11	44 days
Seattle, WA	105	21	64 days
Tupelo, MS	30	6	88 days
Queens, NY	32	5	39 days
Morgantown, WV	14	8	109 days
<b>Totals</b>	<b>230</b>	<b>58</b>	

The problem of waiting for claim folders was not isolated to waiting only for the paper claim folder to arrive. We also observed that some electronic claims in the Tupelo, Mississippi Hearing Office were not received timely. When the CIS in the Tupelo Hearing Office tried to open these electronic claims in CPMS, the relevant claimant information was not available on the screen.<sup>20</sup> Moreover, the Tupelo HOD was unsure

<sup>18</sup> Hearing offices maintain a Master Docket system which contains all Requests for Hearings and remanded claims. MDKT status is the initial step in the hearing process. Claims in MDKT status indicate that a request for hearing has been received in the hearing office, and the hearing office may or may not have the claims file.

<sup>19</sup> On March 10, 1999, ODAR’s Chief Administrative Law Judge implemented the use of timeframes (benchmarks) for the maximum length of time a claim should be allowed to remain in a processing status.

<sup>20</sup> A folder bar-code was all that appeared on the screen.

about which procedures to follow for requesting these electronic claim folders. The HOD gave the Jackson, Mississippi, DDS a listing of these electronic cases so they could be resolved.

When interviewing the CISs about which procedures they followed for untimely receipt of paper claim folders, we learned that the CISs were not following the Hearings, Appeals and Litigation Law (HALLEX) manual procedures<sup>21</sup> for requesting receipt of these claim folders. The HALLEX procedures call for the RO to be contacted within 20 days if the claim folder has not been received.

## **CPMS OPERATIONS**

ODAR employees told us they received sufficient CPMS training and we observed that hearing office employees were skilled at using CPMS to manage their workloads. Also, ODAR regional managers believed that having real-time access to CPMS management reports aided hearing office productivity. However, we found that hearing office staff were not aware of the appropriate codes for tracking potentially violent claimants. Moreover, CPMS does not have an indicator on the scheduling sheet that would allow hearing office employees to readily identify potentially violent claimants prior to their hearing. Finally, SCTs told us they need additional training in extracting pertinent claim information from SSA's systems related to incoming claims.

### **Employee's Use of CPMS**

While visiting hearing offices and ROs, we interviewed ALJs, managers and staff and found that:

- In response to our questions on CPMS training, the majority of the hearing office employees stated that they received sufficient training.
- Hearing office staff were skilled at using CPMS to track and manage their case assignments. We observed staff using CPMS to track and process the cases assigned to them and using management reports to track their own performance.
- RO managers told us that having real-time access to hearing office CPMS management reports has helped them identify workload problems immediately and discuss solutions with hearing office managers over the phone.

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<sup>21</sup> See HALLEX section I-2-1-10: *Claim Files*.

## Identifying Potentially Violent Claimants

Our review found that staff at some of the hearing offices were not using CPMS claim characteristic codes to track potentially violent claimants.<sup>22</sup> Some staff told us that they were not aware of the code, while other staff told us that they do not use the code. Because the code is not being used, the hearing offices were not able to generate reports on the potentially violent claimants<sup>23</sup> scheduled for hearings before an ALJ.

Two CPMS claim characteristic codes could be placed on a claim to indicate a claimant's potential for violence: (1) "CRITICAL – Potentially Homicidal;" and (2) "OTHER – Potentially Violent."

HOTS used a bold red banner on the report sheet for claims that required additional security. The banner was an easily recognizable tool in alerting the hearing office scheduler that additional security was needed at the hearing. If CPMS could generate a similar banner<sup>24</sup> that meets SSA's commitment of creating software that is Section 508 compliant for persons with disabilities, the scheduler could then generate a security alert for all hearing participants.<sup>25</sup>

## Training on Querying Claimant Records

We identified the querying of claimant records as another area where training would aid the effectiveness of the hearing process. One-third of the hearing office SCTs and LCTs we interviewed stated they need additional training in using the Personal Communications (PCOM) database to query claimant records. PCOM queries are used to obtain the claimant's original application for disability insurance benefits, identify prior filings, obtain the alleged onset date, and show the claimant's history of Supplemental Security Income. Hearing office SCTs and LCTs run queries in PCOM to extract the claimant history information when performing their claim development duties. Claim development duties involve organizing and marking exhibits to prepare the claim for a hearing before an ALJ. ALJs need this information to make an informed decision. Additional training could assist the hearing offices with more timely, as well as more complete, preparation for upcoming hearings.

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<sup>22</sup> See HALLEX I-2-1-37 *Claimant Threatens Violence*. Hearing office and RO personnel must be aware of the possibility of a claimant's potentially violent behavior, and be prepared to respond in a prompt and resourceful manner.

<sup>23</sup> SSA's OIG has conducted numerous audits examining safety and security in ODAR's hearing offices. In FY 2005, we issued 10 audit reports (1 report for each of SSA's 10 regions) that detailed our security concerns in hearing offices.

<sup>24</sup> ODAR is working with SSA's Office of Systems to implement a security alert that is Section 508 compliant for persons with disabilities.

<sup>25</sup> Besides the claimant, other persons attending hearings would include the ALJ, the contract hearing reporter, and, if needed, the claimant representative, medical expert, vocational expert and interpreter.

## CONCLUSION AND RECOMMENDATIONS

We found the CPMS management reports to be accurate, but hearing office managers need to use these reports as a tool for improving productivity and ensuring appropriate action on stagnant claims. Hearing office employees were skilled at using CPMS to track and manage their workloads, however, improvements could be made in the areas of (1) requesting receipt of claim folders from the FOs, (2) highlighting claims that might require additional security, and (3) querying claimant records with PCOM.

To improve overall productivity and ensure appropriate security warnings at the hearing offices, we recommend SSA:

1. Remind hearing office managers about the value of using the CPMS *No Status Change* report to identify and take action on stagnant claims;
2. Educate hearing office employees on the HALLEX procedures for untimely receipt of the claim folder, using the proper claim characteristic for potentially violent claimants, and PCOM queries; and
3. Create a Section 508 compliant electronic indicator to identify potentially violent claimants.

## AGENCY COMMENTS

SSA agreed with our recommendations. The Agency's comments are included in Appendix G.



Patrick P. O'Carroll, Jr.

# Appendices

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APPENDIX A – Acronyms

APPENDIX B – Background on Planning and Implementation of the Case Processing and Management System

APPENDIX C – Scope and Methodology

APPENDIX D – Hearing Office Selection Criteria

APPENDIX E – Hearing Office Process Flow Diagram

APPENDIX F – Related Social Security Administration Office of the Inspector General Reports

APPENDIX G – Agency Comments

APPENDIX H – OIG Contacts and Staff Acknowledgments

### Acronyms

AC	Associate Commissioner
ALJ	Administrative Law Judge
AVID	Automated Verification Input Database
CIS	Case Intake Specialist
CPMS	Case Processing and Management System
DDS	Disability Determination Services
eDib	Electronic Disability
FO	Field Office
FY	Fiscal Year
GAO	Government Accountability Office
GS	Group Supervisor
HALLEX	Hearings, Appeals and Litigation Law
HOCALJ	Hearing Office Chief Administrative Law Judge
HOD	Hearing Office Director
HOTS	Hearing Office Tracking System
IVT	Interactive Video Training
KPI	Key Performance Indicator
LCT	Lead Case Technician
MDKT	Master Docket
ODAR	Office of Disability Adjudication and Review
ODSSIS	Office of Disability and Supplemental Security Income Systems
OIG	Office of the Inspector General
PCOM	Personal Communications
RAD/JAD	Rapid Applications Development/Joint Application Design
RO	Regional Office
SCT	Senior Case Technician
SSA	Social Security Administration

# Background on Planning and Implementation of the Case Processing and Management System

In May 2002, the Commissioner of Social Security announced the Social Security Administration's (SSA) plan to implement the electronic disability (eDib) initiative. In March 2003, the Associate Commissioner (AC) of the Office of Disability Adjudication and Review (ODAR)<sup>1</sup> issued the first in a series of memorandums to inform ODAR employees about the eDib initiative. The AC stated that eDib will eventually replace the paper disability claims folder with an electronic record containing all information required to process disability claims. He also provided information on the hearing office Case Processing and Management System (CPMS), which replaced the Hearing Office Tracking System (HOTS). CPMS was tested and designed to control and process claims and produce management reports (see Figure B-1 for a timeline illustrating the development and implementation of CPMS).

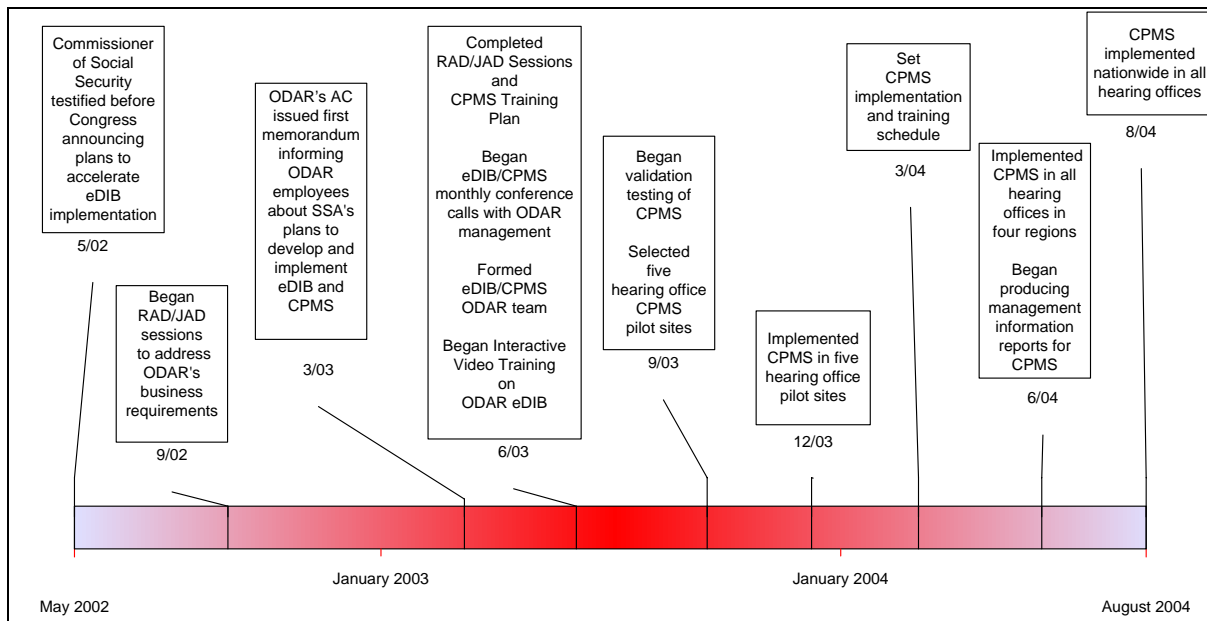
In the development of CPMS, SSA's Office of Systems and ODAR conducted Rapid Applications Development/Joint Application Design (RAD/JAD) sessions. During the RAD/JAD sessions, ODAR's business requirements were addressed. ODAR's systems requirements were identified from ODAR field and headquarter employees. The requirements-gathering process was completed in June 2003.

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<sup>1</sup> On April 3, 2006, the Commissioner announced the establishment of ODAR. The Office of Hearings and Appeals moved from the Office of Disability and Income Security Programs to form the nucleus of this new organization.



**Figure B-1: Timeline Illustrating the Development and Implementation of CPMS**



ODAR and the Office of Disability and Supplemental Security Income Systems (ODSSIS) worked collaboratively in developing CPMS. The team members worked at defining the detailed functional requirements needed for ODSSIS to write the program code for the CPMS system. ODAR's CPMS team included participants from ODAR headquarters and hearing offices throughout the country.

In June 2003, the CPMS Training Plan was completed, the first ODAR eDib Interactive Video Training aired and the eDib/CPMS team was introduced to all ODAR employees. The team consisted of employees from ODAR's Office of Management and ODAR field employees detailed from hearing offices and regional offices. Also at this time, the first bimonthly eDib/CPMS conference call with ODAR management was conducted.

Twenty ODAR employees, made up of a mix of hearing office employees in all job categories, came from all over the country to SSA headquarters to perform CPMS validation<sup>2</sup> in September 2003.

In preparation for the implementation of CPMS, members of the Training and Implementation Team spent a week in November 2003 at each of the five hearing office pilot sites, training the staff on the use of CPMS. The training included classroom and

<sup>2</sup> Validation is the name for the procedure SSA uses to test any new business system from computer programs to intake forms.

hands-on training, which was geared towards the specific job duties of the individuals. In December 2003, CPMS was launched in the five pilot hearing offices.

- New York, New York (Region II)
- Baltimore, Maryland (Region III)
- Raleigh, North Carolina (Region IV)
- Evansville, Indiana (Region V)
- Sacramento, California (Region IX)

In March 2004, the CPMS training and implementation schedule was released (see Table B-1).

**Table B-1: CPMS Training and Implementation Schedule**

<b>Regions</b>	<b>Hearing Office Staff Training</b>	<b>CPMS Implementation</b>
5, 6	April 19 – 23, 2004	May 2004
4, 10	May 17 – 21, 2004	June 2004
1, 7 & 9	June 14 – 18, 2004	July 2004
2, 3 & 8	July 19 – 23, 2004	August 2004

Training in each hearing office was conducted 1 month prior to the CPMS implementation. One of the lessons learned from the CPMS hearing office pilots was the importance of having a subject matter expert in the hearing office when training was being conducted. Therefore, ODAR decided to have the subject matter expert remain in the hearing office while the training was conducted to answer any questions asked by the employees. In addition, ODAR prepared a “roadmap” for the hearing offices on how to get ready for CPMS. The CPMS website contained information on what each office needed to do 1 month prior to implementation, 2 weeks prior to implementation, 1 week prior to implementation, and on the day of conversion.

In May 2004, a Help Desk Telephone Line was established in ODAR headquarters to assist the hearing offices as they began using CPMS. In June 2004, the CPMS management report website was functional and staff in the Division of Information Technology Integration had developed a database for individual hearing office reports and reports currently not included in CPMS. By August 2004, CPMS was implemented nationwide.

### Scope and Methodology

- Reviewed Social Security Administration (SSA) Program Operations Manual System, and the Hearings, Appeals and Litigation Law manual on policies and procedures on the Office of Disability Adjudication and Review (ODAR) disability process, Government Accountability Office's (GAO) standards for internal controls, Office of Management and Budget Circular A-123, *Management's Responsibility for Internal Control*, and ODAR's Associate Commissioner's Memorandums on the progress of implementing the Case Processing and Management System (CPMS).
- Reviewed Office of the Inspector General reports, GAO testimonies and reports, testimony by SSA's Commissioner before the House Committee on Ways and Means, Subcommittee on Social Security and SSA's Performance and Accountability Reports.
- Interviewed ODAR executives and staff. We visited the Manchester, New Hampshire; Los Angeles (downtown), California; Seattle, Washington; Tupelo, Mississippi; Queens, New York; and Morgantown, West Virginia hearing offices where we interviewed a total of 49 hearing office employees including: case intake specialists, case technicians, senior case technicians, lead case technicians, hearing office system administrators, group supervisors, hearing office directors, administrative law judges (ALJ), and hearing office chief administrative law judges. We also visited the Boston Regional Office (RO), and Seattle RO where we interviewed regional chief administrative law judges, regional management officers, regional directors of operations and administration, regional system administrators and regional management analysts. We conducted telephone interviews with ALJs, managers and staff at the San Francisco RO, New York RO and Philadelphia RO.
- Reviewed SSA updates on its electronic disability initiative.
- Using ODAR's National Ranking Reports for the end of the second quarter of Fiscal Year 2005, created spreadsheets ranking small, medium and large hearing offices on dispositions per day per ALJ and average processing time (see Appendix D for a further discussion on our hearing office selection criteria).
- Tested the accuracy of four CPMS management reports by determining whether the computerized inventory accurately listed the location and status of the claim folders in the hearing office.

We did not independently audit the performance data found in SSA's Performance and Accountability Reports or ODAR's National Ranking Reports. With the exception of the reports reviewed in this audit, we did not test the accuracy of the information within CPMS. In addition, we did not test the completeness of the data in CPMS. The entity audited was ODAR. We conducted our audit from July 2005 through February 2006 in accordance with generally accepted government auditing standards.

## Hearing Office Selection Criteria

### HEARING OFFICE SELECTION CRITERIA

The Social Security Administration's (SSA) Office of Disability Adjudication and Review (ODAR) has 140 hearing offices throughout the United States and Puerto Rico. The hearing offices ranged in size with small offices (fewer than seven administrative law judges (ALJ)), medium hearing offices (seven or eight ALJs) and large hearing offices (more than eight ALJs). All of the hearing offices have the same core staff and perform the same function—to hold hearings and issue decisions as part of SSA's process for determining whether a person may receive benefits.

We selected six hearing offices based on a combination of factors. One factor was hearing office size (small, medium and large). Another factor was hearing office performance. We used two measures that ODAR deemed most important: (1) disposition rate (number of dispositions per day per ALJ) and (2) average processing time. We also took into consideration a wide geographic distribution to maximize national coverage. Finally, to the extent possible we selected hearing offices close to ODAR's Regional Offices (RO) where we also performed some field work.

### HEARING OFFICES SELECTED FOR THIS REVIEW

We selected one small and one medium hearing office in the top 20 percent of performance, for both disposition rate and average processing time, see Table D-1.

**Table D-1: Hearing Offices Selected in the Top 20 Percent of Performance<sup>a</sup>**

Hearing Office Name	Region	Hearing Office Size
Los Angeles, (downtown) California	9	Small
Morgantown, West Virginia	3	Medium

Notes: a. Performance level based on the number of dispositions per day per ALJ and average processing time at the end of the 2<sup>nd</sup> quarter of Fiscal Year (FY) 2005.

We selected one medium and one large hearing office in the bottom 20 percent of performance, see Table D-2.

**Table D-2: Hearing Offices Selected in the Bottom 20 Percent<sup>a</sup> of Performance**

Hearing Office Name	Region	Hearing Office Size
Queens, New York	2	Medium
Seattle, Washington	10	Large

Notes: a. Performance level based on the number of dispositions per day per ALJ and average processing time at the end of the 2<sup>nd</sup> quarter of FY 2005.

The other hearing offices selected for this review can be seen in Table D-3.

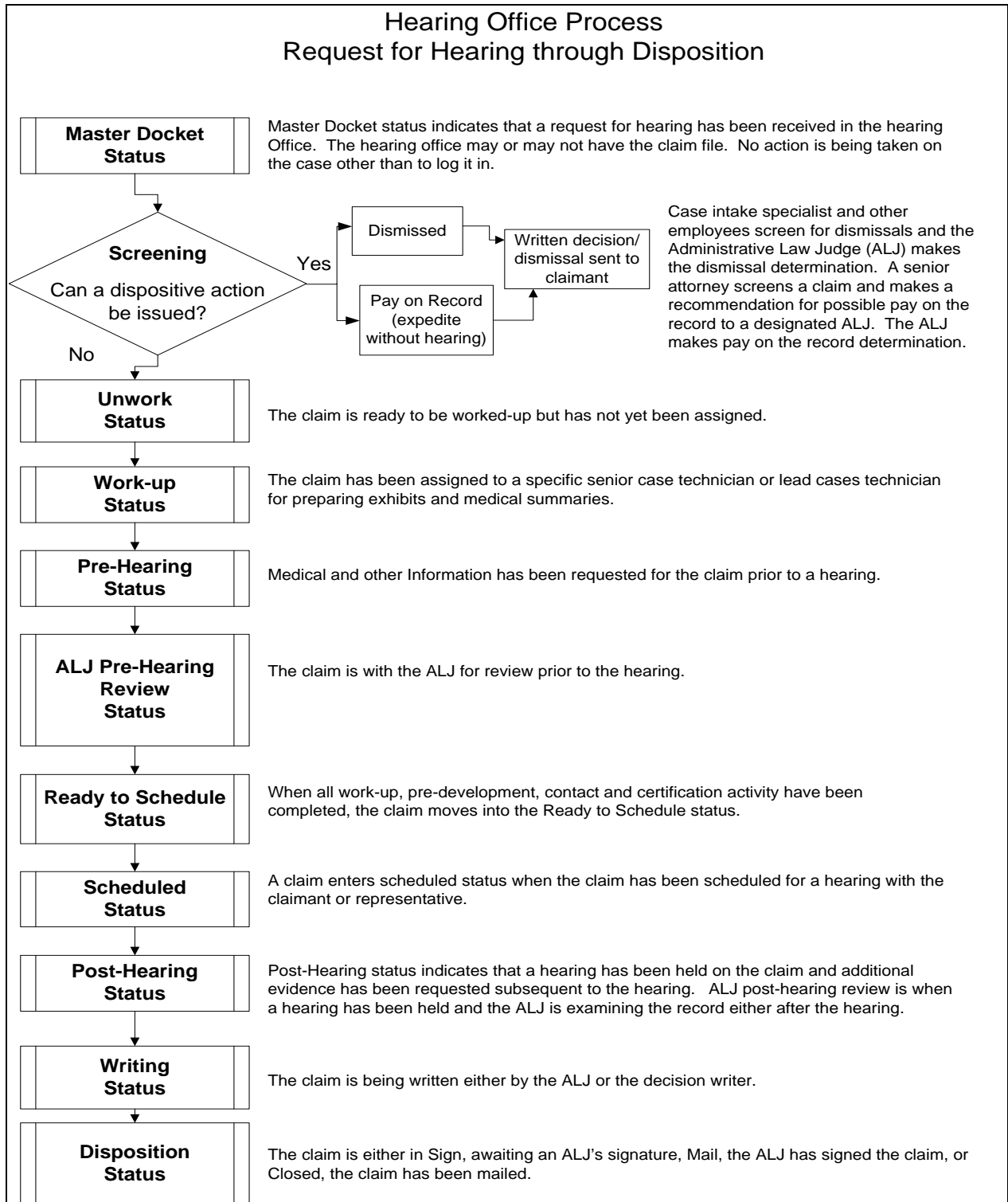
**Table D-3: Other Hearing Offices Selected**

Hearing Office Name	Region	Hearing Office Size
Tupelo, Mississippi <sup>a</sup>	4	Small
Manchester, New Hampshire <sup>b</sup>	1	Medium

Notes: a. ODAR invited us to visit this hearing office so that we could observe the operation of the Case Processing and Management System (CPMS) in a hearing office that is using the electronic folder.

b. ODAR invited us to visit this hearing office to conduct our initial walk-through. After finishing our walk-through of the Manchester Hearing Office, we visited the Boston RO and conducted interviews with the RO managers and staff.

# Hearing Office Process Flow Diagram





## Related Social Security Administration Office of the Inspector General Reports

<b>Common Identification Number</b>	<b>Report Title</b>	<b>Date Issued</b>
A-15-05-15113	Performance Indicator Audit: Hearings and Appeals Process	January 2006
A-12-04-14098	The Effects of Staffing on Hearing Office Performance	March 2005
A-12-05-35003	Access to Secured Areas in Region III Hearing Offices <sup>1</sup> (Limited Distribution)	February 2005
A-02-04-14072	Performance Indicator Audit: Processing Time	October 2004
A-02-03-13033	Summary of the Office of the Inspector General's Reviews of the Social Security Administration's Performance Data	September 2003
A-12-00-10057	Performance Measure Review: Reliability of the Data Used to Measure the Office of Hearings and Appeals Decisional Accuracy	April 2002
A-06-00-10026	Controls Over Administrative Law Judges' Decisions (Limited Distribution)	September 2000
A-06-97-71006	Office of Hearings and Appeals' Response to Fraud at the New Orleans Hearing Office (Limited Distribution)	March 1999

<sup>1</sup> The Social Security Administration's (SSA) Office of the Inspector General has conducted numerous audits examining safety and security in hearing offices. In Fiscal Year 2005, we issued 10 reports (1 report for each SSA region) that detailed our security concerns in hearing offices.

## Agency Comments



## SOCIAL SECURITY

### MEMORANDUM

**Date:** May 19, 2006 **Refer To:** S1J-3

**To:** Patrick P. O'Carroll, Jr.  
Inspector General

**From:** Larry W. Dye /s/  
Chief of Staff

**Subject:** Office of the Inspector General (OIG) Draft Report, "Case Processing And Management System And Workload Management" (A-12-06-26012) -- INFORMATION

We appreciate OIG's efforts in conducting this review. Our comments on the draft report content and recommendations are attached.

Let me know if we can be of further assistance. Staff inquiries may be directed to Candace Skurnik, Director, Audit Management and Liaison Staff on extension 54636.

Attachment:  
SSA Response

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, "CASE PROCESSING AND MANAGEMENT SYSTEM AND WORKLOAD MANAGEMENT" (A-12-06-26012) -- INFORMATION**

Thank you for the opportunity to review and comment on the draft report.

We are pleased that the draft audit report acknowledges that the Case Processing and Management System (CPMS) captures management information accurately and that no employee complaints regarding the system have been noted, as CPMS is one of the key components of SSA's eDib initiative.

We agree with the recommendations and have begun implementation. We agree that the proper use of the CPMS management reports would facilitate more efficient case processing.

Our specific responses to the report's recommendations follow.

**Recommendation 1**

Remind hearing office managers about the value of using the CPMS "No Status Change" report to identify and take action on stagnant claims.

Response:

We agree. The Office of Disability Adjudication and Review's (ODAR) Office of the Chief Administrative Law Judge (OCALJ) is already performing this practice with information from CPMS. OCALJ identifies stagnant claims and sends the Social Security numbers to the hearing offices (HO), advising them that the status of particular cases has not changed. OCALJ requests these hearing offices to submit reports explaining the reason for no change in status and what is being done to move the cases.

**Recommendation 2**

Educate hearing office employees on the Hearings, Appeals and Litigation Law Manual procedures for untimely receipt of the claim folder, using the proper claim characteristic for potentially violent claimants, and Personal Communications (PCOM) queries.

Response:

We agree. ODAR will issue a memorandum to the HOs to remind them of the importance of following procedures for untimely receipt of claim folders, using the proper case characteristic for potentially violent claimants, and providing PCOM query reading training (emphasizing the importance of obtaining these queries when establishing a case in the master docket and throughout case processing). We expect to release the memorandum to the HOs in May 2006.

### **Recommendation 3**

Create a Section 508 compliant electronic indicator to identify potentially violent claimants.

Response:

We agree. Creating an electronic indicator to identify potentially dangerous claimants would heighten security for all hearing office staff. The recommendation is technologically feasible. ODAR will submit an Information Technology Advisory Board request for consideration of changes to implement a flag or an alert that will comply with Section 508 to identify potentially violent claimants in CPMS.

[In addition to the comments above, SSA provided technical comments which have been addressed, where appropriate, in this report.]

## **OIG Contacts and Staff Acknowledgments**

### ***OIG Contacts***

Walter Bayer, Director, Philadelphia Audit Division, (215) 597-4080

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### ***Acknowledgments***

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For additional copies of this report, please visit our web site at [www.ssa.gov/oig](http://www.ssa.gov/oig) or contact the Office of the Inspector General's Public Affairs Specialist at (410) 965-3218. Refer to Common Identification Number A-12-06-26012.

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Social Security Advisory Board



# **Overview of the Office of the Inspector General**

The Office of the Inspector General (OIG) is comprised of our Office of Investigations (OI), Office of Audit (OA), Office of the Chief Counsel to the Inspector General (OCCIG), and Office of Executive Operations (OEO). To ensure compliance with policies and procedures, internal controls, and professional standards, we also have a comprehensive Professional Responsibility and Quality Assurance program.

## **Office of Audit**

OA conducts and/or supervises financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management and program evaluations and projects on issues of concern to SSA, Congress, and the general public.

## **Office of Investigations**

OI conducts and coordinates investigative activity related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as OIG liaison to the Department of Justice on all matters relating to the investigations of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

## **Office of the Chief Counsel to the Inspector General**

OCCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Finally, OCCIG administers the Civil Monetary Penalty program.

## **Office of Executive Operations**

OEO supports OIG by providing information resource management and systems security. OEO also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OEO is the focal point for OIG's strategic planning function and the development and implementation of performance measures required by the Government Performance and Results Act of 1993.