OVERVIEW OF OUR FISCAL YEAR 2014
GOALS AND RESULTS

HOW WE MANAGE PERFORMANCE

Our Performance Framework: The *Government Performance and Results Modernization Act of 2010* (GPRMA) specifies criteria for agency strategic plans to align with presidential terms and ensure that agency goals align with broader Federal efforts.

Setting goals and measuring their outcomes is vital to our performance success. We define our performance framework in the *Fiscal Year 2014-2018 Agency Strategic Plan* (www.socialsecurity.gov/asp). Our *Agency Strategic Plan* (ASP) links our Strategic Goals with underlying objectives, strategies, and relevant issues.

Our Strategic Goals are:

- Strategic Goal 1: Deliver Innovative, Quality Services;
- Strategic Goal 2: Strengthen the Integrity of Our Programs;
- Strategic Goal 3: Serve the Public through a Stronger, More Responsive Disability Program;
- Strategic Goal 4: Build a Model Workforce to Deliver Quality Service; and
- Strategic Goal 5: Ensure Reliable, Secure, and Efficient Information Technology Services.

Our Planned Performance: In March 2014, we published our *Annual Performance Plan for FY 2015, Revised Performance Plan for FY 2014 and Annual Performance Report for FY 2013* (www.socialsecurity.gov/agency/performance/) as a part of the *President's FY 2015 Budget Request* (www.socialsecurity.gov/budget/). Collectively we refer to this combined document as our *Annual Performance Report* (APR). The APR outlines our tactical plans for achieving the goals and objectives in our ASP and finalizes our performance commitments for FY 2014.

Each September, a draft of the APR accompanies our budget submission to the Office of Management and Budget (OMB). The draft APR provides our priorities and key initiatives for the next two fiscal years, the performance measures we will use to evaluate our success, and our progress to date on current fiscal year commitments. The budgeted workloads published in our APR correspond to the key workload measures contained in our *FY 2014 Operating Plan* (www.socialsecurity.gov/budget/FY14Files/2014OP.pdf).

Our Actual Performance and Program Results: We update the APR after the close of the fiscal year to provide performance results for the previous fiscal year. We will issue the final APR, containing our actual FY 2014 results, in February 2015. The final APR will be available on our *Budget Estimates and Related Information website* (www.socialsecurity.gov/budget/).
This *Agency Financial Report* summarizes our key initiatives, overall performance results, and financial activities in carrying out our mission in FY 2014. This table shows our operating expenses by Strategic Goal.

<table>
<thead>
<tr>
<th>FY 2014 Operating Expenses by Strategic Goal (Dollars in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deliver Innovative, Quality Services</td>
</tr>
<tr>
<td>Strengthen the Integrity of Our Programs</td>
</tr>
<tr>
<td>Serve the Public through a Stronger, More Responsive Disability Program</td>
</tr>
<tr>
<td>Build a Model Workforce to Deliver Quality Service</td>
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<tr>
<td>Ensure Reliable, Secure, and Efficient Information Technology Services</td>
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</tbody>
</table>

**Our Priorities:** We established our Agency Priority Goals (APG), as required by GPRMA, in FY 2014. We expect to achieve our APGs by the end of FY 2015. We routinely review our progress and take actions to improve our outcomes, stimulate innovation, and deliver favorable results.

Our four APGs are:

- **APG 1:** Improve access to our services by increasing the number of citizens who complete their business with us online;
- **APG 2:** Deliver a world-class customer experience by expanding the use of video technology to hold hearings;
- **APG 3:** Provide the public with access to personalized information by increasing the number of established *my Social Security* accounts; and
- **APG 4:** Reduce the percentage of improper payments made under the Supplemental Security Income program.

Our APGs are aggressive and reflect the performance improvement priorities of our executive leadership. You can find additional information on our APGs performance on Performance.gov ([www.performance.gov/agency/social-security-administration#overview](http://www.performance.gov/agency/social-security-administration#overview)).

Established by GPRMA, Cross-Agency Priority (CAP) goals accelerate progress on presidential priority areas. Multiple agencies actively collaborate to achieve results in these areas.

OMB established CAP goals based on input from Federal agencies and congressional committees. These goals reflect the President’s second-term priorities.

There are seven mission-oriented and eight management-focused CAP goals. Each CAP goal has two senior leaders – one within the Executive Office of the President and one within a key delivery agency. The Social Security Administration and OMB co-lead the Customer Service CAP goal.

Additional information about CAP goals and our participation in them is available on Performance.gov ([www.performance.gov/cap-goals-list?view=public](http://www.performance.gov/cap-goals-list?view=public)).
SUMMARY OF FISCAL YEAR 2014 PERFORMANCE

This summary highlights the approaches we used to achieve the targets set in support of our goals during FY 2014. It also outlines some of the challenges we faced meeting these goals. We base our planned performance targets on our full budget request. If necessary, we adjust our resources accordingly to complete our budgeted workloads and agency goals.

Final data for 8 of our 51 performance measures was not available at the time this report was published. We will include those overall results in our FY 2015 Agency Financial Report. We met our target for 29 of the 43 performance measures with available data.

Below is an assessment of our overall progress by Strategic Goal in FY 2014:

- Strategic Goal 1: Deliver Innovative, Quality Services
  - Met the target for 6 of 11 measures
  - Did not meet the target for 5 of 11 measures
  - Final data not available for 0 of 11 measures

- Strategic Goal 2: Strengthen the Integrity of Our Programs
  - Met the target for 5 of 7 measures
  - Did not meet the target for 0 of 7 measures
  - Final data not available for 2 of 7 measures

- Strategic Goal 3: Serve the Public through a Stronger, More Responsive Disability Program
  - Met the target for 5 of 17 measures
  - Did not meet the target for 9 of 17 measures
  - Final data not available for 3 of 17 measures

- Strategic Goal 4: Build a Model Workforce to Deliver Quality Service
  - Met the target for 6 of 9 measures
  - Did not meet the target for 0 of 9 measures
  - Final data not available for 3 of 9 measures

- Strategic Goal 5: Ensure Reliable, Secure, and Efficient Information Technology Services
  - Met the target for 7 of 7 measures
  - Did not meet the target for 0 of 7 measures
  - Final data not available for 0 of 7 measures
STRAategic Goal 1: Deliver Innovative, Quality Services

Strategic Objectives

- Develop and Increase the Use of Self-Service Options
- Enhance the Customer Experience by Completing Customers’ Business at the First Point of Contact
- Partner with Other Agencies and Organizations to Improve Customers’ Experience and Align with the Administration’s One-Government Approach
- Evaluate Our Physical Footprint to Incorporate Improved Service Options

Agency Priority Goals

Improve access to our services by increasing the number of citizens who complete their business with us online.

Deliver a world-class customer experience by expanding the use of video technology to hold hearings.

We serve the public through multiple service delivery channels: in-person, via telephone, and online. The following tables present our performance in four of our key performance measures. The first two performance measures support our APGs listed above.

<table>
<thead>
<tr>
<th>Improve access to our services by increasing the number of citizens completing their business with us online</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fiscal Year</strong></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Deliver world-class customer experience by expanding the use of video technology to hold hearings</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fiscal Year</strong></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintain high customer satisfaction with our online services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fiscal Year</strong></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Minimize the average response time to deliver medical evidence to the Department of Veteran Affairs for wounded warriors and veterans</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fiscal Year</strong></td>
</tr>
<tr>
<td><strong>Performance</strong></td>
</tr>
</tbody>
</table>
MANAGEMENT’S DISCUSSION AND ANALYSIS

We have a long history of exemplary customer service marked by high customer satisfaction. Our high level of customer satisfaction is, in part, the result of our success using technology to improve and expand the services we offer the American public. In 2007, less than 10 percent of claims were filed online. In FY 2014, more than 52 percent of claims were filed online.

Our efforts to deliver world-class, innovative, quality services include:

**Expanding Online Access through Social Security Express:** Customers do not need computers in their homes to use our online services. Our Social Security Express initiative provides access to our online services in our field offices and in external locations.

We have three major Social Security Express projects underway:

- **Self-help personal computers** are available in 549 offices nationwide. Self-help personal computers allow our customers to access our online services using computers in our offices. Using the computers enables customers to perform some transactions without waiting to see a representative.

  In FY 2014 and FY 2015, we plan to enhance this service by rolling out a virtual desktop infrastructure technology, which provides us the ability to troubleshoot remotely. It will reduce the amount of staff time required to maintain our current self-help personal computers. In January 2015, we plan to pilot this technology in 50 field offices. In FY 2014, we purchased 1,287 new computers, and by May 2015 we will install the new computers in 652 field offices.

- **Desktop icons** provide a direct link from a public computer to our online services. These icons are available to external partner sites, such as libraries and senior centers. Users can access the same services that are available through the self-help personal computers in our field offices.

- **Customer service stations** contain a computer with a touch screen monitor and video access enabling the user to have real-time contact with a representative, if needed. A printer is also available so users can print documents, such as benefit verification letters.

**Leveraging my Social Security:** To date, we have over 45,000 web pages, 20 online services, information in 18 languages, and a presence on several social media sites. We host 17 million visits to our website each month. Our customers are demanding more online services, and we are responding as quickly as possible, while ensuring my Social Security remains secure and easy to use. My Social Security has more than 14 million registered users and consistently ranks as one of the top 10 in customer satisfaction for all Federal websites.

**Implementing Online Social Security Number Card Application:** Replacing Social Security number cards is one of our most requested services. In FY 2013 alone, we issued 10 million replacement cards in field offices and Social Security card centers across the country. This workload is significant, highly sensitive, and sometimes complex, often requiring in-person interviews.

In FY 2014, we began work to enable my Social Security users who are U.S. citizens over the age of 18 with no changes to their record to apply online for a replacement Social Security number card. We expect to roll out this new feature to select states in FY 2016, enabling users to avoid travel time, wait time, and in-person interviews. The application will provide users with a secure, trusted, and legally sufficient, real-time method to request replacement Social Security number cards online and will allow our employees more time to process other workloads.

**Establishing the Social Security Electronic Remittance System:** Currently, customers can pay preapproved standard service fees, such as those for copying electronic or paper folders, only by check or money order. Our new electronic remittance system will enable payment by credit and debit card. Because we must receive payment before we can complete the customer’s request, this new system will allow us to process customer transactions immediately in cases where the files are readily accessible.

The Social Security Electronic Remittance System is currently in production in 20 field offices. In a later phase of this project, we plan to handle other types of collections through this system.
**Increase Video Hearings:** We held our one-millionth video hearing at the end of FY 2014. Video hearings play a critical role in our disability adjudication process by enabling claimants to participate in a hearing near their homes. We conduct video hearings in hearing offices, permanent remote sites, claimant-only sites inside field offices, National Hearing Centers, and through select representatives participating in the Representative Video Project. Video hearings allow our administrative law judges to spend less time traveling to hearings and more time hearing and deciding cases. Additionally, we are able to balance our hearings workloads by electronically transferring cases to offices that can accommodate the additional work.

We will continue to expand and improve video hearing services in FY 2015 and FY 2016 by replacing our existing, aging technology with cutting edge, high-quality equipment. We also plan to increase marketing and educational information to emphasize the benefits of video hearings and pursue policy and business process changes to maximize efficiency.

**Expanding Video Service Delivery:** Some of our customers live in areas with limited public transportation and have difficulty getting to our field offices. Video service delivery allows us to provide services to our customers at convenient third-party sites, such as hospitals, libraries, community centers, American Indian tribal centers, and homeless shelters. Video services reduce time and costs for traveling to remote locations.

In FY 2013, we provided 20 video units to the disability determination services (DDS), allowing them to conduct video disability hearings and video consultative exams. Additionally, we installed 15 video units in partner locations to assist veterans in Wounded Warrior programs and reduce our travel expenses.

To support a projected increase in DDS disability hearing workloads (i.e., appeals of continuing disability review decisions), we are relocating 40 existing video units to offices where there is a greater need. In FY 2015, we will expand video service delivery by an additional 83 desktop units to increase our capacity for conducting video hearings.

In FY 2016, we will analyze productivity and cost savings of video service delivery to determine if we should expand to additional external partner site locations.

**Providing Real-Time Assistance to Online Users:** We are dedicated to delivering world-class service to all of our customers, including our online users. In May 2014, we celebrated 20 years of online services.

In FY 2013, we implemented a help desk to provide near real-time telephone support for users of *my Social Security* online services. Users can receive support by calling the National 800 Number or using a web-based form to request a call back from us.

We are developing a suite of customer engagement tools that will allow *my Social Security* account users to receive alerts, messages, and agency announcements through a secure, personalized Message Center. Additionally, we will add click-to-communicate technologies and screen sharing, allowing anyone navigating our website to click a link to talk to us.

**Expand Our Partnerships with External Organizations:** Our Social Security Express initiative currently includes two self-service options that allow the public to complete their business from external partner locations (local, State, or Federal Government agencies such as the Department of Veterans Affairs or the Department of Housing and Urban Development). Those self-service options are:

- A Social Security Express icon installed on the partner sites’ desktop computers, enabling access to our online services; and
- A customer service station, containing a desktop computer and a printer, offering limited online services and video assistance from one of our employees.

In FY 2013, we launched the program, and 25 partner sites downloaded the Social Security Express icon to the desktops of their public computers. In FY 2014, we expanded our partnership to 168 sites.
**STRATEGIC GOAL 2: STRENGTHEN THE INTEGRITY OF OUR PROGRAMS**

<table>
<thead>
<tr>
<th>Strategic Objectives</th>
<th>Agency Priority Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Transform the Way We Record Earnings to Enhance Data Accuracy</td>
<td><em>Reduce the percentage of improper payments made under the Supplemental Security Income program.</em></td>
</tr>
<tr>
<td>• Protect the Public’s Data and Provide Secure Online Services</td>
<td></td>
</tr>
<tr>
<td>• Increase Payment Accuracy</td>
<td></td>
</tr>
</tbody>
</table>

Paying the right person, the right amount, at the right time is critical, and we take this responsibility very seriously. We are committed to protecting our programs from waste, fraud, and abuse.

The following table presents our outcome-based performance measure supporting our agency priority goal to reduce SSI improper payments.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2010 Actual</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Actual</th>
<th>2014 Target</th>
<th>Target Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>11.6%</td>
<td>10.8%</td>
<td>9.6%</td>
<td>8.6%</td>
<td>Data available April 2015</td>
<td>6.2%</td>
<td>TBD*</td>
</tr>
</tbody>
</table>

TBD*: To be determined as final FY 2014 data were not available at the time of publishing.

Currently, we pay $75 billion each month in benefits across all our programs. The payment accuracy rate for our retirement and survivors programs has been over 99 percent for the past several years.

Accurate, timely information reduces improper payments. We are using the latest technology to prevent identity theft and improve debt collection. We will invest in and enhance partnerships with our beneficiaries. We will find opportunities to share information with other Federal and State agencies. We expect these efforts to help us get information sooner.

Some of the initiatives we are undertaking to strengthen the integrity of our programs include:

**Increasing Electronic Wage Report Filing:** Every year we receive nearly 29 million paper Forms W-2 from over 3.2 million paper wage reports. Paper wage reports are more error prone, labor intensive, and expensive to process.

In FY 2013, we added functionality to our online W-2 and implemented user-friendly enhancements to make it easier for small businesses to use our electronic wage reporting services. We also added an option to our W-2 online service making it easier for prior-year customers to complete their current year submission.

We encourage employers and third-party submitters (i.e., people who submit wages to us on behalf of employers) to use electronic wage reporting. Planned enhancements for FY 2015 include a self-registration, self-testing process for all new electronic wage reporting web service users. For FY 2016, we plan a phased expansion of the electronic wage reporting web service, including expanding the electronic wage reporting status function, allowing submitters to find out why a submission was returned.

**Producing a Public Facing Integrity Review:** As we add more online services, we will remain alert to fraudulent and malicious acts against our systems. We developed our Public Facing Integrity Review system in FY 2013 to identify unusual and potentially fraudulent activity in our Internet applications.
In FY 2014, we enhanced the system with additional functionality and new scenarios to detect fraud. In FY 2014, we prevented the attempted theft of 4,736 benefit payments totaling more than $5.6 million.

In FY 2015, we will continue to enhance our Public Facing Integrity Review by adding additional scenarios and integrating with the online Social Security number replacement card process.

**Promoting Use of the Supplemental Security Income Telephone Wage Reporting System and the Supplemental Security Income Mobile Wage Reporting:** Delayed wage reports cause payment errors in the Supplemental Security Income (SSI) program. To improve timely reporting, we implemented the SSI Telephone Wage Reporting system and SSI Mobile Wage Reporting program. With the SSI Telephone Wage Reporting system and SSI Mobile Wage Reporting program, we increase efficiency by reducing unnecessary visits to the field office, reducing manual keying errors, and allowing us to automatically process wage reports.

In FY 2014, we began allowing people to report wages at any time during the month rather than just the first six days of the month. We also started using GovDelivery as a means for SSI wage reporters to sign up for email or text reminders. GovDelivery is a public web-based tool that sends notices, emails, and reminders to customers.

In September 2014, we increased the number of monthly wage reports successfully processed using the SSI Telephone Wage Reporting system and SSI Mobile Wage Reporting program by more than 6 percent over our September 2013 experience.

For FY 2015, we will increase the number of monthly wage reports using our automated wage reporting tools by 6 percent over the volume we process at the end of FY 2014.

**Conducting Continuing Disability Reviews:** To ensure we pay disability benefits only to those who meet our medical requirements, we periodically conduct continuing disability reviews for both Social Security Disability Income and SSI beneficiaries to determine if a beneficiary’s medical condition has improved and if they are still eligible for benefits. In many cases, we use statistical modeling to predict a beneficiary’s probability of improvement, allowing us to identify specific cases for continuing disability reviews. In FY 2014, we completed 525,875 continuing disability reviews.

**Conducting Supplemental Security Income Redeterminations:** Changes in beneficiaries’ living arrangements or the amount of their income and resources can affect both their eligibility for SSI and the amount of their payments. To ensure the accuracy of SSI payments, we conduct redeterminations. In FY 2014, we completed 2,627,518 redeterminations.

**Expanding the Access to Financial Institutions:** Excess resources in financial accounts cause SSI payment errors. Access to Financial Institutions (AFI) is an electronic process that verifies bank account balances with financial institutions to help determine SSI eligibility. In addition to verifying alleged accounts, the process detects undisclosed accounts by using a geographic search to generate requests to other financial institutions. Along with preventing overpayments, the AFI process helps us eliminate ineligible applicants at the beginning of the application process and reduce the workload in the DDS. We currently use the AFI system in all 50 states, the District of Columbia, and the Commonwealth of the Northern Mariana Islands.

**Implementing Direct Deposit Auto-Enrollment Fraud Prevention:** In an effort to prevent redirection of beneficiaries’ payments to other accounts without their knowledge, we created the direct deposit auto-enrollment fraud prevention service. This service allows beneficiaries who have been victims of fraud, or who think they may become victims in the future, to block changes to their payment information. People who block account changes must come into a field office to make direct deposit or address changes.

In August 2014, we started sending notices of change to beneficiaries’ old addresses when we process an address change requested through my Social Security. The notice tells the beneficiary to contact us if an address change was not requested. We will explore expansion to other service delivery methods in the future.
**STRATEGIC GOAL 3:**
**SERVE THE PUBLIC THROUGH A STRONGER, MORE RESPONSIVE DISABILITY PROGRAM**

**Strategic Objectives**
- Improve the Quality, Consistency, and Timeliness of Our Disability Decisions
- Maximize Efficiencies throughout the Disability Program
- Enhance Employment Support Programs and Create New Opportunities for Returning Beneficiaries to Work

**Did You Know?**
Social Security offers an online disability application an applicant can complete at his or her convenience from any location.

We remain committed to meeting the public’s needs by using technology and tools that are cost effective for the taxpayer and convenient for our customers. We will continue to balance timeliness with an emphasis on quality and consistency in decision-making.

The following tables highlight several of our key outcome-based performance measures. These performance measures support our Strategic Goal to strengthen our disability program.

### Expedite cases for the most severely disabled individuals by achieving the target percentage of initial disability cases identified as Quick Disability Determinations or Compassionate Allowances

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2010 Actual</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Actual</th>
<th>2014 Target</th>
<th>Target Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>4.6%</td>
<td>4.8%</td>
<td>5.8%</td>
<td>6.6%</td>
<td>6.6%</td>
<td>6.5%</td>
<td>MET</td>
</tr>
</tbody>
</table>

### Ensure the quality of our decisions by achieving the disability determination services decisional accuracy rate for initial disability decisions

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2010 Actual</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Actual</th>
<th>2014 Target</th>
<th>Target Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>98%</td>
<td>98%</td>
<td>98%</td>
<td>98%</td>
<td>Data available December 2014</td>
<td>97%</td>
<td>TBD*</td>
</tr>
</tbody>
</table>

*TBD*: To be determined as final FY 2014 data were not available at the time of publishing

### Increase our ability to provide timely decisions by focusing on our oldest cases first

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2010 Actual</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Actual</th>
<th>2014 Target</th>
<th>Target Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>Not Available**</td>
<td>Not Available**</td>
<td>Not Available**</td>
<td>Not Available**</td>
<td>98%</td>
<td>Make decisions on 99.5% of cases that start the year 310 days or older</td>
<td>NOT MET</td>
</tr>
</tbody>
</table>

*New target and data definition introduced for FY 2014. Prior years tracking methodology differs and not available based on FY 2014 data definition.*
While our customers expect us to make timely decisions, they also expect us to make the right decisions, appropriately and consistently applying our rules and regulations. We will continue to balance timeliness with an emphasis on quality and consistency in decision-making.

Our efforts to deliver quality disability decisions and services include:

**Enhancing the Electronic Claims Analysis Tool**: We continue to enhance our web-based Electronic Claims Analysis Tool (eCAT), which guides adjudicators through the five-step sequential process for determining disability. The tool produces a detailed, policy-compliant explanation of the determination made on the case and stores the supporting documentation. A subsequent reviewer can then review the explanation to understand the decision maker’s analysis and conclusions throughout the adjudication processes.

All DDS sites use eCAT for initial and reconsideration disability claims. As of August of FY 2014, eCAT includes functionality for processing electronic concurrent initial level adult continuing disability reviews. In FY 2015 and FY 2016, we will continue to add functionality for processing other types of continuing disability reviews, as well as refine eCAT in response to policy changes and input from its users.

**Updating the Medical Listing of Impairments**: The medical Listing of Impairments (Listings) is one of the most effective tools used to make disability decisions. The Listings allow us to find a claimant disabled when his or her impairment meets specified medical criteria, without the need to consider age, education, or work experience. The Listings improve the consistency and accuracy of our decisions throughout all levels of the disability process.

Our efforts in FY 2014 to update and revise medical policy included publishing four rules for public comment, one final rule, and three Social Security Rulings. In FY 2015, we plan to develop and submit eight final rules, two Social Security Rulings, and targeted updates for the medical Listings for publication in the Federal Register.

**Conducting Inline Quality Reviews**: The inline quality review of hearing-level claims promotes consistency and continuous improvement in case processing by ensuring that:

- Case files are properly prepared and scheduled;
- Records are adequately developed; and
- Draft decisions are legally sufficient.

In FY 2014, we conducted random inline quality reviews on 13,258 hearing cases. We will continue to review support staff work for quality and policy compliance.

**Reducing the Backlog at the Appeals Council**: Historically, we received approximately 100,000 requests for review annually. In recent years, the number of requests for reviews rose to 175,000 annually. This rise is due to an increase in cases completed at the hearing level, which results in the Appeals Council receiving more requests for review. To address this increase, we continued to add staff in the Office of Appellate Operations. We are now focusing on decreasing the percentage of pending Appeals Council requests for review over 365 days old.

We are focusing on decreasing the percentage of pending Appeals Council requests for review over 365 days old. In FY 2014, we completed approximately 162,000 Appeals Council requests for review. We will continue to adjust Appeals Council staff levels to both reduce the Appeals Council backlog and meet any changes in capacity at the DDS and the hearings levels.

**Developing the Disability Case Processing System**: The Disability Case Processing System is a national initiative to increase consistency between the different systems supporting our DDS sites. The system will allow us to support policy changes faster and modify our case processing system nationally. In addition, it will allow us to share work across disability components seamlessly and bring greater consistency to the various systems that support DDS sites. Our goal is to achieve the highest level of public service possible, while producing accurate decisions that are timely and cost effective.
In FY 2015 and FY 2016, we will continue to add functionality to sites in Idaho, Illinois, and Missouri, as well as expand to additional DDS sites.

**Using Health Information Technology to Expedite Disability Decisions:** Obtaining medical records electronically from health care organizations increases efficiencies in our disability determination process and dramatically improves service to the public by:

- Reducing the time to obtain medical records;
- Decreasing the time to complete a disability claim;
- Helping offset increasing workloads and staffing constraints; and
- Enabling computerized decision support.

We request more than 15 million medical records from about 500,000 providers for approximately 3 million initial disability claims annually. Our primary goal is to increase the volume of medical evidence received via health information technology by expanding existing partnerships and adding new partners. We are actively discussing partnering with numerous healthcare organizations and completed expansion to all Kaiser Permanente sites in March 2014.

In FY 2014, we received records electronically for approximately 3 percent of our initial disability claims workload. We expect this number to increase to 4 percent in FY 2015 and 6 percent in FY 2016.
STRATEGIC GOAL 4:
BUILD A MODEL WORKFORCE TO DELIVER QUALITY SERVICE

Strategic Objectives

- Attract and Acquire a Talented and Diverse Workforce That Reflects the Public We Serve
- Strengthen the Competency, Agility, and Performance of Our Workforce to Align with the Needs of the Public
- Foster an Inclusive Culture that Promotes Employee Well-Being, Innovation, and Engagement
- Enhance Planning and Alignment of Human Resources to Address Current and Future Public Service Needs

Maintaining a quality workforce is critical to providing continued world-class service to the public. The following table represents our performance in maintaining workplace excellence and the practices we implement that support our employees. This performance measure supports our commitment to the People and Culture CAP goal.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2010 Actual</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Actual</th>
<th>2014 Target</th>
<th>Target Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>Top 10 Rank</td>
<td>Top 10 Rank</td>
<td>Top 10 Rank</td>
<td>Top 10 Rank</td>
<td>Data available late November 2014</td>
<td>Top 10 Rank</td>
<td>TBD*</td>
</tr>
</tbody>
</table>

TBD*: To be determined, as final FY 2014 data were not available at the time of publishing.

Our employees are our most valuable asset. Their commitment, along with our partners in DDS sites, allows us to provide dedicated and compassionate services to the public. Each year since 2007, our employees have ranked us in the top 10 Best Places to Work in the Federal Government (www.bestplacestowork.org/BPTW/index.php). Some of the initiatives we are undertaking to remain an employer of choice for top talent include:

**Focusing on the Employment of Veterans and Individuals with Disabilities:** We honor the courage and sacrifice the men and women in our armed forces made during their active service. One of the best ways to recognize our appreciation is by creating civilian employment opportunities, enabling veterans to use the skills they acquired while serving this country. We also recognize the rich talent pool that exists among individuals with disabilities, and we benefit from their experience as we develop strategies to improve our service to the American people.

Each fiscal year, we establish goals for recruiting veterans and individuals with disabilities. Despite recent hiring limitations and budget constraints, we achieved or exceeded our commitments to hiring veterans and disabled workers.

**Highlighting the Pathways Programs (for Students and Recent Graduates to Federal Careers):** Hiring students and recent graduates provides our workplace with new enthusiasm and perspectives. Our Pathways programs serve as a gateway for attracting a talented and diverse workforce that reflects the public we serve. In FY 2014, we hired 20 percent of our employees through opportunities from 3 specific Pathways programs:
The Internship program provides students in high schools, colleges, trade schools, and other qualifying educational institutions with paid opportunities to explore Federal careers while completing their educations.

The Recent Graduates program provides developmental experiences to individuals who, within the previous two years, graduated from qualifying educational institutions.

The Presidential Management Fellows program provides entry-level positions and leadership development for advanced degree candidates and recent advanced degree graduates.

Creating Management Training: We have established several programs to sustain a competent and effective group of leaders. Our competency-based Leadership Essentials for New Supervisors training integrates technical skills with leadership competencies and emphasizes performance management. We started this program in April 2014 and approximately 10 percent of our new supervisors participated in this program during FY 2014.

We plan to build and maintain a cadre of leaders who have skills that are transferrable throughout our organization, thereby increasing the flexibility and responsiveness of our leadership. In FY 2015, we expect 50 percent of new supervisors to participate in the training.

Focusing on Career Development Programs: Our future depends on developing employees’ leadership and management skills throughout their careers. One way we identify and develop potential leaders is through our National Career Development Programs: the Leadership Development Program and the Advanced Leadership Development Program.

These programs target employees with demonstrated leadership potential and strengthen their leadership skills through developmental assignments and formal training. The Leadership Development Program prepares employees for General Series (GS)-11 through GS-13 leadership positions, and the Advanced Leadership Development Program prepares employees for GS-14 and GS-15 leadership positions.

To help our experienced managers prepare for senior-level positions, we offer the Senior Executive Service Candidate Development Program. Our program for senior executives is a key element of our succession management strategy for filling future executive-level leadership vacancies.

Highlighting Diversity and Inclusion: We have a long-standing history of being among the most diverse Federal agencies – a goal we achieved through careful planning and recruitment efforts. Our Diversity and Inclusion Strategic Plan highlights proven best practices for attracting, hiring, and retaining a diverse workforce. It also describes how we can foster a work environment that draws on our collective talents, respects individual differences, and leverages diversity.

Supporting Work/Life Balance: We are actively making efforts to remain an employer of choice and maintain our ranking among the top 10 Best Places to Work in the Federal Government. We demonstrate our commitment through family friendly policies, work/life services, and employee seminars on personal topics like financial literacy, fitness, stress management, and career development. We have also increased career opportunities across components.

In FY 2014, we implemented a new telework policy allowing employees to work in locations other than their official work locations. We now have 8,547 employees participating in telework.
STRATEGIC GOAL 5:  
ENSURE RELIABLE, SECURE, AND EFFICIENT INFORMATION TECHNOLOGY SERVICES

Strategic Objectives

- Maintain System Performance and the Continuity of Information Technology Services
- Enhance and Execute Plans to Modernize Our Systems
- Incorporate Innovative Advances in Service Delivery
- Continuously Strengthen Our Cyber Security Program

A robust and cost-effective information technology (IT) environment is at the core of every service we provide for the American public and for our employees. We support these mission-critical business and service operations by designing, deploying, and maintaining one of the Nation’s most sophisticated IT infrastructures. The following table demonstrates our systems performance.

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>2010 Actual</th>
<th>2011 Actual</th>
<th>2012 Actual</th>
<th>2013 Actual</th>
<th>2014 Actual</th>
<th>2014 Target</th>
<th>Target Achieved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance</td>
<td>99.84% availability</td>
<td>99.89% availability</td>
<td>99.5% availability</td>
<td>99.5% availability</td>
<td>99.97% availability</td>
<td>99.5% availability</td>
<td>MET</td>
</tr>
</tbody>
</table>

Technology is essential to everything we do. Managing high workload volumes while keeping pace with changing technology and new legislation are challenges we routinely face. If our systems experience a problem, our productivity and service immediately decline. Maintaining strong IT performance, while meeting rising demands, increasing cyber security risks, and constant industry changes, is vital. Some of our ongoing efforts to maintain secure and reliable IT services include:

**Enhancing Our Infrastructure**: Our new National Support Center opened in September 2014. Moving into the new state-of-the-art National Support Center is core to future enhancements to our infrastructure. We will begin our service migration to the new computer center in FY 2015. We expect to complete the migration, which will result in increased operational reliability and efficiency, by the end of FY 2016. This facility will dramatically increase computing power, while reducing energy consumption. Innovative heating and cooling systems will help reduce costs by capturing the heat generated from our computer servers and using it to heat the building. We designed the facility to be Leadership in Energy and Environmental Design Gold certified.

**Improving Information Technology Cost and Performance**: We use proven technologies to lower IT cost and improve performance. As part of our capital planning and investment control process, we evaluate the cost of IT projects in terms of their return on investment. We adopt new technologies to provide stable and high-performing environments.

When appropriate, we are leveraging technology including cloud-computing, virtualization, and using open source infrastructure to lower our costs while increasing our performance.
LOOKING FORWARD – FACING OUR CHALLENGES

We have a proud history of providing the highest level of service to the public. For the past 79 years, Social Security has been an integral part of so many lives. Whether we paid a benefit or issued a Social Security number, we have consistently served the public with care and compassion. We are committed to providing world-class service for our customers each time they interact with us. This commitment remains one of our highest priorities.

We remain vigilant in our effort to deliver Social Security services that meet the changing needs of the public. When the Social Security Act was signed in 1935, everything was done by hand on paper. Now, we cannot imagine conducting business without technology. As increasing numbers of customers want to conduct business with us online, we must consider technology that will enable us to meet this emerging customer expectation.

While we will continue to serve our customers in the way that is most convenient to them – in an office, over the telephone, or through the Internet – we are especially committed to improving and expanding our online service offerings. We will build on the services we now offer through our convenient and secure online portal, my Social Security.

Much of the improvement in protecting the integrity of our programs will come through technology, such as receiving more of our earnings data electronically and providing greater electronic protection for our customers’ information. In addition, we will make greater use of the information and data we have to help us identify fraud and prevent improper payments. We will continue to explore additional use of information from other agencies, as well as from the private sector, to ensure we pay all beneficiaries correctly and securely. We take security threats very seriously and will continue to invest heavily in technologies that strengthen our systems protection, giving our customers confidence in our online services.

Even with the best technology, the achievements of our organization are the results of the combined efforts of our dedicated employees – our greatest asset. We have many of the most customer-focused, compassionate, and resilient employees in government. With a shrinking workforce, our challenge is having employees with the right skills, in the right places, at the right times to achieve our service mission. Our Human Capital Operating Plan reflects our renewed commitment to managing our workforce goals. Over the next two years, we will increase our efforts to attract, train, and retain employees that are flexible and ready to provide services to the public through all our delivery channels. It is imperative that we maintain this momentum in positioning our agency for future success.

We will take every available measure to prevent waste, fraud, and abuse from happening, and will prosecute those responsible when it does. We will seek out ways to increase payment accuracy and preserve the integrity of our SSI program by collaborating with Federal partners and stakeholders, continuing to address improper payments through strengthening policies, developing automated prevention and detection processes, and optimizing our existing automated systems. We are steadily tackling the challenging demands of our increasing workloads and limited resources by transforming the way we do business and finding ways to provide services more efficiently.

As we overcome our challenges and move forward with the strategies outlined in our Agency Strategic Plan, we have also started setting our long-range strategic vision – our “Vision 2025.” This document will define our strategy for meeting the changing needs of our customers. After defining our vision, we will develop a long-range plan defining the actions needed to achieve our goals.