

Digest of A Limited Review of Disability Determination Services

Some improvements are possible in the timeliness of eligibility decisions for federal disability payments. The state's Office of Disability Determination Services (DDS) reviews federal disability benefit claims and issues approval or denial decisions. DDS is a state agency, but is 100 percent federally funded and must follow federal procedures. The Social Security Administration (SSA) directs and oversees DDS' processes, including the effectiveness and efficiency of its operations. SSA also hears appeals of DDS decisions.

The audit confirmed that although some federal disability determinations can take over two years, most do not. On average, DDS takes about four months to make an initial decision; if an appeal for reconsideration is requested, DDS averages another three months. However, if DDS denies the reconsideration, the claim can then be appealed again to the SSA. Thus, the time it takes from the initial application to the decision following the appeals can average around two years. Although the state's ability to direct DDS is limited by federal control this report discusses areas where processing time can be reduced so eligible applicants begin receiving federal assistance sooner.

Many Factors Affect Timeliness of Disability Determination Decisions

The Disability Determination Process Includes Many Factors That Create Time Lags That Are Beyond the Control of DDS. Nonetheless, the time taken to process an initial claim by DDS exceeds the national average and can be reduced. During our review of DDS, we found that some claims are resolved quickly and others take a long time. Based on a sample of state General Assistance (GA) clients' federal-disability claims, it appears that many factors affect the timeliness of final claim decisions. For example, claim processing can be prolonged by the claimant's and the SSA's actions (both outside the control of DDS) as well as by DDS' inefficiencies.

Another issue we examined was whether faster federal disability determinations would result in cost savings for Utah's GA program. Based on our limited review, we believe only modest cost savings are likely for two reasons. First, many GA clients do not qualify under the more rigorous requirements for federal disability payments. Second, for those GA clients who do qualify for federal disability benefits, the state often receives reimbursement for GA payments made while the claim was awaiting SSA approval.

Improvements Can Be Made at DDS

Improvements Can Be Made At DDS in Claim Processing. DDS can decrease the time it takes to receive claimants' medical records thus improving overall claim-processing time. To make this improvement, DDS should collect more medical documentation electronically. Currently, DDS receives the majority of medical evidence non-electronically.

Further, DDS can better monitor aged claims and ensure that they are processed in a timely manner. When a claims examiner fails to follow-up and monitor a claim, the processing stalls.

DWS Can Consider Options for GA Program

DWS Can Consider Options for GA Program Which May Assist GA Clients with Federal Disability Process. In reviewing sampled GA claims, we identified some items the Department of Workforce Services (DWS) should consider as it administers the GA program and determine whether these measures are cost-effective and feasible. For example, DWS employment counselors could encourage GA clients to comply in a timely fashion with federal disability application requirements. Also, DWS could review other states' programs and identify possible policy changes to the GA program for legislative consideration.

1. We recommend that DDS do the following:

- Continue to increase the electronic collection of claimant medical records.
- Improve the monitoring of claims to ensure that aged claims are being processed and not neglected.
- Communicate to DWS any pertinent federal actions that may affect the GA clients and their claim processing.

2. We recommend that DWS should consider the following and determine if these proposals are cost-effective and whether access to client information is feasible:

- Assist GA clients who are applying for federal disability benefits with the initial application process.
- Assist the GA clients in attending consultative examinations and with providing medical sources to DDS.
- Assist GA clients who plan to appeal a denial to do so in a timely manner.
- Review surrounding states' GA-type programs and identify any cost saving recommendations for Utah's GA program to the Legislature.