

SSA's Sequential Evaluation Process for Assessing Disability

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What is Sequential Evaluation?

- The sequential evaluation process is a series of five "steps" that we follow in a set order.
- If we find that an individual is disabled or not disabled at a step, we make our determination or decision and we do not go on to the next step.
- If we cannot find that an individual is disabled or not disabled at a step, we go on to the next step.
- Each step can be expressed in the form of a question asked by the adjudicator about an individual applying for disability.
- The five steps flow from the definition of disability found in the Social Security Act.
- The Social Security Act (Act), The Code of Federal Regulations (CFR 20), and Social Security Rulings (SSRs) are the three cornerstones of SSA policy.

The Definition of Disability

- Inability to engage in 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 Social Security Act

Points to Remember

- **Disability under Social Security is based on the inability to work.**
- **SSA considers an individual disabled if, due to an established medical condition, he or she:**
 - **meets or equals one of our medical Listings (criteria that are presumed to preclude work for most people);**
 - **can not perform any of his/her work that was done before; or**
 - **cannot make an adjustment to other work.**

No Temporary Disability

- **This is a strict definition of disability. Social Security pays only for total disability. No benefits are payable for partial disability or for any disability lasting less than twelve months (unless it results in death).**
- **Social Security program rules assume that working families have access to other resources to provide support during periods of short-term disabilities, including workers' compensation, insurance, savings and investments.**

Step 1: Is the individual working above SGA level?

- **At the first step, we consider an individual's work activity, if any.**
- **SGA stands for Substantial Gainful Activity and the amount changes each year. For 2009 it is \$980 for the non-blind and \$1640 for the blind.**
- **If an individual is working and his or her earnings average more than the SGA limit a month, then he or she is found not disabled.**
- **If an individual is not working or his or her earnings are less than SGA, the adjudicator goes to step two.**

Step 2: Is the individual's physical and/or mental condition severe?

- **At the second step, we consider the medical severity of an individual's impairment(s).**
- **An individual must have a medically determinable physical or mental impairment (or a combination of impairments) that is severe and meets the duration requirement.**
- **To be severe an impairment or impairments must interfere with basic work-related activities.**
- **To meet the duration requirement the impairment(s) must be expected to last twelve months or to result in death**
- **If the impairment(s) are not severe or do not meet the duration requirement, the individual is found not disabled.**
- **If the impairment(s) are severe and meet the duration requirement, the adjudicator goes to question three.**

Basic Work-Related Activities

- **Physical:**

- lifting, carrying, standing, walking, sitting, pushing, pulling, plus the “nonexertional” activities rated in the ***Selected Characteristics Of Occupations Defined in the Revised Dictionary of Occupational Titles (SCO)***.

- **Mental:**

- Ability to understand, carry out, and remember simple instructions
- Make simple, work-related judgments and decisions
- Respond appropriately to supervision, coworkers and work situations
- Deal with changes in a routine work setting

Step 3: Does the individual's medical condition meet or equal the severity of a Listing?

- **At the third step, we also consider the medical severity of an individual's impairment(s).**
- **SSA maintains a listing of medical criteria that are considered to be so severe that an individual is found to be disabled if his or her medically determinable physical or mental impairment(s) matches them.**
- **An individual's impairment(s) can be found to meet the listed criteria exactly or to be of equal severity.**
- **If an individual has an impairment that meets or equals one of the listings and meets the duration requirement, he or she is found to be disabled.**
- **If an individual does not have an impairment that meets or equals one of the listings or the duration requirement is not met, the adjudicator goes to Step 4.**
- **However, before going from step three to step four, the individual's residual functional capacity (RFC) is assessed. This RFC assessment is then used at both step four and step five.**

What is Residual Functional Capacity or RFC?

- Ordinarily, RFC is a *function-by-function* assessment of an individual's *maximum* ability to do *sustained* work-related physical and mental activities on a regular and continuing basis (8 hours a day, for 5 days a week) despite the limitations and restrictions resulting from his or her medically determinable impairments.
- In short, it is an accounting of an individual's capacity for full-time work.

Limitation vs. Restriction

- **Limitations:** Define activity levels beyond which an individual is physically unable to perform on a sustained basis.
- **Restrictions:** Define activity levels beyond which it would be medically ill-advised for an individual to perform on a sustained basis.

Residual Functional Capacity (RFC)

- For the physical RFC (PRFC) an individual's medical condition is evaluated in terms of the physical demands of work used in the *Dictionary of Occupational Titles (DOT)* and *SCO*.
- Mental RFC (MRFC) is evaluated in terms of the mental demands of work set out in the *Code of Federal Regulations (CFR)*.
- The sole purpose of assessing RFC is to determine an individual's ability to work at steps 4 and 5.

Keep in Mind

- **SSA's RFC assessments are limited in scope:**
- **An RFC only assesses the impact of medically determinable impairments (MDIs) – including the impact of any related symptoms.**
- **An RFC does not consider factors such as sex, age, natural body build, or physical conditioning.**
- **In the absence of any medically determinable impairment, an individual is considered to be of unlimited physical and mental capacity.**

The Basis for Steps 4 and 5 from The Social Security Act:

An individual shall be determined to be under a disability only if his physical or mental impairment or impairments are of such severity that he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the immediate area in which he lives, or whether a specific job vacancy exists for him, or whether he would be hired if he applied for work. For purposes of the preceding sentence (with respect to any individual), “work which exists in the national economy” means work which exists in significant numbers either in the region where such individual lives or in several regions of the country.

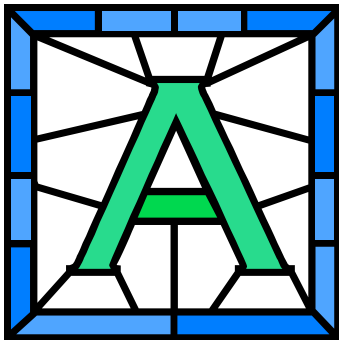
Step 4: Can the individual do any of his/her Past Relevant Work?

- **At step 4 a function-by-function comparison of the individual's RFC and past relevant work (PRW) is completed.**
- **If an individual retains the physical and mental capacity to perform any PRW, he/she is found not disabled.**
- **If no PRW can be done, or the individual has no relevant work, the adjudicator goes to step five.**

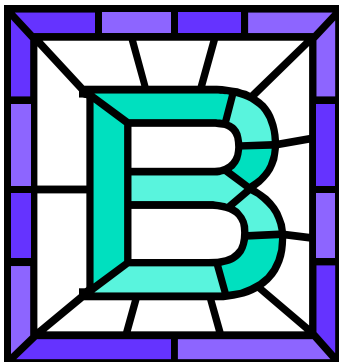
Step 4: Continued

- **At this step SSA does not consider a claimant's:**
 - **Age;**
 - **Education;**
 - **Body Habitus;**
 - **Employability; or**
 - **Whether PRW exists in significant numbers in the national economy.**

STEP 4 HAS TWO PARTS



- Does the individual retain the capacity to perform PRW as he or she actually performed it?



- Does the individual retain the capacity to perform PRW as generally performed in the national economy?

WHAT IS PAST RELEVANT WORK?



Three-part test. The work must have been:

- **Substantial Gainful Activity (SGA);**
- **Performed in the fifteen year relevant period; and**
- **Performed long enough to learn it (reach average performance).**

PRW vs. RFC

Ability to Perform PRW Always Overcomes RFC Limitations/Restrictions.

No matter how restrictive the limitations or restrictions of an RFC/MRFC are, an individual will always be found not disabled at Step 4 if the RFC does not preclude the performance of any PRW as the individual has described it.

THE BURDEN OF PROOF IS AN INDIVIDUAL'S THROUGH STEP 4

- An individual is responsible for submitting evidence showing that he or she has an impairment which prevents the performance of past relevant work.
- If this is shown at step 4, the adjudicator goes to step 5.



Step 5

At step 5 the “burden of proof” shifts to SSA to show that work, other than what the individual performed in the past, exists in significant numbers in the national economy that he or she can make an adjustment to, considering the limiting effects of the individual's impairment, age, education, and work experience.

Step 5: Can the individual make an adjustment to any other work?

- **At the fifth and last step, an individual's RFC and age, education, and work experience are considered to see if he/she can make an adjustment to other work.**
- **If an individual can make an adjustment to other work, he or she is found to be not disabled.**
- **If an individual can not make an adjustment to other work, he or she is found to be disabled.**

THE SPECIAL MEDICAL-VOCATIONAL PROFILES

- **At step 5, the adjudicator first considers the Special Medical-Vocational Profiles.**
- **These Profiles are specific combinations of severity and the vocational factors of age, education and work experience.**
- **In essence, the Special Medical-Vocational Profiles are exceptions to the Medical-Vocational Guidelines.**
- **If the criteria of a profile is met, an individual is found to be disabled without any further evaluation.**
- **If no profile is met, then the adjudicator goes on to consider the Medical-Vocational Guidelines (“The Grids”).**

The Profiles

“Arduous Unskilled Work” profile –

- 35 years or more of heavy or very heavy work
- Severe impairment that prohibits performing this work
- 6th grade or less education

“No Work Experience” profile -

- Severe impairment
- No PRW
- Age 55 or older
- 11th grade or less education

“Lifetime Commitment to a Field of Work” Profile -

- 30 years or more in a field of work
- Severe impairment prevents performing this work
- Age 60 or older
- 11th grade or less education
- Work was unskilled or was skilled or semiskilled but skills do not transfer

The Medical-Vocational Guidelines (or Tables, Grids, or Rules)

- Are based only on ***exertional*** limitations or restrictions.
- Cross reference a claimant's ***RFC*** exertional level with his/her ***age***, ***education***, and ***work experience*** and provide an outcome backed by a significant number of occupations.
- Give administrative notice of the number of ***unskilled*** sedentary (200), light (1400), and medium (900) occupations available in the national economy – these are considered to be “**significant numbers**”.

Medical Vocational Rules of Appendix 2

- Each numbered rule in the appendix resolves the issue of capability to do other work by addressing specific combinations of factors (exertional level, age, education, work experience)
- The vocational rules are based only on the existence of unskilled jobs throughout the national economy at the various exertional levels (sedentary, light, medium, etc.)
- The “Decision” column of the rule resolves the issue of “Disabled” or “Not Disabled.”

Example: Medical-Vocational Guidelines

(20 CFR: Appendix 2 to Subpart P of Part 404)

This is a small excerpt from

Rule 201.00 Maximum sustained work capability limited to **sedentary** work

| Rule | Age | Education | Previous Work Exp | Decision |
|--------|----------|--|--|--------------|
| 201.01 | Advanced | Limited or Less | Unskilled or none | Disabled |
| 201.02 | Do | Do | Skilled or Semi – Skills do not transfer | Do |
| 201.03 | Do | Do | Skilled or Semi – Skills transfer | Not disabled |
| 201.04 | Do | High School graduate or more – does not provide for direct entry | Unskilled or none | Disabled |

RFC Exertional Levels in the Rules

- **Sedentary** – lifting/carrying less than 10 lbs occasionally, a negligible amount frequently; standing/walking at least 2 hours – 201.00
- **Light** – lifting/carrying up to 20 lbs occasionally, 10 lbs frequently; standing/walking 6 hours – 202.00
- **Medium** – lifting/carrying up to 50 lbs occasionally, 25 lbs frequently; standing/walking 6 hours – 203.00
- **Heavy** – lifting/carrying up 100 lbs occasionally, 50 lbs frequently; standing/walking 6 hours – 204.00
- **Very Heavy** – lifting/carrying over 100 lbs frequently; standing/walking 6 hours – 204.00

What do we mean by “age?”

- **Age means chronological age.**
- **SSA considers age to be an increasingly limiting factor in the ability to adjust to other work.**

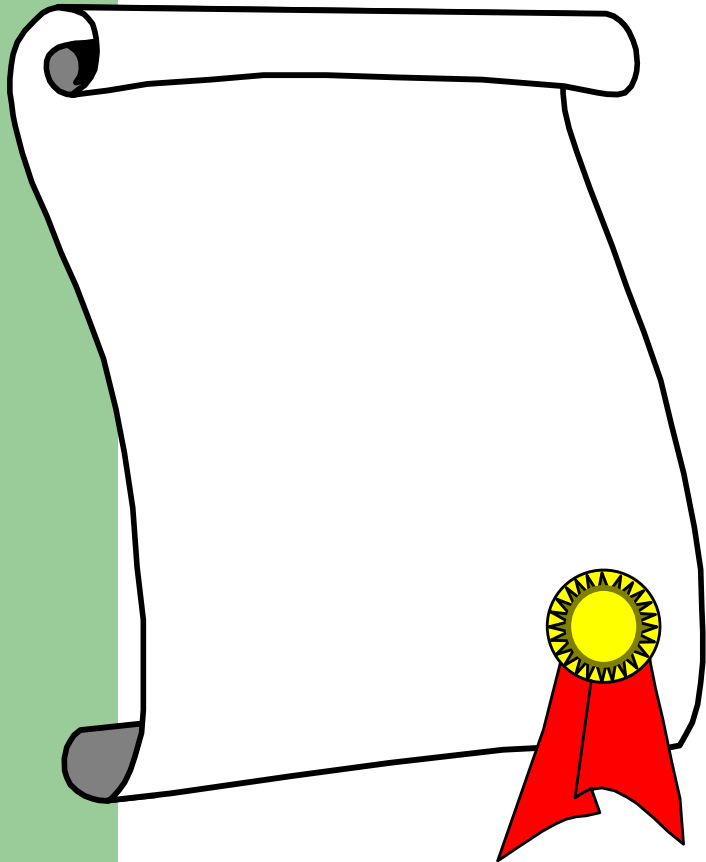
Age Categories

- **Younger Individual, 18 - 49**
- **Closely Approaching Advanced Age, 50 - 54**
- **Advanced Age, 55 and Older**

Subcategories

- **Younger Individual, 18 – 44 (Table 1)**
- **Younger Individual, 45 – 49 (Table 1)**
- **Closely Approaching Retirement Age, 60 or Older (Table 3)**

EDUCATION



- In general, the numerical grade level of formal schooling completed is used.
- However, strong evidence that educational achievement is higher or lower than the last grade completed will be considered.

Education Categories

- **Illiteracy in English or Inability to communicate in English or Both (All three possibilities are treated the same.)**
- **Marginal Education (6th grade or less)**
- **Limited Education (7th - 11th grade)**
- **High School Education and Above (including GED high school equivalent diplomas)**

Work Experience at Step 5

- **Work Experience in the grids is expressed in terms of the skill level of PRW.**
- **SSA derives skill level from the Specific Vocational Preparation (SVP) ratings in the DOT.**
 - **Unskilled: SVP 1-2**
 - **Semi-Skilled: SVP 3-4**
 - **Skilled: SVP: 5-9**

Meeting a Rule

- In order for a rule to be met, all of the findings of fact must coincide with the rule's specific criteria.
- An individual must:
 - be able to perform substantially all of the strength demands defining the level of exertion, *and*
 - meet the education criteria, *and*
 - meet the age criteria, *and*
 - meet the work experience criteria.
- If a rule is met, it directs the finding of disabled or not disabled and must be cited in the determination or decision.
- If the rule directs a finding of disabled, no occupations are cited – the rule provides administrative notice of the existence of sufficient numbers of occupations.

Using Rules as a Framework

- **Where any one of the findings of fact does not coincide with the corresponding criterion of a rule, the rule is not met and does not direct the determination or decision.**
- **The rule must be used as a framework to guide the determination or decision.**
- **If the claim is denied, then three occupations available in the national economy (DOT) that are representative of an individual's occupational base are cited.**

What is Remaining Occupational Base?

“Remaining occupational base” is the range of work to which an individual can adjust, given his or her RFC (including all exertional and nonexertional limitations and restrictions), age, education, and work experience.

Narrowing the Occupational Base

- **Nonexertional limitations/restrictions on the RFC can reduce the occupational base. E.g.:**
 - **Restrictions in handling, fingering, stooping and crouching can reduce a medium occupational base to light or sedentary; or**
 - **A MRFC that permits only unskilled work will preclude transferring any skills from PRW to other work.**

Expanding the Occupational Base

- **To start, an occupational base is made up of all unskilled occupations within an individual's exertional RFC.**
- **The occupational base increases if an individual has gained skills from work experience that can be transferred to other work, or has gained skills from recent education or training that allows for direct entry into skilled or semi-skilled work.**

Transferability of Skills

- Transferable skills can only be derived from past relevant work.
- The past relevant work must be semi-skilled or skilled – SVP 3 and above.
- Skills are never transferable to unskilled work – SVP 1 or 2.
- A transferability of skills analysis (TSA) is only done when it makes a difference in the determination or decision.

Transferring Skills

- An individual has transferable skills when the skilled or semi-skilled job functions performed in past work can be used to meet the requirements of other work within an individual's RFC.
- Transferable skills should be a vocational advantage that outweighs RFC, age and education when competing in the labor market.
- As age increases, the likelihood of successfully adjusting to other work decreases.

Steps in TSA

- Identify an individual's PRW (or work similar to the PRW) in the DOT to provide guidance on skill and exertional levels.
- Use the claimant's own description of PRW to identify work tasks, processes, judgment, tools, materials used, work setting, industry.
- Search for other occupations in the DOT at or below the SVP of PRW and within the claimant's RFC according to: similar occupational group, similar GOE code, etc.

Steps in TSA (cont.)

- With the list of possible occupations, compare the DOT description of the job tasks, tools, materials, skills, with the claimant's description of PRW.
 - Are the tasks, tools, etc. and skill requirements similar?
 - Is the job within the claimant's RFC?
 - Is the SVP the same or less than the claimant's PRW?
- Generally, we cite three occupations that are a match.
- If no, or too few, matches are found, an individual is determined to have no transferable skills.

Transferability of Skills, Conclusion

Transferable Skills Always Trump Age and Education

No matter how old or poorly educated an individual is, he or she will always be found not disabled at Step 5 if skills are retained that are transferable to other work.

Summary of Allowance and Denial

- **At step 1, a claim can be denied but not allowed.**
- **At step 2, a claim can be denied but not allowed.**
- **At step 3, a claim can be allowed but not denied.**
- **At step 4, a claim can be denied but not allowed.**
- **At step 5, a claim can be allowed or denied.**