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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**MANAGEMENT'S USE OF  
WORKLOAD STATUS REPORTS  
AT HEARING OFFICES**

**March 2007**

**A-12-06-26130**

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**AUDIT REPORT**

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# SOCIAL SECURITY

## MEMORANDUM

Date: March 26, 2007

Refer To:

To: The Commissioner

From: Inspector General

Subject: Management's Use of Workload Status Reports at Hearing Offices (A-12-06-26130)

## OBJECTIVE

Our objective was to assess the effectiveness of the benchmarks used in the Case Processing and Management System's (CPMS) *No Status Change* report to identify bottlenecks in the Social Security Administration's (SSA) hearing process.

## BACKGROUND

SSA's Office of Disability Adjudication and Review (ODAR) has taken a number of steps to improve the productivity of the hearing process, including the implementation of CPMS in August 2004. CPMS was designed to control and process hearing claims and produce management reports to monitor the hearing workload.<sup>1</sup> The *No Status Change* report is 1 of over 40 management reports produced by CPMS. The purpose of the *No Status Change* report is to ensure pending claims are processed timely. As of June 2006, ODAR had approximately 725,000 pending claims in CPMS.

As part of CPMS, hearing office employees assign a status code to each claim as it moves through the process. The status code identifies the processing stage and location of the claim. While CPMS uses about 40 status codes<sup>2</sup> to track and process pending claims in the hearing offices, the *No Status Change* report tracks claims in 12 specific status codes (see Table 1).<sup>3</sup> For each of the 12 status codes tracked by the

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<sup>1</sup> CPMS is a component of the SSA's electronic disability (eDIB) initiative. 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; see June 15, 2006 statement by Commissioner Jo Anne B. Barnhart, before the Subcommittee on Social Security of the House Committee on Ways and Means regarding SSA's Improved Disability Determination Process.

<sup>2</sup> See Appendix B for a table illustrating all status codes used by CPMS.

<sup>3</sup> See Appendix C for a more detailed illustration of the 12 status codes tracked by the *No Status Change* report.

*No Status Change* report, ODAR has set a benchmark time (measured in days). If the claim stays in a status code beyond the benchmark time, the claim will appear in the *No Status Change* report. The claim will continue to appear in the *No Status Change* report until the status code is changed. Status codes are only used on cases moving through the process since the hearing office has control over the case getting to the next stage.

**Table 1: 12 Benchmarks in *No Status Change* Report (Chronological Order)**

Status Codes Tracked by the <i>No Status Change</i> Report	ODAR Benchmark	Explanation of Benchmark Step
<b>1. Master Docket</b>	30 days	Claim information input to CPMS.
<b>2. Work Up</b>	25 days	Claim assigned and being prepared for review.
<b>3. Pre-Hearing Development</b>	90 days	Requested additional information prior to hearing.
<b>4. Administrative Law Judge (ALJ) Review Pre-Hearing</b>	10 days	ALJ reviewing claim prior to hearing.
<b>5. Ready to Schedule</b>	60 days	Claim work-up and development completed.
<b>6. Post-Hearing Development</b>	90 days	ALJ requested more information after hearing.
<b>7. ALJ Review Post-Hearing</b>	30 days	ALJ examining record prior to writing decision.
<b>8. Unassigned Writing</b>	30 days	Claim waiting to be assigned to a writer.
<b>9. Decision Writer Personal Computer</b>	15 days	Writer using a personal computer to draft decision.
<b>10. Edit</b>	15 days	ALJ editing final written decision.
<b>11. Sign</b>	7 days	Decision ready for ALJ's signature.
<b>12. Mail</b>	7 days	Decision signed and ready for release
<b>Total</b>	409 days	

**Note:** See Appendix C for more specific information on each step above.

For this review, we analyzed and compiled data on 140 CPMS *No Status Change* reports<sup>4</sup> (1 for each of ODAR's 140 hearing offices) to determine the timeliness of the hearing process. While any claim past the benchmark is technically untimely, we tried to identify the most serious problems by defining an "untimely" claim as one that exceeded the established benchmark for that status code by 100 percent or more. We also interviewed ALJs, staff, and managers at ODAR's Headquarters, Regional Offices and hearing offices.<sup>5</sup>

## RESULTS OF REVIEW

Of the 725,000 pending claims, 419,000 (58 percent) were not being tracked on the *No Status Change* report. The majority of these untracked claims were in *Unassigned Workup* (UNWK)<sup>6</sup> status code, indicating they were awaiting processing. The

<sup>4</sup> Our analysis was conducted at a point in time, representing a snapshot of the hearing workload. We compiled 140 *No Status Change* reports provided by ODAR in June 2006.

<sup>5</sup> For a further discussion of our scope and methodology, see Appendix D.

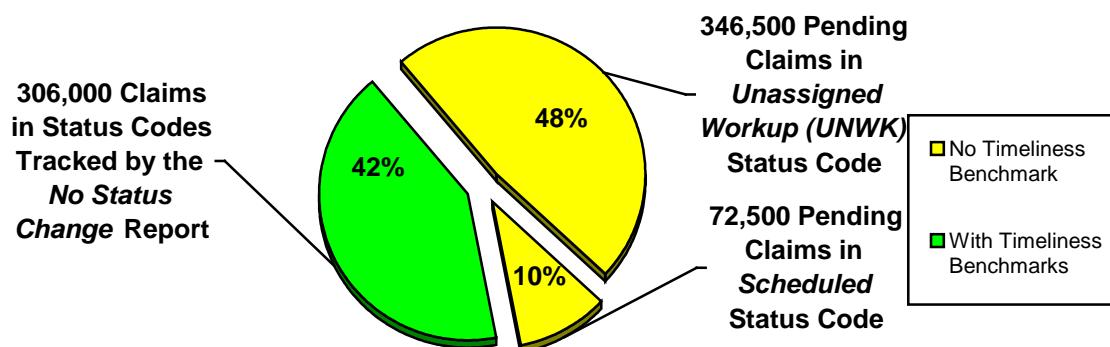
<sup>6</sup> The list of status codes is located in Appendix B.

remaining claims were in *Scheduled* status awaiting a hearing date. We were unable to find a clear link between the *No Status Change* benchmarks and the Agency's performance measure for the average processing time for a hearing. Moreover, ODAR was unable to provide the methodology used to establish the benchmarks in Fiscal Year (FY) 1999. Of the 306,000 pending claims with benchmarks, about 118,500 exceeded the *No Status Change* benchmarks. We found the majority of the untimely claims were accumulating under three status codes: (1) *Master Docket* (MDKT), (2) *ALJ Review Pre-Hearing*, and (3) *Ready to Schedule* (RTS). Most of the claims exceeding the MDKT benchmark related to coding problems at 11 hearing offices. As a result, ODAR's national statistics on the status of its pending workload were not consistently reported for each office. We also determined that while ODAR was taking steps to decrease the number of cases exceeding the RTS status benchmark, ALJ departures were negatively impacting claims in this status code.

### PENDING CLAIMS AND BENCHMARKS

Of the 725,000 pending claims, 419,000 were located in 2 status codes that did not have benchmarks (see Figure 1), while 306,000 claims had benchmarks and were being tracked by the *No Status Change* report. About 48 percent of the pending claims were in the UNWK status code. The UNWK status code indicates that a claim was entered into the hearing office's MDKT, but the claim is "inactive" and stored in a file cabinet awaiting processing. The remaining 10 percent of the pending claims were located in the *Scheduled* status code. The *Scheduled* status code indicates the claim was scheduled for a hearing and is awaiting a hearing date.

**Figure 1: Distribution of ODAR's Pending Workload**  
(as of June 2006)



As we have noted in previous audit reports,<sup>7</sup> over the last several years hearing office receipts have outpaced hearing office dispositions, resulting in an increasing pending workload and worsening processing times. ODAR's hearing offices have been unable to process all the incoming workload. Consequently, the number of pending claims

<sup>7</sup> SSA OIG, *The Effects of Staffing on Hearing Office Performance* (A-12-04-14098), March 2005; and *Best Practices in Highest Producing Hearing Offices* (A-12-04-14020), August 2004.

stored in file cabinets under the UNWK status code has been increasing. Claims continue to age while being held in the “inactive” UNWK status code. Hearing office managers use the CPMS *Pending Claims*<sup>8</sup> management report to track the claims, while they are in the UNWK status code. Hearing office staff move the pending claims out of the UNWK status code, and place them into the hearing process, based on the “Request for Hearing” date. Therefore, the oldest claims are processed before the newer claims, unless the claim is labeled as a Critical Case. Critical Cases are a priority and are processed first.<sup>9</sup>

While ODAR has not established a benchmark for pending claims in the UNWK status code, it has set a time limit for pending claims in the *Scheduled* status code. SSA has instituted a new rule,<sup>10</sup> as part of its new Disability Service Improvement plan, stating that the ALJ will notify the claimant of the time and place of the hearing at least 75 days before the date of the hearing.

### **SSA’S AVERAGE PROCESSING TIME GOAL**

While the *No Status Change* report is designed to improve hearing office timeliness, we could not find a link between the *No Status Change* benchmarks and SSA’s average processing time goal for hearing claims. According to the Agency’s FY 2006 Performance and Accountability Report, SSA’s performance goal for average processing time in FY 2006 was 467 days. ODAR did not provide a methodology for how it computed the 12 *No Status Change* benchmarks, which allow a total of 409 days for a hearing claim to meet all benchmarks.

In response to our request for this methodology, ODAR management staff stated:

On March 10, 1999, ODAR’s Chief Administrative Law Judge implemented the use of suggested benchmarks for the maximum length of time a case should be allowed to remain in various statuses. The purpose of the benchmarks are to ensure timely case movement and proper management of the pending workloads to prevent bottlenecks in the hearing office process.

While the purpose of the CPMS’ *No Status Change* report was to ensure cases are worked within management’s timeliness goals, it is not clear how the report’s benchmarks support the Agency’s stated goal. Moreover, the *No Status Change* benchmarks have not been adjusted since 1999, so the amount of allowed days for a case to remain “timely” has stayed constant while actual timeliness has deteriorated

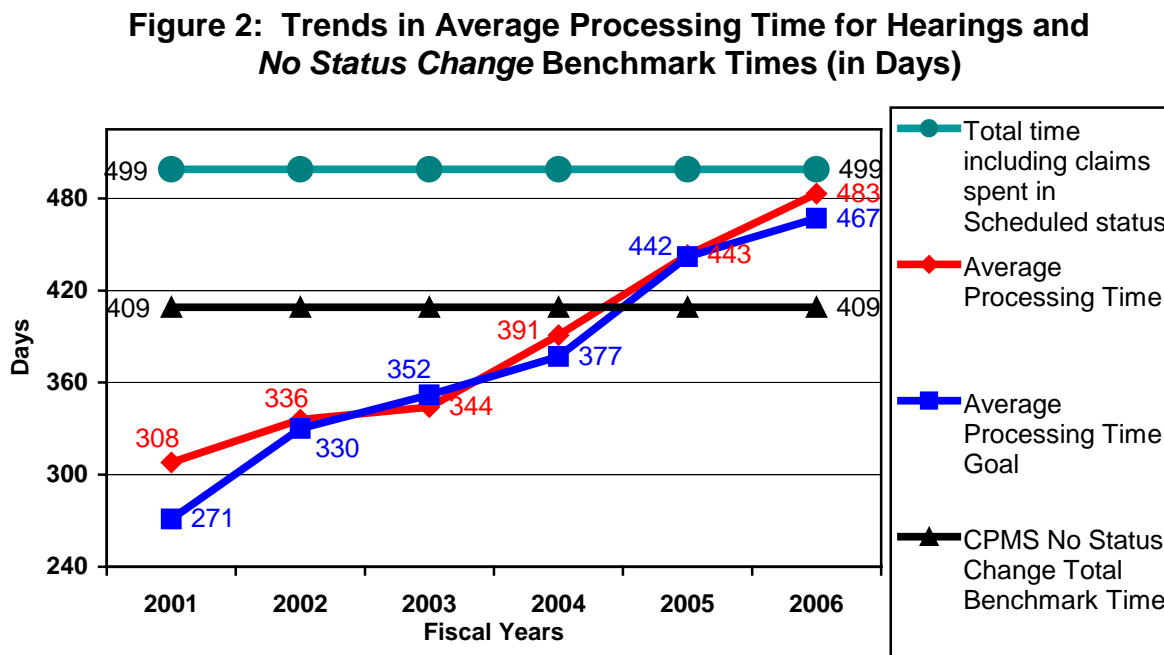
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<sup>8</sup> SSA OIG, *Case Processing and Management System and Workload Management (A-12-06-26012)*, June 2006.

<sup>9</sup> ODAR designates a claim for expedited processing based on one of three criteria: (1) terminal illness, (2) dire need, and (3) homicidal. For more information on Critical Cases, see the Hearings, Appeals and Litigation Law manual Section I-2-1-40 Critical Cases.

<sup>10</sup> 20 C.F.R. §405.315(a).

(see Figure 2). During the 6-year period from FY 2001 to FY 2006, SSA's average processing time increased by over 57 percent.<sup>11</sup> As we have noted in a previous audit,<sup>12</sup> during this period hearing office receipts outpaced hearing office dispositions, resulting in an increasing pending workload and worsening timeliness.



In addition, Hearing Office Directors (HOD) told us that hearing offices attempt to schedule hearings at least 3 months in advance. Therefore, adding 90 days to the existing *No Status Change* benchmarks results in a total of 499 days (see green line in Figure 2). Hence, under the current process, a hearing can remain “timely” by meeting all the timeliness benchmarks in the *No Change Status* report, and also meeting the standard 90 days for *Scheduling*, and still require 499 days for processing—32 days more than the Agency’s goal for FY 2006.

In our discussions with ODAR managers, they stated the benchmarks should be viewed as a tool for managing the workflow of cases through the hearing office, but not necessarily something directly correlating to case processing time. ODAR management stated that the “...calculation for processing time considers a different set of criteria than the calculation for benchmarks....” ODAR management noted that the benchmarks “...are not intended to ‘add up’ to the overall processing time” and “It is only coincidence if they do.” ODAR management also noted that the office is currently in the process of revising the benchmarks.

<sup>11</sup> SSA’s Annual Performance and Accountability Reports.

<sup>12</sup> SSA OIG, *The Effects of Staffing on Hearing Office Productivity* (A-12-04-14098), March 2005.

In terms of processing time, ODAR management pointed out that case processing delays are caused by “excessive backlogs.” ODAR management stated “...it takes longer to process a case waiting in a queue than it does a 'fresh' case...The additional time it takes to retrieve and analyze evidence in queued cases directly relates to the increase in processing time.”

Although much of the decline in timeliness over the years can be attributed to the growing backlog, we also believe the *No Status Change* report benchmarks represent work processes that ODAR has within its control. As a result, the Agency has an opportunity to set standards for these processes to improve timeliness. The risk under the current report benchmarks is that hearing claims could exceed the Agency’s stated performance goal and still appear “timely” to ODAR management. Greater correlation between ODAR’s monitoring with the *No Status Change* report and SSA’s stated goals in its accountability reports could improve the overall timeliness of the hearing process.

## **BOTTLENECKS IN THE HEARING PROCESS**

Of the 306,000 pending claims with benchmarks, about 118,500 (39 percent) exceeded the *No Status Change* benchmarks.<sup>13</sup> In this section, we considered any claim that was in the same status code more than 100 percent of the benchmark to be “untimely.”<sup>14</sup> We found that 63 percent of the 118,500 claims were untimely (see last column in Table 2). The majority of the untimely claims were bottlenecking in the MDKT status code, the ARPR status code and the RTS status code. The MDKT status code indicated a request for hearing was received in the hearing office and that the claim was logged into CPMS. The Administrative Law Judge Pre-Hearing Review (ARPR) status code indicated an ALJ was reviewing the claim prior to the hearing to determine whether enough evidence was present to hold the hearing and to determine whether expert witnesses were needed. The RTS status code indicated all workup, pre-hearing development, and contact had been completed. The reasons claims were bottlenecking in the three status codes are discussed in the sections that follow.

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<sup>13</sup> Our analysis was conducted at a point in time, representing a snapshot of the hearing workload. We compiled 140 *No Status Change* reports provided by ODAR in June 2006.

<sup>14</sup> For instance, MDKT has a benchmark of 30 days. If a claim in MDKT status code was processed after 60 days, then we considered the claim untimely. We did this to isolate the more problematic claims in each status code rather than focus on those cases that missed the benchmark by only a few days. However, our definition of an untimely claim only relates to the specific benchmark and does not relate to the entire process. For example, a claim may be untimely for one benchmark while meeting all of the other benchmarks and, therefore, be issued within the Agency’s performance goal for average processing time.



**Table 2: No Status Change Benchmarks (as of June 2006)**

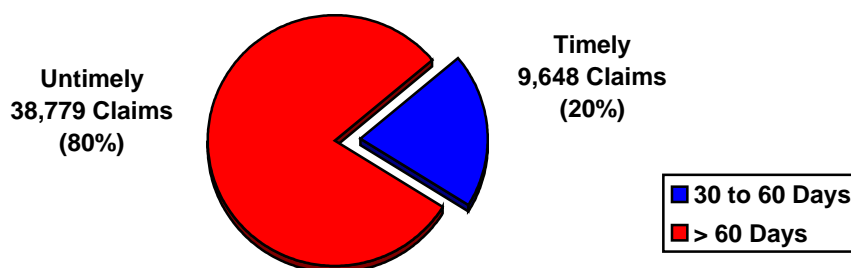
Status Codes Tracked by the No Status Change Report <sup>1</sup>	ODAR Benchmark	Total Claims Exceeding Benchmark	Claims Exceeding Benchmark By 100%	Percent of Claims Exceeding Benchmark By 100%
Master Docket	30 days	48,427	38,779	80
Work Up	25 days	10,737	6,838	64
Pre-Hearing Development	90 days	4,850	1,695	35
ALJ Review Pre-Hearing	10 days	13,515	10,076	75
Ready to Schedule	60 days	18,039	7,526	42
Post-Hearing Development	90 days	3,316	617	19
ALJ Review Post-Hearing	30 days	4,698	2,506	53
Unassigned Writing	30 days	7,232	3,379	47
Decision Writer Personal Computer	15 days	3,282	1,348	41
Edit	15 days	1,247	548	44
Sign	7 days	1,930	570	30
Mail	7 days	1,195	349	29
<b>TOTALS</b>	<b>409 Days</b>	<b>118,468</b>	<b>74,231</b>	<b>63</b>

Note 1: The *No Status Change* status codes illustrated in Table 2 are placed in the order of the normal processing steps that are followed by ODAR hearing offices.

### Bottleneck of Claims in Master Docket Status

Approximately 80 percent of the *No Status Change* pending claims under the MDKT status code exceeded 60 days (see Figure 3). Hearing office staff placed the claim in the MDKT status code to indicate that a request for a hearing was received in the hearing office and that the claim was logged into CPMS.

**Figure 3: Claims in Master Docket Status Past the Benchmark (as of June 2006)**



We found that close to 37,000 of the pending claims bottlenecking in MDKT status were located in 11 hearing offices. After interviewing 11 Hearing Office Directors (HOD) at these hearing offices, we learned that they were holding claims under the MDKT status code until the claim began the hearing process. However, most of ODAR's 140 hearing offices were using the MDKT status code only to indicate that claims were logged into

CPMS.<sup>15</sup> After the claims were logged into CPMS, the majority of ODAR's hearing offices changed the claim's status to the UNWK status code.<sup>16</sup> As discussed previously, while the claims are in the UNWK status code, they are inactive and stored in file cabinets until they are assigned to a hearing office employee for processing.

After we talked with the 11 HODs, 5 of the hearing offices changed the status code from MDKT to UNWK. As a result, the number of MDKT claims dropped from 37,000 to 20,000 in these 11 hearing offices.

The assignment of different status codes to claims may alter the pending claim national statistics and also take focus away from problems in the MDKT area.

- **National Statistics:** ODAR's national statistics on the processing status of its pending claims were not being reported consistently. In June 2006, ODAR reported that 48 percent of its pending claims were in UNWK status, however, that number would have been larger (since the majority of the 48,000 claims past the MDKT benchmark should be reassigned to the UNWK status code) if all hearing offices followed the same procedure when assigning the MDKT status code to claims.
- **Greater Focus on Problem Cases:** If the HODs at the 11 hearing offices moved the cases from MDKT to UNWK, they would have fewer claims in MDKT status to review for some type of corrective action. We learned the HODs in the 11 hearing offices were not using the CPMS *No Status Change* report to track the timely processing of claims in MDKT status. The HODs stated that they did not pay attention to the MDKT benchmark, because there were too many claims listed in the *No Status Change* report that exceeded the benchmark for them to review. In our previous audit of CPMS,<sup>17</sup> we found that HODs at some hearing offices we visited were not using the *No Status Change* report, and were not aware of claims in MDKT status long past the 30-day benchmark. In one example, a hearing office waited over 400 days for a claim folder to arrive from the SSA field office, and was not aware of the problem until we made them aware of the claim.

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<sup>15</sup> In May 1998, ODAR's Chief ALJ sent a memorandum to the hearing offices with instructions stating that cases should remain in the MDKT status no more than a few hours or a few days with a few minor exceptions. The exceptions were: receipt of the *Request for Hearing* without the case file, non-receipt of a prior file and travel docket cases.

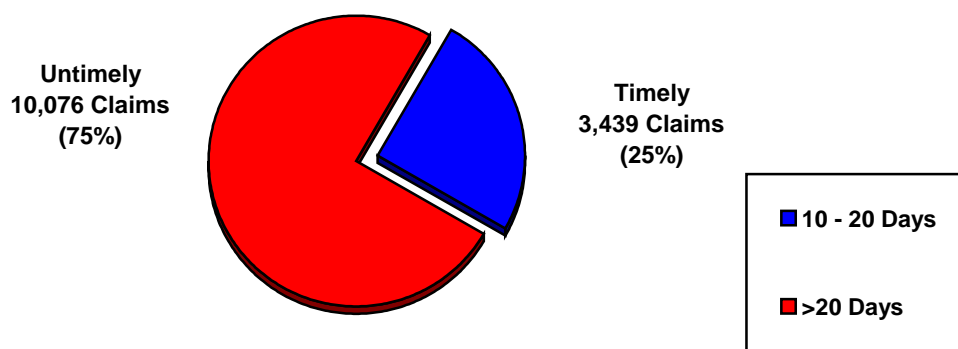
<sup>16</sup> As mentioned previously, the UNWK status code indicates that the claim has been logged into CPMS and is ready for the next step in the hearing office process. No processing has been done on the claim other than to log it into CPMS. The time a claim spends in UNWK is not tracked by the CPMS *No Status Change* report.

<sup>17</sup> SSA OIG, *Case Processing and Management System and Workload Management* (A-12-06-26012), June 2006.

### Bottleneck of Claims in ARPR Status

About 75 percent of the *No Status Change* pending claims under the ARPR status code were untimely since they were under the ARPR status code for 20 or more days (see Figure 4). Hearing office staff placed the ARPR status code on a claim to indicate that an ALJ was reviewing the claim prior to the hearing to determine whether enough evidence was present to hold the hearing and to determine whether expert witnesses were needed.

**Figure 4: Claims in ALJ Pre-Hearing Review Status Past the Benchmark (as of June 2006)**



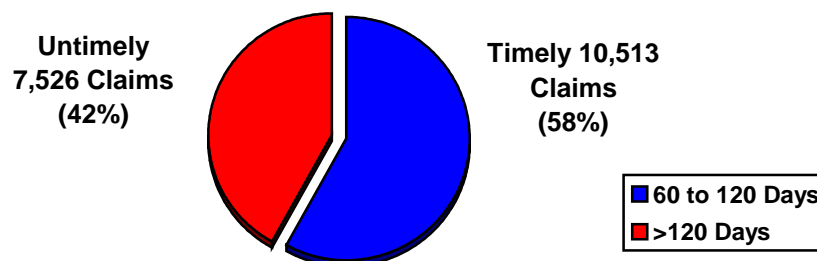
According to the 11 ALJs we interviewed, some claims took longer to process because of their complexity. The ALJs stated that some claims contained a significant amount of evidence to examine, which caused them to miss the ARPR 10-day benchmark. ALJs also expressed a concern that they had too many cases on their dockets, and therefore, they were constantly balancing the quality of the decision with the Agency's goal for average processing time.<sup>18</sup>

### Bottleneck of Claims in Ready to Schedule Status

About 42 percent of the *No Status Change* pending claims in the RTS status code were under this status code for 120 or more days (see Figure 5). Hearing office staff place the claim in the RTS status when all workup, pre-hearing development, and contact have been completed.

<sup>18</sup> In its September 2006 report *Improving the Social Security Administration's Hearing Process*, the Social Security Advisory Board stated that many ALJs do not have experience managing a large docket of cases and recommended they receive training on docket management.

**Figure 5: Claims in Ready to Schedule Status Past the Benchmark (as of June 2006)**



We interviewed managers and staff in a number of hearing offices<sup>19</sup> to determine why claims were not scheduled for a hearing on a timely basis. The primary causes related to ALJ departures, scheduling conflicts, and remote site policies.

- **ALJ departure from the hearing office** - Hearing offices attempt to schedule hearings 3 months in advance, and when an ALJ departs,<sup>20</sup> all the claims that were scheduled with the departing ALJ have to be rescheduled.
- **Scheduling conflicts** - The Scheduler had difficulty scheduling medical experts and claimant representatives on the same day. For one claim in RTS status over 1,000 days, the hearing office could not find an orthopedic doctor for the hearing. SSA has recognized that hearing offices have difficulties scheduling medical and vocational experts. In its Disability Service Improvement process, SSA will implement a new Medical-Vocational Expert System (MVES) to enhance the expertise needed to make accurate and timely decisions. The MVES will be composed of a Medical-Vocational Expert Unit and a national network of medical, psychological and vocational experts who meet qualification standards established by the Commissioner.
- **Waiting to fill a docket at remote site** - The Scheduler was waiting for enough cases to fill a docket at a remote hearing site. ALJs travel to remote sites to hold hearings, and hearings are held in these remote sites when there are enough claims to make it cost-effective for ALJs to travel there. SSA installed video teleconference equipment in an effort to expedite hearings in remote locations. As of the end of FY 2005, ODAR had installed 295 video hearing units and held almost 25,000 video hearings during that year.

<sup>19</sup> See Appendix D for further details on our scope and methodology.

<sup>20</sup> An ALJ may depart from a hearing office for a variety of reasons, including reassignment to another hearing office, temporary detail, and retirement.

## CONCLUSION AND RECOMMENDATIONS

As of June 2006, the majority of ODAR's pending claims were not being tracked by the *No Status Change* report. Of those that were being tracked, we were unable to find a link between the *No Status Change* benchmarks and the Agency's annual processing goals. We believe ODAR's management information reports should be designed to support the Agency's overall performance goals. Furthermore, more than a third of the claims being tracked under the *No Status Change* report exceeded at least one benchmark. Claims tended to bottleneck at the MDKT, ARPR, and RTS status codes. In the case of the claims accumulating under the MDKT status code, hearing offices were following different procedures when assigning this code to claims. Also, while SSA has taken steps to address two of the main difficulties related to scheduling claims under the RTS status code, the Agency has not provided guidance to hearing offices for mitigating delays caused when an ALJ departs a hearing office.

To assist hearing offices in efforts to monitor their hearing claims workload, we recommend SSA:

1. Ensure the *No Status Change* benchmarks include all relevant steps in the hearing process, while not exceeding the Agency's performance goal for average processing time.
2. Ensure all hearing offices use the same coding procedures for claims in MDKT status.
3. Assist hearing offices in establishing provisions to handle situations that affect the scheduling of hearings, including when an ALJ departs a hearing office.

## AGENCY COMMENTS AND OIG RESPONSE

SSA agreed with our recommendations and has already initiated corrective action. The full text of the Agency's comments is included in Appendix E.



Patrick P. O'Carroll, Jr.

# *Appendices*

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[APPENDIX A](#) – Acronyms

[APPENDIX B](#) – Status Codes Used by the Case Processing and Management System

[APPENDIX C](#) – No Status Change Report Process Chart

[APPENDIX D](#) – Scope and Methodology

[APPENDIX E](#) – Agency Comments

[APPENDIX F](#) – OIG Contacts and Staff Acknowledgments

## Acronyms

ALJ	Administrative Law Judge
CPMS	Case Processing and Management System
eDIB	Electronic Disability
FY	Fiscal Year
HOD	Hearing Office Director
MVES	Medical - Vocational Expert System
ODAR	Office of Disability Adjudication and Review
OIG	Office of the Inspector General
SSA	Social Security Administration

## Status Codes Used by the Case Processing and Management System

DESCRIPTION	CPMS CODES
ALJ at home post work activity	ALFL
ALJ at home pre-workup	ARFL
ALJ dictating decision	AWRT
ALJ review post-hearing	ALPO
ALJ review pre-hearing	ARPR
ALJ writer flexi-place	AWFL
ALJ writer speech recognition	AWSR
ALJ writing decision on PC	AWPC
Assigned for workup/being worked up	WKUP
At home drafting	DWFL
At home workup	WKFL
Awaiting mailing	MAIL
Contract pulling	WKC�
Decision writer/ALJ editing	EDIT
Decision writer dictating decision	DWRT
Decision writer pre-hearing review	DWR
Decision writer speech recognition	DWSR
Decision writer writing decision on PC	DWPC
Dismissal being written	DISM
Edit	EDIT
Sign	SIGN
Master docket	MDKT
Pending ALJ review and signature	SIGN
Post-hearing development	POST
Pre-hearing development	PRE
Ready to schedule	RTS
Temporary out for typing	TOUT
Temporary out for workup	WOUT
Temporary out for writing	DOUT
Temporary out for writing and typing	DANT
Typing in draft	TYPG
Typing in final	FINL
Typist corrections	CORR
Unassigned decision writer review	UNDW
Unassigned typing	UNTP
Unassigned workup	UNWK
Unassigned writing	UNWR
<b>STATUS ASSIGNED BY CPMS</b>	
Disposition issued	CLSD
Permanently transferred	TRAN
Scheduled for hearing	SCHD



# No Status Change Report Process Chart

Figure C-1 illustrates the status codes tracked by the *No Status Change* report, along with the benchmark time and a definition of each of the 12 status codes. If a claim stays in status beyond the benchmark time, the claim will appear in the *No Status Change* report.

**Figure C-1: No Status Change Process Chart**

PROCESSING STAGES	STATUS CODE DEFINITIONS	
Input claim into the Master Docket	<b>Master Docket</b> <b>MDKT</b> Benchmark 30 days	A request for hearing has been received in the hearing office. The hearing office may or may not have the claim file. No action is taken on the claim other than to log it into CPMS.
Pre-Hearing Development and Review	<b>Work Up</b> <b>WKUP</b> Benchmark 25 days	The claim is assigned to a senior case technician for preparing exhibits and medical summaries.
	<b>Pre-Hearing Development</b> <b>PRE</b> Benchmark 90 days	If any information is requested prior to a hearing, including a prior filing, the claim is placed in this status until the information is received.
	<b>Administrative Law Judge Review Pre-Hearing</b> <b>ARPR</b> Benchmark 10 days	The claim is being reviewed by the Administrative Law Judge (ALJ) prior to the hearing to determine whether (1) enough evidence is present to hold a hearing and (2) expert witnesses are needed.
Schedule Hearing	<b>Ready to Schedule</b> <b>RTS</b> Benchmark 60 days	When all workup, pre-development, and contact has been completed, the claim is ready to schedule for a hearing.
Post-Hearing Development and Review	<b>Post-Hearing Development</b> <b>POST</b> Benchmark 90 days	The hearing was held and additional development was requested.
	<b>ALJ Review Post-Hearing</b> <b>ALPO</b> Benchmark 30 days	The hearing was held and the ALJ is examining the record either after the hearing, after POST development has been received, or any other time after the hearing, but prior to the writing and review of the decision.
Writing Final Decision	<b>Unassigned Writing</b> <b>UNWR</b> Benchmark 30 days	The claim is ready for a decision to be written, but has not been assigned to a specific writer.
	<b>Decision Writer Personal Computer</b> <b>DWPC</b> Benchmark 15 days	The claim is assigned to a specific writer for decision writing. The writer is using a personal computer to draft the decision.
	<b>EDIT</b> Benchmark 15 days	The claim is assigned to the writer or the ALJ for proofing and/or editing.
	<b>SIGN</b> Benchmark 7 days	The decision is ready for the ALJ's final review and signature.
	<b>MAIL</b> Benchmark 7 days	The decision is signed by the ALJ and is ready for release.

### Scope and Methodology

To accomplish our review, we:

- Reviewed documents related to the Social Security Administration's (SSA) Case Processing and Management System (CPMS) and related initiatives.
- Reviewed SSA's Performance and Accountability Reports as well as Office of Disability Adjudication and Review (ODAR) quarterly and annual reports.
- Reviewed prior SSA Office of the Inspector General reports.
- Reviewed hearing office guiding principles and procedural guidance documented in ODAR's Hearings, Appeals and Litigation Law manual.
- Reviewed ODAR Chief Judge's memorandums and reminders.
- Analyzed and compiled data on 140 CPMS *No Status Change* reports to find the bottlenecks in the hearing process.
- Interviewed ODAR headquarters executives and staff at ODAR's Office of Chief Administrative Law Judge.
- Interviewed managers, ALJs and staff within the following Regions: Atlanta, Boston, Chicago, Denver, New York, Philadelphia, San Francisco, and Seattle.

The entity audited was the Office of the Deputy Commissioner for Disability Adjudication and Review. Based on prior audit work,<sup>1</sup> we determined that the *No Status Change* reports provided by ODAR were sufficiently reliable to meet our objectives. We conducted our audit from May 2006 through October 2006 in accordance with generally accepted government auditing standards.

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<sup>1</sup> SSA OIG, *Case Processing and Management System and Workload Management (A-12-06-26012)*, June 2006.

## Agency Comments



## SOCIAL SECURITY

### MEMORANDUM

Date: March 19, 2007

Refer To: S1J-3

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

From: Larry W. Dye /s/

Subject: Office of the Inspector General (OIG) Draft Report, "Management's Use of Workload Status Reports at Hearing Offices" (A-12-06-26130) -- INFORMATION

Thank you for the opportunity to review and comment on the Office of the Inspector General (OIG) Draft Report, "Management's Use of Workload Status Reports at Hearing Offices" (A-12-06-26130). We appreciate OIG's efforts in conducting this review. Our comments on the recommendations are attached.

Please let me know if we can be of further assistance. Staff inquiries may be directed to Ms. Candace Skurnik, Director, Audit Management and Liaison Staff, at (410) 965-4636.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL’S (OIG) DRAFT REPORT, “MANAGEMENT’S USE OF WORKLOAD STATUS REPORTS AT HEARING OFFICES” (A-12-06-26130)**

Thank you for the opportunity to review and provide comments on this draft report. A mission of the Office of the Chief Administrative Law Judge (OCALJ) is to provide Administrative Law Judge (ALJ) hearings and decisions that are timely and legally sufficient. One of the core management initiatives of the OCALJ is to instill a culture of management responsiveness, such as encouraging managers to assign work more frequently in smaller units and to follow-up on the assignment of work more frequently. Based on that initiative, we instituted a decision writing productivity project where management guidelines were established for assigning and following-up on decision writing work. We are gathering national data on decision writing productivity and have recently instituted informal weekly reporting. This step should encourage hearing offices to view case processing using a weekly rather than monthly timeframe. In concert with this basic management principle, we are in the process of revising our benchmarks.

**Recommendation 1**

Ensure the *No Status Change* benchmarks include all relevant steps in the hearing process, while not exceeding the Agency’s performance goal for average processing time.

**Comment**

We agree with the intent. We are in the process of developing “guidelines” for each Case Processing Management System (CPMS) status that would track the Agency’s performance goal for average processing time. We use the term “benchmarks” for a different management purpose.

**Recommendation 2**

Ensure all hearing offices use the same coding procedures for claims in Master Docket (MDKT) status.

**Comment**

We agree. We will release guidance to the Regional offices regarding the proper use of the CPMS MDKT Status Code by the end of the third quarter of fiscal year (FY) 2007. In particular, we will outline the specific definition for the use of the MDKT status code and provide instructions to the hearing offices to update the status on those cases pending inappropriately in the MDKT status code. Additionally, we are in the final stages of revising the OCALJ CPMS benchmarks for workload processing.

### **Recommendation 3**

Assist hearing offices in establishing provisions to handle situations that affect the scheduling of hearings, including when an ALJ departs a hearing office.

### **Comment**

We agree. HALLEX I-2-8-40 provides guidance for workload procedures to address the situation when an ALJ departs a hearing office. However, we will release a reminder to hearing offices about the exiting procedures by the end of the third quarter of FY 2007.

## **OIG Contacts and Staff Acknowledgments**

### ***OIG Contacts***

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

Michael Maloney, Audit Manager, (703) 578-8844

### ***Acknowledgments***

In addition to those named above:

Nicholas Milanek, Auditor-in-Charge

For additional copies of this report, please visit our web site at [www.socialsecurity.gov/oig](http://www.socialsecurity.gov/oig) or contact the Office of the Inspector General's Public Affairs Specialist at (410) 965-3218. Refer to Common Identification Number A-12-06-26130.

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# **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 Resource Management (ORM). 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 Resource Management**

ORM supports OIG by providing information resource management and systems security. ORM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, ORM 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.