

EXPENDITURE JUSTIFICATION - Disability Determination Services – 26300 (STARS 21500).

Program Overview: The Disability Determination Services (DDS) program is the third of three major sections within Rehabilitation Services.

- Disability Determination Services makes disability decisions for Kansas claimants applying for Social Security and/or Supplemental Security Income benefits (see reference at the end of this section that briefly describes these two federal programs). In order for Kansans to become entitled to any benefits based upon disability or blindness or to have a period of disability established, a finding must be made that the person is disabled or blind as defined by the Social Security Act. The staffing level in this program is directly related to Social Security Administration (SSA) workload and claims processing requirements. The program’s workload is comprised of claims for adults and children filing for initial, reconsideration, and hearing level decisions.
- Continuing disability reviews are conducted by DDS for Kansans already receiving disability benefits. Continuing disability reviews are conducted to determine whether or not the beneficiary continues to meet the disability requirements of the law. Payment of cash benefits for a period of disability continues if the claimant has not improved. Federal disability ends if the medical and other evidence shows that the claimant’s condition has improved. Due process hearings are offered if the claim is appealed.
- DDS makes disability determinations on special claims for the General Assistance Program under the presumptive disability policy. General Assistance clients who are found to be presumptively eligible for federal disability may receive Medicaid, rather than the more limited MediKan services.
- DDS makes disability determinations on special claims for Medical Assistance. Kansans who are unable to file for either SSI or SSDI benefits, but who have a disability and need Medicaid may be found disabled under this program and can become medically eligible for Medicaid.
- DDS makes findings of disability under the Quick Disability Determination (QDD) process. If a claim is identified by SSA as one involving a high degree of probability that a claimant has a disability, the claim will fall under QDD provisions.
- DDS makes findings of disability for: Military Casualty Claims, Amyotrophic Lateral Sclerosis (ALS) Claims (which allow early access to Medicare for this type of impairment) etc.

NARRATIVE INFORMATION – DA 400
Division of the Budget
State of Kansas

AGENCY NAME: Social and Rehabilitation Services
PROGRAM TITLE: Integrated Service Delivery
SUBPROGRAM TITLE: Disability Determination Services

The following table shows the volume of claims processed in the previous four Fiscal Years and the associated claims processed per position.

Item	FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Current Year	FY 2012 Allocated Budget
Claims Processed	31,829	31,891	36,973	39,981	40,500	40,500
Total Positions	122.9	122.8	122.8	122.8	122.8	122.8
Annual Claims Processed per Position	259	260	301	326	330	330

The increase in anticipated claims processed is based upon information from the Social Security Administration. Their current projections show an expected increase in the number of initial claims and continuing disability reviews. The agency began Federal Fiscal Year 2010 with higher than usual initial and pending claim levels.

Object Code 5100: Salaries and Wages:

Summary: 122.79 approved positions, composed of 120.79 FTE positions and 2.00 non-FTE positions.

Current Year FY 2011: \$6,372,280 - The request is an increase of \$966,350 over FY 2010 and reflects DDS filling all positions to meet increasing claims processing needs. (As of June 25, 2010, there were 24 vacancies.) The salary request includes market rate adjustments authorized for FY 2011 and longevity bonuses. No shrinkage is budgeted because DDS is funded almost entirely by federal funds under a contract commitment with the Social Security Administration to meet the claims workload. All fringe benefit rates conform to the indices issued by the Division of the Budget.

Allocated Budget FY 2012: \$6,519,973 - The request is an increase of \$147,693. The amount budgeted maintains staffing at the current level. The request includes funding for longevity bonuses. All fringe benefits conform to the indices issued by the Division of the Budget.

Object Code 5200: Contractual Services

Summary: These costs reflect the operating and professional service costs necessary to process claims. Over half of Contractual Services represent contracts with medical consultants. DDS contracts with the Social Security Administration which fully funds the program. This is a highly technical service and requires medical specialty to interpret cases and make final decisions. DDS contracts with medical consultants to review cases and provide disability examiners with the necessary information to review and make their disability determinations. Since workloads can vary weekly, this arrangement provides DDS with a reliable and affordable source of expertise. Other major costs include communications, fees, and rent.

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Communications is for postage, telephone, faxing and PC connectivity. Fees include janitorial and security services. In addition to building rent, copier rental and miscellaneous rentals are also included. Other expenditures necessary for the operation of DDS are printing and advertising, limited travel (primarily training related), utilities, and other contractual services.

Current Year FY 2011: \$4,146,428 - The request is an increase of \$307,178 from FY 2010. The increase is primarily due to the increased need for medical consultants (\$277,558) to keep up with increased caseload. Other increases include \$10,133 in repairs deferred from FY 2010 and \$9,088 in increased contracts for temporary staffing to handle increased case processing costs.

Allocated Budget FY 2012: \$4,172,373 – The request is an increase of \$25,945 from FY 2011. The increase is primarily due to increased contracts for temporary staffing to handle increased case processing costs. Other increases include anticipated rent (\$3,670) and utilities (\$4,078) costs.

Object Code 5300: Commodities

Summary: These costs are for stationery, and office and data processing supplies necessary for processing claims.

Current Year FY 2011: \$74,221 - The request is an increase of \$1,469 from FY 2010.

Allocated Budget FY 2012: \$76,309 - The request is an increase of \$2,088 from FY 2011.

Object Code 5400: Capital Outlay

Summary: This includes equipment replacement necessary to meet federal requirements including items that can no longer be repaired at a reasonable cost and other equipment that is obsolete. Other costs include replacement of chairs, medical reference books, etc.

Current Year FY 2011: \$1,159 – This request is an increase of \$23 from FY 2010.

Allocated Budget FY 2012: \$1,191 - The request is an increase of \$32 from FY 2011.

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Object Code 5500: Grants and Assistance

Summary: This category includes the purchase of specialty examinations, lab tests, medical records, client travel, and x-ray examinations.

Current Year FY 2011: \$5,488,894 - The request is a 4.7 percent increase of \$246,398 from FY 2010 budgeted applying the Budget Cost Indices General Cost Guidelines for Medical Care.

Allocated Budget FY 2012: \$5,719,428 - The request is a 4.2 percent increase of \$230,534 from FY 2011 budgeted applying the Budget Cost Indices General Cost Guidelines for Medical Care.

Brief description of Social Security and Supplemental Security Income programs:

Social Security Disability Insurance (SSDI)

Replaces part of the earnings lost because of a physical or mental impairment, or a combination of impairments, severe enough to prevent a person from working. A disabled worker is entitled to Social Security disability benefits if he or she has worked for a sufficient period of time under Social Security to be insured, has not attained "full-benefit retirement age," has filed an application, and is under a disability as defined in the Social Security law. The law defines disability as the inability to do any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. The insured status requirements depend upon the age of the applicant and the date he or she became disabled.

Supplemental Security Income (SSI)

Ensures a minimum level of income to persons who have attained age 65 or are blind or disabled, and whose income and resources are below specified levels. To be found disabled for SSI purposes, an individual aged 18 or older must be unable to do any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of at least 12 months. An individual under age 18 must have a medically determinable physical or mental impairment or combination of impairments that causes marked and severe functional limitations and that can be expected to cause death or that has lasted or can be expected to last for a continuous period of at least 12 months.