Electronic Delivery of the Social Security Administration's Services | 5

T he Social Security Administration has improved its strategic and information systems planning over the last decade.[1] But most of this planning predated the recent government-wide emphasis on reinventing or reengineering the delivery of agency services in large part through the use of information technology. SSA has long recognized the importance of computers and telecommunications in carrying out its mission and has recently intensified its reengineering and electronic delivery initiatives. Electronic delivery is one component of SSA's strategic and tactical plans, and will be addressed to some degree in the agency's service delivery plan still being developed.

The Office of Technology Assessment's (OTA's) recently released report, *Making Government Work: Electronic Delivery of Federal Services,*[2] provides a framework that can be used to review SSA's electronic delivery activities and to identify opportunities for improvement that could be included in SSA's service delivery planning. The Administration's "National performance Review"[3] (NPR), "Reengineering Through Information Tech-

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[1] See chs. 3 and 4.

[2] U.S. Congress, Office of Technology Assessment, *Making Government Work: Electronic Delivery of Federal Services,* OTA-TCT-578 (Washington, DC: U.S. Government Printing Office, September 1993).

[3] Vice President Al Gore, *Creating a Government That Works Better & Costs Less: Report of the National Performance Review* (Washington, DC: U.S. Government Printing Office, Sept. 7, 1993).

nology,"[4] and "National Information Infrastructure"[5] (NII) initiatives also include numerous principles and recommendations that are relevant to SSA's service delivery planning. The full potential of the intelligent workstation/local area network (IWS/LAN) infrastructure discussed in chapter 4 can best be understood in the context of a wide range of methods for electronic delivery of SSA's services.

EVALUATING SSA's ELECTRONIC SERVICE DELIVERY PLANS

In *Making Government Work,* OTA identified seven strategic elements of successful electronic delivery. Collectively, these strategies would, if implemented, represent a considerable shift in emphasis toward a creative, innovative, citizen- or client-centered approach to service delivery.[6] Each of these strategies is discussed below with respect to SSA.

■ Grassroots Involvement of SSA's Customers

SSA recognizes the importance of involving recipients in plans to improve service delivery. Until recently, however, recipients' direct involvement in agency planning was largely limited to periodic user surveys conducted by the Department of Health and Human Services' (HHS) Office of In-

spector General and by the General Accounting Office. The surveys focused primarily on customer satisfaction with telephone calls, office visits, and mailed or printed materials. SSA is conducting, for the first time, a series of focus groups with service recipients.[7] This is commendable and should produce useful information.

Overall, however, SSA is only at the earliest stages of developing an effective plan for recipient involvement. SSA could benefit from an annual commitment of resources to grants and contracts with recipient and advocate groups—as an integral part of the overall SSA effort to reengineer and improve service delivery. In *Making Government Work,* OTA suggests. as a guideline, that each agency spend a minimum of 0.25 percent of its annual information technology budget for grassroots involvement.[8] This would amount to perhaps $1.25 million per year for SSA (assuming an average annual information technology budget of $500 million[9]). One million dollars seems almost insignificant compared with the overall SSA automation and operational budgets. But it would stretch a long way if it were allocated among various local and national groups that directly represent SSA service recipients or provided to not-for-profit groups that are dedicated to finding ways to improve SSA service delivery—including through the use of electronic technology.[10]

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[4] National Performance *Review* Accompanying Report, *Reengineering Through Information Technology* (Washington, DC: U.S. Government Printing Office, September 1 993).

[5] Information Infrastructure Task Force, *The National Information Infrastructure: Agenda for Action* (Washington, DC: U.S. Department of Commerce, National Telecommunications and Information Administration, Sept. 15, 1993).

[6] OTA, op. cit., footnote 2, pp. 3, 17-18, 128, 131.

[7] Social Security Administration, "improving Service Delivery at the Social Security Administration: A Conceptual Proposal," first draft, Oct. 21, 1993, second draft, Dec. 30, 1993.

[8] OTA, op. cit., footnote 2, pp. 10, 17-19, 105- I 21, 128.

[9] Includes about $250 million in SSA's baseline budget for information technology hardware, software, and services; $150 million for personnel; and about $100 million on average (conservatively) in SSA's automation investment expenditures.

[10] See, e.g., Nancy G. Shor, National organization of Social Security Claimants' Representatives, "SSA Service Delivery: A Presentation of Current Problems and Opportunities for improvement," contractor paper prepared for the Office of Technology Assessment, Jan. 13, 1994; Richard P. Adler and Mary S. Furlong, SeniorNet, "Electronic Delivery of Social Security Services," contractor paper prepared for the Office of Technology Assessment, February 1994; and William A. Beasley, National Public Telecomputing Network, "The OTA/NPTN Teleforum Project: Use of Telecommunications Resources by the Social Security Administration," contractor paper prepared for the office of Technology Assessment, Feb. IO, 1994.

To obtain input from recipients, OTA commissioned a series of focus groups with SSA beneficiaries. The more than 40 who participated emphasized the importance of friendly and patient SSA staff assistance, whether by phone or in person. They cited frustrations with long delays in getting through on busy SSA phone lines, language difficulties for those who speak English as a second language, and transportation problems in physically getting to local SSA offices. Participants suggested that SSA make more extensive use of senior citizen centers for face-to-face service delivery, and improve its 800 telephone service (including more user-friendly phone menus, perhaps distributed in pamphlet form to senior centers).[11]

An annual financial commitment to support grassroots involvement also would help SSA to implement the NPR's recommendations to: 1) create customer-driven federal programs; 2) develop customer-service performance standards (explicitly including SSA); and 3) streamline the collection of information concerning customer satisfaction.[12]

◼ Community Infrastructure Development

OTA concluded, in *Making Government Work,* that the involvement of the local community infrastructure can greatly facilitate electronic service delivery. The infrastructure, as defined by OTA, includes people and organizations experienced in meeting the needs of local citizens and/or in training and assisting citizens in using information technology. Schools, libraries, community centers, town halls, and hospitals offer some of the most highly leveraged opportunities because these locations are typically heavily used and well respected, and provide a multiplier effect for technology investments.

SSA recognizes the importance of community organizations in facilitating the delivery of SSA services. SSA has a continuing outreach program to better meet the needs of recipients with special needs—for example, those who do not speak English or are physically limited or isolated. But to date, SSA has only minimally explored the potential of directly involving community centers, senior centers, libraries, and the like in delivering SSA services-especially through technology-enhanced means. The experience of SeniorNet, for example, suggests that some senior citizens who might not have the knowledge, motivation, or equipment to receive services via personal computer at home might well be able to receive services at a senior center or other location where assistance and equipment are available.[13]

Again, applying OTA's minimum guideline suggested in *Making Government Work (0.25* percent per year of the agency's information technology budget'[4]), SSA would invest about $1.25 million annually to develop the community infrastructure to improve delivery of SSA's services. This modest annual commitment to community infrastructure development also would help SSA address the NPR's emphasis on community empowerment[15] and the NII's priority on community or civic networking.[16]

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[11]Partners in Enterprise, Inc., "Improving Social Security Services: Focus Group Discussions in the Washington, DC, Area," contractor report prepared for the Office of Technology Assessment, Nov. 10, 1993.

[12] Vice President Gore, op. cit., footnote 3 pp. 46 161. President Clinton issued an Executive order on Sept. 11, 1993, requiring a]] agencies to identify and survey customers: set and benchmark customer service standards; report on the results of customer service surveys by Mar. 8, 1994, and prepare a customer service plan by Sept. 8, 1994.

[13] Adler and Furlong, op. cit., footnote 1 o.

[14] OTA, op. cit., footnote 2, pp. 10, 17-19, 11 8-120.

[15] Vice President Gore, op. cit., footnote 3, p. 37.

[16] Informatic" [infrastructure Task Force, op. cit., footnote 5, pp. 15-16.

∎ Encouraging Innovation at SSA

Federal agencies need to actively encourage employees, clients, and other participants to try new ways of delivering services-including electronically. SSA's strategic and tactical plans support a wide range of projects to develop and test innovative technology applications. Until recently, however, these efforts have been focused on improving existing work processes and delivery modes, or pieces thereof, rather than on rethinking and re-engineering the processes themselves.[17]

Current SSA innovation projects, collectively, may already exceed the level of 0.5 percent of the agency information technology budget suggested in *Making Government Work.*[18] SSA is pilot-testing (in some cases actually operating) many, but not all, of the technologies identified by OTA as having significant potential for electronic delivery.[19] However, SSA might be well advised to invest at least $2.5 million annually in a new reengineering innovation fund that would support projects and tests of electronic delivery that would perhaps radically depart from current operations. The key is to protect these funds for truly innovative technology applications that might not necessarily flow from current plans and commitments. SSA has been investing in innovation, but not enough in sufficiently aggressive innovation.[20]

An SSA innovation fund could and probably should be disconnected from operational or pre-operational electronic delivery programs in order to avoid competition for funds and excessive red tape. Once a specific electronic delivery application reaches the pre-operational stage, then more explicit and rigorous guidelines usually would be needed and funding for pre-operational and operational innovations would presumably come from operational budgets.

An SSA innovation fund would comply with the spirit of the NPR's recommendations that suggest multilevel funding of innovation at the agency, departmental, and government-wide levels.[21] The NPR's implementing legislation proposes a government-wide innovation fund with self-sustaining financing and rigorous project selection procedures.[22] This approach could be overly constrained and discourage some of' the most promising proposals. A government-wide innovation fund should not preempt agency-specific innovations funded out of individual agency budgets.

To minimize duplication of effort, SSA should participate in any government-wide clearinghouses on innovations in electronic service delivery that may be set up. In *Making Government Work,* OTA suggests that Congress or the Office of

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17 For a discussion of SSA's pilot projects, see Social Security Administration, "Implementation of the Social Security Administration's Strategic Plan-A Status Report," June 1993; and Social Security Administration, *The Social Security Administration's Information Systems Plan* (Baltimore, MD: September 1993).

18 OTA, op. cit., footnote 2, pp. 17- 19! 129.

19 For a list of technologies, see OTA, op. cit., footnote 2, pp. 7-8.

20 SSA's lack of aggressiveness appears to reflect in part an overly cautious view of the ability of current and future recipients to receive services electronically, and overly centralized management and control of exploratory technology projects. SSA field employees probably represent a significant untapped reservoir of innovative ideas on using information technology to improve service delivery.

21 Vice President Gore, op. cit., footnote 3, p. 111.

22 See the Government Reform and Savings Act of 1993, sec. 1539, proposed by the Administration to implement, among other things, a government-wide innovation fund proposed in the NPR report, op. cit., footnote 3, pp. 162, 166, and *Reengineering Through Information Technology,* op. cit., footnote 4. The fund would be financed through savings from agency information technology applications, and would operate like a venture capital fund. Agencies would submit proposals for evaluation on rate of return, payback, budget justification, and the like. Agencies would receive loans to fund innovative projects, but with the expectation that these monies would be paid back into the fund with interest.

Management and Budget (OMB) direct the establishment of such a clearinghouse and that agency participation be mandatory.[23] This implies that reporting on electronic delivery innovations should be included in all project plans and budgets. SSA would benefit greatly from quick and easy access to the results of electronic delivery projects in other agencies (including state and local governments), just as those agencies would benefit from the SSA's electronic experience.

∎ Creating Directories to SSA Services

If citizens are going to use and benefit from electronic service delivery, they need to first know what services are available and where. OTA's research in *Making Government Work* reaffirms the need for directories or "electronic road maps" to help citizens identify and locate relevant services.[24] SSA is beginning to recognize this need and is working on improved access to its service information via toll-free 800 numbers, automated phone response systems, and electronic kiosks. However, SSA has not seriously explored the use of computer networks and electronic bulletin boards for providing either directories to services or the services themselves; nor has SSA investigated the use of government-wide gateways and networks to deliver agency services and information.

In *Making Government Work,* OTA suggests that agencies be required to develop and implement their own electronic directories to services and information, and to participate in the emerging government-wide directories and gateways .25 SSA could participate in these government-wide

activities in order to take full advantage of opportunities to improve service delivery.

The NPR and NII likewise have emphasized the importance of agency-specific and government-wide directories to agency services (including information about services *and* information as a service) .26 Information about SSA's services, and the services themselves where appropriate, logically would be included in any "Government-wide Information Locator System" (GILS), or the equivalent, that is established.[27]

∎ Creating Alternative Futures for SSA

Agencies need to develop creative visions of their future service delivery by generating new ideas for the use of information technology and matching electronic opportunities with agency missions. SSA's strategic and information system plans do identify a range of technologies relevant to their services, and develop an intricate web of tactical plans and projects intended to gradually improve service delivery.[28] The plans seem, however, to lack creativity with regard to future service delivery scenarios. This is partly because the major planning effort predates both the reengineering and service delivery projects recently initiated by SSA, and the NPR's general emphasis on reinventing federal agencies (and redesigning SSA's service delivery in particular). The SSA's plans are quite uneven with regard to technological innovation; end-user applications—such as computer networking, electronic bulletin boards, and kiosks—are not treated in much depth.

The SSA's planning effort could be strengthened by: 1) encouraging from the inside, or hiring

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[23] OTA, op. cit., footnote 2, pp. 130-131.

[24] Ibid., pp. 17, 19, 54, 131, 153-156.

[25] Ibid.

[26] Vice President Gore, op. cit., footnote 3, p. 166; National Information Infrastructure Task Force, op. cit., footnote 5, pp. 11-12.

[27] The Government Reform and Savings Act of 1993 includes a provision establishing GILS. Also, the Paperwork Reduction Reauthorization Act of 1993, Mar. 31, 1993, includes a provision clarifying and strengthening the Federal Information Locator System.

[28] See chs. 3 and 4. Also see Social Security Administration, *Information Systems P/an,* op. cit., footnote 17; Social Security Administration, *The Social Security Strategic Plan: A Framework for the Future* (Baltimore, MD: September 1991); Social Security Administration, *Implementation of the SSA Strategic Plan,* op. cit., footnote 17.

from the outside, persons to become in-house futurists and entrepreneurs; 2) organizing workshops, retreats, and seminars for agency staff and outside innovators to think openly about reengineering SSA's functions; and 3) providing incentives and rewards for those who produce insightful, useful applications of electronic service delivery. SSA is beginning to move in these directions.

The current reengineering and service delivery initiatives are more aggressive, risky, and innovative than prior SSA efforts.[29] SSA will, however, need to develop or acquire more expertise in integrated systems planning and technology assessment if these initiatives are to be fully successful. The agency may need to reorganize to create a new strategic planning process that is better staffed and funded.

To develop a robust range of alternative futures for SSA service delivery, the SSA planning process needs to:

1. analyze all elements of SSA's services (including information, transactions, and money);
2. determine which elements are suitable for electronic delivery (taking into account current and prospective customer readiness);
3. match these elements against the list of delivery technologies in *Making Government Work* (including in-home/in-office, electronic kiosk, one-stop service center, mobile delivery, electronic benefits transfer, and electronic transactions and commerce);
4. develop and analyze alternative institutional arrangements, including strategic partnering (see below);
5. identify and analyze the facilitators and barriers to implementation of each alternative future or scenario (e.g., training, equipment, public laws);
6. assess the consequences of each scenario-at least qualitatively—for service delivery standards, customer satisfaction, employee morale and productivity, and cost-effectiveness; and
7. develop descriptions, models, and pictures to convey the essence of each scenario to management, employees, recipients, and policy makers.

SSA's strategic and information systems plans appear to satisfy traditional expectations for annual and 5-year agency Information Resources Management (IRM) plans. Expectations are changing, however. In *Making Government Work,* OTA suggests that the Office of Management and Budget redirect agency IRM planning along the lines outlined above for SSA.[30]

∎ Strategic Partnering

Making Government Work concluded that a component of electronic delivery with high leverage is the forging of strategic partnerships among federal, state, and local governments; user groups; and, where appropriate, the private sector (including not-for-profit, philanthropic, and voluntary as well as commercial organizations) .[31]

SSA is only in the earliest stages of conceptualizing and exploring strategic partnering. Partnering should offer several benefits. It should provide a way for SSA and other federal and state agencies to share the costs and risks of innovation in electronic delivery. Partnering should increase the chances of success by encouraging better understanding of the needs of users and providers, and stimulating creative thinking about new or improved service delivery strategies. Partnerships could help SSA and sister agencies break through or work around the bureaucratic and political inertia that often confronts new ideas for service delivery.

Effective partnering will require a true commitment from SSA and other agencies to aggressively seek partnering opportunities and to make them

29 See Social Security Administration, op. cit., footnote 7.

30 See OTA, op. cit., footnote 2, pp. 15-17, 21'22, 53, 123-139.

31 Ibid., pp. 2, 3, 10, 17, 21, 45, 99, 102, 112, 115-121, 128.

work. A systematic exploration of SSA's partnering possibilities should include:

1. other agencies within HHS delivering similar or related services (e.g., the Health Care Financing Administration, Administration on Aging, and National Institute on Aging);

2. agencies from other departments delivering similar or related services (e.g., in the Departments of Veterans Affairs, Housing and Urban Development, and Education);

3 government-wide directory or gateway delivery services (e.g., one-stop shopping for federal services via electronic kiosks, consolidated federal field offices, federal "service extension" offices, electronic bulletin boards, and electronic benefits transfer);

4. state or local social and health service agencies that deliver similar or related services, or that may already be involved to some extent in delivering SSA's services;

5. consumer, community, senior citizen, educational, library, and related organizations that could assist in delivering SSA's services or in facilitating electronic delivery;

6. foundations and other philanthropic organizations that could provide seed money or matching grants for innovations in electronic delivery of SSA's services; and

7. private commercial companies that make or sell the electronic equipment, systems, and services needed for electronic delivery of SSA's services.

SSA initiatives in these areas would help implement the NPR's recommendations to: strengthen partnerships in intergovernmental service delivery (federal/federal and federal/state); promote effective, integrated, multiprogram service delivery within HHS; and develop integrated access to government information and services.[32]

▌ Pre-Operational Testing

In *Making Government Work,* OTA concluded that pre-operational testing of electronic delivery systems prior to full deployment is essential.[33] SSA has long recognized the importance of such testing, and has included a range of pilot tests and demonstrations in its information systems plans.

In *Making Government Work,* OTA suggests that both performance evaluation and policy analysis be required components of pre-operational testing, and that these components be funded at a minimum level of 5 percent each out of the relevant pre-operational testing budget. SSA has expended considerable sums on general technology evaluation studies, many conducted by private contractors. But SSA appears to have invested comparatively little in performance evaluation and policy analysis directly associated with pre-operational testing of electronic delivery alternatives. Partly as a consequence, SSA has limited ability to project the impacts (including benefits and costs) of its automation initiatives.

Greater attention to performance evaluation of pre-operational tests on the part of SSA would be consistent with the NPR's emphasis on agency performance standards and measurement, and with recently enacted legislation that requires federal agencies to establish clear goals against which performance can be measured.[34] The results of intensified performance evaluation activities would help SSA to better understand, evaluate, select, and justify alternative automation and service delivery strategies.

IMPROVING SSA SERVICE DELIVERY

SSA has prepared an impressive set of strategic and information systems planning documents, and an imposing array of pilot and implementation projects for the use of information technology

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32 Vice President Gore, op. cit., footnote 3, pp. 141, 166, ‘ 67.

33 o-i-a, op. cit., footnote 2, pp. 17, 18, 128, 129-1 30.

34 See the Government Performance and Results Act of 1993, Public Law 103-62.

to improve service delivery. Yet taken as a whole, SSA's service delivery planning to date has proceeded within relatively narrow planning horizons (not yet reflecting a reengineering perspective); with relatively conservative schedules (stretching incrementally over many years); and with poorly developed measures of, and little understanding of the impacts on, actual service performance. At a mid-level, service delivery planning seems to have covered many of the right bases (e.g., improve the disability and appeals processes, improve access to SSA services, establish electronic claims folders). But the planning to date does not develop a good sense of the key leverage points or actions for improving SSA's service delivery; nor does it consider the implications of more fundamental changes in the way SSA is organized and staffed for improving service delivery and the deployment of information technology.

SSA's recent draft service delivery concept papers include some new thinking.[35] But these are, as SSA understands, only a start. Much more rigorous and complete analysis, presentation, and discussion are needed. The next iterations of the service delivery paper should more clearly describe, develop, and evaluate the range of scenarios considered. Service delivery planning also should draw much tighter linkages between reengineering, service delivery, and technology testing and deployment.

SSA would need to increase resources and staffing to complete a service delivery plan—including a major electronic delivery component—with acceptable quality and within a reasonable timeframe. Much of the groundwork has already been completed in prior planning efforts, but needs to be redirected. With the results of *Making Government Work* and related federal, state, and academic studies, SSA should be able to expeditiously redirect and take at least a first cut at an overall plan. The plan could, at a minimum, address the issues highlighted in *Making Government Work* and top-

ics discussed above, as well as relevant NPR and NH recommendations. The plan could give detailed attention to the highly leveraged action areas outlined below.

∎ Full Use of Electronic Benefits Transfer

SSA could accelerate the testing and use of electronic benefits transfer (EBT) by its recipients. About one-half of recipients still receive benefits via paper checks. Checks are much more costly and prone to fraud and theft compared with direct electronic deposit of benefits. For this reason, SSA is working to increase the voluntary use of direct deposit. SSA also is collaborating with other federal agencies to test the use of EBT cards to deliver benefits.

In *Making Government Work,* OTA concluded that EBT cards offer significant potential for delivering a range of social services—including SSA benefit payments. The Administration's National Performance Review reached similar conclusions.[36] EBT may be particularly well suited for SSA recipients who qualify for Supplemental Security Income and other means-tested social services (e.g., food stamps; Aid to Families with Dependent Children (AFDC); and the Special Supplemental Food Program for Women, Infants, and Children (WIC)). EBT also may be appropriate for SSA Title II recipients who do not have bank accounts (and for whom direct deposit cannot be otherwise arranged).

SSA is participating in government-wide initiatives to plan and test a multiprogram EBT card to electronically deliver federal services. EBT is most likely to be cost-effective if it can be used for multiple services and programs. Scaled-up feasibility tests and evaluations are needed prior to full-scale deployment, as detailed in *Making Government Work.* SSA needs to be aggressive to ensure that its services are included in federally sponsored feasibility testing.

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[35] Social Security Administration, op. cit., footnote 7.

[36] Vice President Gore, op. cit., footnote 3, pp. 113-114.

Full SSA participation in EBT would help to implement the NPR recommendations for a nationwide, integrated EBT system and for the integrated delivery of social and health-related services by HHS and other federal agencies .37 An integrated EBT system that includes SSA, among other, services also would help realize the NII vision because EBT must utilize the private sector's commercial infrastructure to be cost-effective.

▌ Leveling the SSA Workload

SSA should move aggressively to level its service delivery workload as much as possible. SSA is well aware that the waiting times for telephone responses and office visits are unsatisfactory during peak activity periods. The NPR and SSA's strategic and information system plans assign high priority to improving these services. Telephone calls and office visits peak shortly after Social Security checks are mailed (or electronically deposited) at the beginning of each month, frequently due to questions stimulated by the payment amounts. Few organizations can staff up to handle peak loads such as this. Even if traffic is shifted among the various SSA teleservice centers, telephone response times during peak periods are significantly longer.

Both SSA and the NPR recognize that one part of the solution is to spread SSA payments throughout the month.[38] Payments could be sent on the 1st or 15th of each month, for example, or on the 1st, 10th, and 20th of each month. SSA recipients have resisted such changes, partly because of habit and partly because many recipients depend on their SSA payments to pay bills due on a standard monthly billing cycle. Direct deposit and EBT cards greatly increase the flexibility of the SSA payment schedule. The importance to workload leveling is so great that renewed and more vigorous SSA consideration appears war-

ranted, even in the face of mixed reactions by consumers. Pilot-testing could provide an indication of how many SSA recipients might voluntarily y accept an alternative payment schedule. SSA could emulate the major credit card companies who spread their billing cycles throughout the month, yet are flexible enough to allow customers to change their due dates to meet personal needs and preferences.

Another part of the solution to uneven workloads is to provide alternative means for SSA recipients to obtain routine information. Electronic delivery, for example, could meet the needs of recipients who are, or can become, comfortable with the electronic media. Many types of routine inquiries about SSA services and procedures can, in principle, be provided by electronic kiosks, electronic bulletin boards, and computer networks. If, over time, an increasing percentage of routine inquiries can be handled without human intervention, then the telephone and office visit options will be more readily accessible—with shorter wait times—to recipients whose problems require personal attention.

Electronic delivery also should be extended to the provision of earnings and benefits information. Public law requires that SSA begin providing this information annually to eligible persons over the age of 60 starting in 1995, and to all eligible persons over the age of 25 in the year 2000. SSA could explore using electronic dissemination as a delivery mode. SSA is, of course, very sensitive to the privacy and security concerns involved in electronically issuing earnings and benefit information. OTA believes, however, that electronic options can be designed to assure an equivalent or greater level of privacy and security protection than is available for SSA information today.

Making Government Work, NPR, and NII all conclude that SSA and other federal (and related

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37 Ibid.pp.113-114, 141, 166; and NPR Accompanying Report, op. cit., footnote 4.

38 The NPR recommends assigning new SSA beneficiaries a staggered payment schedule (selected from among three or four different dates).

state/local) agencies need to use a common information technology infrastructure to deliver these kinds of electronic services.39 Otherwise, electronic delivery is likely to further complicate the already confusing, cumbersome manner in which governments organize and deliver many services. Many of the potential economic benefits of electronic delivery will not be realized if agencies like SSA fail to capitalize on opportunities to develop economies of scale and scope through partnerships among federal, state, and local agencies and the private sector.

▌ Engaging the Electronic Delivery Community

SSA's strategic and information system plans refer to the use of kiosks, computer networks, electronic bulletin boards, and the like for electronic delivery. But the levels of actual resource commitment and activity are low, and involvement with the electronic delivery community in and outside of the federal government is still limited. SSA recently has intensified its interest in electronic delivery in the context of developing an overall service delivery plan, but its thinking is still in the formative stages.

Making Government Work and the Administration's National Performance Review and National Information Infrastructure planning documents outline numerous federal and other electronic delivery activities and initiatives. SSA could be a more active participant in this arena.

▌ Enhancing Privacy Protection in Electronic Delivery

Making Government Work concluded that electronic delivery of services that involve personal or financial information will increase the risks to personal privacy.40 The Social Security number already has become a de facto national identifier.

NPR and SSA proposals to increase the use of electronic technology for the collection, verification, exchange, and dissemination of personal information maintained in SSA computerized record systems raise legitimate privacy concerns, of which SSA is well aware.

Widespread EBT would mean that SSA eligibility and payments information moves over a variety of electronic networks involving banks, retailers, clearinghouses, and the like, in addition to the government agencies involved. Use of kiosks and electronic filing to determine eligibility for SSA benefits could cut red tape and costs, but would create new opportunities for third-party abuse of personal information. Computer networking, electronic kiosks. or interactive television, if used to request SSA services or personal information maintained by SSA, create the potential to monitor citizens and increase the opportunities for "information brokers" to obtain personal information through legal and illegal means.

In *Making Government Work,* OTA concluded that the privacy risks are substantial enough to warrant serious consideration of: 1) updating the Privacy Act to reflect new technological risks and opportunities; 2) extending the Privacy Act to cover nonfederal systems that participate in electronic delivery of federal services; and 3) establishing an independent Privacy Protection Commission or Board to serve informational, ombudsman, advocacy, investigative, and oversight functions concerning the privacy aspects of electronic delivery.41

SSA has a long history of concern over privacy issues. SSA could become more involved in the current privacy protection debate, and take a lead role in finding ways to use electronic delivery that protect personal privacy. Both the NPR and NII recognize that protecting personal privacy is a vital component of electronic delivery and the national information infrastructure. The NPR, for

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39 See OTA, Op. cit., footnote 2, esp. chs. 2, 3, 4, and 6. Also see the NPR Accompanying Report, op. cit., footnote 4.

40 OTA, op. cit., footnote 2, pp. 4, 23, 54, 75, 1 43-1a.

41 ibid.

example, recommends that a Privacy Protection Commission be established as part of its privacy protection package.[42]

▮ Engaging the SSA Labor Community

Making Government Work reaffirmed the finding of prior OTA studies that, even with the best laid plans and adequate funding, federal employees will make or break the success of electronic delivery. Knowledgeable and committed employees are essential. The history of government and corporate automation is replete with failures caused in part by employees who are poorly trained, uninvolved, and sometimes even alienated or hostile.

OTA commissioned, in support of *Making Government Work,* **a case** study on integrating information technology and service delivery at SSA. This review concluded that impacts on the agency's labor force must be addressed from the outset; labor must be included as a full partner at all stages of SSA automation. Neglect or deferral of labor implications and concerns+ specially about job changes or losses-easily can result in much greater costs and problems over the longer term.[43]

As SSA moves further into reengineering and service delivery planning, it will be even more important to involve the SSA labor force and leadership as full partners-as recommended by the NPR for all federal agencies. [44] *Making Govern - ment Work* and the NPR also emphasize the importance of employee and management training in successful electronic delivery.[45] SSA has **long** recognized the need for training, but a revamped training program will need to include an emphasis

on: 1) assessing customer or client needs; 2) integrating customer perspectives and needs into electronic service delivery planning from the outset; 3) developing electronic delivery scenarios; 4) revising agency automation and information technology programs to support electronic service delivery; 5) designing electronic service as part of integrated (intra- and interagency) delivery strategies; and 6) managing electronic delivery projects under conditions of rapidly changing technologies and needs.[46]

▮ Revamping SSA Test Plans and Schedules

SSA is moving ahead with IWS/LAN before the reengineering and service delivery plans are completed. Thus, it is not in a position to fully understand, estimate, or analyze the impacts of IWS/ LAN on SSA operations and service delivery.

Alternative or supplemental testing approaches may increase SSA's understanding of the implications and impacts of IWS/LAN—alone and in combination with other information technologies. SSA could, for example, design a new set of pilot tests that would mix and match various technologies and SSA activities. The objective could be to more fully examine the potential of IWS/LAN and other technologies for implementing current and reengineered SSA functions by focusing on a small number of representative SSA offices. Such pilot tests might better identify the implications for SSA service delivery and determine the extent to which test results can be extrapolated to the larger SSA organization and operations. Several possible pilot tests are described below.

42 Vice President Gore, op. cit., footnote 3, p. 166; NPR Accompanying Report, op. cit., footnote 4.

43 John Harris, Alan F. Westin, and Anne L. Finger, "[innovations" for Federal Service: A Study of Innovative Technologies for Federal Government Services to Older Americans and Consumers," contractor report prepared for the Office of Technology Assessment, February 1993; and U.S. Congress, Office of Technology Assessment, *The Social Security Administration and Information Technology,* OTA-CIT-311 (Washington, DC U.S. Government Printing office, October 1986).

44 Vice President Gore, op. cit., footnote 3, pp. 163-164.

45 Ibid.

46 OTA, op. cit., footnote 2, p. 133.

Integrated Electronic Records

SSA eventually wants to use an "electronic folder" for each SSA recipient that would replace the current mix of several separate electronic files and a variety of paper documents. To move this forward, SSA could select a small, representative sample of SSA offices and test alternative approaches that could accelerate the development of integrated electronic records. These records then could be downloaded to the selected SSA district and field offices (and state disability determination offices) over the IWS/LAN to test the actual impacts on productivity, costs, and service delivery. Some or all of the test offices also could serve as demonstration sites for hands-on evaluation of technology applications and reengineering alternatives (e.g., decentralized recordkeeping).

SSA also could assign a higher priority to creating what amounts to "master SSA beneficiary records." The NPR recommended that the Department of Veterans Affairs (VA) develop "master veteran records" to consolidate information from various databases into one integrated electronic record system.[47] SSA faces a similar challenge.

Multiprogram Electronic Benefits Delivery

SSA could participate more aggressively in pilot-testing EBT cards that could be used by a variety of federal and state agencies responsible for delivering social and health services. Opportunities for economies of scope and scale are considerable. For example, almost half of SSI recipients also receive food stamps, and almost all SSI recipients are on Medicaid. About a quarter and a third, respectively, of food stamp and Medicaid recipients also receive OASI (Old Age and Survivors Insurance) benefits. About 60 percent of persons receiving VA benefits also have OASI income.[48]

These groupings collectively include many SSA recipients without bank accounts for whom EBT cards may be a better alternative than direct deposit. SSA could test the integration of IWS/LAN and centralized computer systems with EBT. (See *Making Government Work* for a discussion of the range of EBT issues that must be resolved as part of pilot testing and prior to full-scale deployment.[49])

Electronic Interagency Eligibility Determination

Initial and continuing eligibility determination is a critical problem area for SSA and other social and health service agencies. For SSA, the Disability Insurance (DI) and Supplemental Security Income (SSI) Programs are medically and/or means-tested, which necessitates periodic reviews to assure that recipients continue to be eligible. The estimated SSI error rate is about 3.5 percent, amounting to roughly three-quarters of a billion dollars per year.[50] Errors include overpayments to eligible recipients or payments to ineligible recipients. The estimated error rate for food stamp and AFDC benefits is about 6 percent—roughly $2 billion to $3 billion per year.[51]

Part of the solution may be to periodically check or consolidate a recipient's income and benefit information so that SSA (and other agencies) can determine eligibility more reliably. SSA is taking some steps in this direction, but could participate more aggressively in interagency pilot projects with the Internal Revenue Service, Health Care Financing Administration, Department of Veterans Affairs, and Food and Nutrition Service to test computer-matching and front-end verification techniques for a representative sample of recipients and/or offices. SSA also could test alter-

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47 Vice President Gore, op. cit., **footnote** 3, p.152.

48 U s Congress, House Committee on Ways and Means, *Overview of Entitlement Programs—1992 Green Book,* Committee Print 102-44, May 15, 1992, p. 1611.

49 OTA, op. cit., footnote 2, ch. 4. Also see S. 1646, the Food Stamp Fraud Reduction Act of 1993, Nov. 8, 1993.

50 US Congress, House Committee on Ways and Means, op. cit., footnote 48.

51 Ibid.

native uses for the IWS/LAN in conducting and accessing the results of matching and verification activities. This would provide an opportunity to use electronic data interchange (EDI) and integrated electronic kiosk-EBT systems more aggressively, as discussed in *Making Government Work* and advocated by the NPR.[52] Privacy, security, and access issues should be simultaneously addressed. (See *Making Government Work* and related OTA studies for discussion of privacy protection.[53])

Automated Disability Determination

SSA's Disability Insurance Program is the most difficult one to administer primarily because eligibility depends on initial and continuing determinations that a recipient meets medical standards of disability. Lengthy delays result from the complexity and judgmental nature of medical evaluations, combined with extensive paperwork, the involvement of medical and health professionals, an increasing caseload, and the high probability that adverse decisions will be appealed. SSA fully understands that the current disability process is unacceptable, and has assigned high priority to developing and implementing a modernized disability system (MDS).[54] The SSA's recently established reengineering task force has given first priority to reengineering the disability process, incorporating the MDS plans to the extent appropriate. The NPR, likewise, recommended that SSA improve disability claims processing so that decisions can be made quickly and accurately.[55]

The IWS/LAN is being introduced into state and SSA disability offices before a fully automated disability determination office has been developed or tested. The IWS/LAN use, such as it is, is well below its full potential capabilities. An alternative or supplemental pilot-testing approach would be to select one or several offices and implement new technology fully. The selected offices would, for example, make maximum use of: 1) electronic data interchange for collection and exchange of medical documents; 2) electronic recordkeeping for materials in each recipient's file (including use of electronic imaging of contextual items); 3) computer networking for communication with medical examiners, administrative and adjudicatory personnel, and recipients representatives and advocates; and 4) videoconferencing for medical and administrative consultations and proceedings. At a minimum, the pilot testing could demonstrate and evaluate how a typical disability determination office would work, making full use of applicable technologies, and how the IWS/LAN can best be deployed. Test results also should help SSA to estimate the overall impacts of SSA automation on productivity, costs, and service delivery more accurately,

Electronic Bulletin Boards and Computer Networks

SSA appears to have overlooked or underestimated the potential of electronic bulletin boards and computer networks for delivering routine information about SSA services. These technologies might also be used to provide personal updates on a recipient's relevant SSA records and/or pending actions—if privacy and security issues can be resolved. *Making Government Work,* the NPR, and the NII all highlight the opportunities to use computer networks for delivering services.[56]

SSA could accelerate pilot testing by using already existing government, not-for-profit, and

[52] OTA, op. cit., footnote 2, pp. 5, 6, 41-42, 49-53; National Performance Review Accompanying Report, op. cit., footnote 4.

[53] U S Congress, Office of Technology Assessment, *Protecting Privacy in Computerized Medical Information,* OTA-TCT-576 ("a~jl'n~ ton, DC: U.S. Government Printing Office, September 1993).

[54] See Social Security Administration, "Modernized Disability System," n.d.

[55] Vice President Gore, op. cit., footnote 3, p. 141.

[56] OTA op. cit. footnote 3 esp. chs. 1-4: National Performance Review Accompanying Report, op. cit., footnote 4; National Information Infrastructure Task Force, op. cit., footnote 5. Also see Beasley, op. cit., footnote 10.

commercial bulletin boards and networks. Potential applications could be tested in a variety of settings—the recipient home, a local medical facility, a recipient representative's office, a local school or community college, and a community recreational facility or senior center. SSA could then evaluate the implications for IWS/LAN deployment.

User-Oriented Electronic Enhancements

SSA is well advised to conduct focus groups with recipients and their representatives to identify ways to improve existing electronic delivery (primarily the toll-free 800 and local office telephone services). Their input also is needed to assure that future electronic delivery methods are user-friendly. OTA-sponsored contract research has identified a range of concerns and suggestions for: 1) improving SSA telephone response menus and procedures; 2) clarifying and streamlining SSA notices and bulletins; and 3) facilitating the access of recipient representatives to case information (including case status, schedule, records, and calculations, where applicable) .57

User-oriented improvements might also improve the morale of SSA employees and their attitudes toward recipients. To the extent that electronic delivery can help reduce the workload, employees would be able to give more attention to recipients who need human—not electronic—assistance. The implications for IWS/LAN may be indirect, but nonetheless significant-such as enabling recipient representatives to connect electronically to a local or regional SSA office, or to an SSA bulletin board, to check on case records and status reports. Recipients and their representatives

should be directly involved in the design and implementation of SSA pilot tests, and in the development of SSA service delivery scenarios based on these tests.

"One-Stop Shopping" Service Delivery

Both *Making Government Work* and the NPR emphasize the potential of information technology to support integrated delivery of government services at real or "virtual" one-stop offices.[58] The NPR has, in addition, recommended both a government-wide and HHS-specific review and consolidation of agency field offices. SSA needs to assure that: 1) appropriate SSA services are offered by the integrated or one-stop service delivery centers that may emerge; and 2) the existing SSA field offices are utilized to the extent appropriate. SSA has one of the largest field office structures (along with the Extension Service and other components of the Department of Agriculture, itself recommended for major reorganization; the Departments of Housing and Urban Development, Labor, and Commerce; and the U.S. Postal Service. among others). Some SSA services no doubt could be offered via electronic kiosks and computer terminals located at federal integrated service centers, and some other federal agency services could be offered at SSA field offices. Also, some federal one-stop service delivery programs could be colocated with their state-local counterparts. The numerous possibilities and scenarios, and the implications for IWS/LAN deployment, have only begun to be considered by SSA, HHS, and the Administration. The SSA service delivery concept papers provide a useful, but very preliminary, start.[59]

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57 See Partners in Enterprise, op. cit., footnote 11; Shor, op. cit., footnote 10.

58 OTA, op. Cit., footnote 2, esp. ch. 2; National Performance Review Accompanying Report, op. cit., footnote 4.

59 Social Security Administration, op. cit., footnote 7.