
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**THE SOCIAL SECURITY ADMINISTRATION'S
IMPLEMENTATION OF THE
FUTURE SYSTEMS TECHNOLOGY
ADVISORY PANEL'S RECOMMENDATIONS**

August 2012

A-14-12-11222

EVALUATION REPORT



Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.**
- Promote economy, effectiveness, and efficiency within the agency.**
- Prevent and detect fraud, waste, and abuse in agency programs and operations.**
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.**
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.**

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.**
- Access to all information necessary for the reviews.**
- Authority to publish findings and recommendations based on the reviews.**

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



SOCIAL SECURITY

MEMORANDUM

Date: August 20, 2012

Refer To:

To: The Commissioner

From: Inspector General

Subject: The Social Security Administration's Implementation of the Future Systems Technology Advisory Panel's Recommendations (A-14-12-11222)

OBJECTIVE

The objective of our review was to determine what corrective action(s) the Social Security Administration (SSA) had taken, or planned to take, to address the recommendations made by the Future Systems Technology Advisory Panel (FSTAP). In addition, we reviewed the costs associated with supporting the Panel to determine whether the Agency received any cost savings from implementing its recommendations.

BACKGROUND

In February 2008, the Commissioner of Social Security established FSTAP under the *Federal Advisory Committee Act of 1972*¹ (FACA). FSTAP's mission was to provide independent advice and recommendations on the future of systems technology and electronic services at SSA. FSTAP comprised individuals from private industry, Federal agencies, nonprofit organizations, and universities.² FSTAP's advice and recommendations were related to areas of future Internet applications, customer service, privacy, and other areas vital to the Agency's ability to serve the American people (see Appendix C for FSTAP's Charter).

¹ Pub. L. No. 92-463 § 2-15, 86 Stat. 770-776 (1972).

² See Appendix B.

Between September 2009 and June 2010, FSTAP issued four reports. The FSTAP reports are no longer available on the Agency's Website but are included in Appendices D through G.

- ✓ *Low Hanging Fruit/Quick Victories*
- ✓ *Data Center Migration*
- ✓ *Legacy Systems Conversion*
- ✓ *Re-imagining Social Security*

The reports, which were previously available on SSA's Website, contained 78 recommendations³ that the Panel members believed warranted SSA's consideration.

On January 9, 2012 (after the conclusion of our review), the Commissioner of Social Security terminated FSTAP because of budgetary constraints. In February 2012, the Agency published on its Website a notice that SSA did not have the resources to support the Panel or implement its recommendations. It should be noted that our evaluation results pre-dated FSTAP's termination by the Commissioner.

To achieve our objective, we reviewed FSTAP minutes; transcripts; Agency responses to our inquiries on the implementation of FSTAP recommendations; and the cost data related to FSTAP members' compensation, travel reimbursements, and meeting accommodations. For additional scope and methodology, see Appendix I.

RESULTS OF REVIEW

There was insufficient documentation for us to determine what corrective action(s) SSA had taken or planned to take in response to FSTAP recommendations. Because we could not determine the Agency's action(s), we could not determine whether the Agency received any cost savings from implementing its recommendations. This report provides an overview of the recommendations, the Agency's corrective action we gleaned from reviewing FSTAP minutes and transcripts, and the cost of FSTAP.

Our review of FSTAP meeting minutes, transcripts, and reports determined that SSA agreed with 52 (67 percent) of the 78 recommendations and disagreed with 6 recommendations (8 percent). The Agency did not provide sufficient information for us to determine whether it agreed or disagreed with 18 recommendations (23 percent). SSA indicated the remaining two recommendations (3 percent) were the responsibility of another Federal agency (see Table 1).

³ See Appendix H.

Table 1 – SSA FSTAP Recommendation Agreement

Document	Agree	Not Agree	Insufficient Information	Other Agency	Total
<i>Low Hanging Fruit/Quick Victories</i>	5	1			6
<i>Data Center Migration</i>	35	2	2		39
<i>Legacy Systems Conversion</i>	8		6		14
<i>Re-imagining Social Security</i>	4	3	10	2	19
TOTAL	52	6	18	2	78
Percent of Total Recommendations	67%	8%	23%	3%	

* Percents do not total to 100 due to rounding.

For the 52 recommendations for which there was agreement, meeting transcripts indicated the Agency had implemented 11, planned to implement another 40, and would not implement the remaining 1 (see Table 2).

Table 2 - SSA Action for FSTAP Recommendations with which SSA Agreed

Document	Prior Implementation	Plan to Implement	Will not Implement	Total
<i>Low Hanging Fruit/Quick Victories</i>	1	4		5
<i>Data Center Migration</i>	10	24	1 ⁴	35
<i>Legacy Systems Conversion</i>		8		8
<i>Re-imagining Social Security</i>		4		4
TOTAL	11	40	1	52

When we asked SSA management the status of the 40 recommendations the Agency planned to implement, they directed us to the meeting minutes and transcripts—the Agency provided no additional information. After we completed our fieldwork, SSA announced on its public Website that it had terminated the FSTAP and would not implement recommendations because of budget constraints.

The following paragraphs identify each FSTAP report and the information we gleaned from reviewing the minutes and transcripts. The meeting transcripts detailed what occurred in the meetings. However, there was limited information regarding the Agency's planned course of action in response to FSTAP recommendations. When we requested confirmation of the recommendations SSA stated it had implemented as well as a status on those it planned to implement, the Agency did not respond. To that end, we were unable to substantiate that the 11 recommendations considered implemented

⁴ For details, see Recommendation 24 in Appendix H.

were, in fact, implemented. In January 2012, the Agency gave notice that it did not plan to implement any outstanding FSTAP recommendations because of budget constraints. For additional details, see Appendix H.

Low Hanging Fruit/Quick Victories

In November 2009,⁵ SSA responded to all of FSTAP's six recommendations.⁶ This report made recommendations based on observations by FSTAP that, if implemented, would take few resources, were relatively easy to implement, and would provide some immediate and significant pay-off. SSA agreed with five recommendations and disagreed with one. For the five recommendations the Agency agreed with, SSA stated it implemented one recommendation and planned to implement four. The recommendations were as follows.

1. Eliminate the need to fax documents by implementing the ability to import gray-scale image files directly. This could be coupled with standard Personal Computer capability to grab screens from non-Electronic Folder applications. – Agency Agreed
2. If the Agency does not keep the original digital medical evidence record, it should keep it in preparation for more meaningful use of electronic health records within the disability process. – Agency Agreed
3. Revise the process for requesting and approving temporary systems access. Consider mitigating the security risks and implementing a process, which would ensure that an employee has security access at the temporary duty site upon their arrival. – Agency Agreed
4. Increase productivity at the appeals stage by allowing security access to the administrative law judge when they work from home. – Agency Agreed
5. If legally feasible, give claimants without private disability insurance priority in processing their claim because of financial hardship. -- Agency disagreed on advice of General Counsel
6. Review and implement processes, practices and procedures similar to those of the Internal Revenue Service that push citizens towards using and conducting all interactions and business transaction on the Internet. – Agency Agreed

Based on the transcripts, SSA indicated it had implemented the first recommendation. However, SSA did not provide us a status on the remaining recommendations; therefore, we could not conclude they had been implemented.

⁵ FSTAP, Minutes, November 5 and 6, 2009; and Future Systems Technology Advisory Panel Fifth Panel Meeting, November 5, 2009 (see Appendix J).

⁶ FSTAP, *Low Hanging Fruit/Quick Victories*, September 23, 2009.

Data Center Migration

In this report,⁷ FSTAP made recommendations on the Agency's plans to replace the current National Computer Center (NCC). In May 2010,⁸ the Agency provided a written response to FSTAP agreeing with 35 of its 39 recommendations. SSA disagreed with two recommendations and did not definitively state whether it agreed or disagreed with the remaining two recommendations. Of the 35 recommendations with which the Agency agreed, SSA stated it implemented 10, planned to implement 24, and it would not implement 1.

Based on the meeting transcripts and the written response SSA provided FSTAP, SSA stated it had already implemented the following 10 recommendations.

1. Develop a robust contingency plan that encompasses the potential for delays in the construction of the new facility and ensure that no existing programs or planned programs are impaired while the Agency is migrating from the current NCC to the National Support Center (NSC).
2. Have these recovery plans in place and be ready to execute them should any one of the possibilities occur.
3. Ensure that in the Agency's business plan each of the information technology (IT) programs supports and delivers the capabilities the Agency plans to provide to the public and other stakeholders.
4. Identify a single technology executive in the Agency who is accountable for alignment and execution of all of the IT functions.
5. Plan for potential loss of key personnel and staff retirement by creating succession plans for a smooth transition without any gaps in knowledge.
6. The new data center location should take into account sources for power and telecommunications infrastructure.
7. The new data center location should take into account avoidance of I-95 and District of Columbia metro area traffic congestion.
8. The new data center location should take into account distance limitations associated with certain technology component.

⁷ FSTAP, *Data Center Migration*, January 2010.

⁸ FSTAP, Minutes, May 4, 2010 (see Appendix K); and SSA's FSTAP's Observations and Suggestions Regarding the National Computer Center (NCC).

9. Develop the data center with a clear link between the Agency's business plan and growth drivers.
10. Work with key vendors to obtain nondisclosure briefings on their product and service roadmaps.

Below are examples of recommendations SSA stated it planned to implement.

1. To bridge the gap and minimize the risks until the new data center is operational; create a master project plan for the NCC Replacement Project. This plan should reflect critical path milestones needed to meet dependencies of all the other major IT initiatives underway.
2. To avoid mistakes other organizations have made in planning for data center replacement, consider having an extremely limited staff in the data center.
3. To strengthen overall planning, constantly oversee contract expirations and key vendor renegotiations that may impede the schedule, change resources or increase costs.
4. In decisionmaking for future technology, consider 5 years as the normal limit of usable forecasts.

The one recommendation SSA stated it agreed with but would not implement was to align the overall strategic plan for the Agency with the different IT activities that are in-process or contemplated. SSA stated it endeavors to align its IT activities with the Agency strategic plan rather than the other way around.

Legacy Systems Conversion

This report⁹ provided recommendations on the Agency's plans to operate, maintain, and replace many existing applications and databases supporting current business processes. In August 2010,¹⁰ the Agency responded to 8 of FSTAP's 14 recommendations. SSA agreed with, and planned to implement, eight of the recommendations. For the six remaining recommendations, SSA did not provide sufficient information for us to determine whether the Agency agreed or disagreed with the recommendations. Based on the meeting transcripts, below are the eight recommendations with which SSA agreed and planned to implement.

1. Consider developing a comprehensive Agency-wide strategic systems development roadmap; the focus of which should be on critical strategic systems and applications that will have significant impact on SSA customers, the Agency's business costs/results and/or impact on IT costs for operations and maintenance.

⁹ FSTAP, *Legacy Systems Conversion*, May 2012.

¹⁰ FSTAP, Minutes, August 3, 2010 (Appendix L); and FSTAP Eighth Panel Meeting, August 3, 2010, pages 63-106.

2. Give priority consideration to those systems that provide foundations for further development.
3. In the strategy, differentiate those systems that clearly must be updated, with those that should clearly remain in their current state, and have a process for evaluating and making decisions regarding those in the middle.
4. In the strategy, include fundamental architectural decisions regarding processing platforms, storage technologies, and programming languages.
5. In the strategy, include a high-level view of a realistic future state, along with a plan that outlines the major steps the Agency will take to achieve its vision.
6. Implement processes to ensure all new development activities comply with architectural standards and directions.
7. SSA should have a process to ensure its limited resources are invested to address the highest priorities and requirements to meet the Agency's mission.
8. Processes should be implemented that will fully engage stakeholders to ensure strategic priorities are used to drive IT investment decisions.

Re-imagining Social Security

FSTAP developed this report¹¹ to assist SSA in determining future systems technology options that would improve SSA's ability to serve the American people in the next 5, 10, and 20 years. In August 2010,¹² the Agency responded to 12 of FSTAP's 19 recommendations. SSA agreed with, and planned to implement, four recommendations; disagreed with three recommendations; and identified two recommendations as being the responsibility of another Federal agency. For the remaining 10 recommendations, the Agency did not provide sufficient information for us to determine whether it agreed or disagreed.

SSA agreed with, and planned to implement, the four recommendations below.

1. Move to an electronic customer self-service model with the goal of moving transactions to the Internet each year until 90 percent of the business with SSA takes place online.
2. Implement a program to automate the initial disability claim decision that would only require human review for denied claims.
3. Develop video kiosks to provide service to customers.

¹¹ FSTAP, *Re-imagining Social Security*, June 2010.

¹² FSTAP, Minutes, August 3, 2010; and FSTAP Eighth Panel Meeting, August 3, 2010, pages 115 through 196.

4. Develop and make available training Web videos on how to find information and complete transactions on the Internet.

The Agency disagreed with the three recommendations below.

1. Develop a series of incentives to encourage and direct the public to use the electronic self-service model. SSA stated it had talked about offering incentives for years, but the Agency did not see how it could work in their environment.
2. Lead in developing a National Health Information Network, Health Information Exchanges and the adoption of electronic medical records. *SSA stated that if it invests now, then the National Health Information Network that comes a few years from now may look different than what they designed for, and they would have used crucial resources too early.*
3. Consider outsourcing some activities to third parties, such as libraries.

SSA identified the following two recommendations as being the responsibility of the Department of the Treasury.

1. Develop a prototype and production systems to distribute benefits via cellular telephones.
2. Seek legislation that would require all employers file required documents electronically.

Cost of FSTAP

The current Administration is committed to delivering a Government that uses taxpayer dollars in more effective and cost-effective ways.¹³ The Agency spent over \$550,000 through FY 2011 (see Table 3) to operate FSTAP. During this period, FSTAP issued 4 reports and made 78 recommendations.

¹³ Office of Management and Budget, M-11-17, p.1, April 14, 2011.

Table 3- FSTAP COSTS¹⁴ BY FY

	FY 2008	FY 2009	FY 2010	FY 2011	TOTAL
Payments:		\$7,874	\$9,025	\$686	\$17,585
Non-Federal Members					
Payments:		\$9,255	\$9,415		\$18,670
Federal Members					
Payments:	\$28,670	\$144,850	\$114,836	\$32,535	\$320,891
Federal Staff					
Travel Reimbursement:		\$7,099	\$5,453	\$1,591	\$14,143
Non-Federal					
Travel Reimbursement:		\$2,301	\$1,890		\$4,191
Federal*					
Travel Reimbursement:	\$66	\$22,545	\$20,198	\$5,716	\$48,525
Federal Staff					
Other¹⁵	\$463	\$68,382	\$42,668	\$19,048	\$130,562
Total	\$29,199	\$262,307	\$203,485	\$59,576	\$554,566

* Dollar differences due to rounding.

FSTAP Recommendations and Cost Savings

The Agency did not track the implementation of FSTAP recommendations and any related cost savings. Consequently, we could not assess whether SSA implemented the recommendations and, if implemented, what cost savings or other benefits resulted. SSA stated that because FSTAP was to *advise* the Agency by providing ideas and diverse opinions, it did not track the Panel's recommendations as it does the recommendations from the Office of the Inspector General or the Government Accountability Office. The Agency stated it benefited from the informal conversations with FSTAP members as they shared experiences and knowledge about technology.

CONCLUSION AND RECOMMENDATION

The Commissioner of Social Security established FSTAP to provide independent advice and recommendations on the future of systems technology and electronic services at SSA 5 to 10 years into the future. The Agency spent over \$550,000 and received 4 reports with 78 recommendations. Our review found that the Agency agreed with at least 52 (67 percent) of the recommendations.

¹⁴ The FSTAP charter provided an annual estimated operating cost of \$848,970. The operating costs include payments and travel reimbursement to panel members and SSA staff that directly support the panel, as well as costs associated with meetings. Based on FACA, an advisory panel is limited to a 2-year existence. The most recent Panel's term was from June 15, 2010 through June 15, 2012. After the 2-year period, SSA could have renewed the charter.

¹⁵ Other costs include costs incurred at the meeting locations.

On January 9, 2012, the Commissioner terminated FSTAP “. . . due to budgetary constraints.” The announcement stated, “. . . the agency does not have the resources at this time to support the Panel or implement its recommendations.” The Agency did not provide any evidence or indication that it had assessed the costs and benefits of the recommendations it had agreed with before concluding it lacked the resources to implement any of the recommendations. We believe the recommendations of this panel of experts warrant SSA’s serious consideration.

Consistent with current Federal guidance that IT investments be transparent and agencies make decisions that are more cost-effective,¹⁶ we recommend SSA evaluate the cost/benefit of FSTAP recommendations, especially those with which the Agency had agreed, and implement those with the greatest potential to enable the Agency to meet its future customer service demands more efficiently through the application of modern technology.

AGENCY COMMENTS AND OIG RESPONSE

The Agency disagreed with our recommendation. In its comments, the Agency stated “. . . it is clearly inappropriate to audit recommendations provided by an advisory committee created by the Commissioner to solicit independent, external consideration of IT issues.” See Appendix M for the Agency’s comments.

We do not agree with the Agency. The *Inspector General Act of 1978 (the Act)*,¹⁷ requires each Inspector General to conduct audits relating to the programs and operations of their Agency. Further, the Inspector General is required to recommend policies for, and to conduct, supervise, or coordinate other activities carried out or financed by the Agency for the purposes of promoting economy and efficiency of, or preventing and detecting fraud and abuse in such programs and operations.¹⁸ The *Act*¹⁹ also authorizes the Inspector General to make such reports relating to the administration of the programs and operations of the Agency, as are, in the Inspector General’s judgment, necessary or desirable.

Consequently, we reiterate our recommendation that SSA evaluate the cost/benefit of FSTAP recommendations, especially those with which the Agency had agreed, and implement those with the greatest potential to enable the Agency to meet its future customer service demands more efficiently and effectively through the application of modern technology. With the Administration’s emphasis on cost-effectiveness and

¹⁶ Vivek Kundra, *25 Point Implementation Plan to Reform Federal Information Technology*, December 9, 2010.

¹⁷ *Inspector General Act of 1978*, as amended, U.S.C. 5, App.3, § 4(a)(1).

¹⁸ *Inspector General Act of 1978*, as amended, U.S.C. 5, App.3, § 4(a)(3).

¹⁹ *Inspector General Act of 1978*, as amended, U.S.C. 5, App.3, § 6(a)(2).

further instilling a culture of transparency in federal spending, the Agency should use taxpayer dollars in the most cost-effective way and be transparent on how these dollars were used.

OTHER MATTERS

During our review, we noted an issue that SSA should consider for any future FACA initiatives. FACA²⁰ states detailed minutes of all advisory committee meetings shall be kept and contain a record of the persons present; a complete and accurate description of matters discussed and conclusions reached; and copies of all reports received, issued, or approved by the advisory committee.

Section 11 of the FACA, *Availability of transcripts; agency proceedings*, states “Except where prohibited by contractual agreements entered into prior to the effective date of this Act, agencies and advisory committees shall make available to any person, at actual cost of duplication, copies of transcripts of agency proceedings or advisory committee meetings.”²¹

Collectively, the minutes and transcripts account for the proceedings of FSTAP meetings. However, it appears that only the meeting minutes were available on the Agency’s Website without any reference to the availability of the meeting transcripts. Should the Agency consider using a FACA panel in the future, SSA should make the meeting transcripts available to the public, as required by FACA.

A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr.", with a stylized flourish at the end.

Patrick P. O'Carroll, Jr.

²⁰ Pub. L. No. 92-463 § 10(c), 86 Stat. 774-775.

²¹ Pub. L. No. 92-463 § 11(a), 86 Stat. 775.

Appendices

APPENDIX A – Acronyms

APPENDIX B – Future Systems Technology Advisory Panel Members

APPENDIX C – Future Systems Technology Advisory Panel's Charter

APPENDIX D – *Low Hanging Fruit/Quick Victories Report*

APPENDIX E – *Data Center Migration Report*

APPENDIX F – *Legacy Systems Conversion Report*

APPENDIX G – *Re-imagining Social Security Report*

APPENDIX H – Future Systems Technology Advisory Panel Recommendations

APPENDIX I – Scope and Methodology

APPENDIX J – Future Systems Technology Advisory Minutes November 5, 2009

APPENDIX K – Future Systems Technology Advisory Minutes May 4, 2009

APPENDIX L – Future Systems Technology Advisory Minutes August 3, 2009

APPENDIX M – Agency Comments

APPENDIX N – OIG Contacts and Staff Acknowledgments

Acronyms

CIO	Chief Information Officer
FACA	<i>Federal Advisory Committee Act of 1972</i>
FSTAP	Future Systems Technology Advisory Panel
FY	Fiscal Year
IT	Information Technology
NCC	National Computer Center
NSC	National Support Center
OIG	Office of the Inspector General
Pub. L. No.	Public Law Number
SSA	Social Security Administration
U.S.C.	United States Code

Future Systems Technology Advisory Panel Members

Alan Balutisa, Director of the North American Public Sector
Cisco Systems' Business Solutions Group

Andy Buckler, Special Advisor and Deputy Commissioner Services & Enforcement
Internal Revenue Services

Gregory Buoncontri, Executive Vice President and Chief Information Officer (CIO)
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Franklin S. Reeder, Founder
The Reeder Group

Steve Sullivan, Vice President, Global Technology Services
T. Rowe Price Group

Future Systems Technology Advisory Panel's Charter

CHARTER FUTURE SYSTEMS TECHNOLOGY ADVISORY PANEL

A. Official Designation: The Committee shall be known as the Future Systems Technology Advisory Panel (hereinafter referred to as "the Panel").

B. Objective and Scope of Activities: The Panel, under the Federal Advisory Committee Act of 1972, as amended (hereinafter referred to as "the FACA"), shall report to and provide the Commissioner of Social Security ("Commissioner"), independent advice and recommendations on the current status of SSA's systems technology, and a road map to assist the Agency in determining what future systems technologies may be developed to assist SSA in carrying out its statutory mission. Advice and recommendations can relate to SSA's systems in the areas of internet application; customer service; exchange of data between SSA, the Centers for Medicare and Medicaid Services, and/or the U.S. Department of Health and Human Services to implement the provisions of Patient Protection and Affordable Care Act; or any other area that would improve the Agency's ability to serve the American people.

C. Description of Duties: The duties of the Panel are solely advisory.

D. Panel Membership: The Panel shall be composed of approximately sixteen members, including: a) members of academia recognized as experts in the area of future computer systems technology; b) members of private industry familiar with the use of computer technology in the customer service, health care, financial and document management field; c) beneficiaries representing SSA's clientele; and d) SSA experts familiar with the Agency's policies and practices with regard to its mission.

Panel members appointed by the Commissioner, who are not full time Federal officers or employees, shall serve as Special Government Employees under the authority of 5 U.S.C. § 3109. Panel members shall be appointed on an annual basis by the Commissioner of Social Security. Panel members shall be compensated for their work, including reimbursement for their travel expenses, in accordance with the FACA and its implementing regulations. The Panel members shall recommend the selection of a Chairperson from the total membership.

E. Panel Meetings: The Panel shall meet at least quarterly at a date and time set at the call of the Designated Federal Officer ("OFO"), in consultation with the Chairperson. The Panel may meet at other times on an as needed basis, at a date and time approved by the OFO in consultation with the Chairperson. The OFO will be a full -time or permanent

part-time Federal employee appointed by the Commissioner and shall be present at all meetings. Six members of the Panel shall constitute a quorum, but a lesser number may meet for information gathering and fact finding purposes only.

Meetings shall be open to the public except as determined otherwise in accordance with the FACA and other applicable law. Due notice of all meetings shall be given to the public. Meetings shall be conducted, and records of the proceedings kept, as required by applicable laws and regulations. A web site will be maintained for the publication and review of the Panel's documents.

All meetings will be held in accessible locations and reasonable accommodations will be provided to the known needs of the members and the public in accordance with applicable laws and regulations (i.e., interpreters for individuals with hearing impairments and large print copies of materials for individuals with visual impairments).

The Panel, with SSA's approval, may establish subcommittees, as necessary and consistent with its mission. 41 C.F.R. §102-3.35(b). These subcommittees shall operate under the provisions of the FACA and appropriate Federal regulations. Such subcommittees shall not work independently of the chartered Panel, and shall report their recommendations and advice to the Panel for full deliberation and discussion. Subcommittees have no authority to make decisions on behalf of the chartered Panel, nor can they report directly to the Agency or any Federal officers or employees not panel members.

F. Agency Support: SSA shall provide support as deemed necessary for the performance of the Panel's functions, and shall ensure compliance with the requirements of the FACA.

G. Operating Costs: The annual estimated operating costs are \$848,970 which includes 3.6 staff years of support.

H. Consultants: The Panel may also engage additional technical assistance from experts and consultants skilled in computer systems and other future technologies.

I. Reports: The Panel will submit its recommendations to the Commissioner. Preliminary recommendations will be provided within the first year and final recommendations provided within two years after the Panel begins its work.

J. Duration: The Panel is anticipated to be continuing in nature.

K. Termination: This charter shall be in effect for two years from the date it is filed with Congress. After this two-year period, the charter may be renewed in accordance with the terms of the FACA.

Approved:
June 8, 2010

Commissioner of Social Security

Jun 15, 2010

Congressional Filing Date

(Date Charter filed with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate)

Low Hanging Fruit/Quick Victories Report

**FUTURE SYSTEMS TECHNOLOGY ADVISORY PANEL (FSTAP)
REPORT REGARDING
“LOW HANGING FRUIT/QUICK VICTORIES”
SEPTEMBER 23, 2009**

During our initial briefings and site visits to various Social Security offices, the panel members discussed and/or observed some existing practices or had some suggestions that, if implemented, would take few resources, are relatively easy to implement, and would provide some immediate and significant pay-off. We labeled these ideas “low hanging fruit/quick victories”.

The following are the panel’s thoughts and suggestions:

Electronic Enhancements:

We suggest two-technology enhancements to improve the electronic disability claims process and the electronic folder (EF):

1. Eliminate the need to fax documents by implementing the ability to import tiff files directly. This could be coupled with standard PC capability to grab screens from non-EF applications that do not allow downloads (i.e., green screen applications).
2. Is the original digital (non-tiff) medical evidence record kept? If not, it should be kept in preparation for more meaningful use of electronic health records (EHR) within the disability process.

Systems Security Access:

1. Revise the process for requesting and approving temporary systems access. Currently employees assigned to temporary duty sites are delayed in performing the work for which they are assigned because they do not have systems access at the temporary duty site. The downside to this is that productivity is lost. Consider mitigating the security risks and implementing a process, which would ensure that the employee has security access at the temporary duty site upon their arrival.
2. Increase productivity at the appeals stage by allowing security access to the ALJs when they work from home.

Disability Claims Processing:

If legally feasible, give claimants without private disability insurance priority in processing their claim due to financial hardship.

DRIVE CITIZENS TO THE INTERNET

Review and implement processes, practices and procedures similar to those of the Internal Revenue Service that “push” citizens towards using and conducting all interactions and business transaction on the Web.

Data Center Migration Report

FUTURE SYSTEMS TECHNOLOGY ADVISORY PANEL (FSTAP) “DATA CENTER MIGRATION”

**Report
January 2010**

Introduction

The Commissioner of Social Security asked the panel to conduct a high level review of the agency’s plans to replace the current National Computer Center located on the main campus in Baltimore, Maryland. He asked that the panel examine the physical, and technological, considerations, as well as the planning assumptions for workload capacity and risk management. This report is a result of briefings made to the FSTAP members by SSA, GSA, and contractor personnel involved in the planning stage of the project; a review of reports and discussions on anticipated workload trends; and deliberations of the FSTAP subcommittee on the Data Center Migration, and the review and approval by the members of the full FSTAP panel.

The panel makes the following recommendations based on their knowledge, expertise and experience in the areas of information technology, large scale project management planning and oversight and data center construction.

Commissioner’s Concerns with Existing NCC Architecture

The existing NCC is nearing 30 years in age. Although state of the art at the time, today this facility is severely limited as to the amount of power that can be distributed to each floor.

SSA received Congressional funding (\$500 million) to construct a new National Computer Center (NCC) and in partnership with GSA, SSA is planning to construct it and have it operational by 2014. However, with current workload growth rates SSA projects it will run out of electrical distribution capacity in approximately 2012. Unless SSA takes some remedial action, SSA will be unable to add more computer processing capacity to handle their increasing workloads.

Commissioner’s Scope of Recommendations to be addressed by the FSTAP

1. Other than building renovations to upgrade the existing NCC, what other recommendations and viable options can the panel offer as to how the agency can remain operational and efficiently support the increased IT demands during the period from 2012 until 2014? How can SSA bridge the gap and minimize the risks until the new building is operational?
2. What recommendations can the panel offer so that SSA avoids mistakes other organizations have made in planning for a data center replacement? What are the

best strategies and options to make a computer center flexible to accommodate future technologies, new business processes, and workload growth?

3. If the panel has additional recommendations they would like to make that are not included in items 1 and 2, the Commissioner asked that the panel provide them as well.

FSTAP's Observations and Suggestions Regarding the NCC

1. How can SSA bridge the gap and minimize the risks until the new building is operational - Recommendations to maintain operability and efficiency from 2012 - 2014.

- The development of robust contingency plans is essential. This contingency planning should encompass the potential for delays in the construction of the new facility and ensure that no existing programs or planned programs are impaired during the gap from 2012-2014, or while the agency is migrating from the current NCC to the new NCC. The agency should assess the possible pitfalls, delays and identify “worst-case scenarios” with the appropriate mitigation actions to be taken for each. The agency should have these recovery plans in place should any one of the possibilities occur and be ready to execute them.
- The adoption of increased virtual computing environments to save space and power are strongly encouraged.
- New applications and/or equipment should be installed in the Durham Center where possible.
- The agency should examine their applications portfolio with the goal of determining potential candidates for retirement or outsourcing.
- Create a master project plan for the data center initiative. This plan should reflect critical path milestones needed to meet dependencies of all the other major IT initiatives underway concurrent with the data center project.

2. What recommendations can the panel offer so that SSA avoids mistakes other organizations have made in planning for data center replacement?

Recommendations based on Best Practices – Panel Experience

- “Cloud computing” is useful for certain business applications, however, at this state we do not believe the agency should deploy any mission-critical applications to a public “cloud computing” platform.
- We encourage the agency to examine a Software-as-a-Service offering for its email needs.

- Data Center Design and Construction
 - a. Plan for hot/cold aisles and “in-row” water cooling.
 - b. Eliminate disk storage in servers; storage area networks are more robust and space efficient.
- “Green” Data Center Technologies
 - a. These should be considered only where there are tangible energy savings or substantial cost avoidance opportunities.
 - i. Consider the use of cheaper power sources that may be available in some geographic locations.
 - ii. Utilize Plate heat exchangers to exploit more efficient use of ambient air temperature.
- New Data Center Operating Concepts
 - a. Consider having an extremely limited staff in the center. We recommend the provision of adequate space for emergency IT staff that may need to locate there in the event a disaster situation occurs.
 - b. The location of the command center for the new NCC can be housed at a different geographic location. This can provide security and labor cost benefits. Remote access technologies are sufficiently mature for this to be undertaken.

3. Additional Recommendations for the New Data Center Initiative and IT

- Strengthen overall plans
 - a. Establish one organizational owner responsible for the execution of all the IT activities associated with this project.
 - b. Align the overall strategic plan for the agency with the different IT activities that are in process or contemplated.
 - c. The agency’s business plan should ensure that each of the IT programs supports and delivers the capabilities the agency plans to provide to the public and other stakeholders
 - d. Identify a single technology executive in the agency who is accountable for alignment and execution of all of the IT functions.
 - e. Factor in plans to expand and increase capacity for growth, to
 - i. process larger workloads, and advances in technology.
 - f. Ensure continuity-of-funding remains once the project begins. Determine how the agency will handle and plan for cost overruns.
 - g. Align all government organizations involved in the new NCC construction project activities with the agency’s overall business goals. Determine and agree on who is responsible for each aspect of the project, schedule, and outcome.
 - h. Plan for potential loss of key personnel and staff retirement by creating succession plans for a smooth transition without any gaps in knowledge.
 - i. Constantly oversee contract expirations and key vendor renegotiations which may impede the schedule, change resources or increase costs

- Assessing costs and estimates
 - a. Examine benchmark data to determine how the planned data center costs compare to similar Tier 3, Level 4/5 security data centers elsewhere in government. Also consider comparisons to comparable private sector projects.
 - b. Reconcile project cost differences between the Lockheed-Martin and GSA studies. These should be normalized for:
 - i. Additional security measures
 - ii. “Buy American”
 - iii. Use of union labor sources
 - iv. LEEDS certification
 - c. Strive to accelerate land acquisition to capitalize on current “buyers market”.
 - d. The new location should take into account factors such as:
 - i. sources for power and telecommunications infrastructure
 - ii. Avoidance of I-95 and DC metro area traffic congestion
 - iii. Distance limitations associated with certain technology components (e.g., synchronous disk mirroring, etc.)
 - iv. Power needs of the future may exceed the 13,200v feeder capacity currently under consideration

3. *Long-Range Issues for Data Center Planning*

- Selecting a viable number of enterprise Data Centers
 - a. Reduce the need for space by exporting some “compartmentalize-able” applications. Buy a managed service application where possible, instead of adding equipment capacity at the NCC. Data privacy is a crucial factor to the applicability of this approach.
 - b. Develop the Data Center with a clear link between the agency’s business plan and growth drivers.
 - c. A “hot-site” may still apply in multi-data center environments.
- Life span of Data Center
 - a. The lifecycle of the new NCC should encompass a horizon of 20+ years.
 - b. The upgrade or expansion of computer equipment should have as one of its goals the reduction of floor space, and the use of this space capacity for other purposes.
- The decision making consideration for future technology should consider 5 years as the normal limit of usable forecasts.
 - i. The agency should work with key vendors to obtain non-disclosure briefings on their product and service roadmaps.

Legacy Systems Conversion Report

FUTURE SYSTEMS TECHNOLOGY ADVISORY PANEL (FSTAP) LEGACY SYSTEMS CONVERSION REPORT

MAY 2010

Introduction

The Commissioner of Social Security asked the panel for recommendations on the agency's plans for operation, maintenance and replacement of the many existing applications and databases supporting current business processes. Most of these systems were independently developed and they are in need of modernization.

The Future Systems Technology Panel (FSTAP) engaged key SSA officials to get a better understanding of the current systems landscape, as well as a picture of planned investments. These discussions confirmed the Commissioner's observations that the agency has a wide array of systems, developed over a long period, residing on different technical platforms, utilizing a wide range of programming languages and technologies. In many instances, these systems do not integrate well together, causing significant inefficiencies, both in business operations and in the operations and maintenance of the IT application environment.

Observations

At the heart of SSA's processing environment is the *Master Data Access Method* (MADAM) system. MADAM is actually a series of databases, which house the core account information for all SSA customers, and it is the data foundation that the overall systems architecture is built. MADAM was originally built in the 1980s when SSA converted its tape databases to DASD to enable online, direct access to its master files. MADAM operates in a proprietary, COBOL/ALC-based environment. As a result, the system's capabilities fall short of those of a modern relational database system. The agency is currently in the midst of a long-term strategic migration to move from MADAM to a more modern, DB-2 based environment.

An industry group called the Computer and Communications Industry Association submitted a report to the FSTAP panel suggesting that SSA pause the MADAM migration to reconsider its technical architectural and design decisions, specifically the decision to utilize DB-2 in a mainframe environment. The National Research Board raised similar concerns in a study in 2007. While the FSTAP agrees that other technical approaches might have been better choices, we do not concur with their recommendation that the agency stop its current program. The agency's

design utilizes proven technology that is well accepted and heavily used in the industry. Given the substantial investment and clear progress SSA has achieved in the current program, the FSTAP does not recommend stopping to consider other technical alternatives at this time.

However, the FSTAP has concerns about the long-term ability of the new architecture to support modern, web-based technologies in the future. We recommend that SSA consider bringing in outside expertise to conduct a review of the data model and schemas, as well as the surrounding applications, to achieve the maximum degree of openness and flexibility to allow the new data architecture to support future service delivery requirements. In addition, the agency should develop a plan to evolve access to those datasets necessary to meet the changing needs of the agency and its customers.

In addition to the MADAM conversion, SSA has a number of other strategic application development projects underway, including a redesign of the Disability Processing system, the development of web-based applications to interact with the public, and the agency's vision for a "seamless" processing system.

Based on information SSA officials shared with the FSTAP about the agency's strategic objectives and plans, we believe that the projects currently underway seem to align with the agency's current strategic business priorities and plans.

Recommendations

The panel recommends that SSA consider developing a comprehensive agency-wide strategic systems development roadmap. The focus of the roadmap should be on critical strategic systems and applications that will have significant impact on SSA customers, the agency's business costs/results and/or impact on IT costs for operations and maintenance. Give priority consideration to those systems, which provide foundations for further development, such as the MADAM migration.

The strategy should differentiate those systems that clearly must be updated, with those that should clearly remain in their current state, and a process for evaluating and making decisions regarding those in the middle. In addition, the strategy should include fundamental architectural decisions regarding processing platforms, storage technologies, programming languages, etc. Once decisions are made, processes should be implemented to ensure that all new development activities comply with architectural standards and directions.

Resource requirements for both new development and ongoing operations and maintenance should be factored into the planning of the roadmap. The strategy should include a high-level view of a realistic future state, along with a plan that outlines the major steps the agency will take to achieve its vision.

The panel believes it is critical that appropriate stakeholders are fully engaged in formulating the strategic systems development roadmap. Stakeholders include the IT community and key business leaders throughout the agency. Engaging business stakeholders is essential to ensure that the systems migration strategy is aligned to business priorities and plans. Business buy-in is also critical to maintaining the discipline to ensure that investment decisions are driven by strategic priorities over both the short and long term. Both IT and business stakeholders should be brought together in a comprehensive governance process to guarantee progress toward the agency's strategic systems development vision.

Managing the demand for IT services is essential to the long-term success of the strategy. SSA should have a process to ensure that its limited resources are invested to address the highest priorities and requirements to meet the mission of the agency. Business stakeholders must understand and support the overall strategy and agree to focus their service and development requests on those activities that will advance the organization toward realization of its strategic vision. Processes should be implemented that will fully engage stakeholders to ensure that strategic priorities are used to drive IT investment decisions.

Final Note

At the November FSTAP meeting, the CIO shared some of the initiatives that he has undertaken since arriving at SSA. The FSTAP is pleased to hear that work is well underway to implement a number of our recommendations. In addition, the Panel has volunteered to assist the CIO develop and implement its strategic systems development vision and roadmap.

Re-imagining Social Security Report

Re-imagining Social Security
Future Systems Technology Advisory Panel
Report, June 2010



Introduction

The Commissioner of Social Security asked the panel for advice and guidance to assist the agency in determining future systems technology options that would improve the agency's ability to serve the American people in the next 5, 10 and 20 years. Based on the Commissioner's request this report will paint a picture of how people could interact with SSA based on available future technology within those timeframes.

The panel based the following report on discussions with Social Security Administration officials, an analysis of the data and information they provided as well as independent research and information gathered by the panel. This report is an overview, subsequent panel reports on the Disability Backlog/Health Information Technology (HIT) and, Privacy, Authentication and Fraud Detection will provide in depth recommendations specific to those topics.

This document consists of three sections. The first presents recommendations based on our research, deliberations, site visits and presentations by SSA personnel. The second section presents an analysis of some of the workload and investment data provided by the agency and the third section is a scenario for how citizens might interact with the agency if SSA implements the panel's recommendations.

Recommendations:

Move to an electronic customer self-service model with the goal of moving transactions to the Internet each year until 90% of the business with SSA takes place online.

- **Provide other channels for:**
 - **Complex transactions that are not suited to online execution**
 - **Those who cannot or will not use technology**

Given the projected workload increases due to the number of individuals retiring over the next two decades and other demographic trends, electronic self-service appears to be the *only* solution that will enable SSA to process future transaction volumes. As evidenced by the FCC's policy proposal to promote and expand broadband connectivity and speeds we anticipate that the vast majority of citizens interacting with SSA will be able to do so through the Internet.

- **Develop a series of incentives to encourage and direct the public to utilize the electronic self-service model.**

Establish SSA policy to allow offering incentives (i.e., less wait time, quicker decision, etc.) to encourage the public to interact with SSA via online services.

- **Lead in developing a National Health Information Network, Health Information Exchanges and the adoption of electronic medical records. Work to establish industry standards for health information data security, and the security of personally identifiable information.**
- **Encourage and subsidize the adoption of electronic medical records with connections to disability examiners in the states and to SSA.**

One of the agency's goals is to reduce the disability claims backlog and prevent the backlog from recurring. Based on discussions with SSA personnel we learned that when disability claims are denied and then appealed a great deal of study and human judgment is required and that human judgment is difficult to automate. Often times the claimant fails to identify all of their medical conditions. Sometimes they do not recall or do not supply all of the medical information needed resulting in an initial denial. A National Health Information Network would provide SSA personnel and State Disability Determination Services access to all of the claimant's medical records for review and evaluation so that the correct decision can be made at the initial stage. Therefore, as experiments have shown, electronic medical records can dramatically reduce the time on the front end required to make the initial determination and ultimately reduce the number of appeals. Promoting and implementing a National Health Information Network that includes electronic medical record will facilitate timely receipt of all the medical records upfront so that the right decision can be made at the earliest stages of the disability claims process.

- **Implement a program to automate the initial disability claim decision that would only require human review for denied claims.**

The agency is experimenting with the development of such a program. The Panel learned that at least one large Insurance company leverages information on all claims for expedited and automated decisions with claim submissions. The panel recommends continued information sharing with the private sector to explore process improvement in making disability claim decisions without compromising the outcome or quality. Implementing such a program should be a high priority as it will help reduce the cycle time for disability decisions and reduce the backlog of claims.

- **The most common tools people will use to access the internet in the future will be the Smart phone and mobile devices. These tools are predicted to replace the PC. Therefore, in designing online applications SSA should position themselves to support mobile devices and be prepared to convert internet applications to these platforms while simultaneously maintaining the current platforms for the PC.**

Smart phones and devices like the iPad are replacing PCs for convenient internet access because of the mobility they provide. While these devices have a Web browser allowing the

user to reach the SSA website and conduct transactions, dedicated applications for smart phones provide more incentives for use as they recognize the interface advantages and limitations of smart devices.

- **Develop a prototype and then production systems to distribute benefits via cell phones.**

The developing world is ahead of industrial economies in using cell phones as payment devices because many people do not have bank accounts or credit cards. Japan developed a cell phone payment system some time ago. In the U.S. there are a number of efforts underway to utilize cell phones for payments and receipts. Some of these approaches use a smart chip, a sticker with an RFID tag, or a small credit card reader. There is competition between systems that utilize the credit card infrastructure or those that create their own payments system. For example there is an iPhone application that lets two people "bump" their phones and transfer funds via PayPal accounts. As more merchants are able to accept credit card payments, the public will increasingly choose this approach over debit and credit cards and cash. SSA should be able to distribute benefits to individuals who prefer to use their cell phones.

- **Establish electronic service delivery as a strategic goal for all employees.**
 - **Create a publicity campaign to inform employees about the development and implementation of an electronic self-service model. Explain how they will benefit from the electronic self-service model and how its implementation will help the agency achieve its goals.**
 - **Hire employees at all levels with the desire, aptitude and ability to complete work assignments electronically.**

The panel suggests tying electronic service delivery to the specific business process. Determine which method is best suited for each transaction, i.e., electronic, telephone, face-to-face. Clarify and explain the agency's rationale for steering interactions via the various methods to ensure that employees have a clear understanding of how the agency's strategic goals will better assist them in performing their work. Promote buy-in by involving employees at all levels, and stress how their performance will assist the agency in achieving its goal while improving the business process. The panel learned through meetings with SSA personnel that there is a resistance within the agency to accept the electronic self-service model; many employees feel that person-to-person contact is the best way to serve the public. While there are many advantages to face-to-face interaction, the agency cannot afford to continue this approach given the increased workloads.

- **Seek legislation that would require all employers to file required documents electronically.**

The panel recommends getting legislation passed as quickly as possible with a deadline that would require employers to file documents electronically. In addition, if feasible, SSA could provide the start-up costs as an incentive and buy-in.

- **Lead a government-wide study group to discuss options with other agencies to pilot a single government service center in each region for individuals who need face-to-face service across from different agencies. (For example, IRS, SSA, INS, State Social Services, etc.)**

- **Consider contracting-out providing the services by third parties vs. each agency. Look at the model in some state DMVs.**

The panel realizes that there will always be some complex transactions and some clients who need to interact with an SSA employee. In order to provide better service across all Federal agencies and to consolidate real estate, we suggest looking into setting up government service centers for "one stop shopping."

- **Some short-term suggestions:**

- **Consider outsourcing some activities to third parties, e.g. libraries.**

In order to reallocate resources from physical offices to an electronic self-service model, the agency should consider possible third parties who could provide some of the services that currently require a visit to an SSA office.

- **Develop and implement a video capability for disability claimants at field offices and those with cameras on their PCs.**

Explore expanding the use of video conferencing for disability hearings. Further leveraging video conferencing capabilities will help reduce the disability backlog at the hearing level while reducing cost. In addition, video conferencing will promote selective hiring across geographic regions and consistency across the country. An increasing number of computers and other devices have cameras, which would allow examiners and others widespread video communication possibilities as well.

- **Develop video kiosks to provide service to customers**

Video kiosks are another avenue to move customers to an electronic self-service platform. Kiosks can be set up in libraries, malls, grocery stores, and community centers to accommodate those that do not have computers in their homes. In addition, install

self-service stations at field offices where people can complete their business with SSA online without having to interact with SSA personnel.

- **Develop and make available training web videos on how to find information and complete transactions on the Internet.**

Instructional videos will help individuals learn how to interact with the agency electronically.

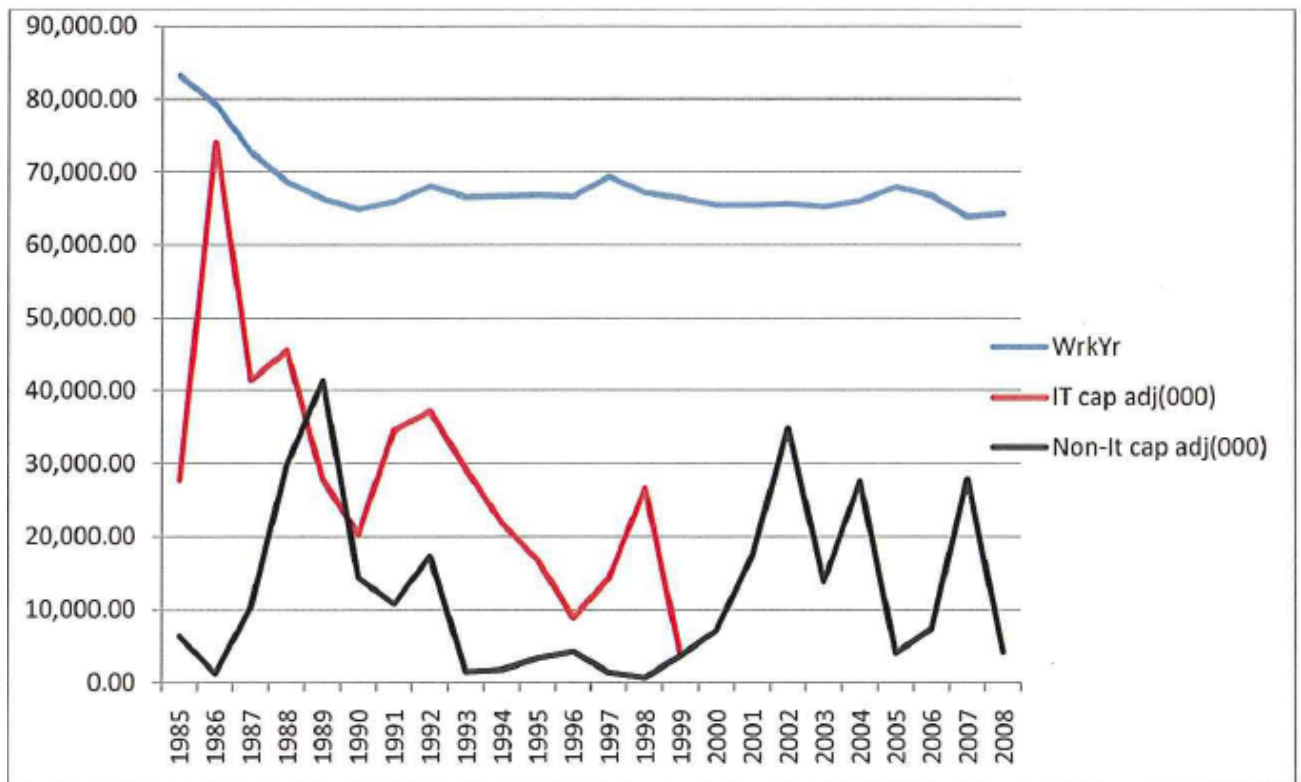
Predictions about future technology:

Blaise Heltai, Genus2 Technology, February 2010, predictions about the following future technologies helped frame the recommendations above.

- **Smart Phones with biometric identification (2012)**
- **Use of consolidated email/social networking/1M services reaches 300 million users (2013)**
- **A national ID card issued by SSA (2015)**
- **EMR adoption reaches 70% (2016)**
- **Government reorganization plan centralizes all services delivered to citizens through consolidated service centers (2019)**
- **Life vault gives every user on the planet 100 Gb of information on their lives including medical records (2020)**

Data Analysis

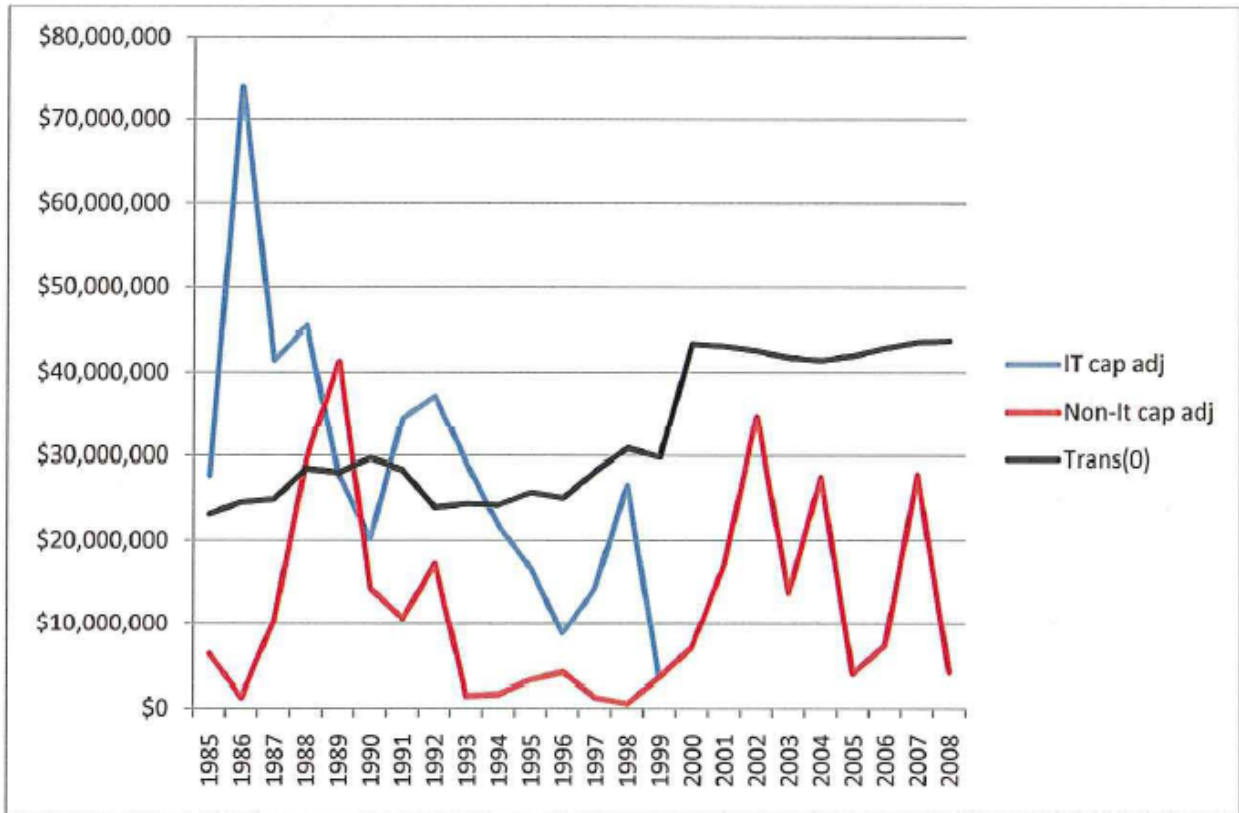
Analysis of Data on the Impact of SSA's Investments in Information Technology



**The contribution of IT to SSA
IT Capital and Work Years
(Capital in 1985 dollars)**

Figure 1

Figure 1 shows a large investment in IT from 1985 to 1990 and a reduction in personnel work years. After 1990 IT investment shows high variability while work years produced by the agency remains fairly constant. Given increasing workloads, there is evidence that the combination of IT and human capital have made it possible to handle an increasing workload with the same human effort. *(This information is based on the data SSA provided.)*



IT Capital and Transactions
(Capital in 1985 dollars)

Figure 2

Figure 2 provides further evidence of the productivity from investing in information technology. A combination of routine transactions (not associated with disability determination) shows a steady upward trend while the number of workers at SSA has decreased during the period. *(This information is based on the data SSA provided.)*



**Returns on IT Labor for
Various Transactions**

Figure 3

Figure 3 shows an analysis of returns from SSA's investment in information technology workers (IT Labor) for select transactions. IT labor develops the applications and systems that the agency uses to accomplish its mission. The data suggest that an investment in technology and systems as measured by IT labor has shown a positive return for SSA. *(This information is based on the data SSA provided.)*

Data Analysis: the Electronic Medical Records Experiments

The Massachusetts' DDS MEGAHIT Experience with Beth Israel Deaconess Medical Center

- **Processing Times** - as of 07/30/2009
- DDS overall average case processing time is 86.3 days
- DDS average processing time for HIT cases is:
 - 63.3 days for unfavorable decisions/denials from DDS assignment to the adjudicator
 - 34.5 days for allowances from DDS assignment to the adjudicator

- **The Virginia DDS MEGAHIT Experience with MedVirginia**

- **Processing Times** - as of 07/29/2009
- DDS overall average case processing time is approximately 81 days for Title II and 87 days for Title XVI claims
- DDS average processing time for HIT cases is:
 - 51 days from DDS receipt of the case
 - 25 days from DDS assignment to the adjudicator

These data show that electronic medical records can dramatically reduce the processing time for disability claims. Since not all data are yet available electronically, electronic medical records and a National Health Information Network have great potential for reducing disability claim processing times and improving service to SSA clients. *(This information is based on the data SSA provided.)*

- **Our conclusion is that information technology offers the best hope for providing outstanding service to SSA constituents from "baby boomer" retirees to applicants for disability.**
- **Forecasting future technology trends, we believe that the SSA should move to the Internet for as many interactions with constituents and within the Agency as possible.**

Scenario

The scenario illustrates how the public might interact with the agency if SSA implements the panel's recommendations.

At Birth

- Mary is born
 - The hospital automatically creates an electronic birth record by extracting data from both parents' records
 - The hospital's actions establish a permanent Electronic Medical Record (EMR) for Mary
- Enumeration at birth electronic message from the hospital- to SSA with data and biometrics- 95%
- SSA establishes an account for Mary and sends parents login and temporary password
- Parents applying online at a later time
 - Verification by electronic message from state bureau of vital statistics- 5%

Employment

- Mary gets a job
- Employer verifies SSN via eVerify- 100%
- Employer reports her wages each year or quarter
 - Employer withholds FICA
 - 100% electronic including small business
- Mary accesses her SSA account at her discretion to check earnings and to use benefits calculator
 - SSA does not need to send annual statements any longer

Marriage

- Mary finally gets married
 - To change a name a married person:
 - Accesses her online SSA account 90%
 - Calls the SSA 800 number- 5%
 - Visits a field office and uses the self-service kiosk - 5%
- Mary switches from using her PC to access SSA to a smart phone

Mary becomes a widow

- Mary access www.socialsecurity.gov to find out about her and their children's eligibility for survivor benefits
- SSA receives death notice from funeral director or state bureau of vital statistics electronically
- SSA sends Mary an email with explanation of benefits
- SSA begins to deposit new benefits electronically in her bank account

Disability

- Mary becomes disabled and applies for disability benefits online-90%
calls the 800 number- 5%
visits a government service center -5%
- SSA gathers required documents electronically using the National Health Information Network
 - Network consolidates records from Health Information Exchanges
 - HIEs rely on electronic medical records
 - Interfaces to other systems from insurance companies
- Mary initiates a Google Wave meeting with SSA to discuss her disability
- SSA has been a lead agency in setting standards for Health IT and subsidizing the creation of the National Health Information Network

Alternative online filing

- Mary downloads apps to her iPhone to file for disability
- The apps guide her through the application
 - They contact her health care providers electronically and arrange for electronic submission of medical and other documents to be sent in with the claim

Disability determination

- SSA examiner uses Mary's information along with database of prior determinations
- Decision support tools provide recommendations
 - Statistical analysis and AI programs gather information on similar cases and their outcomes and report to examiner
 - 90% of cases are determined automatically
 - Positive decisions are not reviewed
 - SSA staff reviews rejected claims

In case of an appeal

- The first hearing is with an ALJ the claimant and an attorney using Google Wave
- Face-to-face hearings occur depending on the case backlog and the outcome of the Wave conference
- A scheduling system assigns cases in backlogged areas to areas that are more lightly loaded for video hearings
- Decision support for the administrative law judge
 - Statistical and AI programs search the database of appeals to report on similar cases and their outcomes

Going back to work

- Mary recovers sufficiently to return to work
- Employer and Mary notify SSA electronically

Inheritance

- Mary receives an inheritance from her favorite Aunt
- Mary goes to a financial planner
- With Mary's authorization, the financial planner accesses Mary's SSA account electronically
 - Includes SSA benefits in developing her estate and retirement plans

Widow's benefits

- Mary turns 60
- Applies electronically as a widow
- Receives monthly cash payments for surviving spouse age 60 and over

Retirement

- Mary retires filing for benefits online – 90%
 - Or via the 800 number – 5%
 - Or at a government service center- 5%

Medicare

- SSA notifies Mary electronically she should sign up for Medicare
- Mary learns online about different options
- Mary selects her options and notifies SSA electronically – 90%
 - Or via another channel- 10%

Future Systems Technology Advisory Panel Recommendations

This appendix lists the 78 Future Systems Technology Advisory Panel (FSTAP) recommendations based on the 4 documents/reports created by the Panel and presented to the Social Security Administration (SSA).

- | | |
|---|--------------------|
| 1. <i>Low Hanging Fruit/Quick Victories</i> | 6 recommendations |
| 2. <i>Data Center Migration</i> | 39 recommendations |
| 3. <i>Legacy Systems Conversion</i> | 14 recommendations |
| 4. <i>Re-imagining Social Security</i> | 19 recommendations |

We identified the Agency response by reviewing the FSTAP meeting minutes and transcripts. We categorized the Agency response as:

Agree	SSA stated that it agreed; or stated that it was already taking action or will take action.
Not Agree	SSA stated that it did not agree; or did not explicitly state any type of agreement but instead stated that it would not implement the recommendation.
Other Agency	SSA identified another Agency as the party responsible for the action.
Insufficient Information	SSA did not provide sufficient information for us to determine whether the Agency agreed or disagreed with the FSTAP recommendation.

Table 2 in the report shows the overview of the Agency's agreement with the FSTAP recommendations.

We identified the Agency actions by reviewing the meeting minutes and transcripts, as well as recent Audit reports. For the recommendations with which the Agency agreed, we categorized the Agency action as follows.

Prior Implementation	By the time the Agency responded to the FSTAP, the Agency stated they had already implemented the recommendation.
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Plan to Implement	The Agency stated it planned to implement the recommendation. This includes recommendations that the Agency agreed to but did not provide specifics on their plan to implement.
Will not Implement	Although the Agency stated it agreed, they did not plan to implement the recommendation.

Table 3 in the report shows the overview of the Agency's action on the FSTAP recommendations.

Low Hanging Fruit/Quick Victories Report

Electronic Enhancements to Improve the Electronic Disability Claims Process and the Electronic Folder

1. Eliminate the need to fax documents by implementing the ability to import gray-scale image files directly. This could be coupled with standard Personal Computer capability to grab screens from non-Electronic Folder applications.

Agency Response: *Agree*

Agency Action: *Prior Implementation*

OIG did not confirm that this recommendation was implemented.

2. If the Agency does not keep the original digital medical evidence record, it should keep it in preparation for a more meaningful use of electronic health records in the disability process.

Agency Response: *Agree*

Agency Action: *Plan to Implement*

System Security Access

3. Revise the process for requesting and approving temporary systems access. Consider mitigating the security risks and implementing a process, which would ensure that an employee has security access at the temporary duty site upon their arrival.

Agency Response: *Agree*

Agency Action: *Plan to Implement*

4. Increase productivity at the appeals stage by allowing security access to the administrative law judge when they work from home.

Agency Response: *Agree*

Agency Action: *Plan to Implement*

Other

5. Disability Claims Processing: If legally feasible, give claimants without private disability insurance priority in processing their claim because of financial hardship.

Agency Response: *Not Agree*

Agency Action: *Will not implement*

SSA stated that General Counsel does not feel it is legally feasible to implement this recommendation.

6. Drive Citizens to the Internet: Review and implement processes, practices and procedures similar to those of the Internal Revenue Service that push citizens toward using and conducting all interactions and business transaction on the Internet.

Agency Response: *Agree*

Agency Action: *Plan to Implement*

Data Center Migration Report

Bridge the Gap and Minimize the Risks until the New Building is Operational

7. Develop a robust contingency plan that encompasses the potential for delays in the construction of the new facility and ensure that no existing programs or planned programs are impaired while the Agency is migrating from the current National Computer Center (NCC) to the National Support Center (NSC).

Agency Response: *Agree*

Agency Action: *Prior Implementation*

OIG did not confirm that this recommendation was implemented.

8. Assess the possible pitfalls and delays and identify worst-case scenarios with the appropriate mitigation actions to be taken for each.

Agency Response: *Insufficient Information*

Agency Action: *Insufficient Information*

9. Have these recovery plans in place and be ready to execute them should any one of the possibilities occur.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

10. Adopt increased virtual computing environments to save space and power.

Agency Response: Agree

Agency Action: Plan to Implement

11. Install new applications and/or equipment in the Second Support Center where possible.

Agency Response: Agree

Agency Action: Plan to Implement

12. Examine applications portfolios with the goal of determining potential candidates for retirement or outsourcing.

Agency Response: Agree

Agency Action: Plan to Implement

13. Create a master project plan for the NCC Replacement Project. This plan should reflect critical path milestones needed to meet dependencies of all the other major, concurrent information technology (IT) initiatives underway.

Agency Response: Agree

Agency Action: Plan to Implement

To Avoid Mistakes Other Organizations Have Made in Planning for Data Center Replacement

14. Cloud computing is useful for certain business applications; however, at this state the Agency should not deploy any mission-critical applications to a public cloud computing platform.

Agency Response: Agree

Agency Action: Plan to Implement

15. Examine a Software-as-a-Service offering for its electronic mail needs.

Agency Response: Agree

Agency Action: Plan to Implement

16. For data center design and construction, plan for hot/cold aisles and in-row water cooling; and eliminate disk storage in servers.

Agency Response: Agree

Agency Action: Plan to Implement

17. Consider green data center technologies only where there are tangible energy savings or substantial cost avoidance opportunities.

Agency Response: Agree

Agency Action: Plan to Implement

18. Consider using less-expensive power sources that may be available in some geographic locations.

Agency Response: Agree

Agency Action: Plan to Implement

19. Use plate heat exchangers to exploit more efficient use of ambient air temperature.

Agency Response: Agree

Agency Action: Plan to Implement

20. Consider having an extremely limited staff in the data center.

Agency Response: Agree

Agency Action: Plan to Implement

21. Provide adequate space for emergency IT staff that may need to locate at the data center in the event a disaster situation occurs.

Agency Response: Agree

Agency Action: Plan to Implement

22. House the command center for the NSC at a different geographic location.

Agency Response: Agree

Agency Action: Plan to Implement

Strengthen Overall Plans

23. Establish one organizational owner responsible for the execution of all IT activities associated with this project.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

24. Align the overall strategic plan for the Agency with the different IT activities that are in process or contemplated.

Agency Response: Agree

Agency Action: Will not implement

SSA stated it endeavor to align its IT activities with the Agency strategic plan rather than the other way around.

25. Ensure that in the Agency's business plan each of the IT programs supports and delivers the capabilities the Agency plans to provide to the public and other stakeholders.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

26. Identify a single technology executive in the Agency who is accountable for alignment and execution of all of the IT functions.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

27. Factor in plans to expand and increase capacity for growth, process larger workloads, and use advances in technology.

Agency Response: Agree

Agency Action: Plan to Implement

28. Ensure continuity-of-funding remains once the project begins. Determine how the Agency will handle and plan for cost overruns.

Agency Response: Agree

Agency Action: Plan to Implement

29. Align all Federal organizations involved in the NSC construction project activities with the Agency's overall business goals. Determine and agree on who is responsible for each aspect of the project, schedule, and outcome.

Agency Response: Agree

Agency Action: Plan to Implement

30. Plan for potential loss of key personnel and staff retirement by creating succession plans for a smooth transition without any gaps in knowledge.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

31. Constantly oversee contract expirations and key vendor renegotiations that may impede the schedule, change resources, or increase costs.

Agency Response: Agree

Agency Action: Plan to Implement

For The New Data Center Initiative and IT, Assess Costs and Estimates

32. Examine benchmark data to determine how the planned data center costs compare to similar Tier 3,¹ Level 4/5 security data centers elsewhere in Government. Also, consider comparisons to comparable private sector projects.

Agency Response: Agree

Agency Action: Plan to Implement

33. Reconcile project cost differences between the Lockheed-Martin and General Services Administration studies. These should be normalized for (1) Additional security measures; (2) Buy American; (3) Use of union labor sources; and (4) United States Green Building Council Leadership in Energy and Environmental Design Silver level for green building certification.

Agency Response: Not Agree

Agency Action: Will not implement

SSA stated that the studies address different scopes and purposes and that dissecting these costs based on stated data would not be effective.

34. Strive to accelerate land acquisition to capitalize on current “buyers market.”

Agency Response: Agree

Agency Action: Plan to Implement

35. The new location should take into account sources for power and telecommunications infrastructure.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

¹ Tier III facilities have redundant capacity that allows for any planned site infrastructure maintenance and activities without disrupting the computer hardware operation. All IT equipment is dual powered and has multiple independent distribution paths.

36. The new location should take into account avoidance of I-95 and District of Columbia metro area traffic congestion.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

37. The new location should take into account distance limitations associated with certain technology component.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

38. The new location should take into account that power needs of the future may exceed the 13,200 volt feeder capacity currently under consideration.

Agency Response: Not Agree

Agency Action: Not Implement

Other

39. Reduce the need for data center space by exporting some compartmentalize-able² applications.

Agency Response: Agree

Agency Action: Plan to Implement

40. Buy a managed service application where possible, instead of adding equipment capacity at the NCC. Data privacy is a crucial factor to the applicability of this approach.

Agency Response: Agree

Agency Action: Plan to Implement

² The term compartmentalize-able is from the FSTAP documentation. It refers to applications that are readily compartmentalized.

41. Develop the data center with a clear link between the Agency's business plan and growth drivers.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

42. The NSC's lifecycle should encompass a horizon of 20+ years.

Agency Response: Agree

Agency Action: Plan to Implement

43. The upgrade or expansion of computer equipment should have as one of its goals the reduction of floor space and the use of this space capacity for other purposes.

Agency Response: Agree

Agency Action: Plan to Implement

44. In decision-making for future technology, consider 5 years as the normal limit of usable forecasts.

Agency Response: Agree

Agency Action: Plan to Implement

45. Work with key vendors to obtain nondisclosure briefings on their product and service roadmaps.

Agency Response: Agree

Agency Action: Prior Implementation

OIG did not confirm that this recommendation was implemented.

Legacy Systems Conversion Report

46. Consider bringing in outside expertise to review the data model and schemas as well as surrounding applications to achieve maximum degree of openness and flexibility to all the new data architecture to support future service delivery requirements.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

47. Develop a plan to evolve access to those datasets necessary to meet the changing needs of the Agency and its customers.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

Comprehensive Agency-wide Strategic Systems Development Roadmap

48. Consider developing a comprehensive Agency-wide strategic systems development roadmap; the focus of which should be on critical strategic systems and applications that will have significant impact on SSA customers, the Agency's business costs/results and/or impact on IT costs for operations and maintenance.

Agency Response: Agree

Agency Action: Plan to Implement

49. Give priority consideration to those systems, that provide foundations for further development.

Agency Response: Agree

Agency Action: Plan to Implement

50. In the strategy, differentiate those systems that clearly must be updated, with those that should clearly remain in their current state, and have a process for evaluating and making decisions regarding those in the middle.

Agency Response: Agree

Agency Action: Plan to Implement

51. In the strategy, include fundamental architectural decisions regarding processing platforms, storage technologies, and programming languages.

Agency Response: Agree

Agency Action: Plan to Implement

52. Factor the resource requirements for both new development and ongoing operations and maintenance into the planning of the roadmap.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

53. Include a high-level view of a realistic future state, along with a plan that outlines the major steps the Agency will take to achieve its vision.

Agency Response: Agree

Agency Action: Plan to Implement

54. Implement processes to ensure all new development activities comply with architectural standards and directions.

Agency Response: Agree

Agency Action: Plan to Implement

Other

55. Fully engage appropriate stakeholders in formulating the strategic systems development roadmap. Stakeholders include the IT community and key business leaders throughout the Agency.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

56. Both IT and business stakeholders should be brought together in comprehensive governance process to guarantee progress toward the Agency's strategic systems development vision.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

The Agency did not respond to this recommendation in either the meeting minutes or the transcript.

Manage the Demand for IT Services

57. SSA should have a process to ensure its limited resources are invested to address the highest priorities and requirements to meet the Agency's mission.

Agency Response: Agree

Agency Action: Plan to Implement

58. Business stakeholders must understand and support the overall strategy and agree to focus their service and development requests on those activities that will advance the organization toward realization of its strategic vision.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

59. Processes should be implemented that will fully engage stakeholders to ensure strategic priorities are used to drive IT investment decisions.

Agency Response: Agree

Agency Action: Plan to Implement

Re-Imagining Social Security Report

60. Move to an electronic customer self-service model with the goal of moving transactions to the Internet each year until 90 percent of the business with SSA takes place online.

Agency Response: Agree

Agency Action: Plan to Implement

61. Provide other channels for complex transactions that are not suited to online execution and those who cannot or will not use technology.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

62. Develop a series of incentives to encourage and direct the public to use the electronic self-service model.

Agency Response: Not agree

Agency Action: Will not implement

SSA stated it had talked about offering incentives for years, but it did not see how it could work in their environment.

63. Lead in developing a National Health Information Network, Health Information Exchanges and the adoption of electronic medical records.

Agency Response: Not agree

Agency Action: Will not implement

SSA stated that if they invest now, then the National Health Information Network that comes a few years from now may look different than what they designed for, and they would have used crucial resources too early.

64. Work to establish industry standards for health information data security and the security of personally identifiable information.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

65. Encourage and subsidize the adoption of electronic medical records with connections to disability examiners in the States and to SSA.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

66. Implement a program to automate the initial disability claim decision that would only require human review for denied claims.

Agency Response: Agree

Agency Action: Plan to Implement

67. In designing online applications, position the Agency to support mobile devices and be prepared to convert internet applications to these platforms while simultaneously maintaining the current desktop platform.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

68. Develop a prototype and production systems to distribute benefits via cellular telephones.

Agency Response: Other Agency

Agency Action: None – The Agency stated it is Department of Treasury's responsibility

69. Establish electronic service delivery³ as a strategic goal for all employees - Create a publicity campaign to inform employees about the development and implementation of an electronic self-service model.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

70. Establish electronic service delivery as a strategic goal for all employees - Explain how employees will benefit from the electronic self-service model and how its implementation will help the Agency achieve its goals.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

71. Establish electronic service delivery as a strategic goal for all employees - Hire employees at all levels with the desire, aptitude, and ability to complete work assignments electronically.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

72. Seek legislation that would require that all employers file required documents electronically.

Agency Response: Other Agency

Agency Action: None - The Agency stated it is Department of Treasury's responsibility

73. Lead a Government-wide study group to discuss options with other agencies to pilot a single Government service center in each region for individuals who need face-to-face service across different agencies.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

³ Electronic Services offer the public, businesses, and other government agencies access to SSA services via the Internet, telephone automation, and direct data exchange.

74. Consider contracting out providing the face-to-face services by third parties versus each agency. Look at the model in some State Departments of Motor Vehicles.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

75. Consider outsourcing some activities to third parties, such as libraries.

Agency Response: Not agree

Agency Action: Will not implement

The Agency stated that outsourcing is not a political reality.

76. Develop and implement a video capability for disability claimants at field offices and those with cameras on their desktop computers.

Agency Response: Insufficient Information

Agency Action: Insufficient Information

77. Develop video kiosks to provide service to customers.

Agency Response: Agree

Agency Action: Plan to implement

78. Develop and make available training web videos on how to find information and complete transactions on the Internet.

Agency Response: Agree

Agency Action: Plan to Implement

Scope and Methodology

To accomplish our objective, we:

- Researched Federal requirements for advisory panels.
- Interviewed the Social Security Administration's (SSA) Future Systems Technology Advisory Panel's (FSTAP) current and original Designated Federal Officer.
- Reviewed FSTAP historical documents, including the charter, and Commissioner's Scope of FSTAP Recommendations.
- Reviewed the documents for the FSTAP's public meetings to include the minutes and transcripts for the meetings held on November 5 and 6, 2009; May 4, 2010; and August 3, 2010.
- Reviewed the Agency's response to the FSTAP Data Center Migration report.
- Reviewed FSTAP associated costs. We relied primarily on the FSTAP cost data SSA provided to complete our review and determined that the data were sufficiently reliable to meet our audit objective.
- Read the FSTAP reports:
 - ✓ *Re-imagining Social Security*
 - ✓ *Legacy Systems Conversion*
 - ✓ *Data Center Migration*
 - ✓ *Low Hanging Fruit/Quick Victories*

We performed our evaluation at SSA's Headquarters in Baltimore, Maryland, between August and November 2011. The entities reviewed were the Offices of the Deputy Commissioners for Systems and Budget, Finance and Management. We conducted our review in accordance with the Council of Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*.

Future Systems Technology Advisory Panel Meeting Minutes November 5, 2009

Future Systems Technology Advisory Panel

November 5 and November 6, 2009
Omni Shoreham Hotel
Washington, D.C. 20008

Minutes

1. The Future Systems Technology Advisory Panel held its fifth meeting on November 5, 2009 from 10:00 A.M. to 5:00 P.M. and on November 6, 2009 from 8:30 A.M. to 12:00 P.M. in the Empire Ballroom of the Omni Shoreham Hotel in Washington, D.C. The meeting was open to the public from 10:00 A.M. to 5:00 P.M. on the first day and from 8:30 A.M. to 12:00 P.M. on the second day.
2. Attendees included:
 - a. Future Systems Technology Advisory Panel members:
 - Gregory E. Buoncontri, Executive Vice President and CIO, Pitney Bowes, Inc.
 - John D. Halamka, MD, MS, Harvard University, CIO, Harvard Medical School, CIO, Beth Israel Deaconess Medical Center. Note: Dr. Halamka was available by telephone only.
 - Henry C. Lucas, Jr., Department Chair and Smith Professor of Information Systems, University of Maryland. Note: Mr. Lucas was present on November 5, 2009.
 - Maria R. Morris, Executive Vice President, Technology & Operations, MetLife, Inc. Note: Ms. Morris was present on November 5, 2009
 - Alan Balutis, Director of the North American Public Sector, Cisco Systems' Business Solutions Group
 - Blaise Heltai, Founder, Genus2 Technology
 - David McClure, Associate Administrator, Citizen Services and Communications, U.S. General Services Administration
 - CJ Moses, Senior Manager, Amazon Web Services
 - b. Social Security Administration Officials:
 - Jason Fichtner, Chief Economist
 - Michael Gallagher, Deputy Commissioner of Budget Finance and Management
 - Stephanie Hall, Acting Assistant Deputy Commissioner of Budget Finance and Management
 - Bill Gray, Deputy Commissioner for Systems
 - Frank Baitman, Chief Information Officer
 - Greg Pace, Deputy Chief Information Officer
 - Jim Borland, Special Advisor for Health IT
 - Amy Thompson, Deputy Special Advisor for Health IT
 - Patrick O'Carroll, Inspector General

- Jim Kissko, Deputy Inspector General
- Steve Schaeffer, Assistant Inspector for Audits

1. Social Security Administration Staff: Dianne Rose, Designated Federal Officer (DFO)
2. Members of the Public who presented oral or written statements: Comment by Jeff Guild of the Computer and Communications Industry Association.
3. Other members of the public: Several members of the public attended the meeting

3. Description of matters:

- a. Welcoming remarks: Alan Balutis, panel Chairman, made welcoming remarks. Panel members and agency officials introduced themselves.

Dianne Rose introduced herself and members of the panel support staff. She discussed the meeting agenda and completed action items.

The panel was advised that a Social Security number request cannot be initiated for an unnamed infant; the full name must be provided.

The panel asked for a briefing on the Michigan Reconsideration Pilot and this will be arranged.

- b. Low Hanging Fruit Quick Victories Report - Agency Response was presented by Bill Gray, Deputy Commissioner for the Office of Systems and Frank Baitman, Chief Information Officer.

The agency responded to the panel's recommendations concerning the electronic folder, enhancements to the electronic disability claims process, systems security access, disability claims processing and to a recommendation that the agency utilize an IRS model to promote increased internet business interaction with the agency.

The panel suggested that the agency provide stronger support, for electronic services, electronic processes and enhancements and find ways to encourage and develop incentives to push greater use of online services.

- c. OIG's Information Technology Audit Workload: Past and Future was presented by Patrick P. O'Carroll, Jr., Inspector General, Social Security Administration, James A. Kissko, Deputy Inspector General, Social Security Administration and Steven L. Schaeffer, Assistant Inspector for Audit, Office of the Inspector General, Social Security Administration.

The panel heard a briefing on the Inspector General Act of 1978 and the creation of the SSA Office of the Inspector General (OIG) in 1995, OIG's role in providing independent oversight of many federal agencies, conducting independent audits and making recommendations to improve efficiency, reduce waste, fraud and abuse and it heard that IG findings are reported to the Commissioner and to Congress.

The panel heard that the IG identified the need for SSA to have a greater strategic view rather than a tactical view in planning for IT resources. It heard that the IG has identified several deficiencies in the agency's overall IT capital planning and investment process. It also heard that the agency faces major management challenges as it develops the needed long-term IT strategy.

The panel heard discussion concerning several OIG audits and audit reports which align with FSTAP panel subcommittee work on Data Center Migration, Backlog Management, Re-imaging SSA, Authentication, Privacy, and Fraud Detection, Legacy Systems Conversion and Systems Development, and Health Information Technology. The panel heard discussion concerning OIG's audit selection methodology, the data centers, the agency's recovery plan, migration of data between sites and use of industry best practices in data center replacement strategy and the self-help personal computer pilot. The panel also heard discussion concerning the agency's computer security program compliance, centralized versus decentralized management structures and incomplete planning within the agency.

The panel heard a discussion on the limiting effect of the agency's aversion to risk within the authentication process and GSA's earlier attempt at across government authentication. It also heard a discussion on a review of roles and responsibilities in information security.

The panel heard that the OIG recommends a robust and independent Chief Information Officer function with a full breadth of functions, responsibility and authority as provided under the Clinger-Cohen Act. OIG also recommends that the CIO have responsibility for setting policy, providing oversight and ensuring policy implementation.

The panel requested copies of the Clinger-Cohen Act and the copies of the audits the OIG provided to the agency. The panel recommended that the OIG review the Clinger-Cohen Act report language for specific implementation guidance. The panel also recommended that OIG receive copies of the panel's reports.

The panel heard that the legacy systems conversion process is underway and that the OIG will provide lessons learned for the conversion of remaining files.

OIG discussed various actions the agency has taken concerning HIT and found that it developed an adequate HIT spending plan.

- d. Health Information Technology Subcommittee Update presented by Blaise Heltai, Subcommittee Chair.

Dr. John Halamka joined the discussion by telephone conference call.

The subcommittee discussed proactive identification of points of leverage that may affect HIT outcomes in both the short and long term, the universe of medical claims and medical disability decisions, requests for and sources of medical information and the agency's payment for medical evidence. The subcommittee discussed the MEGAHIT process, data conversion and storage of the TIFF

(Tagged Image File Format) image in the electronic folder, structured and unstructured data and the incremental release of MEGAHIT functionality.

The subcommittee described standardization, data exchange using a universal electronic format and internet technology, projected return on investment provided by automated analysis of information and the use of a set of disability impairment rules over multiple HIT documents. They discussed the need for a long term HIT vision as part of an ultimate disability service model, the effect of evolving standards on HIT adoption, incentives for HIT implementation and the use of Stimulus funds for this purpose, meaningful use of electronic health care technology and partnering with VA and DOD to push standards adoption. The subcommittee discussed HIT integration within a complete disability delivery vision, HIT's role in the use of medical evidence and industry forces that affect the development of appropriate standards.

- e. Legacy Systems Conversion and Systems Development Subcommittee Update presented by Blaise Heltai on behalf of Andy Buckler, Subcommittee Chair.

The panel heard that the subcommittee is engaged in systems development and systems migration methodologies. It heard that the agency is migrating its databases, that it has several strategic development application projects underway and these projects align well with the agency's overall strategic and technology goals. It heard that the focus of the agency's IT roadmap should be on strategic systems and applications that will have a significant impact on business costs and results as well as IT costs.

The panel heard that a detailed system analysis should be undertaken to identify those systems that should be rewritten, modified, re-platformed, isolated or sunset. The subcommittee recommended that this become a function of the Chief Information Officer. The panel heard that the agency has conducted application portfolio management and it recommended that analysis be done in a systematic, realistic way.

The panel heard that the conversion and development strategy should include architectural decisions, resource requirements for the operation and maintenance of ongoing systems, a realistic to-be vision and a highly defined set of steps that the agency will take to achieve this vision. The panel recommended that ROI analysis on project re-platforming should include the cost of decommissioning old applications.

The panel heard that buy-in from business stakeholders will help ensure that investment decisions are driven by strategic priorities in the short and long terms.

It heard that business stakeholders must agree to focus the agency's IT resources on strategic priorities and that these priorities should be used to drive IT investment decisions.

- f. Disability Backlog Subcommittee Update presented by Maria Morris, Subcommittee Chair.

The subcommittee discussed its expanded description of work and its actions taken. After subcommittee panel members and their private industry subject matter experts met with and supplied information to agency personnel, the subcommittee recommended that the agency have a single process owner of the end-to-end disability process who possesses expanded governance and decision rights. MetLife provided its job description for this position to SSA. The subcommittee recommended that the agency map business models before making final technology decisions and that activity based costing be used with the end-to-end decision making process.

- g. Panel Deliberations The panel moved to deliberate, discussed its role, its work, and considered written reports. It considered closing, creating and restructuring subcommittees. The panel agreed to combine the Health Information Technology Subcommittee with the Disability Backlog Subcommittee to form one joint subcommittee.

The minutes of the fourth panel meeting (August 2009) were approved.

Jeff Guild of the Computer and Communications Industry Association provided public comment and a letter from David R. Bryant; Attorney at Law was inserted in the record.

- h. Introductions and HIT Discussion presented by Jim Borland, Special Advisor for HIT, Office of the Commissioner.

Mr. Borland discussed the current healthcare debate and its potential effects on SSA, a change in focus from output to outcome, incentives for providers and technical assistance for clinicians, the American Recovery and Reinvestment Act and its high tech provisions, which are specific to HIT, and Health IT extension centers. He also discussed the agency's disability processing needs, its collection of large volumes of medical records, its move from paper to digital paper and structured data flowing over the Nationwide Health Information Network (NHIN), and the agency's leadership role in Health IT.

- i. State of HIT for the United States presented by Dr. David Blumenthal, National Coordinator for Health Information Technology, Department of Health and Human Services.

Dr. Blumenthal discussed the importance of information and electronic systems to medicine and said that these systems must be organic, fluid and responsive. He discussed the complicated nature of the current system, which includes tens of thousands of small businesses made up, in part, of physician's practices where over 200,000 professionals, over age 55, are more comfortable in a paper-based rather than electronic environment and only about 1/5 of all U.S. physicians have Electronic Health Records (EHR). He discussed the low level of EHR adoption in hospitals and said that we are starting from a very low base of capability and

trying to mobilize a highly decentralized system that is acculturated to paper and to a high level of autonomy. He discussed the sensitivity of information, the need to treat people in a very sensitive manner and the annual growth in need for health care. He discussed the incentives for HIT adoption under the American Recovery and Reinvestment Act using Medicare and Medicaid and the funding Congress provided for this purpose. He discussed the current fee-for-service system's incentives of volume rather than performance, the lack of a business case for improved quality of care and reduced cost, uncertainty in assessing the number of physicians and hospitals who will participate, the need for funding and technical support, Meaningful Use requirements, EHR standards and certification criteria and development of a governance system for the NHIN.

The panel discussed the drivers in health care spending growth, use of lessons learned at other organizations, the expected decline in costs over IT iterations and the effect of increased volume on these costs.

- j. State of Standards presented by panel member, Dr. John Halamka.

Dr. Halamka discussed Meaningful Use, IT content, vocabulary and transport standards, rollout schedules, data security and the consistent, broad data exchange of queryable information across the system nationwide.

Dr. Halamka discussed automatically created quality measures using HER codified and structured data, text data in MEGAHIT, the use of Health Information Exchanges, the interoperability of data exchanges and the implementation and adoption of standards.

- k. Re-imagining Subcommittee Update presented by panel member, Gregory Buoncontri on behalf of Dr. Hank Lucas, Subcommittee Chair

Using the February 2009 SSA 101 presentation as its basis, the subcommittee discussed as-is and to-be models of interaction with the agency, convenience, consumerization, use of Personal Digital Assistants (PDA), incentives and declining price points. The subcommittee discussed the agency's opportunities to educate and interact at significant life events, HIT, and Disability video teleconferencing from home or office.

The subcommittee recommended that the agency more actively promote the use of technology and form coalitions in both public and private sectors to do this.

- l. HIT at SSA Today presented by Marty Prah, Lockheed Martin.

Mr. Prah discussed the history of HIT at the agency and provided a MEGAHIT technical overview. He discussed HIT and the NHIN and their use to support SSA's Disability impairment listings. He also discussed partnerships and interoperability, patient authorization, identification and credentialing, security, HIPPA and HITSP standards, the Continuity of Care Document, use of diagnostic procedure codes, disability listings, IT architecture, the agency's Connect Gateway, business rules, licensing, vocabularies, capability and interoperability. He said that American Recovery and Reinvestment Act funds will be used to increase partnership among healthcare facilities and with Health Information Exchanges. He discussed efforts to expand business rules, the utilization of personal health records and natural language processing. He also discussed the use of

a medical data repository, medical status updates and a more focused development of medical evidence.

The panel discussed prospective care plans for disabled claimants, architectural changes allowing improved MEGAHIT functionality, translation of terminology and NHIN scalability.

- m. SSA Strategic Vision of HIT presented by Jim Borland, Special Advisor for HIT, Office of the Commissioner.

Mr. Borland discussed the agency's business process and the hypothetical nature of the agency's HIT strategic visioning. He discussed efficient use of funding to produce business value and results, policy simplification, changes to law, initial HIT strategic goals, MEGAHIT expansion and competitive contracts, HIT pilots and processing times. Mr. Borland discussed the current status of the HIT vision, electronic authorization for release of medical records, MEGAHIT at Disability Determination Services and Hearing Offices, incentives, adoption, implementation, the Microsoft Health Vault PHR project, the central medical repository and viewer, the Federal MER (Medical Evidence of Record) process, interoperability between agencies, Meaningful Use, both image and structured data, data analysis for policy decisions, natural language, processing, standards, outreach goals and uses for aggregate medical data.

3. Certification
Dianne Rose

Future Systems Technology Advisory Panel Meeting Minutes May 4, 2010

Future Systems Technology Advisory Panel

May 4, 2010
Hotel Palomar
117 South 17th St, Philadelphia, PA 19103

Minutes

1. The Future Systems Technology Advisory Panel held its seventh meeting on May 4, 2010 from 9:00 A.M. to 4:00 P.M. in the Burnham Ballroom of the Hotel Palomar in Philadelphia, PA. . The meeting was open to the public from 9:00 A.M. to 4:00 P.M.

2. Attendees included:

a. Future Systems Technology Advisory Panel members

- **Alan Balutis**, Panel Chair and Director of the North American Public Sector, Cisco Systems' Business Solutions Group
- **Phil Becker**, Associate Commissioner for the Office of Telecommunications and Systems Operations, Social Security Administration
- **Andy Buckler**, Special Advisor to the Deputy Commissioner Services & Enforcement, Internal Revenue Service
- **Gregory E. Buoncontri**, Executive Vice President and CIO, Pitney Bowes, Inc.
- **John D. Halamka**, MD, MS, Harvard University, CIO, Harvard Medical School, CIO, Beth Israel Deaconess Medical Center. Dr. Halamka was available by telephone only.
- **Blaise Heltai**, Founder, Genus2 Technology
- **Henry C. Lucas, Jr.**, Department Chair and Smith Professor of Information Systems, University of Maryland
- **David McClure**, Associate Administrator, Citizen Services and Communications, U.S. General Services Administration
- **CJ Moses**, Senior Manager, Amazon Web Services. .
- **Frank Reeder**, Founder, The Reeder Group.
- **Steve Sullivan**, Vice President of Global Technology Services, T. Rowe Price Group, Inc.

b. Social Security Administration Officials

- **Michael J. Astrue**, Commissioner of Social Security
- **Frank Baitman**, Chief Information Officer
- **Betsy Bake**, Associate Commissioner, Office of Facilities Management

- **Jim Borland**, Associate Commissioner, Office of Electronic Service and Strategic Information, Office of Disability Adjudication and Review
 - **Kelly Croft**, Deputy Commissioner, Office of Systems.
 - **Ephraim Feig**, Associate Chief Information Officer for Vision and Strategy .
 - **David Foster**, Assistant Deputy Commissioner for Quality Performance
 - **Michael Gallagher**, Deputy Commissioner for Budget, Finance, and Management.
 - **Eric Kressman**, Regional Chief Counsel, Philadelphia
 - **William Martinez**, Deputy to the Special Advisor for Health Information Technology
 - **Greg Pace**, Deputy Chief Information Officer
 - **Ron Raborg**, Deputy Commissioner for Quality Performance
 - **Debbi Russell**, Associate Commissioner, *Office of Automation Support*
- c. Social Security Administration Staff
- **Ginny Skiest** for Dianne Rose, Designated Federal *Officer* (DFO)
 - **Devin Fensterheim**, Hardy-Apfel IT Fellow
- d. Members of the Public who presented oral or written statements
- None
- e. Other members of the public
- Several members of the public attended the meeting

3. Description of matters:

Tuesday, May 4, 2010

- a. Meeting Kick-Off: Alan Balutis, panel Chairman, made welcoming remarks. Panel members and SSA officials introduced themselves.

Ginny Skiest introduced herself and members of the panel support staff. She discussed the meeting agenda, completed action items, and documents provided to the Panel.

The panel unanimously approved the meeting minutes of the sixth panel meeting.

- b. Data Center Migration Report and Data Center Trends and Best Practices Discussion - Agency Feedback was presented by Frank Baitman, Kelly Croft, Michael Gallagher, and Betsy Bake.

The panel heard the agency response to the Panel's report on data migration. The agency generally concurred with the panel's comments, observations, and recommendations.

The panel heard, as background information, that SSA's existing data center will soon need replacement, and that there is a need to continue operations at the existing data center through the anticipated production date of the new center in

2015. The agency is retrofitting the existing center to bridge this gap, for instance, by purchasing spare parts for the uninterrupted power supply system. There is also a need for additional data consumption; an additional servers are added each month, resulting in power delivery becoming an issue.

The panel heard that the agency strongly agrees with the panel's recommendation for hardware virtualization, and it heard that the agency has an active virtualization plan. The agency also agreed with the panel's recommendation that hardware refreshment be focused primarily at the second site while refreshment at the existing NCC is minimized.

The agency indicated that the panel's recommendation for application portfolio management could warrant future requests to the Panel. SSA maintains over 500 production legacy applications, and has an existing process to manage the portfolio and to evaluate business value and maintenance costs. The panel heard that the process of developing the portfolio and preventing migration of unneeded applications is expected to be an ongoing process and that it may be an area in which the agency may seek future support. The panel also heard about the revamped IT investment process which produced SITAR (Strategic IT Assessment and Review). SITAR was designed to develop more strategic IT investment, and it divides IT investment among eight Portfolios Executives across the enterprise. The panel heard that analysis indicates that over 40% of IT spending is used on maintenance activity. The agency said that this is an area of concern that the SITAR process will be used to address.

The panel heard the agency concurs with the recommendation to limit the number of staff in the new data center. Mr. Buoncontri indicated that the agency utilize remote access to the data center, Mr. Moses concurred, indicating that legacy systems may require a higher onsite workforce, that office space is much less expensive than data center space, and that data centers are generally unmanned except when access to hardware is needed. Mr. Buoncontri recommended that the agency choose a staffing target and adhere to that limit.

The panel heard the agency's response to observations from the panel regarding the silo nature of the business approach. This response indicated that the agency endeavors, through the SITAR process, to move from a silo to a matrix management approach in order to increase accountability. The panel heard that the SITAR process involves making investments that span the enterprise and represent the correct investments for the entire agency.

The agency updated the panel on the data center acquisition and reported that the agency is currently engaged with GSA to build a program of requirements for award of the contract. The agency indicated that the recommendation that one person be in charge has great appeal. The agency reported that SSA and GSA meet quarterly with Congressional staff, and that SSA takes questions and responds quickly to Congressional inquiries.

The agency reported initial plans to move certain workloads to the cloud to realize the resulting process efficiency. E-mail was suggested as a potential initial cloud-based application. The panel heard that the agency would consider placing additional applications in the cloud, but that doing so requires a baseline for risk

assessment. Several panel members offered feedback, indicating that while responsibility is transferred, risk is not, and that due diligence in selecting a provider is necessary.

Mr. Gallagher indicated that power consumption is a concern, and asked the panel for additional recommendations. The panel discussed mechanisms for reducing power consumption, including running the data center at a higher temperature, placement of hardware in separate rooms in contrast to a large open space, and reducing unnecessary code. Mr. Buoncontri offered to coordinate further discussion on this topic.

- c. Data Center Construction - A First-hand Experience was presented by panel member Steve Sullivan.

Mr. Sullivan presented on T. Rowe Price's experiences in the construction of a data center for disaster recovery of about 350 applications. The data center is a 60,000 square-foot facility including two separate 10,000 square-foot data centers.

The panel heard that T. Rowe Price was experiencing several of the issues in the disaster recovery space as SSA is experiencing in its primary space, including power supply and data center space issues. The panel heard that outsourcing and co-location were considered as possibilities; the costs for co-location or keeping the data center inside were about equal, and the firm decided to maintain control.

The panel heard that the selected location met the distance and infrastructure requirements. .

The panel heard that T. Rowe Price engaged in a nine-month site selection process. Verizon was contracted to evaluate the site and to evaluate risks. The site was ultimately selected due to available infrastructure, low risk of natural or human disasters, carrier coverage, and proximity to the production site.

The panel saw a series of photographs documenting the construction of the data center between July, 2009 and April, 2010.

- d. Re-Imagining SSA Subcommittee Report was presented by panel member Henry Lucas.

Dr. Lucas presented the findings of the Re-Imagining SSA Subcommittee. The subcommittee used a scenario from SSA on agency processes, and attempted to imagine that process in a different environment. The subcommittee attempted to develop a sufficiently radical report and to push frontiers, to effect observable change.

The subcommittee recommended that online customer service model be the primary interaction channel for most of the US population. The panel heard that where there are many fewer points of face-to-face contact, such transition requires a major change in the organization itself. The subcommittee recommended moving away from paradigm where we serve people by meeting face-to-face, and presented the objective that 90% of all service transactions be completed electronically by 2015.

Mr. Buckler indicated that IRS electronic filing, introduced in 1990, is currently about 70% and expressed concern that the 90% goal is too high.

Commissioner Astrue indicated that there is something to be said for a difficult goal, and that currently 80% of people are using electronic wage reporting, and direct deposit transactions may increase significantly with upcoming treasury initiatives. The Commissioner indicated that the agency is likely to make major transactions accessible on line and then set objectives that are aggressive but achievable. The agency is also engaged in cost effective advertising campaigns to advertise suites of services that encourage family members to help those needing access to SSA services.

Mr. Reeder expressed fundamental concern speaking of service delivery as though there is an expectation that people come to SSA as opposed to reaching out to the customer. Mr. Reeder indicated that it is counter-intuitive that people would come to SSA for a once-in-a-lifetime transaction, and argued that it would not be possible to exceed 20% without utilizing different channels including the nation's financial infrastructure.

Dr. Lucas reported that the use of HIT is very promising in reducing the length of time to process a disability claim. The panel learned earlier that MetLife uses a program to automatically determine disability, and reviews only the denials. Commissioner Astrue said that electronic records are problematic since they produce a significant number of false positives from 2.2 million filings; for instance, the text "We ruled out ALS" might be recorded erroneously as ALS.

Dr. Lucas recommended that all applications need to be accessible on cell phones. Mr. Astrue said that some third world nations are issuing payment through cell phones as an alternative for those who don't have traditional bank accounts.

Dr. Lucas proposed the implementation of a physical one-stop shop for government services, similar to the Australian CentreLink, which could use video kiosks and involve multiple state and federal agencies. Mr. Buckler indicated that the costs to maintain video kiosks are excessive, and instead organizations typically place workstations in walk-in office, encouraging customers to use web-based services. IRS has worked through volunteer organizations for tax preparation, and can consider such organizations as an extension of the workforce; and that while kiosks in public areas are appealing, physical security, maintenance, telecommunications, and information security issues tend to make this approach infeasible. Commissioner Astrue also noted that kiosks tend to not be used, and indicated as an example an unused kiosk observed in a Seattle field office waiting room that had not been used for several weeks. Dr. Lucas suggested that the waiting-room population might be self-selected, and that the agency may have skimmed out the kiosk-using population.

The panel heard discussion of disruptive future technologies. Dr. Lucas reported that a single breakthrough to eliminate the backlog was unlikely, and suggested the move to the Internet for as many transactions as possible and to utilize third parties.

Mr. Balutis suggested some minor changes and additional research on the use of mobile devices. Mr. Heltai and Mr. Balutis volunteered to provide assistance. Contingent on these final modifications, the panel unanimously accepted the report.

- e. Legacy Systems Subcommittee Report was presented by panel member Andy Buckler.

Mr. Buckler provided a summary of the subcommittee report. The subcommittee discussed the transfer from MADAM to DB2, and found mainframe based DB2 to be a reasonable technology solution.

The subcommittee suggested that the Agency bring in outside help to ensure the robustness of the data model. The subcommittee also made suggestions around the planning process in aligning the business strategy with application process, and found the SITAR process to be consistent with these recommendations.

The Panel approved the report without objection.

- f. Privacy, Authentication , and Fraud Detection Subcommittee Update was presented by panel member Frank Reeder.

Mr. Reeder provided a summary of the draft subcommittee report. The subcommittee reported that the ability to move from face-to-face to electronic access is important, and that the agency is constrained by two sets of concerns: the necessary authentication methods through the National Institute of Science and Technology, and a very low tolerance for risk from both a financial and reputational standpoint.

The panel heard that the Agency has developed an authentication strategy. The agency is in the process of implementing a solution for Level-3 authentication. The subcommittee found that the strategy, based on its observations, is sound.

Mr. Reeder reported that the subcommittee's main concern was from a reputational risk perspective, and recommended a more extensive consultation with affected groups from a privacy and usability perspective.

The panel heard that the agency had expressed an interest in having the views of the Panel on alternative means to provide Level-3 credentials. Mr. Reeder asked the panel for additional thoughts on balancing the need for authentication while simultaneously achieving the agency objectives for electronic services usage.

Mr. Moses expressed concern that the proposed use of credit card validation would subject the Agency to payment card industry security standard certification, and recommended against its use.

Mr. Balutis inquired about earlier efforts to implement a government-wide PKI solution. Mr. McClure reported that this effort is ongoing that there is some consensus around a federal PKI standard.

The panel discussed whether to appoint panel members with experience and background in this area. Mr. Baitman agreed to work with the panel to identify the exact nature of the request.

The subcommittee agreed to finalize the report and present a final copy to the panel at the next quarterly meeting.

- g. Marketing Online Services to a Spanish-Speaking Population - Follow-up was presented by Devin Fensterheim, Hardy-Apfel IT Fellow, SSA.

The panel heard an historical perspective of this issue and a discussion of guidelines and vision as well as an assessment of operational drivers and future challenges. The panel also heard discussion of the agency's Retirement Estimator, the use of social media, the flexibility of e-services infrastructure.

- h. Disability Backlog and HIT Subcommittee Update was presented by panel members Blaise Heltai and John Halamka.

Mr. Heltai and Dr. Halamka presented an update on the merged Disability Backlog and HIT subcommittee. The panel heard that the committee has *moved* toward broader process and governance issues. The panel heard that a paper will be delivered at the next quarterly meeting.

- i. Agency-Wide Strategic Planning Status Update was presented by Frank Baitman and Ephraim Feig.

Mr. Baitman discussed the agency's strategic planning process and the schedule for completion of the Agency Strategic Plan. The panel heard that the plan, whose targeted completion date is December 2010, will envision human resources, infrastructure and technology needs over a 5 to 10 year period and that it will include achievable, grand challenges as well as the use of metrics and short-term goals.

Mr. Feig discussed taking action in an evolutionary way to make substantial gains in service delivery while reducing the cost of operations. He recommended clearly identifiable goals and practical methods. He said that an outreach program will begin immediately, stakeholders will be engaged, and that regional meetings and online forums will be held.

Mr. Balutis recommended that the strategic planning process not be schedule driven and that it should be created in a very open, collaborative, communicative way that includes customers, constituents, citizens and other interested parties.

Mr. McClure recommended that strategic planning be done in a quick rapid cycle and that the results be inculcated in the business planning and governance processes. He added that the agency should be rapidly re-engaged.

The panel discussed development of a series of goals and Mr. Baitman asked for the panel's advice on metrics which can be used to drive the strategic vision.

- j. New Subcommittee Discussion

The panel created a subcommittee specifically designated to work with the Office of the Chief Information Officer in the area of strategic planning. The panel also created a joint subcommittee combining governance and policy with innovation and open government. Members were selected for both of these subcommittees.

4. Certification

I, Dianne Rose, Designated Federal Official for the Future Systems Technology Advisory Panel ("FSTAP Panel") hereby certify that the above minutes accurately describe the seventh meeting of the FSTAP panel, held on May 4, 2010 from 9: 00 A.M. to 4: 00 P.M. in the Burnham Ballroom of the Hotel Palomar, 117 South St., Philadelphia PA 19103.

Future Systems Technology Advisory Panel Meeting Minutes August 3, 2010

Future Systems Technology Advisory Panel

August 3, 2010
Park Hyatt Washinton D.C.
Washington, D.C. 20037

1. The Future Systems Technology Advisory Panel held its eighth meeting on August 3, 2010 from 10:00 A.M. to 5:00 P.M. in the Hyde Park room of the Park Hyatt Washington D.C. in Washington, D.C. The meeting was open to the public from 10:00 A.M. to 5:00 P.M.
2. Attendees Included:
 - a. Future Systems Technology Advisory Panel members
 - **Alan Balutis**, Panel Chair, Director of the North American Public Sector, Cisco System's Business Solutions Group
 - **Andy Buckler**, Special Advisor to the Deputy Commissioner Services & Enforcement, Internal *Revenue* Service
 - **Gregory E. Buoncontri**, Executive Vice President and CIO, Pitney Bowes, Inc.
 - **Joan Conlin**, Vice President of Customer Sales & Service, Lands' End
 - **Blaise Heltai**, Founder, Genus2 Technology
 - **Nancy LeaMond**, Group Executive Officer for Social Impact, AARP
 - **David McClure**, Associate Administrator, Citizen Services and Communications, U.S. General Services Administration
 - **Maria R. Morris**, Executive Vice President, Technology & Operations, MetLife, Inc.
 - **CJ Moses**, Senior Manager, Amazon Web Services
 - **Frank S. Reeder**, Founder, The Reeder Group
 - **Steve Sullivan**, Vice President of Global Technology Services, T. Rowe Price Group, Inc.
 - b. Social Security Administration Officials
 - **Frank Baitman**, Chief Information Officer
 - **Kelly Croft**, Deputy Commissioner for Systems
 - **Phil Gambino**, Assistant Deputy Commissioner for Communications
 - **Michael Gallagher**, Deputy Commissioner for Budget, Finance and Management
 - **Mary Glenn-Croft**, Deputy Commissioner for Operations
 - **Theresa Gruber**, Assistant Deputy Commissioner for Disability, Adjudication and Review .
 - **Gregory Pace**, Deputy Chief Information Officer

- **Ron Raborg**, Deputy Commissioner for Quality Performance
- **Debbi Russell**, Associate Commissioner, Office of Automation Support
- **Reginald Wells**, Deputy Commissioner for Human Resources
- **Mike Zephir**, Director of Health Information Technology and Electronic Policy for Office of Retirement and Disability Policy

c. Social Security Administration Staff

- **Dianne Rose**, Designated Federal Officer (DFO)
- **Devin Fensterheim**, Hardy-Apfel IT Fellow

d. Presenters

- **Alan Lane**, Associate CIO for Open Government
- **Jeffrey Walsh**, Policy Analyst on Authentication
- **Graham Mackenzie**, Stored Value Card Program Manager, U.S. Department of the Treasury
- **Steve Kautsch**, Associate Commissioner for Office of Enterprise Support, Architecture and Engineering
- **Duane Bray**, Partner IDEO
- **Hailey Brewer**, Partner IDEO
- **Martin Heaton**, Partner IDEO

e. Members of the public who presented oral or written statement

- None

f. Other members of the public

- Several members of the public attended the meeting

3. Description of matters:

Tuesday, 3 August 2010

- a. Welcoming remarks: Dianne Rose, Designated Federal Officer, made welcoming remarks, and introduced herself and members of the support staff. She discussed the meeting agenda, completed action items, the search for a new panel member, and documents provided to the panel for today's meeting. She introduced Greg Buoncontri as the temporary panel Chair in Alan Balutis' absence. Panel members and Social Security Administration Executive officials introduced themselves.

The minutes of the seventh panel meeting were approved

- b. Authentication Scheme Briefing was presented by Alan Lane, Associate Chief Information Officer for Open Government and Jeffrey Walsh, Policy Analyst on Authentication.

The panel heard a briefing on the Social Security Administration's authentication process for public credentials, and authentication's alignment with the agency's strategic goals. The discussion focused on the agency's development of a strategic vision supporting improvement of core services provided to the public.

The panel heard a discussion of plans to increase, strengthen and make online services more convenient to the American public.

The panel heard a discussion of portals to view social security records, notices, benefit calculation information, and to review and suggest corrections to lifetime earnings records. They also heard a discussion of an online social security card replacement process, automated case adjudication, adherence to Federal and NIST guidance, use of credentials across agencies, risk assessment, data verification, identity proofing and cost containment.

- c. Privacy, Authentication and Fraud Detection Update was presented by panel member, Frank Reeder.

The panel heard the committee's suggestions that it assess the agency's progress in this area, from a systems standpoint. The committee agreed to provide a preliminary report that may not include recommendations, by the next quarterly meeting. It will consider fraud detection and socialization of applications.

The committee recommended mapping through and understanding the new authentication scheme, and rollout plans since the method of roll out may affect citizens' experiences of the authentication process.

Panel member, Andy Buckler, discussed the use of authentication at the Internal Revenue Service, saying that authentication processes at both agencies are similar and they face some similar challenges. He said that the Internal Revenue Service authentication process differs in that it has more frequent customer contact and that it can validate information internally.

Panel member Greg Buoncontri, recommended that the committee examine fraud detection and risk and that it provide a full report for the next meeting.

Dianne Rose asked committee members if they need additional meetings with agency officials. Frank Reeder indicated he would be interested in having further discussions with agency Executives.

- d. Disability Backlog and Health IT Subcommittee Report was presented by panel members, Maria Morris and Blaise Heltai.

The panel heard that the subcommittee's objective is to provide a draft whitepaper to the panel prior to the next meeting, in addition to a final report. The recommendations will be in subparts since the subcommittee's scope has extended significantly since its formation.

The panel heard that the committee will make recommendations on the end-to-end disability process, and Health Information Technology's place within it. The panel also heard that the subcommittee will provide a separate report covering its work with Frank Baitman and the Chief Information Office regarding recommendations for governance.

- e. Legacy Systems Report - Agency Response was presented by Frank Baitman, Chief Information Officer, Kelly Croft, Deputy Commissioner for Systems, Steve Kautsch, Associate Commissioner for Office of Enterprise Support, Architecture and Engineering.

The agency responded to the panel's recommendations from the Legacy Conversion Report. The panel said that its recommendations covered development of a comprehensive strategy, connections between the business and IT worlds to ensure that the agency has a long-term strategy to deliver systems conversion with true business value, the ability to apply resources where the greatest value can be driven, creation of plans that strategically align resources to business values, and that address the long-term viability of the environment ..

The agency discussed actions it has taken to address legacy systems issues, including a move to service oriented architecture, building, modifying or dropping applications, development and enhancement of governance standards, and changing the IT investment decision making process.

The panel discussed portfolio management, funding and governance processes, project management, and methods to reduce spending.

- f. Re-Imagining Report - Agency Response was presented by Frank Baitman, Chief Information Officer, Kelly Croft, Deputy Commissioner for Systems, Michael Gallagher, Deputy Commissioner for Budget, Finance and Management, Phil Gambino, Assistant Deputy Commissioner Communications, Mary Glenn-Croft, Deputy Commissioner for Operations, Theresa Gruber, Assistant Deputy Commissioner for the Office of Disability Adjudication and Review, Ron Raborg , Deputy Commissioner for Quality Performance, Reginald Wells, Deputy Commissioner for Human Resources, and Mike Zephir, Director of Health IT and Electronic Policy, Office of Retirement and Disability Policy. The agency responded to a Re-Imagining SSA Subcommittee Report, which was presented at the May 2010 meeting. The agency asked Graham Mackenzie of the U.S. Department of the Treasury to address payment delivery and mobile devices within the federal system, separately.

The panel heard a discussion of increasing workloads, and limited funding and staffing. The agency described steps it has taken to improve claims processing and future steps, including MySSA.gov. MySSA.gov is envisioned as a site at which American citizens can change their own contact information and view their own earnings records and Social Security statements. The agency discussed its authentication needs and a fast but incremental roll-out of the application.

The panel heard that the agency needs business and policy subject matter experts as well as systems experts to make suggested systems changes. The agency discussed health care legislation and the special Medicare claims taking site in Libby, Montana, improved customer service, staff training , improved skills sets, and streamlining the business process. The agency discussed leveraging libraries and other organizations, human resource managers and financial planners to increase online contact.

The agency discussed use of cell phones, mobile applications, kiosks, links to social media, federal resources, an i-phone application for frequently asked questions at the agency's site, placement of video service equipment in claims taking offices, portability of information, disability claims appeals, video teleconferencing, infrastructure an consolidation of physical sites across government. It also discussed self-service, accuracy in the claims development

and adjudication processes, quality of electronic records, timing of funding decisions and education for those who want to interact electronically with the agency.

- g. Mobile Payments Briefing was presented by Graham Mackenzie, U.S. Treasury Department. Context was provided by panel member, Blaise Heltai..

The panel responded to the Commissioner's request for information and views on mobile payments. Mr. Heltai summarized information provided by Yankee Group and described methods of mobile payment use as well as operational and authentication requirements.

The panel heard a discussion of mobile phone use to pay for goods and services instead of cash or other negotiable instruments, use of mobile or smartphones to initiate payments and to receive payment notification, and information concerning existing software and communication protocols. The panel also heard that countries are using this technology to help people transfer money to areas where a banking network does not exist. This method relies on a network of agents to complete transactions.

The panel heard a discussion of the components required to initiate or receive a mobile payment, of agencies making on-site payments, and payments made via e-mail address, or mobile phone number. It heard that this is made possible by a convergence of several things including the internet, ACH network, debit cards, and mobile technology rather than a new technology. It heard that barriers to mobile payment technology include lack of awareness, slow enrollment, account verification difficulty, linking accounts to financial tools, the issuance of PIN accounts, transaction encryption, protocol security, fraud control administration, regulation, and compliance.

The panel discussed a mobile payment proof of concept as well as a pilot. It heard suggestions to move forward with mobile payments.

- h. Improving the Retirement Experience Briefing was presented by business partners of IDEO, Inc. (IDEO), Duane Bray, Hailey Brewer and Martin Heaton.

Frank Baitman introduced IDEO representatives to the panel saying that IDEO received an SSA contract intended to improve movement through the agency's various channels; online, in-person and the 800 number. He said that the company is interviewing agency employees, visiting field offices around the country and talking to members of the public who are of or will be of retirement age within 10 years.

IDEO discussed better leveraging existing design capabilities, learning from industry best practices for online services, benchmarking consumer behavior both inside and outside government, understanding consumer perceptions of the agency, providing simplified language for beneficiaries, providing a "best in class" internet presence, and a calm, focused internet experience.

The panel heard the public expects the agency to be a one-stop shop for services like Medicare and Social Services. IDEO proposes to improve customer experience when the agency can't provide direct support and must send the

customer elsewhere. The panel heard that the agency needs to address the future of Social Security in a way that builds trust and calms fears about the long-term financial viability of the programs.

The panel heard that IDEO will continue to synthesize findings, engage more deeply in the subject, and obtain feedback.

The panel heard the ultimate deliverable of this project is a shared set of designs for the website. IDEO will deliver a set of screens, and design principles, as well as methods of guiding the development of the future modifications of the website .

The panel heard that IDEO is currently focusing on the public's retirement needs. IDEO will later consider third party involvement and ways to begin a customer's relationship with the agency sooner in life rather than later, to start retirement planning.

The panel recommended that IDEO continue dialogues with Frank Baitman and perhaps return to a future quarterly meeting with their developed approach.

i. Public Comment

There were no comments from the public.

j. Closing Remarks

Dianne Rose provided a recap of the meeting and identified action items for the next quarterly meeting.

Dianne Rose informed the panel that Commissioner Astrue renewed the charter for Future Systems Technology Advisory Panel for another two years.

4. Certification

I, Dianne Rose, Designated Federal Official for the Future Systems Technology Advisory Panel ("FSTAP Panel") hereby certify that the above minutes accurately describe the eighth meeting of the FSTAP panel, held on August 3, 2010 from 10: 00 A.M. to 5:00 P.M. in the Hyde Park room of the Park Hyatt Washington, 1201 24th Street NW, Washington, D.C. 20037.

Dianne Rose

Agency Comments



Social Security

MEMORANDUM

Date: July 9, 2012

Refer To:

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

From: Dean S. Landis /s/
Deputy Chief of Staff

Subject: Office of the Inspector General Draft, "The Social Security Administration's Implementation of the Future Systems Technology Advisory Panel Recommendations" (A-14-12-11222)—
INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Amy Thompson at (410) 966-0569.

Attachment

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT," THE SOCIAL SECURITY ADMINISTRATION'S IMPLEMENTATION OF THE FUTURE SYSTEMS TECHNOLOGY ADVISORY PANEL RECOMMENDATIONS" (A-14-12-11222)

Recommendation 1

Evaluate the cost/benefit of Future Systems Technology Advisory Panel recommendations, especially those with which the Agency had agreed, and implement those with the greatest potential to enable the Agency to meet its future customer service demands more efficiently through the application of modern technology.

Response

We disagree. As the Commissioner of Social Security discussed with the Inspector General on multiple occasions, it is clearly inappropriate to audit recommendations provided by an advisory committee created by the Commissioner to solicit independent, external consideration of IT issues.

OIG Contacts and Staff Acknowledgments

OIG Contacts

Brian Karpe, Director, Information Technology Audit Division

Mary Ellen Moyer, Audit Manager

Acknowledgments

In addition to those named above:

Jan Kowalewski, Auditor-in-Charge

For additional copies of this report, please visit our Website at <http://oig.ssa.gov/> or contact the Office of the Inspector General's Public Affairs Staff at (410) 965-4518. Refer to Common Identification Number A-14-12-11222.

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Chairman and Ranking Minority Member, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority Member, Committee on Appropriations, U.S. Senate

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Chairman and Ranking Minority Member, Committee on Finance

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Chairman and Ranking Minority Member, Senate Special Committee on Aging

Social Security Advisory Board

Overview of the Office of the Inspector General

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

Office of Audit

OA conducts 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 reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

Office of Investigations

OI conducts investigations 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 liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Office of the Counsel to the Inspector General

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG 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. Also, OCIG administers the Civil Monetary Penalty program.

Office of External Relations

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

Office of Technology and Resource Management

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.