



ELECTRONIC DISABILITY CLAIMS PROCESSING

SSA Needs to Address Risks Associated with Its Accelerated Systems Development Strategy

Highlights of [GAO-04-466](#), a report to the Chairman, Subcommittee on Social Security, Committee on Ways and Means, House of Representatives

Why GAO Did This Study

The Social Security Administration's (SSA) AeDib initiative is designed to provide SSA with a more efficient, paperless system that will enable its disability components to electronically view and share claims data and process claims electronically. Yet previous GAO reviews found that SSA's accelerated strategy to develop AeDib involved risks that could threaten a complete and successful transition to this capability.

At the Subcommittee's request, GAO reviewed AeDib to assess (1) SSA's progress and strategy, (2) the adequacy of measures taken to avoid software development problems similar to those encountered in SSA's previous efforts, (3) the adequacy of cost-benefit analyses, and (4) SSA's consultation with stakeholders.

What GAO Recommends

GAO recommends that before proceeding with national rollout of AeDib, the Commissioner of Social Security, among other steps, ensure that critical problems have been resolved and full testing completed, expedite completion of risk-mitigation strategies, and validate cost-benefit estimates. In commenting on a draft of this report, SSA stated that it would conduct studies to help validate AeDib cost assumptions but disagreed with GAO's other recommendations. In GAO's view, it is essential that SSA fully address all recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-04-466.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Linda D. Koontz at (202) 512-6240 or koontzl@gao.gov.

What GAO Found

SSA is continuing its work on the AeDib initiative and is in various stages of completing its electronic disability system; however, its accelerated strategy continues to involve risks. Specifically, GAO found that the agency is relying on limited pilot testing to help guide business and technical decisions and ensure that technology supporting the electronic disability system will work as intended (see table). Further, it is beginning its national rollout without ensuring that all critical problems identified in the pilot testing have been resolved and without conducting testing adequate to evaluate the performance of all system components collectively. Without resolution of critical problems and full testing, SSA cannot be assured that interrelated components will work together successfully.

Pilot Tests are Limited in Scope, Involving Few Examiners

State/ pilot start date	Number/percentage of examiners participating
North Carolina/ July 2003	21 of 254/ 8 percent
Illinois/ September 2003	15 of 250/ 6 percent
California/ October 2003	2 of 620/ 0.3 percent

Source: GAO analysis of SSA data.

While SSA has procedures to guide its software development, it could provide no evidence that it was consistently applying them in this case. In addition, while SSA has identified AeDib system and security risks, it has not finalized mitigation strategies. Without these measures being in place, SSA stands at greater vulnerability to circumstances that could impede project success.

The agency also has not validated its analysis to ensure the reasonableness of estimated AeDib costs and benefits. While indicating that it would use pilot test results to validate cost-benefit estimates, officials have not indicated when this will be accomplished. This leaves SSA without a validated cost-benefit analysis, and the assurance that its AeDib cost estimates are reliable and that anticipated benefits will therefore be realized.

Finally, SSA reports that it has increased its communications with AeDib stakeholders and users; however, state officials dealing with disability determinations have varying perspectives. A national organization representing these state officials continues to voice concerns about SSA's approach. And while the Commissioner states that SSA is consulting with stakeholders and the medical community, the agency has not articulated a comprehensive plan for ensuring that the concerns of this population are addressed.