



## SOCIAL SECURITY

The Commissioner

August 9, 2017

The Honorable Sam Johnson  
Chairman, Subcommittee on Social Security  
Committee on Ways and Means  
House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

This letter transmits our agency's report on reducing the disability backlog of the Office of Disability Adjudication and Review (ODAR) and increasing ODAR's effectiveness as requested in the explanatory statement language that accompanied the Consolidated Appropriations Act, 2017 (Public Law 115-31).

We are sending similar letters to Senators Cochran, Leahy, Blunt, Murray, Hatch, and Wyden and Representatives Frelinghuysen, Lowey, Cole, DeLauro, Brady, Neal, and Larson.

I hope the enclosed report is helpful. If you have questions or need additional information, please call me or have your staff call Mr. Royce Min, Acting Deputy Commissioner for Legislation and Congressional Affairs, at (202) 358-6030.

Sincerely,

Nancy A. Berryhill  
Acting Commissioner

Enclosure

# 2017 Updated Compassionate And REsponsive Service (CARES) and Anomaly Plan

## Executive Summary

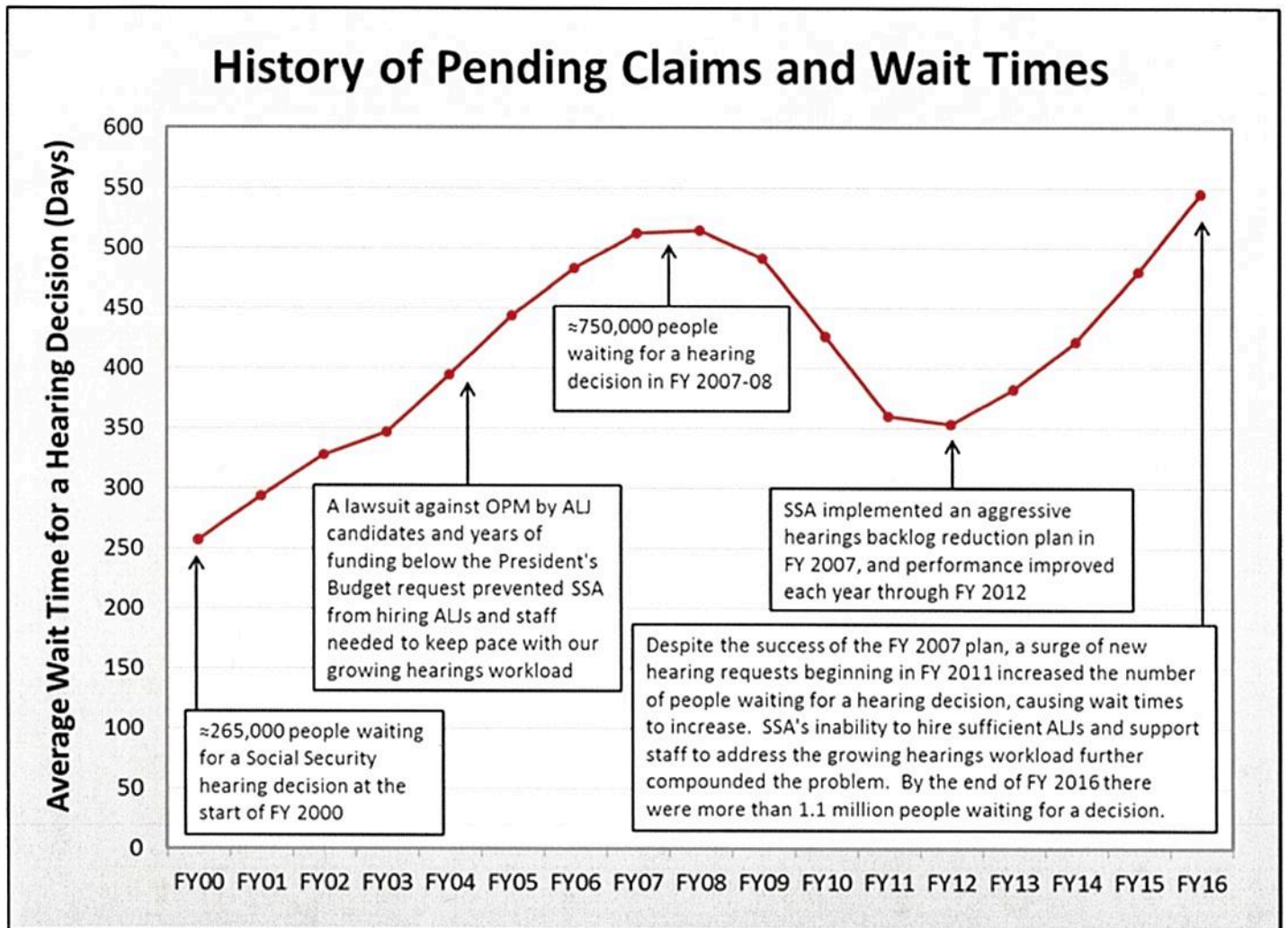
SSA strives to reach our goal of a reasonable level of hearings cases pending and reduced wait times by implementing improvements to the hearings business process, modernizing our IT infrastructure, issuing important policy changes, and rallying our workforce to improve our ability to serve the public. Through this updated Plan, and with the revised anomaly funding (\$90M), we expect to improve average wait times by two months and to be able to provide 120,000 more people with a hearing decision by FY 2020.

The original CARES Plan issued in January 2016 assumed a certain hiring of Administrative Law Judges (ALJs) – 250 ALJs in each of fiscal years (FY) 2016, 2017 and 2018 along with the corresponding support staff. While we were able to hire 264 ALJs in FY 2016, an agency-wide hiring freeze hindered the hiring of corresponding support staff. At the start of FY 2017, the agency-wide hiring freeze continued and included ALJs followed by an Executive Order initiating a government-wide hiring freeze. While we were able to obtain an exception for hiring staff in the hearings operation, our funding level in FY 2017 did not support hiring at the levels originally assumed in the original 2016 CARES Plan. Our 2017 Updated CARES and Anomaly Plan builds on the tactical initiatives laid out in the 2016 plan. We are also introducing new initiatives in 2017.

Our 2017 Updated CARES and Anomaly Plan remains a living document and will be modified and updated as appropriate.

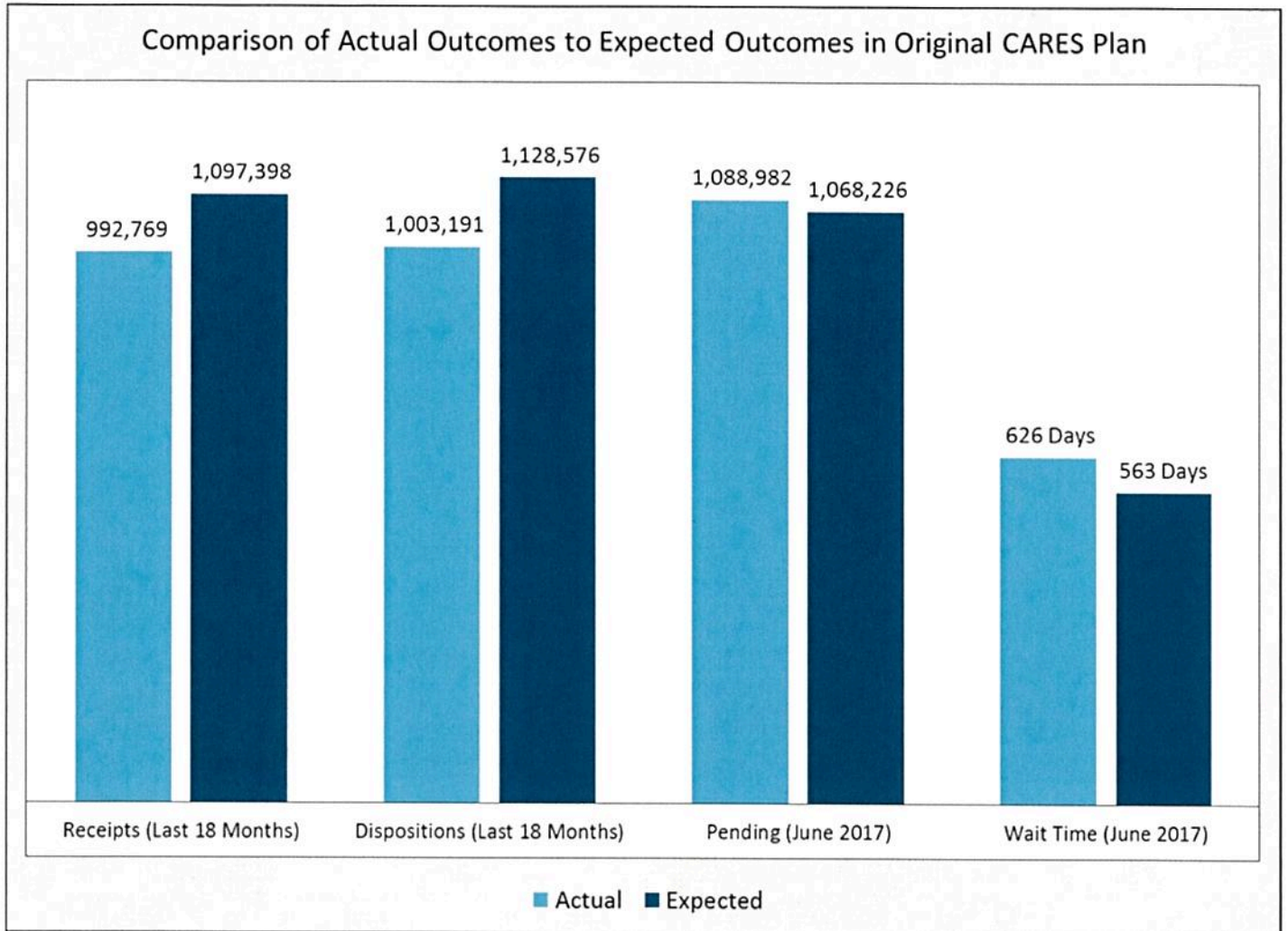
**A History of Hearing Pending Levels and Wait Times**

Over the history of our disability programs, there have been many initiatives to reform or improve the hearings and appeals process. However, several factors have slowed our hearings process.



**Hearings Receipts, Dispositions, Pending, and Wait Time**

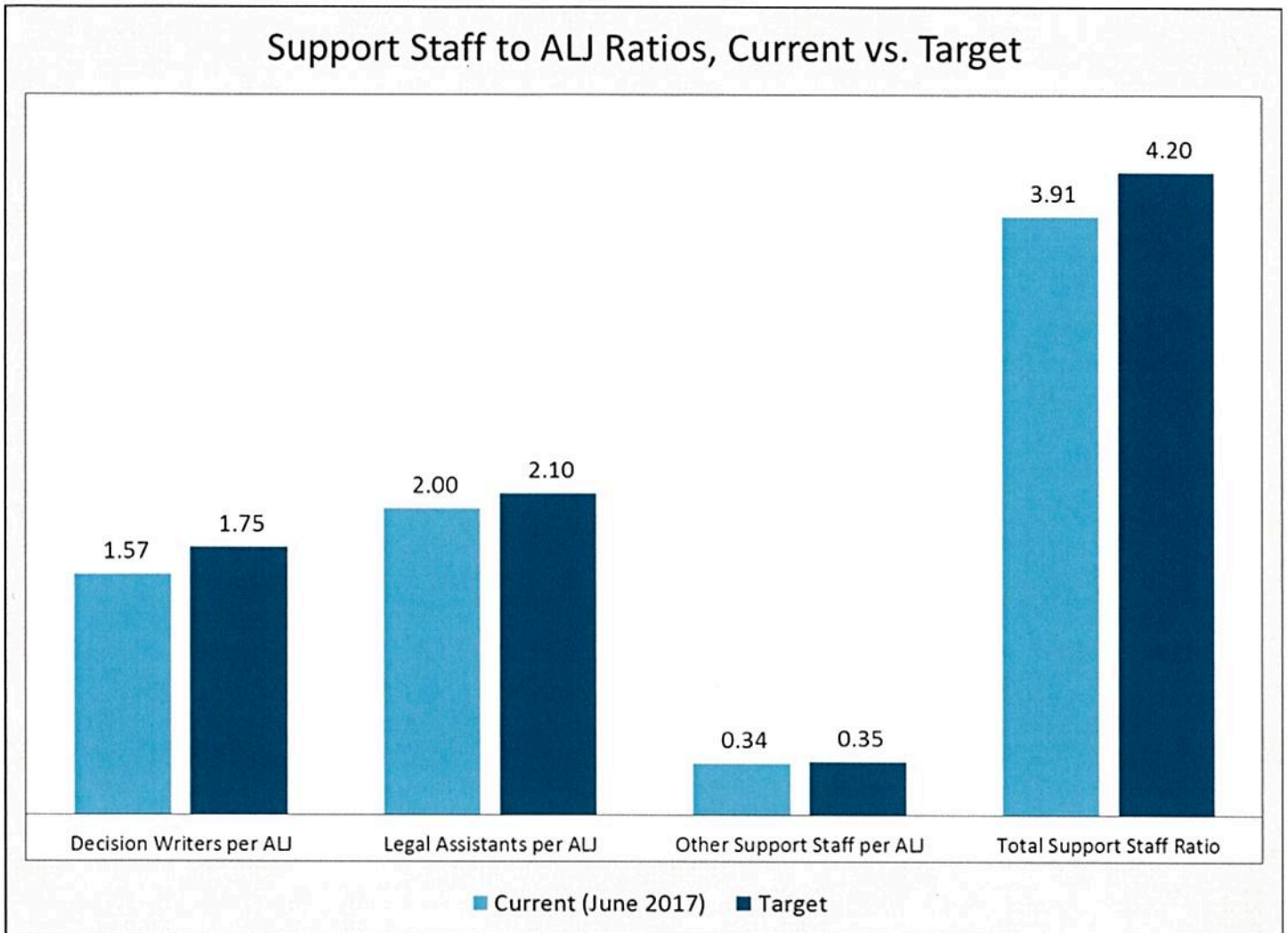
Our progress in reducing the hearings backlog has fallen short of expectations in the 18 months that have elapsed since the release of our FY 2016 CARES Plan. Hearings pending are approximately 20,000 higher than expected as of this time, and wait time is higher by about 2 months. Nonetheless, the total number of hearings pending has decreased slightly during this time, a trend that has accelerated in recent months.



### Workforce Report

Hiring freezes in FY 2016 and early FY 2017 changed our anticipated hiring plans for the CARES Plan. In addition to hiring significantly fewer ALJs in FY 2017 than previously planned, the lack of support staff has slowed the ability to close cases.

As the following chart illustrates, we currently have a shortage of support staff. Our shortage of decision writers resulted in a doubling of the number of ALJ decisions waiting to be written. We consider a reasonable level of decisions waiting to be approximately 25,000-30,000 cases. At the beginning of FY 2017, 35,000 ALJ decisions waited to be written. It has grown to almost 70,000 cases waiting as of June 2017. We are directing other staff to help us bring the pending down and therefore suspended some of the CARES initiatives, explained later in this document.



### The 2017 Updated CARES and Anomaly Plan - Adapting to Changes

At the end of 2016, noting our lack of progress, we immediately began preparing an update to the CARES Plan. In addition to considering new initiatives, the anomaly of \$90 million in the Consolidated Appropriations Act of 2017 was included in our planning.

Our regular funding level provided with the FY 2017 appropriation allows us to maintain our current level of decisional capacity by replacing ALJ and support staff losses with new hires. We dedicated \$70 million of the \$90 million in anomaly funding to increasing decisional capacity, which we are doing by hiring more ALJs and support staff while providing current staff with extra overtime hours to process critical workloads. The additional hiring will also allow us to rededicate staff to many of our most promising initiatives designed to make our business process more efficient. We plan to spend the remaining \$20 million on additional key information technology. We provide more details about each element of our plan throughout this document.

Our multifaceted CARES Plan has evolved from four key drivers to three streamlined drivers:

- Business Process Efficiencies;
- Decisional Capacity; and
- Information Technology Innovations and Investments.

This Plan is a living document and will be modified and updated as appropriate. Through this update, we are presenting the CARES initiatives we are focusing on for FY 2017. The following list of initiatives is not exhaustive – potential new initiatives may be added, and existing initiatives may be modified or removed depending on their success.

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## Section 1: 2017 Updated CARES and Anomaly Plan Initiatives *At a Glance*

### Business Process Efficiencies

- ◆ Proactive Analysis and Triage for Hearings (PATH)
- ◆ Optimized Hearing Office and Case Assistance Center Model (aka Virtual Hallway)
- ◆ Move From Office-Based to National-Based First-In First-Out (FIFO) Model
- ◆ Pre-Hearing Conference (PHC) Expansion
- ◆ Expansion of Non-Disability Pilot to Improve Case Readiness
- ◆ Centralized Vocational and Medical Expert Resources
- ◆ Research and Develop a Strategy for Clustering Work Assignments in the Hearings Operation
- ◆ Voluntary Standby List
- ◆ Shared Scheduling Services
- ◆ Pre-Hearing Case Summaries
- ◆ ODAR's Organizational Culture Focus
- ◆ Hearing Office Oversight Protocol (HOP)
- ◆ Labor/Management Relations Training for ODAR Supervisors
- ◆ Special Review Cadre

### Increase Decisional Capacity

- ◆ Administrative Law Judge (ALJ) Hiring
- ◆ FY 2017 Support Staff Hiring
- ◆ Collaboration with Office of Quality Review (OQR)
- ◆ Outreach and Education to Reduce Postponements
- ◆ AC Remand Reduction Strategy
- ◆ All Hands on Deck Writing Assistance
- ◆ Decision Writer Productivity Index (DWPI)
- ◆ Create Falls Church National Case Assistance Center (NCAC)

### Information Technology Innovations and Investments

- ◆ Modernize ODAR's Case Processing System
- ◆ Duplicate Identifying Software (DeDoop)
- ◆ Expand Video Hearings Capacity
- ◆ iAppeals for the AC
- ◆ Expand Natural Language Processing (NLP) Quality Assurance Tools (Insight)

## Section 2: Full Description of 2017 Updated CARES and Anomaly Plan Initiatives

In this section, we provide brief descriptions of our tactical initiatives and actionable strategies.

### BUSINESS PROCESS EFFICIENCIES

We continue to look for opportunities to make the hearings and appeals process more efficient while ensuring quality decisions. Part of our strategy for moving forward includes frequent benchmarking with other agencies to both share information about our strategies and learn about successful strategies they have used. We are also looking at ways to streamline our processes, eliminate duplication of efforts, and efficiently utilize our limited resources to provide better and faster service to the public.

#### Business Process Efficiencies – At a Glance

- ◆ Proactive Analysis and Triage for Hearings (PATH)
- ◆ Optimized Hearing Office and Case Assistance Center Model (aka Virtual Hallway)
- ◆ Move From Office-Based to National-Based First-In First-Out (FIFO) Model
- ◆ Pre-Hearing Conference (PHC) Expansion
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- ◆ Research and Develop a Strategy for Clustering Work Assignments in the Hearings Operation
- ◆ Shared Scheduling Services
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- ◆ Special Review Cadre

Through pre-hearing triage initiatives, we aim to increase overall hearings adjudication and disposition capacity through new and innovative techniques. For example, the Proactive Analysis and Triage for Hearings (PATH) initiative combines data analytics efforts from SmartMands and National Adjudication Team (NAT) initiatives (both introduced in the 2016 CARES Plan) and incorporates the robust use of naïve Bayes classification. We use the PATH model to select cases from ODAR's backlog that have the highest likelihood for allowance, on-the-record (OTR), by non-ALJ adjudicators in ODAR's NAT and DCO's Disability Processing Branches/Units (DPB/DPU).

The National-Based First-In First-Out (FIFO) initiative uses the method of FIFO workload assignment by sharing resources across the country and matching up resource availability to prioritize cases that have been waiting the longest. Through this initiative, we will pool available resources to help balance workloads and accommodate staffing shortages across offices.

#### Business Process Efficiencies – Details

- **Proactive Analysis and Triage for Hearings (PATH)** – PATH is a new initiative introduced in FY 2017. However, this initiative builds upon successful screening and data analytic tools developed for the SmartMands and National Adjudication Team (NAT) initiatives from the 2016 CARES Plan. PATH also incorporates the robust use of naïve Bayes classification that will identify cases likely for allowance prior to hearing assignment. Through this initiative, we will assign appropriate staff to review and process cases



identified through our screening methodologies. We plan to continue developing the PATH methodology in an effort to use this robust analysis at all levels of disability processing. Through PATH, we expect an increase in non-ALJ adjudications (reversals, on-the-record decisions), which will create a significant savings and opening a hearing slot for another case where a hearing is necessary. Our early projections for PATH modeling efforts in March 2017 suggested that approximately 3 percent (about 22,000) of unassigned cases pending at the hearing level could be identified by this model to be appropriately reviewed for a fully favorable decision without a hearing. We continue to monitor the percent of cases that are selected through the PATH model to validate our expected outcomes and will continue to update and improve our triage models as we learn from and incorporate the results of our efforts.

- **Optimized Hearing Office and Case Assistance Center Model (aka Virtual Hallway)** – In FY 2016, we paired National Case Assistance Centers (NCACs) and Regional Case Assistance Centers (RCACs) with a smaller universe of hearing offices and National Hearing Centers (NHCs) to build teams in a “Virtual Hallway.” In FY 2017, we are piloting the use of collaborative technologies (e.g., Skype videoconferencing, softphone) to improve support staff efficiency and information sharing between offices. We expect to speed delivery of decisions and reduce handoffs between workload assistance centers and hearing offices.
- **Move from Office- Based to National-Based First-In First-Out (FIFO) Model** – This is a new initiative in FY 2017 that enhances the method of FIFO workload assignment by sharing resources across the country and matching up resource availability. This assists in prioritizing cases that have been waiting the longest. We will begin testing in the Seattle Region with the first stage of our process, when the hearing office first gets the case. We expect to see a balance in wait times and reduce bottlenecks in key parts of case processing (e.g., case intake, workup).
- **Pre-Hearing Conference (PHC) Expansion** – We introduced this initiative with our original CARES Plan. As of December 31, 2016, over 30 participating offices conducted over 6,000 PHCs since May 2015. Data showed PHC participants had completed their hearing without postponement or rescheduling 56 percent of the time compared to 28 percent for those who did not participate in a PHC. Due to competing priorities, we paused this initiative in December 2016 to allow offices to focus on decision writing. With support from special anomaly funding, we will resume the PHC program on a limited basis in FY 2017, eventually normalizing the practice of PHCs for unrepresented claimants nationwide. Overall, we should see an increase the number of successful first time hearings a reduction in postponed hearings that needlessly take up hearing slots.
- **Expansion of Non-Disability Pilot to Improve Case Readiness** – This CARES initiative is new for FY 2017 and builds off a successful pilot that began in FY 2015 in the Denver Region and Atlanta Region. We will collaborate between hearing offices and field offices to ensure hearing offices receive properly developed non-disability claims for action. Compared to previous efforts with temporary assistance from the Office of Quality Review (OQR), this initiative will provide a long-term and stable solution for non-disability case development. We expect to see improved case preparation and processing for non-disability claims at the hearing level. Additionally, we will encourage collaboration and communication to provide a better product that aligns with current policy and procedures for developing non-disability cases.
- **Centralized Vocational and Medical Expert Resources** – This CARES initiative is new for FY 2017. We are creating national cadres of medical and vocational experts (MEs and VEs) to facilitate scheduling via video or teleconference and provide on-call services for hearings where the scheduled ME or VE is unable to attend on short notice. We expect to see an increase in administrative efficiencies by providing the hearings operations greater flexibility to schedule hearings reducing the number of postponements due to medical or vocational expert unavailability.
- **Voluntary Standby List** – This CARES initiative is new for FY 2017 and may be supported by special anomaly funding for systems support to develop new notices. We will create the opportunity for claimants

to have their hearings sooner by filling empty hearing slots on short notice. Participation will be voluntary, and participants must sign a waiver of advanced hearing notice should a spot become available. We expect to increase flexibilities with scheduling hearings by filling every available hearing timeslot.

- **Research and Develop a Strategy for Clustering Work Assignments in the Hearings Operation –** This CARES initiative is new for FY 2017. We will optimize how cases are assigned to decision writers and other support staff at the hearings level by assigning cases with like characteristics and/or assigning cases based on projected case complexity. We have realized successes in this model at the Appeals Council level, and we expect to increase decisions written while decreasing average wait times.
- **Shared Scheduling Services –** This initiative was new in FY 2016, and we previously referred to this project as 'Case Processing Unification.' We are developing a centralized model for scheduling by pooling support staff resources from hearing offices in close geographic proximity. As of December 31, 2016, the pilot was being conducted in the Phoenix/Phoenix North service area and the Creve Coeur/Columbia/St. Louis service area. Both areas experienced efficiencies that reduced the number of staff needed overall for scheduling. Through this initiative, we expect to fully leverage hearings capacity in participating offices, increase efficiencies in use of staff time, and increase dispositions by maximizing hearing room space between offices.
- **Pre-Hearing Case Summaries –** This initiative incorporates aspects of the 1,000 Plus Page Case Review and National Adjudication Team (NAT) from the original CARES Plan. In FY 2016, we piloted the 1,000 Plus Page Case Review initiative in 23 offices where decision writers conducted a pre-hearing review of cases with large medical files, summarized the information, and provided an analysis for the ALJ. NAT attorneys conducted case reviews and prepared on-the-record decisions where appropriate. For cases the NAT could not adjudicate, they provided a pre-hearing summary of the evidence and case issues for use by the ALJ. As of December 2016, these initiatives were temporarily suspended to allow offices to focus on decision writing. When we reinstate pre-hearing cases summaries, we expect to improve efficiencies for ALJ case preparation and review. Increasing the ability for NAT attorneys to prepare on-the-record decisions will also give ALJs additional time for ALJ to perform tasks only ALJs can do, e.g., hold hearings and decide cases.
- **Office of Disability Adjudication and Review (ODAR) Organizational Culture Focus –** This is a new CARES initiative for FY 2017 in which we will review the organizational culture in the hearings and appeals operation. We will engage ODAR leadership in strengthening and promoting a service oriented, accountable, and responsible organizational culture. We began FY 2017 with a special message on organizational culture from ODAR senior leadership, developed a video-on-demand conversation about organizational culture, and invited employee input from across ODAR. As a result, we created an organizational principles and values statement for the hearings and appeals operation that serves as the foundation for us to meet our mission. We will continue throughout the fiscal year with targeted training and outreach. We expect to reinforce a service oriented organizational culture and hold leadership and management accountable for fostering positive organizational culture.
- **Hearing Office Oversight Protocol (HOP) –** This is a new CARES initiative for 2017. We will review hearing office organizational health across the hearings operation and provide assistance to struggling offices. We expect to ensure adherence to proper management and administrative policies, yielding improvements in our hearing offices.
- **Labor/Management Relations Training for ODAR Supervisors –** This is a new CARES initiative for FY 2017. We will develop and conduct labor/management relations training for all ODAR supervisors. We expect to ensure ODAR supervisors are familiar with union contracts and various labor management protocols through this initiative.

- **Special Review Cadre** – This is a new CARES initiative for FY 2017 that introduces a special hearing unit for fraud/redetermination cases. We will create a new cadre of ALJs to focus on fraud and/or redetermination cases. Through this initiative, we expect to increase efficiencies in processing of fraud and/or redetermination cases.

## INCREASE DECISIONAL CAPACITY

We continue to advance our efforts to increase our decisional capacity through hiring strategies while at the same time maximizing current staffing levels in order to address our wait times and backlog. In addition to ensuring the appropriate number of adjudicators, we intend to augment the size of our decision writing corps and other support staff to address and prevent bottlenecks in pre-hearing case preparation duties and decision writing. In addition, we are looking at ways to streamline the decision writing process, as well as strategies to increase productivity.

### Increase Decisional Capacity – At a Glance

- ◆ Administrative Law Judge (ALJ) Hiring
- ◆ FY 2017 Support Staff Hiring
- ◆ Collaboration with the Office of Quality Review (OQR)
- ◆ Outreach and Education to Reduce Postponements
- ◆ AC Remand Reduction Strategy
- ◆ Create Falls Church National Case Assistance Center (NCAC)
- ◆ All Hands on Deck Writing Assistance
- ◆ Decision Writer Productivity Index (DWPI)

We have hired almost 500 new ALJs since FY 2015 and now have more than 1,600 on duty. Increasing our decisional capacity to this level has allowed us to reduce the hearings pending each month for the last six months – the first sustained decrease since FY 2010. To reduce the backlog significantly, we will need to increase our decisional capacity even further. We hired 31 ALJs this year and are already in the process of hiring 100 ALJs more this year. We currently project a need for an additional 300 by the end of FY 2019 to meet our backlog reduction goals.

We will also need to hire support staff employees to ensure that we can both prepare cases for hearing and draft ALJ decisions in a thorough and timely manner. We are currently in the process of hiring hundreds of support staff for our hearings operation, including legal assistants and decision writers, so we can adequately support our ALJs and resume several CARES initiatives that we have paused. Our goal is to increase our support staff ratio, currently at about 3.9 staff per ALJ, to 4.0 by the end of FY 2017 and 4.2 by FY 2018. This is lower than our traditional target of 4.5 staff per ALJ, which we maintained as recently as FY 2015. By making our operation more efficient through improved business processes and better technology, we believe we can operate at this lower level while maintaining a high level of customer service and reducing the hearings backlog. In the meantime, we are also using staff from our appeals operation and other parts of the agency to assist with the hearings workload in an effort to make the best use of available agency resources.

### Increase Decisional Capacity – Details

- **Administrative Law Judge (ALJ) Hiring** – Our funding allocation as well as a portion of the special anomaly funding will allow us to increase our ALJ staff in FY 2017. We hired 30 ALJs by April 28, 2017 and plan to hire a total of 130 ALJs for FY 2017. Once our FY 2017 ALJs become fully productive, we expect this group to produce approximately 55,000 dispositions annually.

- **FY 2017 Support Staff Hiring** – Through our FY 2017 funding allocation and a portion of the special anomaly funding, we will hire additional critical support staff to schedule hearings, organize and complete files, and draft ALJ decisions. We plan to hire about 370 decision writers for FY 2017. Once our FY 2017 decision writers become fully productive, we expect them to produce 80,000 decisions annually.
- **Collaboration With Office of Quality Review (OQR)** – We began this effort in March 2016 with OQR staff writing dismissals, providing outreach to unrepresented claimants, and preparing analysis of aged cases and non-disability cases. In FY 2016 OQR staff:
  - Wrote 1,865 dismissals;
  - Completed outreach to 8,166 unrepresented claimants;
  - Reviewed and provided analysis for 3,372 non-disability cases; and,
  - Reviewed and provided analysis for 3,039 aged cases.Efforts continued in October 2016 with a focus on support for aged case reviews. OQR also began providing support with quality review of PATH cases in March 2017. This initiative has been able to continue in FY 2017 due to support for overtime to OQR through the special anomaly funding. Through this initiative, we expect to improve case analysis for aged cases to support a faster decision by the ALJ.
- **Outreach and Education to Reduce Postponements** – This CARES initiative is new for FY 2017. We will review data and address the most common occurrences of postponed hearings when claimants or representatives are unavailable by improving external communication and internal training. Through this initiative, we expect to decrease postponements, leading to increase in hearings held and increase in dispositions.
- **Appeals Council (AC) Remand Reduction Strategy** – This CARES initiative is new for FY 2017 and is revised from the 2016 Adjudication Augmentation Strategy. Through this initiative, we will use AC to complete actions and issue final decisions on cases that generally would have been remanded back to the ALJ. We began ramping up AC final decisions in June 2017. We expect to increase the number of decisions issued by the AC compared to FY 2016, leading to increase in capacity for hearing offices.
- **Create Falls Church National Case Assistance Center (NCAC)** – This CARES initiative is new for FY 2017. We established a new NCAC in Falls Church, Virginia by reassigning 48 full time employees from the Office of Appellate Operations to the Office of the Chief ALJ for hearing-level decision writing. We expect to yield an increase in decisions written, leading to overall increase in dispositions.
- **All Hands on Deck Writing Assistance** – This CARES initiative is new for FY 2017. We will use SSA headquarters, regional, management, and quality review staff with decision writing experience to assist temporarily with the writing backlog. Through this initiative, we expect to increase decisions written, leading to overall increase in dispositions.
- **Decision Writer Productivity Index (DWPI)** – This initiative was developed after the release of the original CARES Plan in FY 2016. DWPI will allow us to use a more accurate numerical performance measurement tool to identify decision writers not meeting current performance standards in the hearings operation. In FY 2017, we implemented DWPI for decision writers, representing approximately 44 percent of the pool of writers who would be subject to DWPI. We will be expanding the use of DWPI to the remaining decision writers in FY 2018. Through DWPI, we will be able to accurately account for decision writing time in the hearings operation and improve performance management, yielding overall increase in dispositions.

## INFORMATION TECHNOLOGY INNOVATIONS AND INVESTMENTS

We designed our technology investments to provide faster, streamlined, and more efficient IT tools for our employees, external stakeholders, and the public. Specifically, any IT improvements we make must help to remove inefficiencies in our case processing systems, drive policy-compliance and consistency across offices,

and/or provide self-service options that allow us to provide customer choice and redirect staff away from manual workloads. We will measure the success of any IT investment we make in the hearings and appeals process by the extent to which that investment helps to reduce the wait time for our customers and eliminate the number of backlogged cases.

### Information Technology Innovations and Investments – At a Glance

- ◆ Modernize ODAR's Case Processing System
- ◆ Duplicate Identifying Software (DeDoop)
- ◆ Expand Video Hearings Capacity
- ◆ iAppeals for the AC
- ◆ Expand Natural Language Processing (NLP) Quality Assurance Tools (Insight)

Under this category, we are developing a more comprehensive and up-to-date case processing system across ODAR to be integrated into SSA's overall disability system. This will improve communication between SSA operating components to ensure consistent disability case processing at all levels and reduce infrastructure costs and maintenance.

We are also developing and deploying software in pilot phase that uses artificial intelligence and natural language processing (NLP) to automatically scan case files, identify duplicative medical evidence, and suggest those pieces of evidence for removal by the user. This will increase efficiency and quality of support staff and ALJs, resulting in a decrease of average wait time for claimants.

With regard to expanding video hearings capacity, the 2016 CARES Plan included plans for replacing or upgrading old equipment and implemented a schedule to replace or upgrade equipment annually. In FY 2017, we made improvements and acquisitions for video hearing equipment, increasing our capacity to hold video hearings by adding over 200 additional units. We are also partnering with other agencies to use available hearing room space in their sites. We are implementing marketing efforts to promote Representative Video Project (RVP) use, in which claimants can attend video hearings in their representatives' offices using special equipment.

### Information Technology Innovations and Investments – Details

- **Modernize ODAR's Case Processing System** - This CARES initiative is new for FY 2017 that will be supported by the special anomaly funding to develop software. We will develop a more comprehensive and up to date case processing system across ODAR and integrate it into SSA's overall disability system. We expect the new case processing system will improve communication between SSA operating components to ensure consistent disability case processing at all levels. Additionally, operating all disability case processing under one system will reduce infrastructure costs and maintenance. We expect to begin delivering the system through Agile sprints beginning in FY 2018.
- **Duplicate Identifying Software (DeDoop)** - This CARES initiative is new for FY 2017 that will be supported by special anomaly funding. We will develop and pilot software that uses artificial intelligence and NLP to automatically scan case files, identify duplicative medical evidence, and suggest those pieces of evidence for removal by our staff. We will pilot this software in three sites: Mobile, Alabama; Reno, Nevada; and Albany, New York. Upon successful completion of the pilot, we will pursue next steps for broader implementation. We expect to increase efficiency and the quality of support staff and ALJs' work, resulting in decrease of average wait time. We estimate the time savings will correlate to ALJs being able to hear approximately 8,000 more cases annually.

- ***Expand Video Hearings Capacity*** – We will continue to expand capacity and use of video hearings by replacing or upgrading equipment, pairing with other agencies to share resources, marketing to claimants and representatives, and streamlining business processes. In FY 2016, we began replacing or upgrading our oldest generation video units, implemented a schedule to replace or upgrade equipment annually, and established collaboration with Alaska OWL network. In FY 2017, we will identify more partners outside of SSA to share video hearing sites (e.g. VA, CMS). With the support of special anomaly funding, we will continue expansion of Claimant Only Video (COV) sites and mobile Desktop Video Units (DVU) in hearing offices. We will work to incentivize video hearings by improving our marketing and informational materials to ensure our claimants and representatives know there are no disadvantages to a video hearing. With the special anomaly funding, we plan to purchase and install additional video units. Expanding our video capacity allows us to balance workloads and facilitate workload transfers to eliminate service inequity across the country, providing greater access to hearings for claimants.
- ***Expand NLP Quality Assurance Tools (Insight)*** – This initiative is formerly referred to as Proactive Quality and Natural Language Processing in the 2016 CARES Plan. We are testing an inline quality review tool (Insight) that uses NLP to scan a draft decision for language that could result in error. In FY 2017, we will use special anomaly funding to expand Insight into the hearings level from the Appeals Council. We expect to see improvements in inline quality by ensuring legally sufficiency of draft decisions, thus decreasing the number of remanded decisions to the hearings level.
- ***iAppeals for the Appeals Council*** - We will develop an online tool that will allow claimants and representatives to electronically file requests for Appeals Council review and submit other written arguments and evidence for cases pending at the Council. This will allow for consistent use of online services for all SSA applications and appeals, and simplifies the request for review process. We estimate we should see 50 percent online usage for AC iAppeals in the first year (approximately 65,000) once implemented.

## Section 3: Completed CARES Initiatives

### ***Ensuring Program Uniformity at the Hearing and Appeals Council Levels of the Administrative Review Process***

We revised our rules so that more of our procedures at the hearing and Appeals Council levels are consistent nationwide. We anticipate that these nationally consistent procedures will enable us to administer our disability programs more efficiently and better serve the public. The final rule contains revisions affecting (1) the time frame for notifying claimants of a hearing date; (2) the information in our hearing notices; (3) the period when we require claimants to inform us or submit written evidence, written statements, objections to the issues, and subpoena requests; (4) what constitutes the official record; (5) the manner in which the AC considers additional evidence. This rule became effective on January 17, 2017 and mandatory for the agency on May 1, 2017. See [81 FR 90987](#).

### ***Revisions to Rules Regarding the Evaluation of Medical Evidence***

We revised our medical evidence rules in order to make them easier to understand and apply, and allow us to continue to make accurate and consistent disability determinations and decisions. The revisions clarify key terms, revise our rules about acceptable medical sources (AMS), revise how we consider and articulate our consideration of medical opinions and prior administrative medical findings, revise our rules about medical consultants (MC) and psychological consultants (PC), revise our rules about treating sources, and reorganize our evidence regulations for ease of use. These final rules became effective on March 27, 2017 and apply to claims filed on or after this date. See [82 FR 5844](#).

### ***Uploads Without Barcodes***

As of January 2017, registered eFolder users can automatically upload documents into the eFolder without using a barcode. This eliminates the need for support staff to print and mail barcodes to claimants' representatives. As a result, we expect to increase efficiency by allowing support staff to focus on other critical case processing tasks. This also improves our ability to serve the public through online channels.

### ***ME/VE eFolder Access***

Medical experts (ME) and vocational experts (VE) can access case files via online eFolder access. In April 2016, we began registering ME/VE experts for a mySocialSecurity account. In December 2016, we implemented a national release, and by the end of FY 2017, we will cease the practice of burning CD copies of case files for experts. Through this initiative, we eliminate the staff time needed to produce CDs, as well as save the cost of CDs, packing materials, and postage. We estimate a cost savings of over \$4.5 million per year and time savings of 55.37 work years.

### ***Raise ALJ Scheduling Expectations***

In March 2017, we announced an increase in the expected number of hearings scheduled per month per ALJ to 50. We expect this increased expectation will have a positive effect on the hearings backlog, while quality review measures will ensure there is no loss in quality, accuracy, or fairness.

### ***CARES Operational MI Tools***

In an effort to increase efficiencies for ODAR managers, we developed and deployed new reports in DART to help identify cases for quick disposition or pre-hearing triage. This initiative has also been referred to as ODAR CARES - New Report Category in Disability Adjudication Reporting Tools (DART).

### ***Leadership Training***

Led by the Employee Engagement Team (EET), we provided comprehensive leadership training for ODAR management teams, giving them the tools necessary to develop and support engaged productive employees. In FY 2016, the EET developed a curriculum and delivered in-person and virtual training to over 1,000 ODAR managers. Post-training, data from surveys was tracked and analyzed. We will build upon the overwhelmingly positive results to shape future trainings.

***Eliminate CD Burning for Direct Pay Representatives***

Through a Federal Register Notice published in April 2016, we mandated that representatives with direct pay fee agreements access and obtain a claimant's electronic folder through Appointed Representative Services (ARS). The notice was effective in August 2016, and by the end of FY 2017, we expect to cease CD burning for all direct pay representatives, including firms. Through this initiative, we improve administrative efficiency by allowing support staff to focus on critical case processing tasks and ensure that representatives can provide the best possible service to claimants by using the most up-to-date information in the claim(s) folder. We estimate a cost savings of over \$2 million per year (i.e., approximately 20 work years plus supplies).

***Eliminating Paper Folder Exceptions (Maintain the Electronic Folder)***

In an effort to increase case processing efficiency, we reduced the number of paper cases at hearing level by automating exclusions, thus eliminating some of the primary exceptions to maintaining the electronic folder. In FY 2016, we added the ability to electronically process some concurrent claims that previously required paper files. We also expanded functionality so field offices can add any Title XVI claim to the Electronic Disability Collect System, eliminating a significant number of reasons for conversion to a paper folder including stand-alone Title XVI claims and appeals. As a result, we reduced the percentage of paper cases from 2.33 percent (end of FY 2015 total) to 1.15 percent (end of FY 2016 total).

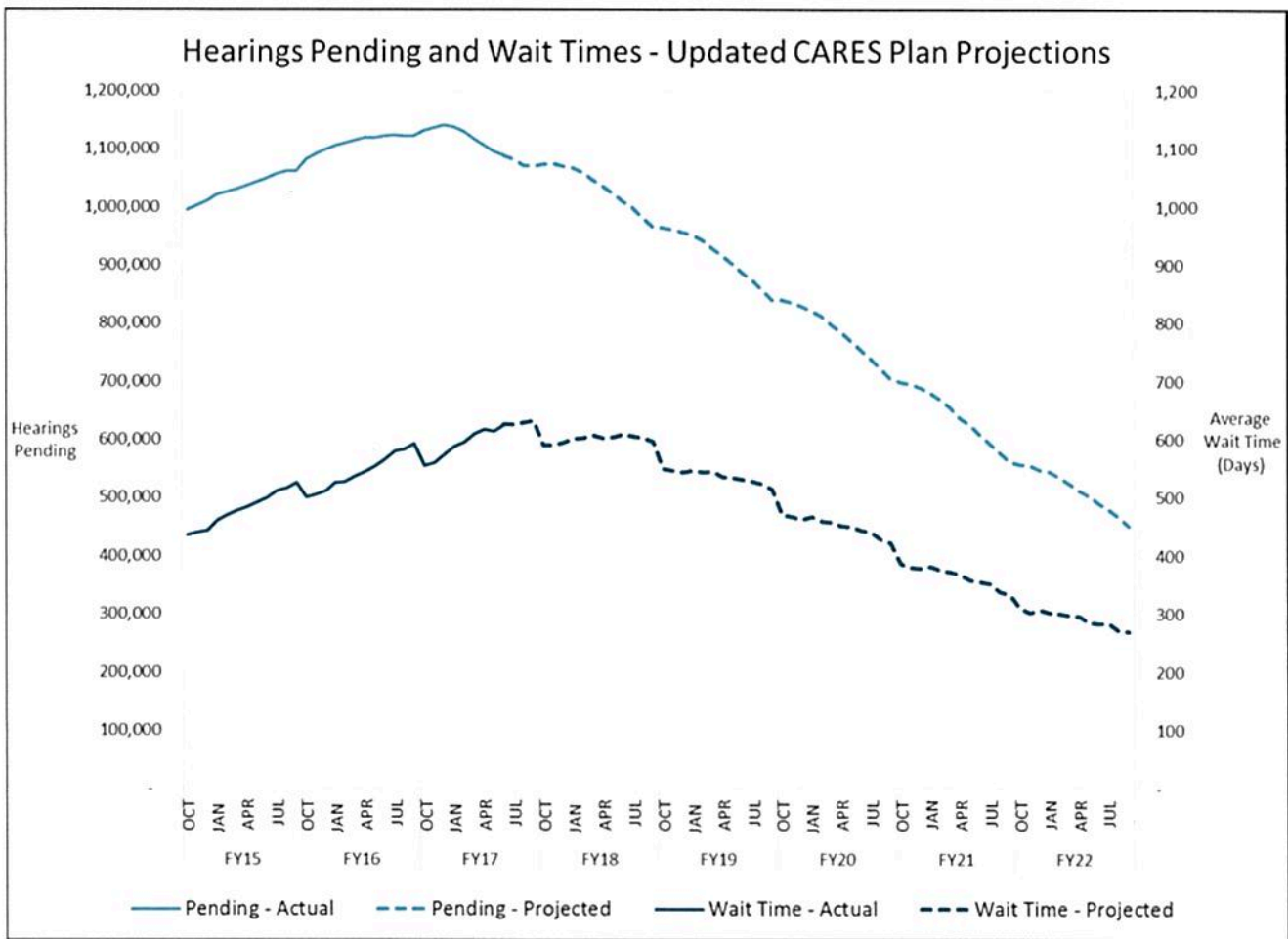
***Employee Development Activities***

Through initiatives deployed in FY 2016, we provided career development opportunities for employees. Specifically, we implemented the Hearing Office Case Analyst (HOCA) Pilot, a 2-year program designed to engage and develop GS-8 support staff while increasing efficiencies in case processing. We also created and implemented the Compass Program, a comprehensive, component wide program designed to provide training and development opportunities for ODAR employees at all grade levels. Through these efforts, we strive to increase meaningful employee engagement and development in order to increase quality, innovation, productivity, and performance.



## Section 4: Definition of Success

Our original projections in the FY 2016 CARES Plan stated that when the national average wait time for a hearing decision falls to 270 days, we would have eliminated the hearings backlog. We originally planned to achieve this goal by the end of FY 2020. However, the success of this plan has always depended on adequate and sustained funding as well as OPM’s ability to provide enough qualified ALJs timely. We continue to update our projections to reflect actual enacted budgets, and, as of the FY 2018 President’s Budget, expected to eliminate the hearings backlog by the end of FY 2022, with cutting our current pending by more than half and claimants waiting for an average of nine months for a decision. However, our future projections continue to change based on factors such as actual appropriations, receipt levels, and legislative changes that are enacted. For example, receiving \$90M in dedicated 2-year funding in our final FY 2017 appropriation instead of the \$150M assumed in the FY 2018 President’s Budget will change our investments in FY 2017 and the eventual CARES outcomes.



We are grateful to the Congress for the continued support as we work to reduce wait times for the public and reduce the number of pending cases.