



Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

Audit Report

The Social Security
Administration's Hearings Backlog
and Average Processing Times

A-05-22-51159 September 2023



Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: September 7, 2023

Refer to: A-05-22-51159

To: Kilolo Kijakazi
Acting Commissioner

From: Gail S. Ennis *Gail S. Ennis*
Inspector General

Subject: The Social Security Administration's Hearings Backlog and Average Processing Times

The attached final report presents the results of the Office of Audit's review. The objective was to determine whether the Office of Hearing Operations' Compassionate And REsponsive Service Plan initiatives have reduced the hearings backlog and average processing times.

If you wish to discuss the final report, please call me or have your staff contact Michelle L. Anderson, Assistant Inspector General for Audit.

Attachment

The Social Security Administration's Hearings Backlog and Average Processing Times

A-05-22-51159



September 2023

Office of Audit Report Summary

Objective

To determine whether the Office of Hearing Operations' (OHO) Compassionate And REsponsive Service (CARES) Plan initiatives have reduced the hearings backlog and average processing times (APT).

Background

In January 2016, SSA issued the CARES Plan to reduce its pending hearings backlog to reach an average processing time of 270 days. At that time, more than 1 million people were waiting for a hearing decision and APT was 543 days.

SSA updated the CARES Plan in 2017 when the average processing time peaked at 605 days. The Plan was updated again in 2019. There were 45 total initiatives from the 3 CARES Plans.

Results

While the hearings backlog and APT generally decreased between Fiscal Years 2016 and 2022, we could not determine whether the CARES Plan initiatives reduced the hearings backlog and APT. Of the 45 CARES Plan initiatives, 42 lacked sufficient measurements or metrics to support their correlation to reducing the hearings backlog or APT. In addition, SSA could not provide documentation showing a direct link on how each specific initiative helped reduce the backlog or APT.

This occurred because SSA did not establish formal measurements to help determine how each initiative affected the hearing process. OHO believed the initiatives could not always be measured using traditional metrics. OHO leadership set general expectations of timelines and metrics needed for each initiative and set up regular update meetings with project leads. OHO noted that the project lead meetings were oral. OHO could not provide us documentation, such as meeting minutes, supporting that the initiatives reduced the hearings backlog and APT. However, according to *Federal Internal Control Standards*, management should define objectives in measurable terms so performance toward achieving those objectives can be assessed. Measurable objectives should also be stated in a quantitative or qualitative form that permits reasonable, consistent measurement.

OHO management noted, "We believe that the aggregated effect of reducing the backlog is the result of various initiatives moving the needle, even if we are unable to attribute that improvement to an individual initiative."

As a result, we and SSA could not determine whether the CARES initiatives—or a reduction in reconsideration determinations—was the reason the hearing backlog and APT decreased from Fiscal Years 2016 to 2022. Since claims denied after the requests for reconsideration are the source of claims that may be appealed to an ALJ, fewer claims would potentially flow down to OHO.

Recommendation

For future CARES Plan initiatives, SSA should establish and document metrics to measure a direct impact on the hearings backlog and APT. SSA agreed with the recommendation.

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ABBREVIATIONS

AC	Appeals Council
ALJ	Administrative Law Judge
APT	Average Processing Time
CARES	Compassionate And Responsive Service
CD	Compact Disc
C.F.R.	Code of Federal Regulations
CPMS	Case Processing and Management System
DIP	Duplicate Identification Process
FY	Fiscal Year
HALLEX	Hearings, Appeals and Litigation Law
OHO	Office of Hearings Operations
OIG	Office of the Inspector General
POMS	Program Operations Manual System
SSA	Social Security Administration

OBJECTIVE

To determine whether the Office of Hearing Operations' (OHO) Compassionate And Responsive Service (CARES) Plan initiatives have reduced the hearings backlog and average processing times (APT).

BACKGROUND

The Old-Age, Survivors and Disability Insurance program provides monthly benefits to retired and disabled workers and their dependents as well as the survivors of deceased workers.¹ The Supplemental Security Income program provides a minimum level of income to financially needy individuals who are aged, blind, or disabled.² The Social Security Administration's (SSA) administrative review process generally consists of an initial determination, a reconsideration, a hearing before an administrative law judge (ALJ), and an Appeals Council review.³

A claimant who is dissatisfied with the reconsideration determination can request a hearing before an ALJ. OHO⁴ directs a nation-wide hearing office organization staffed with ALJs, managers, and support staff. In addition, SSA has five National Hearing Centers to assist backlogged offices.

In January 2016, SSA issued the CARES Plan to address OHO's growing hearings backlog and increasing wait times. SSA noted in its Plan that it was "...facing a significant public service crisis in [its] hearings and appeals process. [As of 2016 when the Plan was issued,] and for the first time in [its] history, more than one million people [were] waiting for a hearing decision. The situation [was] urgent."⁵

¹ 20 C.F.R. §§ 404.310, 404.315, 404.330, 404.335, 404.350, and 404.370.

² 20 C.F.R. § 416.110.

³ 20 C.F.R. §§ 404.900(a) and 416.1400(a). Also, see 20 C.F.R. §§ 404.929, 404.930, 416.1429, and 416.1430.

⁴ Effective October 1, 2017, SSA renamed the Office of Disability Adjudication and Review to OHO and moved the Office of Appellate Operations under the Office of Analytics, Review, and Oversight.

⁵ SSA, *Leading the Hearings and Appeals Process into the Future: A Plan for Compassionate And Responsive Service*, p. 1 (January 13, 2016).

According to the 2016 CARES Plan, SSA's goal was to reduce its pending hearings backlog to reach an APT of 270 days.⁶ SSA noted it expected to "...reduce the average wait time for a decision from the over 500 days...to no more than 270 days...and [it] expect[ed] to cut the number of pending cases in half by the end of [Fiscal Year] FY 2020."⁷ SSA updated the CARES Plan in 2017 and 2019. The 3 CARES Plans contained 45 total initiatives. For a description of the initiatives, see Appendix A. In a September 2016 report, we noted SSA

...was still developing its baseline data for the [CARES] initiatives....As we have noted in prior reviews, sufficient measurement and monitoring is also necessary to ensure current initiatives achieve intended results. [OHO] stated it plans to use an internal Website to monitor its progress on CARES initiatives.... One of the primary concerns expressed by [OHO] was that [management information] did not always allow executives to adequately plan for the future or to measure the results of certain business processes. For example, [OHO] stated that it did not have sufficient management information to determine whether the backlog initiatives were achieving the intended results. Without such a process, SSA may have been expending limited resources on initiatives that had no impact or a negative impact on the hearings process.⁸

We noted in an April 2019 report that SSA "...was not regularly tracking management information to determine whether [the CARES initiatives related to using natural language processing and artificial intelligence technologies, to flag potential policy compliance or internal consistency errors in hearing-level decision] was meeting its goals."⁹

According to *Federal Internal Control Standards*, management should define objectives in measurable terms so performance toward achieving those objectives can be assessed. Measurable objectives should also be stated in quantitative or qualitative form that permits reasonable, consistent measurement.¹⁰ Furthermore, management should establish and operate monitoring activities to continually monitor the internal control system and results.¹¹

⁶ According to SSA, in June 2008, the Commissioner of SSA asked the Office of Disability Adjudication and Review, now OHO, to determine a reasonable hearing processing time based on an ideal business process without a backlog. A workgroup reviewed historical hearings data through the end of FY 2007 as well as the stages a case goes through during the hearings process (pre-hearing development, scheduling, holding a hearing, post-hearing work, and closeout). The workgroup concluded the hearing process in a steady state and with no backlog could achieve and maintain a processing time in the range of 270 to 330 days. With the expected productivity improvements of the backlog reduction plan, the group expected that processing time would be at the lower end of the range.

⁷ SSA, *Leading the Hearings and Appeals Process into the Future: A Plan for Compassionate And Responsive Service*, p. 6 (January 13, 2016).

⁸ SSA, OIG, *Compassionate And REsponsive Service Plan to Reduce Pending Hearings*, A-05-16-50167, pp. 10 and 11 (September 2016).

⁹ SSA, OIG, *The Social Security Administration's Use of Insight Software to Identify Potential Anomalies in Hearing Decisions*, A-12-18-50353, p. 11 (April 2019).

¹⁰ GAO, *Federal Internal Control Standards*, GAO-14-704G, sec. 6.04, p. 35 (September 2014).

¹¹ GAO, *Federal Internal Control Standards*, GAO-14-704G, sec. 16.01, p. 65 (September 2014).

METHODOLOGY

To accomplish our objective, we analyzed information on the CARES initiatives. We also analyzed SSA's Case Processing and Management System (CPMS) data related to pending cases and APT for FYs 2016 to 2022.¹² See Appendix B for our scope and methodology.

RESULTS OF REVIEW

While the hearings backlog and APT generally decreased between FYs 2016 and 2022, we could not determine how each CARES initiative contributed to the reduction. OHO believed the initiatives could not always be measured using traditional metrics. OHO leadership set general expectations of timelines and metrics needed for each initiative and set up regular update meetings with project leads. OHO noted that the project lead meetings were oral. However, OHO could not provide us documentation, such as meeting minutes, that supported that these initiatives led to the reduction in the hearings backlog and APT.

According to SSA, because the Agency started many of the initiatives at the same time (for example, 19 in FY 2016 and 24 in FY 2017), it was inherently difficult to isolate the specific impact of each CARES Plan initiative.

CARES Plan Initiatives

SSA could not provide documentation showing a direct link on how 42 of the 45 initiatives helped specifically reduce the backlog or APT. OHO management noted, "We believe that the aggregated effect of reducing the backlog is the result of various initiatives moving the needle, even if we are unable to attribute that improvement to an individual initiative." OHO anticipated an overall positive impact to the backlog and APT but not a direct impact that could be assessed with traditional metrics.

Before 2017, OHO used Fact Sheets to track information—such as goals, implementation timelines, status information, and outcomes—on each CARES initiative. SSA stopped using Fact Sheets in 2017 when it formally established project leads, set general expectations of timelines and metrics needed for each initiative, and set up regular update meetings with these project leads and OHO management. When we asked SSA for documentation, such as meeting minutes, on how it evaluated CARES Plan initiatives, SSA noted the project leads met regularly to provide updates on the initiatives orally. However, SSA did not provide documentation of those meetings. Below are examples of the CARES initiatives and their expected outcomes.

- **Organizational Culture Focus—Connects to Communication:** OHO introduced this initiative in FY 2017 to review the organizational culture in the hearings operation. This initiative engaged OHO leadership in strengthening and promoting a service-oriented, accountable, and responsible organizational culture. OHO began FY 2017 with a special message on organizational culture from OHO senior leadership, a video-on-demand

¹² CPMS is a Web-based, interactive, secure, and centralized repository of data used to establish case controls for processing a case and manage workloads at the hearing level. SSA, *HALLEX*, vol. I, ch. I-2, sec. I-2-0-1 B (March 9, 2016). CPMS does not capture administrative information, such as personnel or staffing hours.

conversation about organizational culture, and an invitation for employee input from across OHO. OHO created a statement of organizational principles and values for the hearings operation that serves as the foundation to meet its mission. According to OHO, it targeted training and outreach and expected to reinforce a service-oriented organizational culture. It also held leadership and management accountable to foster positive organizational culture. While OHO management monitored the initiative through monthly updates on data, progress, and barriers, it did not have a metric specific to this initiative that showed a direct link on how focusing on the culture helped reduce the backlog or APT. OHO completed the initiative and did not include it in the *2018-2019 Updated CARES Plan*.

- **Updating Decision Writing Tools and Templates:** Decision writers, who are attorneys or paralegals, prepare draft versions of ALJ decisions using instructions ALJs develop on the content needed in each decision. OHO provided such electronic tools as online access to laws, regulations, and SSA policies and procedures as well as training. For example, OHO developed and implemented an updated Decision Writing Instruction tool for ALJs. OHO also updated 16 decision and dismissal templates and plans to update 9 additional templates for decision writers by the end of FY 2024. OHO did not have a metric that directly showed how the use of templates improved the quality and timeliness of hearing dispositions and thus reduced the backlog or APT. OHO did establish the Decision Writer Productivity Index in FY 2017, where OHO evaluated thresholds annually in collaboration with SSA's Analytics Center for Excellence. OHO completed its most recent evaluation in 2020, based on hours worked and completed case actions. However, OHO determined that, because of the unique circumstances of work during the pandemic, performance data from those years were not a good baseline for assessing future performance. OHO plans to revisit performance in FY 2023 when it has 12 months of post-COVID re-entry data to use for a potential index update. Therefore, as of June 2023, we could not determine whether this initiative had a direct impact on the backlog and APT.
- **Duplicate Identifying Process (DIP) Product:** The goal of this FY 2017 initiative was to use software to identify duplicate evidence in the electronic folder, thus enabling a more efficient and effective review of the electronic case folder. OHO developed a proof-of-concept model using machine-learning processing to scan case files automatically and identify possible duplicate medical evidence in the electronic case folder. Before rolling DIP out nationwide, OHO tested the proof of concept in three hearing offices and determined the technology identified duplicate medical evidence. SSA mandated that, beginning October 5, 2020, DIP be used on all electronic cases during case work-up. Although OHO managers monitored the initiative through monthly updates on usage data, progress, and barriers, OHO could not show how it had a direct impact on the hearings backlog and APT. SSA stated an attempt to provide metrics may result in additional time and resources spent that reduce the gains made by an initiative. For example, recording the time saved in each case when a duplicate is found would require manual documentation that erased the gains the initiative made in saving time.
- **Reduce Compact Disc Burning in Hearing Offices/Eliminating Compact Disc Burning for Direct Pay Representatives:** A claimant, beneficiary, or appointed representative may request a copy of the official file folder in either paper or electronic format.¹³ Staff copying the case must review the folder to identify which documents or portions of documents

¹³ SSA, *POMS*, DI 81001.035.A (April 28, 2023).

can(not) be released based on access and disclosure rules.¹⁴ OHO stated it tracked how many times employees used the compact disc (CD)-burning application. In 2016, OHO mandated that claimant representatives with direct-pay fee agreements access the electronic folder online. SSA's online Appointed Representative Services allows appointed representatives to view electronic folder documents in real time; download contents, including multimedia files; and upload medical evidence and other documents into a claimant's electronic folder.¹⁵ By no longer burning CDs, OHO eliminated the staff time needed to produce CDs and improved administrative efficiency, which allowed support staff to focus on critical case-processing tasks and representatives to serve claimants using the most up-to-date information in SSA's electronic folder. However, SSA did not provide us an analysis showing how the time saved from not burning a CD helped reduce the backlog and APT. SSA did not have metrics showing the direct correlation between this initiative and the reduction in the backlog and APT. SSA stated it was logical to conclude that reducing the time needed for staff to burn CDs freed up time for staff to spend on other tasks, such as preparing case files, that was more clearly linked to reducing the hearings backlog and APT.

- **Expanding Video Hearings Capacity:** This ongoing initiative focused on expanding the use of video hearings to balance workloads and eliminate service inequity nationwide. As a result of the COVID-19 pandemic, this initiative took a different approach than originally planned. Before the pandemic, SSA tracked traditional video hearings and used the data to periodically evaluate equipment requirements at each location against historical and expected use for maximum efficiency.¹⁶ At the end of FY 2020, OHO began using Internet-based software to conduct online video hearings—allowing claimants and their representatives to appear at hearings from any location where they had access to a camera-enabled smart telephone, tablet, or computer. This new option was piloted in several offices, and, in December 2020, SSA rolled it out nationally. As of December 2022, OHO had completed over 65,000 hearings by online video.

Although video hearings were a CARES initiative, the software SSA started using during the pandemic for online video hearings was not part of a CARES initiative. OHO moved aged cases from backlogged offices with high processing times to offices with more capacity so hearings could be conducted in a timely manner. Online video hearings furthered the efforts to provide flexible and convenient service options while protecting the health and safety of the people served during the pandemic. The changes implemented starting in March 2020 were a direct response to the sudden and unique circumstances of COVID-19. OHO's use of online video appearances was the first time OHO allowed claimants to appear using (1) private electronic devices rather than SSA equipment or SSA-approved equipment and (2) third-party software designated by SSA, rather than the proprietary software approved for use on SSA equipment or SSA-approved equipment. The online video hearings allowed greater overall flexibility for the public in the hearings process, and the feedback was positive.

¹⁴ SSA, *POMS*, DI 81001.035.D (April 28, 2023).

¹⁵ Non-attorney representatives who do not request direct payment of authorized fees are also eligible to enroll for electronic folder access.

¹⁶ SSA, OIG, *The Office of Hearings Operations' Use of Video and Telephone Hearings*, A-05-8-50615, pp. 8 and 9 (April 2019).

In July 2021, SSA began sending surveys to claimants who appeared at hearings by online video to gauge their satisfaction with the process. According to SSA, a minimum of 83 percent of respondents in every month since August 2021 have reported an overall satisfaction rate of 4 or 5 on a scale of 1 to 5. Based on the positive experience with online video hearings, and to incorporate greater flexibility into SSA rules, on May 19, 2023, SSA published a notice of proposed rulemaking in which it proposed making telephone and video (including online video) standard manners of appearance.¹⁷ SSA aims to complete the rule-making process and implement its updated business process in FY 2024. According to SSA, the proposal has several benefits:

1. There would be more ways to appear at a hearing.
2. OHO could balance hearing workloads among hearing offices more efficiently.
3. OHO would be prepared for future emergency events, like the pandemic, that could require that SSA temporarily suspend in-person or traditional video hearings.

As seen in these examples, many of the CARES initiatives have the potential to help the reduce the hearings backlog or APT. However, without specific measures to determine whether each initiative met its intent, SSA cannot determine whether the CARES Plan initiatives or the reduction in hearing submissions, which we discuss in the next section, caused the backlog to be reduced. This puts SSA at risk of having the backlog return or increase.

The Hearings Backlog and Average Processing Time Decreased

As shown in Figure 1, pending hearings and APT have decreased since the CARES Plan initiatives were introduced, meaning SSA served claimants quicker in FY 2022 than in FY 2016. However, we could not determine, and SSA could not provide support, that the reduction in pending hearings and APT were caused by the CARES initiatives.

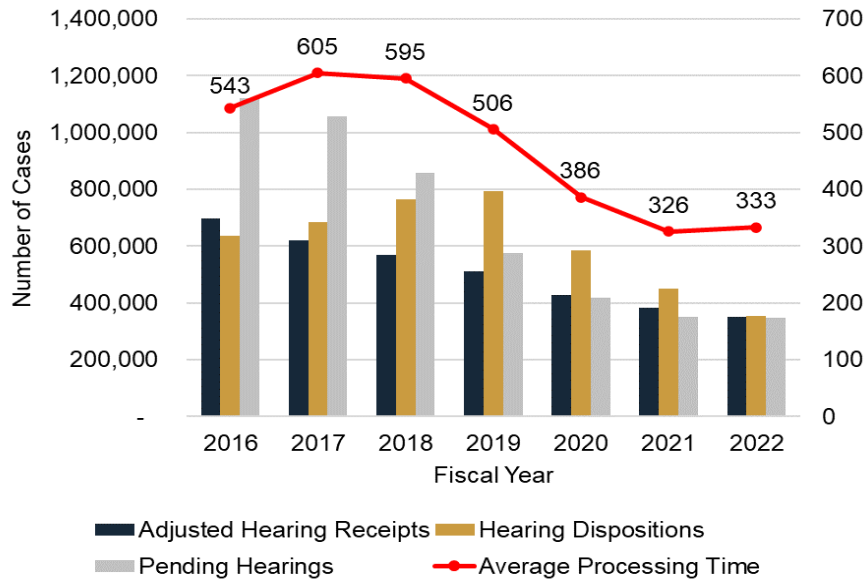
Pending hearings decreased from approximately 1.1 million in FY 2016 to 346,567 in FY 2022. This exceeded SSA's goal of cutting the pending hearing level of approximately 1 million in half. SSA considers pending hearings at a reasonable level when the Agency maintains a 270-day APT. SSA's prior goal was to reduce APT to no more than 270 days by September 2022. However, SSA extended the timeframe to September 2023 because of the COVID-19 pandemic. SSA now expects to achieve the 270-day goal by September 2024.¹⁸

- APT decreased from 543 days in FY 2016 to 326 days in FY 2021 but then increased to 333 days in FY 2022. APT peaked at 605 days in FY 2017. According to SSA, APT can fluctuate based on the number of hearing requests received and processed. The biggest decline from 506 days in FY 2019 to 386 days in FY 2020, occurred when SSA stopped all in-person and video hearings because of the COVID-19 pandemic.

¹⁷ *Setting the Manner of Appearance of Parties and Witnesses at Hearings*, 88 Fed. Reg. 32145 (May 19, 2023).

¹⁸ SSA, *FY 2023 Operating Plan*, p. 2 (February 10, 2023).

Figure 1: Hearing Receipts, Pending, Disposition, and APT FYs 2016 Through 2022

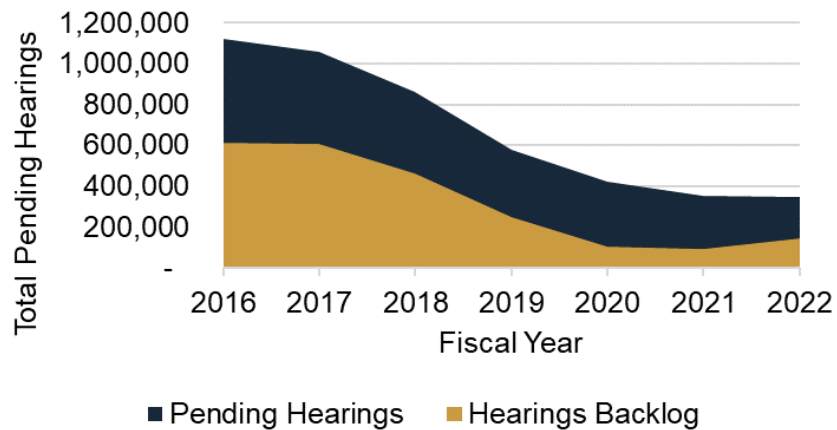


Source: SSA, CPMS Management Information.

Notes: Requests for hearing are also known as hearing receipts. Adjusted hearing receipts exclude cases entered in error, which is historically small. Also, an SSA year usually has 52 weeks that coincide with the Federal FY and end with the last Friday in September. However, FYs 2016 and 2022 had 53 weeks. Therefore, we excluded data for week 53 so FYs 2016 and 2022 were consistent with the other FYs.

While SSA tracks the number of pending hearings—which decreased from FYs 2016 through 2022—it focuses on the hearings backlog, which SSA defines as all pending hearings that cause APT to exceed 270 days. The hearings backlog generally decreased during our audit period except in FY 2022 (see Figure 2). From FYs 2016 through 2017, the hearings backlog decreased 1 percent while the number of pending hearings declined by 6 percent. In FYs 2018 through 2020, the decline in the hearings backlog—which ranged from 24 to 59 percent—was greater than the decline in pending hearings, which ranged from 19 to 33 percent. From FYs 2021 through 2022, the hearings backlog increased 59 percent while pending hearings declined by 2 percent. According to SSA, eliminating the hearings backlog remains a priority.

**Figure 2: Pending Hearings and the Hearings Backlog
FYs 2016 Through 2022**



Source: SSA, *Quarterly Update for the Ways and Means Committee and Senate Finance Committee* (November 2022).

Note: SSA calculates the hearings backlog by multiplying pending hearings by 270 days, dividing by the processing time for the most recent month, then subtracting the result from total pending hearings.

The decline in pending hearings, APT, and the hearings backlog during FYs 2016 through 2022 suggests the CARES initiatives improved the hearings process overall.¹⁹ However, it is unclear whether declining hearing receipts—caused by declines at SSA’s reconsideration level that feed into the hearing level (as shown in Figure 1 and Appendix D)—during this period had a greater impact than the CARES initiatives.

CONCLUSION

We could not determine whether the CARES Plan initiatives reduced the hearings backlog and APT, and SSA did not provide support on how each initiative reduced the backlog or APT. As a result, it is unclear whether declining hearing receipts or changes from the CARES initiatives had a greater impact on the backlog and APT. Not knowing puts SSA at risk that, if hearing receipts increase, the backlog and APT could increase again.

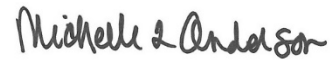
RECOMMENDATION

For future CARES Plan initiatives, SSA should establish and document metrics to measure a direct impact on the hearings backlog and APT.

¹⁹ For information on SSA’s pending hearings and APT goals, see Appendix C.

AGENCY COMMENTS

SSA agreed with the recommendation; see Appendix E.

A handwritten signature in black ink that reads "Michelle L. Anderson". The signature is written in a cursive, slightly slanted style.

Michelle L. Anderson
Assistant Inspector General for Audit

APPENDICES

Appendix A – COMPASSIONATE AND RESPONSIVE SERVICE PLAN INITIATIVES

Table A-1: Compassionate And Responsive Service (CARES) Plan Initiatives

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
1	National Adjudication Team	Increase the use of senior attorneys where appropriate.	2016	Yes	Completed
2	Pre-Hearing Development Contacts	Pre-hearing contacts with unrepresented claimants conducted early in the process by specially trained hearing office employees who explain the hearings process to better prepare those claimants for their hearing.	2016	Yes	
3	Screening and Data Analytics Tools (SmartMands)	Test the use of screening, data analytics tools, and predictive modeling in hearing offices and the Appeals Council (AC).	2016	No	
4	1000 Plus Page Initiative	Staff will review and prepare cases with 1,000 pages or more of evidence before the administrative law judge (ALJ) review and hearing.	2016	No	

¹ The Standard Hearings Operations Procedure serves as the business process guide for Office of Hearings Operations (OHO) personnel and replaces all former versions of the Electronic Business Process.

² OHO defined closed or completed CARES initiatives as those it concluded met its estimated outcome or timelines. OHO defined dropped initiatives for those it did not continue efforts because of resource and automation issues.

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
5	Optimized Hearing Office and Case Assistance Center Models – Virtual Hallway	Address support staff efficiency by strengthening and streamlining hearing office and centralized case assistance business process models. Through these efforts, OHO planned to enhance information sharing among hearing offices, national hearing centers, and centralized case assistance centers. OHO piloted the use of collaborative technologies to facilitate a virtual team model through a concept called the Virtual Hallway.	2016	No	Completed
6	Proactive Quality	Correct identified errors before a issuing a final decision.	2016	No	
7	Natural Language Processing Capabilities	Scan ALJ decisions for language that suggests a higher likelihood of an error so cases can be selected and identified for a pre-effectuation quality review.	2016	No	
8	Medical Expert/Vocational Expert eFolder Access /Online Electronic Folder Access	Provide on-line electronic folder access for medical and vocational expert contractors to eliminate staff time to produce compact disc copies of case folders.	2016	Yes	
9	Eliminating Paper Folder Exceptions Hearings Level Cases That Turn into Paper	Reduce the number of hearings-level cases that turn into paper folders.	2016	Yes	
10	Online Appeals Council (AC) Request for Review (iAppeals for AC)	Allow claimants and representatives to electronically file requests for AC review and submit other written arguments and evidence for cases pending at the AC.	2016	No	

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
11	Office of Quality Review Collaboration	Use Office of Quality Review staff to draft dismissals, engage in outreach to unrepresented claimants, and provide review and analysis for non-disability and aged cases.	2016	No	Completed
12	Adjudication Augmentation Strategy	Use AC administrative appeals judges to hold hearings and issue decisions on a subset of cases usually processed by ALJs.	2016	No	
13	Internal Developmental Program/Employee Development Activities	Implement an internal OHO development program, covering all positions and grade levels, to attract, retain, and develop employees for technical, management, and leadership positions. This effort included developing and implementing the Internal Development Program as well as the Hearing Office Case Analyst Pilot.	2016	No	
14	Increase Availability of Telework	Increase availability for telework under collective bargaining agreements.	2016	No	
15	Administrative Law Judge Hiring	Hire additional ALJs to increase adjudicatory capacity.	2016	No	
16	CARES Disability Adjudication Reporting Tools Report	Provide a quick report for managers to focus on specific areas that may reduce the wait time or overall hearings pending.	2017	No	
17	Duplicate Identifying Process Product	Use software to identify duplicate evidence to enable an efficient and effective review of the case folder.	2017	Yes	

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
18	Electronic Records Express Uploads Without Barcodes	Save time for the hearing office staff by automating the process of associating the document with the correct case. Allow registered (electronic) eFolder users to upload documents into the eFolder without using a barcode/request identification.	2017	No	Completed
19	Proactive Analysis and Triage for Hearings	Model used to identify cases likely for allowance before a hearing assignment, increase non-ALJ adjudications (reversals and on-the-record decisions), create a significant savings, and open a hearing slot for another case where a hearing is necessary.	2017	No	
20	Centralized Medical and Vocational Expert Resources	Create national cadres of medical and vocational experts to facilitate scheduling via video or teleconference and provide on-call services for hearings where the scheduled expert is unable to attend on short notice.	2017	No	
21	Voluntary Standby List	Create the opportunity for claimants to have their hearings sooner by filling empty hearing slots on short notice. Participation will be voluntary, and participants must sign a waiver of advanced hearing notice should a spot become available.	2017	Yes	
22	Organizational Culture Focus—connects to communication	Engage OHO leadership in strengthening and promoting a service oriented, accountable, and responsible organizational culture.	2017	No	

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
23	Hearing Office Oversight Protocol	Review hearing office organizational health across the hearings operation and assist struggling offices.	2017	No	Completed
24	Labor/Management Relations Training for [OHO] Supervisors	Develop and conduct labor/management-relations training for all OHO supervisors.	2017	No	
25	Special Review Cadre	Create a new cadre of ALJs to focus on fraud and/or redetermination cases.	2017	Yes	
26	Fiscal Year 2017 Support Staff Hiring	Hire additional critical support staff to schedule hearings, organize and complete files, and draft ALJ decisions.	2017	No	
27	Outreach and Education to Reduce Postponements	Review data and address the most common occurrences of postponed hearings when claimants or representatives are unavailable by improving external communication and internal training.	2017	Yes	
28	AC Remand Reduction Strategy	Use the AC to complete actions and issue final decisions on cases that generally would have been remanded back to the ALJ.	2017	Yes	
29	Create Falls Church National Case Assistance Center	Establish a new National Case Assistance Center in Falls Church, Virginia, by reassigning 48 full-time employees from the Office of Appellate Operations to the Office of the Chief ALJ for hearing-level decision writing.	2017	Yes	
30	All Hands on Deck Writing Assistance	Use SSA Headquarters, regional, management, and quality review staff with decision writing experience to assist temporarily with the writing backlog.	2017	No	Completed

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
31	Decision Writer Productivity Index	Use a more accurate numerical performance measurement tool to identify decision writers who do not meet current performance standards in the hearings operation.	2017	No	
32	Expand Natural Language Processing Quality Assurance Tools (Insight)	An inline quality review tool that uses natural language processing to scan a draft decision for language that could result in error.	2017	Yes	
33	Capacity and Co-Location Plan	Co-locate hearing and field offices and continue adding "shared services" rooms in field offices allowing claimants to participate in an ALJ hearing from the convenience of the local field office, re-purpose vacant space that is already federally owned or leased for the hearings operation, and make more efficient use of existing OHO space.	2016	No	
34	Leadership Training	Provide standard training across OHO to enhance leadership among OHO managers.	2016	No	
35	Reduce Compact Disc Burning in Hearing Offices/Eliminating Compact Disc Burning for Direct Pay Representatives	Mandate claimant representatives with direct-pay fee agreements to access the electronic folder online.	2016	No	
36	First-In First-Out Model	Enhance the method of workload assignment by sharing resources nationwide and matching resource availability. Prioritizing cases that have been waiting the longest.	2017	Yes	Completed

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
37	Pre-Hearing Case Summaries	Improve efficiencies for ALJ case preparation and review. Increasing the ability for National Adjudication Team attorneys to prepare on-the-record decisions will also give ALJs additional time for ALJ to perform tasks only ALJs can do, that is, hold hearings and decide cases.	2017	Yes	
38	Expand Video Hearings Capacity	Expand the use of video hearings to balance workloads and eliminate service inequity nationwide.	2016	Yes	Ongoing
39	Shared Scheduling Services/Centralized Scheduling Units 3	Centralize scheduling staff in each region that will schedule hearings across multiple offices, maximizing hearing room use between offices while freeing up employees to focus on critical workloads.	2017	No	
40	Electronic Folder Functionality for Non-Disability Hearings	Collaborate between hearing and field offices to ensure hearing offices receive properly developed non-disability claims for action.	2017	Yes	

³ The change from Centralized Scheduling Units to hearing offices scheduling hearings was effective February 1, 2023. A limited number of legal assistants will remain for the remainder of FY 2023 and will continue to perform centralized scheduling functions for hearing offices.

Count	Initiative	Initiative Description	First Appeared in CARES Plan	Added to Standard Hearings Operating Procedure ¹	Initiative Status per the Agency ²
41	Hearings and Appeals Case Processing Systems	Develop a more comprehensive and up to date case processing system across OHO and integrate it into SSA's overall disability system. The new case processing system will improve communication between SSA operating components to ensure consistent disability case processing at all levels. Additionally, operating all disability case processing under one system will reduce infrastructure costs and maintenance.	2017	Yes	Ongoing
42	Updating Decision Writing Tools and Templates	Develop and implement an updated Decision Writing Instruction tool for ALJs and an updated decisional template for adult fully favorable decisions.	2018-19	Yes	Dropped
43	Developing Productivity Metrics Across OHO	Continue expanding the use of additional productivity metrics for other OHO positions.	2018-19	No	
44	Research and Develop a Strategy for Clustering Work Assignments in the Hearings Operation	Optimize how cases are assigned to decision writers and other support staff at the hearings level by assigning cases with like characteristics and/or assigning cases based on projected case complexity.	2017	No	
45	Expansion of Non-Disability Pilot to Improve Case Readiness	Improve collaboration between hearing and field offices to ensure hearing offices receive properly developed non-disability claims for action.	2017	No	

Appendix B – SCOPE AND METHODOLOGY

To accomplish our objective, we:

- Reviewed applicable sections of the *Social Security Act* as well as the Social Security Administration’s (SSA) regulations, rules, policies, and procedures.
- Documented the initiatives in the three [CARES Plans](#).
- Determined whether the [Agency Strategic Plans](#) for 2018-2022 and 2022-2026 discussed the Compassionate and REsponsive Service (CARES) Plan or incorporate CARES Plan elements and related annual performance measures.
- Requested and analyzed information from the Office of Hearing Operations on:
 - the status of all CARES initiatives—whether ongoing, new, or dropped—and how they improved the hearings process or reduced average processing times;
 - whether SSA plans to update the CARES Plan;
 - changes in the hearings process since 2016 resulting from CARES initiatives;
 - definitions for the backlog, processing times, and related service delivery goals, if any;
 - administrative law judge and support staff data for Fiscal Years (FY) 2016 through 2022.
- Obtained and analyzed Case Processing and Management System Management Information reports related to pending cases and average processing times for FYs 2016 to 2022.

To test data reliability, we compared average processing times for FYs 2016, 2019, 2021, and 2022 using data in Management Information ranking reports from the Case Processing and Management System, SSA.gov, and annual extracts of hearing dispositions. Since the data were consistently and accurately reported in these three data sources, we determined the data used for this audit were sufficiently reliable to meet our objective. The principal entity audited was the Office of Hearings Operations. We assessed the significance of internal controls necessary to satisfy the audit objective. This included an assessment of the five internal control components, including control environment, risk assessment, control activities, information and communication, and monitoring. In addition, we reviewed the principles of internal controls associated with the audit objective.

We did not conduct an independent review of SSA's overall systems of internal control. However, we determined internal controls were significant to the audit objective. We identified the following four Components and six Principles as significant to the audit objective.

- Component 1: Control Environment
 - Principle 2: Exercise Oversight Responsibility
 - Principle 3: Establish Structure, Responsibility, and Authority
- Component 2: Risk Assessment
 - Principle 9: Analyze and Respond to Change
- Component 4: Information and Communication
 - Principle 14: Communicate Internally
 - Principle 15: Communicate Externally
- Component 5: Monitoring
 - Principle 16: Perform Monitoring Activities

We conducted this review between July 2022 and June 2023 in Chicago, Illinois, and Boston, Massachusetts. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

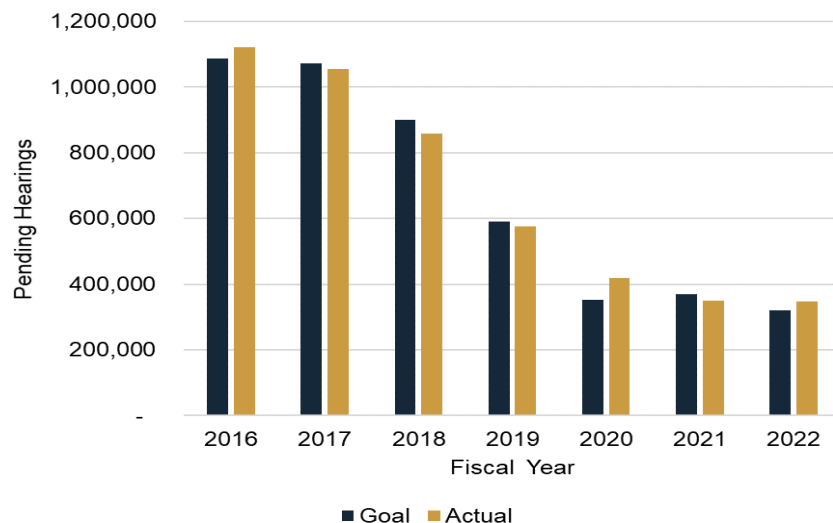
Appendix C – GOALS FOR PENDING HEARINGS AND AVERAGE PROCESSING TIME

The Social Security Administration’s (SSA) Office of Hearing Operations (OHO) established goals for pending hearings and average processing time (APT) and adjusts them annually.

Pending Hearings Goals

OHO did not meet its goals for pending hearings every year, despite the overall decline in pending hearings between Fiscal Years (FY) 2016 and 2022; see Figure C–1. While the hearings backlog—which is a share of pending hearings—increased from FYs 2021 through 2022, OHO met its pending hearings goals in 4 (2017, 2018, 2019, 2021) of the 7 FYs since the CARES Plan was implemented. In the 3 FYs that OHO did not meet its goals, OHO had between 3 and 19 percent more pending hearings than its goal. Although OHO had set lower goals for itself since FY 2019, actual pending hearings were still higher than its target in 2 of the 4 years. According to SSA, the COVID-19 pandemic presented a number of challenges, some of which were beyond its control. For example, while hearing offices were closed to the public because of the pandemic, not every beneficiary was willing to have a telephone or video hearing, or willing or able to use the Internet or telephone to participate in a hearing.

Figure C–1: Comparison of Pending Hearings Goals to Actual Pending Hearings, FYs 2016 Through 2022

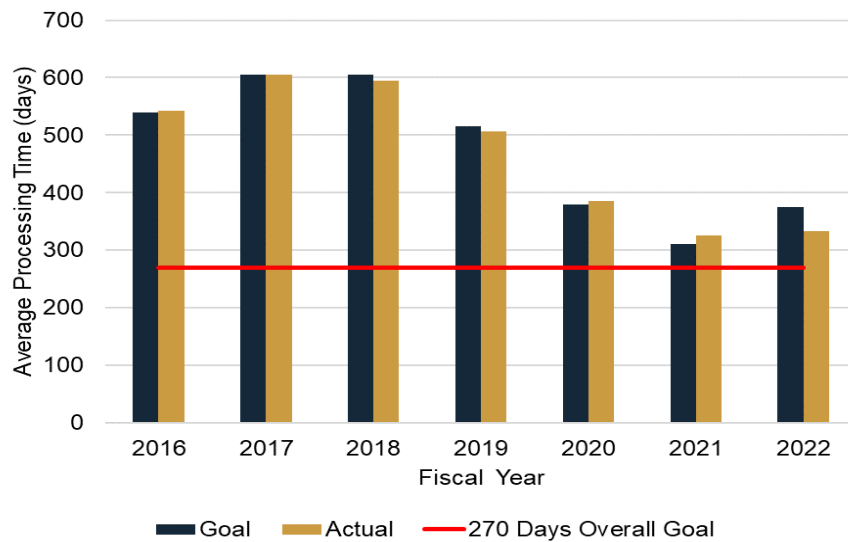


Source: SSA, Case Processing and Management System (CPMS) Management Information.

Average Processing Time Goals

OHO met its annual APT goals in 4 (2017, 2018, 2019, 2022) of the 7 years since the CARES Plan was first introduced; see Figure C-2. In the 3 years OHO did not meet its goals, APT was between 3 and 16 days higher than its goals. The actual APT did not vary significantly from the target APT in FYs 2016 through 2020. According to SSA, in FY 2023, it plans to prioritize individuals who have waited the longest for a hearing and anticipate a temporary increase in APT as it works through the oldest cases.¹

Figure C-2: Comparison of Annual APT Goals and Actual APT FYs 2016 Through 2022



Source: SSA, CPMS Management Information.

¹ SSA, *Fiscal Years 2022-2024 Annual Performance Plan and Report*, p. 48 (March 2023).

Appendix D – REQUESTS FOR RECONSIDERATION

Table D–1 shows that requests for reconsideration generally declined from Fiscal Years (FY) 2016 through 2021 except when it increased from FYs 2018 to 2019. Since claims denied after reconsideration are the source of claims that may be appealed to an ALJ, fewer claims would potentially flow down to the Office of Hearings Operations.

**Table D–1: Requests for Reconsideration
FYs 2016 Through 2021**

Claim Level	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	Percent Change FYs 2016-2021
Requests for Reconsideration	539,307	527,617	487,066	497,573	496,170	470,471	
Requests for Reconsideration Year-to-Year Percentage Change		-2.2%	-7.7%	2.2%	-0.3%	-5.2%	-12.8%
Allowances	63,999	64,755	59,248	64,037	67,808	58,937	
Denials	475,308	462,862	427,818	433,536	428,362	411,534	

Source: SSA, Disability Operational Data Store.

Appendix E – AGENCY COMMENTS



SOCIAL SECURITY

MEMORANDUM

Date: September 1, 2023

Refer To: TQA-1

To: Gail S. Ennis
Inspector General

From: Scott Frey
Chief of Staff

A handwritten signature in blue ink, appearing to read "Scott Frey".

Subject: Office of the Inspector General Draft Report “The Social Security Administration’s Hearings Backlog and Average Processing Times” (A-05-22-51159)—INFORMATION

Thank you for the opportunity to review the draft report. We agree with the recommendation to the extent that metrics are feasible for an initiative.

Please let me know if I can be of further assistance. You may direct staff inquiries to Trae Sommer at (410) 965-9102.



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