

OVERVIEW OF OUR FISCAL YEAR 2017 GOALS AND RESULTS

HOW WE MANAGE PERFORMANCE

Our Performance Framework: The *Government Performance and Results Modernization Act of 2010* (GPRMA) describes how agency strategic plans and goals should align with presidential terms and broader Federal efforts.

Setting goals and measuring our performance is vital to our success. We define our performance framework in the [Fiscal Year \(FY\) 2014-2018 Agency Strategic Plan \(www.socialsecurity.gov/asp\)](http://www.socialsecurity.gov/asp). Our *Agency Strategic Plan* (ASP) defines our Strategic Goals and details underlying objectives, strategies, and relevant risks and mitigation plans.

Our Strategic Goals are:

- Strategic Goal 1: Deliver Innovative, Quality Services;
- Strategic Goal 2: Strengthen the Integrity of Our Programs;
- Strategic Goal 3: Serve the Public through a Stronger, More Responsive Disability Program;
- Strategic Goal 4: Build a Model Workforce to Deliver Quality Service; and
- Strategic Goal 5: Ensure Reliable, Secure, and Efficient Information Technology Services.

Our Planned Performance: In May 2017, we published our [Annual Performance Plan for FY 2018, Revised Annual Performance Plan for FY 2017 \(www.socialsecurity.gov/agency/performance\)](http://www.socialsecurity.gov/agency/performance) and our [Annual Performance Report FY 2016 \(www.socialsecurity.gov/agency/performance\)](http://www.socialsecurity.gov/agency/performance), as part of the [President's FY 2018 Budget Request \(www.socialsecurity.gov/budget/\)](http://www.socialsecurity.gov/budget/). These plans and report outline our tactical plans for achieving the goals and objectives in our ASP and complete our performance commitments for FY 2017.

Each September, a draft consolidated *Annual Performance Plan and Annual Performance Report* (APR) accompanies our budget submission to the Office of Management and Budget. The draft APR provides our priorities and key initiatives for the next two fiscal years, the performance measures we will use to evaluate our success, and our progress to date on current fiscal year commitments. The budgeted workloads published in our APR correspond to the key workload measures contained in the [FY 2017 Operating Plan \(www.socialsecurity.gov/budget/\)](http://www.socialsecurity.gov/budget/).

Our Actual Performance and Program Results: We update the APR after the close of the fiscal year to provide performance results for the previous fiscal year. We will issue the final APR, containing our actual FY 2017 results, in February 2018. The final APR will be available on our [Budget Estimates and Related Information website \(www.socialsecurity.gov/budget/\)](http://www.socialsecurity.gov/budget/).

This *Agency Financial Report* summarizes our key initiatives, overall performance results, and financial activities in carrying out our mission in FY 2017. The following table shows our operating expenses by Strategic Goal.

**FY 2017 Operating Expenses by Strategic Goal
(Dollars in Millions)**

Deliver Innovative, Quality Services	\$ 2,862
Strengthen the Integrity of Our Programs	\$ 2,354
Serve the Public through a Stronger, More Responsive Disability Program	\$ 6,033
Build a Model Workforce to Deliver Quality Service	\$ 353
Ensure Reliable, Secure, and Efficient Information Technology Services	\$ 1,130

Our Priorities: In support of the GPRMA, we established four Agency Priority Goals (APG). Our APGs were aggressive 24-month goals and reflect the performance improvement priorities of our executive leadership as well as those of the Administration. We routinely review our progress and take actions to improve our outcomes, promote innovation, and deliver favorable results.

For FYs 2016 and 2017, our APGs were:

1. Improve customer service and convenience by increasing online transactions by 25 million each year;
2. Increase customer satisfaction with our services;
3. Improve the integrity of the Supplemental Security Income (SSI) program by ensuring that 94 percent of our payments are free of overpayment; and
4. Improve customer service by reducing the wait time for a hearing decision.

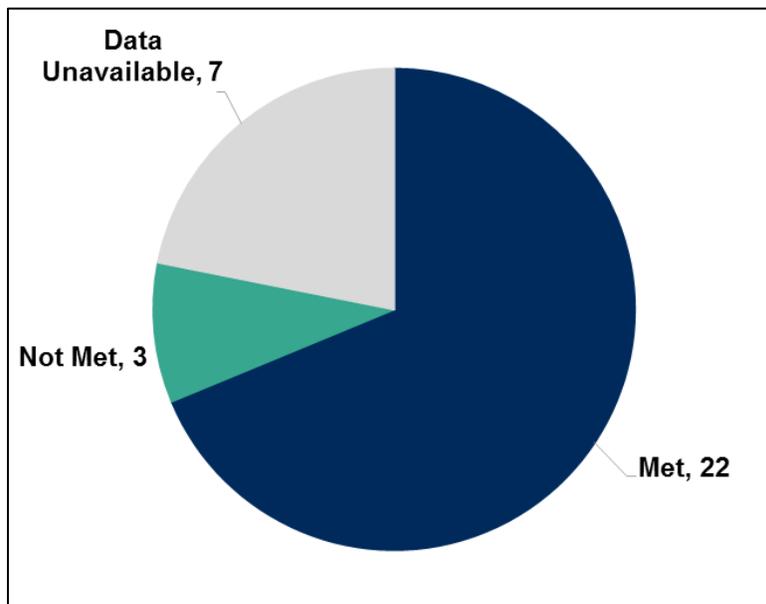
SUMMARY OF FISCAL YEAR 2017 PERFORMANCE

This summary highlights the approaches we used to achieve the performance measures and targets set in support of our goals during FY 2017. It also outlines some of the challenges we faced meeting these goals and analyzes our performance. We base our planned performance measures and targets on the President's Budget request. If necessary, we adjust our resources to ensure we can complete our budgeted workloads and agency goals within our budget.

Below, we highlight 10 performance measures and targets that promote our Strategic Goals. Final data for 3 of the 10 performance measures and targets we highlighted were not available at the time we published this report. We will include those overall results in our FY 2018 *Agency Financial Report*. We met our targets for six of the seven performance measures with available data.

Overall, we met our targets for 22 of the 32 total performance measures that we use to track agency progress towards meeting our Strategic Goals and objectives. Final data for 7 of the 32 performance measures and targets were not available at the time we published this report. Data on those performance measures will be published in our *Annual Performance Plan for FY 2019, Revised Performance Plan for FY 2018, and Annual Performance Report for FY 2017* in February 2018.

Summary of Our FY 2017 Performance Measure Results



STRATEGIC GOAL 1: DELIVER INNOVATIVE, QUALITY SERVICES

Strategic Objectives

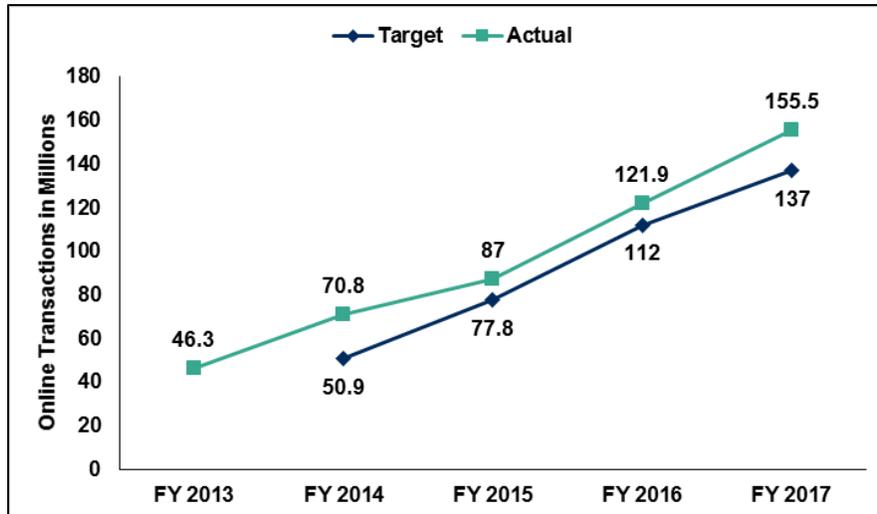
- Develop and Increase the Use of Self-Service Options
- Enhance the Customer Experience by Completing Customers' Business at the First Point of Contact
- Partner with Other Agencies and Organizations to Improve Customers' Experience and Align with the Administration's One-Government Approach
- Evaluate Our Physical Footprint to Incorporate Improved Service Options



[Create an account:
www.socialsecurity.gov/myaccount](http://www.socialsecurity.gov/myaccount)

We selected the following performance measures to help demonstrate our progress in delivering innovative, quality services:

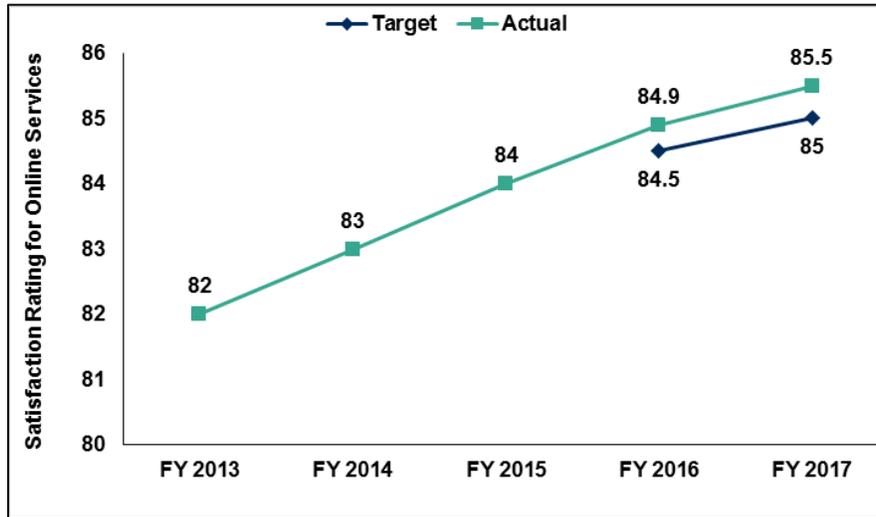
Improve customer service and convenience by increasing online transactions by 25 million each year (APG)



Analysis: We processed 155.5 million online transactions in FY 2017. We continue to look for opportunities to add new online features to improve service delivery. Individuals who register for a *my Social Security* account can access their personal Social Security information and complete certain services with us online. In FY 2017, we enhanced *my Social Security* by adding the Get Help widget and Message Center. Users can check the status of their initial claims or appeals, and if they receive disability benefits, they can now report their wages online. In FY 2017, we also enhanced the security of *my Social Security* by requiring multifactor authentication for each registration.

Increase customer satisfaction with our services (APG)

Online Services



Office and Telephone Services

Fiscal Year	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2017 Target	Target Achieved
Performance	80% satisfaction rating	Data is not available	79% satisfaction rating	80% satisfaction rating	80% satisfaction rating	80% satisfaction rating	Met

Analysis: Demonstrating our commitment to customer service, we are pleased that 7 of our 8 online applications earned scores of at least 80 out of 100 in the Forsee E-Government Satisfaction Index. (Note: A score of 80 or higher is considered the threshold for excellence.)

Our efforts to deliver innovative, quality services include:

ENHANCE *my* Social Security

Individuals who register for a *my* Social Security account can access their personal Social Security information and complete certain services with us online. In FY 2017, we enhanced *my* Social Security by adding the Get Help widget and Message Center. Users can check the status of their initial claims or appeals, and if they receive disability benefits, they can now report their wages online. In FY 2017, we also enhanced the security of *my* Social Security by requiring multifactor authentication for each registration.

EXPAND THE AVAILABILITY OF THE ONLINE SOCIAL SECURITY REPLACEMENT CARD APPLICATION

Replacing Social Security cards is one of our most requested services. Each year, we process about 10 million Social Security replacement cards in our field offices. Adults with a *my* Social Security account, who meet certain criteria, may apply for a replacement card through the Internet Social Security Number Replacement Card (iSSNRC) online application.

Since we launched iSSNRC in November 2015, we have increased the number of States where people may request a replacement Social Security card. We currently offer iSSNRC in 24 States and the District of Columbia. In FY 2016, we successfully issued more than 100,000 replacement cards through iSSNRC, and issued approximately 500,000 cards through the iSSNRC application in FY 2017.

STRATEGIC GOAL 2: STRENGTHEN THE INTEGRITY OF OUR PROGRAMS

Strategic Objectives

- Transform the Way We Record Earnings to Enhance Data Accuracy
- Protect the Public's Data and Provide Secure Online Services
- Increase Payment Accuracy

Report Wages from Your Mobile Device



Available now in

[Google Play: play.google.com/store](https://play.google.com/store) and [Apple app: www.apple.com/itunes/charts/free-apps/](https://www.apple.com/itunes/charts/free-apps/)

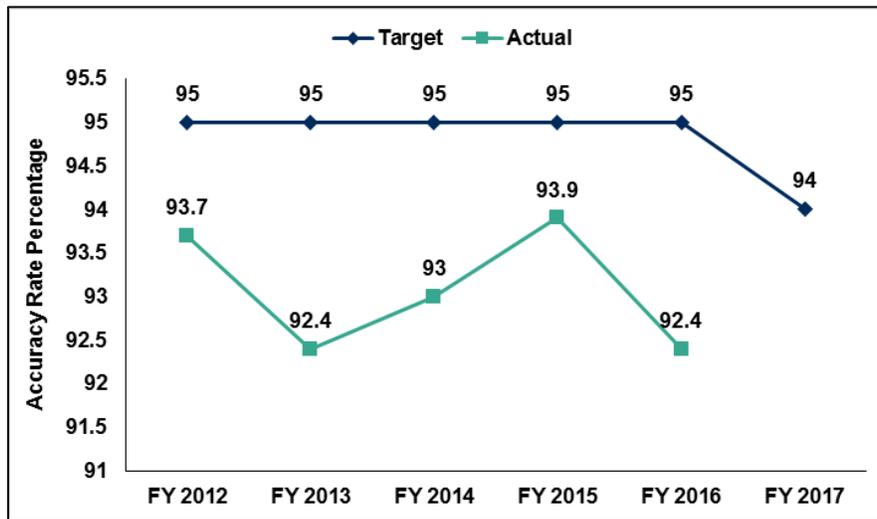
We selected the following performance measures to indicate our progress in strengthening the integrity of our programs:

Increase secure access to the public's data

Fiscal Year	2017 Actual	2017 Target	Target Achieved
Performance	Completed all mainframe encryption in our data centers in May 2017	Encrypt all mainframe data stored in our data centers by September 2017	Met

Analysis: We maintain a comprehensive, agency-wide information security program to protect our network, information, and communication assets. We are strengthening the security of our systems by implementing consistent management controls at all of our data facilities. We review our policies and processes continually to ensure adequate safeguards are in place to prevent misuse and unauthorized access to our systems and data. As part of the *Cybersecurity Act of 2015*, Federal agencies must encrypt data that is stored or passing through the agency's information systems. In FY 2017, we began the Data at Rest Encryption initiative to protect data in our most sensitive information technology (IT) environments and completed Data at Rest Encryption for mainframe.

Improve the integrity of the SSI program by ensuring that 94 percent of our payments are free of overpayment (APG)



Analysis: The primary cause of overpayment (O/P) errors is the failure by SSI recipients and their representative payees to report payment-affecting changes, which has been a perennial problem since the inception of the SSI program. In FY 2016, our O/P accuracy was 92.4 percent, based on improper payments totaling a projected \$4.3 billion (compared with \$3.4 billion in FY 2015). This decrease is statistically significant from the FY 2015 O/P accuracy rate of 93.9 percent, the highest O/P accuracy rate since FY 2003. FY 2017 data is not available until summer 2018.

Some of the initiatives we are undertaking to strengthen the integrity of our programs include:

IMPROVE THE DEATH REPORTING SYSTEM PROCESS

We are updating our death reporting system to ensure we are collecting accurate data from Federal, State, and local agencies as well as from other countries with whom we have Totalization agreements. We rely on our death reporting system, so we can stop Social Security and SSI benefits as soon as possible after an individual's death. The early detection of an individual's death is a key means of preventing improper payments.

EXPAND OUR COOPERATIVE DISABILITY INVESTIGATIONS PROGRAM

Cooperative Disability Investigations (CDI) units are jointly operated by SSA, the Office of the Inspector General, State disability determination services (DDS), and State and local law enforcement. Generally, CDI units investigate suspected fraud before the agency awards benefits as well as during the CDR and redetermination process when fraud may be involved.

Currently, the CDI program has 40 units, covering 34 States, the Commonwealth of Puerto Rico, and the District of Columbia. In FY 2017, we expanded coverage to New Jersey.

STRATEGIC GOAL 3: SERVE THE PUBLIC THROUGH A STRONGER, MORE RESPONSIVE DISABILITY PROGRAM

Strategic Objectives

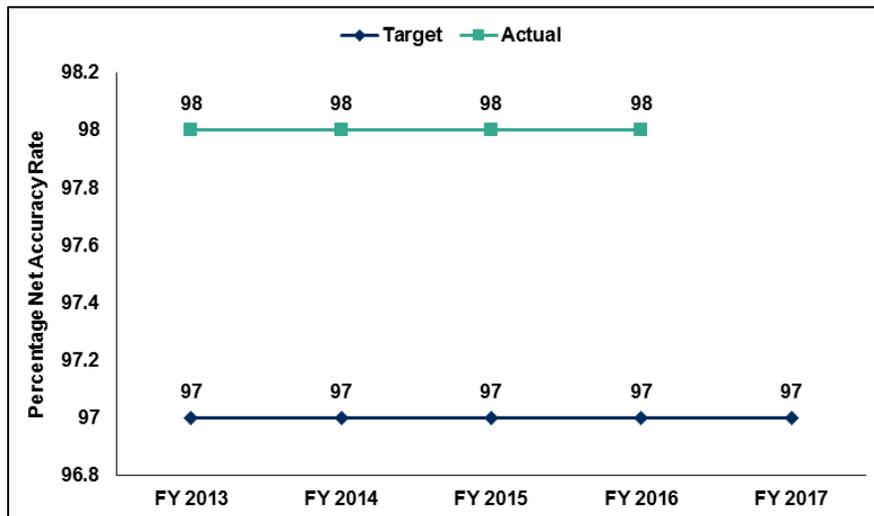
- Improve the Quality, Consistency, and Timeliness of Our Disability Decisions
- Maximize Efficiencies throughout the Disability Program
- Enhance Employment Support Programs and Create New Opportunities for Returning Beneficiaries to Work



[Disability facts: www.socialsecurity.gov/disabilityfacts/index.html](http://www.socialsecurity.gov/disabilityfacts/index.html)

We selected the following performance measures to demonstrate our efforts to serve the public through a stronger and more responsive disability program:

Ensure the quality of our decisions by achieving the disability determination services net accuracy rate for initial disability decisions



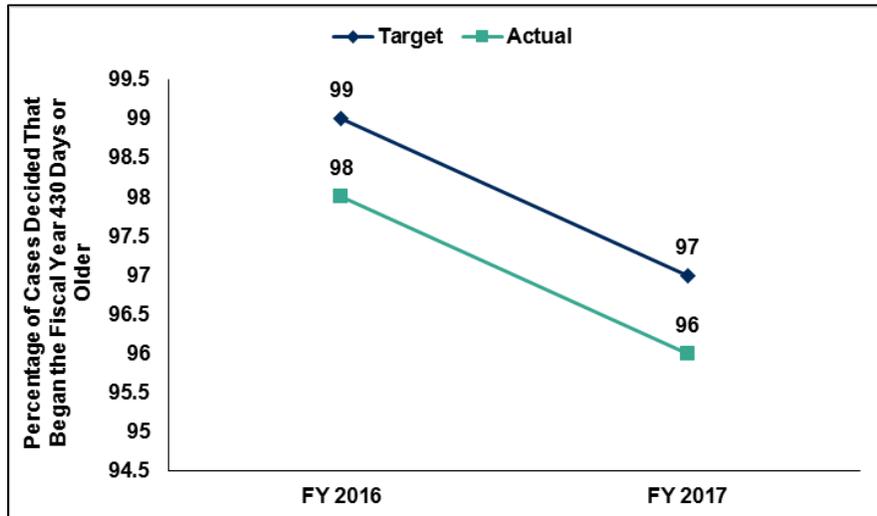
Analysis: The public expects us to make timely and accurate decisions. We have consistently met our target for this measure since FY 2010. In FY 2016, we demonstrated the quality of our decisions by achieving the DDS net accuracy rate of 98 percent for initial disability decisions, exceeding our target of 97 percent. FY 2017 data is not available until January 2018.

Increase our ability to provide timely decisions by reducing the percentage of pending Appeals Council requests for review 365 days or older

Fiscal Year	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2017 Target	Target Achieved
Performance	88% of cases pending less than 365 days	91.1% of cases pending less than 365 days	84% of cases pending less than 365 days	82% of cases pending less than 365 days	83% of cases pending less than 365 days	94% of cases pending less than 365 days	82% of cases pending less than 365 days	Met

Analysis: As we decide more cases at the hearing level, the Appeals Council receives more requests for review of hearing decisions. In FY 2017, we increased the percentage of cases pending less than 365 days to 94 percent, our highest percentage since we began tracking the data.

Improve customer service by reducing the wait time for a hearing decision (APG)



Analysis: Currently, over 1 million people are waiting for a hearing decision. In FY 2017, due in part to reduced disability receipts and increased adjudicative capacity, we began reducing the number of hearings pending. We continue to prioritize those who have waited the longest for a hearing decision.

Our efforts to deliver quality disability decisions and services include:

EXPAND ACCESS TO ELECTRONIC MEDICAL EVIDENCE

We depend on healthcare providers to gather the medical records we need to determine whether a claimant is disabled. On average, the agency processes over 15 million pieces of medical evidence per year. We are improving our process by expanding the use of electronic medical evidence. Electronic medical evidence provides faster access to medical information and reduces the time providers spend to comply with our requests. By using medical evidence and applying business rules, we can complete disability claims faster.

INCREASE THE NUMBER OF PEOPLE WITH DISABILITIES WHO RETURN TO WORK

Many disabled beneficiaries want to work, and with adequate support, some beneficiaries attain self-sufficiency. The Ticket to Work and the Vocational Rehabilitation (VR) cost reimbursement programs help beneficiaries transition to employment and progress towards reduced reliance on disability related benefits.

We continue to improve our outreach to beneficiaries. Ongoing mailings; marketing efforts, and monthly webinars; and an interactive presence on social media have also led to thousands of beneficiaries connecting with employment networks (EN) and State VR agencies to get the services they need to return to work. In FY 2017, we implemented systems enhancements to our Internet Ticket Operation Support System to expedite business processes for our EN service providers. We also automated and modernized the VR payment operation eliminating paper claims and streamlining the VR payment process.

REDUCE THE HEARINGS BACKLOG

In FY 2017, due in part to less disability receipts and increased adjudicative capacity, we began reducing the number of hearings pending. To reduce the backlog and enhance productivity, we implemented numerous initiatives as part of our Compassionate And REsponsive Service (CARES) plan. We updated our plan this year to take into consideration the \$90 million in special funding that Congress provided to address the backlog.

Along with hiring, our CARES plan includes a variety of initiatives to increase decisional capacity and achieve business process efficiencies, as well as plans for IT investments.

STRATEGIC GOAL 4: BUILD A MODEL WORKFORCE TO DELIVER QUALITY SERVICE

Strategic Objectives

- Attract and Acquire a Talented and Diverse Workforce That Reflects the Public We Serve
- Strengthen the Competency, Agility, and Performance of Our Workforce to Align with the Needs of the Public
- Foster an Inclusive Culture that Promotes Employee Well-Being, Innovation, and Engagement
- Enhance Planning and Alignment of Human Resources to Address Current and Future Public Service Needs



[Best places to work;
www.bestplacestowork.org/BPTW/index.php](http://www.bestplacestowork.org/BPTW/index.php)

The following performance measure demonstrates our efforts to build a model workforce to deliver quality service:

Become one of the Top 10 Best Places to Work among large agencies in the Federal Government

Fiscal Year	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2017 Target	Target Achieved
Performance	Top 10 Rank	Top 10 Rank	Top 10 Rank	Top 10 Rank	Data available December 2017	Top 10 Rank	TBD

Analysis: One of our strategic objectives is to foster an inclusive culture that promotes employee well-being, innovation, and engagement. Our employees are our most valuable asset. Each year since 2007, our employees have ranked us in the top 10 Best Places to Work in the Federal Government. For FY 2016, we increased our target to become one of the top five best places to work among large agencies. Although we did not reach our goal, our employees still ranked us as number nine among large agencies. Data for FY 2017 will not be available until December 2017.

Some of the initiatives we undertook to remain an employer of choice for top talent included:

EXECUTE TALENT MANAGEMENT AND SUCCESSION PLANNING

Through talent management and succession planning, we will provide the structure and processes needed to ensure continuity of effective leadership at the highest organizational levels. In FY 2017, we addressed succession planning among the Senior Executive Service (SES) by refreshing our SES talent inventory and conducting talent management and succession planning reviews.

IMPLEMENT PERFORMANCE IMPROVEMENT TRAINING AND SUPPORT FOR MANAGERS

To provide supervisors with the tools to address employee performance, we developed a full suite of employee and labor relations training that addresses employee performance. In FY 2017, we trained practitioners and supervisors at headquarters and in the regions.

STRATEGIC GOAL 5: ENSURE RELIABLE, SECURE, AND EFFICIENT INFORMATION TECHNOLOGY SERVICES

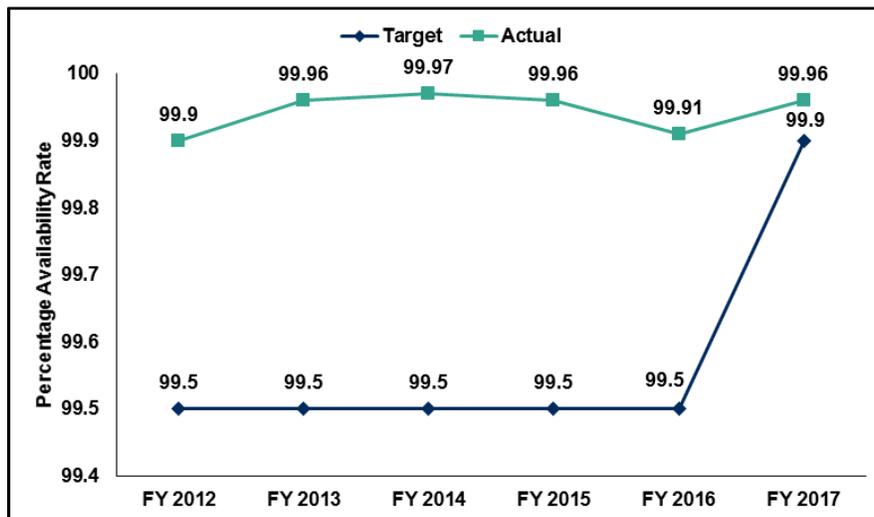
Strategic Objectives

- Maintain System Performance and the Continuity of Information Technology Services
- Enhance and Execute Plans to Modernize Our Systems
- Incorporate Innovative Advances in Service Delivery
- Continuously Strengthen Our Cybersecurity Program



We selected the following performance measures to demonstrate our efforts to ensure reliable, secure, and efficient IT services:

Provide uninterrupted access to our systems during scheduled times of operation



Analysis: Maintaining uninterrupted access to our systems during scheduled times of operation is essential to meeting our obligation to the public. Since FY 2012, we have exceeded the target for this measure.

Provide secure and effective services to the public by improving cybersecurity performance

Fiscal Year	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2017 Target	Target Achieved
Performance	<p>Homeland Security Presidential Directive 12 Compliance – result 87%</p> <p>Information Security Continuous Monitoring – result 98%</p> <p>Trusted Internet Connections Consolidation – result 100%</p> <p>Trusted Internet Connections 2.0 Capabilities – result 94%</p>	<p>Hardware Asset Management – result 100%</p> <p>Software Asset Management – result 100%</p> <p>Vulnerability and Weakness Management – result 100%</p> <p>Unprivileged Network Users – result 86%</p> <p>Privileged Network Users – result 99%</p> <p>Anti-Phishing Defense – result 100%</p> <p>Malware Defense – result 100%</p> <p>Blended Defense – result 100%</p>	<p>Hardware Asset Management – result 100%</p> <p>Software Asset Management – result 100%</p> <p>Vulnerability and Weakness Management – result 100%</p> <p>Anti-Phishing Defense – result 100%</p> <p>Malware Defense – result 100%</p> <p>Blended Defense – result 100%</p>	<p>Achieved an average of 100% for the following Cybersecurity Cross-Agency Priority Goals: Anti-Phishing Defense; Malware Defense; Blended Defense (anti-phishing and malware defense measures); Hardware Asset Management; Software Asset Management; and Vulnerability and Weakness Management</p> <p>Achieved an overall score of Level 3 on the President's Management Council Cybersecurity Scorecard (exceed government-wide targets in all 5 areas of the National Institute of Standards and Technology Cybersecurity framework)</p>	<p>Continue to achieve an average of 100% for the following Cybersecurity Cross-Agency Priority Goals: Anti-Phishing Defense; Malware Defense; Blended Defense (anti-phishing and malware defense measures); Hardware Asset Management; Software Asset Management; and Vulnerability and Weakness Management</p> <p>Achieve an overall score of Level 3 on the President's Management Council Cybersecurity Scorecard (exceed government-wide targets in all 5 areas of the National Institute of Standards and Technology Cybersecurity framework)</p>	Met

Analysis: Continuously strengthening our cybersecurity is critical to sustaining public trust in our services. We maintain a comprehensive, agency-wide information security program to protect our network, information, and communication assets. Since FY 2013, we have met the Department of Homeland Security cybersecurity standards and requirements.

Some of our ongoing efforts to maintain secure and reliable IT services include:

MODERNIZE THE DISABILITY CASE PROCESSING SYSTEM

In an ongoing effort to issue timely decisions, we are continuing work to modernize our disability processing system. When complete, we will replace 52 independently operated, aging systems. In FY 2017, we deployed our disability case processing system to nine DDS sites (Delaware, Maine, Ohio, Virginia, Iowa, Rhode Island, South Dakota, Washington, and Nebraska).

STRENGTHEN OUR INFORMATION SECURITY PROGRAM AND MODERNIZE OUR CYBERSECURITY INFRASTRUCTURE

We maintain a comprehensive, agency-wide information security program to protect our network, information, and communications assets. We review our policies and processes continually to ensure adequate safeguards are in place to prevent misuse and unauthorized access to our systems and data. We are strengthening the security of our systems by implementing consistent management controls at all of our data facilities.

As part of the *Cybersecurity Act of 2015*, Federal agencies must encrypt data that is stored or passing through the agency's information systems. In FY 2017, we began the Data at Rest Encryption initiative to protect data in our most sensitive IT environments and completed Data at Rest Encryption for mainframe.

LOOKING FORWARD – FACING OUR CHALLENGES

The Social Security Administration touches the lives of nearly every member of the public. For more than 80 years, we have delivered critical services at significant times like birth, marriage, retirement, disability, and death. The public expects and deserves well-managed programs that provide timely and accurate payments.

Our priorities and goals for the coming years will focus on delivering services effectively, improving the way we do business, and ensuring stewardship. We must be able to deliver our services effectively to the people who come to us for assistance regardless of whether it is in-person, on the telephone, or online. As we interact with the public every day, our employees experience firsthand the impact of our programs. We understand that doing our work well matters. We know that our programs are not stagnant and that advancements in technology provide opportunities to do business differently, and often more efficiently and conveniently.

We must continuously evaluate our policies and business processes using data and modern methods to ensure we meet service demands that reinforce efficient and effective service. Recognizing that our current technology infrastructure and existing business system would not allow us to serve the public the way we want or the way they expect us to, we developed a plan to modernize our IT systems. This modernization effort is foundational to our overall ability to improve service to the public.

We are committed to being good stewards of taxpayer dollars to ensure the public has confidence that we manage their tax dollars wisely. We take our stewardship of our programs seriously and we will continue to demonstrate a commitment to sound management practices. To ensure stewardship and efficient administration of our programs, we will focus our efforts in three major areas: improving program integrity, enhancing our fraud prevention and detection activities, and improving workforce performance and increasing accountability.

As we have done since 1935, we will continue to monitor risks to our progress, seize opportunities for improvement, and evolve to meet the public's changing needs.