In accordance with Chapter 61 of Title 10, U.S. Code (U.S.C.), Department of Defense (DoD) policy established the Disability Evaluation System (DES) as the mechanism for implementing retirement or separation of a military member due to physical disability. The system consists of four elements: medical evaluation; physical disability evaluation, to include appellate review; counseling; and final disposition.¹

A service member can potentially experience the system in four progressive phases:

1. A medical evaluation of a potentially disabling condition
2. A physical disability evaluation and an opportunity to appeal findings and recommendations before a formal hearing
3. Two or three higher-level appellate reviews
4. Final disposition (return to duty, separation, or retirement).

The service member receives counseling as needed throughout the process, most intensively during the first two phases.

DoD policy, in accordance with Title 10, U.S.C., requires consistent and equitable application of standards for all determinations related to physical disability evaluation of active component and Ready Reserve service members (DoD Instruction 1332.38, 1996, Sec. 4.3). DoD policy also requires the Secretaries of the military departments to manage the military department-specific DES to ensure uniform interpretation of disability policies and procedures (DoD Instruction 1332.38, 1996, Sec. 5.5.2) and uniform application of the governing laws and DoD policy (DoD Directive 1332.18, 1996, Sec. 4.4.3).

The Principal Deputy Assistant Secretary of Defense (ASD) for Force Management Policy (FMP) asked RAND’s National Defense Research Institute to identify and recommend changes to the training provided to the primary participants of the DES to ensure the consistent application of disability policy, across and within the military services: the Army; the Navy, including the Coast Guard when it is operating as a

¹Although final disposition is an element of the DES, it is carried out by the personnel functions of the military departments, largely in the context of policies unrelated to the DES. Consequently, this report focuses on medical evaluation, physical disability evaluation, and counseling.
military service in the Navy; the Marine Corps; and the Air Force. For the purposes of this report, primary participants in the DES include

- physicians who refer service members to Medical Evaluation Boards, generally known as referring physicians
- physicians who convene Medical Evaluation Boards
- Medical Evaluation Board approving authorities
- Physical Evaluation Board Liaison Officers (PEBLOs)\(^2\)
- patient administrators who support Medical Evaluation Boards and/or PEBLOs
- Physical Evaluation Board (PEB) administrative action officers
- PEB members
- PEB approving authorities\(^3\)
- appellate review board members
- active component unit commanders
- Reserve unit commanders
- attorneys who represent and advise service members.

This report communicates to the Principal Deputy ASD/FMP our assessment and recommended changes to the training provided to primary participants of the DES to ensure consistent application of disability policy, across and within the military services. Our recommendations are based on research conducted between January 1999 and January 2000.

QUESTIONS OF INTEREST REGARDING THE DISABILITY EVALUATION SYSTEM

During early meetings with the DES project sponsor and later meetings with the DES primary participants, the following salient questions were raised.

- What does consistent disability policy application “look like” across and within the military departments?
- What are the desired outcomes or results of consistent policy application across and within the military departments?
- How is consistent disability policy application measured across and within the military departments, given their different missions and requirements?

\(^2\)In the Department of the Navy, PEBLOs are also known as Disability Evaluation Counselors.

\(^3\)These authorities include the Deputy Commander, Army Physical Disability Agency; President, Physical Evaluation Board (Department of the Navy); and Chief, Air Force Physical Disability Division.
• What are the important causes or sources of variability in the application of disability policy today?

• How much variability is desirable and/or acceptable in the application of disability policy across and within the military departments, given their different missions and requirements?

• What are the most effective means for reducing undesirable and/or unacceptable levels of variability?

Unwarranted variability is the manifestation of a problem—that the system is failing to accomplish its purpose and desired outcomes. Consistent application of disability policy is but one means of addressing this problem. A more robust solution to the problem requires a broader perspective. Underlying the desire to reduce variability is the more fundamental objective of enhancing the ability of the DES to accomplish its purpose and desired outcomes. As a result, the central question of interest now is: How can training and other interventions to improve system performance enable the DES to achieve its desired ends?

**RESEARCH APPROACH**

In the context of the question, how can training and other interventions enable the DES to achieve its desired outcomes, our specific research tasks focused on improving the performance of the DES. Those tasks include the following:

• Describing a basis for assessing the performance of the DES

• Identifying major issues affecting the current performance of the DES and recommending interventions to resolve those issues

• More specifically, assessing existing training programs in terms of their effect on performance of the DES, and proposing and evaluating recommended changes in content, delivery method, and timing of the training to improve performance

• Developing a process for monitoring the performance of the DES and training effectiveness over time.

We reviewed the governing U.S. statutes, DoD disability policy documents, and the military departments’ disability policy documents. We interviewed numerous diverse primary participants of the DES. In addition, throughout 1999, we observed the military departments’ major disability evaluation training events—including the annual Navy Physical Evaluation Board Liaison Officer Conference, the twice-yearly Air Force Physical Evaluation Board Liaison Officer Training, the annual Army Worldwide Physical Evaluation Board Liaison Officer Conference, and the annual Army Adjudicators’ Course—all of which were provided with PEB resources from the personnel community. We also applied core concepts from the performance measurement, training, and strategic-management literature.

Because no commonly shared statement of system purpose or desired DES outcomes exist across the military departments, except for a narrow focus on timeliness per-
formance standards, we employed two approaches to study the system. First, we employed a bottom-up, issues-driven approach in which we adapted a Goal Fabric Model, described in Chapter 4 of this report, for linking current issues to desired results and actions, objectives, and goals. This approach resulted in numerous recommendations, which we then grouped into ten intervention categories. Later, we employed a top-down, purpose-driven approach in which we formulated a statement of purpose and a set of desired outcomes for the DES. This approach resulted in two major categories of recommendations: changes to training and deployment of a management information system.

ORGANIZATION OF THIS REPORT

This chapter introduced readers to the DES, the primary questions addressed in our research, and our study methodology.

Chapter 2 presents some background on this study. That chapter describes organizational responsibility for training in the DES and highlights findings and recommendations from earlier reports that establish the context for this project.

Chapter 3 articulates a purpose statement and a set of desired outcomes for the DES and suggests using these constructs as the basis for assessing system performance. (The system purpose statement serves as the touchstone for recommendations presented in Chapters 5 and 6). Chapter 3 also identifies the DES external customers and describes the organizational context in which the DES operates. That chapter describes the system operating framework common to all the military departments as well as numerous cases of variability.

Chapter 4 describes the issues identified by the primary participants in the course of our issues-driven approach. That chapter presents our analysis of how those issues translate into desired results, actions, objectives, and goals for achieving more consistent application of disability policy. Chapter 4 also presents numerous recommendations for specific interventions, grouped into ten categories; the interventions in two of these categories—training and development of a management information system—are particularly significant and are developed further in Chapters 5 and 6.

Chapter 5 presents an extensive training needs analysis together with an analysis of other considerations in training design. It concludes with a detailed discussion of recommendations for a training intervention program.

Chapter 6 describes the structure of a management information system for monitoring performance of the DES (at the DoD, military department, and military treatment facility [MTF] levels), which is necessary to assess training effectiveness.

Chapter 7 presents a cost-benefit analysis of the training intervention recommended in Chapter 5.

Chapter 8 offers our conclusions and observations. In particular, we discuss the value of purposefully establishing a system performance perspective with which to address other complex issues beyond the scope of this report.