



**SOCIAL SECURITY**  
The Commissioner

December 1, 2014

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

Dear Mr. Chairman:

Thank you for the opportunity to provide an update on our fraud-fighting efforts. Please find the enclosed comprehensive report highlighting the progress on our anti-fraud initiatives designed to prevent and detect fraud, and to recover money stolen from the American people. Additionally, I am pleased to announce that I am establishing an Office of Anti-Fraud Program Management to provide centralized oversight of and accountability for our anti-fraud activities. This new office will drive our agency's anti-fraud efforts by sponsoring new initiatives, supporting component anti-fraud efforts, centralizing anti-fraud predictive analytics capabilities, ensuring vigilance in preventing and detecting fraud, and supporting the Inspector General's effort to investigate fraud.

I hope you find this report helpful. Our report incorporates information requested by Ms. Kim Hildred on September 23, 2014. I am also sending this information to Ranking Member Becerra.

We look forward to continuing to work with Congress on this critical issue. If I may be of further assistance, please contact me, or your staff may contact Judy Chesser, our Deputy Commissioner for Legislation and Congressional Affairs, at (202) 358-6030.

Sincerely,

Carolyn W. Colvin  
Acting Commissioner

Enclosure

## **Social Security Administration's Anti-Fraud Activities For Fiscal Year 2014**

### **Overview**

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Few government agencies touch the lives of as many people as we do. We administer the Old-Age, Survivors, and Disability Insurance programs (Title II), providing retirement, survivors, and disability benefits to qualified workers and their families. We also administer the Supplemental Security Income (Title XVI) program designed to provide a monthly payment to aged, blind, or disabled people with limited income and resources. In fiscal year (FY) 2014, we paid a combined total of about \$894 billion in Title II and Title XVI benefits. On average each month, nearly 64 million individuals received Title II or Title XVI benefits.

Regrettably, there will always be people who try to steal. Fraudsters will tirelessly work to develop new and innovative ways to steal money from the American people. It is our duty as stewards of our trust funds to work aggressively to prevent and detect fraud and to recover the money stolen from the American people.

Our message to fraudsters and potential fraudsters remains unchanged — we will find you; we will prosecute you; we will seek the maximum punishment allowable under the law; and we will fight to restore the money you have stolen to the American people.

To more efficiently and effectively detect, deter, and mitigate fraud, waste, and abuse of our programs, we are establishing the Office of Anti-Fraud Program Management to provide centralized oversight of and accountability for our anti-fraud activities. This office will drive our anti-fraud efforts by sponsoring new initiatives, supporting component anti-fraud efforts, centralizing anti-fraud predictive analytics capabilities, ensuring vigilance in preventing and detecting fraud, and supporting the Inspector General's efforts to investigate fraud. The Office of Anti-Fraud Program Management will be critical in helping us implement an anti-fraud framework that supports a comprehensive approach to fraud prevention and aligns anti-fraud efforts with industry standards.

This report highlights our major anti-fraud initiatives for FY 2014. It is intended to supplement previous Congressional updates to the Committee on Ways and Means Subcommittee on Social Security (Subcommittee) and expand on previously unreported anti-fraud initiatives.<sup>1</sup> This report also includes information requested by the Subcommittee Staff on September 23, 2014, including the metrics we will use to measure whether we are meeting our anti-fraud initiative objectives and the timetable for each objective. Our Acting Commissioner established our anti-fraud initiative as a top priority and is tracking all of the implementation milestones.

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<sup>1</sup> Acting Commissioner Colvin to the Honorable Sam Johnson, Chairman of the Subcommittee - February 14, 2014  
Acting Commissioner Colvin to Chairman Johnson - March 27, 2014  
Tom Parrott, Acting Deputy Commissioner for Legislation and Congressional Affairs, to Kim Hildred, Majority Staff Director for the Subcommittee - September 5, 2014

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Within this report, we provide metrics for each anti-fraud initiative, where applicable. We require our anti-fraud initiative leads to provide updates on a monthly basis.

We realize combatting fraud is a dynamic and evolving process, and we have made significant progress since our initial report on February 14, 2014. Highlights of our efforts discussed in this report include:

- Implementing the Baltimore Cooperative Disability Investigations Unit on September 22, 2014;
- Completing the second phase of the data analytics project in September 2014;
- Implementing the New York, San Francisco, and Kansas City Fraud Prevention Units;
- Conducting a National Anti-Fraud Conference on September 18, 2014;
- Barring 117 representative payee applicants as part of our Representative Payee Criminal Bar Pilot;
- Imposing \$21.2 million in civil monetary penalties under Section 1129 of the Social Security Act and successfully resolving 391 cases in FY 2014; and
- Blocking 16 problematic routing transit numbers and recovering \$2 million in fraudulently redirected benefit payments and monies.

### **Update on Initiatives Last Reported September 5, 2014**

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As discussed, we have provided the Subcommittee with regular updates on the following anti-fraud initiatives throughout FY 2014:

1. Increase Continuing Disability Reviews;
2. Expand Cooperative Disability Investigations Units;
3. Anti-Fraud Training;
4. Data Analytics;
5. Fraud Prevention Units;
6. National Anti-Fraud Committee;
7. Submission of Evidence Regulation;
8. Fraud Prosecution Project;
9. Representative Payee Criminal Bar;
10. Symptom Evaluation Research Effort; and
11. Psychological Testing Research Effort.

This section provides an update on these initiatives. For each initiative, we provide the:

- Responsible component(s);
  - Lead Individual(s)
  - Background/objective;
  - Update/timetable; and
  - Metrics to measure.
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## **1. Increase Continuing Disability Reviews (CDR)**

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Responsible Component: Deputy Commissioner for Operations (DCO)

Lead Individual: Ray Wise, DCO

Background/Objective: With the recent appropriations act, Congress provided us with funding to significantly increase the number of CDRs that we conduct. While the primary purpose of a CDR is to determine whether a beneficiary is no longer entitled to benefits because his or her condition has medically improved, our ability to perform significantly more CDRs may allow us to detect increased numbers of potentially fraudulent or suspicious activities.

Update/Timetable: As of September 30, 2014, we completed 525,875 medical CDRs, exceeding the budgeted goal of 510,000.

On September 23, the Subcommittee requested the breakdown between mailer CDRs and full medical CDRs by program (Title II or Title XVI) and by medical diary type for FY 2014 and FY 2015. Please see the worksheet in Appendix A. There are five tabs in the Appendix A worksheet with the following information:

1. CDR counts through September 2014 by cohort for mailers and full medical review, and by cohort;
2. The same counts through August 2014 for CDRs that had medical improvement expected diaries;
3. The same counts through August 2014 for CDRs that had medical improvement possible diaries;
4. The same counts through August 2014 for CDRs that had medical improvement not expected diaries; and
5. The estimated CDR counts by cohort for mailers and full medical reviews for FY 2015. At this time, we are unable to determine the breakout by diary type for the FY 2015 estimate. We estimate that it would be similar to the counts for FY 2014.

Metrics to Measure: Number of medical CDRs processed and if we meet our processed goal.

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## **2. Expand Cooperative Disability Investigations (CDI) Units**

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Responsible Components: DCO and Office of the Inspector General (OIG)

Lead Individuals: Marguerite Hager, DCO, and Heather Herman, OIG

Background/Objective: Working with our OIG, we plan to expand the number of CDI units. According to OIG, CDI units have contributed to agency savings of more than \$960 million over the last three fiscal years. We provide most of the funding for these units, and in collaboration with OIG, we expanded the CDI program by seven additional units beginning in FY 2014. We anticipate these 7 units will be fully operational in FY 2015, increasing the total number of units from 25 to 32 nationwide.

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Update/Timetable: The planned expansion of the CDI Program is on track.  
*Additional CDI Staffing*

As of September 30, 14 of the 24 additional investigators that we identified as part of the planned CDI expansion efforts are on board and working in their assigned CDI unit.

*New CDI Units*

The Detroit CDI unit became operational on August 15, and the Baltimore CDI unit became operational on September 22. We are planning and preparing to implement five additional units in FY 2015.

Metrics to Measure: The number of new CDI units implemented in FY 2015, with five additional units as the goal. Agency savings because of the CDI units.

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### **3. Anti-Fraud Training**

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Responsible Components: Deputy Commissioner for Human Resources (DCHR) and Deputy Commissioner for Budget, Finance, Quality, and Management (DCBFQM)

Lead Individuals: Lydia Marshall, DCHR, and Kara Jabers, DCBFQM

Background/Objective: We expanded anti-fraud training to all Social Security Administration (SSA) employees during FY 2014, with specific focus on lessons learned from Puerto Rico and New York City. SSA and state disability determination services (DDS) front-line employees remain our best line of defense against those seeking to cheat the system.

Update/Timetable: On September 23, the Subcommittee requested the following information:

- The component(s) responsible for the training;
- The date, audience, trainers, and content outline for each training session;
- The dates when the video on demand (VOD) of the training will be available, and whether employees are required to review the video; and
- A detailed description of our training plans for FY 2015.

The following update addresses this request.

*Mandatory Interactive Video Teletraining (IVT /VOD Training*

Our Office of Learning (OL), in collaboration with OIG and representatives from DCO, developed a mandatory national anti-fraud IVT/VOD training program for SSA and DDS employees. The IVT broadcast aired on September 17, and the VOD was available as of September 22.

The anti-fraud training video consists of an executive introduction from Dr. Reginald Wells (DCHR) and Pete Spencer (DCBFQM). Employees from OL and OIG presented the core

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training. The training provided a general overview of our anti-fraud efforts for identifying and reporting fraud activity and reminded employees of their stewardship responsibility to report suspected fraud, waste, and abuse.

This training will supplement local or regional anti-fraud training initiatives. Employees were required to complete the training by October 31. See Appendix B for the memorandum formally announcing the mandatory training.

OL will continue to support all future training efforts in support of this initiative that align with the agency's FY 2015 commitments to national anti-fraud training.

#### *Office of Quality Review (OQR) Fraud Training*

Our OQR also conducted fraud training in 2014. The Disability Insurance Benefits Initial Program Expert staff, with oversight from the branch chief for the Policy Branch, was responsible for the content of this training.

See Appendix C for OQR's training outline and a complete list of training dates, locations, audience, and trainers. We plan to conduct three classes in FY 2015 and will schedule the classes upon receipt of our FY 2015 appropriation. We do not have plans to create a VOD for this training.

Metrics to Measure: Percentage of employees trained.

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#### **4. Data Analytics**

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Responsible Component: Deputy Commissioner for Systems (DCS)

Lead Individual: Marti Eckert, DCS

Background/Objective: We undertook a special initiative to use data analytics to enhance our fraud detection efforts. Specifically, we created analytical models based on known cases of fraud and past allegations to identify common characteristics and patterns. We will utilize predictive analytical models to help us uncover potential fraud or other suspicious behavior when we review initial applications or existing data on beneficiaries. We invited OIG to participate in this initiative.

Update/Timetable: We successfully completed the first phase of the data analytics proof of concept in May 2014 by using the Business Intelligence Gateway data analytics platform to identify cases of known fraud.

The project team successfully completed the second phase of the project on schedule in September 2014. In this second phase, we accomplished the following:

1. Applied the predictive model developed in Phase 1 to additional data and identified previously unknown, potentially fraudulent claims;
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2. Built a preliminary predictive model to score all disability claims based on the risk for potential fraud; and
3. Obtained SSA-specific recommendations from an independent analysis for changes to our anti-fraud program; as a result, we created a centralized anti-fraud program management office.

On September 23, the Subcommittee requested the following information:

- The specific results of Phase 1;
- The schedule for Phase 2;
- A list of the members of the Disability Fraud Predictive Analytics Project Team, including their component; and
- A detailed plan to identify and collect the data it needs to better prevent fraud (e.g., representatives, doctors, and their entity affiliations).

Appendix D lists members of the Disability Fraud Predictive Analytics Project Team, with their respective components. Appendix E addresses the remainder of the Subcommittee’s request.

Metrics to Measure:

Objective	Completion Date	Measure
Prove Data Analytics can identify fraudulent cases.	May 2014	See Appendix E documentation.
Build Risk Scoring Model using Predictive Analytics tool.	September 2014	26 percent of highest scoring cases were identified as fraudulent.
Obtain external recommendations on best practices to be applied to SSA.	September 2014	Completed report.

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**5. Fraud Prevention Units (FPU)**

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Responsible Component: DCO

Lead Individual: Alishea Thomas, DCO

Background/Objective: We are establishing FPUs composed of disability examiners dedicated to reviewing and acting on potential fraud cases. We will compile data from the cases that will help us develop further analytical tools to identify potential fraud.

Update/Timetable: In FY 2014, we established three FPUs, which are fully staffed and accepting cases to review.

FPU	Date Operational
New York	March 2014
San Francisco	July 21, 2014
Kansas City	August 20, 2014

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On September 23, the Subcommittee requested:

- The staffing level of each FPU;
- The process by which we will review cases;
- What the review will include; and
- The next steps following case review.

Appendix F addresses the Subcommittee’s request.

Metrics to Measure: DCO established FPUs specifically to target disability fraud through third-party facilitators. This effort utilizes programmatic expertise to provide quality case analysis and support to OIG’s Office of Investigations. The units also conduct the disability redeterminations that result from the successful conclusion of the investigation.

We have allotted resources to ensure FPUs maintain peak efficiency while also providing valuable programmatic support to anti-fraud initiatives in the disability program. Our process addresses how cases are directed to the FPUs and how we will leverage the appropriate expertise to perform the work assigned.

We will continue to assess the resource commitment as we identify cases. In addition, we are developing management information (MI) requirements and expectations for case processing. We will validate our processes and MI report, and put them into place by December 31, 2014.

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## **6. National Anti-Fraud Committee (NAFC)**

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Responsible Components: DCBFQM and OIG

Lead Individuals: Pete Spencer, DCBFQM, and Patrick P. O’Carroll, Jr., OIG

Background/Objective: On April 3, our Acting Commissioner approved and signed the charter reinstating the NAFC, co-chaired by the Inspector General (IG) and our DCBFQM. The NAFC’s mission is to support national and regional strategies to combat fraud, waste, and abuse.

The NAFC supports our goal to provide accountable stewardship to taxpayers by ensuring superior financial performance, budget management, and integrity in all payments, records, and processes. In addition, the NAFC will serve as an advisory board for the newly established Office of Anti-Fraud Program Management.

At the first full NAFC meeting on March 24, the NAFC identified the following 11 anti-fraud initiatives to monitor throughout 2014:

<b>NAFC Initiative</b>	<b>Initiative Number In This Report</b>
Expand Training on Fraud Detection	3
Expand CDI Units	2
Expand Fraud Prosecution Project	8

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NAFC Initiative	Initiative Number In This Report
Continuous Quality Area Director Review Process	18
Streamline Civil Monetary Penalty (CMP) Program	17
Strengthen Administrative Sanctions Process	13
Establish Fraud Prevention Units	5
Expand Use of Data Analytics	4
Strengthen NAFC Relationship with the Regional Anti-Fraud Committees (RAFC)	6
eService Fraud	19
Communication Outreach	14

The NAFC is actively monitoring and receiving updates on many of the anti-fraud initiatives detailed in this report.

Update/Timetable: By charter, the NAFC is required to meet on an ad hoc basis or at least quarterly; however, the NAFC has been meeting regularly to focus on our anti-fraud efforts. In FY 2014, The NAFC met on March 24, May 5, June 26, August 7, and September 10. The NAFC will continue to meet on a regular basis. Our next NAFC meeting is November 24.

On September 23, the Subcommittee requested:

- National Anti-Fraud Conference agenda;
- List of participants;
- Results;
- Information on how the availability of the dedicated mailbox for employee anti-fraud suggestions was made known to employees;
- Number of suggestions received;
- Summary of those suggestions; and
- Scoring of those suggestions to date.

The following addresses the requested information:

The NAFC co-chairs hosted a National Anti-Fraud Conference on September 18, 2014. See Appendix G for the conference agenda. The all-day event involved full participation from regional DCO and OIG representatives. Our Acting Commissioner and headquarters executives also participated. See Appendix H for a list of conference participants. The main goal of the National Anti-Fraud Conference was to enhance collaboration among the NAFC and RAFC members to jointly combat fraud, waste, and abuse. Discussions involved ways the NAFC, RAFC, and OIG communities can cooperate and partner on important initiatives, communicate lessons learned, and effectively use our resources. To aid this effort, the RAFCs agreed to participate in future NAFC meetings on a rotational basis. Because employees remain our first and best line of defense against fraud, we recognized 108 employees during the conference for their superior efforts to combat fraud.

On March 7, our Acting Commissioner issued a ‘Commissioner’s Broadcast’ by email to all employees announcing the AntiFraud Suggestions mailbox, a dedicated electronic mailbox for

our employees to provide anti-fraud suggestions. Since the Acting Commissioner’s broadcast, employees have provided 283 suggestions.

At the NAFC meeting on March 24, the NAFC agreed to establish a subcommittee of component subject matter experts to review and rate the suggestions. Component subject matter experts have reviewed and rated the suggestions based on the following standards:

Score	Rating Standard
1	Suggestions that are not appropriate for further review, either because they reflect a misunderstanding of our programs or processes or because they are not fundamentally reasonable.
2	Suggestions that we do not need to consider because they are already in practice at our agency or in the process of implementation.
3	Suggestions that are not immediately dismissible but also are not particularly noteworthy.
4	Suggestions that are noteworthy but only as limited solutions.
5	Suggestions that are compelling and in line with all or most of the assessment criteria.

*Preliminary* scoring results are as follows:

Rating Average Range <sup>^</sup>	Suggestion Count
Not Rated*	34
1.00 - 1.75	95
2.00 - 2.75	94
3.00 - 3.50	39
4.00 - 5.00	21
<b>Total</b>	<b>283</b>

<sup>^</sup> In most cases, rating average range reflects a scoring average from multiple components.

\* Reflects new suggestions submitted to the mailbox to be rated in the near future.

These results are preliminary because the entire subcommittee is currently performing an agency-wide review of the suggestions and scoring for possible NAFC consideration. This process includes an in-depth review of the suggestions rated 4.50 or higher for possible implementation.

Metrics to Measure: Meeting frequency and content. As discussed, the NAFC’s mission is to support national and regional strategies to combat fraud, waste, and abuse. At the first full NAFC meeting on March 24, the NAFC identified component leads for 11 major anti-fraud initiatives to monitor throughout the year. Designated component leads have been providing regular updates on our anti-fraud initiatives to the NAFC; however, the Office of Anti-Fraud Program Management will now lead and track the progress of the anti-fraud initiatives.

Combatting fraud is an ongoing process. It is imperative that we remain on the forefront of technology to prevent and deter fraud, and not just detect fraud that has already occurred. The NAFC will serve as an advisory board for the Office of Anti-Fraud Program Management in re-evaluating best practices, new techniques to detect and prevent fraud, and initiatives to monitor.

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## **7. Submission of Evidence Regulation**

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Responsible Components: Deputy Commissioner for Retirement and Disability Policy (DCRDP) and Deputy Commissioner for Legislation and Congressional Affairs (DCLCA)

Lead Individuals: Janet Truhe, DCRDP, and Paul Kryglik, DCLCA

Background/Objective: Concerns have been raised that some claimants may withhold medical evidence that could be unfavorable to their claims. We propose to revise our regulations to require claimants to inform us about or submit all evidence known to them that relates to their disability claim — both favorable and unfavorable. We also propose to require a representative to help the claimant obtain the information or evidence that the claimant must submit, and we would extend the protections afforded by attorney-client privilege and attorney work product to non-attorney representatives as well.

Update/Timetable: On September 23, the Subcommittee requested a timeline for when we will publish the final regulation. We expect to publish the *Submission of Evidence in Disability Claims* final regulation in the Federal Register in the first quarter of calendar year 2015.

Metrics to Measure: Issuance of the final regulation.

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## **8. Fraud Prosecution Project**

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Responsible Component: Office of the General Counsel (OGC)

Lead Individual: Kia Finney, OGC

Background/Objective: The Department of Justice (DOJ) is the Federal agency responsible for prosecuting defendants who have violated Federal law. However, due in part to a lack of prosecutorial resources, DOJ declines many cases for prosecution. For more than a decade, our OGC has worked with OIG to develop the SSA Fraud Prosecution Project. The goal of this initiative is to increase the number of prosecutions for crimes involving Social Security matters. To support this project, OGC has provided attorneys to serve as Special Assistant United States Attorneys (fraud prosecutors) in many of the Federal districts where we have regional offices and at headquarters.

Update/Timetable: OGC has hired fraud prosecutors in the locations reflected in the chart below. Seattle, Puerto Rico, and Chicago were existing locations where we had to backfill. Kansas City was a part-time position that we converted to full-time and hired accordingly.

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Location	Start Date / Entry on Duty
Alexandria, Virginia	Internal Hire – No Start Date Necessary
Chicago, Illinois	Internal Hire – No Start Date Necessary
Concord, New Hampshire	Internal Hire – No Start Date Necessary
San Juan, Puerto Rico	09/08/14
Boise, Idaho	09/21/14
Kansas City, Kansas	09/21/14
Los Angeles, California	09/21/14
Richmond, Virginia	09/21/14
Salt Lake City, Utah	09/21/14
San Antonio, Texas	09/21/14
San Diego, California	09/26/14
Detroit, Michigan	09/29/14
Baltimore, Maryland	10/27/14
Seattle, Washington	10/27/14
Albany, New York	11/03/14
Cleveland, Ohio	^
Houston, Texas	^

^We are still in process to hire in Cleveland, Ohio, and we are currently working on setting up the fraud location in Houston, Texas.

Metrics to Measure: Attorneys hired by date.

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## 9. Representative Payee Criminal Bar

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Responsible Component: DCRDP

Lead Individual: Shirleeta Stanton, DCRDP

Background/Objective: We seek only qualified individuals and organizations to serve as representative payees, and we take steps to ensure their continued qualification and the proper use of benefits. We have completed a pilot of a policy change that we believe will help us identify payee applicants who have committed certain serious crimes and bar them from serving as payees. Felony convictions for any of 12 crimes will bar the individuals from serving as a representative payee.

Update/Timetable: We completed this initiative. Based on the pilot's results, we nationally implemented the criminal bar policy on February 28. Since implementation, we have barred 117 payee applicants.

Metrics to Measure: Number of barred payee applicants.

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## **10. Symptom Evaluation Research Effort**

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Responsible Components: DCRDP and Deputy Commissioner for Disability Adjudication and Review (DCDAR)

Lead Individuals: Gina Clemons, DCRDP, and Gerald Ray, DCDAR

Background/Objective: Our objective in entering into a contract with the Administrative Conference of the United States (ACUS) was to commission a study of the Social Security Act, our current regulations and sub-regulatory policy, and our development and documentation practices regarding how our adjudicators at all levels evaluate claimants' symptoms, including pain, in adjudication of social security disability claims. We also tasked ACUS with reviewing appropriate Federal court case law involving claimant's symptom evaluation. Upon the conclusion of its research and review of our data, ACUS will issue a final report with recommendations concerning potential improvements in our sub-regulatory policies and, if necessary, regulatory standards to more clearly articulate the scope of symptom evaluation in the adjudication of disability claims.

Update/Timetable: We received the draft report from ACUS in early September. The multi-component internal review process exceeded the time originally scheduled. Therefore, we now anticipate a final report from ACUS in November 2014.

Metrics to Measure: The requirements of the interagency agreement between ACUS and SSA serve as the metrics for this initiative.

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## **11. Psychological Testing Research Effort**

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Responsible Component: DCRDP

Lead Individual: Gina Clemons, DCRDP

Background/Objective: We have asked the Institute of Medicine (IOM) to perform a comprehensive review of psychological testing, including symptom validity testing. IOM will examine the relevance of psychological testing to disability determinations in claims involving physical or mental disorders. IOM will also provide us guidance to help adjudicators interpret the results of psychological testing.

Update/Timetable: We anticipate having a report from IOM in June 2015.

Metrics to Measure: The IOM report will determine our next steps in this area and the timeline for implementation.

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## **Update on Additional Anti-Fraud Initiatives**

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In addition to the initiatives outlined in our original report (see page 2 for information on the 11 initiatives in the original report), we offer a summary of the following initiatives to combat fraud, waste, and abuse:

12. Establish the Office of Anti-Fraud Program Management
13. Administrative Sanctions;
14. Anti-Fraud Communications Campaign;
15. Anti-Fraud Language on Notices;
16. Case Review - New York and Puerto Rico Fraud;
17. Civil Monetary Penalties;
18. Quality Review - Field Office Adjudications; and
19. eServices Fraud Prevention.

This section provides an update on these initiatives. For each initiative, we provide the:

- Responsible component;
- Background/objective;
- Update/timetable; and
- Metrics to measure.

We provide a list of lead individuals responsible for each of the 19 initiatives in Appendix J.

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### **12. Establish the Office of Anti-Fraud Program Management**

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Responsible Component: DCBFQM

Lead Individual: To be designated.

Background/Objective: We are establishing the Office of Anti-Fraud Program Management to serve as a centralized anti-fraud unit within our agency. The team will consist of core permanent staff with flexible, scalable rotational support from other agency components to implement and track all agency anti-fraud efforts. Establishing the Office of Anti-Fraud Program Management will increase efficiencies and provide a foundation to help combat fraud through increased knowledge sharing, easy deployment of training and communications, and enhanced opportunities for data mining. The NAFC will advise the new office.

Update/Timetable: The Acting Commissioner approved the establishment of the office on November 24, 2014. The timetable for this initiative is to be determined; however, we plan to work quickly to have the office established as soon as possible.

Metrics to Measure: The establishment of a fully functioning office.

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### **13. Administrative Sanctions**

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Responsible Components: DCO and DCRDP

Lead Individuals: James Suhrcke, DCO, and Shirleeta Stanton, DCRDP

Background/Objective: We implemented a new, streamlined process for imposing administrative sanctions that will facilitate national consistency and focus agency resources on the most egregious cases that OIG is unable to pursue for a fraud conviction or CMP.

Update/Timetable: We developed a National Administrative Sanctions Guide and published it on November 6. The guide provides immediate access to the policy, procedures, electronic systems and databases for processing administrative sanctions. The National Administrative Sanctions Guide ensures consistent application of administrative sanctions nationally.

Metrics to Measure: This month, we will complete a report of the number of sanctions imposed during FY 2014.

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### **14. Anti-Fraud Communications Campaign (AFCC)**

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Responsible Component: Deputy Commissioner for Communications (DCCOMM)

Lead Individual: Jeffrey Buckner, DCCOMM

Background/Objective: We plan to carry out the AFCC in FY 2015. The end date of the campaign is undecided at this time because it is premature to set an end date until we develop the variables of the AFCC with input from agency stakeholders. As with any good communications plan, the anti-fraud communications plan will be based on our overall agency strategic plan. As the strategic plan evolves, we will adjust the communications strategy.

Update/Timetable: Based on feedback, we are making changes to our messaging and initiatives.

Metrics to Measure: DCCOMM will provide metrics related to visits to and use of materials from a dedicated campaign website, which will be available by the end of the calendar year.

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### **15. Anti-Fraud Language on Notices**

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Responsible Component: DCRDP

Lead Individual: Neil Hardman, DCRDP

Background/Objective: To help communicate our anti-fraud message, we are adding new anti-fraud language to our notices.

Update/Timetable: We added new anti-fraud language to most manual notices in May 2014. We added anti-fraud language to most automated notices on August 30 and to most DCDAR notices

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on September 6. We will add the new language to Title II and Title XVI Cost-of-Living Adjustment notices issued in December 2014. We expect to add the anti-fraud language to the DDS notices in FY 2015.

We also expect to add reporting responsibilities for work activity to certain earnings notices (AERO) in FY 2015 to enable OIG to pursue criminal prosecutions and prevent discharge of overpayments during bankruptcies. The language for the AERO notice to remind disability beneficiaries of their responsibility to report work is currently pending executive approval. Systems development work will begin in November 2014.

Metrics to Measure: Number of notices revised.

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## **16. Case Review - New York and Puerto Rico Fraud**

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Responsible Component: DCO

Lead Individual: Ray Egan, DCO, New York Region

Background/Objective: We immediately suspended benefits to the indicted beneficiaries and initiated reviews (redeterminations) of thousands of other beneficiaries whose cases included tainted information from the indicted medical providers. Immediately after the arrests, we added staff to our Northeastern Program Center Disability Processing Branch and the New Jersey Disability Determination Service to conduct these reviews. During these reviews, our staff disregards medical evidence received from an indicted or discredited source. If the remaining evidence does not support the original allowance, we provide the beneficiary the opportunity to submit additional medical evidence before making a final determination regarding whether to terminate benefits. Over the past few months, our staff has been reviewing approximately 7,400 cases in which the indicted doctors supplied medical evidence. We are monitoring these cases to ensure accurate and consistent processing.

The objective of this initiative is to terminate benefits if non-tainted medical evidence in the case record does not support the original allowance.

Update/Timetable: We have completed initial redeterminations for the majority of New York and Puerto Rico cases that included tainted information from the indicted medical providers and facilitators. These include claims that we allowed at the initial or reconsideration level. We expect to complete 100 percent of our redeterminations by November 30, 2014.

Over 400 of the 7,400 cases we identified in Puerto Rico were continuance decisions made during CDRs. We are developing the policy for these cases with the OGC. We expect to complete these reviews by March 31, 2015.

Benefits for the indicted beneficiaries in both New York and Puerto Rico remain in suspense, due to ongoing court proceedings.

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Metrics to Measure: The metrics we are using to measure our objectives include the number of redeterminations pending and completed; the number of reconsiderations filed; and the number of reconsiderations pending and completed.

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## **17. Impose Civil Monetary Penalties (CMP)**

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Responsible Component: OIG

Lead Individual: Chad Bungard, OIG

Background/Objective: After a comprehensive evaluation of the CMP program by OIG in 2011, we instituted several changes to make the program more efficient and effective. As a result, OIG has imposed more CMPs in the past 28 months than in the previous 15 years combined. In FY 2012, OIG tripled the amount from the previous year, and last year, it successfully resolved over 300 cases, imposing CMPs exceeding \$15 million. We believe this streamlined program deters potential fraudsters.

Update/Timetable: In FY 2014, OIG imposed \$21.2 million in CMPs under Section 1129 of the Social Security Act and successfully resolved 391 cases. In addition, under Section 1140 of the Social Security Act, the Office of Counsel to the IG imposed \$305,000 in CMPs and shut down or brought into compliance 41 separate violations consisting primarily of Internet-related and direct-mail solicitation operations.

Metrics to Measure: The CMP program does not have metrics.

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## **18. Quality Review - Field Office Adjudications**

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Responsible Component: DCO

Lead Individual: Stephanie Hall, DCO

Background/Objective: We have recently taken steps to strengthen the quality of field office adjudication. We have established a new review process called the Continuous Quality Area Director (CQ AD) Review Process. This review will help ensure the accuracy of work completed by field office technicians. One of the primary areas for review is the front-end disability accuracy in field offices, with a concentration on the accuracy of how we determine the applicant's disability onset date. We will use the results of these focused reviews to identify systemic issues; recommend training, policy, and systems enhancements; and provide direct feedback to employees regarding their compliance with existing policy.

While the primary purpose of quality reviews is to ensure a high level of decisional accuracy, they can also detect potential fraud.

Update/Timetable: We have formed analysis subgroups for each of the seven review topics. These subgroups are tasked with analyzing MI to identify issues and make recommendations in three distinct areas: policy clarifications, systems enhancements, and training augmentation.

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We expect the subgroups to complete their work findings and recommendations by the end of the calendar year and provide a report in January 2015. As we vet and implement the recommendations, we expect to change behavior and improve quality within these error-prone areas.

Nationally, area directors (AD) have initiated over 22,700 reviews in field offices scheduled for monthly AD visits. This new approach aims to improve the quality and accuracy of our work and to ensure consistent policy application on error-prone technical issues. AD reviews emphasize the critical importance of quality in fulfilling our mission by providing direct feedback on development of disability onset dates, as well as Title II and Title XVI overpayment and waiver processing. The timeline is to complete the CQ AD Report of Analysis and Recommendations by January 2015.

Metrics to Measure: Number of cases reviewed requiring corrective actions.

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## **19. eServices Fraud Prevention**

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Responsible Components: DCO, DCS, and DCBFQM

Lead Individuals: Robin Sabatino, DCO, and Carla Krabbe, DCBFQM

Background/Objective: To improve fraud prevention and detection, we will use automated tools to help identify and track suspicious or potentially fraudulent eService transactions (e.g., direct deposit, claims submittals) and take appropriate preventive and corrective actions.

Our Direct Deposit Fraud Prevention initiative consists of a series of business processes and system releases designed to prevent, detect, track, and recover fraudulently redirected benefit payments.

Update/Timetable: DCO's Office of Electronic Services and Technology has taken a broad spectrum of anti-fraud actions using automated tools and techniques in collaboration with other agency components and OIG. These tools and techniques help prevent fraud, as well as detect suspicious or potentially fraudulent eService transactions, allowing the agency to intercept electronic fraud and take timely and appropriate corrective measures.

The successful outcome of these fraud prevention efforts is evidenced by the rate of *my Social Security* account creation fraud, which has stayed under 0.5 percent of all accounts created throughout the third quarter of FY 2014.

In FY 2013, the Office of Information Security (OIS) oversaw the implementation of a new integrity review system to analyze fraud in our online services. OIS staff uses this system to investigate suspicious behavior on the *my Social Security* portal, takes necessary steps to mitigate any losses to our agency and to our customers, and works with DCO staff members who contact beneficiaries to confirm fraud attempts. Using this system in FY 2014, we prevented the attempted theft of 4,635 benefit checks totaling \$5,483,205. We will expand the functionality of this system in FY 2015.

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*Direct Deposit Fraud Block*

Beginning October 2012, we implemented the direct deposit fraud block for reports of unauthorized direct deposit changes to the accounts of beneficiaries and recipients through direct deposit automated enrollments. An automated enrollment is an electronic transaction sent to our agency by the Department of Treasury or a financial institution to request direct deposit of funds to a specific bank and account. If the beneficiary visits a field office or calls the National 800 Number and alleges fraudulent redirection of their payment, he or she is able to request that we block future direct deposit auto-enrollments. If fraud has not occurred, the beneficiary can request the direct deposit fraud block as a preventive measure.

In August 2013, we implemented an interface with *my Social Security* where the beneficiary can request the direct deposit fraud block.

*Blocking of Problematic Routing Transit Numbers (RTN)*

In September 2013, we began blocking auto enrollments and *my Social Security* transactions received from financial institutions based on their problematic RTNs.

In early 2014, we created criteria for identifying RTNs with highly suspicious activity indicating fraud, and a procedure for blocking automated enrollment and *my Social Security* direct deposit transactions going to those RTNs.

As of September 13, 2014, we have blocked 16 problematic RTNs.

*Development of Potential Fraud Non-Receipt Database*

In October 2013, we began the development of the Potential Fraud Non-Receipt database to track fraudulently redirected benefit payments and monies recovered from financial institutions that processed fraudulent direct deposit actions to SSA. We have collected more than \$2 million from these financial institutions as of September 2014.

We worked through the Department of the Treasury (Treasury) to establish meetings on November 19 and 20, 2014 with financial institutions to recover monies lost due to the processing of fraudulent direct deposit transactions.

*Development of a New Reclamation Process*

We are collaborating with Treasury to develop an automated reclamation process for automated enrollments that resulted in fraudulently redirected benefit payments. We expect to implement the new process in late spring 2015.

We are also working with Treasury to develop a new transaction stop code that we send to Treasury to indicate payments that have been redirected to a potentially fraudulent account. We expect to implement the new stop code process in February 2015.

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*Recovery of Fraudulent iClaim Payments*

We are collaborating with Treasury and fine-tuning the process for the recovery of funds sent to fraudulent accounts resulting from fraudulent claims submitted over the internet (iClaims). To date, with the help of Treasury, we have recovered 48 percent of the funds prior to the fraudster wiping out the bank account.

We developed a monthly timeline of key dates in the payment cycle to share with DCO's Fraud Analysis and Coordination Team quarterly indicating the window for the most success in collecting funds sent to fraudulent accounts.

Metrics to Measure: DCO will use the fraudulent account creation rate as a metric for eServices fraud prevention effectiveness. For the Direct Deposit Fraud Prevention initiative, the specific metrics are as follows:

*Blocking of Problematic RTNs*

Through the monitoring of rejected transactions, tracking the number of attempts made on the blocked RTNs to determine the approximate value of the loss prevented.

*Development of Potential Fraud Non-Receipt Database*

Comparison of claims of non-receipt due to potential fraud vs. funds recovered from financial institutions reflected as a percent.

*Development of a New Reclamation Process*

Comparison of claims of non-receipt due to potential fraud vs. funds recovered from financial institutions reflected as a percent.

*Recovery of Fraudulent iClaim Payments*

Comparison of fraudulent iClaim value vs. funds recovered from financial institutions reflected as a percent. The iClaim value is equal to the first payment once an internet application for benefits has been approved. Often this payment covers a number of previous months; therefore, it is greater than the normal monthly payment.

## **Budgetary Considerations**

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On September 23, the Subcommittee asked whether our Acting Commissioner or the National Anti-Fraud Committee has developed a budgetary allotment specifically for anti-fraud activities and expected costs of anti-fraud activities.

In FY 2013, our operating expenses were \$1.817 billion for our strategic goal to "Preserve the Public's Trust in Our Programs," which includes our anti-fraud initiatives. It is difficult to

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distinguish between specific efforts to reduce fraud and our overall efforts to reduce improper payments, since not all improper payments are fraud-related.

Resources are limited, and Congress plays a critical role in our efforts to combat fraud. If we are to succeed in this mission, we need sustained, adequate funding.

## **Office of the Inspector General Special Report: “The Social Security Administration’s Ability to Prevent and Detect Disability Fraud”**

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In January 2014, Chairman Sam Johnson requested the OIG perform a “top to bottom review” of our Disability Insurance program. On September 12, 2014, OIG issued *The Social Security Administration’s Ability to Prevent and Detect Disability Fraud* special report.

OIG’s special report contained five suggestions:

1. Invest in predictive analytics tools to identify claims more likely to be fraudulent;
2. Invest in a comprehensive searchable system of records to identify and review trends in claims with common characteristics;
3. Modernize disability policy to reflect advances in medicine and technology;
4. Continue oversight of performance and productivity of hearing offices and administrative law judges; and
5. Make all efforts to allocate resources to clear the continuing disability review (CDR) backlog and stay current on all CDR workloads.

Many of our anti-fraud initiatives address the recommendations in OIG’s disability fraud report. Fighting fraud is a team effort, and we value our partnership with OIG and the recommendations contained in the special report. Appendix I outlines how we are addressing each of OIG’s recommendations.

## **Supplementary Information**

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The Subcommittee requested specific information for some of our initiatives, which we have included in separate appendices as follows:

*Appendix A* – CDRs Completed in FY 2014 and Estimated for FY 2015.

*Appendix B* – Memorandum Announcing Mandatory Anti-Fraud Overview Training.

*Appendix C* – Office of Quality Review 2014 Fraud Training Outline and Schedule.

*Appendix D* – Members of the Disability Fraud Predictive Analytics Project Team.

*Appendix E* – Anti-Fraud Data Analytics Information.

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*Appendix F* – Expansion of Anti-Fraud Initiatives in the Social Security Administration’s 30-Day Report

*Appendix G* – National FY 2014 Anti-Fraud Conference Agenda.

*Appendix H* – List of National Anti-Fraud Conference Participants.

*Appendix I* – Agency Initiatives that Address OIG Recommendations in Its Anti-Fraud Report

*Appendix J* – Lead Individuals Responsible for Each Anti-Fraud Initiative

*Appendix K* - Acronym Quick Reference.

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**Periodic Continuing Disability Reviews (CDR) Processed in Fiscal Year 2014  
Through September 30, 2014**

<b>Program involvement</b>	<b>Total CDRs processed</b>	<b>Mailers only</b>	<b>Initial field office failure to cooperate terminations<sup>1</sup></b>	<b>Full medical reviews (FMR)</b>
<b>I. Periodic CDRs (initiated centrally)</b>				
Total Title II.....	1,145,068	889,603	1,308	254,157
Title II Only.....	937,023	744,281	985	191,757
Disabled workers.....	864,718	683,105	907	180,706
Auxiliaries and survivors.....	72,305	61,176	78	11,051
Concurrent Title II and XVI.....	208,045	145,322	323	62,400
Disabled workers.....	158,124	107,982	244	49,898
Auxiliaries and survivors.....	49,921	37,340	79	12,502
Total Title XVI Only.....	503,469	259,235	1,597	242,637
Disabled adults.....	309,188	259,235	143	49,810
Disabled children.....	194,281	0	1,454	192,827
Low birth weight.....	18,498	0	372	18,126
Age 18 redeterminations.....	86,472	0	764	85,708
Other SSI children.....	89,311	0	318	88,993
Total Title II and XVI..... (initiated centrally)	1,648,537	1,148,838	2,905	496,794
<b>II. Other Periodic CDRs<sup>2</sup>..... (not initiated centrally)</b>	<b>14,108</b>	<b>0</b>	<b>136</b>	<b>13,972</b>
<b>III. Administrative Closures<sup>3</sup>.....</b>	<b>12,068</b>	<b>0</b>	<b>0</b>	<b>12,068</b>
<b>Total Periodic CDRs.....</b>	<b>1,674,713</b>	<b>1,148,838</b>	<b>3,041</b>	<b>522,834</b>

1/ Per 20 CFR 404.1587 and 404.1596 (Title II) and 20 CFR 416.992 (Title XVI) (71 FR 60819, October 17, 2006), beneficiaries who failed to comply with the SSA Field Office's request for necessary information during the CDR have had their eligibility for disability benefits terminated after 12 consecutive months of suspension for non-compliance. (Failure to cooperate events that occur after the FMR is underway are reported in the FMR column.)

2/ Other periodic review CDR cases are reviews initiated for reasons other than the maturing of a medical review diary. Examples of such cases are voluntary beneficiary/recipient reports or third party reports indicating that the individual may no longer be disabled.

3/ Administrative closures are cases initiated as periodic CDRs, but development was curtailed for technical reasons, such as the suspension or termination of benefits for other reasons, including the death of the beneficiary.

**Medical Improvement Expected (MIE) Periodic Continuing Disability  
Reviews (CDR) Processed in Fiscal Year 2014  
Through September 30, 2014**

<b>Program involvement</b>	<b>Total CDRs processed</b>	<b>Mailers only</b>	<b>Initial field office failure to cooperate terminations<sup>1</sup></b>	<b>Full medical reviews (FMR)</b>
<b>I. Periodic CDRs (initiated centrally)</b>				
<b>Total Title II.....</b>	<b>86,562</b>	<b>10,447</b>	<b>219</b>	<b>75,896</b>
<b>Title II Only.....</b>	<b>73,940</b>	<b>8,595</b>	<b>182</b>	<b>65,163</b>
<b>Disabled workers.....</b>	<b>72,543</b>	<b>8,381</b>	<b>176</b>	<b>63,986</b>
<b>Auxiliaries and survivors.....</b>	<b>1,397</b>	<b>214</b>	<b>6</b>	<b>1,177</b>
<b>Concurrent Title II and XVI.....</b>	<b>12,622</b>	<b>1,852</b>	<b>37</b>	<b>10,733</b>
<b>Disabled workers.....</b>	<b>11,048</b>	<b>1,601</b>	<b>34</b>	<b>9,413</b>
<b>Auxiliaries and survivors.....</b>	<b>1,574</b>	<b>251</b>	<b>3</b>	<b>1,320</b>
<b>Total Title XVI Only.....</b>	<b>71,147</b>	<b>2,860</b>	<b>590</b>	<b>67,697</b>
<b>Disabled adults.....</b>	<b>19,880</b>	<b>2,860</b>	<b>43</b>	<b>16,977</b>
<b>Disabled children.....</b>	<b>51,267</b>	<b>0</b>	<b>547</b>	<b>50,720</b>
<b>Low birth weight.....</b>	<b>14,203</b>	<b>0</b>	<b>329</b>	<b>13,874</b>
<b>Age 18 redeterminations.....</b>	<b>6,714</b>	<b>0</b>	<b>82</b>	<b>6,632</b>
<b>Other SSI children.....</b>	<b>30,350</b>	<b>0</b>	<b>136</b>	<b>30,214</b>
<b>Total Title II and XVI.....</b>	<b>157,709</b>	<b>13,307</b>	<b>809</b>	<b>143,593</b>
<b>(initiated centrally)</b>				
<b>II. Other Periodic CDRs<sup>2</sup>.....</b>	<b>1,267</b>	<b>0</b>	<b>21</b>	<b>1,246</b>
<b>(not initiated centrally)</b>				
<b>III. Administrative Closures<sup>3</sup>.....</b>	<b>1,795</b>	<b>0</b>	<b>0</b>	<b>1,795</b>
<b>Total Periodic CDRs.....</b>	<b>160,771</b>	<b>13,307</b>	<b>830</b>	<b>146,634</b>

1/ Per 20 CFR 404.1587 and 404.1596 (Title II) and 20 CFR 416.992 (Title XVI) (71 FR 60819, October 17, 2006), beneficiaries who failed to comply with the SSA Field Office's request for necessary information during the CDR have had their eligibility for disability benefits terminated after 12 consecutive months of suspension for non-compliance. (Failure to cooperate events that occur after the FMR is underway are reported in the FMR column.)

2/ Other periodic review CDR cases are reviews initiated for reasons other than the maturing of a medical review diary. Examples of such cases are voluntary beneficiary/recipient reports or third party reports indicating that the individual may no longer be disabled.

3/ Administrative closures are cases initiated as periodic CDRs, but development was curtailed for technical reasons, such as the suspension or termination of benefits for other reasons,

Prepared by: DCO,OPSOS,DCDRS  
Source: CDRMI File  
Date prepared: September 29, 2014



**Medical Improvement Possible (MIP) Periodic Continuing Disability  
Reviews (CDR) Processed in Fiscal Year 2014  
Through September 30, 2014**

<b>Program involvement</b>	<b>Total CDRs processed</b>	<b>Mailers only</b>	<b>Initial field office failure to cooperate terminations<sup>1</sup></b>	<b>Full medical reviews (FMR)</b>
<b>I. Periodic CDRs (initiated centrally)</b>				
<b>Total Title II.....</b>	<b>896,647</b>	<b>731,981</b>	<b>957</b>	<b>163,709</b>
<b>Title II Only.....</b>	<b>743,496</b>	<b>625,938</b>	<b>715</b>	<b>116,843</b>
<b>Disabled workers.....</b>	<b>706,751</b>	<b>597,786</b>	<b>652</b>	<b>108,313</b>
<b>Auxiliaries and survivors.....</b>	<b>36,745</b>	<b>28,152</b>	<b>63</b>	<b>8,530</b>
<b>Concurrent Title II and XVI.....</b>	<b>153,151</b>	<b>106,043</b>	<b>242</b>	<b>46,866</b>
<b>Disabled workers.....</b>	<b>126,136</b>	<b>89,286</b>	<b>177</b>	<b>36,673</b>
<b>Auxiliaries and survivors.....</b>	<b>27,015</b>	<b>16,757</b>	<b>65</b>	<b>10,193</b>
<b>Total Title XVI Only.....</b>	<b>341,616</b>	<b>181,064</b>	<b>953</b>	<b>159,599</b>
<b>Disabled adults.....</b>	<b>209,908</b>	<b>181,064</b>	<b>86</b>	<b>28,758</b>
<b>Disabled children.....</b>	<b>131,708</b>	<b>0</b>	<b>867</b>	<b>130,841</b>
<b>Low birth weight.....</b>	<b>4,284</b>	<b>0</b>	<b>43</b>	<b>4,241</b>
<b>Age 18 redeterminations.....</b>	<b>68,489</b>	<b>0</b>	<b>643</b>	<b>67,846</b>
<b>Other SSI children.....</b>	<b>58,935</b>	<b>0</b>	<b>181</b>	<b>58,754</b>
<b>Total Title II and XVI.....</b>	<b>1,238,263</b>	<b>913,045</b>	<b>1,910</b>	<b>323,308</b>
<b>(initiated centrally)</b>				
<b>II. Other Periodic CDRs<sup>2</sup>.....</b>	<b>10,297</b>	<b>0</b>	<b>90</b>	<b>10,207</b>
<b>(not initiated centrally)</b>				
<b>III. Administrative Closures<sup>3</sup>.....</b>	<b>9,035</b>	<b>0</b>	<b>0</b>	<b>9,035</b>
<b>Total Periodic CDRs.....</b>	<b>1,257,595</b>	<b>913,045</b>	<b>2,000</b>	<b>342,550</b>

1/ Per 20 CFR 404.1587 and 404.1596 (Title II) and 20 CFR 416.992 (Title XVI) (71 FR 60819, October 17, 2006), beneficiaries who failed to comply with the SSA Field Office's request for necessary information during the CDR have had their eligibility for disability benefits terminated after 12 consecutive months of suspension for non-compliance. (Failure to cooperate events that occur after the FMR is underway are reported in the FMR column.)

2/ Other periodic review CDR cases are reviews initiated for reasons other than the maturing of a medical review diary. Examples of such cases are voluntary beneficiary/recipient reports or third party reports indicating that the individual may no longer be disabled.

3/ Administrative closures are cases initiated as periodic CDRs, but development was curtailed for technical reasons, such as the suspension or termination of benefits for other reasons,

Prepared by: DCO,OPSOS,DCDRS  
Source: CDRMI File  
Date prepared: September 29, 2014

**Medical Improvement Not Expected (MINE) Periodic Continuing Disability  
Reviews (CDR) Processed in Fiscal Year 2014  
Through September 30, 2014**

<b>Program involvement</b>	<b>Total CDRs processed</b>	<b>Mailers only</b>	<b>Initial field office failure to cooperate terminations<sup>1</sup></b>	<b>Full medical reviews (FMR)</b>
<b>I. Periodic CDRs (initiated centrally)</b>				
<b>Total Title II.....</b>	<b>161,859</b>	<b>147,175</b>	<b>132</b>	<b>14,552</b>
<b>Title II Only.....</b>	<b>119,587</b>	<b>109,748</b>	<b>88</b>	<b>9,751</b>
<b>Disabled workers.....</b>	<b>85,424</b>	<b>76,938</b>	<b>79</b>	<b>8,407</b>
<b>Auxiliaries and survivors.....</b>	<b>34,163</b>	<b>32,810</b>	<b>9</b>	<b>1,344</b>
<b>Concurrent Title II and XVI.....</b>	<b>42,272</b>	<b>37,427</b>	<b>44</b>	<b>4,801</b>
<b>Disabled workers.....</b>	<b>20,940</b>	<b>17,095</b>	<b>33</b>	<b>3,812</b>
<b>Auxiliaries and survivors.....</b>	<b>21,332</b>	<b>20,332</b>	<b>11</b>	<b>989</b>
<b>Total Title XVI Only.....</b>	<b>90,706</b>	<b>75,311</b>	<b>54</b>	<b>15,341</b>
<b>Disabled adults.....</b>	<b>79,400</b>	<b>75,311</b>	<b>14</b>	<b>4,075</b>
<b>Disabled children.....</b>	<b>11,306</b>	<b>0</b>	<b>40</b>	<b>11,266</b>
<b>Low birth weight.....</b>	<b>11</b>	<b>0</b>	<b>0</b>	<b>11</b>
<b>Age 18 redeterminations.....</b>	<b>11,269</b>	<b>0</b>	<b>39</b>	<b>11,230</b>
<b>Other SSI children.....</b>	<b>26</b>	<b>0</b>	<b>1</b>	<b>25</b>
<b>Total Title II and XVI.....</b>	<b>252,565</b>	<b>222,486</b>	<b>186</b>	<b>29,893</b>
<b>(initiated centrally)</b>				
<b>II. Other Periodic CDRs<sup>2</sup>.....</b>	<b>2,544</b>	<b>0</b>	<b>25</b>	<b>2,519</b>
<b>(not initiated centrally)</b>				
<b>III. Administrative Closures<sup>3</sup>.....</b>	<b>1,238</b>	<b>0</b>	<b>0</b>	<b>1,238</b>
<b>Total Periodic CDRs.....</b>	<b>256,347</b>	<b>222,486</b>	<b>211</b>	<b>33,650</b>

1/ Per 20 CFR 404.1587 and 404.1596 (Title II) and 20 CFR 416.992 (Title XVI) (71 FR 60819, October 17, 2006), beneficiaries who failed to comply with the SSA Field Office's request for necessary information during the CDR have had their eligibility for disability benefits terminated after 12 consecutive months of suspension for non-compliance. (Failure to cooperate events that occur after the FMR is underway are reported in the FMR column.)

2/ Other periodic review CDR cases are reviews initiated for reasons other than the maturing of a medical review diary. Examples of such cases are voluntary beneficiary/recipient reports or third party reports indicating that the individual may no longer be disabled.

3/ Administrative closures are cases initiated as periodic CDRs, but development was curtailed for technical reasons, such as the suspension or termination of benefits for other reasons,

Prepared by: DCO,OPSOS,DCDRS  
Source: CDRMI File  
Date prepared: September 29, 2014

**Periodic Continuing Disability Reviews (CDR) Processed in Fiscal Year 2015  
Estimated**

Program involvement	Total CDRs processed	Mailers only	Initial field office failure to cooperate terminations <sup>1</sup>	Full medical reviews (FMR)
<b>I. Periodic CDRs (initiated centrally)</b>				
Total Title II.....	1,606,500	1,037,800	1,700	567,000
Title II Only.....	1,297,000	870,700	1,300	425,000
Disabled workers.....	1,202,200	801,000	1,200	400,000
Auxiliaries and survivors.....	94,800	69,700	100	25,000
Concurrent Title II and XVI.....	309,500	167,100	400	142,000
Disabled workers.....	238,800	124,500	300	114,000
Auxiliaries and survivors.....	70,700	42,600	100	28,000
Total Title XVI Only.....	520,300	201,000	2,500	316,800
Disabled adults.....	261,200	201,000	200	60,000
Disabled children.....	259,100	0	2,300	256,800
Low birth weight.....	20,000	0	600	19,400
Age 18 redeterminations.....	99,100	0	1,200	97,900
Other SSI children.....	140,000	0	500	139,500
Total Title II and XVI..... (initiated centrally)	2,126,800	1,238,800	4,200	883,800
<b>II. Other Periodic CDRs<sup>2</sup>.....</b> (not initiated centrally)	<b>0</b>	<b>0</b>		
<b>III. Administrative Closures<sup>3</sup>.....</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Periodic CDRs.....</b>	<b>2,126,800</b>	<b>1,238,800</b>	<b>4,200</b>	<b>883,800</b>

1/ Per 20 CFR 404.1587 and 404.1596 (Title II) and 20 CFR 416.992 (Title XVI) (71 FR 60819, October 17, 2006), beneficiaries who failed to comply with the SSA Field Office's request for necessary information during the CDR have had their eligibility for disability benefits terminated after 12 consecutive months of suspension for non-compliance. (Failure to cooperate events that occur after the FMR is underway are reported in the FMR column.)

2/ Other periodic review CDR cases are reviews initiated for reasons other than the maturing of a medical review diary. Examples of such cases are voluntary beneficiary/recipient reports or third party reports indicating that the individual may no longer be disabled.

3/ Administrative closures are cases initiated as periodic CDRs, but development was curtailed for technical reasons, such as the suspension or termination of benefits for other reasons, including the death of the beneficiary.



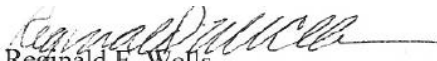
**SOCIAL SECURITY**  
Office of Human Resources

MEMORANDUM

Date: September 15, 2014

Refer To: 20140915-189

To: See Below

From:   
Reginald F. Wells  
Deputy Commissioner  
for Human Resources

Pete Spencer   
Deputy Commissioner

Subject: Mandatory Agency Anti-Fraud Overview Training--ACTION

**ACTION REQUESTED BY: October 31, 2014**

We are pleased to announce SSA's *Anti-Fraud Overview* training, which will broadcast live on September 17, 2014 at 8:00 a.m., 9:00 a.m., 10:00 a.m., 11:00 a.m., and 2:00 p.m. Eastern Standard Time. The training will also be available in the Video on Demand library by September 22, 2014 at 8:00 a.m. To assist components in maintaining a record of completion, we encourage employees to access the training via the Learning Management System (LMS) and certify that they viewed it. This training is mandatory for all SSA and Disability Determination Services employees and supports the agency's efforts to detect and prevent fraud, waste, and abuse. Although fraud detection is not new to the agency, this broadcast will provide a general overview of the agency's efforts and strategies for identifying and reporting potential fraud.

**ADDRESSES:**

Deputy Commissioner for Communications  
Deputy Commissioner for Disability Adjudication and Review  
Acting Deputy Commissioner for Legislation and Congressional Affairs  
Deputy Commissioner for Operations  
Acting Deputy Commissioner for Retirement and Disability Policy  
Deputy Commissioner for Systems  
Chief Actuary  
Chief Strategic Officer  
General Counsel  
Inspector General

Please share this information with your employees and ensure they complete this mandatory training by **October 31, 2014**. We also ask that you encourage your employees to complete the evaluation at the end of the training, as their feedback will assist us in improving and enhancing future training activities.

Staff may contact Melissa Boyd at [Melissa.Boyd@ssa.gov](mailto:Melissa.Boyd@ssa.gov) or 410-966-6536 with questions or concerns regarding *SSA's Anti-Fraud Overview* training. Thank you for your cooperation.

cc:

The Acting Commissioner

Chief of Staff

Executive Secretary

Acting Assistant Deputy Commissioner for Human Resources

Deputy Commissioner-level Executive Officers

# **Office of Quality Review 2014 Fraud Training Outline**

## Defining Fraud & Similar Fault

- Overview
- What is Fraud?
- Puerto Rico Fraud Cases
- New York Fraud Cases

## How SSA Combats Fraud in the Disability Process

- Cooperative Disability Units (CDI)
- Distinction between the Office of the Inspector General (OIG) and CDI
- CDI statistics for FY 2013
- Report of Investigation (ROI)

## Perform a Quality Review with an ROI in File

- Preponderance of Evidence
- Evaluating/Disregarding the Evidence
- Fraud and Similar Fault vs. Credibility

## Identify and Refer Fraud and Similar Fault Cases

- Quality Reviewer's Role
- Lessons Learned from Puerto Rico and New York
- OIG High Risk Fraud and Similar Fault Indicators
- Common Alleged Impairments in Fraud and Similar Fault Claims
- Suspicion of Fraud in Quality Review
- Unrestricted Reopening
- Video on Demand Summarizing Points in this Lesson

## **Office of Quality Review 2014 Fraud Training Schedule**

Date(s) of training	Location	Audience	Trainer(s)
July 22-23	Dallas Disability Quality Branch (DQB)	All staff	Crysenithia Crockett, Beverly Ortiz
July 30	Boston DQB	All staff	Joy Green, Jose Santana
July 30	Philadelphia DQB	All staff	Crysenithia Crockett, Suzie Jones
August 5-6	San Francisco DQB	All staff	Alan Gulley, Kasey Waite
August 6	Kansas City DQB	All staff	Suzie Jones, Beverly Ortiz
August 11-15	Chicago, IL	New Reviewers	Crysenithia Crockett, Alan Gulley
August 11-15	Oakland, CA	New Reviewers	Suzie Jones, Beverly Ortiz
August 20	Seattle DQB	All staff	Joy Green, Jose Santana
August 20	Denver DQB	All staff	Kara Jabers, Kasey Waite
August 27	Chicago	All staff	Alan Gulley, Mark Orth
September 3	New York	All staff	Alan Gulley, Beverly Ortiz
September 9-12	Baltimore, MD	New Reviewers	Alan Gulley, Beverly Ortiz
September 10	Atlanta DQB	All staff	Crysenithia Crockett, Joy Green
September 15-19	Baltimore, MD	New Reviewers	Alan Gulley, Jose Santana
September 15-19	Baltimore, MD	New Reviewers	Jill James, Kay Welch
September 17	Baltimore Field Site	All staff	Crysenithia Crockett, Alan Gulley

## Members of the Disability Fraud Predictive Analytics Project Team

Component Liaison	Component
Michael Callahan Joseph Halfpap	Deputy Commissioner for Budget, Finance, Quality, and Management (DCBFQM)/Office of Budget
Dan Zabronsky Alex Lin	DCBFQM/Office of Quality Improvement
Annette Dushel	DCBFQM/Office of Financial Policy and Operations
Kelly Salzman	Deputy Commissioner for Disability Adjudication and Review (DCDAR) /Office of Appellate Operations
Evette Chapman	Deputy Commissioner for Human Resources(DCHR)/Office of Learning
Betsy Augustine Franklyn Rex Marshall Ruth Trent	Deputy Commissioner of Operations (DCO)/Office of Disability Determinations
Jenny Rudolph Robin Sabatino	DCO/Office of Electronic Services and Technology
William Bardin	DCO/Office of Public Service and Operations Support
Karen Ames Steven Adams	DCO/Disability Case Processing System
Mitch Bowden	Deputy Commissioner of Retirement and Disability Policy (DCRDP)/Office of Data Exchange and Policy Publications
Shirleeta Stanton Lee Rojas Kevin Parmer	DCRDP/Office of Disability Policy
Ted Horan Hansa Patel	DCRDP/Office of Research Evaluation and Statistics
Mark Ottaviani	Deputy Commissioner of Systems (DCS)/Office of Applications and Supplemental Security Income Systems
Georgia Fan	DCS/Office of Disability Systems
Siri Kissko	DCS/Office of Earnings Enumeration and Administrative Systems
Jim Slivka	DCS/Office of Enterprise Support Architecture and Engineering
Kerry Petsch	DCS/Office of Retirement and Survivors Insurance Systems
Deidre Battle	DCS/Office of Systems Electronic Services
Greg Elspas Andy Coale	DCS/Office of Telecommunications Systems Operations
Marti Eckert Tom MacBride Bob Nicholson Melinda Salkeld Jennifer Rutz Phil Bryant	DCS/Office of Information Security
Frank Barry	New York Region Deputy Acting Regional Commissioner



Pamela Carcirieri Neil Etter Kelly Ellsworth	Office of General Counsel(OGC)/Office of Privacy and Disclosure
Amanda Gilman Cathleen McNulty	OGC/Office of Program Law
Kelly Bloyer Mike Ryan Jennifer Walker	Office of Inspector General

## Anti-Fraud Initiatives – Data Analytics

### Results of Phase 1

Scenario	# of Records in Query Results	# of Matches to Known Cases	# of Known Cases	Percent Match	Match Rate
New York	67,587	74	94	78.72%	1/913
Puerto Rico	116,634	354	391	90.54%	1/329
West Virginia	50,671	151	176	85.80%	1/336

### Schedule for Phase 2

Executive Milestones	Completion Date
Milestone #1 – SAS Software Installation	5/29/2014
Milestone #2 – Load Data and Join Tables	6/13/2014
Milestone #3 – Data Review	6/13/2014
Milestone #4 – Configure Tool (Hadoop – Upload and Download)	6/27/2014
Milestone #5 – Develop and Run First Scenario	7/18/2014
Milestone #6 – Load External Data (Lexis-Nexis and NICMS)	8/1/2014
Milestone #7 – Load Additional Data (Other Geographical Areas)	8/1/2014
Milestone #8 – Build Workflows	8/12/2014
Milestone #9 – Build Preliminary Scoring Model	8/22/2014
Milestone #10 – Develop and Run Second Scenario	8/15/2014
Milestone #11 – Present Preliminary Scoring Model	9/3/2014-9/4/2014
Milestone #12 – Present Workflow	9/3/2014-9/4/2014

## **Detailed Plan to Identify and Collect the Data Needed to Prevent Fraud**

- Determine data needed for data-mining activities
- Identify data owners and subject matter experts (SMEs) for the identified data
- Meet with data owners and SMEs to discuss data elements and definitions in data sources
- Reach agreement on data elements required for data-mining activities
- Identify secure location to store exported data
- Provide data owners access to secure location
- Receive extracted data and download to data-mining framework

## Expansion of Anti-Fraud Initiatives in the Social Security Administration’s 30-Day Report

INITIATIVE	UPDATE
<p><b>Fraud Prevention Units (FPU):</b> Provide the staffing level of each unit and the process by which cases will be referred, what the review will include, and next steps following case review.</p>	<p>The New York, Kansas City, and San Francisco FPUs are each currently staffed with:</p> <ul style="list-style-type: none"> <li>• 1 Manager;</li> <li>• 20 Disability Processing Specialists; and</li> <li>• Appropriate levels of management and administrative support</li> </ul> <p>Total: 21-25 employees per FPU</p> <p>NOTE: This staffing is based upon the New York model but may be adjusted. Additionally, there may be a future need to add positions to ensure the right skill sets are available in the units (e.g., Supplemental Security Income programmatic expertise).</p> <p>The process for referring cases:</p> <ul style="list-style-type: none"> <li>• Office of the Inspector General (OIG) or the data analytics initiative lead (currently the Office of Information Security) identifies a need for FPU support and sends the request to the case selection committee – currently comprised of OIS, the Inspector General (IG), and Operations Executives.</li> <li>• The case selection committee assesses the request based on specific criteria (to be determined) and will determine if the FPUs are the right venue for a case and if (and where) there is capacity to conduct the review.</li> <li>• The Office of Public Service and Operations Support/Division of Systems Security and Program Integrity (OPSOS/DSSPI) makes the appropriate regional contact (FPU Coordinator) to confirm the selected region can support the request. <ul style="list-style-type: none"> <li>○ We will try to pair requests with the appropriate FPU based upon geography and any unique factors with the request. The IG may provide input.</li> </ul> </li> <li>• OPSOS/DSSPI sends the request to the FPU Coordinator – typically, we will use a (very) limited-access share-drive to track and communicate on cases.</li> <li>• FPU supports the request and reports the level of effort to OPSOS/DSSPI; the FPU Coordinator provides periodic status updates on each request back to OPSOS/DSSPI.</li> <li>• OPSOS/DSSPI keeps track of management information (MI) in order to understand the capacity of each FPU, track the status of requests, keep historical information on resources, etc.</li> </ul> <p>The FPUs will conduct full medical reviews of the cases, looking for indications of third-party fraud and disallowing suspect or identified fraudulent medical information. Once the review is complete, the FPU will refer cases to an Operations component for adjudication, concurrently with referral to OIG for prosecution or Civil Monetary Penalties (CMP). OIG will report case results to Operations for inclusion in the MI. We expect that the MI they will share will be the number of cases successfully prosecuted, the number of cases declined for prosecution, and the number of cases sent for CMP, further broken down by the number that resulted in a CMP and those that did not.</p>



# National Anti-Fraud Conference

## September 18, 2014

### Conference Agenda



Morning Session - 8:00am - 12:00pm		Discussion Lead
8:00am - 8:15am	Welcome/Introductions/ National Anti-Fraud Committee (NAFC) Background/Initiative Overview	DCBFQM/IG
8:15am - 8:30am	eService Fraud	DCO
8:30am - 9:45am	<u>Fraud Enforcement and Penalties</u> <ul style="list-style-type: none"> <li>Streamline Civil Monetary Penalty (CMP) Program</li> <li>Expand Fraud Prosecution Project</li> <li>Strengthen Administrative Sanctions Process</li> </ul>	OIG OGC DCRDP
9:45am - 10:00am	Break	
10:00am - 10:15am	A Message from Carolyn Colvin	ACOSS
10:15am - 11:00am	Anti-Fraud Awards	DCBFQM/IG
11:00am - 12:00pm	<u>Fraud Training and Communication</u> <ul style="list-style-type: none"> <li>Expand Training on Fraud Detection</li> <li>Communication Outreach</li> </ul>	DCO/DCHR DCCOMM

### Lunch - 12:00pm - 1:00pm

Afternoon Session - 1:00pm - 5:00pm		Discussion Lead
1:00pm - 3:00pm	<u>Disability Fraud</u> <ul style="list-style-type: none"> <li>Expand Use of Data Analytics</li> <li>Pre-Effectuation Reviews on ALJ Favorable Decisions</li> <li>Expand Cooperative Disability Investigations (CDI) Units</li> <li>Establish Fraud Prevention Units</li> <li>Stop Disability Fraud Act of 2014</li> </ul>	DCS DCDAR OIG/DCO DCO DCLCA
3:00pm - 3:15pm	Break	
3:15pm - 4:45pm	<u>Best Practices Forum</u> <ul style="list-style-type: none"> <li>Strengthen NAFC Relationship with the RAFC</li> <li>Overpayments and Bankruptcy Court</li> <li>Communication and Lessons Learned from NY and PR Events</li> <li>Seattle Integrity Project</li> <li>Border Residency</li> <li>Fraud Identification (Earnings, Numident Death Match, MACADE/SPS, MNUP/Centenarian Projects)</li> <li>Open Forum</li> </ul>	DCBFQM/IG Philadelphia New York Seattle San Francisco Open Discussion  Open Discussion
4:45pm - 5:00pm	Closing Remarks/Questions/Next Steps	DCBFQM/IG

## List of National Anti-Fraud Conference Participants

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Conference Attendee	Component
Colvin, Carolyn	Office of the Commissioner (OC)
Kissko, Jim	OC
Dushel, Annette	Deputy Commissioner of Budget, Finance, Quality, and Management (DCBFQM)
Fidler, Melissa	DCBFQM
Frakes, David	DCBFQM
Krabbe, Carla	DCBFQM
Lutz, Bruce	DCBFQM
Reich, Elizabeth	DCBFQM
Spencer, Pete	DCBFQM
Wohlfort, Mark	DCBFQM
Artista-Cuchna, Maria	Deputy Commissioner of Communications (DCCOMM)
Buckner, Jeffrey	DCCOMM
Gambino, Phil	DCCOMM
Train, Laura	DCCOMM
Walker, Douglas	DCCOMM
Borland, Jim	Deputy Commissioner of Disability Adjudication and Review (DCDAR)
Borrelli, Carmine	DCDAR
Hansen, Erik	Deputy Commissioner of Legislative and Congressional Affairs
Baldwin Sparks, Kim	Deputy Commissioner of Operations (DCO)
Bennett, Cynthia R.	DCO
Berryhill, Nancy	DCO
Bowles, Howard E.	DCO

Conference Attendee	Component
Caplan, Jeff	DCO
Diaz, Doris	DCO
Goble, Christopher	DCO
Horne, Mary	DCO
Jones, Erik N.	DCO
Lambie, Martha J.	DCO
McClelland, Bill	DCO
Rabida, Kori	DCO
Rivers, Kenneth	DCO
Robert, Ann P.	DCO
Snyder, Roy	DCO
Grochowski, Michael G.	DCO-Atlanta (Atl)
Hobbs, Janet	DCO-Atl
Dorn, Linda	DCO-Boston (Bos)
Shnaider, Anatoly	DCO-Bos
Mosley, Marcia	DCO-Chicago (Chi)
Smith, Phyllis M.	DCO-Chi
Everett, Sheila	DCO-Dallas
Pagan, Robert	DCO-Dallas
Colon-Mollfulleda, Wanda	DCO-Denver (Den)
Ramer, Gina	DCO-Den
Kramer, Mike	DCO-Kansas City (KC)
Powell, Ken	DCO-KC
Infiesta, Julio N.	DCO-New York (NY)
Maurin, Frederick	DCO-NY
Kressman, Eric	DCO-Philadelphia (Phila)
Stradtman, Terry	DCO-Phila
Friendship, Stanley C.	DCO-Seattle (Sea)
Heim, Alan	DCO-Sea
Hinojosa, Hyacinth	DCO-San Francisco (SF)
Kim, Grace	DCO-SF
Bolding, Shirley	Deputy Commissioner of Retirement and Disability Policy (DCRDP)

Conference Attendee	Component
LaCanfora, Marianna	DCRDP
Martinez, Nancy J.	DCRDP
Rojas, Lee	DCRDP
Skidmore, Eric	DCRDP
Eckert, Marti	Deputy Commissioner of Systems (DCS)
MacBride, Tom	DCS
Zielinski, Bill	DCS
Goss, Stephen C.	Office of Chief Actuary (OCACT)
Burrell, Ruby	Office of the Chief Strategic Officer (OCSO)
Lane, Alan	OCSO
Alford III, William	Office of General Council (OGC)
Nitze, Paul	OGC
Schmidt, Kristi	OGC
Allen, Tim	Office of Inspector General (OIG)
Antolik, Scott	OIG
Bailey, Mark	OIG
Bayer, Walter	OIG
Bloyer, Kelly	OIG
Bungard, Chad	OIG
Byrd, Kimberly A.	OIG
Caul, Thomas	OIG
Childress, Rob	OIG
Cotter, William	OIG
Craig, Wilbert	OIG
Feldt, Robert	OIG
Gunia, Ronald	OIG
Hermann, Heather	OIG
Klein, Jim	OIG
Lawson, Rona	OIG
Lynge, Tracy	OIG
McCloud-Keal, Cylinda	OIG
McGill, Michael	OIG
Nee, Timothy	OIG



Conference Attendee	Component
O'Carroll, Pat	OIG
Oliveira, Judith	OIG
Roberts, Theresa	OIG
Robinson, Michael	OIG
Ryan, Edward J.	OIG
Ryan, Mike	OIG
Schaeffer, Steve	OIG
Stickley, Robb	OIG
Stone, Gale	OIG
Turk, Troy	OIG
Velling, Joseph	OIG
Walker, Jennifer	OIG

^SOURCE: Conference check-in sheet and additions.

## Agency Initiatives that Address OIG Recommendations in Its Anti-Fraud Report

Recommendation from OIG Report	Corresponding Agency Initiative
<p><b>Invest in predictive analytics tools to identify claims more likely to be fraudulent:</b> SSA should have current integrity tools in place that routinely analyze disability claims and medical records to identify and flag claims for further review, if they exhibit the trends and patterns present in claims known to be fraudulent.</p>	<p>Our <b>Data Analytics</b> initiative addresses this recommendation. Under this initiative, we are developing analytical tools based on known cases of fraud and past allegations to determine common characteristics and patterns. We will apply these tools to help us uncover potential fraud or other suspicious behavior when we review initial applications or existing data on beneficiaries. We invited the OIG to participate in this initiative.</p>
<p><b>Invest in a comprehensive searchable system of records to identify and review trends in claims with common characteristics:</b> To flag and investigate suspicious or questionable claims, SSA needs the ability to match and analyze claims with the same claimant representatives and doctors/medical facility; as well as to search for similar impairments, wording, and phrases in disability applications or medical records.</p>	<p>Our <b>Data Analytics</b> initiative addresses this recommendation.</p> <p>The <b>Fraud Prevention Units</b> initiative addresses this recommendation as well. Under this initiative, we are establishing specialized fraud units consisting of disability examiners dedicated to reviewing and acting on potential fraud cases. We will compile data from the cases that will help us to develop further analytical tools to identify potential fraud.</p>
<p><b>Modernize disability policy to reflect advances in medicine and technology:</b> The Agency is addressing this complex policy project by consulting with organizations like the Administrative Conference of the United States and the Institute of Medicine; SSA must continuously monitor and update the listing of medical impairments and vocational guidelines so they can be effective screening tools in the disability process.</p>	<p>We requested and received some preliminary input from the Disability Research Consortium regarding the medical-vocational guidelines. <b>We are currently assembling a group of Federal partners and medical, aging, and employment experts to further explore this area.</b></p> <p>We <b>update the listings</b> on a three to five-year cycle.</p> <p>We agree that it is important that disability policy reflect current medicine. However, it is unclear how using outdated criteria enables fraud.</p>
<p><b>Continue oversight of performance and productivity of hearing offices and Administrative Law Judges (ALJ):</b> By regularly monitoring and reviewing hearing offices and ALJs, SSA can identify potential at-risk outliers. SSA should routinely review its data to identify judges with high-allowance rates and determine if patterns exist and allowances are connected to the same claimant representatives or doctors/medical facility.</p>	<p>The <b>Fraud Prevention Units</b> initiative addresses this recommendation.</p> <p>Moreover, <b>DCDAR performs post-effectuation focused reviews</b> looking at specific issues; subjects of a focused review may be hearing offices, ALJs, representatives, doctors, and other participants in the hearing process.</p> <p>It is also important to remember that a high ALJ allowance rate is not a useful indication of fraud.</p>
<p><b>Make all efforts to allocate resources to clear the continuing disability review backlog and stay current on all CDR workloads:</b> SSA estimates that every \$1 spent on medical CDRs yields about \$9 in savings to SSA programs; the OIG supports any legislative proposal or other mandatory funding to complete these valuable integrity reviews.</p>	<p>One of our initiatives in the 30-day report is to <b>increase CDRs</b>. With the recent appropriations act, Congress provided us with funding to significantly increase the number of CDRs that we are able to conduct. While the primary purpose of CDRs is to determine whether a beneficiary is no longer entitled to benefits because his or her condition has medically improved, our ability to significantly increase CDRs may allow us to detect increased numbers of potentially fraudulent or suspicious activities.</p>

## Lead Individuals Responsible for Each Anti-Fraud Initiative

	Anti-Fraud Initiative	Lead Individual(s)	Lead Component(s)
1	Increase Continuing Disability Reviews	Ray Wise	DCO
2	Expand CDI Units	Marguerite Hager Heather Hermann	DCO OIG
3	Anti-Fraud Training	Lydia Marshall Kara Jabers	DCHR DCBFQM
4	Data Analytics	Marti Eckert	DCS
5	Fraud Prevention Units (FPU)	Alishea Thomas	DCO
6	National Anti-Fraud Committee	Peter D. Spencer Patrick P. O'Carroll, Jr.	DCBFQM OIG
7	Submission of Evidence Regulation	Janet Truhe Paul Kryglik	DCRDP DCLCA
8	Fraud Prosecution Project	Kia Finney	OGC
9	Representative Payee Criminal Bar	Shirleeta Stanton	DCRDP
10	Symptom Evaluation Research Effort	Judge Gerald Ray Gina Clemons	DCDAR DCRDP
11	Psychological Testing Research Effort	Gina Clemons	DCRDP
12	Establish the Office of Anti-Fraud Program Management	TBD	DCBFQM
13	Administrative Sanctions	James Suhrcke Shirleeta Stanton	DCO DCRDP
14	Anti-Fraud Communications Campaign	Jeffrey Buckner	DCCOMM
15	Anti-Fraud Language on Notices	Neil Hardman	DCRDP
16	Case Review – New York and Puerto Rico Fraud	Ray Egan	DCO – New York Region
17	Civil Monetary Penalties	Chad Bungard	OIG
18	Quality Review - Field Office Adjudications	Stephanie Hall	DCO
19	eServices Fraud Prevention	Robin Sabatino Carla Krabbe	DCO DCBFQM

## Acronym Quick Reference

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ACUS	Administrative Conference of the United States
AD	Area Director
AERO	Automatic Earnings Reappraisal Operations
AFCC	Anti-Fraud Communications Campaign
ALJ	Administrative Law Judge
CDI	Cooperative Disability Investigations
CDR	Continuing Disability Review
CMP	Civil Monetary Penalty
CPO	Chief Program Officer
CQ AD	Continuous Quality Area Director
CTS	Commissioner's Tracking System
DCBFQM	Deputy Commissioner for Budget, Finance, Quality, and Management
DCCOMM	Deputy Commissioner for Communications
DCDAR	Deputy Commissioner for Disability Adjudication and Review
DCHR	Deputy Commissioner for Human Resources
DCLCA	Deputy Commissioner for Legislation and Congressional Affairs
DCO	Deputy Commissioner for Operations
DCPS	Disability Case Processing System
DCRDP	Deputy Commissioner for Retirement and Disability Policy
DCS	Deputy Commissioner for Systems
DDFP	Direct Deposit Fraud Prevention
DDS	Disability Determination Services
DOJ	Department of Justice
DSSPI	Division of Systems Security and Program Integrity
FPU	Fraud Prevention Units
FY	Fiscal Year
IG	Inspector General
IOM	Institute of Medicine
IVT	Interactive Video Teletraining
MI	Management Information
MIE	Medical Improvement Expected
MINE	Medical Improvement Not Expected
MIP	Medical Improvement Possible
NAFC	National Anti-Fraud Committee
NEPSC DPB	Northeastern Program Center Disability Processing Branch
OAO	Office of Appellate Operations
OASSIS	Office of Applications and Supplemental Security Income Systems
OB	Office of Budget

OC	Office of the Commissioner
OCACT	Office of the Chief Actuary
OCSO	Office of the Chief Strategic Officer
ODD	Office of Disability Determinations
ODEPP	Office of Data Exchange and Policy Publications
ODP	Office of Disability Policy
ODS	Office of Disability Systems
OEEAS	Office of Earnings, Enumeration and Administrative Systems
OESAE	Office of Enterprise Support Architecture & Engineering
OEST	Office of Electronic Services and Technology
OFPO	Office of Financial Policy and Operations
OGC	Office of the General Counsel
OI	Office of Investigations
OIG	Office of the Inspector General
OIS	Office of Information Security
OL	Office of Learning
OPD	Office of Privacy and Disclosure
OPL	Office of Program Law
OPSOS	Office of Public Service and Operations Support
OQI	Office of Quality Improvement
OQR	Office of Quality Review
ORES	Office of Research, Evaluation and Statistics
ORSIS	Office of Retirement and Survivors Insurance Systems
OSES	Office of Systems Electronic Services
OTSO	Office of Telecommunications and Systems Operations
RAFC	Regional Anti-Fraud Committee
RTN	Routing Transit Numbers
SSA	Social Security Administration
SSI	Supplemental Security Income
Title II	Old Age, Survivors, and Disability Insurance (Social Security)
Title XVI	Supplemental Security Income
VOD	Video On Demand