

*Summary of Fiscal Year 2012 Inspector General Statement on the Social Security Administration's Major Management and Performance Challenges*  
*A-02-13-13041*



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Social Security Administration Office of the Inspector General

**Objective**

To provide a summary and assessment of the most serious management and performance challenges facing the Social Security Administration (SSA).

**Background**

Per the Reports Consolidation Act of 2000, the Inspectors General provided an assessment of the most serious management and performance challenges facing SSA in Fiscal Year (FY) 2012.

- Reduce the Hearings Backlog and Prevent its Recurrence
- Improve the Timeliness and Quality of the Disability Process
- Reduce Improper Payments and Increase Overpayment Recoveries
- Improve Customer Service
- Invest in Information Technology Infrastructure to Support Current and Future Workloads
- Strengthen the Integrity and Protection of the Social Security Number
- Improve Transparency and Accountability
- Strengthen Strategic and Tactical Planning

**Our Findings**

While SSA made progress during FY 2012 in addressing these challenges, some improvements are still needed.

- While SSA has a plan to eliminate the hearings backlog by 2013, budgetary challenges have affected its ability to do so. In addition, there is a growing concern with administrative law judges' adherence to SSA's policies, as well as the variation in their decisional outcomes.
- SSA is one of the top three Federal agencies with high improper payments. In FY 2011, SSA reported about \$8 billion in improper payments, and the Agency incurred an administrative cost of \$0.07 for every overpayment dollar it collected.
- Many factors challenge SSA's ability to provide quality customer service to the public, including budget constraints, growing workloads, changing customer expectations, an aging workforce, and shifting demographics.
- With a growing budget deficit and a climate for deficit reduction, SSA faces major challenges to mitigate a material weakness in its logical access controls, provide additional electronic services to meet the growing needs of its customers, and strategically plan to modernize its systems.
- SSA faces a number of challenges ensuring accountability, including concerns over its internal controls, systems security, and administrative cost allocations.
- While SSA has plans to address its operations in the next 4 to 5 years, it does not have strategic or tactical plans that address how the Agency will operate in 10 years and beyond. While near-term planning is important, SSA needs long-range plans that address long-term challenges.

**Our Recommendations**

No recommendations are included in this report.