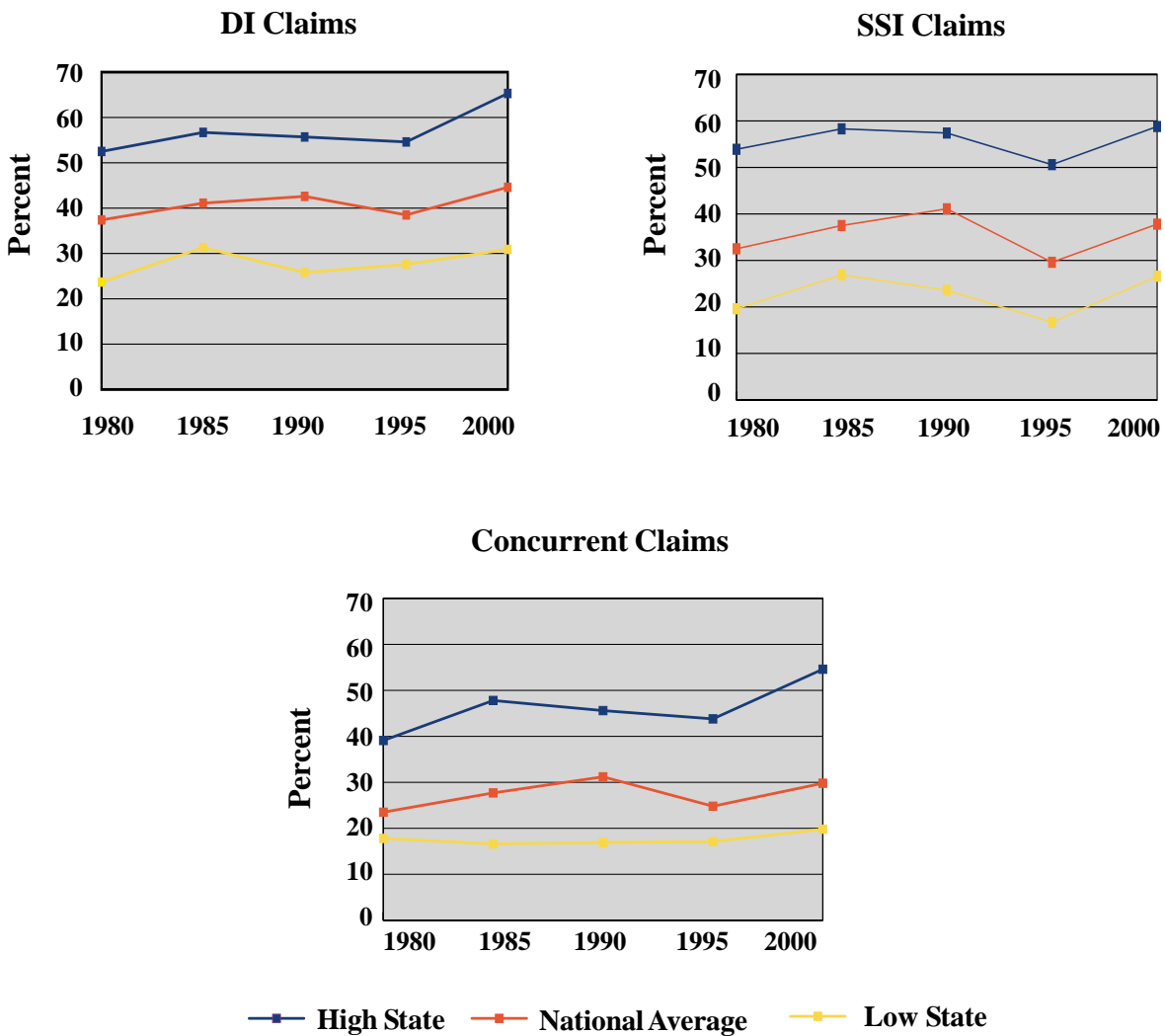


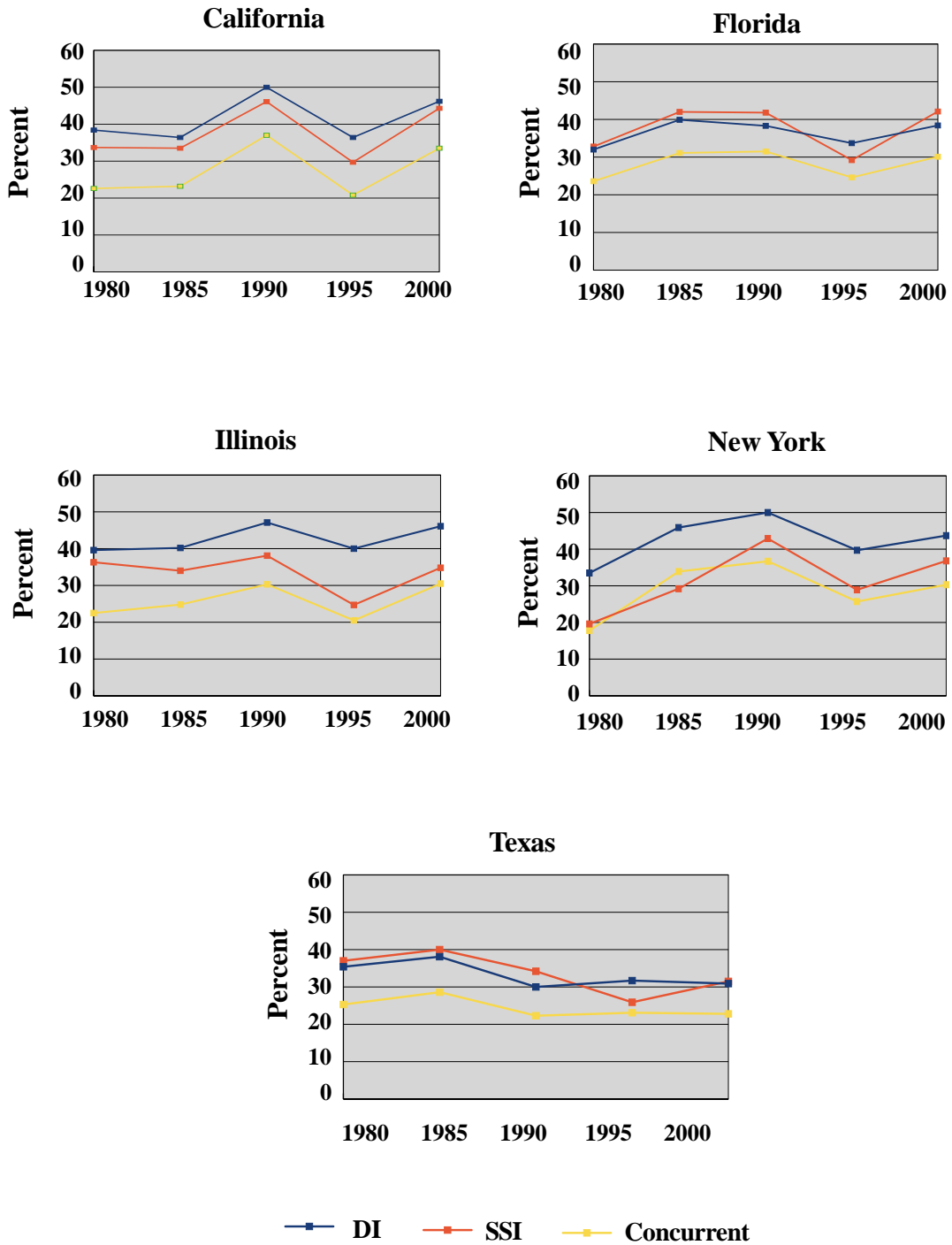
## **VII. Variations in State Agency Decision Making**

**Chart 37. - State Agency Initial Allowance Rates for DI, SSI, and Concurrent Claims**  
**Fiscal Years 1980-2000**



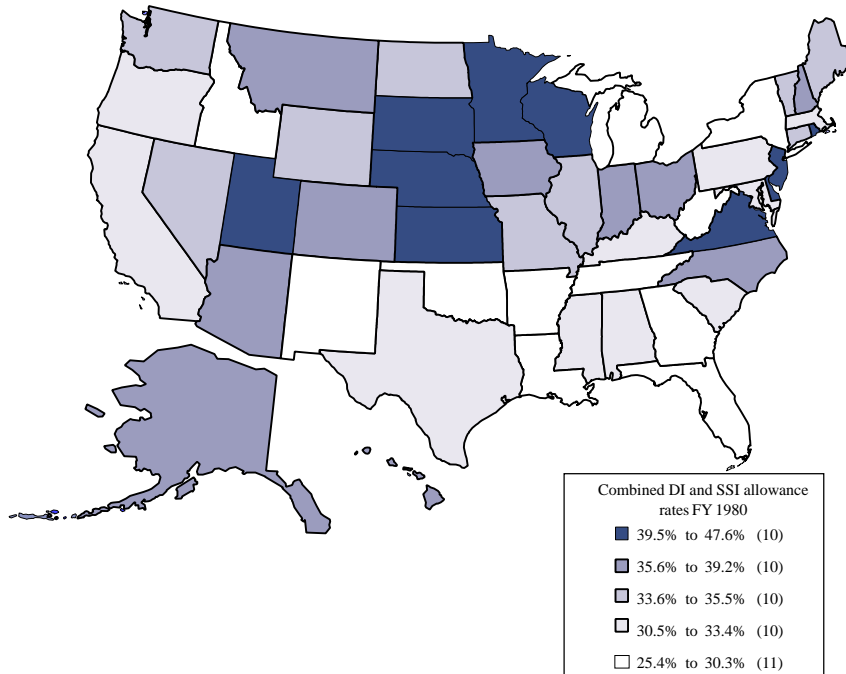
State agency allowance and denial rates vary widely from State to State as well as over time. For example, in 2000 the percentage of cases that was decided favorably for DI applicants ranged from a high of over 65 percent in New Hampshire to a low of 31 percent in Texas. For SSI disability claims in 2000, allowance rates ranged from 59 percent in New Hampshire to 27 percent in West Virginia. And for concurrent DI-SSI claims, allowance rates ranged from about 55 percent in New Hampshire to about 20 percent in West Virginia.

**Chart 38. - State Agency Initial Allowance Rates for DI, SSI, and Concurrent Claims, Five Largest States  
Fiscal Years 1980-2000**

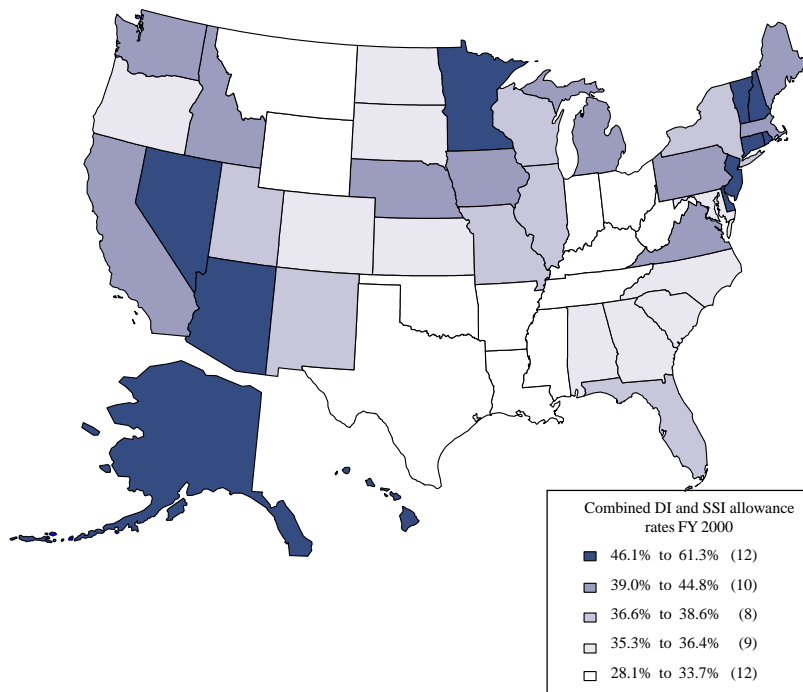


Together, the five most populous States accounted for 36 percent of initial claims processed by State agencies in fiscal year 2000.

**Chart 39. - State Agency Initial Allowance Rates  
for DI and SSI, By State  
Fiscal Year 1980**

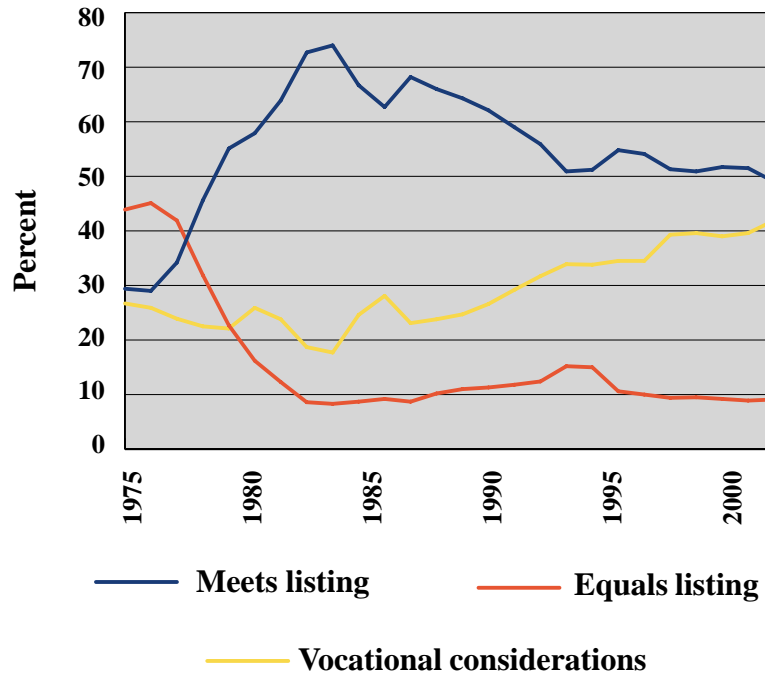


**Fiscal Year 2000**



DDS initial allowance rates have varied from State to State; the rates for individual States have also varied over time. For example, note that Idaho has gone from having one of the lowest rates in 1980 to having a relatively high one in 2000. Montana's rate has gone in the opposite direction.

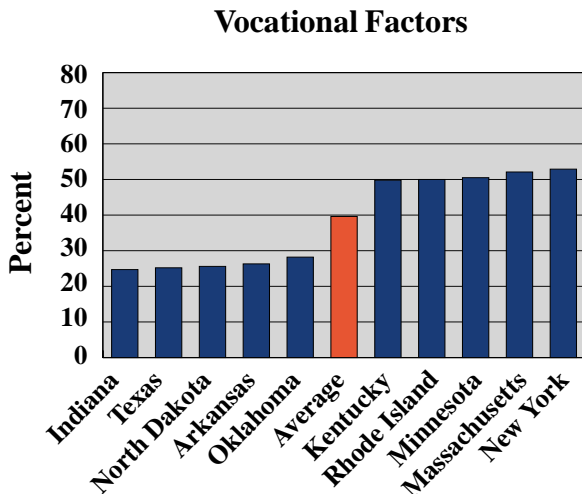
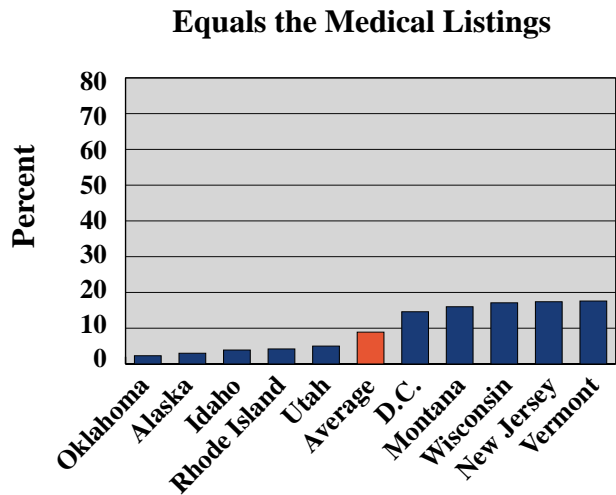
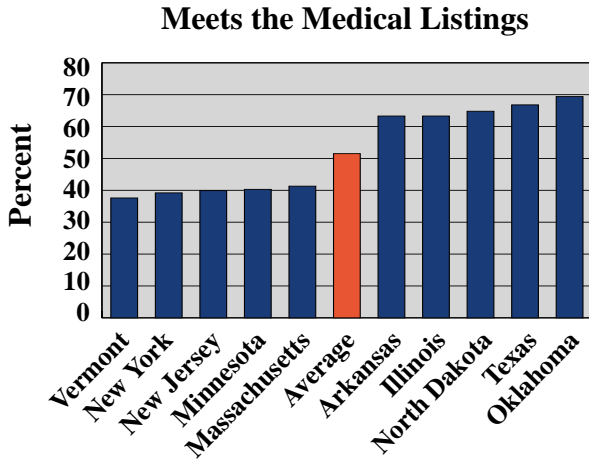
**Chart 40. - State Agency DI Awards  
By Basis for Decision  
Fiscal Years 1975-2000**



Since 1983, the percentage of DI cases awarded on the basis of meeting or equaling the medical listings has declined from 82 percent to 58 percent. The percentage based on vocational (or functional) evaluation has more than doubled, increasing from 18 percent of all awards in 1983 to 42 percent in 2000.

## Chart 41. - State Agency DI Awards By Basis for Decision, Low Five States, High Five States, and National Average\*

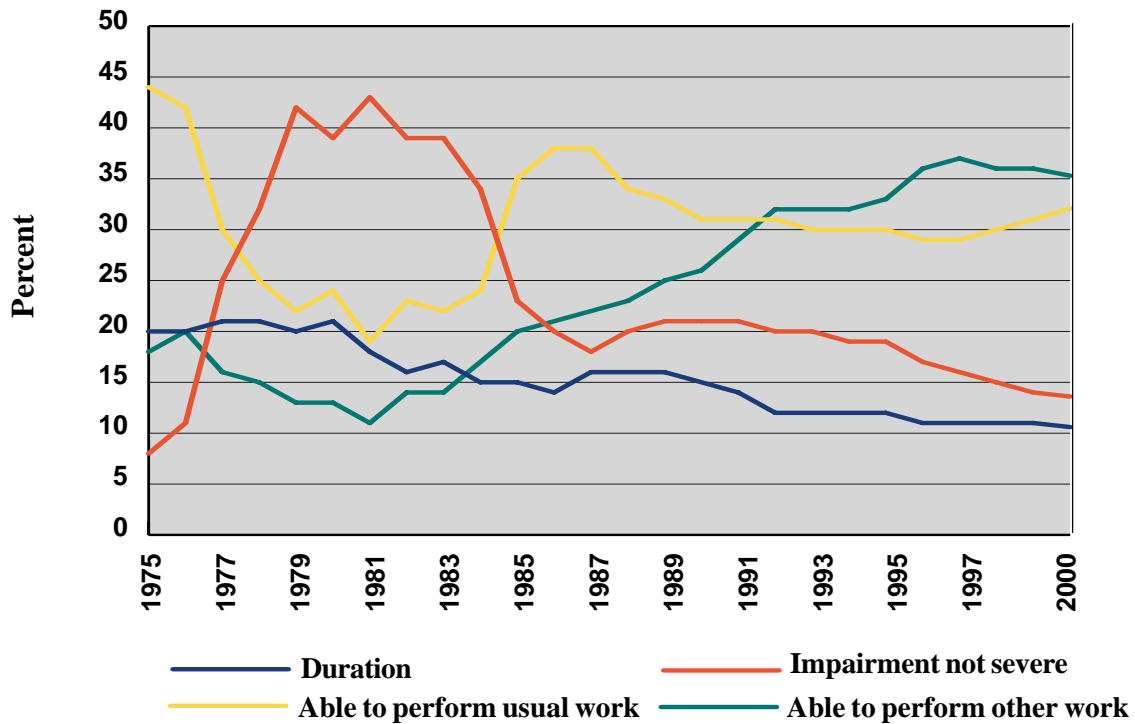
Fiscal Year 1999



These charts show the variance among State agencies in the basis for awarding benefits. For example, in fiscal year 1999, Texas and Oklahoma made 65 to 70 percent of their DI awards on the basis that the claimant met the medical listings, while Massachusetts awarded only about 40 percent of claims on this basis. Kentucky, Rhode Island, Minnesota, Massachusetts and New York made half or more of their decisions on the basis of vocational factors, while Indiana, Texas, North Dakota, Arkansas, and Oklahoma made only 25 to 30 percent of awards on this basis.

\* Includes concurrent claims

**Chart 42. - DI State Agency Denials By Reason**  
Fiscal Years 1975-2000

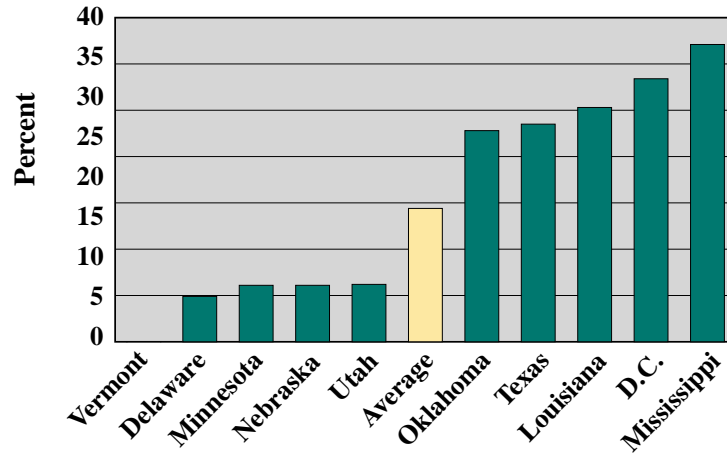


*Note: Initial State agency determinations for DI-only and concurrent claims.*

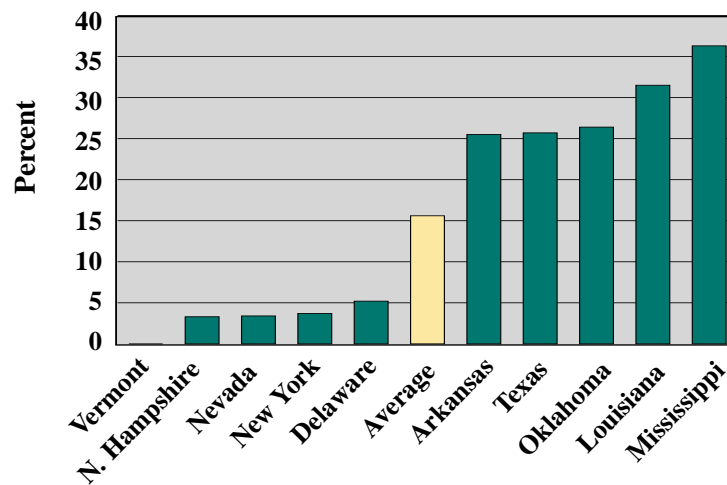
The reasons for denials by State agencies have varied widely over the years. Denials for non-severe impairments went from 8 percent of denials in 1975 to 43 percent in 1981 to 14 percent in 2000. Denials for ability to perform the claimant’s usual work went from 44 percent of denials in 1975 to 19 percent in 1981 to 32 percent in 2000. Denials for ability to perform other work – the most complex and judgmental denials – went from 18 percent of denials in 1975 to 11 percent in 1981 to 35 percent in 2000.

**Chart 43. - State Agency Denials Based on Non-Severe Impairment, Low Five States, High Five States, and National Average**  
Fiscal Year 1999

**DI and Concurrent Applicants**



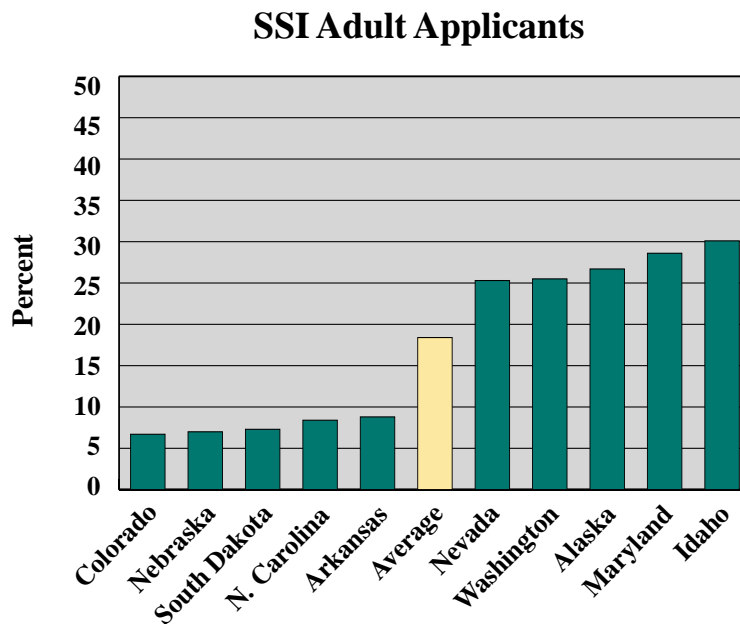
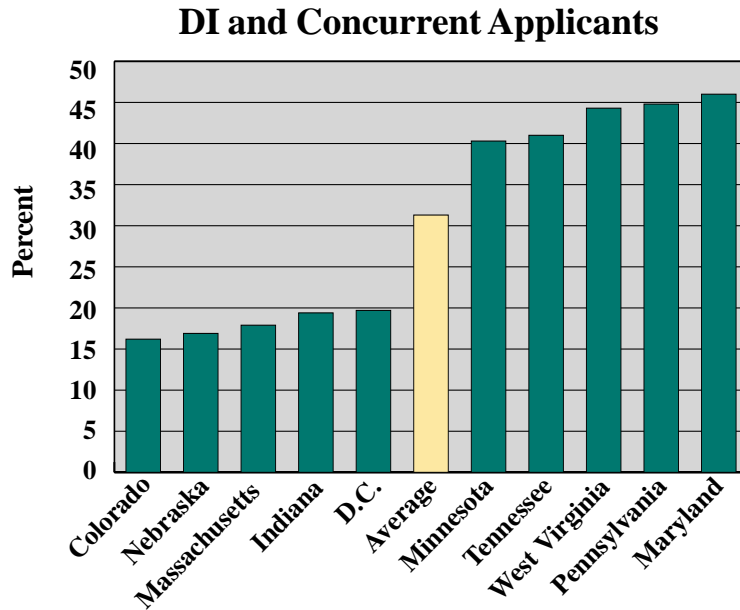
**SSI Adult Applicants**



One of the early steps in the sequential evaluation of disability is the determination of whether an impairment is severe. State agencies vary widely in the degree to which they deny claims because the impairment is not severe. For DI and concurrent (DI-SSI) applications, denials for this reason in fiscal year 1999 ranged from 0 percent of all denials in Vermont to 32 percent in Mississippi. For SSI adult applications, denials for this reason ranged from 0 percent in Vermont to 36 percent in Mississippi.

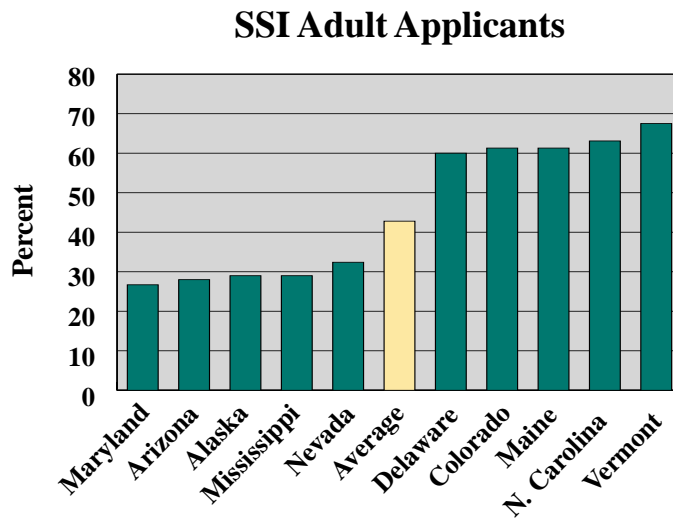
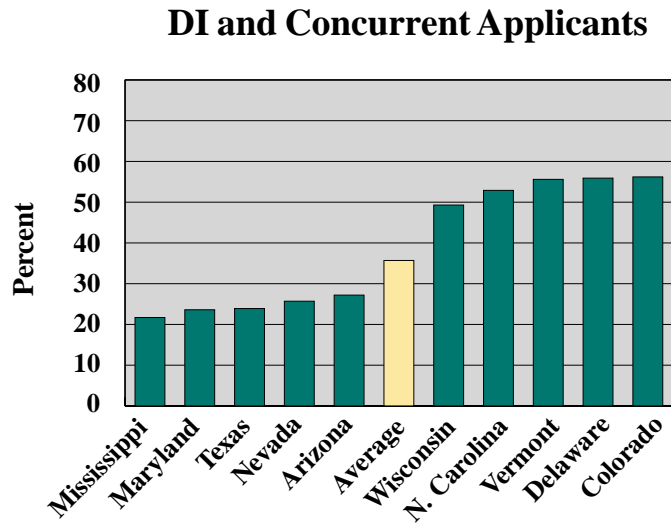


**Chart 44. - State Agency Denials Based on Ability to Perform Usual Work, Low Five States, High Five States, and National Average  
Fiscal Year 1999**



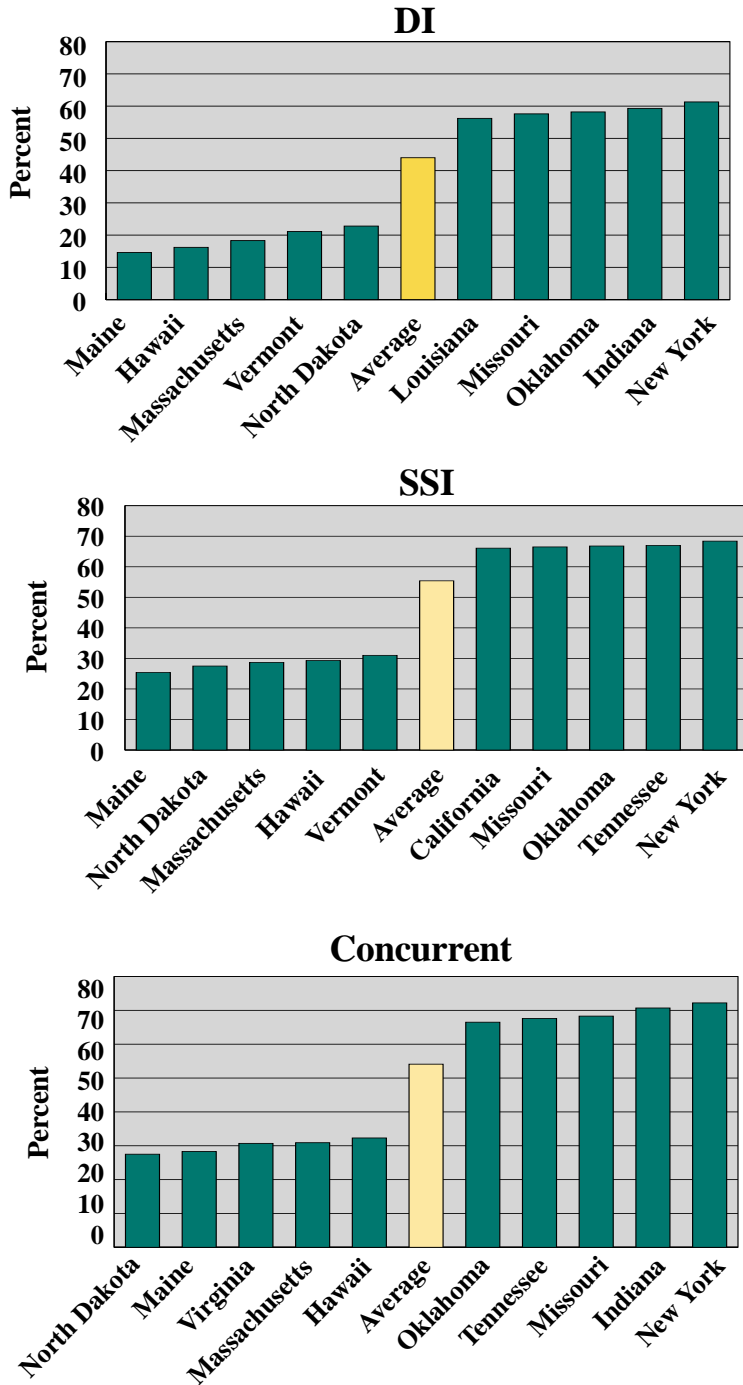
At a later step in the sequential evaluation of disability, the examiner determines if the claimant can perform his or her usual work. State agencies vary widely in the degree to which they deny claims for this reason. For DI and concurrent (DI-SSI) applications, denials for this reason in fiscal year 1999 ranged from 16 percent of all denials in Colorado to 46 percent in Maryland. For SSI adult applications, denials for this reason ranged from 7 percent in Colorado to 30 percent in Idaho.

**Chart 45. - State Agency Denials Based on Ability to Perform Other Work, Low Five States, High Five States, and National Average  
Fiscal Year 1999**



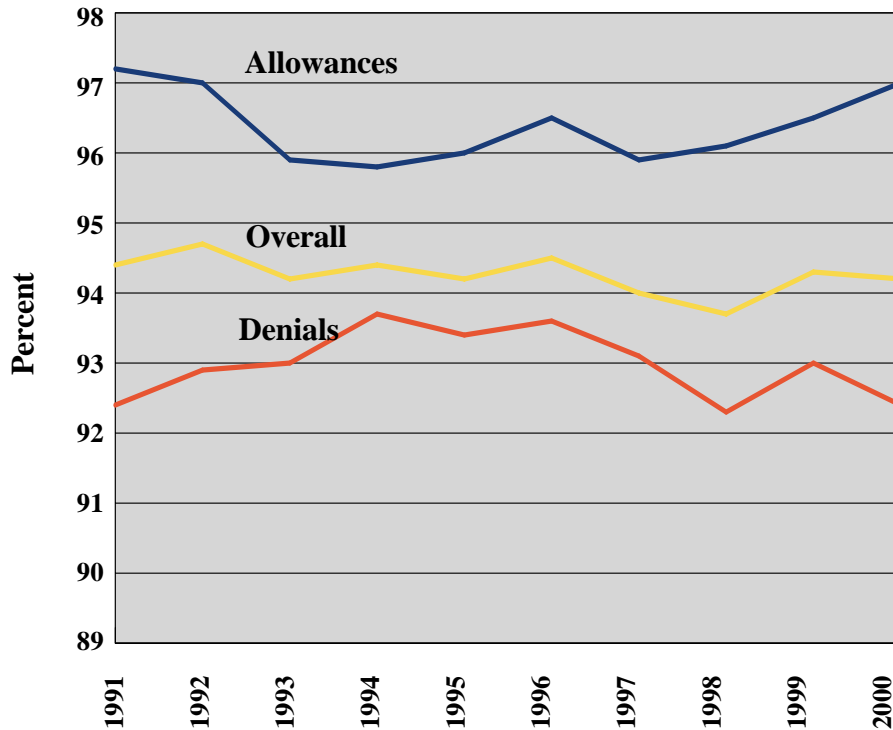
At the final step in the sequential evaluation, the examiner determines if the claimant can do work other than his or her usual past work. State agencies vary widely in the degree to which they deny claims for this reason. For DI and concurrent applications, denials for this reason in fiscal year 1999 ranged from 22 percent of all denials in Mississippi to 56 percent in Colorado. For SSI adult applications, denials for this reason ranged from 27 percent in Maryland to 68 percent in Vermont.

**Chart 46. - State Agency Use of Consultative Examinations,  
Low Five States, High Five States, and National Average  
Fiscal Year 1999**



To supplement medical evidence of record or when such evidence is not available, DDSs procure consultative examinations. In fiscal year 1999, the use of consultative examinations for initial DI claims ranged from 15 percent of claims processed in Maine to 61 percent in New York. The range for SSI initial claims in fiscal year 1999 went from 25 percent in Maine to 68 percent in New York. For concurrent claims, the range was from 28 percent in North Dakota to 72 percent in New York.

**Chart 47. - Quality Assurance Assessment of  
State Agency Decisional Accuracy\***  
Fiscal Years 1991 - 2000

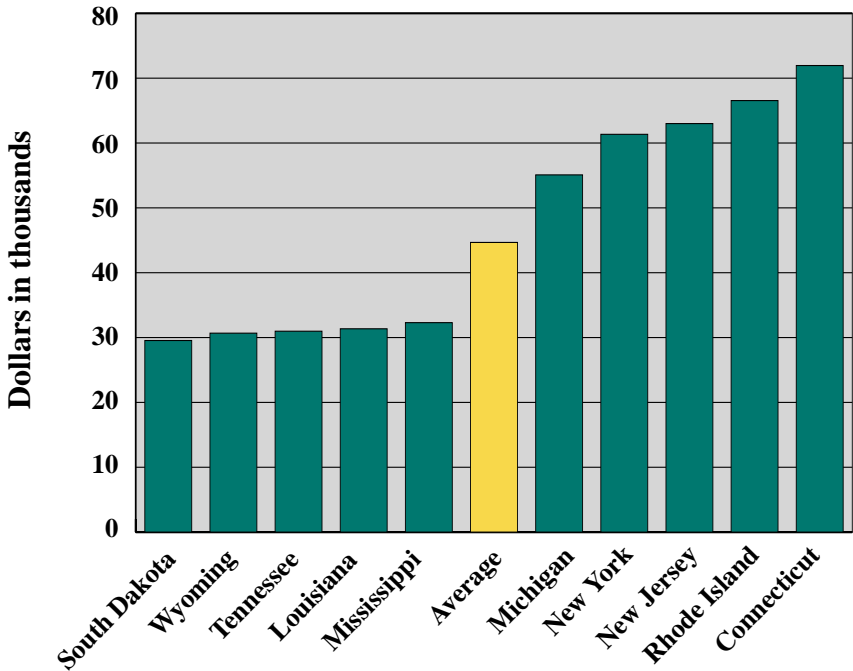


\* Initial decisions.

Despite all the variations in DDS decision making, SSA's Office of Quality Assurance has found a remarkably high level of DDS initial claims accuracy. Nationally, accuracy rates for allowances have not fallen below 95.8 percent since 1991, and accuracy rates for denials have not fallen below 92.3 percent. In fiscal year 2000, the overall performance accuracy of DDSs ranged from 90.1 percent in New Jersey to 97.8 percent in Vermont. An overall accuracy rate that falls below 90.6 percent for two consecutive quarters will trigger remedial action by SSA. A number of State agencies have had denial accuracy rates in the high 80s in recent years and, if they had not had high accuracy rates on allowances, would have fallen below the level which required Federal action.

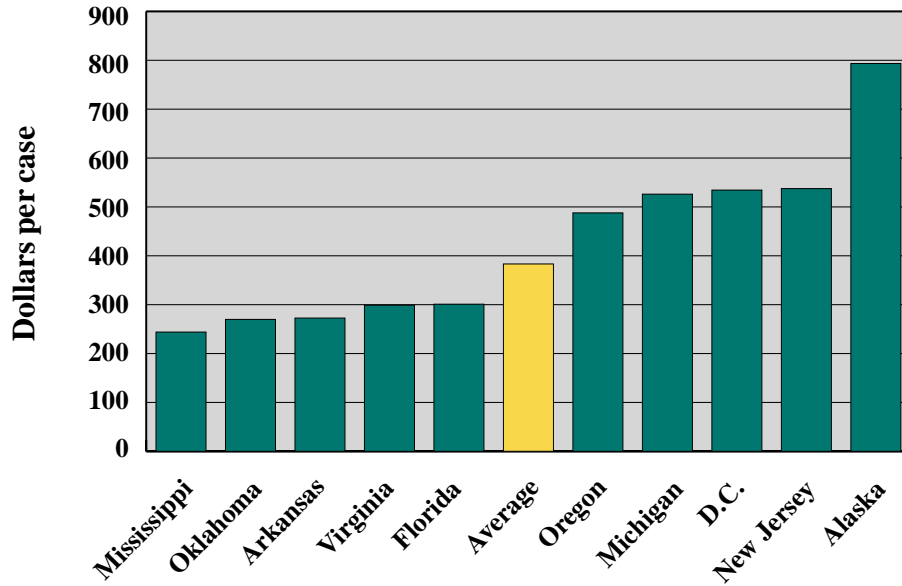
## **VIII. State Administrative Arrangements**

**Chart 48. - State Agency Average Examiner Compensation, Low Five States, High Five States, and National Average  
Fiscal Year 1999**



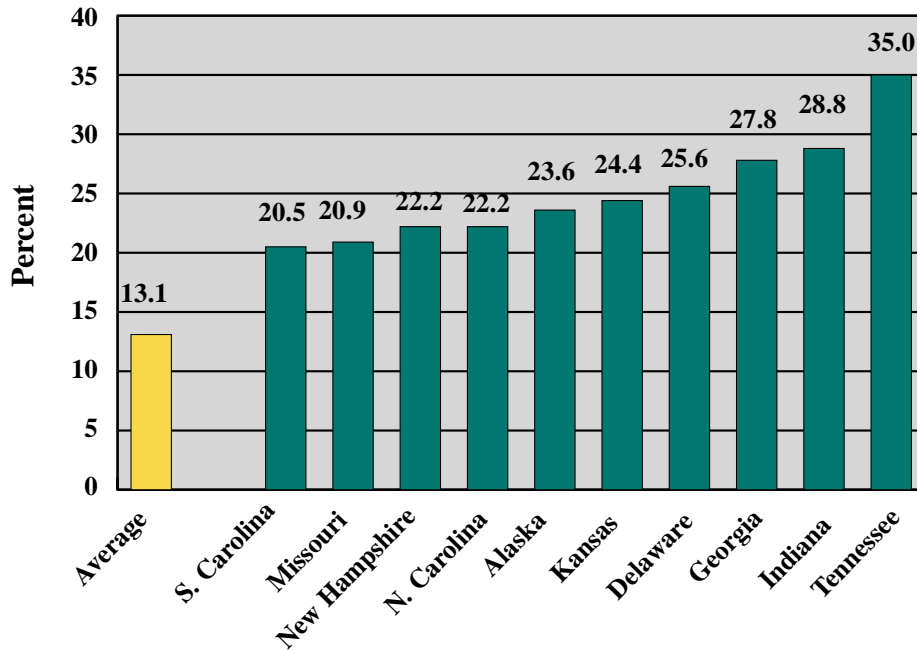
Average compensation for DDS examiners varies widely, from a low of about \$30,000 a year in South Dakota to a high of over \$70,000 a year in Connecticut. Average compensation includes all full time pay, full time overtime pay, part time pay, part time overtime pay, and total employee fringe benefits.

**Chart 49. - State Agency Cost Per Case,  
Low Five States, High Five States, and National Average  
Fiscal Year 2000**

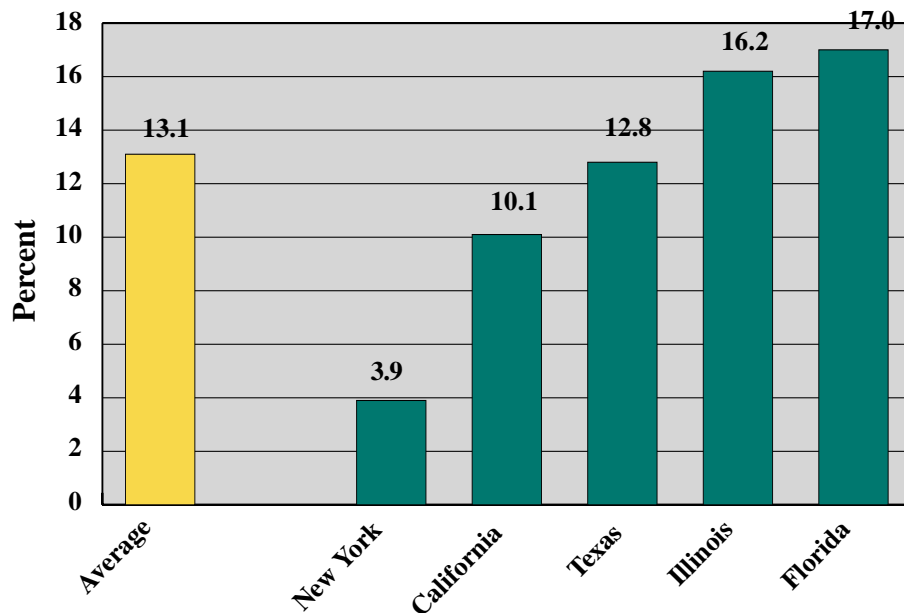


The national average cost of processing a case in a DDS in 2000 was \$383. Costs ranged from \$244 in Mississippi to \$793 in Alaska.

**Chart 50. - State Agency Examiner Attrition Rates,  
National Average and High Ten States  
Fiscal Year 2000**



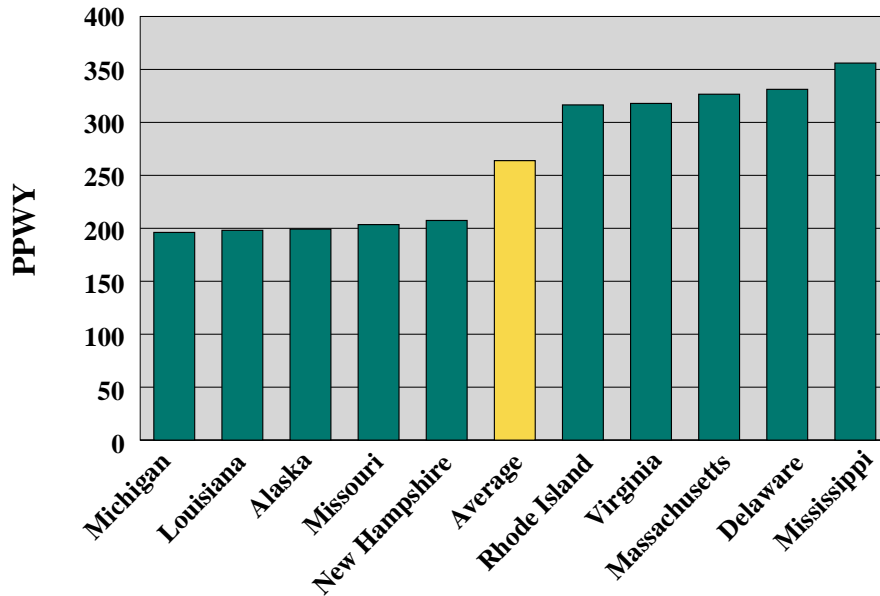
**Chart 51. - State Agency Examiner Attrition Rates,  
National Average and Five Largest States  
Fiscal Year 2000**



DDS examiner attrition rates in some States were very high in 2000. Ten States had attrition rates above 20 percent. Attrition rates in the five largest States were lower, with New York having an attrition rate of 3.9 percent and California a rate of 10.1 percent. It is believed by many who work in the DDSs that it takes at least two years before an examiner has sufficient experience to work without close supervision.



**Chart 52. - State Agency Productivity Per Work Year (PPWY),  
Low Five States, High Five States, and National Average  
Fiscal Year 2000**

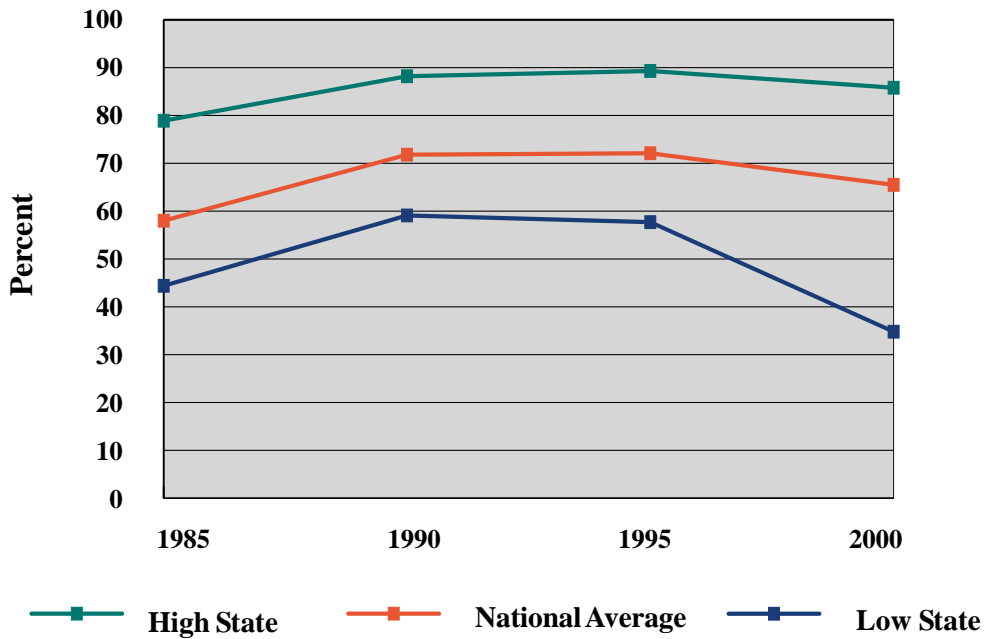


Productivity is calculated by dividing the number of decisions (initial, reconsideration, and continuing disability review) by the number of staff years. The number of decisions per staff year ranged from 196 in Michigan to 356 in Mississippi. All 5 of the States with the lowest productivity are engaged in the prototype of the redesigned disability process. This measure is controversial with the DDSs on grounds that it has a negative effect on State agency work processes (too much emphasis on productivity as opposed to quality) and is not an entirely fair measure of agency work effort.



## **IX. Variations in ALJ Hearings**

**Chart 53. - Percentage of ALJ  
Decisions Favorable to Claimants:  
Low State, High State, and National Average  
Fiscal Years 1985-2000**

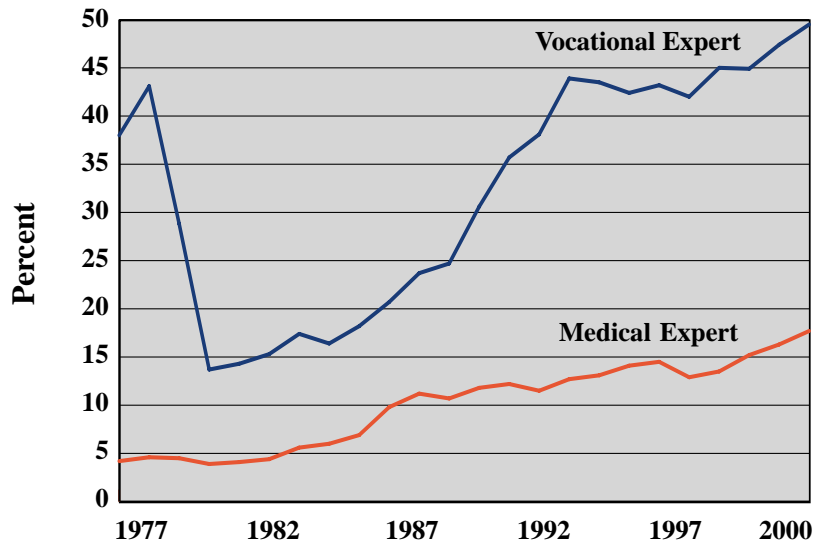


*Note: Includes decisions for all programs.*

There has been a wide range from State to State in the percentage of decisions favorable to claimants at the hearing level. For example, the percentage of favorable hearing decisions in 1985 ranged from 44 percent in the District of Columbia to 79 percent in Alaska. In 2000, the range went from 35 percent in the District of Columbia to 86 percent in Maine. (These data exclude dismissals.)

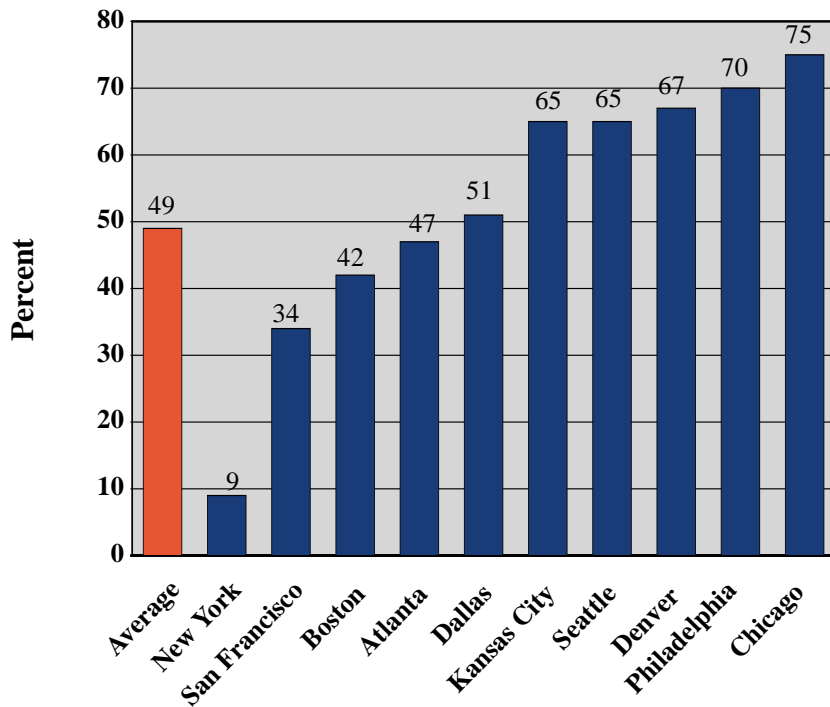
## Chart 54. - Medical and Vocational Expert Participation at ALJ Hearings

Fiscal Years 1977-2000



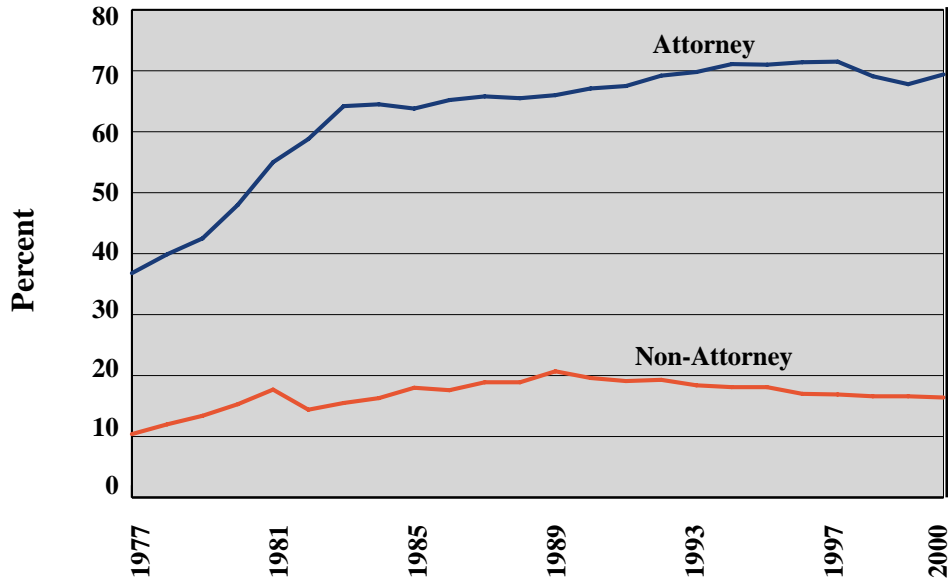
The use of vocational experts has increased greatly since 1980. (The adoption of the vocational regulation in 1979 was supposed to reduce their utilization.) Vocational experts are now used in about half of all ALJ hearings. Medical experts are also used with increasing frequency.

**Chart 55. - Hearings With Vocational Expert Participation, By Region**



The use of vocational experts varies widely among regions. Data from an ALJ peer review of cases in fiscal years 1997 and 1998 show that vocational experts were used in 9 percent of hearings in the New York region and in 75 percent in the Chicago region.

**Chart 56. - Attorney and Non-attorney  
Representatives at ALJ Hearings  
Fiscal Years 1977-2000**



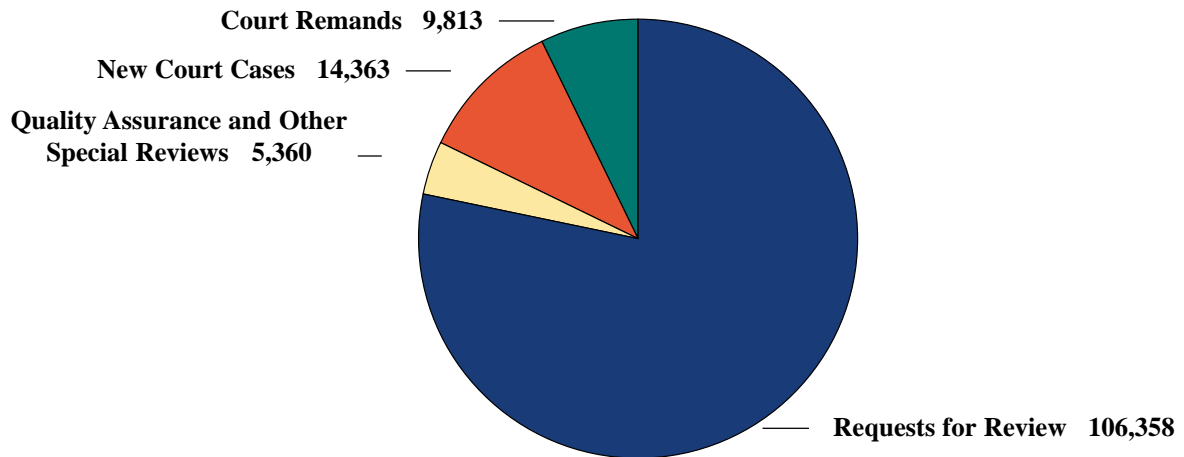
The percentage of DI and SSI claimants represented by attorneys at ALJ hearings has nearly doubled since 1977. The use of non-attorney representatives has also increased, but not to the same degree. The figures for attorney and non-attorney representatives are not additive, since some claimants may have both types of representatives. DI claimants are represented by attorneys significantly more frequently than SSI claimants.





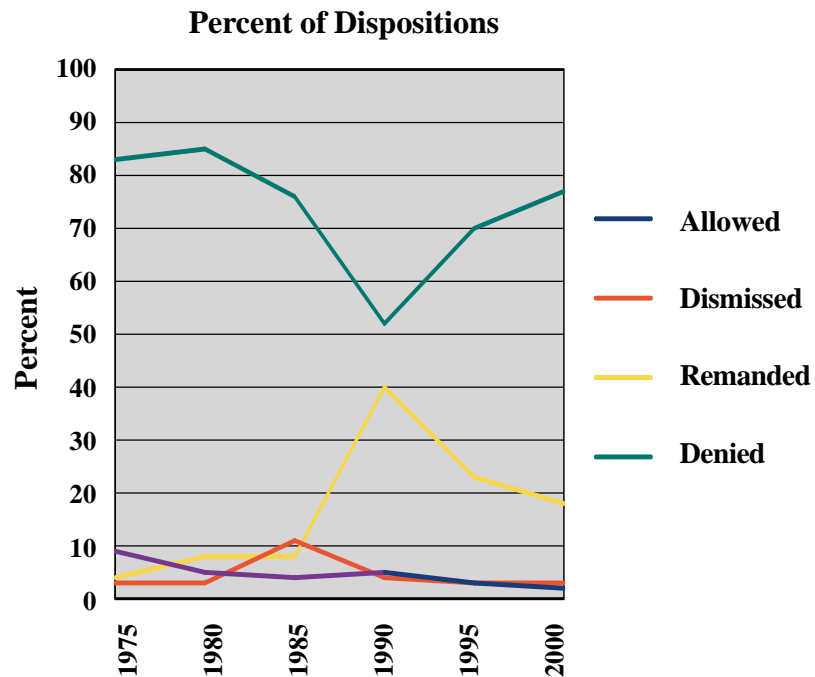
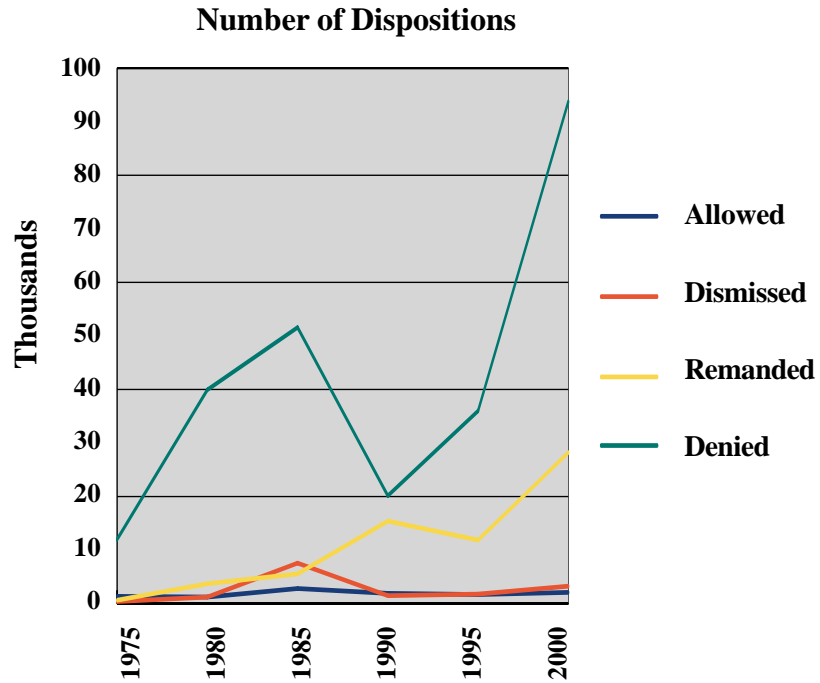
## **X. Appeals Council**

**Chart 57. - Appeals Council Workload  
Fiscal Year 2000**



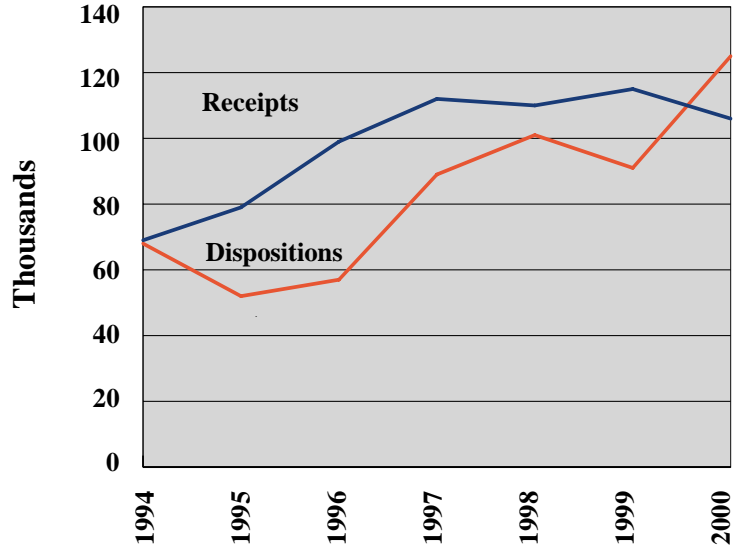
Requests by claimants for review of hearing decisions comprise the largest part of the Appeals Council's work. The Council also does quality assurance and other special reviews of hearings decisions, works on new court cases, and processes cases remanded by the courts.

**Chart 58. - Appeals Council  
Dispositions of Disability Claims  
Fiscal Years 1975-2000**

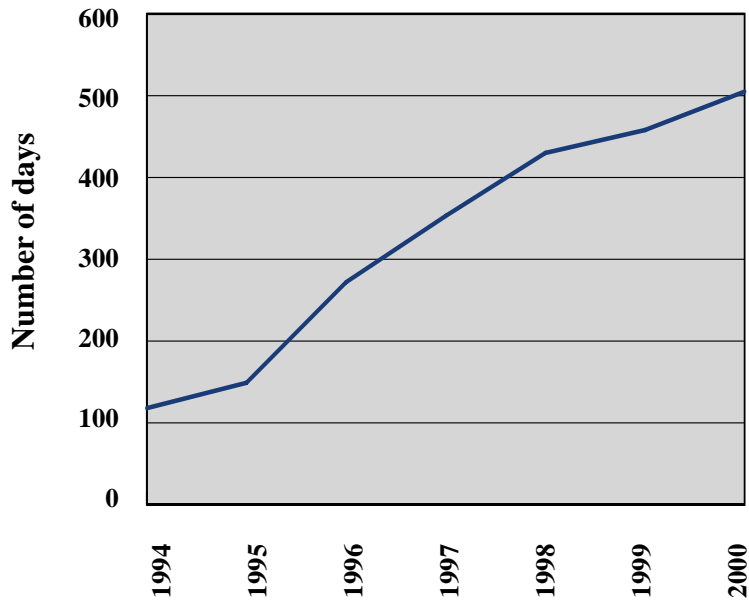


Over the years, most of the cases handled by the Appeals Council have either been denied or remanded back to the ALJ level. Few are allowed at the Appeals Council level. However, the number of cases being remanded back to the ALJs has grown considerably.

**Chart 59. - Appeals Council  
Requests for Review  
Fiscal Years 1994-2000**



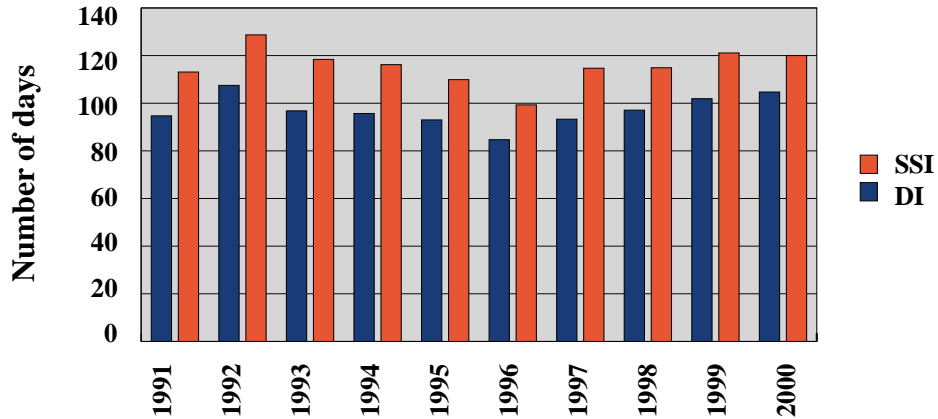
**Chart 60. - Average Processing Time for Appeals  
Council Requests for Review  
Fiscal Years 1994-2000**



Requests to the Appeals Council to review hearing-level decisions increased 54 percent between 1994 and 2000, and average processing time more than quadrupled. Between 1994 and 1999, new case receipts exceeded cases disposed of.

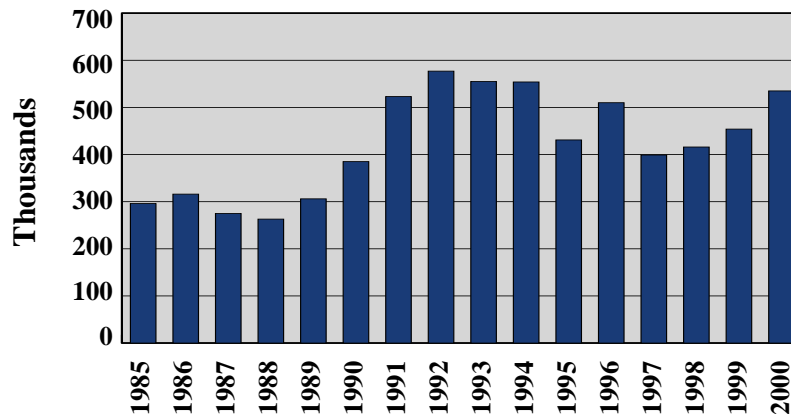
## **XI. State Agency and Hearing Office Processing Times**

**Chart 61. - Average State Agency Initial Claim Processing Time\***  
Fiscal Years 1991-2000



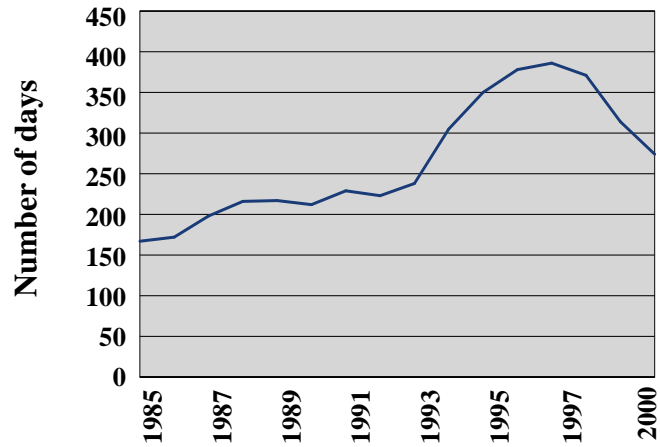
\* Processing time is the time (in days) from the date of the application to the date the award or denial notice is generated. Includes field office and processing center as well as State agency time.

**Chart 62. - DI and SSI Applications Pending in State Agencies at End of Fiscal Year**  
1985-2000

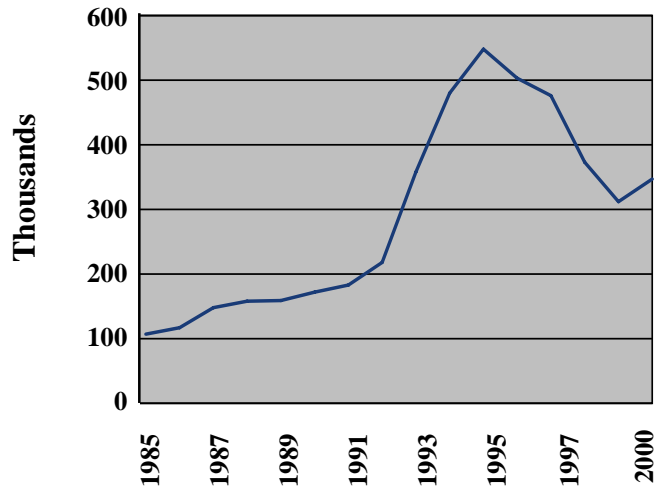


The State agency workload soared between 1989 and 1992, largely due to the recession, the Supreme Court's *Zebly* decision that liberalized the definition of eligibility for children, and changes in SSA's regulations for determining whether an individual has a mental impairment. The result was an increase in DDS processing times and the number of applications pending in the DDSs at the end of the year. Although these numbers declined in the mid-1990s, they have begun to climb again. Processing times have been consistently longer for SSI cases than for DI. This is often attributed to the greater difficulty the States have of getting the medical evidence needed to make the disability determination in the case of SSI applicants, many of whom have little or no medical history.

**Chart 63. - Average Hearing Office Processing Time  
Fiscal Years 1985-2000**



**Chart 64. - Cases Pending in Hearing Offices  
at End of Fiscal Year  
1985-2000**



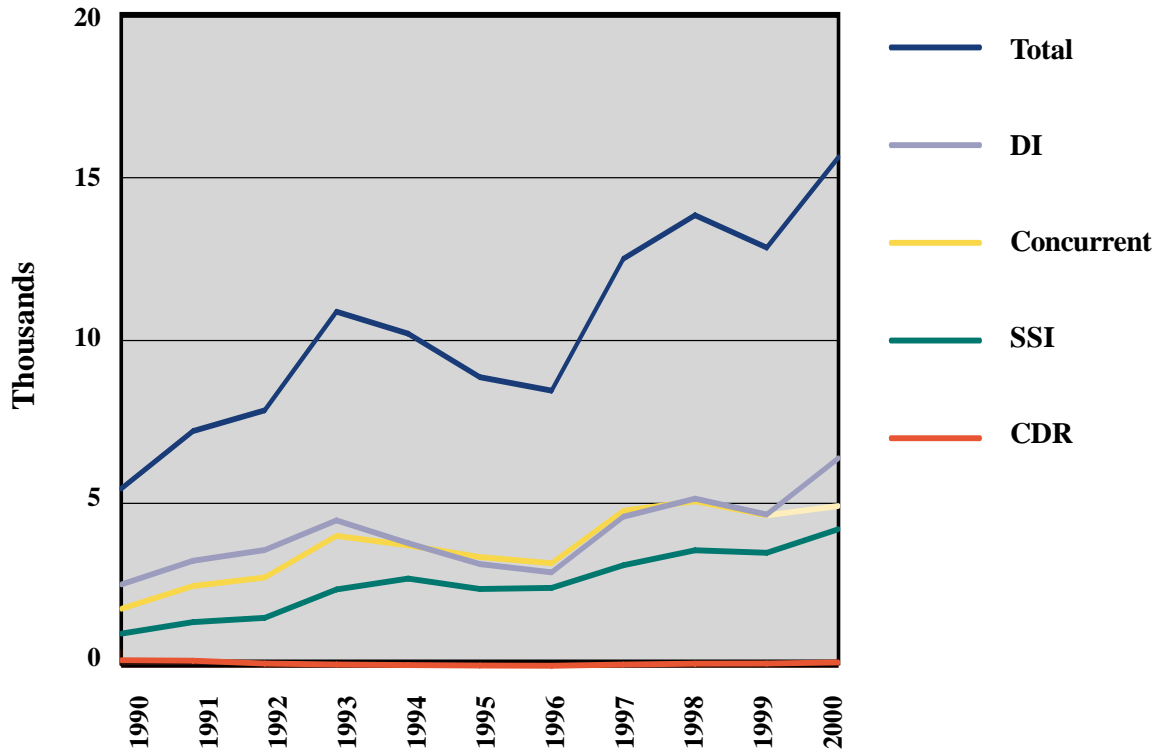
Average hearing office processing time for Social Security and SSI cases (nearly all of which are disability cases) soared in the mid-1990s, peaking at 386 days in 1997. Processing time declined to 274 days in 2000, reflecting the fact that the large backlog of cases that built up through 1995 is gradually being reduced. However, the number of cases pending in hearing offices has recently begun to climb again. SSA has projected that the Hearings Process Improvement initiative will reduce processing time to 193 days in 2002.





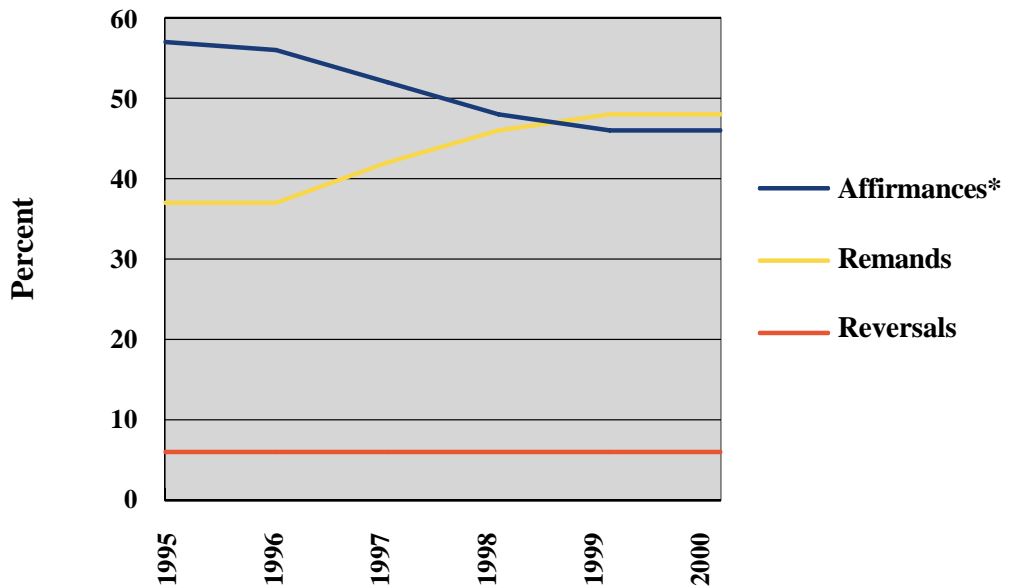
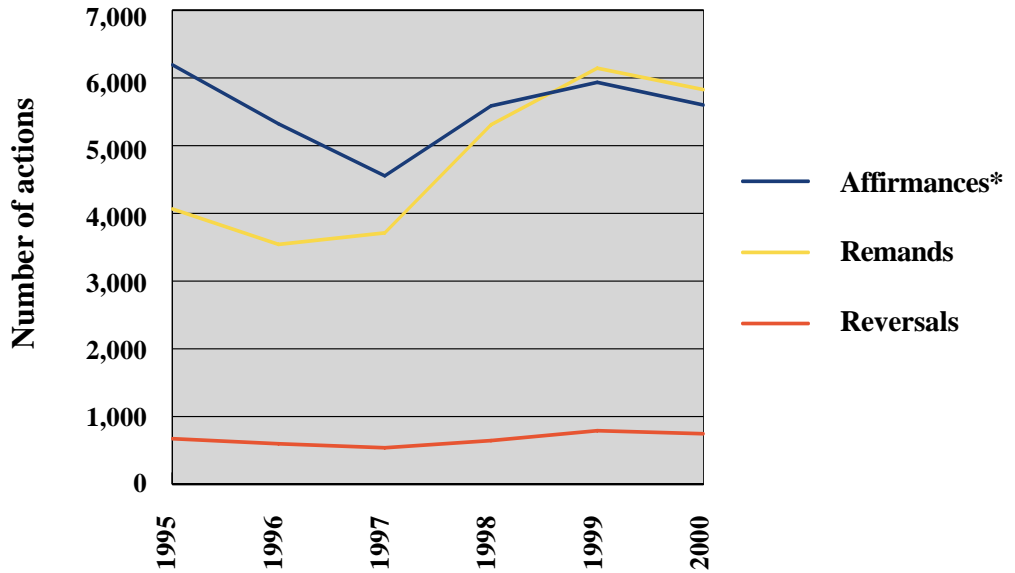
## **XII. Federal Courts**

**Chart 65. - New Disability Cases Filed  
in Federal Court  
Fiscal Years 1990-2000**



The number of new disability cases filed in Federal courts nearly tripled between 1990 and 2000.

**Chart 66. - Actions By Federal Courts**  
**Fiscal Years 1995-2000**

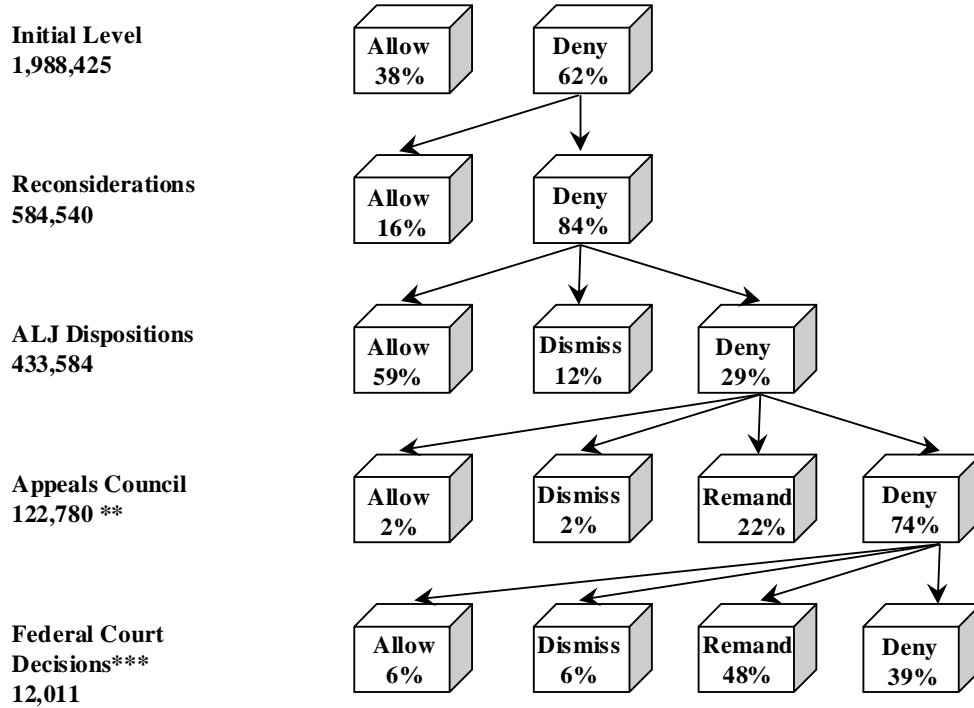


\* Includes dismissals

Since 1995, the Federal courts have reversed relatively few agency decisions that have been appealed to that level. The reversal rate was about 6 percent over the entire period. However, between 1996 and 2000, the number of cases remanded back to the agency grew by nearly 2,300, as the remand rate grew from 37 percent to 48 percent. Historically, about 60 percent of remands have become allowances.

## Chart 67. - DI and SSI Disability Determinations and Appeals\*

Fiscal Year 2000



### Total Allowances

	Number	Percent
<b>Total</b>	<b>1,106,344</b>	<b>100.0</b>
<b>Initial Applications</b>	<b>759,191</b>	<b>68.6</b>
<b>Reconsiderations</b>	<b>90,805</b>	<b>8.2</b>
<b>ALJs</b>	<b>253,615</b>	<b>22.9</b>
<b>Appeals Council **</b>	<b>1,999</b>	<b>0.2</b>
<b>Federal Court ***</b>	<b>734</b>	<b>0.1</b>

\* Data relate to workloads processed (but not necessarily received) in fiscal year 2000, i.e., the cases processed at each adjudicative level may include cases received at 1 or more of the lower adjudicative levels prior to fiscal year 2000. Not all denials are appealed to the next level of review.

\*\* Includes ALJ decisions not appealed further by the claimant but reviewed by the Appeals Council on "own motion" authority.

\*\*\* Remands to ALJs by the Appeals Council and Courts result in allowances in about 60 percent of the cases.

### **XIII. DATA SOURCES**

- Chart 1: DI: [www.ssa.gov/OACT/STATS/table6c7.html](http://www.ssa.gov/OACT/STATS/table6c7.html)  
SSI: 2000 SSI Annual Statistical Report, Table 38.
- Chart 2: District Office Workload Report (DOWR) State summaries for FY 2000; insured population total from 1999 Annual Statistical Supplement, distributed by State based on 1996 worker residence, by SSA, Office of Research, Evaluation, and Statistics. (Note: DOWR category includes applications for disabled workers, children, widows and widowers, end-stage renal disease, and Medicare-qualified government employees.)
- Chart 3: Table prepared by SSA, Office of Research, Evaluation, and Statistics, Division of SSI Analysis from the SSI 10 percent sample file; Census population estimates for July, 1999 from [www.census.gov/population/estimates/state/st-99-09.txt](http://www.census.gov/population/estimates/state/st-99-09.txt); Current Population Survey, Annual Demographic Survey, March supplement, Table 25, weighted count.
- Chart 4: Table prepared by SSA, Office of Research, Evaluation, and Statistics, Division of SSI Analysis from the SSI 10 percent sample file; Census population estimates for July, 1999 from [www.census.gov/population/estimates/state/st-99-09.txt](http://www.census.gov/population/estimates/state/st-99-09.txt); Current Population Survey, Annual Demographic Survey, March supplement, Table 25, weighted count.
- Chart 5: SSA, Office of Disability, State Agency Operations Report and Office of Hearings and Appeals, Hearing Office Tracking System and OHA Case Control System.
- Chart 6: SSA, Office of Disability, State Agency Operations Report.
- Chart 7: SSA, Office of Disability, State Agency Operations Report.
- Chart 8: SSA, Office of Hearings and Appeals, Hearing Office Tracking System and OHA Case Control System. Rates are based on total decisions and exclude dismissals.
- Chart 9: DI: [www.ssa.gov/OACT/STATS/table6c7.html](http://www.ssa.gov/OACT/STATS/table6c7.html)  
SSI: 2000 SSI Annual Report, Table IV.B2.
- Chart 10: SSA Actuarial Study No. 114, Table 4.
- Chart 11: SSA, Office of Disability, State Agency Operations Report.
- Chart 12: SSA, Office of Hearings and Appeals Case Control System. (Note: Favorable rate is based on total disability decisions and excludes dismissals.)
- Chart 13: SSA, Office of Disability, CDR Control File and State Agency Operations Report database.
- Chart 14: SSA, Office of Disability, CDR Control File, State Agency Operations Report database, and Master Beneficiary Record.

- Chart 15: SSA, Office of Disability CDR Control File, State Agency Operations Report database, and Supplemental Security Record.
- Chart 16: SSA, Annual Report of Continuing Disability Reviews, Fiscal Year 1998, Appendix B.
- Chart 17: SSA, Actuarial Study No. 114, Table 5, updated for 1999 by the Office of the Chief Actuary.
- Chart 18: SSA, Actuarial Study No. 114, Table 5, updated for 1999 by the Office of the Chief Actuary.
- Chart 19: SSA, Office of Research, Evaluation and Statistics; SSA, 1980 Annual Statistical Supplement, Table 95 (years prior to 1970).
- Chart 20: [www.ssa.gov/OACT/STATS/table4c2DI.html](http://www.ssa.gov/OACT/STATS/table4c2DI.html); [www.ssa.gov/OACT/STATS/Dibenies.html](http://www.ssa.gov/OACT/STATS/Dibenies.html); [www.ssa.gov/OACT/STATS/table4c1.html](http://www.ssa.gov/OACT/STATS/table4c1.html); SSA, Annual Statistical Supplement, Table 44 (1980), Table 31(1982). (Note: All figures are as of December 31 of the year shown.)
- Chart 21: SSA, 2000 SSI Annual Report, Table IV.B6; Statistical Abstract of the United States, Table 14; [www.census.gov/population/estimates/nation/intfile2-1.txt](http://www.census.gov/population/estimates/nation/intfile2-1.txt).
- Chart 22: SSA, 2000 Annual Statistical Supplement, Table 5.J.12; insured population total from 1999 Annual Statistical Supplement, distributed by State based on 1996 worker residence.
- Chart 23: SSA, 2000 Annual Statistical Supplement, Table 7.B8; SSI Annual Statistical Report 1999, Table 32; Census population estimates for July, 1999 from [www.census.gov/population/estimates/state/st-99-09.txt](http://www.census.gov/population/estimates/state/st-99-09.txt); Current Population Survey, Annual Demographic Survey, March supplement, Table 25, weighted count.
- Chart 24: SSA, 2000 Annual Statistical Supplement, Table 7.B8; Census population estimates for July, 1999 from [www.census.gov/population/estimates/state/st-99-09.txt](http://www.census.gov/population/estimates/state/st-99-09.txt); Current Population Survey Annual Demographic Survey, March supplement, Table 25, weighted count.
- Chart 25: SSA, Office of Disability, 831 File.
- Chart 26: SSA, Annual Statistical Supplement, Table 6.C3.
- Chart 27: SSA, 2000 Annual Statistical Supplement, Table 5.D5; SSA, 2000 SSI Annual Statistical Report, Table 29.
- Chart 28: SSA, Annual Statistical Supplements, Tables 5.D5, 7.F1 and 9.F1.
- Chart 29: SSA, 2000 SSI Annual Statistical Report, Table 31.
- Chart 30: SSA, Annual Statistical Supplements, Table 5.A1, Table 70 (1985), Table 67 (1984).
- Chart 31: 2000 SSI Report, Table IV.B6.
- Chart 32: SSA, Office of Research, Evaluation, and Statistics, 831 file.

- Chart 33: SSA, Office of the Chief Actuary, from the 10 percent sample files.
- Chart 34: SSA, 2000 Annual Statistical Supplement, Table 5.D3.
- Chart 35: SSA, Annual Statistical Supplements, Table 7.E3.
- Chart 36: SSA, Annual Statistical Supplements, Table 7.E3.
- Chart 37: SSA, Office of Disability, State Agency Operations Report.
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- Chart 46: SSA, Office of Disability, State Agency Operations Report.
- Chart 47: SSA, Office of Quality Assurance; 1995 SSA Accountability Report, p. III-31.
- Chart 48: SSA, Office of Disability, Cost-Effectiveness Measurement System.
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- Chart 55: SSA, Office of Hearings and Appeals, Report on Vocational Expert Witnesses, May 2000.
- Chart 56: SSA, Office of Hearings and Appeals Case Control System.

- Chart 57: SSA, Appeals Council Process Improvement Action Plan, March 2000, p.2.
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