

ISSUE BRIEF

The Social Security Disability Insurance (SSDI) Program – The Determination & Appeals Process

The McCrery-Pomeroy SSDI Solutions Initiative is a project dedicated to identifying practical policy changes to improve the Social Security Disability Insurance (SSDI) program and other services for people with disabilities. With the SSDI trust fund less than two years from depleting its reserves, these solutions can help spur a debate on how to ensure the SSDI program best serves workers with disabilities, those who pay into the program, and the economy more broadly. This brief is the second in a series that will outline the details of how the SSDI program works. Below is a description of the determination and appeals process used to evaluate eligibility for SSDI benefits.

In order to receive SSDI benefits, workers with disabilities must demonstrate that they fulfilled the work requirements and have an impairment (or combination of impairments) that is expected to prevent them from engaging in substantial work for at least a year (or result in death). Individuals apply at local Social Security Administration (SSA) field offices, but the initial disability decisions are made by state agencies, known as Disability Determination Services (DDS). To decide if an individual is

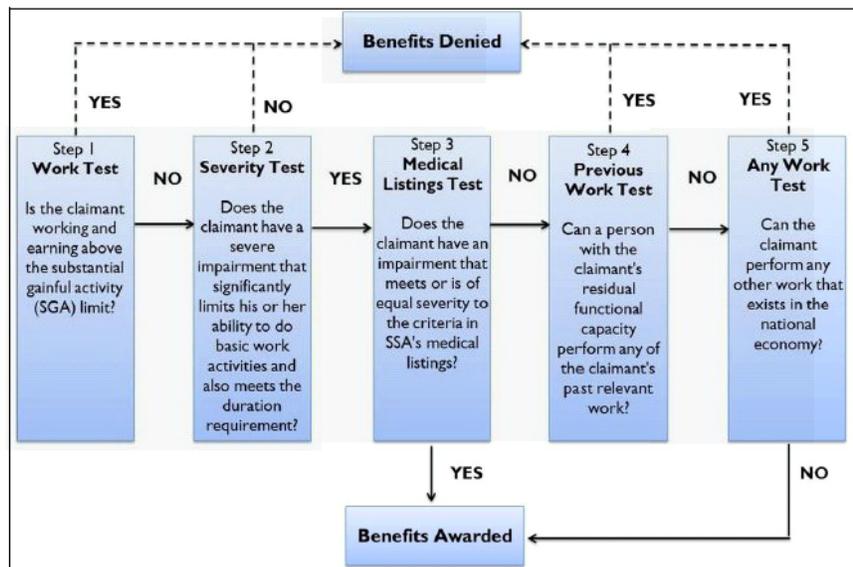


Figure 1ⁱ – SSDI Determination Process

“disabled” as defined in Social Security law, DDS uses a 5-step sequential evaluation process, detailed in **Figure 1.**ⁱ If a decision is reached at any step of the process, the evaluation ends without further consideration of the additional steps. According to SSA data, over the last 5 years between 32 and 35 percent of applicants have been approved for benefits at this level.ⁱⁱ

If an initial claim is rejected, there are four possible levels of appeal. The same 5-step disability evaluation process applies at every level of appeal. The appeals process is illustrated in **Figure 2** and each of the levels is discussed below.ⁱⁱⁱ

Reconsideration: In all but 10 states, applicants who are denied benefits can ask for “reconsideration” within 60 days of receiving their decisions. In reconsideration, a different evaluator in the same DDS office makes a new decision. According to SSA data, over the last 5 years between 11 and 13 percent of initially denied applicants who request reconsideration have been approved for benefits at this stage.^{iv}

Administrative Law Judge (ALJ) Hearing: If denied at the reconsideration level, applicants may request a hearing in front of an Administrative Law Judge within 60 days of receiving their decision. ALJs are judges who exclusively handle Social Security cases. They review written medical and other evidence, consider oral testimony from the claimant and other witnesses (including medical and vocational experts), and then generally make a new disability decision. This process can take anywhere from 8 months to over 20



ISSUE BRIEF

months. According to SSA data, over the last 5 years between 45 and 62 percent of applicants who request a hearing are approved for benefits at the ALJ level.^v

Appeals Council (AC): Applicants who disagree with an ALJ’s decision have the option of requesting review by the Appeals Council within 60 days of the receipt of their decision. Composed of Administrative Appeals Judges and Appeals Officers, the AC may deny or dismiss the request for review. If it grants review, it may return the case to an ALJ or issue its own decision. The average wait time during this process is about 1 year. The AC may also review cases on its own in certain circumstances. According to SSA data, over the last 5 years between 1 and 3 percent of applicants who requested an appeal to the AC were awarded benefits while between 14 and 21 percent of applicants who requested an appeal to the AC were remanded back to the ALJ level.^{vi}

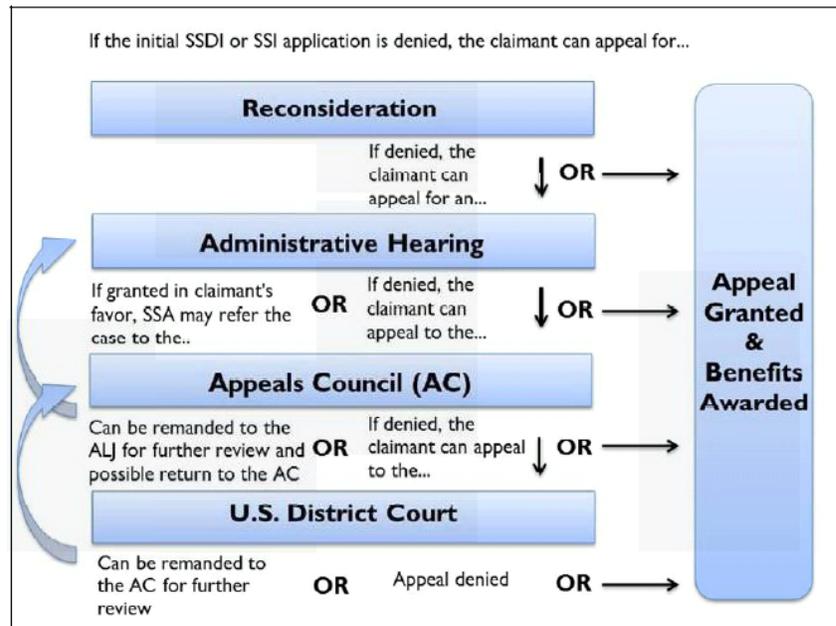


Figure 2ⁱⁱⁱ – SSDI Appeals Process

U.S. District Court: Finally, a denied applicant can file a civil suit in a U.S. District Court if unsatisfied with the final SSA decision within 60 days. The court can affirm or reverse the SSA decision, or remand it to SSA for further proceedings. According to SSA data, over the last 5 years between 2 and 4 percent of applicants who filed civil suits were awarded benefits while between 42 and 47 percent of applicants with civil suits were remanded back to another adjudication level; however, less than 20,000 applicants file a civil suit per year.^{vii} Just as with any other Federal lawsuit, an applicant can continue to appeal to the U.S. Court of Appeals and, ultimately, the U.S. Supreme Court, although this is very rare.

For more information on the SSDI determinations process, [click here](#).

For more information on the SSDI appeals process, [click here](#).

ⁱ Figure from the Congressional Research Service’s “Primer on Disability Benefits: Social Security Disability Insurance (SSDI) and Supplemental Security Insurance (SSI),” available at <https://www.fas.org/sgp/crs/misc/RL32279.pdf>

ⁱⁱ Data from FY2012-FY2016 SSA Budget Requests “Limitation on Administrative Expenses,” available at <http://www.ssa.gov/budget/>

ⁱⁱⁱ Figure from the Congressional Research Service’s “Primer on Disability Benefits: Social Security Disability Insurance (SSDI) and Supplemental Security Insurance (SSI),” available at <https://www.fas.org/sgp/crs/misc/RL32279.pdf>

^{iv} Data from FY2012-FY2016 SSA Budget Requests “Limitation on Administrative Expenses,” available at <http://www.ssa.gov/budget/>

^v Ibid.

^{vi} Ibid.

^{vii} Ibid.

