

Mr. BROOKS. Yes.

Mr. MACY. He may not have that.

Mr. BROOKS. No, I do not have that.

Mr. MACY. We will be pleased to provide that for the record along with Mr. Ruddock's comments.

(The materials referred to follow :)

GAO REPORT TO CONGRESS, OCTOBER 31, 1966

REVIEW OF CERTAIN PROCEDURES RELATING TO CONTINUING ELIGIBILITY OF FEDERAL EMPLOYEES FOR DISABILITY RETIREMENT ANNUITIES UNDER THE CIVIL SERVICE RETIREMENT SYSTEM

With respect to problem No. 1, we carefully studied the changes recommended by the Comptroller General to achieve a more comprehensive medical review program. As stated in my letter of May 27, 1966, commenting on the preliminary draft of the report, and the letter of December 7, 1966, to Chairman Dawson, Committee on Government Operations, which I am attaching, the Bureau of Retirement and Insurance is continually seeking improvements in disability retirement procedures.

We are currently exploring ways of improving the effectiveness of this program through closer coordination of functions. A project has been started to bring the annual income and the medical review procedures closer together. Hopefully, this exploration should enable us to focus on those annuitants with the best potential for recovery and on those who are gainfully employed but manage to stay within income limitations.

With respect to problem No. 2, termination of disability annuitants from the retirement rolls, the minor procedural deficiency was acknowledged and corrected. In view of the findings, however, we will keep these revised procedures under constant review and, if necessary, initiate further refinements.

FEBRUARY 20, 1967.

HON. WILLIAM L. DAWSON,
Chairman, Committee on Government Operations,
House of Representatives.

DEAR MR. CHAIRMAN: This is in reply to your letter of January 4 asking for further comment on the Comptroller General's report on disability retirement procedures under the civil service retirement system (B-121560).

I welcome the opportunity to give you the Commission's views on the statutory requirement for annual medical examination of disability retirees. Medical examinations have been required under the retirement law since the inception of the program. If the disability was judged to be permanent in character, however, the examination requirement was waived. The Commission in its administration of the provision has always construed "permanent" to mean for some considerable period but not necessarily for a lifetime. Accordingly, we schedule disability cases for review, and examination if necessary, on 2- and 3-year cycles as well as annually if the character of the disability affords assurance that it will continue for more than a year. This decision is, of course, made by a Federal medical officer.

I would also like to point out that the logic and economy of waiving annual examinations for annuitants where the disability could be expected to last for an extended period was recognized very early in the administration of the retirement program. The attached background information on annual medical examinations shows that the Commissioner of Pensions (then in the Interior Department) was first authorized to waive the requirement in 1922.

The Comptroller General in his recommendation is not suggesting literal compliance with the statutory requirement for annual medical examinations. He is rather recommending an annual "case review," that is, circularizing disability retirees once a year with an appropriate questionnaire which when reviewed along with the case file would serve as the basis for determining whether the annual examination should be ordered. The recommended change is similar in concept to currently existing procedures but contemplates a more comprehensive case review program. Under the change, each case would be reviewed annually,