

Research Portfolio on Disability

Effectuation of Disability Benefits

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Executive Summary

The process of adjudicating an application for disability benefits is not complete once a favorable decision has been made. Many additional steps must occur between a favorable decision (allowance) and the actual payment of benefits. These actions, from award to deposit of benefits, are called “effectuation.” Effectuation occurs after awardees endure often-lengthy waits to obtain favorable decisions. Effectuation is little studied both in the Social Security context and in the broader subject of how government works. The Social Security Administration (SSA) effectuation process has three phases:

1. Claims are sent from the part of the agency that made the favorable disability determination (the adjudicator) to the part that will effectuate it (the effectuator). The pathway depends on whether the claim is for Supplemental Security Income (SSI) and/or Social Security Disability Insurance (DI) and whether it was awarded at the initial level or after one of the various opportunities for appeal.
2. The effectuator gathers and inputs information to determine what retroactive and ongoing benefits should be paid. In most cases, this occurs quickly through an automated process. However, some claims are more complex, requiring manual calculations, the use of numerous computer systems, and communications with the awardee and others within and outside SSA.
3. SSA interacts with the Treasury Department to deposit the benefits.

A data set from a large national firm of claimants’ representatives shows that the time SSA takes to effectuate a disability award increased over the past decade. Most DI awards are still effectuated within a week of the decision, while the median for SSI awards grew from 20 days in 2014 to 77 days in early 2023. For both types of benefits, however, some cases took far longer to effectuate. Claims awarded at the initial or reconsideration levels had lower average effectuation times than those awarded by Administrative Law Judges.

The Board’s recommendations to SSA are:

- Increase the percentage of awards that can be effectuated using expedited procedures.
- Shift workloads and promulgate best practices across Processing Centers and Regional Trust Review Teams.
- Add Representative Call Centers to more Processing Centers.
- Automate more effectuation workloads.
- Use employee feedback when continuing to upgrade computer systems.

- Simplify how changes to claimants' and awardees' contact information are reported and recorded.
- Improve how documents are submitted, input, stored, and retrieved.
- Provide more effectuation-related features in *my* Social Security and Appointed Representative Services.
- Create an electronic form that allows awardees and their representatives to submit information needed to effectuate SSI claims.
- Identify and study effectuation-process pain points with a focus on especially challenging claims.
- Set more comprehensive performance goals for effectuation.
- Consider best practices from other agencies' effectuation processes.
- Ensure appointed representatives can assist their clients and receive notices throughout the effectuation process.
- Improve Notices of Award by generating more notices automatically, alerting effectuators when notices have not been sent, sending fewer notices after benefits are paid, and providing information about effectuation.
- Provide more information to representatives about typical timeframes for different parts of the effectuation process and how they could help resolve delays.

The Board also recommends that Congress require SSA to pay interest on past-due benefits when there are delays in effectuation.

Social Security's Disability Programs

SSA administers benefits that provide economic security to millions of people. DI provides cash benefits to insured workers and their families in the event of disability. SSI provides disability payments to people who meet the program's income and resource limits and meet the statutory definition of disability or blindness. When people apply for SSI or DI, SSA determines whether they meet non-medical requirements. Then, medical determinations are made by Disability Determination Services (DDSs), which are funded by the federal government but generally run by states and territories. Claimants who receive initial-level denials for medical or nonmedical reasons can request reconsideration, at which time SSA and the DDS evaluate all existing and newly-submitted evidence and issue a second decision. If the claim is denied at reconsideration, a claimant can request a hearing before an Administrative Law Judge (ALJ). The final level of appeal within SSA is the Appeals Council (AC); claims denied there can be appealed to federal court.

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Acronyms

Acronym	Term
AARPS	Appeals and Appointed Representative Processing Services
AC	Appeals Council
ACUS	Administrative Conference of the United States
AFGE	American Federation of Government Employees
ALJ	Administrative Law Judge
AOD	Alleged Onset Date
APP	Annual Performance Plan
ARS	Appointed Representative Services
CAL	Compassionate Allowance
CCE	Consolidated Claims Experience
CHIP	Customer Help and Information Program
CPMS	Case Processing and Management System
DAF	Disability Analysis File
DDS	Disability Determination Services
DI	Disability Insurance
DQB	Disability Quality Branch
EAP	Emergency Advance Payment
EDCS	Electronic Disability Collect System
eRPS	Electronic Representative Payee System
FO	Field Office
FY	Fiscal Year
HACPS	Hearing and Appeals Case Processing System
I&E	Inquiry and Expediting
IP	Immediate Payment
ISM	In-Kind Support and Maintenance
MACADE	Manual Adjustment Credit and Award Data Entry
MCS	Modernized Claims System
MDW	Modernized Development Worksheet
MSSICS	Modernized Supplemental Security Income Claims System
NADR	National Association of Disability Representatives
NCSSMA	National Council of Social Security Management Associations
NOA	Notice of Award
NOSSCR	National Organization of Social Security Claimants' Representatives
OARO	Office of Analytics, Review, and Oversight
ODO	Office of Disability Operations
OHO	Office of Hearings Operations
OMB	Office of Management and Budget
PC	Processing Center
PDB	Public Disability Benefit

Acronym	Term
PERC	Pre-Effectuation Review Contact
POMS	Program Operations Manual System
PMO	Program Management Office
PUF	Public Use File
QDD	Quick Disability Determination
RASR	Registration, Appointment, and Services for Representatives
RTRT	Regional Trust Review Team
SNAP	Supplemental Nutrition Assistance Program
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security Number
TERI	Terminal Illness
TI	Temporary Institutionalization
TSC	Teleservice Center
WAC	Workload Action Center
WC	Workers' Compensation
WMS	Workload Management System
WSU	Workload Support Unit
YTD	Year to Date

Introduction

What is Effectuation?

SSA takes many steps between determining that a disability claimant is eligible for benefits and paying those benefits. These steps are the effectuation process,¹ which can be complicated. After each favorable decision, SSA must consider:²

- **Who should be paid:** Besides the awardee,³ certain family members may be eligible for ongoing benefits as “auxiliaries.”⁴ When a claimant or awardee dies before effectuation is complete, past-due benefits may still be payable to relatives or estates.⁵ Others to whom SSA might pay a portion of benefits include the claimant’s representative,⁶ state and local welfare agencies,⁷ the program’s funding source if the awardee was previously overpaid,⁸ and any entities allowed to

¹ SSA defines effectuation as including the actions taken when a claim is denied or dismissed, as well as when a claim is awarded. SSA, “[Adjudicative Policy and Standards](#),” Program Operations Manual System (POMS) GN 01010.001.B.10 (July 31, 2023) (“Effectuation of a claim is processing or triggering an adjudicative determination for allowance, disallowance, denial, abatement, or pre-effectuated withdrawal via a processing system (e.g., MCS, MSSICS,) resulting in an update to the appropriate master data base (e.g., Master Beneficiary Record (MBR) or the Supplemental Security Record (SSR).”) However, this paper focuses only on the effectuation of favorable decisions.

² As noted in Donald Moynihan et al., “[Matching to Categories: Learning and Compliance Costs in Administrative Processes](#),” *Journal of Public Administration Research and Theory* 32, no. 4 (October 2022): 750, Howard D. Lasswell described politics in a similar way in his 1936 “Politics: Who Gets What, When, How.” Moynihan’s article about matching to categories is relevant not only to SSA’s disability determination process (where SSA decides who falls into the category of “disabled”) but also to effectuation, where the agency must make further categorizations about awardees.

³ SSA typically refers to people applying for benefits as “claimants” and people receiving benefits as “beneficiaries.” The agency does not have a term for people who are no longer claimants (because a favorable decision has been made on their claim) but not yet beneficiaries (because they have not received any benefits). This paper uses the term “awardees” to refer to people in this liminal phase of effectuation. It also uses “claimants” when it is in a direct quotation from another source, and to refer to “claimants’ representatives,” even when they are working on behalf of awardees.

⁴ DI program benefits are described at SSA, “[Disability Benefits: Family Benefits](#),” last accessed February 13, 2024. SSI does not have family benefits.

⁵ The treatment of relatives or estates depends on the program. SSI is payable to certain surviving spouses and parents of awardees, Social Security Act § 1631(b)(1)(A) and 20 CFR § 416.542(b). There is a longer list of parties who can receive an underpayment of DI due to an individual who is deceased, Social Security Act § 204(d) and 20 CFR § 404.503(b)(2023).

⁶ SSA, “[SSA’s Fee Authorization Processes](#),” last accessed February 15, 2024.

⁷ 20 CFR § 416.1901 and SSA, “[Interim Assistance Reimbursement](#),” POMS SI 02003.001 (November 19, 2010).

⁸ SSA, “[Overpayment Recovery by Benefit Adjustment](#),” POMS GN 02210.001 (May 17, 2012).

garnish or levy Social Security benefits.⁹ SSA may first need to assign representative payees if awardees are found unable to manage their funds.¹⁰

- **What amount should be paid:** the benefit amount for which a person qualifies depends on many factors and may change monthly along with awardees' financial and other circumstances. There are also annual cost of living adjustments.¹¹
- **When benefits are payable:** awardees may be eligible for benefits for months before a favorable decision was issued.¹² These are called retroactive or past-due benefits. Awardees are usually also eligible for ongoing monthly benefits.
- **Where benefits should be deposited:** In nearly all cases,¹³ SSA and the Treasury Department work together to send benefits electronically, either to a bank account or onto a prepaid Direct Express debit card.¹⁴
- **Why benefits are being paid:** People can be found eligible for SSI and/or DI benefits.¹⁵ The effectuation process differs depending on the type(s) of Social Security benefits for which a person is eligible.

Why Study Effectuation?

Effectuation matters greatly to awardees, their families, and their communities. Whether the time from application to award is long or short, the disability determination process is not over from an awardee's perspective until the awarded benefits are received.

Effectuation also matters to SSA. It is a large and important workload. In Fiscal Year (FY) 2021, SSA issued over 900,000 favorable disability decisions; in FY 22, there were more than 860,000, and in FY 23 there were over 915,000.¹⁶ The steps required to effectuate a favorable decision are varied and often complicated. The process involves multiple SSA components, employees, and computer systems. Many aspects of effectuation are

⁹ Examples are described at SSA, "[Levy and Garnishment of Benefits](#)," Social Security Ruling 79-04 (1979) and SSA, "[Federal Payment Levy Program](#)," POMS GN 02410.305 (April 22, 2020).

¹⁰ SSA, "[Representative Payee](#)," last accessed February 13, 2024.

¹¹ SSA, "[Cost-of-Living Adjustment \(COLA\) Information for 2024](#)," last accessed February 13, 2024.

¹² The earliest SSI is payable is the month after the application was filed. SSA "[What You Need to Know When You Get SSI](#)," May 2023. DI can be paid for up to 12 months before a claim was filed, so long as all eligibility requirements are met and the five-month waiting period is satisfied. SSA "[Disability Benefits: How You Qualify](#)," last accessed February 13, 2024.

¹³ In FY 22, 99.3% of OASI and DI payments and 96.6% of SSI payments were made electronically. SSA, "[National Trends](#)," last accessed February 13, 2024.

¹⁴ SSA, "[Get Your Payments Electronically](#)," July 2022.

¹⁵ Some awardees receive benefits based on their own disabilities but the earnings history of a family member, most commonly a parent or spouse. SSA, "[Disability Benefits: Family Benefits](#)" and "[If You are the Survivor](#)," last accessed February 13, 2024.

¹⁶ Figures calculated from SSA, "[FY 23 Limitation on Administrative Expenses](#)," 147 and "[FY 24 Limitation on Administrative Expenses](#)," 148, and SSA, "[FY 23 Workload Data: Disability Determinations](#)."

automated, but others require manual calculations. Effectuation errors can cause overpayments¹⁷ or underpayments that are time-consuming to resolve and hurt awardees' financial stability. Improving effectuation could reduce administrative burden¹⁸ and increase the satisfaction of awardees, their representatives, SSA staff, members of Congress,¹⁹ and other stakeholders.

Despite its size, complexity, and customer-service implications, effectuation is rarely discussed—either in the specific context of Social Security disability benefits or for government programs in general.²⁰ For example, much research focuses on the causes and effects of variations in SSA processing time. However, this is generally defined as the time from application or disability onset to the favorable decision rather than to the actual payment of benefits.²¹ Even research that acknowledges the difference between the month in which SSA benefits become payable and the month in which they are paid measures the

¹⁷ An SSA Office of the Inspector General (OIG) audit found that 50 of the 87 OASDI overpayments in the sample could have been avoided had calculations been accurate. SSA OIG, [“Incorrect OASDI Benefit Payment Computations that Resulted in Overpayments,”](#) A-07-18-50674 (2022).

¹⁸ In their book [Administrative Burden: Policymaking by Other Means](#) (Russell Sage Foundation 2019), Pamela Herd and Donald P. Moynihan discuss three types of costs that people interacting with the government, like those awarded SSI or DI, might experience: learning costs, where people must find out about a program and its eligibility requirements; psychological costs, where people feel stressed, frustrated, or disempowered because of the process of obtaining benefits; and compliance costs, “the material burdens of following administrative rules and requirements.” Herd and Moynihan note the need to consider both the detriments of administrative burden to the public and its potentially positive effects, such as increasing payment accuracy.

¹⁹ For example, Sen. Todd Young of Indiana asked Martin O’Malley as part of his confirmation process to become Commissioner of Social Security, how he would improve the effectuation process. The question referenced a constituent who was awarded DI in January 2023 and had not received benefits nearly ten months later. Senate Finance Committee, [“Questions for the Record for Martin O’Malley,”](#) November 2023, 15-16.

²⁰ In addition to administrative burden, other relevant literature on public interaction with governments includes that on friction, ordeals, hassles, and sludge. These terms are discussed in Jonas Krogh Madsen, Kim Sass Mikkelsen, and Donald Moynihan, [“Burdens, Sludge, Ordeals, Red Tape, Oh My! A User’s Guide to the Study of Frictions,”](#) *Public Administration* 100, no. 2 (June 2022): 375.

²¹ Examples include Cody Tuttle and Riley Wilson, [“Representative Compensation and Disability Claimant Outcomes,”](#) December 16, 2022 (defining wait times as “the time from entitlement to approval”); Hilary Hoynes, Nicole Maestas, and Alexander Strand, [“Legal Representation in Disability Claims,”](#) July 2021, 23 (uses the time from application to decision as “case processing time”); Kajal Lahiri and Jianting Hu, [“Productive efficiency in processing social security disability claims: a look back at the 1988-95 surge,”](#) *Empirical Economics* 60 (October 2020): 419 (waiting time “defined as the mean overall duration from the time of application to the date of initial decision” in fn.7); Amanda Michaud, Timothy J. Moore & David G. Wiczer, [“The Relationship between Social Security Disability Insurance Wait Times and Applications,”](#) NBER WP DRC NB18-Q5, September 2019 (longer times from application to award in one year are associated with fewer applications the following year); David H. Autor, Nicole Maestas, Kathleen J. Mullen & Alexander Strand, [“Does Delay Cause Decay? The Effect of Administrative Decision Time on the Labor Force Participation and Earnings of Disability Applicants,”](#) NBER WP 20840, January 2015 (processing time defined in fn. 3 as time from application to final decision).

former or combines effectuation with other periods.²² Although researchers correctly note that Social Security’s cash benefits, once received, are easier to use than other benefits, there are still efforts required of SSA and awardees during effectuation.²³ SSA’s communications to claimants note the time it takes to obtain a decision,²⁴ but not what happens after that decision. Yet a full understanding of individuals’ experience with public benefit programs is only possible when effectuation is considered.

Scope of Report

This report will focus on the effectuation of favorable decisions in DI and SSI disability claims, including claims for both DI and SSI (concurrent claims). Since much of the effectuation process is the same for all benefits SSA administers, this report’s recommendations apply more broadly.

Although SSA plays an important role in Medicare eligibility determinations and enrollment,²⁵ this paper will not address that topic. DI beneficiaries generally become

²² Kalman Rupp and Gerald F. Riley, “[Longitudinal Patterns of Participation in the Social Security Disability Insurance and Supplemental Security Income Programs for People with Disabilities](#),” *Social Security Bulletin* 71, no. 2 (2011) (“we key our sample selection to the first month of benefit eligibility, rather than to the month of disability onset, the month of application, or the month of the actual receipt of first disability payments. Those other concepts are also relevant for the dynamics of disability program participation”). In that paper, the month in which benefits were first paid is discussed in the section titled “Timing of First Cash Payment as a Facet of Access to Disability Benefits.” However, the authors of that paper measure from when the awardee was first eligible for benefits to payment of benefits (essentially, a measure of how many months of past-due benefits are payable), which is affected by when a claimant applies for benefits relative to their onset date and how long it takes for SSA to reach a decision. This report excludes the time from disability onset to award, focusing instead on the effectuation period after the favorable decision is made.

²³ Carolyn Y. Barnes, “[‘It Takes a While to Get Used to’: The Costs of Redeeming Public Benefits](#),” *Journal of Public Administration Research and Theory* 31, no. 2 (April 2021): 295 (“[In] programs like Social Security...participants apply for benefits online, over the phone, or in-person and, once deemed eligible, receive cash to spend on household needs.”). This report attempts to explicate the space between “once deemed eligible” and “receive cash to spend”.

²⁴ SSA, “[What You Should Know Before You Apply for Social Security Disability Benefits](#),” last accessed February 13, 2024 (“How long does it take to make a decision? Generally, it takes about three to five months to get a decision.”) and SSA, “[What You Should Know Before You Apply for SSI Disability Benefits for a Child](#),” last accessed February 13, 2024 (“How will I know what Social Security has decided? We will send you a letter. It can take 3 to 5 months to decide a child’s SSI disability claim.”)

²⁵ SSA, “[Sign Up for Medicare](#),” last accessed February 13, 2024.

eligible for Medicare two years after their DI eligibility starts.²⁶ Therefore, Medicare enrollment often occurs after effectuation.²⁷

This report begins with an overview of the effectuation process; an appendix describes the process in additional detail. The paper then provides statistics about effectuation, including how effectuation time has changed over the past decade and how it varies across different types of claims and claimants. The paper uses data obtained from SSA and a data set from a large national firm of claimants' representatives for this analysis. Next, the paper describes challenges identified by key internal and external stakeholders: SSA employees, Congressional staff who intercede with SSA on behalf of constituents awarded disability benefits, and representatives appointed by claimants. The paper then lists several Board recommendations to SSA and one to Congress.

The Effectuation Process²⁸

SSA staff follow the effectuation process prescribed by law, regulations, and subregulatory guidance.²⁹ In an October 2022 report to Congress,³⁰ SSA summarized effectuation:

If the DDS issues a favorable determination, the claim returns to the FO [field office] for effectuation. In some cases where there are complex issues, such as payment offsets due to workers' compensation or other benefits, or systems limitations that require manual processing, the PC [Processing Center]³¹ will effectuate the claim....[PCs] handle the most complex benefit payment decisions, in addition to

²⁶ Exceptions to the waiting period include people with End-Stage Renal Disease and ALS. SSA, [“End-Stage Renal Disease \(ESRD\) Entitlement Provisions,”](#) POMS DI 45001.001 (January 13, 2023) and [“Entitlement to HI for the Disabled,”](#) POMS HI 00801.146 (February 1, 2023).

²⁷ Whether Medicare enrollment happens at the same time as effectuation depends on how long after the onset of disability the DI claim was filed and how long SSA takes to adjudicate the claim.

²⁸ Many aspects of the effectuation process are not written down or not publicly available. This section relies heavily on presentations by, conversations with, and written responses from SSA leadership and FO managers and employees.

²⁹ The main source of subregulatory guidance for FO and PC workers is POMS. Other guidance documents include Emergency Messages, Administrative Messages, desk guides, and training manuals.

³⁰ Kilolo Kijakazi, Acting Commissioner of Social Security, letter to House Appropriations Committee Chair Rosa DeLauro, October 25, 2022. Reproduced at Appendix 4.

³¹ There are six Program Service Centers to which DI awardees age 54 and older are assigned, based on the first three digits of their Social Security Numbers. If the awardee is under age 54 and living, or is any age and has End-Stage Renal Disease, the claim is effectuated by the Office of Disability Operations (ODO). SSA, [“Processing Center SSN Jurisdiction,”](#) POMS GN 10170.245 (January 24, 2024). Awardees living outside of the United States or receiving benefits under totalization agreements have their claims effectuated by the Office of Earnings and International Operations (OEIO). POMS refers to the six Program Service Centers and OEIO as “PSCs” and uses the term “processing center” for the seven PSCs plus ODO. SSA, [“Who Reviews and Services Claims,”](#) POMS GN 01050.051 (November 17, 2022). This paper will use “PC” for all eight centers unless directly quoting a source that used the term PSC.

issuing benefit payments after appeals decisions.... If the ALJ issues a favorable decision, the PC will calculate offsets, pay attorney fees, and initiate benefit payments.³²

In addition to involving multiple SSA components, the effectuation process uses numerous computer systems. For initial applications, case development, and effectuation, SSA uses the Modernized Claims System (MCS) for DI; SSI claims use the Modernized SSI Claims System (MSSICS) and the web-based Consolidated Claims Experience (CCE) system. Other systems SSA uses during effectuation include:³³

- Electronic Disability Collect System (EDCS) for documentation that must be communicated across different parts of SSA's Operations component
- Workload Action Center (WAC) for FOs to monitor various tasks³⁴
- WebALJ for cases decided at the hearing level
- Registration, Appointment, and Services for Representatives (RASR) for cases where the claimant appointed a representative

This section will provide an overview of the effectuation process (with additional details provided in Appendix 1). Then, this section will discuss how SSA monitors the speed and accuracy of effectuation.

Overview of the Effectuation Process

The three phases of effectuation—transfer from the adjudicator to the effectuator, determining payable benefits, and releasing the funds—are described below.

Transferring from the Adjudicator to the Effectuator

To effectuate an award, SSA first sends the claim from the adjudicating component to the component that calculates and releases benefits. The process differs based on whether the claim is for SSI and/or DI and the level of appeal at which the award was made.

³² These sentences occurred in a different order in SSA's report.

³³ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

³⁴ The WAC is described at SSA, "[TXVI Claims Specialist Basic Training Curriculum Unit 6](#)," 2018,41.

Table 1. Effectuating Components

Program	Initial	Reconsideration	ALJ and AC
<i>SSI</i>	FO	FO	FO
<i>DI</i>	Simple: FO Complex: PC	Simple: FO Complex: PC	PC
<i>Concurrent</i>	Simple: FO Complex: FO for SSI and PC for DI	Simple: FO Complex: FO for SSI and PC for DI	FO for SSI and PC for DI

Notes: “FO” as used here also includes effectuation by Workload Support Units (WSUs). WSUs are centralized locations that can assist field offices in handling certain tasks, as determined by SSA leadership. “ALJ and AC,” as used here, includes federal court remands, which are processed through the AC. Certain other court remands, including remands solely for the payment of benefits, are sent from the AC to the effectuator, while other remands may be sent from the AC to an ALJ for further proceedings before a favorable decision is issued.

About 20% of DI claims awarded at the initial or reconsideration levels are effectuated through an expedited process called nonmedical completion. Claims are only eligible for nonmedical completion if SSA staff gathered additional information when the claim was filed. It takes time to obtain the additional information, so nonmedical completion is reserved for cases with a high likelihood of award.³⁵ Effectuation of nonmedical completion claims is highly automated and usually takes one business day after the case is sent from the DDS to the FO. FOs or WSUs can effectuate certain other DI cases, but DI claims are more often effectuated by PCs.

Determining Payable Benefits

FOs effectuate all SSI claims. PCs are only involved if there is a concurrent SSI/DI claim where the FO cannot effectuate the DI portion. SSI has a preadjudication process that, like nonmedical completion in DI awards, allows for much faster effectuation. However, the percentage of SSI cases eligible for preadjudication is far smaller than the approximately 20% of DI claims that use nonmedical completion. SSI claims can only be preadjudicated if FO staff use the more time-consuming simultaneous development process, rather than the deferred development process, when taking the SSI claim.³⁶ Even when simultaneous development is used, SSI claims are only eligible for preadjudication if a favorable initial medical decision is issued within 120 days of application.³⁷ This is increasingly rare

³⁵ A training manual for Claims Specialists describes when to develop DI applications using nonmedical completion. SSA, “[TII Claims Specialist Basic Training Curriculum Unit 4](#)” (2018) 2-24.

³⁶ SSA, “[Explanation of Deferred and Simultaneous Development](#),” POMS SI 00603.002 (December 2, 2009). The Board was unable to locate data on the percentage of SSI claims using simultaneous versus deferred development.

³⁷ SSA, “[When a PERC is Required](#),” POMS SI 00603.031 (October 14, 2005).

because the average time to issue an initial decision has gone from under 120 days in FYs 2014-2019 to over 200 days in October 2023.³⁸

When claims are ineligible for expedited effectuation, SSA must gather outstanding or changed information that affects payable benefits. For SSI, where the amount of benefits payable can vary each month based on living arrangement, assets, and various types of earned and unearned income, this is usually done through a Pre-Effectuation Review Contact (PERC) with the awardee, either in person or by phone.³⁹ PERCs do not occur in DI-only claims, but awardees might need to submit documents about topics like auxiliary beneficiaries or Workers' Compensation (WC) benefits if they were not addressed at the time of application. Effectuators primarily enter information into the MCS for DI cases and the CCE for SSI cases, but some tasks (for example, representative payee determinations) require additional computer systems.

SSA uses both MCS and CCE to effectuate concurrent cases. In concurrent claims, retroactive DI benefits are reduced by retroactive SSI benefits; this is known as the windfall offset procedure.⁴⁰ Some windfall offsets are processed in FOs and some in PCs; most are computed automatically, but more complex ones require manual calculations.⁴¹ When the SSI portion of a concurrent claim is effectuated in a FO and the DI portion is effectuated in a PC, the effectuators have several ways to communicate, including Modernized

³⁸ The average processing time for an initial disability determination (SSI and/or DI), rounded to the nearest day, was 120 days or less in FYs 14-19. It was 131 days in FY 20, 165 days in FY 21, and 184 days in FY 22. SSA, "[Annual Performance Report FYs 17-19](#)," 33, "[Annual Performance Report FY 21-23](#)," 62, and "[Annual Performance Plan for FY 24](#)," 8. By October 2023, SSA's Acting Deputy Commissioner, Office of Operations, testified that "Applicants are waiting on average 7 months for [an initial] decision." House Ways and Means Committee, "[Statement for the Record, Linda Kerr-Davis](#)," October 26, 2023.

³⁹ SSA, "[PERC—Introduction](#)," POMS SI 00603.030 (October 14, 2005). SSA, [POMS SI 00603.031](#) (2005). SSA, "[Exceptions to Conducting a PERC](#)," POMS SI 00603.032 (December 27, 2023). A 2018 training manual for SSI Claims Specialists includes additional information about PERCs. SSA, "[TXVI Claims Specialist Basic Training Curriculum Unit 6](#)," 7-18.

⁴⁰ SSA, "[Title II/Title XVI \(Windfall\) Offset](#)," POMS GN 02610.000 (August 16, 2023). DI is reduced rather than SSI to protect Medicaid eligibility. SSA, "[Applying Title II Offset to Concurrent Cases](#)," POMS GN 02610.018.A (August 16, 2023). The order of windfall offset reductions is also discussed in *Singleton v. Apfel*, 231 F. 3d (11th Cir. 2000).

⁴¹ In March 2016, 93% of offsets could be calculated automatically. SSA OIG, "[OASDI Benefits Withheld Pending a Windfall Offset Determination](#)," A-09-15-15041 (2016), Appendix C. Examples of when manual processing is required include when a fee petition is filed well after the favorable decision, or when the claimant signs a fee agreement with a representative but also has auxiliary beneficiaries. SSA, "[How to Process Title II Offset Cases When a Representative Fee is Involved](#)," POMS GN 02610.053.A.2 (May 15, 2023). The complexity of windfall offset calculations is discussed at Charles Hall, "[The Clock Is Ticking](#)," *Social Security News* (December 28, 2022).

Development Worksheet (MDW) requests, manager-to-manager phone calls and emails, and electronic forms.⁴²

Most aspects of the effectuation process are supported by SSA's computer systems,⁴³ but there are still many that require manual involvement. Some manual workloads must be done in PCs, some can be done in FOs but are checked by PCs, and some are done in separate units, like Regional Trust Review Teams (RTRTs)⁴⁴ that decide whether trusts are countable resources for SSI claims. Among the topics that effectuators must consider are whether the awardee is deceased, whether the awardee has appointed a representative who is seeking a fee from retroactive benefits, if the awardee has been over- or underpaid SSA-administered benefits in the past, and whether the awardee wishes to receive benefits through direct deposit or a Direct Express reloadable card.

If effectuation is taking a long time and awardees experience financial emergencies, Immediate Payment (IP) and Emergency Advance Payment (EAP) may provide relief.⁴⁵ However, there is a cap on the amount payable through IPs and EAPs, and EAPs are not available to DI-only awardees.⁴⁶ FO staff also note that, perhaps counterintuitively, systems limitations can delay effectuation in claims where IPs or EAPs have been paid.

Once the effectuator has gathered and entered all needed information into SSA's computer systems, the retroactive benefits the awardee is owed are determined; this is usually an electronic process but sometimes requires manual calculations.⁴⁷ SSA's computer systems also calculate ongoing monthly benefits. There are additional steps for SSI retroactive benefits that exceed three times the Federal Benefit Rate since those usually require payment in installments.⁴⁸

⁴² SSA, "[Modes of Requesting Assistance](#)," POMS GN 10170.228 (September 24, 2019).

⁴³ For example, calculation of the Primary Insurance Amount, family maximums, and cost of living adjustments are usually done by SSA's computer systems based on inputs made by effectuators. If there is already an overpayment on the beneficiary's record, this also usually transfers.

⁴⁴ SSA, "[Information on Trusts](#)," POMS SI 01120.200.L (May 23, 2022). Elder Law Answers, "[SSA Now Refers all SSI Trust Cases to the Experts](#)," last accessed February 13, 2024.

⁴⁵ SSA, "[Understanding SSI Expedited Payments—2024 Edition](#)," last accessed February 13, 2024.

⁴⁶ SSA, "[Emergency Advance Payments and Immediate Payments](#)," POMS SI 02004.001 (August 13, 2004).

⁴⁷ Retroactive SSI benefits start the month after the SSI claim was filed or the month after the claimant was found to be disabled, whichever is later. Retroactive DI begins five months after the onset of disability, with a maximum of 12 months of retroactive payments.

⁴⁸ SSA, "[Large Past-Due SSI Payments by Installments—Individual Alive](#)," POMS SI 02101.020 (January 26, 2024).

Releasing the Funds

One-time payments, like retroactive benefits or representative fees, can be paid immediately, while other payments like ongoing monthly payments and future installments of SSI benefits are scheduled according to SSA's payment calendar.⁴⁹ SSA has an automated program that does a nightly search of all systems where payments are input, searching for amounts that are payable. That program communicates with the Treasury Department and goes through multiple verification steps. Direct deposits and check printing occur the following business day.

Around the time of payment, a Notice of Award (NOA) is either automatically or manually generated and then sent to the awardee and any appointed representative. This notice explains the retroactive and ongoing benefits the awardee will receive and any factors affecting the amount of benefits. As further discussed in the data section, NOAs generally arrive within a few days of the first payment—sometimes before, and sometimes after, the funds arrive.

Tracking Timeliness

SSA collects a metric called "FO2", which is the number of days from when a claim is decided at the DDS to when the FO sends the case to pay through the MCS or CCE system (for DI and SSI claims, respectively). There does not appear to be a comparable metric for claims decided at the ALJ or AC level. FO2 times by FO or region are not publicly available, nor is FO2 considered in employee evaluations.⁵⁰

SSA's recent Annual Performance Plans (APPs)⁵¹ have included goals related to effectuation, though the specific wording varies from year to year.

⁴⁹ SSA, "[Schedule of Social Security Benefit Payments 2024](#)," (January 2023).

⁵⁰ According to the National Council of Social Security Management Associations (NCSSMA), "The hearing workloads public service indicator (PSI) asserts that FOs must complete 95% of title XVI ALJ Reversals within 60 days." NCSSMA considered a resolution urging SSA "to change the Public Service Indicator for SSI ALJ reversals to one case pending over 60 days old if there are less than 10 total pending cases. This updated PSI would allow the field offices to have additional time on cases where an exception exists, a case is transferred to a new field office or the claimant has requested additional time to submit proofs." NCSSMA, "[50th Annual Meeting National Resolutions](#)," 2019, 9.

⁵¹ APPs are provided along with Annual Performance Reports as part of SSA's budget request process. They are designed to support SSA's Agency Strategic Plan. SSA, "[Annual Performance Plan and Annual Performance Report](#)," last accessed February 13, 2024.

Table 2. Annual Performance Plan Goals

FY of APP	Goal	Details	Results
2023	“Ensure Timely and Accurate Payments to Claimants and their Appointed Representatives” ⁵²	“In FY 2023, we will...establish a new performance indicator that measures if we release retroactive benefits and representative fees within 120 days of an ALJ reversal.” ⁵³	“In FY 2021, our PCs processed 99 percent of ALJ reversals within 60 days...In FY 2022, our PCs will pay monthly benefits for at least 95 percent of ALJ reversals within 60 days” ⁵⁴
2024	“Ensure timely and accurate payments to appointed representatives” ⁵⁵	“In FY 2023, we implemented a new performance measure indicator...to focus on releasing representative fees approved via the fee agreement process on average within 60 days of receipt. In FYs 2023 and FY 2024, we will continue to prioritize representative fee actions and issue claimant benefits in our PCs.” ⁵⁶	SSA released representative fees approved via fee agreement in an average of 50 days in FY 18, 55.2 days in FY 19, 65.9 days in FY20, 60.6 days in FY21, and 71.5 days in FY22. ⁵⁷ In FY23, the average decreased to 45 days. ⁵⁸

The goals in these two APPs differ in what is being measured (payment of monthly benefits to awardees in the FY23 APP versus release of representative fees in the FY24 APP) and which cases are included (those awarded at the ALJ level in the FY23 APP and those with an appointed representative paid via a fee agreement in the FY24 APP). The APP goals do not provide information about payment of ongoing versus retroactive benefits, differences between SSI and DI claims, or variations among claims awarded at different points in the appeals process. By focusing on averages or the percentage of claims that meet a benchmark, questions remain about claims that take far longer to effectuate. The following section attempts to provide more information on those topics.

⁵² SSA, “[Annual Performance Report FYs 21-23](#),” April 2022, 46.

⁵³ SSA, “[Annual Performance Report FYs 21-23](#),” 46.

⁵⁴ SSA, “[Annual Performance Report FYs 21-23](#),” 46.

⁵⁵ SSA, “[Annual Performance Plan for FY 24](#),” 9.

⁵⁶ SSA, “[Annual Performance Plan for FY 24](#),” 9.

⁵⁷ SSA, “[Annual Performance Plan for FY 24](#),” 39.

⁵⁸ SSA, “[Agency Financial Report, FY 23](#),” 24.

Data about Effectuation

This section attempts to answer two major questions:

- Has the average effectuation time for an awarded claim changed in recent years?
- Are there specific attributes of disability claims or awardees associated with especially long or short effectuation times?

SSA Data

SSA's October 2022 report to Congress on effectuation provides some information about these questions.⁵⁹ SSA stated that from "October 2021 through July 2022, from the time the DDS transmits the determination back to the FO, it takes us approximately 18 days to process an initial disability allowance and 26 days to process a reconsideration reversal." The report does not distinguish among SSI-only, DI-only, or concurrent cases for cases decided at the initial and reconsideration levels. It does indicate that average effectuation times have increased from FY 19 to the first half of FY 22, with some fluctuations in the years between.

Table 3. Average Disability Processing Times in Days Cited in SSA Report to Congress

FY	Initial Allowances	Reconsideration Allowances
2019	13.9	22.4
2020	13.5	21.1
2021	15.6	23.1
2022 through July	18.0	25.9

Given the schedule for payment of benefits,⁶⁰ a few days' longer processing time can delay the first monthly payment to the following month. Retroactive payments do not follow this schedule and can be paid whenever SSA sends information to the Treasury Department. SSA's report to Congress does not provide average effectuation times for cases awarded by ALJs but says their goal is "processing about 95 percent of all ALJ awards within 60 days of decision, meaning we issue a notice of award and place the beneficiary into current pay status on our records." SSA provided the following information about ALJ awards:

⁵⁹ The report is included as Appendix 4.

⁶⁰ SSA, "[Schedule of Social Security Benefit Payments 2024](#)," (January 2023).

Table 4. Effectuation of ALJ Reversals Cited in SSA Report to Congress

FY	Percentage of Title II ALJ Reversals Effectuated within 60 Days	Percentage of SSI ALJ Reversals Effectuated within 60 Days
2019	95.8	97.6
2020	97.2	97.5
2021	98.5	96.2
2022 through July	98.2	95.4

SSA did not note whether this information includes concurrent claims. SSA also did not provide information for the small number of claims awarded by the AC or remanded by federal courts solely for the calculation of benefits. The report states that the agency does not track the average time for release of retroactive benefits, or the number of people who die between award and effectuation of benefits, which Congress had also requested.⁶¹

Unfortunately, SSA’s publicly available data sources, including the Public Use File (PUF) of SSA’s Disability Analysis File (DAF),⁶² were insufficient to calculate effectuation times. Appendix 3 describes our data analysis methods and why the results remain unreliable.

Non-Public Data

A large national firm of claimants’ representatives provided data. The data set includes over 145,000 allowed disability claims where representative fees were paid from 2014 to early 2023.⁶³ The data set includes only awardees who appointed representatives.⁶⁴ It

⁶¹ Congress directed SSA to report “the average number of calendar days from the date of the favorable decision to the date of the first monthly payment, and the average number days from favorable decision until retroactive benefits are paid (the first installment, for SSI payable in installments) for SSI, SSDI, and concurrent claims for each of the past five years plus the current year to date. The report should also discuss trends in effectuation time with respect to monthly benefits and past due benefits for claims awarded upon initial application and at other stages of appeal, the number of claimants who died between award and effectuation each year, and any performance goals or initiatives SSA has regarding effectuating favorable decisions with respect to monthly benefits and past due benefits.” H.Rept. 117-96, [“Report to Accompany H.R. 4502, Departments of Labor, Health and Human Services, and Education, and Related Agencies”](#) July 19, 2021, 331.

⁶² SSA, [“Disability Analysis File Public Use File,”](#) last accessed February 13, 2024.

⁶³ The data were pulled on May 2, 2023. The data set includes fees paid through April 20, 2023.

⁶⁴ Representatives can be attorneys or non-attorneys. Some charge fees while others do not. There are professional representatives, but claimants can also appoint non-professional relatives or friends to assist them. Data about representation rates by title and level of decision is available at SSA, [“Representative Rates by Adjudicative Level FY 14 - FY 23,”](#) FOIA Reading Room (December 19, 2023).

includes a higher percentage of claims awarded at the ALJ level and a lower percentage of SSI claims than in the overall population of awardees.⁶⁵

The data set is not generated from a random sampling of allowed claims, even within represented cases. Therefore, it is difficult to know whether it accurately reflects the universe of disability claims (with representation) that were allowed during the years covered. For this reason, the results reported below should be viewed with caution. The Board uses this sample to evaluate how long it takes for allowed disability claims to be effectuated and which characteristics of claims are associated with longer or shorter effectuation times. Given the sample's shortcomings, the results should be considered only as an indication of the need for a complete analysis by SSA based on a carefully constructed data sample.

The data set does not include the date on which an awardee was paid retroactive benefits or the first payment of monthly ongoing benefits. This paper uses the date on which the representative fee was paid as an imperfect proxy for when benefits were received. Since representative fees paid by fee agreement are based on a percentage of the awardee's retroactive benefits, fees are only paid once SSA has calculated the past-due benefits. Thus, receipt of representative fees is a strong indicator that SSA has completed the effectuation process and paid the awardee.

The firm received multiple fee payments for some of their clients. About three-quarters of individuals in the data set had "straightforward" cases with one DI payment only (51 percent), one SSI payment only (13 percent), or one DI and one SSI payment (concurrents, 11 percent). The remaining 25 percent, which this paper calls "multi-fee" cases, had multiple payments for DI and/or SSI. Multiple fee payments on a single title could indicate the appointment of more than one representative, a mistake in calculating past-due benefits or the representative's fee, or—for DI claims—an auxiliary beneficiary. The data set did not have sufficient information to distinguish among these possibilities.

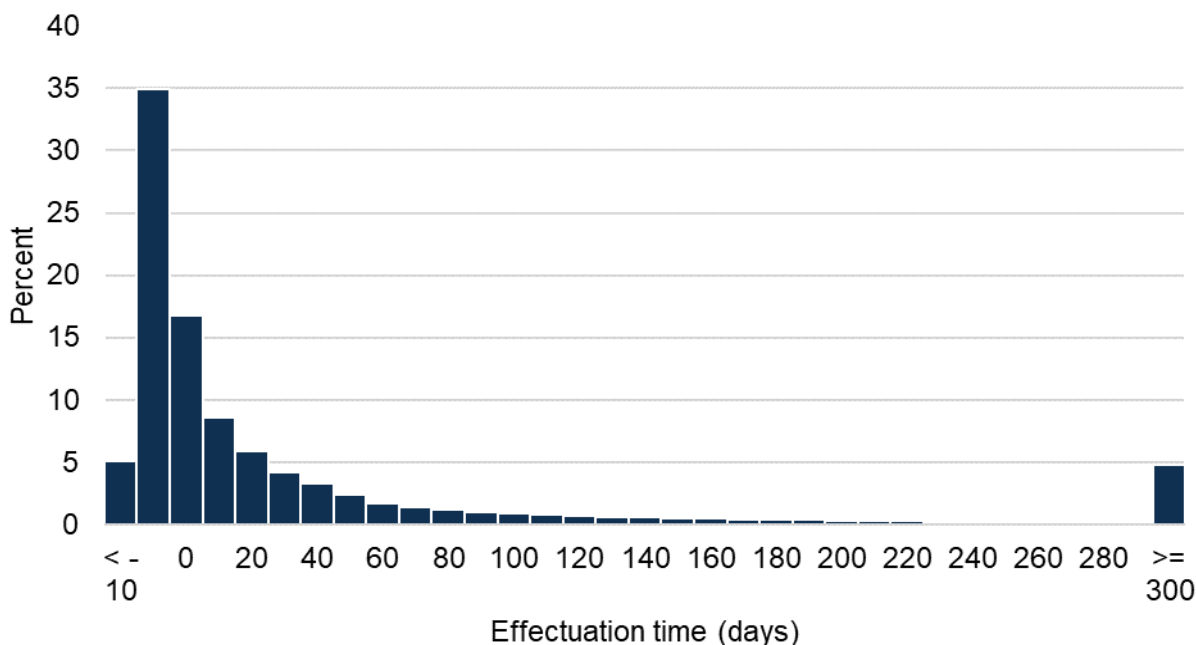
Representatives in multi-fee cases often must wait a long time to receive full payment. When the representative was paid twice on a DI claim, the payments were on average one month apart; when two SSI payments were made, the payments were on average two

⁶⁵ The sample was 71% DI-only, 14% SSI-only, and 16% concurrent cases. Among all disabled beneficiaries in 2014-21, the averages were 62% DI-only, 28% SSI-only, and 10% concurrent. SSA, "[Annual Statistical Report on the Social Security DI Program, 2021](#)," Table 66. The sample had 46% of cases awarded at the initial level, 14% at reconsideration, and 40% at the ALJ level in calendar year 2022, while the FY 22 figures for all awards made at those three levels were 78%, 8%, and 14%, respectively. Figures derived from SSA, "[FY 24 Limitation on Administrative Expenses](#)," 148.

months apart; and when there were more than three representative fee payments, the average time from the first to the last exceeded six months. It is not possible to determine whether delays in paying representatives correlate with delays in paying awardees, but the Board recommends that SSA and others investigate this topic. Multi-fee cases are excluded from the rest of our analysis, as are a small number of claims where the representative used the fee petition process, rather than the more common fee agreement, to request SSA authorization of their fee.⁶⁶ After these exclusions, the data set comprised 85,324 claims for 74,366 people. Tables with the number of observations per year for different types of claims can be found in Appendix 3. When an awardee had both one SSI and one DI claim effectuated (concurrent), each was considered separately.

Most claims were effectuated quickly: in some cases, representatives were paid even before they and their clients learned the claim had been awarded. However, a substantial number of claims took far longer to effectuate.

Chart 1. Percent of Claims with Various Effectuation Times



Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.
 Notes: Sample Size = 78,651 fee payments. Effectuation time is defined as the number of days between the decision date and the fee payment. Only includes cases with one payment for each title. Effectuation time less than zero occurs when the representative fee is received before the notice of a favorable decision.

⁶⁶ Fee agreements cannot exceed 25% of past-due benefits with a maximum fee of \$7,200; fee petitions do not have to be based on past-due benefits (and are thus sometimes used when no past-due benefits are payable) and do not have a statutory cap. SSA, [“SSA’s Fee Authorization Processes,”](#) last accessed February 14, 2024.

The number of days from the decision date to fee payment, which this paper calls “effectuation time,” increased over the past decade.^{67, 68} The mean effectuation time for DI claims rose from 26 days in 2014 to 69 days in early 2023. The mean effectuation time for SSI claims went from 44 days to 186 days over that same period.⁶⁹

Most DI claims are effectuated quickly: the annual median effectuation time in our data set ranged from –3 days in 2014 (meaning that, in most cases that year, the fee was paid before the favorable decision was received)⁷⁰ to 2 days in 2018 and 2021. The median effectuation time for SSI claims was higher throughout the study period, increasing from 20 days in 2014 to 77 days in early 2023. As the difference between mean and median suggests, a substantial group of outlier claims took much longer to effectuate. Chart 2 indicates the variation between typical cases and outliers.

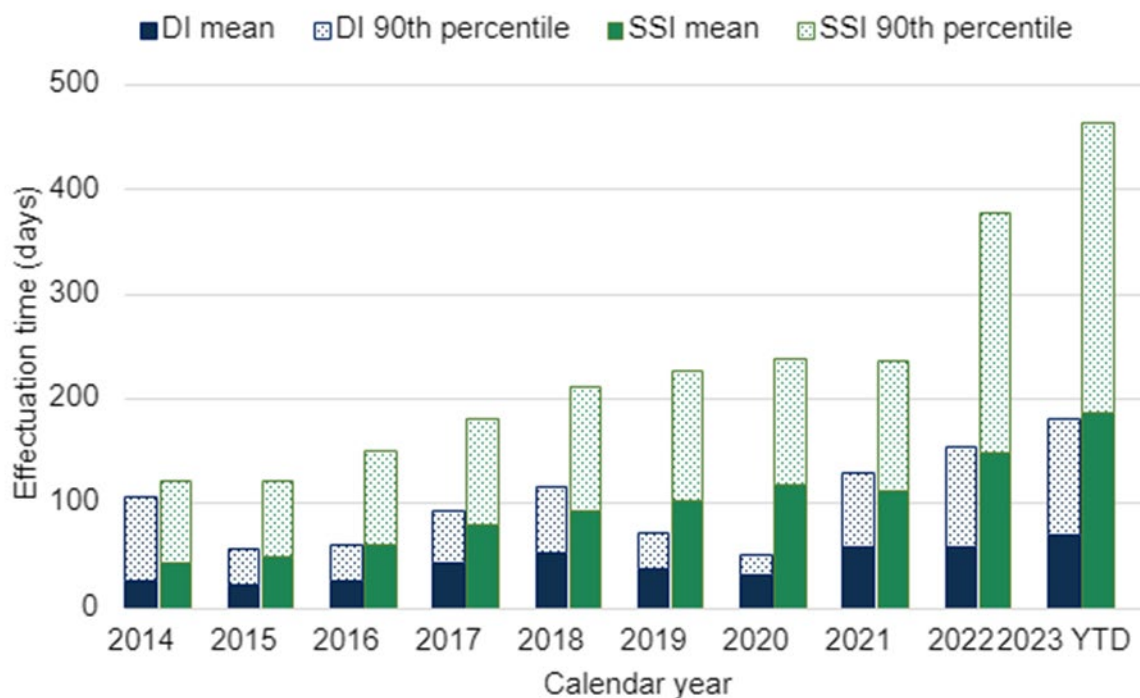
⁶⁷ Claims were assigned to the year in which the fee was paid. Claims may have been awarded in the same year or a previous year. This paper only considered claims for which fees were paid.

⁶⁸ During this period, SSA staffing levels varied. SSA “[Annual Statistical Supplement, 2022](#),” December 2022, Table F.2. SSA budget documents sometimes use work years to describe staffing within components; in other years, the agency provides the number of staff on duty.

⁶⁹ Table 9 in Appendix 3 provides the total number of observations per year for each title.

⁷⁰ This paper calls situations where the awardee and representative were notified of the decision after the fee payment “negative effectuation times.” The percentage of claims with negative effectuation times ranged from 47% to 64% for DI and from 2% to 26% for SSI over the time period. While quick effectuation generally benefits claimants and their representatives, people may be confused by negative effectuation times if they receive benefits before they learn of SSA’s favorable decision.

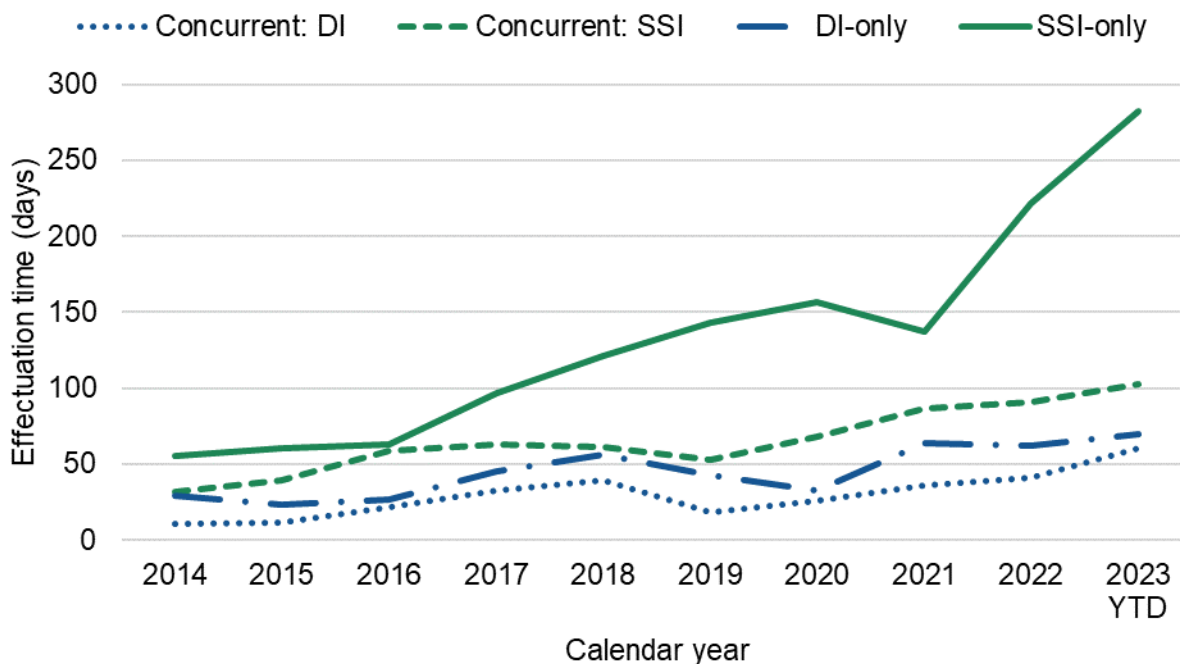
Chart 2. Effectuation Time by Title at Mean and 90th Percentile



Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.
 Notes: YTD = Year to date (April 20, 2023). Sample Size = 82,861 fee payments. Effectuation time is defined as the number of days between the decision date and the fee payment. Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title. The difference in mean effectuation time between DI and SSI claims was statistically significant at the 5% level for all years.

When concurrent claims are compared to DI-only and SSI-only claims, the average effectuation time for each part of a concurrent claim was generally faster than the effectuation time for claims that were only for one title.

Chart 3. Average Effectuation Time by Title and Year



Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.
Notes: YTD = Year to date (April 20, 2023). Sample Size = 82,861 fee payments. Effectuation time is defined as the number of days between the decision date and the fee payment. Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title. Concurrent cases are those that have one DI fee payment and one SSI fee payment. The difference between concurrent and single-title claims was statistically significant at the 5% level in 8 of 10 years for DI and 9 of 10 years for SSI.

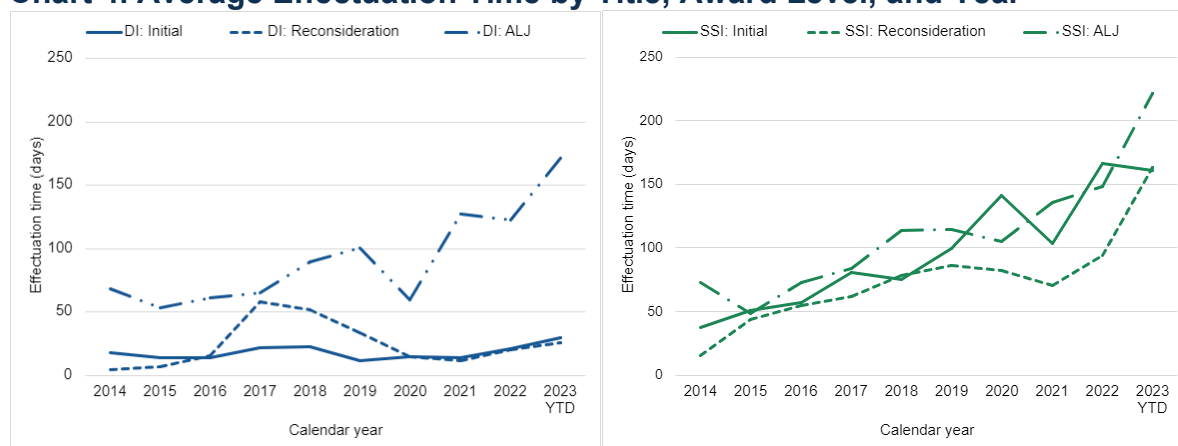
There are sizable differences in effectuation times between claims awarded at the DDS levels (initial and reconsideration) versus the ALJ level. In all years, the median effectuation time for the DDS levels was between –1 and –4 days, meaning the fee was paid before the favorable decision notification was received in most cases. Claims awarded at the ALJ level had longer effectuation times than those awarded at the DDS levels each year, and the differences are substantial. The DDS versus ALJ difference in effectuation times was also apparent in the top quarter, 10 percent, and 1 percent of claims, as Table 5 with data from 2022 (the most recent full year in the data set) shows.

Table 5. 2022 Effectuation Time in Days by Level of Award at Various Percentiles

Percentile	Initial	Reconsideration	ALJ
Median	-3	-3	20
75 th percentile	23	29	98
90 th percentile	162	147	336
99 th percentile	700	545	1,555

Given the sizable differences in effectuation time between program titles and adjudication levels, the results when combining these factors are not surprising. As indicated in Chart 4, SSI claims have longer effectuation times on average at each adjudication level than DI claims.⁷¹ The chart also shows that DI effectuation times are consistently higher for claims awarded after an ALJ hearing than at the initial or reconsideration levels, though this pattern was less apparent for SSI claims.⁷²

Chart 4. Average Effectuation Time by Title, Award Level, and Year



Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.
 Notes: YTD = Year to date (April 20, 2023). Sample size = 82,861 fee payments. Effectuation time is defined as the number of days between the decision date and the fee payment. Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title.

⁷¹ The only exception was hearing-level awards in 2015, where SSI cases had a lower mean effectuation time. The difference between mean effectuation time for each title was significant at the 5% level in all 10 years for initial claims, 7 of the 10 years for reconsideration, and 4 of the 10 years for ALJ awards.

⁷² In some years, initial-level awards had higher effectuation times than reconsideration-level awards, and in other years they were lower. But for DI claims, ALJ-level awards had higher mean effectuation times than either of the DDS levels in all years. The same was true for SSI claims in 7 of the 10 years.

Table 6. 2022 Effectuation Time by Claim Title and Level of Award

Percentile	Effectuation time (days)	Number	Percent of Total	DI only %	SSI only %	Con-Current %	Initial %	Recon %	ALJ %
10th	-4 or less	9,296	11.2	69.3	11.6	19.1	72.0	25.0	3.1
20th-30th	-3	17,656	21.3	80.0	2.0	18.1	77.1	22.4	0.5
40th	-2 to -1	6,194	7.5	75.8	4.8	19.3	73.5	25.3	1.2
50th	0 to 5	8,890	10.7	71.4	5.8	22.8	51.3	18.1	30.6
60th	6 to 13	8,339	10.1	64.8	8.7	26.5	17.5	6.1	76.4
70th	14 to 27	7,761	9.4	44.4	19.0	36.6	24.5	8.4	67.1
80th	28 to 54	8,236	9.9	34.6	22.8	42.6	28.6	9.9	61.5
90th	55 to 144	8,259	10.0	33.8	26.7	39.5	38.8	13.5	47.7
100th	Over 144	8,230	9.9	48.6	29.9	21.5	38.0	11.7	50.4

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.

Notes: Sample size = 82,861 fee payments. Effectuation time is defined as the number of days between the decision date and the fee payment. A similar table, where the columns rather than the rows sum to 100 percent, is Table 16 in Appendix 3.

Case Characteristics Associated with Longer Effectuation Times

- SSI only (14% of sample)
- Awarded at ALJ level (40% of sample)
- Multi-fee (25% of sample)

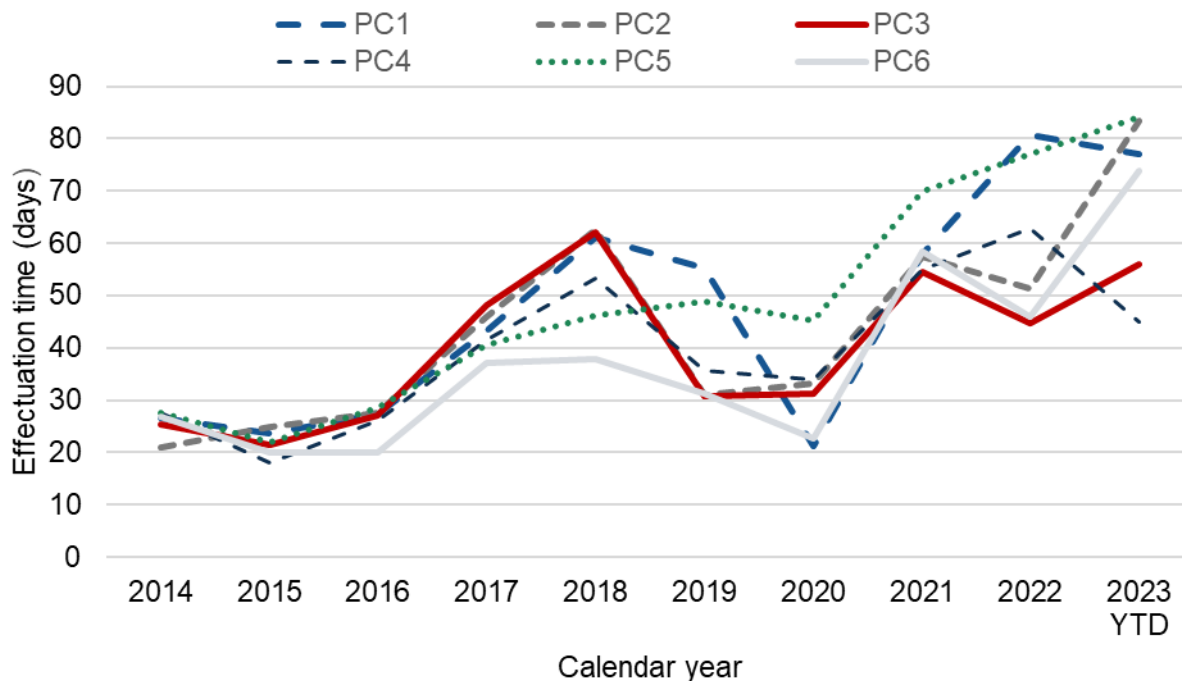
This paper attempted to compare effectuation times for DI claims based on the PC at which they were effectuated. However, there were two significant limitations. First, the data set did not identify claims effectuated at FOs or WSUs rather than PCs. Second, the data set does not include awardees' ages so it cannot isolate those under 54, who would have their claims effectuated at the Office of Disability Operations (ODO). This paper instead used the first three digits of each awardee's Social Security Number (SSN) to assign the claim to the PC to which it would have been routed if they were age 54 or older.⁷³

Effectuation times at all PCs increased from 2014 to early 2023, as did the variation across PCs. In 2014, all PCs had mean effectuation times between 20 and 30 days. By early 2023, the average effectuation time ranged from 45 days at PC4 to 84 days at PC5. However, effectuation times fluctuated considerably during the study period. Given data limitations and smaller sample sizes at each PC in each year, there is less confidence about this

⁷³ SSA, "[Processing Center Telephone Contact Information](#)," last accessed February 14, 2024. It was also impossible to separate any cases processed by OEIO.

analysis than in comparisons based on other case characteristics. However, it is a useful illustration of general trends.⁷⁴ The Board encourages SSA to perform similar research with larger and more representative samples to reveal these trends and inform policymakers.

Chart 5. Average Effectuation Time for DI Cases by Year and PC



Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA. Notes: YTD = Year to date (April 20, 2023). Sample size = 60,984 fee payments. Effectuation time is defined as the number of days between the decision date and the fee payment. Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for DI. PC is assigned based on the first three digits of SSN. Because the dataset does not include age data, claimants under age 54 are assigned to the PC they would have been assigned to if they were 54 or older.

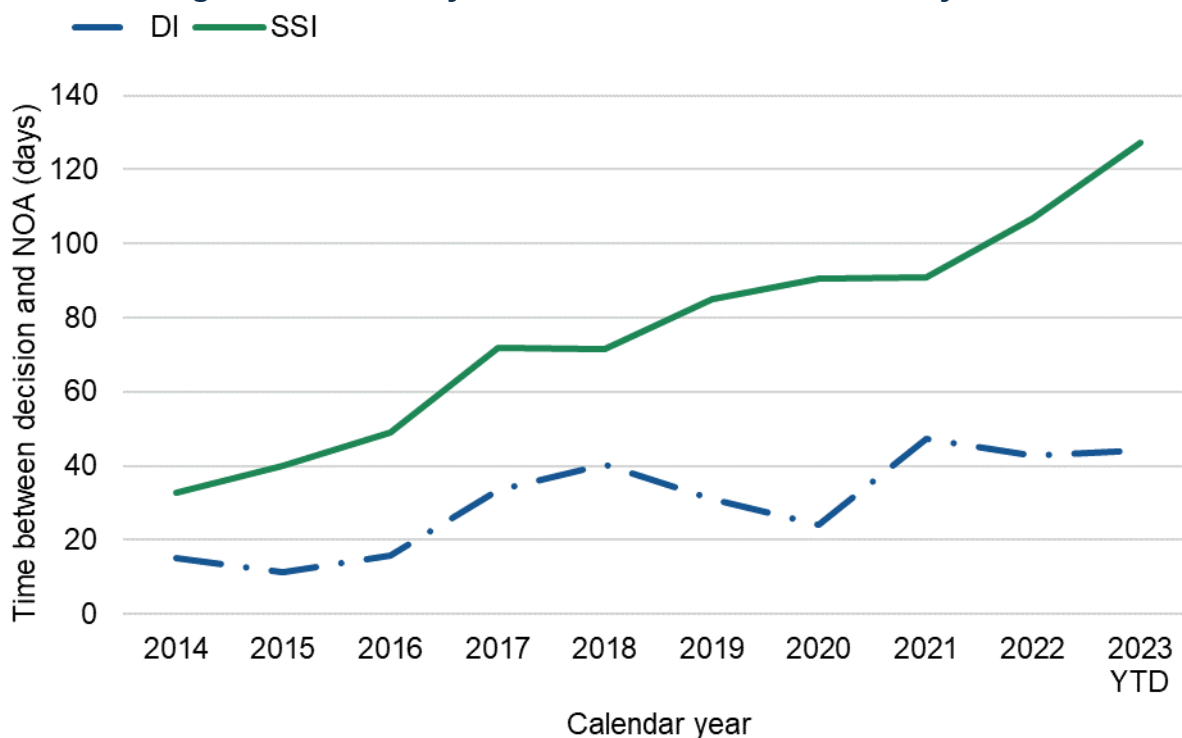
A little over half (53 percent) of the claimant sample is male. About 20 percent of claimants in the sample have less than a high school education, one-half have a high school diploma or equivalent, 21 percent have some college, and eight percent have four years or more of college. People with SSI claims in the sample have less education than those with DI claims. There are statistically insignificant differences in effectuation time based on awardees' gender or education levels when controlling for title of the claim.⁷⁵

⁷⁴ When comparing other PCs to PC1, there were statistically significant differences at the 5% level with PC5 in one of the 10 years, with PCs 2 and 3 in two of the years, and with PCs 4 and 6 in three of the years. The year where the most PCs had statistically significant differences was 2022, where four of the five other PCs had significant differences with PC1.

⁷⁵ Male/female differences were significant at the 5% level for 5 of the 10 years for DI and 1 of the 10 years for SSI. Educational level differences (comparing each category to "less than high school") were

In addition to effectuation time, there is also the time it takes SSA to issue a NOA after a decision, called “NOA time” here. NOAs are important because they explain how SSA calculated retroactive and ongoing benefits; awardees who believe SSA erred can appeal.⁷⁶ NOAs are also important to claimants’ representatives, especially in matters where they are requesting fees for work done in federal court. As with effectuation time, NOA time increased over the decade studied. The averages for SSI claims exceed those for DI claims each year. The median NOA times (0 or –1 days each year for DI; 19-46 days for SSI) are far faster than mean NOA times because of a small number of extreme outliers. For example, even the 90th percentile of DI claims in our sample has a 40-day NOA time, less than the average of 42 days. Some cases have NOA times as high as 1,132 days.

Chart 6. Average Number of Days Between Decision and NOA by Title and Year



Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.
 Notes: NOA = Notice of award, YTD = Year to date (April 20, 2023). Sample Size = 82,820 fee payments. Cases are counted in the year the fee payment was received; the decision and/or NOA could have been received earlier. Only includes cases with one payment for each title.

significant for at most 3 of the 10 years. There was a relatively small sample size of SSI claims where the claimant had a college degree. Tables 12-14 provide sample sizes and average effectuation times by gender, title, and year and by educational attainment, title, and year.

⁷⁶ The amount of Title II and XVI benefits is an “initial determination” that can be appealed. SSA, [“Form SSA-561-U2 \(Request for Reconsideration\)”](#), October 2022, 2.

Stakeholder-Identified Challenges

This section describes effectuation challenges identified by:

- **SSA employees:** FO employees through their union, the American Federation of Government Employees (AFGE), and FO managers through the National Council of Social Security Management Associations (NCSSMA)⁷⁷
- **Claimants' Representatives:** Attorneys and non-attorneys who represent people in SSI and DI claims, including members of the National Association of Disability Representatives (NADR) and the National Organization of Social Security Claimants' Representatives (NOSSCR)
- **Congressional staff:** who handle constituent inquiries about Social Security matters, including effectuation

Stakeholders responded to open-ended requests for feedback about the effectuation process rather than to structured surveys.

SSA Employees

FO staff identified delays in adjudication as a significant challenge. When more time elapses between when a claim is filed and when it is awarded, it is more likely that the awardee will have changed telephone numbers or addresses, making it harder to communicate. Increased DDS processing times also mean more SSI claims are awarded after the 120-day threshold where a PERC is required.⁷⁸

Information technology was another challenge. Employees perceived SSA's computers and programs as frustrating because they often crash, lose data, or lock workers out of claims. Web-based overlays of older programs do not always work as planned or have sufficient bandwidth to operate well. When programs are taken offline for system enhancements, productivity decreases. FO managers described negative consequences of complicated or poorly-functioning technology: new hires must undergo more training, tasks take longer, errors can occur, and employees may become frustrated and leave SSA.

⁷⁷ Throughout this paper, references to information received from FO "staff" or "employees" does not distinguish between union members and management. Many managers previously held non-management positions in FOs and drew on all their experience in providing feedback. Over a dozen AFGE and NCSSMA members either spoke with SSAB staff directly or reviewed portions of this paper in draft form. SSAB staff also spoke with SSA employees who previously worked in FOs.

⁷⁸ Information about SSA's efforts to reduce initial processing time is available at Performance.gov, "[Agency Priority Goal | Action Plan | FYs 22–23 | FY 23 – Q3: Improve Initial Disability Claims.](#)"

Workloads where only a small percentage of cases require manual processing were considered high risk for errors: for example, FO staff indicated that effectuators could easily forget to send NOAs in the unusual cases requiring them to be manually generated.

FO staff specifically mentioned the CCE as a challenging program, requiring more keystrokes and taking more time to use than the MSSICS program it is replacing. They reported that the transition from MSSICS to CCE caused challenges accessing other web-based programs, such as the Electronic Access to Financial Institutions tool. FO staff also described challenges using the Workload Management System (WMS) to track cases coming back to FOs from DDSs, and the need to use both EDCS and WMS to track cases.

Employees identified potential improvements to the ways Operations subcomponents interact. For example, TSCs are currently directed to tell callers that a FO employee will respond to them within seven days. FOs often cannot reach this benchmark. When they do call people back, those people are often upset that it has been more than seven days. FO staff wanted TSCs to provide more accurate time frames so the public would be less frustrated and less likely to call repeatedly.⁷⁹

Workloads that require manual calculations pose another difficulty. According to a FO employee, some manual processes can take two to four hours to complete and then require communication with a PC to verify the calculations. This suggests that information exchange procedures between PC and FO staff could be improved.

The central challenge identified by SSA employees was staffing, including training new hires and retaining existing staff. SSA employees believed effectuation delays stemmed from a lack of staff who were available and sufficiently knowledgeable to do the work, especially more complicated manual computations such as windfall offsets.⁸⁰ SSA requires some effectuation-related workloads to be done by more experienced employees; in FOs with few experienced staff, these workloads become backlogged.

⁷⁹ This might be especially helpful if TSCs could better triage calls and tell FOs which issues were the most urgent. TSCs could then tell callers how long they should expect to wait for a response given the priority level assigned.

⁸⁰ Testimony from the union representing FO staff addresses this topic. Securing Social Security: Accessing Payments and Preserving the Program for Future Generations: Field hearing before the Senate Special Committee on Aging, 118th Congress 2 (October 16, 2023) [Testimony of Jessica LaPointe](#).

SSA employees noted that live training (whether delivered in person or remotely) was more effective than having new hires watch pre-recorded training videos.⁸¹ Experienced staff reported being too busy to serve as effective mentors. They said that a lack of printed manuals and broken links in online guidance made it hard for newer staff to research complicated or unusual situations.

SSA employees noted that their jobs are challenging. The positions require people skills, understanding of complex programmatic rules, and the ability to use multiple and inefficient computer systems. FO staff noted that FOs used to be closed to the public on Wednesday afternoons and that this “adjudication time” allowed them to focus on complicated matters. They expressed a desire to return to this practice, but they also described a bottleneck where there are not enough appointment slots for PERCs. Losing experienced employees could lead to additional challenges, so FO employees urged SSA to improve retention.

Claimants’ Representatives

Among the challenges identified by claimants’ representatives were:

- **Understaffing at FOs and PCs:** Representatives reported that understaffing leads to delays in releasing retroactive benefits, even in cases where SSA started paying ongoing monthly benefits quickly, because of limited PERC appointment slots and insufficient time for staff to process information gathered at PERCs. They noted that FO staff quickly closed out claims for “failure to respond”⁸² rather than rescheduling PERCs. This ultimately required more work for FO staff who had to reopen claims.
- **Talking with the effectuator:** Representatives noted that it can be challenging to determine who at a FO or PC is effectuating a given claim. They are generally not provided direct contact information for the effectuator and believe that being able to talk to that person would improve efficiency. Representatives did praise SSA for adding several Representative Call Center (RCC) employees at the ODO PC a few years ago.⁸³ Representatives felt that the RCC improved service for awardees

⁸¹ A July 2023 agreement between SSA and AFGE includes changes to training. Erich Wagner, “[New Union Contract Offers Hope for Better Labor Relations at the Social Security Administration](#),” *Government Executive*, July 19, 2023.

⁸² SSA, POMS [SI 00603.030.B](#) (2005) and “[Final Request—Failure to Cooperate \(N18\)—Initial Claims](#),” POMS SI 00601.110 (December 21, 2023).

⁸³ There are currently 18 RCC employees, but SSA’s “optimum staffing level would be 27.” Ben Belton, SSA Office of the Commissioner, email sent to SSAB staff, December 20, 2023.

effectuated at ODO (those aged 53 or younger) but noted that the other PCs do not have RCCs. Representatives experienced challenges when awardees turned 54 during the effectuation process, with ODO continuing to effectuate some of the cases and sending others to the PCs that handle cases for older awardees.

- **Other communications challenges:** Representatives reported that when they call PCs and FOs, they experience long hold times and frequent disconnections; voicemails are rarely returned. They said SSA employees regularly provide inaccurate or conflicting information. Representatives stated that occasionally, SSA employees refuse to talk with appointed representatives about the effectuation of their clients' benefits because they believe the representation has ended.⁸⁴
- **Notices of Award:** Representatives reported that SSA often takes a long time to issue NOAs,⁸⁵ especially in cases awarded at the ALJ level or above where the NOA is separate from the adjudicator's written decision.⁸⁶ Sometimes, the appointed representative is not sent a copy of the NOA, which contradicts POMS.⁸⁷ Representatives explained that when they do not receive the NOA or other notices sent to their clients, it hinders their abilities to identify errors, counsel their clients, help their clients gather and submit evidence to SSA, and accompany their clients to meetings with SSA.⁸⁸
- **Document submission and processing:** When SSA requests documentation, representatives must gather and submit it, either in person, by fax, or by mail. If the awardee and representative do not receive the benefits and fees they expect, representatives generally call to see if the relevant documents have been received and processed. Representatives acknowledged that FO employees can be frustrated by receiving duplicate documents. However, they noted that they only re-

⁸⁴ SSA, "[When a Representative's Appointment Ends](#)," POMS GN 03910.060 (December 30, 2022). Representation ends when a fee petition is filed or when SSA makes a "final determination or decision on a pending claim, matter, or issue and issue[s] all of the required notices" and the appeal period has ended. "In either *partially* or *fully favorable decisions*, we complete all actions **when we effectuate the determination or decision** and issue the award notice(s) to the claimant and affected auxiliary beneficiary, if any" (emphasis in original). However, effectuation is not defined in that POMS. According to claimants' representatives, some SSA employees have either been unaware of the provision or interpreted it to mean they will not talk to the representative unless the awardee re-appoints him or her.

⁸⁵ SSA, "[Award Notices](#)," POMS NL 00601.010 (August 18, 2021). A FO manager attributes the delay to situations where the NOA is not automated. The manager stated that FO employees do not always understand when they must generate the NOA manually.

⁸⁶ This is a particular challenge in federal court litigation, where the Notice of Award is important for requesting court-authorized attorneys' fees and Equal Access to Justice Act (EAJA) fees. SSA, "[Attorney's Fees for Representation in Proceedings Before a Court](#)," Hearings, Appeals, and Litigation Law Manual (HALLEX) I-1-2-71 (July 22, 2016) and "[Equal Access to Justice Act](#)," HALLEX I-1-2-91 (January 28, 2003). This issue was also discussed in *Culbertson v. Berryhill*, 139 S. Ct. 517 (2019).

⁸⁷ SSA, POMS [NL 00601.010.A.4](#) (2021) and "[Recipients of Correspondence and Notices](#)," POMS DI 26535.042 (January 26, 2024).

⁸⁸ The NOA is also important for certain fee payments, especially 406(b) fees for federal court work.

submit documents when FO employees tell them that the document cannot be found. They expressed frustration at how frequently SSA staff seem unable to locate documents, even when the representative has a fax or certified mail receipt or when other SSA employees have previously indicated they could see the document.

- **Fee payment:** Representatives who charge for their services⁸⁹ reported additional challenges related to effectuation. SSA usually approves fee agreements and petitions quickly and pays the authorized fee promptly from the awardee's retroactive benefits, but when there is a delay or miscalculation, it can be challenging to communicate with anyone who can identify and resolve the issue.⁹⁰ One solo practitioner noted it usually takes 3-5 phone calls to resolve fee payment issues and that she recently contacted her Members of Congress for assistance obtaining over \$60,000 in long-delayed fees due to her. Similarly, if SSA fails to withhold retroactive benefits for a representative's fee, it can take a long time for SSA to recognize and resolve the problem.⁹¹
- **Specific case types:** Representatives identified claims with the following attributes as being especially difficult to effectuate:
 - **SSI:** Representatives noted that many aspects of the SSI program made effectuation more difficult. From resource limits⁹² to installment payments of back benefits⁹³ to ISM,⁹⁴ effectuating SSI claims requires SSA staff to gather more documentation and input more information into computer systems than DI-only claims do. Representatives recognized that the changes to SSI they believed would improve effectuation would require Congressional action and would increase program costs. They believe that their preferred changes could make SSI less difficult and costly for SSA to

⁸⁹ More information about representative fees is available at SSA, "[SSA's Fee Authorization Processes](#)," last accessed February 15, 2024.

⁹⁰ SSA directs representatives to direct inquiries about fee agreements, petitions, and payments to the national toll-free number. SSA, "[Fee Inquiries](#)," last accessed February 15, 2024.

⁹¹ In "failure to withhold" situations, SSA is supposed to notify the awardee and representative. If the representative notifies SSA that they were unable to obtain from their client the amount that was authorized and not withheld, SSA is supposed to pay the representative and create an overpayment on the beneficiary's record. SSA, "[Failure to Withhold Past-due Benefits for Direct Payment to a Representative](#)," POMS GN 03920.055 (May 19, 2014). Representatives noted that the November 2022 increase in the representative fee cap caused an increase in failure to withhold cases because SSA sometimes incorrectly authorized, withheld, or paid the previous cap amount of \$6,000 instead of the current cap amount of \$7,200.

⁹² Among the resources representatives found especially difficult for SSA to address were foreign properties, properties owned or inherited by multiple people, and inherited timeshares. Special needs trusts were identified as another challenging area. Representatives stated that it can be difficult to communicate with RTRTs and it can take over a year for the teams to complete reviews so retroactive and ongoing benefits can be paid.

⁹³ SSA, POMS [SI 02101.020](#) (2024).

⁹⁴ SSAB, "[Statement on the SSI Program: The Complexity of ISM](#)" (2015).

administer, better serve people who would qualify for benefits but cannot navigate current processes, and increase beneficiaries' financial stability.

- *Concurrent*: People awarded SSI and DI receive numerous notices, each of which generally only discusses one title of benefits. This can be very confusing. Beneficiaries can be overpaid when SSI and DI are effectuated without processing a windfall offset. Another challenge is the so-called “phantom windfall offset,”⁹⁵ which occurs when the SSI portion of a concurrent claim is denied (for example, because the claimant has more income or resources than is allowed) and the DI portion is awarded. FO employees take no action on the SSI portion because there are no payable SSI benefits, but the DI effectuator also takes no action since the SSI effectuation appears incomplete. Representatives generally contact FOs and sometimes PCs, SSA's Regional Communications Directors, Congressional constituent service staff, or others to resolve these issues.
- *Large DI retroactive benefits*: payments of \$50,000 or more require sign-offs from multiple SSA employees to release, which can cause delays.
- *Representative payee determinations*: Representatives felt that SSA employees sometimes took a long time determining whether their clients needed payees.⁹⁶ Additionally, SSA did not always follow the rules for direct payment while payee determination or identification was ongoing.⁹⁷ This delayed awardees' receipt of benefits.
- *WC offsets*: these can involve complicated calculations that vary according to state laws.⁹⁸ Since cases for those aged 54 and older are assigned to PCs based on the first three digits of SSN rather than where an awardee currently lives,⁹⁹ each PC could effectuate cases from any state.

⁹⁵ A claimants' representative describes phantom windfall offsets at Charles Hall, “[Not Now. Not Later. Not Ever.](#),” *Social Security News*, July 19, 2023. The comments on the post describe some of the challenges in FO/PC interactions on this and other types of concurrent cases.

⁹⁶ The representatives also stated that SSA employees sometimes did not follow policy in making the determinations. For example, payees were at times assigned for no reason other than a history of substance use, which contravenes SSA, “[Determining Capability—Adult Beneficiaries](#),” POMS GN 00502.020.A.4 (March 28, 2023).

⁹⁷ Current benefits should generally be paid directly to an incapable beneficiary when a payee is unavailable and the claim is ready to be processed. SSA, “[Direct Payment to Incapable Beneficiaries When Further Payee Development is Needed](#),” POMS GN 00504.105 (August 11, 2023). FO staff are directed not to delay or suspend benefits while developing capacity unless an exception applies. SSA, POMS [GN 00502.020.A.4](#) (2023).

⁹⁸ Examples exist at SSA, “[Reverse Offset Plans](#),” POMS DI 52105.001 (April 6, 2017).

⁹⁹ Until 2011, the first three digits of the SSN were related to geography, because they were either based on the field office that issued the SSN or the ZIP code of the applicant. SSNs are now randomized. SSA, “[Social Security Number Randomization](#),” last accessed February 15, 2024.

Overall, representatives want to be better informed about the effectuation process, as it occurs generally and for their clients' individual cases. They expressed uncertainty about how long various parts of the effectuation process usually take and when it is appropriate to follow up with SSA. They wanted more information about how to handle long delays in effectuation or situations where awardees had urgent needs (such as imminent loss of housing), especially when their usual means of contacting SSA were unsuccessful. They believed that having additional information on these topics would allow them to communicate better with their clients and SSA. They also indicated that effectuators were not always consistent in what documentation they requested and sometimes asked awardees and representatives to provide information that SSA could obtain from its own systems or through data-sharing agreements, such as information about unemployment benefits or periods of incarceration.¹⁰⁰ They strongly encouraged SSA to use existing tools like Appointed Representative Services (ARS) to share copies of notices with representatives and allow representatives to submit documents on behalf of their clients.

Congressional Constituent Service Staff

SSAB staff contacted the staff of Senate Finance Committee and House Ways and Means Social Security Subcommittee members in April 2023 to solicit their input about constituents' requests for assistance with the effectuation process. The offices of two Senators, one Democrat and one Republican, provided substantive responses.¹⁰¹ While this is a small and non-representative sample, both offices provided feedback about requests from constituents who had recently been awarded disability benefits.

Staff from both offices agreed that they were routinely contacted in cases where constituents were awaiting retroactive benefits, sometimes for more than a year after receiving a NOA. To assist constituents, one office said, "sometimes I request their award letter that often explains how it will be paid and that seems to help." The other described first contacting the constituent's assigned FO, which can provide information, including whether a PC is involved. If it is, the staff member contacts the appropriate PC's Inquiry and Expediting (I&E) branch. According to that staff member, FOs typically reply within ten business days, while PCs take 15-20 business days. In about half of PC cases, the initial

¹⁰⁰ SSA, "[SSA's Prisoner Systems and Matching Operation](#)," POMS GN 02607.410 (November 17, 2023). FO staff responded to that critique by noting that they often did not have as much data-sharing capability as they or representatives might wish. For example, only one or two employees in a FO might have access to a state system; if they are on leave, effectuation is faster if the awardee or representative provides the information than if the effectuator waits for the employee with access to return. States also vary in how much data they share with SSA: not all correctional facilities have automated interfaces with SSA and most do not provide the date a person was released from incarceration.

¹⁰¹ Another office responded in support of the Board's report but did not provide specific feedback.

response resolves the issue, while in the other half, additional follow-up is needed. Each I&E branch has a liaison for critical or dire need cases, which the Congressional staff member reported were only sometimes able to resolve such cases promptly. That office expressed a desire for more training from SSA on how to proceed when FO and I&E staff have not responded to or resolved constituent issues. One office identified SSA staff turnover as a challenge because new employees may not provide accurate or consistent information. Furthermore, experienced SSA staff have less time for other workloads when they are training new employees.

Recommendations

This section includes ideas for improving the speed and accuracy of effectuation. The first five subsections are divided according to the SSA components that might lead the work, but the Board recognizes that multiple components might be involved with implementing a single recommendation. The final subsection is a recommendation to Congress.

Operations

Recommendation A.1: *Increase the percentage of awards that can be effectuated using expedited procedures.*

Rationale A.1: Some awards can be effectuated quickly and with minimal effort by SSA staff. However, there is a tradeoff for faster effectuation in these cases: SSA employees must gather more information when taking the initial claim, using procedures called nonmedical completion for DI and simultaneous development for SSI. The agency must balance the advantages of these procedures with the additional staff time they require.

SSA already directs the use of these procedures in CAL and QDD cases, but there may be other case criteria that are readily identifiable at the time of initial application and highly predictive of an award.¹⁰² Since faster effectuation only matters after a favorable decision, SSA should identify case types currently ineligible for nonmedical completion or simultaneous development but likely to result in favorable decisions. Additionally, SSA should eliminate certain exclusions, such as the one for claims with appointed representatives, from nonmedical completion.¹⁰³ This change would not force SSA to use

¹⁰² While SSA's rich internal data could likely identify many such factors, three worth considering are claims for SSI by current DI recipients (and vice versa), dialysis treatment, and receipt of hospice services.

¹⁰³ Case attributes that currently exclude a claim from nonmedical completion can be found in Appendix 1.

nonmedical completion in every case with an appointed representative, but it would allow nonmedical completion in cases that would otherwise qualify for it and currently cannot use it because the claimant appointed a representative.

SSI awards face an additional barrier to accelerated effectuation: regulations require completion of a PERC unless a medical decision was issued within 120 days of the initial claim. SSA should consider ways to identify and prioritize medical decisions on SSI claims that used simultaneous development and are approaching the 120-day deadline so those that receive favorable decisions do not need PERCs.¹⁰⁴ SSA should also study whether 120 days is the appropriate threshold. If increasing that time still allows SSA to meet its payment accuracy goals, doing so could lead to faster effectuation and allow FO staff more time for other workloads.

Recommendation A.2: *Shift workloads and promulgate best practices across PCs and RTRTs to reduce effectuation times.*

Rationale A.2: Our data analysis found considerable and increasing variation in effectuation time across PCs. The Board recommends that SSA use OIG’s forthcoming audit report on PC workloads¹⁰⁵ and other internal data to consider how to balance effectuation times across PCs. This might involve hiring employees where they are most needed and continuing to transfer workloads among PCs.¹⁰⁶ SSA could also study whether the SSN-based PC assignment system is appropriate or whether assigning claims based on where the awardee lives would be more efficient. SSA should identify areas where PC practices differ, determine which methods are best, and apply them nationally.¹⁰⁷

¹⁰⁴ This could involve prioritizing the case at its current DDS, or transferring it to another state’s DDS, a Federal DDS, or an Extended Service Team established to handle transferred cases. More information on these entities can be found at SSA, “[SSA State Agency Workload Data: State Agency](#),” last accessed February 15, 2024.

¹⁰⁵ SSA OIG, “[FY 23 1st Quarter Audit Work Plan](#),” (2022) says that an audit report entitled “Program Service Center Workloads” was scheduled to begin in November 2022. It has not been published and a report by that title does not appear on SSA OIG, “[Ongoing Audits/Reviews](#),” last accessed February 15, 2024. However, that page includes “Reducing Processing Centers Pending Actions (022313),” which began December 8, 2022 and is expected to be published in the third quarter of FY 24.

¹⁰⁶ In FY23, SSA “took steps to address the backlog by transferring workloads among all the PCs to ensure that all available processing capacity is engaged [and] hired PC staff to help reduce pending actions.” SSA, “[Agency Financial Report, FY 23](#),” November 14, 2023, 17.

¹⁰⁷ For example, Congressional staff and claimants’ representatives both observed variations in how different PCs responded to inquiries. An audit of how PCs manually process underpayments found that the payment accuracy rate among sampled cases ranged from 60% in PC8 to 100% in PC1 and that three of the eight centers had “local guidance” stricter than or inconsistent with POMS. SSA OIG, “[Accuracy of Manual Actions for OAS DI Underpayments Over \\$6,000](#),” A-03-18-50703 (2019).

SSA should also assess RTRTs' timeliness and accuracy, identifying differences across teams to identify best practices and areas needing improvement.¹⁰⁸ Consulting with RTRT employees, FO staff who interact with the teams, claimants' representatives, and special needs trusts attorneys whose clients have their trusts assessed would likely help identify successes and challenges. SSA should set and publish performance goals for RTRTs. Continued monitoring and assessment would allow SSA to determine what changes are needed to meet these goals.

Recommendation A.3: *Add Representative Call Centers to more PCs.*

Rationale A.3: The claimants' representatives and Congressional constituent service staff interviewed believed that talking directly with PC employees would speed the effectuation of more challenging DI cases. They also acknowledged that PC staff might struggle balancing phone calls and other workloads. Relatedly, FO staff found it time-consuming and inefficient to serve as conduits between the public and PCs.

SSA could shift some of the burden currently placed on FOs while insulating individual PC staff from receiving direct communications by establishing Representative Call Centers (RCCs) at each PC. SSA already has an RCC at the ODO PC, which serves awardees under the age of 54. While claimants' representatives reported that the RCC could not resolve all issues, it was generally well-regarded.

Expanding the RCC model to the other PCs could allow representatives to obtain information and address concerns about claims at PCs without distracting other PC and FO employees from their duties. SSA should consider the extent to which this staffing model would create efficiencies in PCs and FOs.¹⁰⁹ Since SSA's "optimum staffing level" for the ODO RCC is 27 employees and ODO handles 12.8% of all DI claims effectuated by PCs,¹¹⁰ fully staffing RCCs at all PCs would require approximately 211 employees.

¹⁰⁸ A recent audit found errors in evaluating trusts in 19% of the report's sample, and suggested SSA increase documentation and controls in trust reviews. SSA OIG, "[SSA's Determinations of SSI Recipients' Trusts](#)," A-02-21-51026 (2023).

¹⁰⁹ SSA notes "Staffing will depend on the FY24 budget....While we have discussed this model [creating RCCs at other PCs], we continue to evaluate the best way to manage our resources in order to ensure efficiency via all of our service delivery channels." Ben Belton, SSA Office of the Commissioner, email sent to SSAB staff, December 20, 2023.

¹¹⁰ Ben Belton, SSA Office of the Commissioner, email sent to SSAB staff, December 20, 2023.

Systems

Recommendation B.1: *Automate more effectuation workloads.*

Rationale B.1: Further automating effectuation workloads could help improve speed and accuracy. SSA should prioritize automation of workloads where error rates are highest,¹¹¹ the most claims are involved, and the most staff time is required.¹¹² Windfall offset cases illustrate the improvements available through automation, as well as the remaining opportunities for systems modernization.¹¹³

Recommendation B.2: *Use employee feedback when continuing to upgrade CCE, WAC, and other systems.*

Rationale B.2: SSA's Office of Systems¹¹⁴ should use feedback from internal users to further improve SSA's computer systems. Although SSA has observed and solicited input from users of its systems,¹¹⁵ FO employees who use CCE¹¹⁶ said they have ideas that would reduce keystrokes, make important information more visible to users, require fewer MSSICS inputs, and better interface with MCS in concurrent cases.¹¹⁷ Such changes could speed up the effectuation process. FO employees also had suggestions for improving the

¹¹¹ In a recent audit, 17% of manually-calculated underpayments in the sample had an error, with over 77% of the improper payments being underpayments. 21 of the 27 cases with errors had gone through a secondary review, suggesting that these are insufficient to detect errors. SSA OIG, "[Accuracy of Manual Actions for Old-Age, Survivor and DI Underpayments Over \\$6,000](#)," A-03-18-50703 (2019).

¹¹² NCSSMA members interviewed for this project identified claims where both members of a married couple receive SSI as especially difficult to effectuate. Other workloads they described as particularly challenging included windfall offset cases and SSI child cases requiring dedicated accounts. SSA has identified its most resource-intensive and error-prone manual workloads and SSA's efforts to automate them; only some are related to effectuation. SSA OIG, "[Manual Processes for Resource-Intensive Workloads](#)," A-07-19-50882 (2023), 2.

¹¹³ Appendix 1 includes a table showing SSA's improvements in processing windfall offset cases between 2011 and 2023.

¹¹⁴ The Office of Systems has a Benefits Modernization Program Management Office (PMO), established in November 2022. SSA "[FY 24 Limitation on Administrative Expenses](#)," 172. In addition to the initial intake and determination of the claim, "The PMO scope also includes a modernized appeals process as well as post-eligibility and entitlement claims maintenance." Ben Belton, SSA Office of the Commissioner, email sent to SSAB staff, June 14, 2023. Therefore, the PMO would be a logical location for effectuation-related systems improvements.

¹¹⁵ A description of SSA's use of Agile software development methodology and opportunities for the agency to improve can be found at SSA OIG, "[Agile Software Development at the Social Security Administration](#)," A-14-20-50947 (2022).

¹¹⁶ More information on the transition to CCE is available at SSA "[FY 24 Limitation on Administrative Expenses](#)," 173.

¹¹⁷ SSA recently "Created macros for the PCs that reduce keystrokes and manual coding and detect exceptions and alerts before they occur, which improve payment timeliness and accuracy by automating work." SSA, "[Budget Overview FY 24](#)," 27. SSA could evaluate these efforts and, if they were successful, expand them to other workloads and locations, such as FOs.

WAC so it includes more, and more accurate, data from various SSA systems. This would help them manage effectuation-related workloads. A working group with employees of FOs, PCs, and teleservice centers (TSCs) could help improve systems that they all use, including but not limited to MDW. Doing so could simplify communication and reduce the number of times awardees and their representatives need to contact the agency during effectuation. SSA employees noted that the Customer Help and Information Program (CHIP) system¹¹⁸ used by TSCs could be improved, and that its pending replacement would benefit from greater input from internal stakeholders.

Recommendation B.3: *Simplify how changes to claimants' and awardees' contact information are reported and recorded.*

Rationale B.3: People may move or change phone numbers while their disability claims await a decision or effectuation. If SSA does not have accurate contact information for awardees, the agency may be unable to send notices, schedule PERCs, or take other effectuation-related actions. Therefore, SSA should continue its efforts to reduce the number of systems where awardees' addresses and telephone numbers are stored¹¹⁹ and simplify the process by which people can update their contact information.

Recommendation B.4: *Improve how documents are submitted, input, stored, and retrieved.*

Rationale B.4: As described in the stakeholder feedback section, representatives are often told that documents they or their clients provided to the agency cannot be located, requiring resubmission.¹²⁰ Yet FO staff expressed frustration about receiving duplicate documents. Both groups indicated that improving document submission and processing would improve effectuation. SSA's new eSubmit/Upload Documents system¹²¹ has the

¹¹⁸ CHIP was implemented in 1999. SSA, "[Short-Term Initiatives to Improve National 800 Number and Program Service Center Service to the Public](#)," (November 1999).

¹¹⁹ "Did you know we store a beneficiary's address in something close to 20 different systems? If you move, we can change your address in one place but that may not change it in the others. We are working to fix this and other problems." SSA, "[A Message about Improving Service from Andrew Saul, Commissioner of Social Security](#)," November 4, 2019.

¹²⁰ For example, a representative noted that for her client's initial disability claim, "We had to re-fax the same paperwork six times over a period of about six months....But it's not just the faxing. It's calling, 'Did you receive the fax? No, we haven't received the fax,' Even my staff, when they call into the field office, they will wait on hold for sometimes an hour — if the call is even answered at all." Jaclyn Allen, "[Lakewood Social Security Office Seeing Significant Delays in Response to Disability Claims](#)," ABC Denver7, June 21, 2023.

¹²¹ This report uses the term eSubmit, which SSA used in 88 Federal Register 31838 (May 18, 2023). SSA said that the second phase of the release will be branded as Upload Documents. SSA, [Emergency](#)

potential to assist awardees, representatives, and SSA employees. However, it has some limits on functionality¹²² and there will still need to be an adequate number of appropriately trained SSA staff to review submitted documents, store them properly in SSA systems, and take appropriate actions.¹²³ The Board encourages SSA to bring internal and external stakeholders together to develop additional solutions that work for both groups.

Recommendation B.5: *Provide more effectuation-related features on mySocial Security and Appointed Representative Services (ARS).*

Rationale B.5: SSA should consider adding information about effectuation to the systems awardees and their representatives¹²⁴ already use. Awardees who used *mySocial Security* accounts to track the progress of their disability claims before a decision was issued¹²⁵ would likely find it helpful to do the same while their claim is being effectuated. Similarly, maintaining representatives' Appointed Representative Services (ARS) access until their client's effectuation is complete and the period for appealing the amount of retroactive

[Message EM-23041](#), Part A, second note (July 10, 2023). The program was piloted in the Boston region, with a broader rollout planned. Jason Miller, "[As SSA IT Modernization Hits its Stride, Leadership Launches a Reorg of the CIO's Office](#)," *Federal News Network*, December 1, 2023.

¹²² The eSubmit program as currently envisioned will not allow submissions from claimants' representatives or other third parties. It requires SSA staff to talk with the awardee by telephone or in person before using the Technician Experience Dashboard to send the awardee email and mail notices about how to use eSubmit. Access can only be granted for 30 days from when the email is sent through TED, and awardees will have to verify their identities using existing ROME, id.me, or login.gov accounts. Electronic signatures will also not be available until phase 2 of eSubmit. 88 Federal Register 31838 (May 18, 2023); [Emergency Message EM-23041](#), (July 10, 2023).

¹²³ FO employees described a lack of staff to scan documents into SSA's WorkTrack system, "profile" the documents based on what actions need to be taken, and assign the tasks. While documents are waiting to be profiled, they are in "batch" status, where FO and TSC staff cannot easily view them. This can lead to callers being told their submitted documents cannot be located. FO employees also stated that they do not have time to make detailed notes about their work, so when callers ask for status updates, it is hard for the person answering the call to know what work their colleagues have performed.

¹²⁴ A high percentage of favorable decisions involve appointed representatives. In FY 18, representatives were involved in 91% of fully favorable ALJ decisions and 84% of partially favorable ALJ decisions. SSA, "[FY 10-18 Hearing Statistics With & Without Representation](#)," last accessed February 15, 2024. Although representation rates are lower at the initial and reconsideration levels, they are still substantial (note: this table shows representation in all cases, not only those resulting in an award of benefits). SSA, "[Representative Rates by Adjudicative Level FY 14 - FY 23](#)," FOIA Reading Room (December 19, 2023).

¹²⁵ More information is available at SSA, "[Check the Status of Your Social Security Benefits Claim Online](#)," *Social Security Matters* (July 15, 2021; last updated November 2, 2023). Users of the claims status updates did not always find them informative. Charles Hall, "[31% Complete?](#)," *Social Security News* (June 9, 2022); and Reddit SSDI "[Took 10 months but now my application is in stage 3. Have so many questions](#)." However, the status updates could be a model for a similar system for claims undergoing effectuation, especially if SSA consulted awardees, representatives, and Operations staff to design a maximally useful product.

and ongoing benefits has passed would be helpful.¹²⁶ Allowing longer access to ARS would enable representatives to view their clients' files, upload effectuation-related documents, and obtain receipts that demonstrate when an item was submitted. Pairing these improvements with workflow changes so effectuators are alerted when documents are uploaded could speed effectuation and reduce duplicate submissions.¹²⁷ Providing status updates on ARS for claims during the effectuation phase could reduce the need for representatives to contact FOs and PCs.¹²⁸ SSA is currently in the process of replacing ARS with the Appeals and Appointed Representative Processing Service Portal (AARPS), but implementation has been delayed.¹²⁹ SSA should consider adding these functions to ARS now, so they can provide efficiency improvements and be tested before AARPS starts.

Recommendation B.6: *Create an electronic form that allows awardees and their representatives to submit information needed for PERCs.*

Rationale B.6: Some claimants' representatives help their clients complete a form SSA uses during the PERC: the SSA-8203-BK (8203).¹³⁰ This form is not currently available on SSA's website, but representatives who obtained a copy find that completing it with their clients and submitting it to the FO before the PERC speeds the effectuation process. SSA could facilitate this practice by developing an online form that allows awardees and their representatives to submit information otherwise obtained during a PERC. This could improve the efficiency of the PERC process, thus accelerating effectuation. As interim steps, SSA should post the 8203 and other forms used for effectuation¹³¹ on its forms

¹²⁶ Currently, ARS access ends in cases awarded at the initial or reconsideration level 65 days after the case is sent to the FO or PC for effectuation. Joyce Kim, SSA Office of the Commissioner, email sent to SSAB staff, November 24, 2023. For cases awarded at the ALJ or AC level, ARS access ends 90 days after a decision is issued. SSA, "[User Guide for Access to the Electronic Folder](#)," July 2019, 21.

Therefore, ARS access often ends before effectuation and the subsequent 60-day appeal period.

¹²⁷ Currently, "The case must be pending at the initial, reconsideration, hearing or appeals council level in order for a representative to upload a document via ARS. Representatives cannot upload documents to an eFolder after the decision is issued and the case is closed (i.e., sent to the PSC or FO for processing). In addition, FO/PSC employees do not have access to ARS." Joyce Kim, SSA Office of the Commissioner, email sent to SSAB staff, November 24, 2023.

¹²⁸ ARS already offers status updates for claims awaiting decisions.

¹²⁹ SSA OIG, "[SSA's Major Management and Performance Challenges During FY 23](#)," 022330 (2023).

¹³⁰ SSA, "[Full PERC for Simultaneous Development Claims](#)," POMS SI 00603.036 (October 5, 2017).

When SSAB staff requested the most recent version of the form, SSA provided the following link: <https://omb.report/icr/202209-0960-003/doc/124901300>. Joyce Kim, SSA Office of the Commissioner, email sent to SSAB staff, November 24, 2023.

¹³¹ Some cases also require effectuators to check for updates to information submitted on the SSA-8000-BK (SSI application) form, and child cases require additional documentation.

page¹³² and add information about these forms to the pages directed at representatives¹³³ and third-party assisters.¹³⁴

Research, Evaluation, and Statistics

Recommendation C.1: *Study effectuation with a focus on especially challenging claims.*

Rationale C.1: SSA should study effectuation both in general and with a particular focus on case types that have long average effectuation times. This will help the agency understand why effectuation is sometimes delayed and identify potential solutions. While this report could only measure effectuation from when the representative learned of the award to when the representative fee was received, SSA can and should measure from the favorable decision to when the awardee received retroactive and ongoing payments.

In addition to the factors associated with longer effectuation times in the data set (SSI-only, ALJ awards, and “multi-fee”), two other types of claims merit investigation:

- “Phantom windfall offsets,” defined by representatives as situations where the SSI portion of a concurrent claim was denied, but the DI effectuator does not act because they are waiting for SSI effectuation. These cases often require awardees or their representatives to contact SSA and, at least anecdotally, have high effectuation times.¹³⁵ SSA should study the extent of this phenomenon and consider policy, operations, and systems changes to remedy it.¹³⁶
- Awards that do not result in payment. These claims do not have an effectuation time as defined in this paper it because they do not reach the end point of receiving benefits. Of people who first became eligible for benefits in 2016, 9.9 percent of SSI awardees and 0.5 percent of DI awardees had not received any benefits by the 2020 DAF PUF release. Studying these cases might help SSA determine some claimants’ ineligibility for benefits before sending their claims to DDS for medical

¹³² SSA, “[Forms](#),” last accessed February 15, 2024.

¹³³ SSA, “[Representing Social Security Claimants](#),” last accessed February 15, 2024.

¹³⁴ SSA, “[Information for People Helping Others](#),” last accessed February 15, 2024.

¹³⁵ A claimants’ representative describes phantom windfall offsets at Charles Hall, “[Not Now. Not Later. Not Ever.](#),” *Social Security News*, July 19, 2023.

¹³⁶ FO employees recommended a return to SSA’s previous policy of allowing staff to delete offset coding in MCS before adjudicating claims, in situations where it makes sense to do so. SSA would have to determine if this would allow the agency to meet payment accuracy goals.

determinations, which would increase efficiency.¹³⁷ If people who qualify for benefits have not received them, remedying this situation would improve SSA's payment accuracy and the financial security of awardees.

Recommendation C.2: *Set more comprehensive performance goals for effectuation.*

Rationale C.2: SSA's current performance goal for effectuation only measures when representative fees approved via the fee agreement process are paid.¹³⁸ It does not address when awardees receive retroactive or ongoing benefits, and it leaves out unrepresented awardees. The previous performance report considered payment of ongoing benefits, albeit only in cases awarded at the ALJ level.¹³⁹ Neither of these is ideal. SSA should set goals for payment of retroactive and ongoing benefits to awardees, as well as representative fee payments. Such goals would be most helpful for understanding and improving effectuation if they included data broken out by title of claim and level of award. The House of Representatives FY 22 report language about effectuation¹⁴⁰ provides a helpful framework.

Recommendation C.3: *Consider best practices from other agencies.*

Rationale C.3: SSA should investigate how other agencies effectuate benefits. This research could include federal agencies that administer disability benefits, such as the Veterans Administration¹⁴¹ and Office of Personnel Management,¹⁴² and state agencies that administer similar benefits, such as paid medical leave or Workers' Compensation.

¹³⁷ Nearly 97,000 disability claims filed in 2020 resulted in nonmedical denials after a DDS decision. Of these, over 64,000 were SSI claims where the DDS decision was favorable. Data is available in the "subsequent nonmedical" and "subsequent denials" fields of SSA, ["DI Annual Statistical Report: Table 60"](#) and ["SSI Annual Statistical Report: Table 69."](#)

¹³⁸ SSA, ["Annual Performance Plan for FY 24,"](#) 9.

¹³⁹ SSA, ["Annual Performance Report, FYs 21-23,"](#) 46.

¹⁴⁰ SSA's report to Congress included some but not all of the information Congress directed SSA to report. Congress requested "the average number of calendar days from the date of the favorable decision to the date of the first monthly payment, and the average number days from favorable decision until retroactive benefits are paid (the first installment, for SSI payable in installments) for SSI, SSDI, and concurrent claims for each of the past five years plus the current year to date. The report should also discuss trends in effectuation time with respect to monthly benefits and past due benefits for claims awarded upon initial application and at other stages of appeal, the number of claimants who died between award and effectuation each year, and any performance goals or initiatives SSA has regarding effectuating favorable decisions with respect to monthly benefits and past due benefits." H.Rept. 117-96, ["Report to Accompany H.R. 4502, Departments of Labor, Health and Human Services, and Education, and Related Agencies"](#) July 19, 2021, 331.

¹⁴¹ Veterans Administration, ["VA Disability Compensation,"](#) last accessed February 15, 2024.

¹⁴² Office of Personnel Management, ["Information for Disability Annuitants,"](#) last accessed February 15, 2024.

SSA should work with the Administrative Conference of the United States (ACUS) to research effectuation in various federal agencies. Adopting best practices when they apply to SSA could improve the speed and accuracy of effectuating DI and SSI awards.

Policy

Recommendation D.1: *Ensure appointed representatives can assist their clients and receive notices throughout the effectuation process.*

Rationale D.1: Claimants’ representatives described confusion and inefficiency when SSA does not send them copies of the notices sent to awardees. SSA recently revised POMS to clarify that appointed representatives should receive copies of notices sent to their clients.¹⁴³ However, claimants’ representatives noted that they are occasionally told they must be reappointed to help their clients during the effectuation process. SSA should clarify subregulatory guidance on representation¹⁴⁴ to ensure that SSA staff understand that representation extends through effectuation and the 60-day period to appeal the amount of past-due and ongoing benefits. SSA should also develop and implement policies in coordination with the Systems component and centralized printing facilities to ensure that representatives receive copies of all effectuation-related notices.¹⁴⁵

Communications

Recommendation E.1: *Improve NOAs by generating more notices automatically, alerting effectuators when NOAs have not been sent, reducing the percentage of NOAs arriving after benefits are paid, and providing information about the expected time until effectuation.*

Rationale E.1: Our data analysis suggests considerable variation in the time it takes to issue a NOA after a favorable decision, with some cases involving lengthy delays. Most NOAs are created and mailed automatically.¹⁴⁶ This saves effectuators time and avoids the situation of an effectuator forgetting to generate a manual NOA. SSA should automate

¹⁴³ SSA, POMS [DI 26535.042](#) (2024).

¹⁴⁴ SSA, POMS [GN 03910.060](#) (2022).

¹⁴⁵ More information about notice printing is available in SSA, “[Comprehensive Printing Program Plan for FYs 15-17](#),” January 24, 2014, and “[Agency Financial Report, FY 23](#)” November 14, 2023, 50.

¹⁴⁶ “Generally, award notices for T2 and T16 are completely automated when a claim is adjudicated through the claims system (e.g., Modernized Claims System (MCS), etc.). If a system's limitation prevents the claim from being processed through the claims system, the technician must manually prepare an award notice.” Joyce Kim, SSA Office of the Commissioner, email sent to SSAB staff, November 24, 2023.

more NOAs, write more sample text to make manual NOAs easier to generate, and provide reminders to effectuators when a NOA has not been sent to the claimant or representative. The Board also recommends that NOAs include information about the time awardees can expect to wait to start receiving benefits; in cases where the NOA arrives after benefits have started,¹⁴⁷ the NOA could provide an explanation. These changes could give awardees a greater understanding, and more accurate expectations, of their benefits.

Recommendation E.2: *Provide more information to representatives about typical timeframes for different parts of the effectuation process and how to resolve delays.*

Rationale E.2: Given that FO employees expressed frustration with representatives calling too frequently or submitting documents multiple times, the Board recommends that SSA publish information on its Web page for representatives,¹⁴⁸ explaining how long different stages of the effectuation process generally take and the best ways for representatives to communicate with the agency about cases that are taking longer. This guidance could also list circumstances where contacting a manager, Area Director, Regional Communications Director, or other higher-level agency official is appropriate. Representatives could use this information to manage their clients' expectations, use SSA resources efficiently, and help resolve effectuation problems when they occur.

Legislation

Recommendation F.1: *Congress should require SSA to pay interest on past-due benefits when there are delays in effectuation.*

Rationale F.1: The IRS is required by law to pay interest to taxpayers on money not refunded within 45 days.¹⁴⁹ Legislators should place similar obligations on SSA when agency actions or inaction delay effectuation. Paying interest on past-due benefits would create costs to the DI trust fund and the general revenues used to pay SSI benefits; the amount would depend on when interest begins to accrue and the interest rate. If SSA devoted more resources to effectuation to avoid paying interest, backlogs in other workloads could increase. However, paying interest on delayed past-due benefits could

¹⁴⁷ Over the past decade, 47 to 64% of DI claims and 2 to 26% of SSI claims in our sample had negative effectuation time, meaning the awardee was notified of the award after benefits were paid.

¹⁴⁸ SSA, "[Representing Social Security Claimants](#)," last accessed February 15, 2024. SSA publishes a "[Tips and Best Practices for Appointed Representatives](#)" document that could be expanded to include more information about troubleshooting claims with mistakes or delays.

¹⁴⁹ The 45 days begins at the latest date of the filing deadline, the date the return was filed in a format the IRS could process, or the date that the taxpayer made a payment that requires a refund. 26 USC § 6611. Current interest rates are listed at IRS, "[Quarterly Interest Rates](#)," last accessed February 15, 2024.

incentivize prompt effectuation and compensate awardees and certain appointed representatives¹⁵⁰ for the time they had to wait.

Conclusion

Effectuation is an integral part of disability awardees' experiences. It is also a significant and complicated workload for SSA to administer. The effectuation process varies considerably depending on whether a claim is for SSI, DI, or both; the level of appeal at which the claim is awarded; and many other factors.

While most claims are effectuated quickly and with a high degree of automation, our examination suggests that some claims take far longer to effectuate. Average effectuation times may have increased over the past decade, especially among SSI claims and claims awarded at the ALJ level. External stakeholders (claimants' representatives and Congressional constituent service staff) report difficulties understanding the effectuation process and communicating with SSA on behalf of awardees.

An agency's job includes not only making decisions on benefit eligibility but also paying those benefits to eligible awardees. There are many ways to improve the effectuation process. Doing so could help disability awardees and representatives receive benefits and fees quicker; SSA and its employees could experience reduced workloads. There are also opportunities for additional research by scholars who study SSI and DI benefits, and those who examine the public's interactions with the government more broadly.

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¹⁵⁰ Representatives paid via fee agreements receive a maximum of 25% of past-due benefits. 42 USC §§ 406(a) and 1383(d)(2)(A). The current cap is \$7,200. 87 Federal Register 39157 (June 30, 2022). If interest increases past-due benefits, representative fees could also rise, unless past-due benefits already exceed four times the cap, which would currently be \$28,800.

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Appendix 1: Detailed Description of the Effectuation Process

This section describes the effectuation process in greater detail than occurred in the body of the report. Our research for both sections included SSA’s publicly available documents and submissions to Congress; conversations with FO, HO, and Headquarters employees; a presentation by SSA’s Operations leadership to SSAB in November 2022; a presentation by SSA’s Office of Budget, Finance, and Management to SSAB staff in May 2023; and SSA responses to SSAB inquiries.

One way to think about the effectuation process is by dividing it into three phases. First, the claim is transferred from the adjudicator (who determined the claimant is disabled, as defined by the statute) to the effectuator. Second, the effectuator determines what benefits are payable and directs SSA to pay them. Third, SSA and the Treasury Department work together to release those funds. This appendix uses that three-phase model to describe the effectuation process.

Transferring from the Adjudicator to the Effectuator

State DDSs make medical decisions in disability claims at the initial level and the first stage of appeal, known as reconsideration. People who are denied at the reconsideration level can appeal first to ALJs and then to SSA’s AC if necessary. If none of these steps result in a favorable decision, claimants can appeal to federal court. If the court remands, the case is sent back to the AC, which sometimes handles the case itself and other times sends the case for additional proceedings before an ALJ.

The three possible agency adjudicators—DDS, ALJ, and AC—are in three different SSA components: Operations; the Office of Hearing Operations (OHO); and the Office of Analytics, Review, and Oversight (OARO), respectively.¹⁵¹ Effectuators all work within Operations, but they are distributed across various subcomponents, including FOs, PCs, and WSUs.¹⁵² The process for transferring cases from adjudicator to effectuator is different depending on whether a claim is for SSI, DI, or both; the level of appeal at which the claim is awarded; whether the claim is selected for a pre-effectuation quality review,¹⁵³ what

¹⁵¹ SSA, “[Organizational Structure of SSA](#),” last accessed February 15, 2024.

¹⁵² SSA, “[SSA Organizational Manual: Chapter S2—The Office of Operations](#),” last accessed February 15, 2024.

¹⁵³ SSA’s Disability Quality Branch (DQB) and Office of Quality Review (OQR) perform reviews before claims are effectuated. These can lengthen the time it takes for a claim to reach the effectuating component. According to SSA, “The claims effectuation process does not begin until the proposed

information was gathered at the time the claim was filed; how long it took to receive a favorable decision after the claim was filed; and various other characteristics of the claim.

DI Cases Awarded at the Initial and Reconsideration Levels

FO and WSU staff use the Modernized Claims System (MCS) to gather the information required by the DI application (form SSA-16). The claimant may submit this information through the online iClaims process, directly to SSA employees in a telephone or in-person interview, or some combination of these methods. Simpler claims can be coded with a “conditional approval” indicator in MCS at the time of application: if a favorable DDS decision is issued, the claim can usually be effectuated within one business day, and notices are automatically generated and mailed.¹⁵⁴

However, only about 20% of DI claims awarded at the initial or reconsideration levels are simple enough for this “conditional approval” process, also known as “nonmedical completion.”¹⁵⁵ The others have complexities that prevent them from proceeding directly from medical allowance to payment of benefits. Cases excluded from nonmedical completion include those where the awardee:¹⁵⁶

- Appointed a representative
- May need a representative payee to manage their benefits
- Was already receiving, or was concurrently approved for, another SSA-administered benefit (such as SSI or retirement benefits)
- Applied or is eligible based on the earnings record of another person (most often a parent or spouse, as in Disabled Widow/er or Childhood Disability Benefits)
- Is making a Medicare Qualified Government Employee claim¹⁵⁷
- Received Railroad Retirement Board benefits

allowance is finalized following a disability quality pre-effectuation review (PER).” SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁵⁴ Training for FO staff on this topic is available in the “DDS Input” section of SSA, “[TII Claims Specialist Basic Training Curriculum Unit 4](#),” (2018) 536.

¹⁵⁵ Subregulatory guidance on nonmedical completion, including situations when it is not permitted, when FO staff should not defer nonmedical development, and when they must do some nonmedical development, can be found at SSA, “[Non-Medical Completion](#),” POMS DI 11010.115 (June 17, 2016) and “[Guidelines for Deferral of Non-Medical Development](#),” POMS DI 11010.025 (April 4, 2017). A 2018 training manual for DI Claims Specialists includes instruction about nonmedical completion. SSA, “[TII Claims Specialist Basic Training Curriculum Unit 4](#),” (2018) 531.

¹⁵⁶ These exclusions were sourced from POMS, conversations with SSA employees, SSA’s written responses to SSAB staff questions, and the 2018 training manual for DI claims specialists: SSA, “[TII Claims Specialist Basic Training Curriculum Unit 4](#),” (2018) 536.

¹⁵⁷ More information about MQGE claims is available at SSA, “[Established Onset for Medicare Qualified Government Employment \(MGQE\) Claims](#),” POMS DI 25501.365 (October 21, 2021).

- Received WC or Public Disability Benefits
- Is applying for benefits under SSA’s statutory blindness rules
- Is not insured on their Alleged Onset Date (AOD) but was insured within the year before the AOD
- Was awarded DI with an onset date different than alleged on the application
- Was awarded DI for a “closed period,” meaning benefit eligibility is not ongoing
- Had earnings after applying for disability
- Had impairment-related work expenses that could affect whether they are considered to have performed Substantial Gainful Activity
- Is subject to the Windfall Elimination Provision or the Government Pension Offset
- Has a foreign address
- Needs to provide proof of citizenship or immigration status
- May be subject to rules about DI for prisoners or fugitive felons

When cases ineligible for nonmedical completion receive favorable decisions from DDS, they are generally sent to the FO that took the initial claim, unless the awardee has since moved to a ZIP code served by a different FO. Once at the FO, the case is placed on a “pending list” (also known as an “action list” or “listing”)¹⁵⁸ in the case processing section of MCS¹⁵⁹ with an indication of the manual tasks needed to effectuate them, and FO staff receive an alert. The FO employee tasked with effectuating a claim uses the WAC system to keep track of the claim through the effectuation process. The WAC collects lists of many pending workloads, including from MCS and EDCS, but FO employees also need to enter the underlying systems to monitor certain cases.¹⁶⁰ To access the WAC, employees must be logged in to MCS.¹⁶¹

Different FOs have different strategies for assigning these pending cases to their employees: some use a “keep what you take” process where the person who handled the initial application also effectuates it, while others have special units for effectuation. Those special units generally assign cases to individual effectuators either alphabetically

¹⁵⁸ Not to be confused with SSA’s Listing of Impairments (20 CFR 404, Subpart P, Appendix 1), which are used to make medical determinations in disability claims.

¹⁵⁹ “The Disability Allowance/Denial (DACL) Screen is used to display or record the medical allowance or denial of disability benefits. When DDS inputs the medical decision, and it processes correctly, MCS propagates all disability information to the DACL screen. For a disallowance, the denial basis code propagates to the first field on the DACL screen. Information about a disability allowance decision also propagates to the DACL.” SSA, [“TII Claims Specialist Basic Training Curriculum Unit 4,”](#) (2018) 520.

¹⁶⁰ FO staff stated that disabled widow/er and childhood disability benefits claims, and claims selected for review by Disability Quality Branches, are challenging to monitor through the WAC.

¹⁶¹ A training manual for Claims Specialists describes WAC, WMS, and other systems involved in tracking workloads at SSA, [“TII Claims Specialist Basic Training Curriculum Unit 5,”](#) (2018) 401.

by the awardee's last name or numerically by part of the awardee's SSN. The people assigned to each unit code may have different job titles—often Claims Representative or Benefit Authorizer, and sometimes Technical Expert for complex cases or when there are large backlogs or staff vacancies.

WSUs effectuate some claims. However, only some WSU staff have been trained in effectuation: others only know how to take online DI applications and prepare them for the DDS or have not been trained in DI at all and instead focus on retirement or other benefits. Additionally, the workloads a WSU handles change throughout the year: FOs receive quarterly updates on which types of cases they can send to each WSU. SSA says, “WSUs effectuate the claims that they initiate, as Field Offices do.”¹⁶²

Some DI cases cannot be effectuated by FOs or WSUs. SSA describes the claim types that necessitate FOs sending claims to PCs for effectuation as including “complex cases involving entitlement on multiple records, discrepancies on existing records, overpayments on existing records, and expedited reinstatements.”¹⁶³ Cases requiring PC involvement should have this information noted when the application for benefits was first taken. When FO employees see such cases on their MCS action lists, they should also see indicators on their WAC list explaining that the case must be sent to a PC. They then use MCS to prepare a Determination of Award (either an Automated 101 or A101, or an Electronic Form 101 or EF101)¹⁶⁴ and send the case to the appropriate PC.¹⁶⁵ It can take a few days for the PC to receive the case. Cases sent from FOs to PCs remain on the FO

¹⁶² SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁶³ SSA declined to provide a guide to cases that could not be processed to completion at FOs, stating that it “is an internal website that draws from guidance throughout the case processing policy and systems instructions.” SSA Office of Operations, email message to SSAB staff, March 20, 2023. SSA reported to Congress that “In some cases where there are complex issues, such as payment offsets due to workers’ compensation or other benefits, or systems limitations that require manual processing, the processing center (PC) will effectuate the claim.” SSA, [“FY 24 Justification of Estimates for Appropriations Committees,”](#) 139.

¹⁶⁴ More information about A101 and EF101 and how to process cases that require them is available at SSA, [“Claims Processing Methods,”](#) POMS GN 01010.200 (April 21, 2016); [“Manually Processed Awards,”](#) POMS GN 01010.220 (November 10, 2011); and [“Completion of the Automated 101 \(A101\),”](#) POMS DI 45001.030 (April 22, 2016). An A101 “Reviewer Bot” was introduced in January 2021 and helps PC employees process claims quicker and more accurately. SSA OIG, [“Manual Processes for Resource-Intensive Workloads,”](#) A-07-19-50882 (2023), 8.

¹⁶⁵ There are six Program Service Centers to which DI awardees age 54 and older are assigned, based on the first three digits of their Social Security Numbers. If the awardee is under age 54 and living, or is any age and has End-Stage Renal Disease, the claim is effectuated by the Office of Disability Operations (ODO). SSA, POMS [GN 10170.245](#) (2024). Awardees living outside of the United States or receiving benefits under totalization agreements have their claims effectuated by the Office of Earnings and International Operations (OEIO). POMS refers to the six Program Service Centers and OEIO as “PSCs” and uses the term “processing center” for the seven PSCs plus ODO. SSA, [“Who Reviews and Services Claims,”](#) POMS GN 01050.051 (November 17, 2022).

employee's WAC list until the PC completes all processing so that the FO can monitor the case.

SSI Cases Awarded at the Initial and Reconsideration Levels

SSI claims differ from DI claims in that all steps are completed in FOs. PCs are only involved if there is a concurrent SSI/DI claim where the FO cannot effectuate the DI portion. Another difference from DI claims, which are processed using the MCS, is that SSI claims use the CCE and the MSSICS¹⁶⁶ for nonmedical information and the EDCS for medical information and to flag the possibility of Quick Disability Determination (QDD) or CAL.

Like DI cases, some SSI cases can be “preadjudicated” in a way that makes their effectuation almost automatic once the DDS issues a favorable decision. The list of reasons an SSI case would be excluded from preadjudication is shorter than for DI cases. However, while approximately 20% of DI claims use the nonmedical completion process, a far smaller percentage of SSI claims receive similarly expedited effectuation. This is because SSI claims can only be preadjudicated if FO staff complete a “full application” when taking the SSI claim and a favorable medical decision is issued within 120 days of application. Each of these is rare on its own,¹⁶⁷ and less common in combination. FO staff have latitude to determine whether they complete a full SSI application, which involves inputting answers to questions from the entire SSA-8000 form using CCE, or a “deferred application” that is the equivalent of the SSA-8001 form: quicker to complete but collecting less information. Employees are encouraged to do the full application in cases where the claimant alleges terminal illness or a CAL condition, where the claim may qualify for QDD, or when the claimant is homeless.

If the full application is completed before the claim is sent to DDS, the favorable decision is issued quickly enough, and there is no other reason a PERC is required,¹⁶⁸ the case

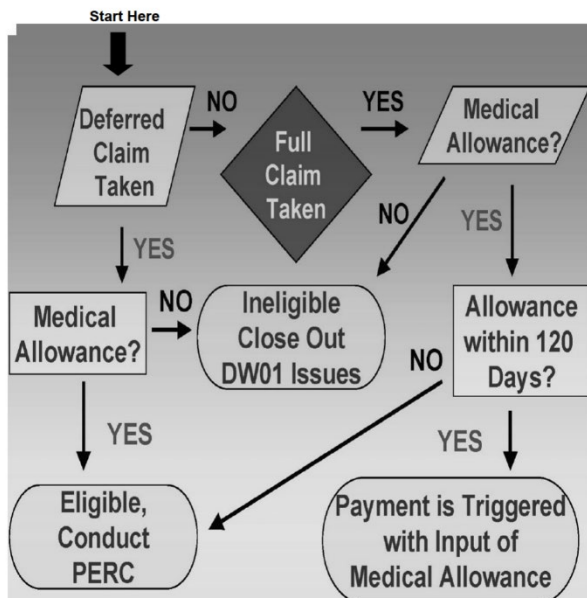
¹⁶⁶ CCE is gradually replacing MSSICS, but SSA employees still use MSSICS for certain tasks.

¹⁶⁷ Given increased average processing times, it seems likely that a shrinking percentage of SSI claims are awarded within 120 days and could be effectuated automatically even if a full application were taken. The average processing time for an initial disability determination (SSI and/or DI), rounded to the nearest day, was 120 days or less in FYs 2014-2019. It was 131 days in FY 20, 165 days in FY 21, and 184 days in FY 22. SSA, “[Annual Performance Report FYs 17-19](#),” 33, “[Annual Performance Report FYs 21-23](#),” 62, and “[Annual Performance Plan for FY 24](#),” 8. By October 2023, SSA's Acting Deputy Commissioner, Office of Operations, testified that “Applicants are waiting on average 7 months for [an initial] decision.” House Ways and Means Committee, “[Statement for the Record, Linda Kerr-Davis](#),” October 26, 2023.

¹⁶⁸ SSA, POMS [SI 00603.030](#) (2005). SSA, [POMS SI 00603.031](#) (2005). SSA, POMS [SI 00603.032](#) (2023). A 2018 training manual for SSI Claims Specialists includes additional information about PERCs. SSA, “[TXVI Claims Specialist Basic Training Curriculum Unit 6](#),” 7-18.

moves automatically to payment. Chart 7 is a diagram from a 2018 training manual for SSI Claims Specialists. It explains the general rules about when PERCs are required.

Chart 7. SSA Flowchart for SSI Effectuation



Source: SSA, "[Title XVI Claims Specialist Basic Training](#)" (2018).

However, claims where a full application is taken still require PERCs and manual processing if:

- The case was awarded at reconsideration rather than the initial level
- The awardee may need a representative payee
- Benefits were awarded with a different onset date than the awardee alleged
- Benefits were awarded for a "closed period."

In these types of cases or others where a PERC is needed, FOs receive the same type of notification that they do for DI cases, with an alert that preadjudication is not possible. EDCS is updated as soon as the decision is made, and WMS is usually updated the morning after DDS makes a favorable decision.¹⁶⁹ PERCs are not always performed by the awardee's assigned (by ZIP code) field office. As SSA says, FOs generally "follow a 'keep what you take' rule, adjudicating to completion the claims that begin in their office, unless it would be to the customer's disadvantage. It's common in metropolitan areas with several offices nearby for the jurisdictional lines to be somewhat blurred for this reason.

¹⁶⁹ SSA, "[Disability Determination Services \(DDS\) Early Alert Notifications](#)," POMS SI 00603.020 (January 4, 2024).

Customers are not subjected to case delays purely due to ZIP code alignments. PERCs are sometimes completed by an office assisting in an overtaxed office.”¹⁷⁰

Concurrent Cases Awarded at the Initial and Reconsideration Levels

FOs receive notification, as described above, when a DDS finds a claimant eligible for both SSI and DI. Smaller FOs may have generalists who handle the effectuation of both benefits, while staff at larger offices are more likely to specialize in Title XVI or Title II; concurrent claims in larger offices are typically effectuated by at least two employees working in parallel and able to communicate with each other about the case.

The FO can fully effectuate some concurrent cases. However, the DI portion of the claim may require PC involvement for the reasons described in the DI section above. Similarly, some “windfall offset” cases, where DI benefits are reduced to account for SSI benefits received, must be processed by PCs.¹⁷¹

Cases Awarded at the ALJ and AC Levels

PCs effectuate favorable DI decisions issued by ALJs or the AC. A judge, decision writer, or legal assistant at OHO or the AC updates the disposition status in the Case Processing and Management System (CPMS) and inputs a code for where the case needs to go. Over time, more of this workload will shift from CPMS to the newer Hearing and Appeals Case Processing System (HACPS). Electronic cases are transmitted automatically, while paper cases are mailed with a transmittal sheet to the appropriate PC and usually arrive within one week. Then, according to SSA, “PSC technicians...are notified of T2 hearing decisions within their work queues.”¹⁷² While DI cases are at the PSC, FO employees can still track them through a combination of EDCS, MCS, and WMS. Usually, WMS will work on its own, but cases that are selected for Disability Quality Branch (DQB) pre-effectuation review, or cases with unusual timing of inputs into EDCS, may not always show up on WMS.

SSI claims awarded by ALJs or the AC are effectuated by FOs. SSA explains that FOs “are notified of SSI hearing and Appeals Council decisions via the SSI Claims MI and EDCS listings (if disability is an issue), usually accessed in the office Workload Action Center (WAC). Field offices also use the WebALJ site to manage favorable SSI hearing decisions in

¹⁷⁰ SSA Office of Operations, email message to SSAB staff, March 20, 2023. Minor spelling and formatting changes were made to SSA’s response here.

¹⁷¹ More description of the windfall offset process can be found in the “Effectuating the Claims” section below.

¹⁷² SSA Office of Operations, email message to SSAB staff, March 20, 2023.

need of effectuation.”¹⁷³ Information about the case is stored in MSSICS, which updates every night. By the time a claim is decided at the ALJ or AC level, it is almost certain to have taken more than 120 days and thus requires a PERC. In the rare instance that a case is paper rather than electronic, the FO is alerted through MSSICS, and the paper folder and a transmittal sheet are mailed to the FO for effectuation. The folder usually arrives within a week. In concurrent cases, the DI portion and SSI portions of the claim are sent separately to the PC and FO, respectively.

In both SSI and DI cases, the process of sending a claim from OHO or the AC to the effectuating component is similar regardless of whether the awardee was represented. The major difference is that when an appointed representative has submitted a fee agreement or fee petition, the adjudicator must rule it on before the claim is sent to the effectuating component. The decision about whether to approve or disapprove the fee is recorded either as part of the ALJ’s decision or on a supplemental document. The HO and AC do not need to take any action for a portion of the awardee’s retroactive benefits to be withheld for the approved fee; the field office or PSC handles this.

When claims awarded by ALJs are selected for inline quality review or sampled by the AC, OHO delays sending the case to the effectuating component. Inline quality review generally occurs before the decision is issued. In contrast, cases are selected by the AC for “own motion” review after the decision is issued, so the awardee is notified.¹⁷⁴

Hearing office and field office or PC staff can communicate about cases undergoing the effectuation process via email, instant message, or manager-to-manager telephone calls. According to an OHO employee, the need for this communication was greater when there were more paper cases. FO and HO staff would need to talk when an awardee inquired with the HO about the status of their benefits or when a paper folder was lost and needed to be reconstructed. There are occasional glitches with electronic folders, but if a document is not received by the PC or field office, electronic folders make problems faster and easier to resolve.

Determining Payable Benefits

Once a claim has been routed to an effectuator, there are myriad combinations of tasks to complete based on the awardee’s specific circumstances. As described above, some cases can be effectuated almost automatically based on information obtained at the time

¹⁷³ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁷⁴ 20 CFR § 404.969.

of application. Far more common, however, are situations where SSA employees must gather and input information to calculate and release retroactive and ongoing benefits. Some tasks require awardees or their representatives to submit additional documentation, while others involve data that SSA already has in its records or obtained through data-sharing agreements. While many inputs are made directly into the MCS or CCE, other tasks, such as determining whether the awardee needs a representative payee, require the use of separate SSA computer systems.

The first subsection below will discuss issues that can occur in DI-only, SSI-only, and concurrent claims. The following three subsections will describe issues unique to each type of claim, respectively.

Issues Common to All Claims

SSA technicians use a development worksheet to determine all the steps necessary to effectuate a given case. This shows “outstanding steps, forms, evidence; records date first requested, any follow-ups, date received, and notes. Some items are auto-generated to the worksheet based on case characteristics [while] others are added by the technician.”¹⁷⁵ In terms of the order in which different steps are performed, SSA says, “Generally, eligibility issues must clear first, followed by payment issues. This is a practical matter; we can’t resolve payment delivery until we have confirmed eligibility and derived the payment amount.”¹⁷⁶ Effectuators rely on their training and knowledge, plus systems alerts, to determine what needs to be done in what order. According to SSA, “Technicians are given extensive training on proper effectuation procedures. And the computer programs require certain steps to be taken prior to effectuation.”¹⁷⁷ Effectuators also use training, experience, and subregulatory guidance to determine who should perform each task, because some can only be done by people with specific job titles or require review by a coworker or manager.

One of the first steps effectuators take is determining whether the awardee requires a representative payee; if so, that person, rather than the awardee, will become a point of contact for SSA. Favorable DDS decisions may include a flag for effectuators recommending they determine if a payee is capable of managing his benefits.¹⁷⁸ ALJ decisions can also include a recommendation that the effectuator make a payee

¹⁷⁵ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁷⁶ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁷⁷ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁷⁸ SSA, “[Disability Determination Services \(DDS\) Capability Opinion](#),” POMS DI 23001.001 (November 21, 2013).

determination, but it is not binding unless that issue was specifically before the ALJ.¹⁷⁹ FO staff generally decide whether awardees need payees; WSU staff can make these determinations in certain circumstances.¹⁸⁰ SSA describes the steps involved if a payee is required as “Develop for a suitable payee, including obtaining rep payee application(s); evaluate applicant(s); provide the claimant with advance notice; address any response made during due process period.”¹⁸¹ SSA uses the Electronic Representative Payee System (eRPS) to take and process representative payee applications.¹⁸² Once SSA has identified a payee using eRPS, effectuators must input the information in MCS (for DI), MSSICS (for SSI), or both (for concurrent claims), and then go on to process the rest of the case and set up a payment record. If SSA determines a payee is necessary but cannot identify a person or organization to serve in that role, agency policy is to pay monthly benefits directly while the search for a payee is ongoing, unless certain exceptions apply. However, retroactive benefits are only paid directly if necessary to meet the awardee’s current needs.¹⁸³

Evaluating representatives’ fee agreements or petitions using the RASR computer system is also done early in the effectuation process. Appointed representative issues trigger alerts in SSA’s computer system for effectuators. SSA says, “Having an appointed representative doesn’t necessarily change the overall effectuation process other than adding the need for the PC or FO to evaluate and process attorney fees, where applicable. A fee agreement must be filed before SSA decides the claim, whereas a fee petition may be submitted after the representative’s services have ended. Depending on the level at which the claim or post-entitlement action was decided, fee petitions are routed to fee authorizers in either the processing center (PC), hearing office or Attorney Fee Branch (AFB). Fee petitions are not authorized in the FOs.”¹⁸⁴

If a prior overpayment or other federal debt is on the beneficiary’s record, the case must be “processed as a manual award to ensure proper debt collection.”¹⁸⁵ If the awardee is deceased, manual processing is also required to release any payable benefits. In all cases, effectuators must determine whether beneficiaries want to receive funds via direct deposit or a Direct Express debit card. According to SSA, “Technicians input the customer’s payment options responses within the claims-taking program; this information is updated

¹⁷⁹ SSA, “[Making a Capability Determination](#),” POMS GN 00502.060 (March 30, 2023).

¹⁸⁰ SSA, POMS [GN 00502.060](#) (2023).

¹⁸¹ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁸² SSA, “[Taking Applications in the eRPS](#),” POMS GN 00502.110 (May 23, 2023).

¹⁸³ SSA, “[Direct Payment to Incapable Beneficiaries When Further Payee Development is Needed](#),” POMS GN 00504.105 (August 11, 2023).

¹⁸⁴ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁸⁵ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

to the record at the time of effectuation."¹⁸⁶ Effectuators then enter the amounts payable so that SSA and the Treasury Department can release the funds to the correct account.

Effectuators are required to create and issue a NOA when one is not generated automatically. NOAs are detailed documents explaining the type of benefit awarded, the month entitlement began, the amount of ongoing and retroactive benefits and any factors that affected this amount, whether a representative payee is required, reporting requirements, and more. Claimants' representatives are supposed to be sent a copy of the NOA.¹⁸⁷

DI-Only Claims

FO staff and management describe their approach to effectuation of DI claims as "holistic." While many calculations, such as the awardee's Primary Insurance Amount and cost of living adjustments, are automated, effectuators may require additional information on other topics.¹⁸⁸ When this is necessary, FO staff describe the first step as attempting to contact the awardee by telephone, either to obtain the information or to schedule an appointment or other way for the information to be submitted. Mailed notices to the awardee and any appointed representative then follow. Cases are effectuated the same way whether they are paper or electronic.¹⁸⁹

Effectuators generally use MCS to input information about DI claims when manual processing is required. However, there are situations where direct input does not work or is not allowed. PC employees use the Manual Adjustment Credit and Award Data Entry (MACADE) system in these situations. SSA introduced a MACADE Accuracy Bot in January 2021, and the agency reported that it increased accuracy and efficiency.¹⁹⁰

SSA's computer systems provide alerts about some, but not all, tasks required for effectuation. For example, if a claimant named a potential auxiliary beneficiary (most often a child) when they filed their DI claim, there will be an alert to the effectuator about auxiliary benefits. However, alerts only occur when a claimant provides the information and it is coded correctly in SSA's systems. It is not always possible for a claimant to provide the information when filing the DI claim, such as when a child is born to a parent

¹⁸⁶ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁸⁷ SSA, "[Award Notices](#)," POMS NL 00601.101 (August 18, 2021).

¹⁸⁸ SSA, "[Development of Non-Disability Issues](#)," POMS DI 42010.010 (December 14, 2023).

¹⁸⁹ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁹⁰ SSA OIG, "[Manual Processes for Resource-Intensive Workloads](#)," A-07-19-50882 (2023), 7.

with a pending DI claim.¹⁹¹ In some scenarios, the PC checks manual calculations performed by the FO.

Workers' Compensation (WC) issues should also trigger alerts in SSA's systems. State WC policies vary considerably.¹⁹² Since claims are assigned to PCs based on the awardee's SSN and not their residence, a PC can handle WC issues from all states. When asked to describe the effectuation process for cases involving WC or Public Disability Benefit (PDB) offsets, SSA said, "We train FO technicians to develop workers compensation at the initial claim if possible. They send the SSA-1709 Request for Workers Compensation/PDB Information to obtain WC proof. Once the proof is returned, they update the application with the appropriate amounts. This automates the offset in most cases. Both FO and PSC can update the record after effectuation. For certain complex issues or where discrepancies exist on the record, PSC technicians may need to manually resolve the issue."¹⁹³ However, like auxiliary benefits, WC claims and settlements might occur after the DI application is taken. In those situations, effectuators would have to gather and input information after the award has been made.¹⁹⁴

Effectuators must also consider whether the Windfall Elimination Provision or Government Pension Offset¹⁹⁵ could apply to DI benefits and act when necessary. SSA describes this process as, "Technicians may need to verify information about the pension including the amount and the start date. When this information is pertinent to the initial claim, it is added to the claim. When a post-entitlement update is needed (e.g. pension began after entitlement), PSC technicians will update the record using a manual process."¹⁹⁶

SSI-Only Claims

Eligibility for SSI, and the amount of benefits to which a person is entitled, can change every month as the awardee's financial and life circumstances change. SSA may have some information about these factors through data-sharing agreements,¹⁹⁷ but awardees

¹⁹¹ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁹² SSA, "[State Specific Workers' Compensation \(WC\) Procedures](#)," POMS DI 52120.000 (November 22, 2023).

¹⁹³ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁹⁴ An audit of SSA's evaluation of WC settlements is available at SSA OIG, "[Workers' Compensation Lum-sum Settlements](#)," 012308 (2023).

¹⁹⁵ SSA, "[Information for Government Employees](#)," last accessed February 16, 2024.

¹⁹⁶ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

¹⁹⁷ For example, the National Directory of New Hires, Access to Financial Institutions, Non-Home Real Property search, and the Prisoner Update Processing System provide SSA with information on earnings, resources in checking and savings accounts, property that might be countable as a resource, and incarceration, respectively.

are often asked to submit documentation if they want to rebut information found through data sharing. Awardees may also be asked for documentation for more recent months that may not show up on SSA's systems or topics that were not raised when the application for benefits was initially taken. In the minority of cases where a PERC is not required, FO employees would contact the awardee or representative to obtain needed documentation.

In cases where a PERC is required, a field office employee¹⁹⁸ may call the awardee as soon as the day they received the notification of the favorable decision to perform the PERC and gather any additional information needed to effectuate the case. SSA says if the effectuator is "unable to reach the customer by cold-call OR if cold-calling is impractical, a notice is sent advising the customer of an appointment for the interview."¹⁹⁹ According to SSA, most PERCs "are initiated by phone, but case circumstances or customer preference may result in an in-person interview. We do not have data for mode of PERC."²⁰⁰ During the PERC, the FO employee uses the CCE to complete a full application, which includes all the questions on the SSA-8000 SSI application form. The effectuator must input information that was not received when the claim was taken using the shorter, "deferred" application process, which is akin to the SSA-8001 form. The effectuator must also note any changes that have occurred while the claim was pending. FO staff use a worksheet to track all the PERC steps required and their progress on them.

For cases awarded at the ALJ level or above, the FO employee also conducts a redetermination before effectuation. The FO is supposed to complete this redetermination within 20 days of receiving the favorably-decided claim from OHO or the AC; if they cannot do so within 60 days, they are supposed to pay benefits based on the information they currently have and then do a redetermination as soon as possible. However, there are many exceptions to this 60-day rule, including if an eligibility factor has never been proven, there is an indication of changed circumstances, or SSA has not decided if a representative payee is needed.²⁰¹ The exceptions are broad enough, and the 60-day rule little-known enough, that it is rarely applied.

One person can usually do the work required to effectuate an SSI claim in one major application,²⁰² but there are exceptions that require manual processing. In certain complex

¹⁹⁸ Depending on the field office, this employee could be a Claims Representative, Benefit Authorizer, or another job title.

¹⁹⁹ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

²⁰⁰ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

²⁰¹ SSA, "[Redetermination after SSI Reversal](#)," POMS SI 04030.070.B.6 (June 27, 2023).

²⁰² There are 51 different computer subsystems within the "Major Application" called the SSI Record Maintenance System. MSSICS is one of the subsystems. SSA, "[SSI Record Maintenance System](#)," last

cases, SSA's computer systems require multiple inputs over several days, peer review by a second field office employee, or manager authorization. Some SSI cases cannot be processed through the agency's electronic systems.²⁰³ SSA explains that some SSI cases "that are 'paper' in terms of official folder (the medical folder is processed on paper at DDS/OHO) can still be effectuated electronically in the field office's SSI claims processing system, Consolidated Claims Experience. [But when] a case must be effectuated via paper/manual processing, then the main differences are 1) we must obtain an ink signature on the PERC forms, which can result in delays while we send forms for signature and await the response and 2) we must code the SSA-450S and SSA-1719B forms and input the data manually, which often calls for multi-day inputs."²⁰⁴

SSA considers income²⁰⁵ and resources²⁰⁶ when determining the SSI benefits payable each month. Living arrangement²⁰⁷ also affects how much SSI is payable each month. When the awardee has a trust, claims specialists in FOs work with RTRTs to determine whether assets held in them can be excluded from SSI resource limits.²⁰⁸ Effectuators must also consider whether the awardee received state interim assistance payments, which require SSA to reimburse the state from the awardee's past-due benefits.²⁰⁹

Once all outstanding issues are resolved, and the FO employee has input all needed information into SSA's computer systems and approved it, there is an automatic calculation of the "past-due" benefit the awardee is owed²¹⁰ and how much the awardee should receive for the following month and any future months unless there is a change. Additional steps may be required if the past-due benefits are large enough to require

accessed February 16, 2024. Not all the systems are used for effectuation, and some are only involved in a portion of SSI effectuations.

²⁰³ SSA, POMS [SI 00603.036](#) (2017). Part B lists paper cases and other cases that are "locked" in MSSICS, and Part C describes cases that can be processed through MSSICS or CCE.

²⁰⁴ SSA Office of Operations, email message to SSAB staff, March 20, 2023. FO employees note that some cases that can be partially processed through CCE and do not need a "wet" signature still require forms 450S and/or 1719B to finish effectuating the claim.

²⁰⁵ SSA considers earned, unearned, in-kind (below-market or free food or shelter), and deemed (from a parent, spouse, or sponsor) income when determining SSI eligibility. There are separate rules for each type of income. SSA, "[Supplemental Security Income \(SSI\) Income](#)," last accessed February 16, 2024.

²⁰⁶ Also called assets. SSA, "[Spotlight on Resources—2024 Edition](#)," last accessed February 16, 2024.

²⁰⁷ SSA, "[Supplemental Security Income \(SSI\) Living Arrangements](#)," last accessed February 16, 2024.

²⁰⁸ SSA, "[Information on Trusts](#)," POMS SI 01120.200.L (May 23, 2022). SSA also released Emergency Message 14026 on this topic, but it is not publicly available.

²⁰⁹ SSA, "[Interim Assistance Payments](#)," POMS SI 02003.000 (December 29, 2023).

²¹⁰ Starting from the month after the SSI claim was filed or the month after the claimant was found to be disabled, whichever is later, and extending through the month of the PERC.

installment payments,²¹¹ are \$50,000 or more,²¹² or involve a dedicated account.²¹³ According to SSA, however, “no additional steps or systems are needed when the individual will become ineligible for SSI upon receipt of T2 [Title II, OASI, and DI] benefits.”²¹⁴ If there is a prior overpayment on the beneficiary’s record, generally “the debt will automatically transfer to the new record when the claimant refiles without technician intervention.”²¹⁵

Concurrent Claims

In concurrent cases, SSA must effectuate both SSI and DI. Some computer systems are specific to one type of benefit, but SSA says, “Common data fields such as the items listed (representation, payee, direct deposit) are communicated across the processing systems.”²¹⁶ This is not failsafe, however: SSA’s OIG has identified situations where concurrent beneficiaries have a representative payee for one title of benefits and not the other,²¹⁷ and claimants’ representatives report that occasionally a change of address or appointment of representative is only recorded for one title of benefit.

In terms of who carries out the different effectuation workloads in a concurrent case, SSA says FOs’ “internal practices vary due to size and staff composition, but all have protocols to determine who is responsible for what actions. Generally, if SSI PERC is an issue and the office CSs are specialized by claim-type, then the SSI CS will take care of all items requiring personal contact in conjunction with the PERC.”²¹⁸

Concurrent cases often involve a FO effectuating SSI and a PC effectuating DI. While there are several ways for PCs and FOs to communicate, including manager-to-manager calls and emails, their primary mode of communication is the MDW request.²¹⁹ SSA aims to address routine MDW requests in 60 calendar days and high-priority requests in 20

²¹¹ SSA, POMS [SI 02101.020](#) (2024).

²¹² SSA, “[Releasing SSI Underpayments of \\$50,000 or More](#),” POMS SI 02101.055 (September 24, 2001).

²¹³ This is generally for benefits awarded to children. SSAB, “[2021 SSI Statement on Dedicated Accounts](#),” August 25, 2021.

²¹⁴ SSA Office of Operations, email message to SSAB staff, March 20, 2023. This situation generally occurs when a concurrent awardee has low enough income and resources to be eligible for SSI during the 5-month waiting period for DI and has a high enough DI benefit to become ineligible for SSI once DI benefits begin.

²¹⁵ SSA Office of Operations, email message to SSAB staff, March 20, 2023. SSI is not subject to levy or garnishment. SSA, “[Social Security Handbook 129.2: Can Your Social Security Benefits Be Levied or Garnished?](#),” last accessed February 16, 2024.

²¹⁶ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

²¹⁷ SSA OIG, “[Concurrently Entitled Beneficiaries Receiving Representative Payee and Direct Payments](#),” A-09-16-50093 (2016).

²¹⁸ SSA Office of Operations, email message to SSAB staff, March 20, 2023.

²¹⁹ SSA, POMS [GN 10170.228](#) (2019).

calendar days. However, a 2021 SSA OIG report found over 82,000 high-priority requests pending longer than 60 days; the report found that 21% of their sampled cases led to delayed benefit payments averaging over \$12,000 per beneficiary.²²⁰ In a 2023 follow-up report, OIG found that 59% of MDW requests pending in FOs and 44% of MDW requests pending in PCs had been made over 60 days ago.²²¹

One of the biggest challenges in effectuating concurrent claims is reducing one benefit based on the receipt of the other. DI is considered unearned income that reduces eligibility for ongoing and retroactive SSI. The reduction in benefits due under one title because of benefits received under the other title is called “windfall offset.”²²² Paying retroactive SSI and then reducing DI, rather than vice versa, protects the awardee’s Medicaid eligibility.²²³ Some windfall offsets are processed in FOs and some in PCs;²²⁴ most are computed automatically, but others require manual calculations.²²⁵ SSA describes this process as “Some offsets are automated and require limited technician intervention. Complex offsets require PC-FO communication in order to transmit pertinent data to one another.”²²⁶

OIG audited windfall offset calculations in 2011, 2016, and 2023.²²⁷ As SSA updated the MCS and provided additional training to employees, more cases were processed quickly

²²⁰ SSA OIG, “[SSA's Controls Over High-Priority MDWs](#),” A-07-18-50363 (2021), 2. The median pending time was 118 days and the mean was 166 days. MDWs can occur for reasons other than effectuation. The total delayed benefits for the 21 sampled cases were “over \$255,000.” SSA extrapolates from that sample to estimate over \$210 million in delayed payments on over 22,000 benefits records.

²²¹ SSA OIG, “[SSA's Controls Over MDWs](#),” A-02-22-51157 (2023), 3.

²²² SSA, “[SSI Spotlight on Windfall Offset—2024 Edition](#),” last accessed February 16, 2024.

²²³ SSA, “[Applying Title II Offset to Concurrent Cases](#),” POMS GN 02610.018.A (August 16, 2023). The order of windfall offset reductions is also discussed in *Singleton v. Apfel*, 231 F. 3d (11th Cir. 2000).

²²⁴ “When the MBR interface works, cases can generally be completed in the field office. These cases are the ones where PC involvement is not needed. Cases where the MBR interface is not effective need PSC involvement, such as new SSI start date records, terminated records, and some SSI couples cases. PSC and field offices sometimes both have to work on multiple entitlement cases.” Joyce Kim, SSA Office of the Commissioner, email sent to SSAB staff, November 24, 2023.

²²⁵ In March 2016, 93% of offsets could be calculated automatically. SSA OIG “[OASDI Benefits Withheld Pending a Windfall Offset Determination](#),” A-09-15-15041 (2016), Appendix C. Examples of when manual processing is required include when a fee petition is filed well after the favorable decision, or when the claimant signs a fee agreement with a representative but also has auxiliary beneficiaries. SSA, “[How to Process Title II Offset Cases When a Representative Fee is Involved](#),” POMS GN 02610.053.A.2 (May 15, 2023). The complexity of windfall offset calculations is discussed at Charles Hall, “[The Clock Is Ticking](#),” *Social Security News* (December 28, 2022).

²²⁶ SSA Office of Operations, email message to SSAB staff, March 20, 2023. PC7, which handles claims for people under age 54, had the largest amount of windfall offset cases, processing 38.5% of them in FY 18, while the PC with the second-most windfall offset cases handled only 14.2%. “[Accuracy of Manual Actions for OASDI Underpayments Over \\$6,000](#),” A-03-18-50703 (2019), 13.

²²⁷ SSA OIG, “[Windfall Offset Determinations](#),” 09-18-50697 (2023) is the most recent report; Appendix B provides links to the previous audits and summarizes their recommendations and SSA’s responses.

and correctly. However, SSA delayed the implementation of several planned system changes that would have further improved payment accuracy.²²⁸

Table 7. Windfall Offset Outcomes from Three 250-Case Samples

Year of Audit Report	Correctly Processed	Incorrectly Processed	Not Processed	Untimely Processed
2011	72	27	56	95
2016	113	5	53	79
2023	201	8	2	39

Source: SSA OIG, [“Windfall Offset Determinations,” 09-18-50697](#) (2023), [“Old-Age, Survivors and Disability Insurance Benefits Withheld Pending a Windfall Offset Determination,” A-09-15-15041](#) (2016), [“Old-Age, Survivors and Disability Insurance Benefits Withheld Pending Supplemental Security Income Windfall Offset,” A-09-11-11130](#) (2011). In the 2023 audit report, 240 cases were found to be correctly processed, but 39 of them were processed after SSA’s 90-day goal. Therefore, 39 cases are listed in the table as untimely, and the remaining 201 as “correctly processed.”

Releasing the Funds

SSA has a computer program that searches all the computer systems where Operations staff might have input a payment. Every weeknight, that program sweeps through these master records from every region and creates two batched payment files: one for checks and one for direct deposits, including to Direct Express cards.²²⁹ On some nights, those payment files include the ongoing monthly payments due to each beneficiary. DI beneficiaries are assigned to one of four monthly payment cycles for DI,²³⁰ while SSI is paid on the first of the month.²³¹ One-time payments, like retroactive benefits and representative fees, are swept up the same day they are input by a FO or PC employee.²³²

Once the payment files are generated, they are sent overnight to Treasury Department locations in Kansas City and Philadelphia. SSA also creates accounting reports at this point, which include summaries of the number of payments and payment amounts, without SSNs or other personally identifying information. The Treasury Department validates the contents of the payment files it receives and sends SSA an accounting report, which SSA reconciles with its own accounting report. SSA leadership stated that it is very rare for problems to arise at this stage—after improvements about 13 years ago, there have

²²⁸ SSA OIG, [“Windfall Offset Determinations,” 09-18-50697](#) (2023), 3.

²²⁹ In FY 22, 99.3% of OASI and DI payments and 96.6% of SSI payments were made electronically. SSA, [“National Trends,”](#) last accessed February 13, 2024.

²³⁰ SSA, [“Cyclical Payment of Social Security Benefits,”](#) last accessed February 16, 2024.

²³¹ SSA, [“Schedule of Social Security Benefit Payments 2024,”](#) (January 2023).

²³² Additional payments, such as the second and third installments of SSI retroactive benefits, can generally be scheduled to be paid automatically. SSA, [“Basic Requirements of SSI Underpayment \(UP\) Review,”](#) POMS SI 02101.025 (January 26, 2024).

been only four or five days where there were discrepancies between the SSA and Treasury accounting reports.

SSA then logs into the Treasury Department's Secure Payment System, does more data matching on the direct deposit and check files, and certifies the payments for release. The Treasury Department does a final reconciliation step before releasing payment. The entire process from input by Operations staff to release of payment by Treasury takes place in a single business day and overnight period. Direct deposits are made the following business day. Checks are also printed and sent to the US Postal Service the next business day.

SSA provided the information below with their steps for making payments:²³³

1. Payment Center/Field Office record updates
2. SSA Systems creates payment files
3. SSA Systems transmits payment files overnight to Department of Treasury (Treasury)
4. Treasury Systems validates file contents and format and sends accounting report to SSA
5. SSA Accounting reconciles Treasury accounting report with SSA accounting data (number of payments and dollar amounts)
6. SSA Accounting logs into Treasury's secure payment system to certify payments and approve Treasury to release direct deposits and print paper checks
7. Payments mailed or deposited
8. Payments returned to Treasury (incorrect mailing address, incorrect bank data, death of payee)
9. Treasury cancels payments, sends files back to SSA with data to credit payee records and trust funds
10. SSA records update: payee suspended or terminated, underpayments established
11. Automatic payment reissuance with new address or bank data

Once the awardee has been paid, the effectuation process can generally be considered complete. In the small percentage of cases where payments are returned to SSA or the Treasury Department, SSA has processes to update their files so payments do not continue to go out and bounce back. The agency also establishes records of underpayments so that beneficiaries can be paid when they regain contact with SSA.

²³³ SSA Office of Budget, Finance, and Management. Adapted by SSAB from a graphic titled "SSA Accounting Reports Created."

If beneficiaries believe the retroactive or ongoing benefits they receive are incorrect, they can appeal. There are electronic and paper versions of the appeal form, known as the SSA-561, Request for Reconsideration.²³⁴ Those whose requests for reconsideration are denied can continue through all other stages of appeal: ALJ hearing, AC, and federal court.

²³⁴ SSA, "[Form SSA-561 Request for Reconsideration](#)," last accessed February 16, 2024.

Appendix 2: Illustrative Scenarios

The hypothetical characters below are designed to illustrate the variety of experiences, the complexity of SSA policy and systems, and the potential for delay that exists within the effectuation process.

Sara SSI

Sara SSI has metastatic ovarian cancer and her diagnosis is terminal. This impairment is on SSA's list of Compassionate Allowance (CAL) conditions²³⁵ and meets a listing.²³⁶ Sara's hospital social worker helped her apply for SSI²³⁷ while she was recovering from surgery and preparing to transfer to a nursing home for rehabilitation. The FO employee who took the claim recognized the high likelihood Sara would be awarded benefits and collected all necessary information at the time of application.²³⁸ He also added CAL and TERI (terminal illness) flags to the claim so it would be appropriately expedited. The DDS issued a favorable decision three months later.²³⁹ The case was transferred back to the FO the day it was decided.

Sara's case was awarded quickly enough, and enough information was gathered when she applied, that a PERC was not required. Effectuating her claim involved little manual processing by FO staff. However, they did have to contact the hospital and nursing home to confirm that she was in Medicaid-funded institutions (the hospital and nursing home) for the first calendar month after she applied for benefits, and that she returned home after that. Since SSI eligibility depends on living arrangement, this information allowed her retroactive benefits to be calculated correctly. SSA's computer systems also calculated

²³⁵ SSA, "[Ovarian Cancer—With Distant Metastases or Inoperable or Unresectable](#)," POMS DI 23022.260 (October 5, 2023).

²³⁶ 20 CFR § 404, Subpart P, Appendix 1, 13.23.

²³⁷ Sara is not insured for DI. She worked full-time when she was younger, but stopped eight years ago, at age 50, to care for a disabled relative. Sara has worked on and off over the past two years, but has not earned the 20 work credits in the past 40 quarters required to be insured for DI. SSA, "[How You Earn Credits](#)," (2024).

²³⁸ The more thorough "simultaneous development process is described at SSA, "[Simultaneous Development Application Process](#)," POMS SI 00603.004 (December 27, 2023). Directions for FO staff on completing the SSI-8000 application form by inputting the claimant's responses into MSSICS are at SSA, "[Application for Supplemental Security Income, Form SSA-8000-BK](#)," POMS SI 00604.001 (December 19, 2023). A training manual for SSI Claims Specialist staff indicating when to take a "full application" is at SSA, "[TXVI Claims Specialist Fundamentals](#)," 34.

²³⁹ This is much quicker than the approximately seven months that is the current national average for initial decisions. House Ways and Means Committee, "[Statement for the Record, Linda Kerr-Davis](#)," October 26, 2023.

her past-due and ongoing benefits, and SSA transmitted the payment information to the Treasury Department so they could send her funds.

Since Sara does not have a bank account, she indicated when she applied for SSI that she wanted to receive any benefits on a Direct Express card. Sara's Direct Express card came in the mail two weeks after her favorable decision, and her NOA arrived the day after that.

Dan DI

Dan DI has chronic heart failure. He applied online for DI benefits when he could no longer work. His application was routed to a WSU for processing. A WSU employee completed all nonmedical development, including gathering information about Dan's nine-year-old daughter, Danielle, who lives with her mother, Lena (Dan's ex-girlfriend). Then, the WSU sent Dan's claim to the DDS for a medical determination. Dan received a favorable decision six months later.²⁴⁰

Since the WSU used the nonmedical completion process, effectuation was simplified. There were no case characteristics that required PC involvement. Dan was subject to a child support garnishment order for Danielle, but the state court reports such orders to SSA electronically,²⁴¹ and SSA's computer system calculated the necessary withholding.²⁴² Dan's Primary Insurance Amount and Danielle's auxiliary benefits were also calculated automatically. Since Danielle is a child, she needed a representative payee to manage her benefits. Lena was at the top of SSA's preference list because she has custody of Danielle, and the WSU approved her after a telephone interview. It did take a few weeks for Lena's interview to be scheduled and conducted. Dan provided his bank account information when he applied for DI, and Lena provided information at her interview. Dan and Danielle's retroactive benefits were direct deposited 30 days after his favorable decision.²⁴³ Dan's NOA arrived two days after that.²⁴⁴

²⁴⁰ The average processing time for initial disability decisions in FY 22 was 184 days. SSA, "[Annual Performance Plan for FY 24](#)."

²⁴¹ FO staff note that while a WSU could potentially handle a garnishment input, it would also be common for the WSU to transfer a case involving garnishment to a FO or PC.

²⁴² SSA, "[How Garnishment Withholding is Calculated](#)," POMS 02410.215 (February 4, 2021).

²⁴³ In the data set, the mean effectuation time for DI cases decided at the initial level was 30 days in 2023 (year to date), so Dan's case would be typical.

²⁴⁴ Of the 2023 YTD cases in our data set, 51% of DI claims had "negative effectuation time," meaning that payment occurred before the NOA was received. In these cases, the NOA usually arrived within a few days of the payment.

Carl Concurrent

Carl Concurrent experienced a traumatic brain injury and a leg injury when he was hit by a car while working on a highway construction project. He hired a lawyer to represent him in his workers' compensation (WC), personal injury, and concurrent SSI/DI claims. It took two years for Carl to receive a favorable decision from SSA: his case was denied at the initial and reconsideration levels but awarded after an ALJ hearing.²⁴⁵

The ALJ's Hearing Office sent the DI portion of Carl's claim to a PC and the SSI portion to his local FO. About a week after learning that the ALJ had favorably decided his claim, Carl received a phone call from Mrs. Sanchez, a FO employee, to schedule his PERC. The soonest available appointment was three weeks later.²⁴⁶ Carl's niece Cathy accompanied him to the PERC and helped him respond to Mrs. Sanchez's questions about Carl's resources, income, and living arrangements:

- *Resources:* Carl never exceeded SSI's \$2,000 countable resource limit. He sold his car after his injury for \$1,400. Carl did settle with the insurer of the driver who hit him, but the money was placed in a Special Needs Trust. Carl brought paperwork about the trust to his PERC as his lawyer directed him, and Mrs. Sanchez said she would send it to the RTTR to ensure it wouldn't affect his SSI.
- *In-kind support and maintenance (ISM):* Carl stayed in Cathy's spare bedroom after his accident. He didn't pay Cathy rent while he awaited his decision from SSA. He did buy his own groceries using SNAP (Supplemental Nutrition Assistance Program, formerly known as food stamps) and the money he got from selling his car. The provision of free shelter reduced Carl's eligibility for SSI each month by one-third of the Federal Benefit Rate plus \$20.²⁴⁷ However, Carl and Cathy signed an agreement

²⁴⁵ The average processing time for a case at the hearings level was 337 days in FY22. The average processing time in FY21 for reconsideration and hearings were 147 and 165 days, respectively. SSA, "[Annual Performance Plan for FY 24](#)," 47-8. Processing times have increased since then. If Carl took 30 days each to appeal his initial and reconsideration denials (the midpoint of the 60-day appeals period) and otherwise had an average experience, it would take 709 days, or one year and 344 days.

²⁴⁶ A claimants' representative describes the time it takes for his clients' PERCs to be scheduled is available at Charles Hall, "[The PERC Situation](#)," *Social Security News*, December 15, 2022.

²⁴⁷ Since Carl received shelter but not food, the Presumed Maximum Value (PMV) rule rather than the Value of the One-Third Reduction (VTR) rule was applied. However, since the value of the spare bedroom Cathy provided was more than one-third the FBR plus \$20 in all months while Carl's claim for SSI was pending, the PMV had the same effect as the VTR. The FBR changes each year with SSA's Cost of Living Adjustments, so the reduction in SSI changes too. SSA, "[Separate Purchase of Food](#)," POMS SI 00835.150 (September 29, 2023) and "[Presumed Maximum Value \(PMV\) Rule](#)," POMS SI 00835.300 (October 27, 2005).

that Carl would start paying his fair share of rent when his benefits began. ISM, therefore, will not affect his ongoing SSI.

- *Unearned income:* A few months before Carl was awarded benefits, he won \$50 on a scratch-off lottery ticket. This reduced his SSI by \$30 for one month.²⁴⁸ Mrs. Sanchez also asked Carl if he had received any WC, explaining that it would be considered unearned income for SSI purposes²⁴⁹ and could also affect his DI benefits.²⁵⁰ Carl replied that his lawyer was still helping him negotiate a settlement. Mrs. Sanchez reminded Carl to tell SSA when his WC case was resolved.
- *Earned income:* Shortly after Carl's claim was initially denied, he briefly tried to work but could not sustain employment due to his medical condition. The \$301 he earned reduced his retroactive SSI benefits by \$118 for one month.²⁵¹

Mrs. Sanchez asked Carl to mail or fax her proof of his lottery winnings, his pay stub, and the rent agreement with Cathy. He didn't have a fax machine and didn't want to mail in the documents, so he went back to the FO with these documents the following week. A person at the front desk helped him put the paperwork in a drop box. Carl called Mrs. Sanchez every few weeks after that, but it took her three months to call back. She explained that she had just heard back from the RTTRT that his trust was not a countable resource.²⁵² She said she had received and processed the documents Carl brought to the FO. Mrs. Sanchez also confirmed the direct deposit information Carl had provided. She explained that his first installment of retroactive SSI²⁵³ should be arriving that week, and his first monthly SSI benefit would be deposited on the first of the following month.

Mrs. Sanchez also told Carl that he would start receiving DI benefits once the PC completed its work. To effectuate the DI portion of Carl's claim, a technician at PC7

²⁴⁸ After a \$20 general income disregard, unearned income reduces SSI dollar for dollar. SSA, "[SSI Income](#)," last accessed February 16, 2024.

²⁴⁹ SSA, "[Workers' Compensation](#)," POMS SI 00830.235 (May 11, 2009).

²⁵⁰ SSA, "[How Workers' Compensation and Other Disability Payments May Affect Your Benefits](#)," last accessed February 16, 2024.

²⁵¹ SSA, "[SSI Income](#)," last accessed February 16, 2024, Example B. The \$20 general income disregard is used for ISM, so it is not applied to the earned income. SSI has a monthly \$65 earned income disregard; after that, every \$2 in earnings reduces SSI by \$1. $301-65=236$; $236/2=118$. The \$118 reduction would not be for the month Carl worked but for two months after that; see 20 CFR § 416.420(a) ("We generally use the amount of your countable income in the second month prior to the current month to determine how much your benefit amount will be for the current month.").

²⁵² It took over 120 days for the RTTRT to make a determination in 15% of cases OIG sampled. SSA OIG, "[SSA's Determinations of SSI Recipients' Trusts](#)," A-02-21-51026 (2023), 4.

²⁵³ SSA, POMS [SI 02101.020](#) (2024).

received information about Carl's SSI and performed windfall offset calculations.²⁵⁴ Carl was not eligible for DI during the five months after his injury because DI has a five-month waiting period. For those months, he was only eligible to receive SSI.²⁵⁵ The PC technician also calculated the fee payable to Carl's lawyer and subtracted that from the retroactive benefits Carl could receive.²⁵⁶ The technician sent Carl a NOA explaining the retroactive and ongoing DI benefits. This notice arrived the day after Carl's retroactive DI benefits were deposited into his bank account.

Ultimately, it took about five months after the ALJ's decision for Carl to get his first monthly SSI benefit.²⁵⁷ It took an additional two months until Carl received DI benefits.²⁵⁸ Carl received NOAs for SSI and DI.²⁵⁹ He was also sent a notice after he started getting monthly DI benefits explaining that his SSI was changing because DI is considered countable unearned income.²⁶⁰

²⁵⁴ PC7, which handles claims for people like Carl who are under age 54, handled the most windfall offset cases in FY 18, processing 38.5% of them while the PC with the second-most windfall offset cases handled only 14.2%. "[Accuracy of Manual Actions for OASDI Underpayments Over \\$6,000](#)," A-03-18-50703 (December 2019), 13.

²⁵⁵ SSI is payable starting the month after the "protected filing date" of the claim. If Cathy and the lawyer she hired helped Carl file for SSI the same month his injury occurred, he would be eligible for SSI during the entire five-month DI waiting period. A study discussing people who receive SSI only during the five-month wait for DI versus those who, like Carl, continue to get both SSI and DI, refers to these people as "serial" and "joint" cases, respectively. Kalman Rupp and Gerald F. Riley, "[Longitudinal Patterns of Participation in the Social Security Disability Insurance and Supplemental Security Income Programs for People with Disabilities](#)," *Social Security Bulletin* 71, no. 2 (2011).

²⁵⁶ Directions for processing windfall offset cases when there is a representative fee can be found at SSA, "[How to Process Title II Offset Cases When a Representative Fee is Involved](#)," POMS GN 02610.053.A.2 (May 15, 2023).

²⁵⁷ In the data set, the median effectuation time in 2023 year to date for an SSI claim awarded at the ALJ level was 94 days, and the 75th percentile was 279 days. Carl's case fell between these two benchmarks. In SSA's October 2022 report to Congress (available at Appendix 4), over 95% of SSI cases awarded at the ALJ level were effectuated within 60 days. The apparent discrepancy may result from differences in the populations and time periods studied, and different definitions of effectuation. Nonetheless, with Carl's case involving the RTRT and other complexities, it would likely take longer to effectuate than most cases.

²⁵⁸ In the data set, the median effectuation time in 2023 year to date for a DI claim awarded at the ALJ level was 16 days, the 75th percentile was 142 days, and the 90th percentile was 524 days. Carl's DI claim fell between the 75th and 90th percentiles in effectuation time because it required a windfall offset and his SSI effectuation was delayed as the FO and RTRT addressed his resource and income issues.

²⁵⁹ Stakeholders noted that NOAs sent to concurrent awardees often include conflicting information, especially on retroactive benefits. The accuracy of the NOA depends on when and how information is updated by the effectuators of the SSI and DI portions of the claim.

²⁶⁰ The windfall offset period ends the month after DI benefits are paid. SSA, "[The Windfall Offset Period](#)," POMS GN 02610.022.A.1 (August 16, 2023). DI benefits are then counted as unearned income for SSI. SSA, "[SSI Income](#)," last accessed February 16, 2024.

Appendix 3: Data Analysis

SSA Data

This paper initially planned to analyze effectuation time using SSA’s 2020 public use file version of the Disability Analysis File (DAF20 PUF).²⁶¹ The DAF20 PUF includes data on a random 10 percent sample of all children and pre-retirement adults with disabilities who participated in the SSI or DI programs between 1996 and 2020. However, the DAF20 PUF lacked the data necessary to estimate effectuation times reliably.

The main limitation of using the DAF to estimate effectuation time is that it only includes decision dates for the initial and reconsideration levels (DDS-level decisions). There are no decision dates for the ALJ level or above, either on the full DAF or its PUF. The PUF includes the first five DDS-level decision dates but does not include additional variables that would provide context on those dates, such as whether they represent an initial- or reconsideration-level decision or whether the decision is an allowance or denial. Even a focus on DDS-level decisions, with this limited information, would be unable to select the correct decision date. For example, a case allowed at the ALJ level could have the decision date for the denial at the reconsideration level selected, which would calculate an effectuation time that is too long. When SSA requested ideas for future releases of the DAF and PUF, SSAB staff suggested that SSA add DAF variables about the level and result associated with each DDS decision date to the PUF. SSAB staff also suggested that SSA add new variables for decisions at the ALJ level and above, such as the date and whether the decision was favorable, to both the DAF and the PUF.²⁶²

Non-Public Data

A large national firm of claimants’ representatives provided data.²⁶³ The data set included 145,897 favorably-decided disability claims where representative fees were paid from

²⁶¹ SSA, “[Disability Analysis File Public Use File](#),” last accessed February 13, 2024. SSA released DAF21 in spring 2023; it has the same data limitations as its predecessor.

²⁶² In February 2023, SSAB staff suggested adding the following DAF variables to the PUF: JUDLVLn and RDTn, which explain the level and result of disability determinations; ELG_RD for the SSI date of most recent eligibility; whether a DI claimant has auxiliary beneficiaries (using PNOB or DPENyymm); and QDDINDn to indicate whether the claim was selected for the Quick Disability Determination process. Staff also suggested adding variables not currently in the DAF or PUF were: the date and outcome of decisions at the ALJ level and above (the DODEC variable just pulls from the SSA-831, which is for cases at the initial and reconsideration levels), which PC the case is assigned to, whether the case was flagged for a Compassionate Allowance or terminal (TERI) condition, and whether a representative was appointed.

²⁶³ Data source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.

2014 to early 2023.²⁶⁴ The data set is not a random sample of awarded claims. The data set includes only awardees represented by the firm,²⁶⁵ and it also has differences in the distributions of the title of claims and the appeals level at which benefits were awarded.²⁶⁶ However, it allows for some insight into how long claims take to be effectuated and which characteristics of claims are associated with longer or shorter effectuation times.

The data set does not include the date an awardee received retroactive benefits or the first payment of monthly ongoing benefits. This paper instead used the date on which the representative fee was paid as an imperfect proxy for when benefits were received. Since representative fees paid by fee agreement are based on a percentage of the awardee's retroactive benefits, fees are only paid once SSA has calculated the past-due benefits. Thus, receipt of representative fees is a good indicator that SSA has completed the effectuation process and paid the awardee.

The paper included cases with a payment receipt date between 2014 and April 20, 2023. The 22 claims with an invalid decision date, NOA date, or payment date were dropped. Claims were counted in the year the fee payment was received; the decision or NOA could have occurred earlier. Effectuation time was defined as the number of days between the last decision date at the initial, reconsideration, or ALJ level and the fee payment date. Effectuation time can be negative because the fee can be paid before the decision date. The percentage of claims with negative effectuation times ranged from 47 percent to 64 percent for DI over the period and 2 percent to 26 percent for SSI.

The data set has six types of awards: DI, SSI, fee petitions, spouse, widow, and child. The 2,446 child cases were removed because it was not possible to distinguish among DI auxiliaries, Disabled Adult Children, and SSI disabled children. Child cases represent less than two percent of claims in the data set. Claims for disabled spouses and widows are not consistently distinguished from DI claims in the data and represent less than one

²⁶⁴ The data were pulled on May 2, 2023. The most recent fee payment in the data set occurred on April 20, 2023.

²⁶⁵ Data about representation rates by title and level of decision are available at SSA, "[Representative Rates by Adjudicative Level FY 14 - FY 23](#)," FOIA Reading Room (December 19, 2023).

²⁶⁶ The data set was 71% DI-only, 14% SSI-only, and 16% concurrent cases. Among all disabled beneficiaries in 2014-21, the averages were 62% DI-only, 28% SSI-only, and 10% concurrent. Figures derived from SSA, "[Annual Statistical Report on the DI Program, 2021](#)," Table 66. The sample had 46% of cases awarded at the initial level, 14% at reconsideration, and 40% at the ALJ level in calendar year 2022, while the FY22 figures for all awards made at those three levels were 78%, 8%, and 14%, respectively. Figures derived from SSA, "[FY 24 Limitation on Administrative Expenses](#)," 148. All figures rounded to the nearest whole number.

percent of claims, so they were recoded to DI. The small number of awards (1,286 cases) categorized as fee petitions were also excluded.

Some people in the data have multiple fee payments for the same claim. About three-quarters of individuals in the data are “straightforward” cases with one DI payment, one SSI payment, or one DI and one SSI payment (concurrents). The remainder have multiple payments for DI and/or SSI (see Table A.1). Multiple fee payments on a single title could indicate the appointment of more than one representative, a mistake in calculating past-due benefits or the representative’s fee, or—for DI claims—an auxiliary beneficiary. The data set did not have sufficient information to distinguish among these possibilities for the “multi-fee” cases. The analysis focused on the 75 percent of straightforward cases: 85,324 claims for 74,366 people.

Table 8. Number and Types of Fee Payments Per Person

Types of Payments	Number	Percentage
One DI payment only	50,382	50.8
One SSI payment only	13,026	13.1
One DI and one SSI payment (concurrent)	10,958	11.1
Two or more DI payments, no SSI	19,466	19.6
Two or more SSI payments, no DI	796	0.8
Two or more payments of the same title, and one or more of the other title (concurrent)	4,478	4.5
Total	99,106	100.0

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.

Table 9 shows the sample sizes by title and year for the 75 percent of straightforward cases with no more than one payment per title, corresponding to Charts 1 and 2 in the paper.

Table 9. Sample Sizes by Title and Year

Year	DI only	SSI only	Concurrent: DI	Concurrent: SSI	Total DI	Total SSI	Total
2014	4,493	771	802	730	5,295	1,501	6,796
2015	5,244	866	1,049	1,032	6,293	1,898	8,191
2016	5,105	884	939	959	6,044	1,843	7,887
2017	4,587	820	993	1,002	5,580	1,822	7,402
2018	4,051	919	851	834	4,902	1,753	6,655
2019	4,123	1,352	1,098	1,092	5,221	2,444	7,665
2020	6,014	2,063	1,818	1,679	7,832	3,742	11,574
2021	7,658	1,948	1,829	1,844	9,487	3,792	13,279
2022	7,262	1,139	1,372	1,460	8,634	2,599	11,233
2023 YTD	1,558	226	138	257	1,696	483	2,179

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA. Notes: YTD = Year to date (April 20, 2023). Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title. Concurrent cases are those that have one DI fee payment and one SSI fee payment. Excludes 2,463 claims (2.9 percent) missing decision date and for whom effectuation time cannot be calculated.

Table 10 shows the sample sizes for the straightforward cases by title, award level, and year, corresponding to Chart 3 in the paper.

Table 10. Sample Sizes by Title, Award Level, and Year

Year	DI: Initial	DI: Recon	DI: ALJ	SSI: Initial	SSI: Recon	SSI: ALJ	Total
2014	3,368	842	1,085	773	283	445	6,796
2015	3,766	1,127	1,400	1,027	380	491	8,191
2016	3,421	1,135	1,488	928	407	508	7,887
2017	2,712	984	1,884	849	319	654	7,402
2018	2,194	811	1,897	709	251	793	6,655
2019	2,979	954	1,288	1,188	387	869	7,665
2020	3,738	1,198	2,896	1,581	593	1,568	11,574
2021	4,370	1,312	3,805	1,464	631	1,697	13,279
2022	4,165	1,238	3,231	1,038	349	1,212	11,233
2023 YTD	967	247	482	221	64	198	2,179

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA. Notes: YTD = Year to date (April 20, 2023). Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title. Excludes 2,463 claims (2.9 percent) missing decision date.

Table 11 shows the sample sizes by year and PC for straightforward DI claims, corresponding to Chart 4 in the paper.

Table 11. Sample Sizes for DI Cases by Year and PC

Year	PC1	PC2	PC3	PC4	PC5	PC6	Total
2014	610	664	1,027	940	1,037	1,017	5,295
2015	701	780	1,258	1,174	1,160	1,220	6,293
2016	624	664	1,212	1,138	1,149	1,257	6,044
2017	534	770	1,109	1,065	1,011	1,091	5,580
2018	498	615	1,046	934	947	862	4,902
2019	529	655	1,256	885	924	972	5,221
2020	832	871	1,832	1,215	1,311	1,771	7,832
2021	1,100	1,084	2,139	1,367	1,532	2,265	9,487
2022	1,123	1,057	1,903	1,226	1,465	1,860	8,634
2023 YTD	216	202	382	231	302	363	1,696

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.
Notes: YTD = Year to date (April 20, 2023). Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for DI. PC is assigned based on the first three digits of the SSN. Because the data set does not have information about age, awardees under age 54 are assigned to the PC they would have been assigned to were they 54 or older. Excludes 356 claims (0.6 percent) missing decision date.

Table 12 shows sample sizes and average effectuation time by gender, year, and title.

Table 12. Sample Sizes by Year, Gender, and Title

Year	Male DI Sample Size	Male DI Average Effectuation Time	Female DI Sample Size	Female DI Average Effectuation Time	Male SSI Sample Size	Male SSI Average Effectuation Time	Female SSI Sample Size	Female SSI Average Effectuation Time
2014	3,168	26	2,122	24	880	42	621	46
2015	3,351	22	2,928	20	989	49	907	47
2016	3,048	30	2,990	22	914	60	924	60
2017	2,765	47	2,811	38	925	78	893	76
2018	2,381	51	2,516	55	908	89	845	97
2019	2,726	38	2,495	37	1,289	109	1,152	90
2020	4,049	26	3,780	37	1,990	115	1,751	119
2021	5,094	48	4,392	71	2,120	112	1,672	114
2022	4,785	53	3,848	66	1,381	152	1,218	143
2023 YTD	925	71	771	67	264	188	219	184

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.

Notes: YTD = Year to date. Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title. Excludes 2,463 claims (2.9 percent) missing decision date and 54 claims (0.1 percent) missing gender data.

Table 13 shows the sample sizes and average effectuation time for DI claims by educational attainment and year.

Table 13. DI Sample Sizes by Year and Education Level

Year	Less than High School Sample Size	Less than High School Average Effectuation Time	High School or GED Sample Size	High School or GED Average Effectuation Time	Some College Sample Size	Some College Average Effectuation Time	4 Years or More of College Sample Size	4 Years or More of College Average Effectuation Time
2014	965	25	2,652	21	1,125	20	419	17
2015	1,083	24	3,106	19	1,540	16	519	17
2016	1,030	28	2,956	25	1,523	20	507	31
2017	888	47	2,769	42	1,407	42	497	28
2018	803	59	2,450	50	1,200	48	425	57
2019	904	36	2,650	30	1,146	47	503	43
2020	1,387	30	3,956	31	1,668	33	813	29
2021	1,858	50	4,718	57	1,952	68	943	66
2022	1,559	61	4,389	57	1,825	58	851	59
2023 YTD	267	61	881	77	379	64	167	56

Table 14 shows the sample sizes and average effectuation time for SSI claims by educational attainment and year.

Table 14. SSI Sample Sizes by Year and Education Level

Year	Less than High School Sample Size	Less than High School Average Effectuation Time	High School or GED Sample Size	High School or GED Average Effectuation Time	Some College Sample Size	Some College Average Effectuation Time	4 Years or More of College Sample Size	4 Years or More of College Average Effectuation Time
2014	407	51	748	38	238	23	51	28
2015	478	45	965	49	357	30	82	50
2016	436	59	932	61	393	52	71	66
2017	453	88	918	64	356	78	87	90
2018	433	112	890	75	351	103	73	106
2019	656	109	1,270	91	415	113	92	82
2020	1,041	140	1,833	107	655	106	207	101
2021	1,103	105	1,920	107	597	137	167	114
2022	712	157	1,332	146	434	154	118	106
2023 YTD	131	198	231	157	96	259	25	122

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.

Notes: YTD = Year to date (April 20, 2023). Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title. Excludes 2,463 claims (2.9 percent) missing decision date and 427 claims (0.5 percent) missing educational attainment.

Table 15 shows the sample sizes for the time between decision and NOA by title and year, corresponding to Chart 5 in the paper.

Table 15. Sample Sizes by Year and Title

Year	DI	SSI	Total
2014	5,290	1,501	6,791
2015	6,293	1,898	8,191
2016	6,041	1,842	7,883
2017	5,576	1,811	7,387
2018	4,901	1,752	6,653
2019	5,221	2,443	7,664
2020	7,832	3,742	11,574
2021	9,487	3,787	13,274
2022	8,629	2,597	11,226
2023 YTD	1,696	481	2,177

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.

Notes: NOA = Notice of award, YTD = Year to date (April 20, 2023). Cases are counted in the year in which the fee payment was received. Only includes cases with one payment for each title. Excludes 2,504 claims (2.9 percent) missing decision date or NOA date.

Table 16 is similar to Table 6 in the body of the paper, but the percentages in the columns with titles and award levels sum to 100 across columns rather than rows.

Table 16. Effectuation Time Percentiles by Title and Award Level

Percentile	Effectuation time (days)	Number	Percent of All Claims	DI only	SSI only	Concurrent	Initial	Recon	ALJ
10th	-4 or less	9,296	11.2	12.9	9.8	8.1	16.1	17.2	1.0
20th-30th	-3	17,656	21.3	28.2	3.2	14.6	32.9	29.3	0.3
40th	-2 to -1	6,194	7.5	9.4	2.7	5.5	11.0	11.6	0.3
50th	0 to 5	8,890	10.7	12.7	4.7	9.3	11.0	11.9	9.8
60th	6 to 13	8,339	10.1	10.8	6.6	10.1	3.5	3.8	22.8
70th	14 to 27	7,761	9.4	6.9	13.4	13.1	4.6	4.8	18.7
80th	28 to 54	8,236	9.9	5.7	17.1	16.1	5.7	6.1	18.2
90th	55 to 144	8,259	10.0	5.6	20.1	15.0	7.7	8.3	14.1
100th	Over 144	8,230	9.9	8.0	22.4	8.1	7.5	7.1	14.9

Source: Linda Cosme, Vice-President, Disability Policy and Strategy, Citizens Disability, Waltham, MA.

Appendix 4: SSA Effectuation Report to Congress



SOCIAL SECURITY The Commissioner

October 25, 2022

The Honorable Rosa L. DeLauro
Chair, Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Committee Chair DeLauro:

This letter transmits our disability determinations report as requested in the joint explanatory statement accompanying the Consolidated Appropriations Act, 2022 (Public Law 117-103).

I am sending a similar letter to the Senate Committee on Appropriations and the Senate Appropriations Subcommittees on Labor, Health and Human Services, Education, and Related Agencies.

If you have any questions, please have your staff contact Chad Poist, our Associate Commissioner for Budget, at (410) 594-2374.

Sincerely,

Kilolo Kijakazi, Ph.D., M.S.W.
Acting Commissioner

Enclosure

cc: The Honorable Kay Granger
The Honorable Tom Cole



Disability Determinations

Issue

Per the joint explanatory statement accompanying the Consolidated Appropriations Act, 2022 (Public Law 117-103), the Committee on Appropriations is concerned about the time it takes us to effectuate favorable Supplemental Security Income (SSI) and/or Social Security Disability (SSDI) determinations and directs us to submit a report to the Committee within 180 days of enactment of the Act, on our procedures for paying past-due and ongoing benefits after a claimant has been found disabled. As part of the request, the report should include the average number of calendar days from the date of the favorable decision to the date of the first monthly payment, and the average number days from favorable decision until retroactive benefits are paid (the first installment, for SSI payable in installments) for SSI, SSDI, and concurrent claims for each of the past five years plus the current year to date. The report should also discuss trends in effectuation time with respect to monthly benefits and past due benefits for claims awarded upon initial application and at other stages of appeal, the number of claimants who died between award and effectuation each year, and any performance goals or initiatives SSA has regarding effectuating favorable decisions with respect to monthly benefits and past due benefits.

Organizational Structure and the Disability Process

We have nearly 56,000 Federal employees and 15,000 State employees serving the public from a network of more than 1,500 offices across the country. Our field offices (FO) process benefit claims, appeals, and post-entitlement events. The State disability determination services (DDS) make disability determinations for initial claims, reconsiderations, and continuing disability reviews. Administrative law judges (ALJ) in our hearing offices and administrative appeal judges in our Appeals Council decide appealed cases. Our processing centers (PC) handle the most complex benefit payment decisions, in addition to issuing benefit payments after appeals decisions.

Our network of offices provides impartiality across the disability process, but also highlights the complexity. For example, applicants can file a claim online, over the phone, or in an FO. Our FO staff ensures proper documentation and evaluates non-medical eligibility factors, then transmits to the DDS for a medical determination. If the DDS issues a favorable determination, the claim then goes back to the FO for effectuation. In some cases where there are complex issues, such as payment offsets due to workers' compensation or other benefits, or systems limitations that require manual processing, the PC will effectuate the claim. Among other types of quality reviews, our Office of Quality Review may also conduct a pre-effectuation review (PER) of the DDS determination. We conduct these PERs to meet statutory requirements of the

Act, which require us to review at least 50 percent of favorable initial and reconsideration determinations on a pre-effectuation basis.

If the DDS issues an unfavorable determination, the applicant typically has 60 days to file a request for reconsideration. During a reconsideration, a different DDS disability examiner (DE) than the DE who made the initial decision conducts a thorough reexamination of all evidence on the record. If the DDS denies the reconsideration, the applicant may file a request for a hearing by an ALJ. If the ALJ issues a favorable decision, the PC will calculate offsets, pay attorney fees, and initiate benefit payments. If the ALJ denies the claim, the applicant can appeal to the Appeals Council for a review and decision. If the Appeals Council denies the claim, the applicant may take advantage of their due process rights by appealing to the Federal Courts.

We have specific performance indicators and milestones to monitor our progress. Our average processing times for our initial disability claims and appeals workloads depend in part on adequate processing capacity (i.e., staff available to process at each step) and the ability to obtain timely medical evidence.

Initial Disability Claims and Medical Reconsiderations

We track our timeliness for processing initial disability claims and reconsiderations and collect data to determine our progress towards meeting these goals. By the end of fiscal year (FY) 2022, we were on track to meet our target average processing time for initial disability claims is 185 days and 187 days for reconsiderations. These indicators measure the overall processing time from receipt of the application or appeal, through the time it takes us to process ongoing payments. Note, the beneficiary's actual receipt of monthly payment depends on the date of payment processing and is not considered part of this measure.

From October 2021 through July 2022, from the time the DDS transmits the determination back to the FO, it takes us approximately 18 days to process an initial disability allowance and 26 days to process a reconsideration reversal. Final FY 2022 performance metrics will be available by November 2022.

Additionally, we acknowledge that it is challenging for individuals to wait half a year on average to receive a disability decision. We have made it a priority, through our FYs 2022–2023 Agency Priority Goal specifically focusing on improving initial disability claims processing. We expect to improve the customer experience by reducing the average processing time for initial disability claims and prioritizing those individuals who have waited the longest for an initial disability determination.

The charts below contain the average number of days to effectuate initial disability claims allowances and reconsideration reversals after the disability determination for FYs 2019 through July 2022.

Fiscal Year	Average Number of Days to Process Initial Disability Allowances*
FY 2019	13.9
FY 2020	13.5
FY 2021	15.6
FY 2022 through July	18.0

*Time represents the number of calendar days it takes the FO to process a favorable decision to effectuation of monthly benefit payments upon receiving the determination from the DDS. The actual receipt of monthly payment, by the beneficiary, depends on the date of payment processing and is not considered part of this measure.

Fiscal Year	Average Number of Days to Process Reconsideration Reversals*
FY 2019	22.4
FY 2020	21.1
FY 2021	23.1
FY 2022 through July	25.9

*Time is measured from the date of the medical determination until the date the appeal has been effectuated and signifies the average number of calendar days from date of the favorable decision to effectuation of monthly benefit payment. The actual receipt of the monthly payment depends on the date of payment processing and is not considered part of this measure.

Administrative Law Judge Hearing Decisions

We also track our timeliness with processing ALJ decisions. Our goal that we consistently meet each year is processing about 95 percent of all ALJ awards within 60 days of decision, meaning we issue a notice of award and place the beneficiary into current pay status on our records. We prioritize processing awards as quickly as possible to ensure our beneficiaries receive benefits for which they are eligible. There are times when a claimant files for benefits and requests an appointed representative. A fee agreement may be in place between claimants and their representatives and both parties expect timely and accurate payments following a favorable decision. We continue to look for ways to improve in this area. Through July 2022, we have processed approximately 98 percent of SSDI and about 95 percent of SSI hearing reversals within 60 days of a decision. In FY 2023, we are prioritizing representative fee actions and retroactive payments of benefits to claimants within our PCs. We are establishing a new measure for the release of representative fees approved within the fee agreement process within 60 days of an ALJ reversal. The chart below provides the percentage of ALJ reversals effectuated within 60 days for FY 2019 through July 2022.

Fiscal Year	Percentage of Title II ALJ Reversals Effectuated within 60 Days
FY 2019	95.8%
FY 2020	97.2%
FY 2021	98.5%
FY 2022 through July	98.2%

Fiscal Year	Percentage of Title XVI ALJ Reversals Effectuated within 60 Days
FY 2019	97.6%
FY 2020	97.5%
FY 2021	96.2%
FY 2022 through July	95.4%

Payment of Retroactive Benefits and Effectuation of Payment before Death

We track payment of retroactive benefits separately from effectuation of ongoing benefit payments in claims for disability. While we closely monitor cases for payment of retroactive

benefits, several variables can delay our ability to pay retroactive benefits to the claimant such as the release of representative fee payments, windfall offset computations,¹ and establishment of dedicated accounts.² For example, if an SSI recipient is due a large retroactive payment, we cannot release the payment all at once if the retroactive payment due is more than three times the Federal Benefit Rate.

Because of the numerous variables involved with a case, we do not track the average processing time for release of retroactive benefits. We do not monitor how many people die between benefit award and payment effectuation.

¹ The windfall offset prevents a person from receiving more benefits retroactively than would have been received if all benefits were paid in the months they were due.

² Representative payees for children under age 18 who are disabled who are eligible for large, past-due SSI payments (usually any payment covering more than 6 months of the current benefit rate) are required to open a separate account at a financial institution, which is referred to as a “dedicated account.”

About the Board

The Social Security Advisory Board is a bipartisan federal agency established in 1994 to advise the President, Congress, and Commissioner of Social Security on matters of policy and administration of the Old-Age, Survivors, and Disability Insurance and Supplemental Security Income programs. The Board has up to seven members, appointed by the President, Senate, and House of Representatives.



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