
Effective Dates: 09/24/2003 - Present (Go to [History](#))

SENSITIVE - NOT TO BE SHARED WITH THE PUBLIC

TN 1 (11-88)

PM 00227.601 Monitoring DDS Contracts

A. Introduction

This subchapter describes regional office (RO) responsibility for **oversight of State procurements** of Disability Determination Services (DDS) functions from the private sector.

B. Reference

[DI 39542.000](#) provide guidelines for States that contract out DDS functions.

C. Operating policy

States **must report** contract information to the RO;

States **must obtain** RO approval of proposed contracts if:

- the contract involves sensitive DDS functions (see [DI 39542.010](#)), or
- the State is receiving technical and management assistance (TMA) from SSA.

D. Operating procedures

1. RO responsibilities

- a. **Advise States** on all issues involving Federal law, regulations, and other written guidelines relating to contracting out DDS work.
- b. **Keep records** of DDS functions contracted out and monitor the quality of contractor work.
- c. **Review the Request for Proposal (RFP)** or other solicitation to contract out before the document is released for bids if:
 - the work to be contracted involves **sensitive** DDS functions, or
 - the DDS is receiving **TMA**.
- d. **Obtain information** about State contracts and send to central office clearing house library (see [PM 00227.610](#)).

2. Scope of RFP review

- a. **Ensure** that the basic concept of procuring services from the private sector is sound and consistent with SSA objectives. Consider whether the disclosure and use of information does not negatively affect SSA-State relations with:

- the general public;
 - the medical community; or
 - other State and local service agencies.
- b. **Ensure** that the contract will not have a substantial and/or negative effect on:
- the treatment of claimants;
 - the protection of records; and/or
 - accurate and timely processing of claims.
- c. **Advise** the State how the RFP can be amended to make it acceptable if the above or any other conditions inconsistent with SSA policy or objectives exist in the contract proposal.
- d. **Ensure** that the proposed contract is not in violation of the Privacy Act. The RFP must show:
- what use will be made of the information gathered or obtained from SSA (or State) records or files;
 - who has access to these records and the conditions that permit or limit that access;
 - security measures required to protect the records in terms of both physical maintenance and unlawful access; and
 - a statement of penalties for the misuse of SSA records.

Section History

Prior Versions of Section

Effective Date	Title
09/26/1989 - 09/23/2003	Monitoring DDS Contracts

Link to this section:

(b) (7)(E)