



Highlights of [GAO-12-511T](#), a testimony to the Subcommittee on Social Security, Committee on Ways and Means, House of Representatives

Why GAO Prepared This Testimony

SSA administers two of the largest disability programs, with annual benefit payments that have grown fivefold over the last 20 years—from \$35 billion in 1990 to over \$164 billion in 2010—and the agency receives millions of new applications annually. GAO has designated federal disability programs as a high-risk area, in part because eligibility criteria have not been updated to reflect medical and technological advances and labor market changes. Given the size and cost of its disability programs, SSA needs updated criteria to appropriately determine who qualifies for benefits.

In this statement, GAO discusses initial observations from its ongoing review and assessment of SSA's efforts to (1) update its medical criteria and (2) develop a new occupational information system. To do this, GAO reviewed prior GAO and SSA Inspector General reports; relevant federal laws and regulations; program documentation including policies, procedures, strategic goals, and supporting project plans; and cost estimates. GAO also interviewed SSA officials, project stakeholders, experts, and representatives from other agencies that administer disability programs. This work is ongoing and GAO has no recommendations at this time. GAO plans to issue its final report later in 2012.

View [GAO-12-511T](#). For more information, contact Daniel Bertoni at (202) 512-7215 or bertonid@gao.gov.

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MODERNIZING SSA DISABILITY PROGRAMS

Preliminary Observations on Updates to Medical and Occupational Criteria

What GAO Found

The Social Security Administration (SSA) has made several changes to improve the process it uses for updating its medical criteria, but continues to face challenges ensuring timely updates. SSA's medical criteria for adults are in the form of listings of medical conditions and impairments organized under 14 body systems, which SSA periodically updates. To help ensure timely, periodic updates of a body system's listings, SSA is moving away from comprehensively revising a body system's listings toward a more targeted approach, wherein SSA selects for revision those impairment listings most in need of change. To date, SSA has completed comprehensive revisions of listings for 8 of the 14 body systems and now is in the process of reviewing them to determine whether and which targeted revisions are appropriate. In 2010, the SSA Commissioner set a 5-year cycle time for updating listings for each body system, replacing the agency's prior practice of setting expiration dates for listings that ranged from 3 to 8 years and then frequently extending them. To further increase the timeliness and accuracy of decisions, SSA has sought recommendations from the Institute of Medicine and has acted on some of them, such as creating a standing committee to provide advice on updating the listings. However, SSA continues to face challenges keeping its listings up to date. For example, SSA is still working on completing comprehensive revisions of listings for six body systems that have been ongoing for 19 to 33 years. SSA staff told us that a lack of staff and expertise, along with the complexity and unpredictability of the regulatory process, have made it challenging to maintain its schedule of periodic updates for all listings.

SSA has embarked on an ambitious plan to produce by 2016 an occupational inventory database to support its disability benefit decisions, but it is too soon to determine if SSA will meet key time frames. SSA currently relies on an occupational information source developed by the Department of Labor that was updated for the last time in 1991 and is viewed by many as outdated. In 2008, SSA initiated a project to develop its own occupational information system (OIS), which SSA expects will provide up-to-date information on the physical and mental demands of work, and in sufficient detail to support its disability benefit decisions. To guide the creation of its OIS, SSA established an advisory panel, collaborated with outside experts and other agencies, and in July 2011 issued a research and development plan detailing all relevant activities and goals between 2010 and 2016. As of February 2012, SSA had completed many initial research efforts, including investigating other types of occupational information systems and identifying job analysis methods. Despite preliminary progress, it is too early to determine if SSA will meet its target implementation date. SSA officials told us that due to staffing shortages it did not meet all initial goals on time and may need to adjust its time frames for future activities. While GAO is still evaluating SSA's schedule and cost estimates against best practices, we have preliminarily identified some potential gaps in SSA's approach, such as not reflecting the costs to both implement and maintain a new OIS.