

State of Alaska FY2002 Governor's Operating Budget

Department of Labor and Workforce Development
Disability Determination
Component

Component: Disability Determination

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Component Mission

To provide efficient adjudication of claims for disability benefits under Title II and Title XVI of the Social Security Act.

Component Services Provided

Disability Determination Services (DDS) is 100% federally funded by the Social Security Administration. Historically, the DDS operated under contract agreement between the state (Division of Vocational Rehabilitation) and the Federal Government (SSA). In 1980, federal legislation changed that relationship. The DDS operates as a federally regulated agency. Adjudication services are also provided for the Division of Public Assistance through a Reimbursable Services Agreement (RSA).

These federal funds are used solely to provide medical determinations for persons alleging disability under Title II (Social Security) and Title XVI (Supplemental Security Income) provisions of the Social Security Act, as amended.

The DDS is responsible for obtaining medical records, and in certain situations, purchasing medical exams, in order to adjudicate these disability claims.

The DDS also refers claimants to the Division of Vocational Rehabilitation for consideration of a wide range of services.

The DDS adjudicates approximately 5,400 disability claims a year, including medical reviews of those people already receiving disability payments.

Disabled persons in Alaska under both the Title II and Title XVI disability program and their dependents receive approximately \$36,000,000 per year in payments based on disability. This figure does not include any state funds or other state benefits that these recipients may receive or for which they may be eligible by virtue of their eligibility for federal SSA and/or SSI disability benefits.

Component Goals and Strategies

PROVIDE SERVICES TO ENABLE ALASKANS WITH DISABILITIES TO RECEIVE SOCIAL SECURITY BENEFITS.

* Adjudicate approximately 5,400 claims annually for Supplemental Security Income (SSI) and Social Security Disability Income (SSDI);

* Maintain adequate staff and resources to provide adjudication and administrative services;

* Conduct quality control activities; and

* Provide adequate staff training.

Key Component Issues for FY2001 – 2002

The Alaska Disability Determination Services is one of ten states in the country to start adjudicating disability claims in a new manner. This will serve as a model for the remaining states. This new process, called the Disability Prototype, started in FY 2000 and will run through FY 2001. It involves more claimant contact, more focus on treating physician opinion and symptomatology, and elimination of the reconsideration step. The non-Prototype states will start this

process in FY 2001. The ten original states are working with the Social Security Administration to streamline the process.

Major Component Accomplishments for FY2000

4,629 new claims for Social Security benefits were adjudicated, 945 of which were for continuing benefits.

The first year of the Prototype has resulted in an allowance rate increase to 51% over 42% in FY 1999. While the process has resulted in better decisions, it has taken longer to process claims.

Statutory and Regulatory Authority

PL 74-271

Disability Determination
Component Financial Summary

All dollars in thousands

	FY2000 Actuals	FY2001 Authorized	FY2002 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,328.8	1,403.5	1,376.2
72000 Travel	27.4	32.3	32.3
73000 Contractual	517.3	1,096.8	1,149.9
74000 Supplies	23.2	12.1	12.1
75000 Equipment	96.2	118.0	118.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	1,619.4	2,330.8	2,400.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,612.3	4,993.5	5,088.5
Funding Sources:			
1002 Federal Receipts	3,474.4	4,892.6	4,888.9
1007 Inter-Agency Receipts	137.9	100.9	199.6
Funding Totals	3,612.3	4,993.5	5,088.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Federal Receipts	51010	3,474.4	4,892.6	4,855.9	4,888.9	4,888.9
Interagency Receipts	51015	137.9	100.9	200.1	199.6	199.6
Restricted Total		3,612.3	4,993.5	5,056.0	5,088.5	5,088.5
Total Estimated Revenues		3,612.3	4,993.5	5,056.0	5,088.5	5,088.5

Disability Determination**Proposed Changes in Levels of Service for FY2002**

There are no changes in services proposed for FY2001 in this component.

**Summary of Component Budget Changes
From FY2001 Authorized to FY2002 Governor**

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2001 Authorized	0.0	4,892.6	100.9	4,993.5
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	0.0	-3.7	-0.5	-4.2
Proposed budget increases:				
-Increase interagency receipt authority for RSA with H&SS	0.0	0.0	99.2	99.2
FY2002 Governor	0.0	4,888.9	199.6	5,088.5

Disability Determination
Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	26	26	Annual Salaries	1,034,546
Part-time	0	0	COLA	14,003
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	379,288
			<i>Less 3.62% Vacancy Factor</i>	(51,637)
			Lump Sum Premium Pay	0
Totals	26	26	Total Personal Services	1,376,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	1	0	0	0	1
Administrative Clerk I	1	0	0	0	1
Administrative Clerk II	2	0	0	0	2
Administrative Clerk III	3	0	0	0	3
Chf Vocational Rehab	1	0	0	0	1
Disability Adjud Assoc I	7	0	0	0	7
Disability Adjud Assoc II	4	0	0	0	4
Disability Adjudicator I	5	0	0	0	5
Disability Adjudicator II	1	0	0	0	1
Disability Hearing Offcr	1	0	0	0	1
Totals	26	0	0	0	26