

THE WHITE HOUSE  
OFFICE OF DOMESTIC POLICY

CAROL H. RASCO  
*Assistant to the President for Domestic Policy*

To: Roza

Draft response for POTUS  
and forward to CHR by: \_\_\_\_\_

Draft response for CHR by: \_\_\_\_\_

Please reply directly to the writer  
(copy to CHR) by: \_\_\_\_\_

Please advise, by: \_\_\_\_\_

Let's discuss: \_\_\_\_\_

For your information: \_\_\_\_\_

Reply using form code: EV

File: \_\_\_\_\_

Send copy to (original to CHR): \_\_\_\_\_

Schedule ? :  Accept  Pending  Regret

Designee to attend: \_\_\_\_\_

Remarks: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

October 10, 1994

Ms. Carol H. Rasco  
Assistant to the President  
for Domestic Policy  
The White House  
Washington, D.C. 20066

Dear Ms. Rasco:

My wife and I are very sorry to see the President's health care program go down to defeat with a very good possibility that it won't fare any better in the next congress. This could be a blessing in disguise because it gives the president a breather to prepare a case that the ordinary citizen can understand and speak out on. Not a long book about a complicated system that few have apparently read except Republicans who prepared a complicated chart that Senator Dole could use to effectively kill the health care proposal.

President Clinton has done a great job in selling the need for universal health care, crime control, education, and other serious concerns of many citizens. The problem seems to be that there is no Pearl Harbor to bring everyone to focus on a particular problem. Instead we have groups of citizens with different priorities depending on how the particular problem affects them.

One group has HEALTH CARE as their number one priority while other groups have EDUCATION, CRIME, GUN CONTROL, WELFARE REFORM, FRAUD IN GOVERNMENT, SOCIAL SECURITY, and the fear of the YOUNG that SOCIAL SECURITY will NOT be there for them! All of these problems seem to have many common causes. The media has blasted the American citizens with horror stories in our papers and ghastly pictures on our TV's. Is it any wonder that the people at home can't understand why our employees in Washington are setting around blaming each other--don't they read the same news and watch the same TV as the people at home or is what happens inside the belt way all that is important to our representatives? A package by President Clinton that pointed out all of the common causes for the problems mentioned above with a program to work toward their elimination. The program to document the possible savings available by eliminating all the common problems with one basic program instead of the present patchwork approach. An approach which spins wheels and creates smoke but few citizens believe that congress has done very much toward really solving the problems.

I believe it is about time that the meaning of Social Security is upgraded to mean much more than it does at present. A new Social Security System that promotes a living environment where citizens are relatively free from worries about health care, crime, freedom from worries about being shot with a gun in your home, your car, your school or on the street, Finally a system that will require citizens to invest in a savings plan that will grow with the economy to provide for a retirement. income not subject to the whims of congress as it is presently.

page 2 October 10th letter  
To Carol H, Rasco

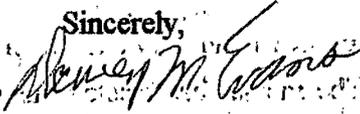
My August 3rd letter to you contained a bound copy of my brochure **The American Social Security System Crisis** table of contents was suggested " as a possible format for setting up a government business plan spelling out the basics of the plan **ADHERING TO THE KISS PRINCIPLE**. Written in plain language and spelling out a time table under five years and capable of being mailed for under **THREE DOLLARS** using first class mail"

The August 3rd letter went on to say "The suggested program is one where everyone pays their **FAIR SHARE** and everyone shares in the benefits. As for the citizens of the US--I believe that a majority of Republicans as well as Democrats would like a program along the lines suggested." Or at least to have a chance to voice an opinion on something they can read, understand, and have a chance to think about, talk about, and write about. It is about time that the voters get a written contract from candidates for office which spells out their goals if elected and quarterly reports on their efforts to achieve their goals.

Many groups have special interests and they should have a voice in talking to legislators as long as their feeling are expressed in writing and are supplied to all parties in congress and no favors or money changes hands."

It would be interesting to watch all of the negative Republicans and Democrats try to come up with reasons why a well thought out plan along the lines suggested in my brochure wouldn't work.

Sincerely,



Dewey M. Evans

PS--

October 11, 1994

The enclosed editorial, "No leader on health reform" makes it pretty clear that we will end up with a patchwork of state programs instead of a national program that applies equally to all citizens ! My paper and TV tells me that a monument to President Franklin Delano Roosevelt is finally going to become a reality. I can't think of anyone better positioned to take over FDR's baton than -President Clinton.

My July 4, 1994 Fax to President Clinton used as a preface to my writings on Redefining the American Social Security System concluded with the following paragraph: Ruth and I send our best wishes for your success and I hope that when our children are our age they can look back on William Jefferson Clinton as a President who had the welfare of the people at heart, was forward looking and had the guts for the hard fight.

Enclosures:

Oct. 8, 1994 Editorial

Copy July 4th Fax (Preface)

**PREFACE**

Fax July 4, 1993

Dear President Clinton:

I read and enjoyed "What Today Means To Me" in Parade Magazine and I decided that I would write you on what today means to me. Today I have a president who has it in his power to at least propose and I believe see passed a new and better Social Security system and a new NATIONAL HEALTH CARE SYSTEM. Systems that reflect the needs of today and into the next century using the medical and business technology of today.

It has never been my good fortune to shake the hand of a president but I would have chosen FDR because he had the welfare of the people at heart, he was forward looking, and he fought one hell of a battle to get Social Security enacted if I can believe Social Insecurity by Dorcas R. Hardy and her father. Social Insecurity a true financial horror story for millions of Americans facing retirement.

Ruth and I have 6 children, 12 grandchildren, and 3 great-grandchildren between us. Some of our offsprings will probably do quite well, but some of them are probably going to have a difficult time if Social Security and the Health Care system maintain the status-quo.

I have been writing to Mrs. Clinton and Dr. Shalala starting before you moved to the White House. I mailed my last letter dated 5-31-93 to Dr. Shalala last week with a copy to Senator Rockefeller.

The last paragraph of my 5-31-93 letter reads as follows, "My considerations for a NHCS looks at many of the problems, proposes serious money saving ideas, outlines a system where everyone pays their fair share, makes the products of American business more competitive, makes the cost of health care an item that can be budgeted without the millions of dollars I see going up in hot air on CSPAN while the congress and the administration hassle each other. I am sure that I heard that common sense was going to be used in this administration. I am sure that my concept hasn't covered all the aspects of the health care problem--- but I haven't seen or heard of a better organized system to start building a workable system on though I am still betting on Mrs. Clinton to top it."

The regional health insurance purchasing cooperatives, now on the table are too costly and complex and probably not understandable or workable for a very large portion of the population which a NHCS is supposed to help. A portion of the population which I understand is at least 40% functionally illiterate. My years of experience with Medicare tells me that it would be too complex for the people who must interpret and administer the program. I have asked Dr. Shalala and Senator Rockefeller to pass my views on to you if they see any merit in them.

Ruth and I send our best wishes for your success and I hope that when our children are our age they can look back on William Jefferson Clinton as a president who had the welfare of the people at heart, was forward looking and had the guts for the hard fight.

Sincerely yours,

Dewey M. Evans

PS.---- 8-6-94 Hillary let me down

# The Atlanta Journal

## THE ATLANTA CONSTITUTION

Today's editorial pages are edited by the editorial board of The Atlanta Constitution

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*Editorial Page Editor*

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JAMES M. COX JR., Chairman 1957-74

## No leader on health reform

Health-care reform on the federal level is dead, with prospects for its revival uncertain at best. And Georgia's two leading candidates for governor show little or no desire to push significant reform on the state level. That's bad news for Georgians, especially the estimated 1.3 million who are without health insurance.

The two candidates' stances are indicative of the political limbo into which health-care reform has fallen. The failure of the Clinton initiative in Congress has left politicians wondering whether it is better politically to be for health-care reform or against it. Many have decided that a "do-nothing" course is the safest.

The Republican Party has been on that road regarding health care for some time. Millner seems comfortable with the position as he argues that there is nothing wrong with health care in Georgia or the nation that can't be fixed by market forces. He believes a little tinkering around the edges is all that's needed.

The Millner view is that there is no health-care crisis. That will come as a surprise to many Georgians. Having one-fifth of the state's residents without insurance coverage is no big deal to the Republican candidate. "A lot of people don't have insurance by choice," he says. "They decide to go uncovered because they don't want to pay premiums."

Well, maybe so. Perhaps "a lot of people" are passing up health insurance so they can

save a few bucks to spend on luxuries like food and housing. Then again, perhaps a lot of those same people would love to have health-care coverage for themselves and their children.

Unlike Millner, Governor Miller has recognized the need for reforms to make health care more accessible and affordable for Georgians. However, he now says the state should wait to see what comes out of Washington. That's a short-sighted strategy.

In the first place, there is no guarantee that Congress will enact significant reforms, especially if Republicans make the expected gains in the November elections. Additionally, it is clear that whatever plan is adopted on Capitol Hill will leave lots of latitude for the states to write their own policies. The federal plan is likely to serve as the national floor for health care. Each state will be allowed to set its own ceiling.

A handful of states have already enacted reforms or are considering them, with the California ballot initiative to establish a single-payer system for that state being the most sweeping. The inability of Congress to move on this issue will prompt other states to tackle it. Georgia should be prepared to do the same.

Health-care reform has gone from being the political hot-button issue to being the political electric fence. Politicians from top to bottom won't touch it unless the people make it clear that something must be done.

THE WHITE HOUSE

WASHINGTON

October 17, 1994

Dewey M. Evans

P6/(b)(6)

Dear Mr. Evans:

Thank you for taking the time to write and share your feelings with me. It is very important to this administration to hear from individuals like yourself.

Sincerely,

*Carol H. Rasco*

Carol H. Rasco  
Assistant to the President for  
Domestic Policy

CHR:ram



OFFICE OF POLITICAL AFFAIRS

PHONE: (202) 456-6257  
FAX: (202) 456-7929

FROM:

- JOE VELASQUEZ
- PETER SHAKOW
- TOM EPSTEIN
- BEN AUSTIN
- RETA LEWIS
- KAREN ANDERSON
- DONALD DUNN
- LINDA MOORE
- JOE TRAHERN

OTHER: \_\_\_\_\_

TO:

~~Carol Rocco~~  
ROS MILLER

DATE: \_\_\_\_\_

FAX NUMBER: \_\_\_\_\_

62878

# of Pages 3  
(including cover)

OFFICE NUMBER: \_\_\_\_\_

MESSAGE: \_\_\_\_\_

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\_\_\_\_\_  
\_\_\_\_\_

THE WHITE HOUSE  
WASHINGTON

*file SSA*

September 29, 1994

MEMORANDUM FOR CAROL RASCO

FROM: Joe Velasquez  
SUBJECT: Social Security Agency

The AFL-CIO is understandably concerned about the appointments to be made to the newly independent Social Security Agency. Gerry Shea, Tom Donahue's right hand man, has asked to meet with you to discuss what qualities we are looking for in a candidate and who, if anybody, is already under consideration. Gerry is the AFL-CIO's point man on Social Security and can be trusted as one of us.

We'd appreciate your giving this request every consideration. It's important that we keep our friends informed and in the loop to avoid embarrassment later.

I've attached the memo Gerry wrote to me for your information. He's at 637-5237.

Please advise.

Thanks.

# American Federation of Labor and Congress of Industrial Organizations



818 Sixteenth Street, N.W.  
Washington, D.C. 20006  
(202) 637-5000

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Robert A. Georgine  
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## MEMORANDUM

**TO:** Joe Velasquez  
**FROM:** Garry Shea  
**SUBJECT:** Social Security Agency  
**DATE:** 9/28/94

The AFL-CIO believes that the appointments to be made in conjunction with the start up of the independent Social Security Agency are key in regard to the debates on entitlement programs, health care reform and the federal deficit. A strong Social Security system is crucial to the retirement security of working Americans, to their present and future health care benefits, and to their protection in case of disability. With today's hostile political environment in regard to social insurance issues, individuals of high credibility who are knowledgeable about Social Security are needed to lead the defense of the system.

In this light, I'd very much appreciate a chance to meet with Carol Rasco to discuss the candidates under consideration. As you know, we are interested in advancing a candidate from labor. But we are also interested in seeing that the best combination of people are appointed. We would appreciate the chance to discuss the options that exist and to offer our recommendations. A discussion would also be helpful to us in choosing the person we would like to suggest from labor.

Except for a quick trip to Miami for a regional hearing of the Social Security Advisory Council tomorrow, my schedule for the next four or five days is pretty flexible.

Please let me know if you can set something up. Thanks.

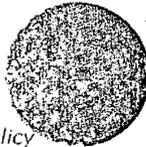
# SOCIALLY SECURITY

U.S. Department  
of Health,  
and Human  
Services



PRESERVATION PHOTOCOPY

THE WHITE HOUSE  
OFFICE OF DOMESTIC POLICY



CAROL H. RASCO  
Assistant to the President for Domestic Policy

To: \_\_\_\_\_  
\_\_\_\_\_

Draft response for POTUS  
and forward to CHR by: \_\_\_\_\_

Draft response for CHR by: \_\_\_\_\_

Please reply directly to the writer  
(copy to CHR) by: \_\_\_\_\_

Please advise by: \_\_\_\_\_

Let's discuss: \_\_\_\_\_

For your information: \_\_\_\_\_

Reply using form code: \_\_\_\_\_

File: \_\_\_\_\_

Send copy to (original to CHR): \_\_\_\_\_

Schedule ? :  Accept  Pending  Regret

Designee to attend: \_\_\_\_\_

Remarks: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

*Hand delivered to  
CHR during Immigration  
briefing*

*If no report seen  
today, pls. call  
Kevin, get a cc  
to Jeremy of  
report & this memo fyi.*



## DEPARTMENT OF HEALTH &amp; HUMAN SERVICES

Chief of Staff

Washington, D.C. 20201

MAR 30 1994

MEMORANDUM

MAR 30 REC'D

To: Carol Rasco  
Christine Varney

From: Kevin Thurn 

Re: Proposal Announcement -- Reengineering SSA Disability  
Claims Process

On Thursday, March 31, a working group from within the Social Security Administration will deliver to a newly created SSA Executive Steering Committee on the reengineering effort a significant proposal to streamline and change the way disability claims are processed.

Consistent with the NPR process and TQM principles, this proposal was created by career SSA employees without the participation of any political appointees. Initial contact has been made with certain members of the Hill and they, the governors and unions will be receiving copies of the proposal on Thursday with a cover note from Commissioner Chater.

SSA will describe the proposal as the product of a bottoms up, employee driven process. At this point, neither SSA nor the Department is committed to the details of the proposal, and for the next 60 days there will be an intense effort to collaborate with all concerned in order to revise the plan as needed.

The proposal will affect every employee and applicant in the disability process. Private attorneys, legal aid, the unions, advocacy groups and employees will all be concerned with the plan. The Executive Steering Committee will be charged with gathering comments, analyzing, reworking and promoting the proposal for the next 60 days.

On Thursday I will forward a copy of the proposal. If you have any questions, please call.

MAR 30 9AM



DEPARTMENT OF HEALTH & HUMAN SERVICES

Chief of Staff

Washington D.C. 20201

# FACSIMILE

DATE MAR 30 1994

TO: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

Carol Rasco  
Assistant to the President  
for Domestic Policy

456-2216

FROM: (NAME, ORGANIZATION, CITY/STATE AND PHONE NUMBER):

Kevin Thurm  
Chief of Staff

690-6133

RECIPIENT'S FAX NUMBER: ( ) 456-2878

NUMBER OF PAGES TO SEND (INCLUDING COVER SHEET): 2

COMMENTS:

THE HEARING WILL CONTINUE TO BE DE NOVO. As in the current process, the hearing before the administrative law judge will be a de novo proceeding in which the administrative law judge considers and weighs the evidence and reaches a new decision.

The hearing process will benefit from an improved initial determination process with its focus on early and comprehensive evidentiary development, pre-denial personal conferences, fully rationalized initial decisions, pre-hearing analysis of contested issues, and shifting of the primary burden of compiling an evidentiary record to the representative, when one is appointed.

APPEAL TO FEDERAL DISTRICT COURT. If a claimant is dissatisfied with the hearing decision, the next level of appeal will be to a Federal district court. A claimant's request for Appeals Council review will no longer be a prerequisite for seeking judicial review.

APPEALS COUNCIL REVIEW OF ADMINISTRATIVE LAW JUDGE DECISIONS. The Appeals Council will conduct reviews of administrative law judge decisions prior to effectuation at its discretion, and on its own motion. The Appeals Council will also review all claims in which a civil action has been filed, and decide whether the administrative law judge decision should be defended as the final decision of the Secretary.

EFFECTUATION BY THE DISABILITY CLAIM MANAGER. If at any point in the process the decision is an allowance, the claim will be referred back to the disability claim manager for effectuation.

Other elements of the process include:

- o A simplified disability decision methodology designed for consistent decisions among adjudicative levels.
- o Expanded use of information technology, including use of electronic claim files from the point of application with data added and maintained throughout the life of the claim; and the ability of claimants and third parties to interact with SSA using technological means.
- o Expanded information and outreach activities to potential claimants and to medical and legal professionals designed to improve their contribution to the disability process.
- o A comprehensive quality assurance program designed to build quality into decisions at each point in the process and measure how it is meeting customer service expectations.

## KEY FEATURES: DISABILITY PROCESS REDESIGN PROPOSAL

**FULL CLAIMANT PARTICIPATION THROUGHOUT THE PROCESS.** SSA will provide personal service to claimants, including the information and access necessary to pursue their claims. Starting at the first contact, claimants will be provided with a full explanation of SSA's programs and processes.

**A DISABILITY CLAIM MANAGER.** At the initial level, claimants will deal almost exclusively with a disability claim manager - a front line employee knowledgeable about the medical and nonmedical factors of entitlement - responsible for making the initial determination, with technical support, to allow or deny the claim. The disability claim manager will determine the level of development needed to make a disability decision using a simplified determination methodology; relying on evidence submitted through efforts of the claimants (whenever claimants are able to do this); requesting medical evidence or a functional assessment; or referring complex medical questions to a medical consultant for expert advice and opinion, if necessary.

**A PRE-DENIAL CONFERENCE.** The disability claim manager will contact the claimant if the decision on a claim appears to be a denial. The claim manager will explain the situation, including the evidence that was considered, and offer the claimant an opportunity to submit additional information as well as an option for an interview in-person or via telephone, before the claim is formally denied.

**DOCUMENTATION OF DECISIONS.** The basis for the final decision will be fully documented and provided to the claimant. It will also be retained by SSA, should the claim decision be appealed or the subject of quality review activity. All initial claims will be subject to a randomly selected postadjudicative national sample review designed to determine whether disability policies are being properly applied.

**APPEAL TO ADMINISTRATIVE LAW JUDGE LEVEL.** The reconsideration step will be eliminated; the claimant will continue to have 60 days to request a hearing before an administrative law judge.

**AN ADJUDICATION OFFICER.** In preparation for the hearing, claimants (and/or their representatives) will work with an adjudicative officer, a new position created to manage pre-hearing development. The adjudication officer will answer claim-related questions, conduct pre-hearing conferences to narrow the issues of the case, and schedule the hearing. If the claimant has a representative, the representative will be responsible for developing evidence for the hearing. The adjudication officer will have full authority to issue a revised favorable decision if the evidence so warrants.

The involvement of the adjudication officer prior to the hearing will free administrative law judges to concentrate their efforts on conducting more hearings and rendering decisions faster.

# DISABILITY PROCESS REDESIGN PROPOSAL

## What's user friendly about it?

- o Readily available program information
- o Starter application easy to complete
- o Single point of contact at each stage
- o Interact with decisionmaker from the beginning
- o Two stage process
- o Understandable decisions much faster
- o Continuing program to survey customers

## How do you get it right the first time?

- o Decisionmaker interviews claimant to get full information
- o Information technology provides expert system support
- o Improved disability decision methodology: functional approach
- o Improved medical evidence collection
- o Initial stage pre denial interview
- o Major ongoing training investment
- o Single presentation of policy to all decisionmakers
- o Peer review and mentoring of decisionmakers
- o Quality measurement system of the entire process

## What makes it fast?

- o Claimant and third party understanding
- o Third party assistance facilitated
- o Information technology eliminates folder transfer
- o Standardized protocol for presenting medical information
- o Improved fees and automated transfer for obtaining medical info
- o Two stages rather than four
- o Combined interviewer/decisionmaker eliminates "rework"
- o Far fewer "hand offs" and waits for next action
- o Faster payment with shorter overall elapsed time

### **What makes it efficient?**

- o Fewer stages
- o Few "hand offs"
- o Teams of employees work together rather than sequentially
- o Decision support system
- o Physician resources used on the more complex cases
- o Claimant understanding minimizes canceled hearings
- o Representatives responsible for evidence development
- o Issues at hearing clarified
- o Allowance made as early in the process as possible
- o ALJ resources used to hold hearings and make decisions

### **What makes the work satisfying?**

- o Ability to respond to claimants' needs
- o Employees empowered to do the "whole job"
- o Team approach to handle complex work
- o Comprehensive training ongoing
- o Information technology facilitates work
- o Streamlined process facilitates greater productivity
- o Entry level positions are part of teams
- o Professional development and expertise encouraged
- o Relief from frustration of backlogs

# **Disability Process Redesign Proposal**

## **TODAY:**

**POORLY UNDERSTOOD**

**FRAGMENTED PROCESS**

**HANDOFF DELAYS**

**COMPLEX DECISIONS**

**DIFFERING OUTCOMES**

**MANUALLY DRIVEN**

**INCONSISTENT FEEDBACK**

## **TO BE:**

**ONGOING INFO/EDUCATION**

**CUSTOMER FOCUSED JOB DESIGN**

**FEWER HANDOFFS/TEAM APPROACH**

**STREAMLINED DECISIONS**

**SINGLE STANDARD**

**TECHNOLOGY BASED**

**UNIFORM QUALITY METHODOLOGY**



THE COMMISSIONER OF SOCIAL SECURITY

BALTIMORE, MARYLAND 21235

March 30, 1994

TO: The Secretary  
Through: DS \_\_\_\_\_  
COS \_\_\_\_\_  
ES \_\_\_\_\_

FROM: Commissioner of Social Security

SUBJECT: Disability Process Redesign Proposal--INFORMATION

PURPOSE

To provide, for your information, the Disability Process Redesign Proposal.

INFORMATION TEXT

This interim proposal will be submitted on March 31, 1994 to constituencies for their comments and suggestions during the 2 month period, April and May. During the summer months, the proposal will be modified, taking into account the responses from constituents. The resulting product will be a new design for processing disability claims.

The attached proposal represents the work of an 18 member Disability Process Reengineering Team who worked under the direction of Rhoda Davis, Director, Process Reengineering Program. In addition, an Executive Steering Committee was formed with 33 members representing unions, Disability Determination Directors, professional employee and management associations, and senior officials from the Social Security Administration and HHS General Counsel to provide advice and counsel.

I extend special thanks to the Project Team who traveled extensively to conduct a massive outreach effort to get the views of almost 4,000 interested parties, arrange focus groups with claimants, and thoroughly analyze very detailed and extensive data. Each brought expertise and a particular perspective to their deliberations. Lists of both the project team and Executive Steering Committee are attached.

151

Shirley S. Chater

Attachments

*Chief of Staff*

DISABILITY PROCESS REENGINEERING TEAM

William Anderson	Office of Disability, Baltimore, MD
Mary Ann Bennett	Office of Budget, Baltimore, MD
Bryant Chase	Office of the Deputy Commissioner for Systems, Baltimore, MD
Kayla Clark	Office of Hearings and Appeals, Seattle, WA
Judith Cohen	Office of Supplemental Security Income, Baltimore, MD
Judge Alfred Costanzo, Jr.	Office of Hearings and Appeals, Pittsburgh, PA
Kelly Croft	Office of Workforce Analysis, Baltimore, MD
Mary Fischer Doyle	Office of Hearings and Appeals, Falls Church, VA
Virginia Lighthizer	Chicago Region, Detroit Conner Branch Office, Detroit, MI
Rebecca Manship	Disability Determination Services, Sacramento, CA
Mary Meiss	Office of Hearings and Appeals, Philadelphia, PA
Michael Moynihan	Office of Disability and International Operations, Baltimore, MD
Donna Mukogawa	Office of the Regional Commissioner, Chicago, IL
William Newton, Jr.	Office of Disability and International Operations, Baltimore, MD
Ralph Perez	Atlanta Region, Miami South District Office, Miami, FL
Nancie Schweikert, M.D.	Disability Determinations Services, Nashville, TN
Ronald Sribnik	Office of Regulations, Baltimore, MD
Sharon Withers	Philadelphia Region, Welch District Office, Welch, WV

PROCESS REENGINEERING PROGRAM EXECUTIVE STEERING COMMITTEE

Dennis Brown	Moderator, Association of OHA Analysts
Bruce Bucklinger	President, OHA Managers' Association
Robert Burgess	President, National Association of Disability Examiners
Mary Chatel	President, National Council of Social Security Management Associations, Inc.
Herbert Collender	President, SSA/AFGE National Council of Payment Center Locals (Council 109)
Renato DiPentima	Deputy Commissioner for Systems, SSA
John Dyer	Deputy Commissioner for Finance, Assessment and Management, SSA
Richard Eisinger	Senior Executive Officer, SSA
George Failla	Director, Office of Information Resources Management, SSA
Gilbert Fisher	Assistant Deputy Commissioner for Programs, SSA
Howard Foard	Assistant Deputy Commissioner for Policy and External Affairs, SSA
Hilton Friend	Acting Associate Commissioner for Disability, SSA
John Gage	President, SSA/AFGE SSA Headquarters (Local 1923)
Randolf Gaines	Acting Associate General Counsel, SSA/HHS
Robert Green	SSA Regional Commissioner, Boston
Joseph Gribbin	Associate Commissioner for Program and Integrity Reviews, SSA
James Hill	President, National Treasury Employees Union (Chapter 224)
Arthur Johnson	Chief Spokesperson, SSA/AFGE General Committee
Charles Jones	Director, Michigan Disability Determination Services
David Knoll	President, SSA National Federation of Federal Employees Council of Consolidated Locals
Demos Kuchulis	President, National Association of Senior Social Security Attorneys
Antonia Lenane	Chief Policy Officer, SSA
Huldah Lieberman	Assistant Deputy Commissioner for Operations, SSA
Rose Lucas	President, SSA/AFGE National Council of Data Operations Centers (Council 221)
James Marshall	President, SSA/AFGE National Council of SSA/OHA Locals (Council 215)
Larry Massanari	SSA Regional Commissioner, Philadelphia
Francis O'Byrne	President, Association of Administrative Law Judges, Inc.
Ruth Pierce	Deputy Commissioner for Human Resources, SSA
Daniel Skoler	Associate Commissioner for Hearings and Appeals, SSA

Witold Skwierczynski

Earl Tucker

Janice Warden

Andrew Young

President, SSA/AFGE National Council of  
SSA Field Operations Locals (Council 220)

President, SSA/AFGE National Council of  
Social Security Regional Offices, Program  
Integrity Review (Council 224)

Deputy Commissioner for Operations, SSA

Deputy Commissioner for Programs, SSA

Roz:  
Fax a copy of this  
letter to Sheryl  
Dicker. See if she  
has cc. of The  
Reengineering Study  
for SEA & if not set

4/25  
Carol,  
Eileen Sweeney at CDF  
urged me to send you  
this copy - we hope  
you can interview &  
be supportive.  
Feel free to call her  
at (215) 893-5342.  
Jennifer

THE WHITE HOUSE  
OFFICE OF DOMESTIC POLICY

MAY 2 1995  
REC'D

CAROL H. RASCO  
Assistant to the President for Domestic Policy

orig: CHR  
cc To: Jeremy  
Stan-fiji

Draft response for POTUS  
and forward to CHR by: \_\_\_\_\_

Draft response for CHR by: \_\_\_\_\_

Please reply directly to the writer  
(copy to CHR) by: \_\_\_\_\_

Please advise by: \_\_\_\_\_

Let's discuss: \_\_\_\_\_

For your information: \_\_\_\_\_

Reply using form code: \_\_\_\_\_

File: \_\_\_\_\_

Send copy to (original to CHR): \_\_\_\_\_

Schedule?:  Accept  Pending  Regret

Designee to attend: \_\_\_\_\_

Remarks: \_\_\_\_\_

Jeremy: I've asked Kevin  
for a note on this  
& will get it to you -  
doesn't sound funny

a cc to her.  
I need my copy  
to review w/  
this letter.  
Remind me to  
respond to these  
folks. may have  
sent my cc to Jeremy

good but will see

# Zebley Implementation Project, a project of

COMMUNITY LEGAL SERVICES, INC.

1324 Locust Street

Philadelphia, PA 19107-5697

Tel: 1-800-523-0000

Fax: 215-893-5350

April 20, 1994

Donna E. Shalala  
Secretary  
DHHS  
Room 615F  
200 Independence Avenue, S.W.  
Washington, DC 20201

RE: Zebley v. Shalala, C.A. No. 83-331 (E.D. PA)  
and  
"Re-engineering" Disabled Children

Dear Secretary Shalala:

The "Re-engineering" Report, Disability Process Redesign, issued last month by the Social Security Administration, by calling for the elimination of the duly promulgated Zebley SSI child disability regulations, has the distinct risk, of violating the settlement decree that followed the U.S. Supreme Court decision, Sullivan v. Zebley, 493 U.S. 321, 110 S.Ct. 885 (1990).

As we trust you and Commissioner Chater know, the Supreme Court found prior administration of the SSI child disability program to be in violation of the Social Security Act and ordered that "individualized functional assessments" be provided for the fair and realistic evaluations of children's disabilities as Congress had originally intended. Via a Stipulation between the parties and entered as an enforceable federal court Order on March 14, 1991, the HHS Secretary was required to promulgate "a new regulation" and one "consistent" with the decision of the Supreme Court. (Stip. ¶ II). After the convening of a prestigious multi-disciplinary group of pediatric experts, and intensive staff involvement from the best of SSA's disability staff, your predecessor published "interim final" regulations on February 11, 1991, 56 Fed. Reg. 5534, and, after extensive public comment and experience with these rules, the agency, under your leadership, then published "final" rules on September 9, 1993, 58 Fed. Reg. 45777. You approved these final rules on May 24, 1993 and then stated in your Federal Register publication that your promulgation was to provide rules "in accordance with the Supreme Court's ruling in Zebley." 58 Fed. Reg. 47533.

Now, barely 6 months later, a small internal group at SSA comes out with a report urging the agency to toss out these rules and calling for (1) "baseline criteria for a child's activities that are comparable to an adult's ability to perform substantial gainful activity . . . the functional abilities for a child will represent a realistic comparison to an adult's ability to work;" (2) SSA and experts to develop "standardized criteria" to measure a child's functional ability; (3) eliminating child functional criteria from a proposed Index of Disabling Impairments (now the Listings); and (4) eliminating the policy of functional equivalence to the Listings in the current child disability rules. (Redesign report, pp. 47-48).

This group was never intended to address the disability standard, but only process and procedure. They have clearly gone beyond the scope of their charge by attempting to re-invent a new child standard. They have put forth ill thought out suggestions that will mire the agency in controversy, raise the specter of further litigation, and destroy the developing consensus that the process needs to be re-engineered.

The group never solicited public comment on this issue, and, to the best of our knowledge, never even discussed such a change with the many members of the public they spoke to nor the expert SSA staff who wrote the child disability regulation, nor the nationally known experts who consulted on it. Ironically, if they had, they would have been informed that this new "baseline criteria" standard they call for was the very first issue addressed to the national panel of pediatric experts, and was rejected by them and SSA staff as an illusory goal given the multiplicity of manifestations of childhood disabilities and one that would draw the agency back into the pigeon holing approach that was struck down by the Court.

Nowhere is it apparent that the report is based upon any analyses of or experience with the current child disability regulations, which have been providing workable and fair criteria for many hundreds of thousands of childhood disability evaluations for almost four years. Further training and fine tuning instructions can make them even better instruments for evaluating disabilities.

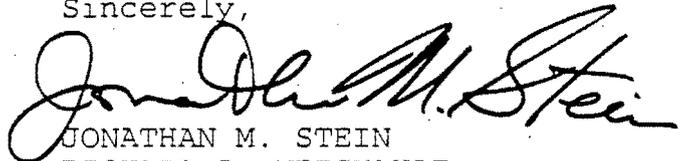
From speaking directly to authors of this report via video-conference earlier this month, the sole impetus for this proposal appears to come not from any legal or empirical imperatives, but rather from a naive conceptual notion of insuring parallelism with a newly proposed adult disability standard change. (Redesign report, pp. 39-40) (The report uses the euphemism "methodology" redesign to mask substantive disability standard changes, apparently aware that "methodology" is more in keeping with the process/procedure charge you gave this task force.) The report hypothesizes that SSA can establish a new test for adults involving

"objective" requirements of "baseline" work functions that are required to engage in substantial gainful activity. (Id. p. 40). Such an approach is unworkable for adults and addresses a non-issue and would be even more wrong-headed for children.

Our concerns over the willingness to comply with the Zebley Court Order were first prompted by the inclusion of a "sunset" provision in the rules published on September 8, 1993. We and the public had never been given notice of any intention to do this, an action which even caught SSA by surprise, since it inadvertently put forth compelling arguments in the same publication as to why a sunset made no sense. 58 Fed. Reg. at 47570. While we were negotiating this legally questionable, last-minute insertion into the Federal Register with government counsel, other agency staff on this "redesign" project were apparently planning the scrapping of this regulation altogether. And now that Commissioner Chater has rushed to embrace the report at Representative Jacobs' Subcommittee hearing, we feel compelled to point out the depths of our misgivings and the strength of our resolve to resist such a proposal.

We remain, as always, ready to meet with HHS and SSA staff around plans to discuss any constructive and legal changes in the SSI child disability program. We ask you to direct your staff to have these discussions as soon as possible.

Sincerely,



JONATHAN M. STEIN  
RICHARD P. WEISHAAPT

Zebley Class Counsel

JMS/dof

cc: President Bill Clinton ✓  
Senator Daniel Patrick Moynihan  
Senator Christopher Dodd  
Senator John Breaux  
Representative Dan Rostenkowski  
Representative Harold Ford  
Attorney General Janet Reno  
SSA Commissioner Shirley Chater  
SSA Principal Deputy Commissioner Larry Thompson  
Harriet Rabb, HHS General Counsel  
Peter Edelman, Counselor to the Secretary  
Randy Gaines, SSA Chief Counsel

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## **Clinton Presidential Records Digital Records Marker**

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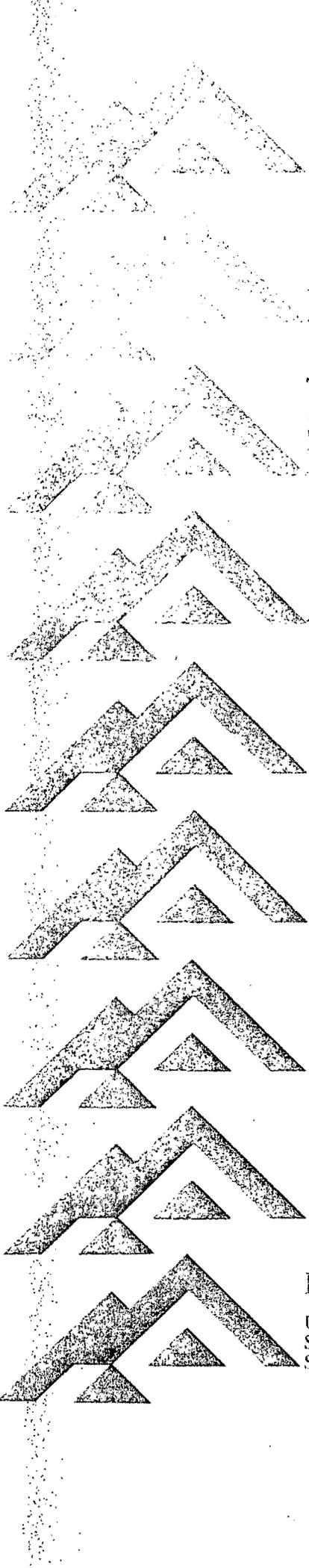
This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a publication.

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Publications have not been scanned in their entirety for the purpose of digitization. To see the full publication please search online or visit the Clinton Presidential Library's Research Room.

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# Disability Process Redesign

The Proposal from the  
SSA Disability Process  
Reengineering Team

April 1994

Disability Process Reengineering Team

U. S. Department of Health and Human Services  
Social Security Administration  
SSA Pub. No. 01-003

SSA

By early Sept.

Re-write report, inc. comments (some) & send  
to all the orig. distribution

---

New bill

# 28MDDA

\$'s PEBs - pilot (earnings & benefits statements)  
generates ?'s people already had  
" " on statement itself

} increased work  
load

NOTES FOR DISABILITY BRIEFING

8/12/94

The Social Security Administration representatives are planning to discuss three issues at the 1:00 briefing:

I. Disability Process Redesign

The redesign team has submitted its final report to Commissioner Chater. It has some very good long-term ideas in it.

Key question for Chater: When will she announce publicly her plans re: implementation, timetable, budget, etc.

*How does this process "fit" w/ <sup>54</sup>new agency <sup>transition</sup> process?*

II. Backlog

We asked them to brief us on the current status of the backlog of claims and their current thinking on short-term steps for addressing it. The reengineering process is good, but will take many, many years. Meanwhile the backlog grows.

Question: How is downsizing/staff cuts being effected to have minimal impact on backlog?

Possible recommendation: A joint SSA/DPC/OMB team to come up with some short-term thoughts on ways to improve the backlog situation -- unless they come in with what seems a realistic, workable plan.

III. D.A. & A.

We also asked SSA to brief you and Alice on the provisions of the SSA bill regarding drug addicts and alcoholics: what ended up in the bill and what it really means for clients, programs, budget, etc.

IV. Other Issues

 You may want to hint at the need to discuss the children's disability issue, and the need for SSA and HHS to work with us on naming members of the Childhood Commission. We are setting up a separate meeting on this.

EXECUTIVE OFFICE OF THE PRESIDENT

01-Aug-1994 03:18pm

TO: Carol H. Rasco  
FROM: Stanley S. Herr  
Domestic Policy Council

SUBJECT: background for meeting w/ Arc staff tomorrow

NCOO -  
need MR  
reprinted  
\* White Eli -  
ARC  
Contract

I checked with Paul Marchand about our meeting tomorrow and the possible topics they might be raising. In that 30 minutes, he hopes to present five clusters:  
1) health care reform (inc their concerns re fate of long-term care proposal)  
2) their "scorecard" on agency responsiveness to their community;  
3) a particular legislative issue on assisted housing (he didn't have details);  
4) SSA on reengineering process and Zebley backlash; and  
5) any suggestions from you re plugging their concerns into Budget process.

It sounded as if items 1 and 4 would be the most substantive.

I'll see you at 9:45 tomorrow before they arrive on various matters.

Cheers!

Senate Banking needs contact } esp. CSLA states  
5000 set aside still in House approp. } Schwabner  
Kerry Campbell Sasser  
Rife Wedd

Stripped out of approp. bill (don't like set-asides)  
& auth.

✓ Sheas Spive  
in HLD -  
good work!

Budget → I told them  
to go see  
Catt. directors

Spec Security

Reengineering > 2 areas a prob still  
① need consumer involvement  
in whatever developed  
② Any chgs. in methodology need to  
be fully tested / validated

Children  
Commission -  
consumer involvement

**SCHEDULE OF THE PRESIDENT**

**FOR**

**MONDAY, AUGUST 15, 1994**

**FINAL**

**APPOINTMENT SCHEDULER:**

**STEPHANIE STREETT**

**HOME:**

P6/(b)(6)

**OFFICE:**

**202-456-7560**

**WHCA PAGER:**

**4033**

**CELL PHONE:**

P6/(b)(6)

**EVENT COORDINATOR:**

**GRACE GARCIA**

**HOME:**

P6/(b)(6)

**OFFICE:**

**202-456-7560**

**WHCA PAGER:**

**4076**

**PRESS DESK:**

**ANNE EDWARDS**

**HOME:**

P6/(b)(6)

**OFFICE:**

**202-456-7560**

**WHCA PAGER:**

**4208**

**PRINCIPAL EVENTS:**

- \* **Social Security Independent Agency Act Bill Signing - White House**
- \* **Crime Bill Highlights White House**

**WEATHER:**

**Camp David, MD and Washington, DC**  
Mostly cloudy with scattered thunderstorms. Wind northwest at 10 knots. Low 66 to 71. High 83 to 88.

**SCHEDULE OF THE PRESIDENT  
FOR  
MONDAY, AUGUST 15, 1994  
FINAL**

tba

**JOG**

8:15 am

**THE PRESIDENT** and the First Lady depart Camp David, MD via Marine One en route White House  
[flight time: 30 minutes]

8:45 am

**THE PRESIDENT** and the First Lady arrive White House

9:00 am-

**MEETING**

9:15 am

**OVAL OFFICE**

Staff Contact: Leon Panetta

9:15 am-

**ECONOMIC FACTS BRIEFING**

9:30 am

**OVAL OFFICE**

Staff Contact: Laura Tyson, Bob Rubin

9:30 am-

**BRIEFING**

9:45 am

**OVAL OFFICE**

Staff Contact: Tony Lake

9:45 am-

**BRIEFING**

10:15 am

**OVAL OFFICE**

Staff Contact: Tony Lake

10:15 am-

**BRIEFING**

10:30 am

**OVAL OFFICE**

Staff Contact: Carol Rasco, Pat Griffin

10:30 am-

**SOCIAL SECURITY INDEPENDENT AGENCY ACT BILL**

11:15 am

**SIGNING**

**ROSE GARDEN [RAIN SITE: EAST ROOM]**

Remarks: Carolyn Curriel, Charles Sweeney

Event Coordinator: Grace Garcia

Staff Contact: Carol Rasco, Pat Griffin

**OPEN PRESS**

-- **The President, the First Lady, Secretary Shalala, Representative Jacobs and Senator Moynihan are announced into the Rose Garden.**

-- **The First Lady makes welcoming remarks and introduces Secretary Shalala.**

- Secretary Shalala makes brief remarks and introduces Representative Jacobs.
- Representative Jacobs makes brief remarks and introduces Senator Moynihan.
- Senator Moynihan makes brief remarks and introduces the President.
- The President makes remarks and proceeds to signing table to sign bill.
- The President greets guests in front row and departs.

11:30 am-  
11:45 am

**BRIEFING**  
**OVAL OFFICE**  
Staff Contact: Marilyn Yager

11:45 am-  
12:00 pm

**DROP-BY MEETING WITH LEADERSHIP OF THE CATHOLIC HEALTH ASSOCIATION**  
**ROOSEVELT ROOM**  
Staff Contact: Marilyn Yager  
**WHITE HOUSE PHOTO**

NOTE: The First Lady will attend this meeting.

- The President greets participants.
- The President makes brief remarks.
- The President departs.

12:00 pm-  
1:15 pm

**LUNCH, PHONE AND OFFICE TIME**  
**OVAL OFFICE**

1:15 pm-  
1:25 pm

**BRIEFING**  
**OVAL OFFICE**  
Staff Contact: Rahm Emanuel

1:25 pm-  
1:30 pm

**MEET AND GREET with stage participants**  
**OVAL OFFICE**  
Staff Contact: Rahm Emanuel  
**WHITE HOUSE PHOTO**

1:30 pm-  
2:15 pm

**CRIME BILL HIGHLIGHTS**  
**ROSE GARDEN**  
Staff Contact: Rahm Emanuel  
Remarks: Jonathon Prince

Event Coordinator: Stephanie Streett, Sarah Ryan  
**OPEN PRESS**

Program TBD

2:30 pm-  
2:50 pm

**BRIEFING**  
OVAL OFFICE  
Staff Contact: Pat Griffin

2:50 pm-  
3:20 pm

**CONGRESSIONAL MEETING**  
OVAL OFFICE  
Staff Contact: Pat Griffin

3:30 pm-  
4:00 pm

**CONGRESSIONAL MEETING**  
OVAL OFFICE  
Staff Contact: Pat Griffin

4:00 pm-  
6:10 pm

**PHONE AND OFFICE TIME**  
OVAL OFFICE

6:10 pm-  
6:15 pm

**BRIEFING**  
OVAL OFFICE  
Staff Contact: Tony Lake

6:15 pm-  
6:30 pm

**PHONE CALL TO AUSTRALIAN PRIME MINISTER  
KEATING**  
OVAL OFFICE  
Staff Contact: Tony Lake

6:35 pm-  
6:45 pm

**BRIEFING**  
OVAL OFFICE  
Staff Contact: Pat Griffin

6:45 pm-  
7:15 pm

**CONGRESSIONAL MEETING**  
OVAL OFFICE  
Staff Contact: Pat Griffin

**BC AND HRC RON**

**WHITE HOUSE**