

Supplemental Security Income Recipients with Double-counted Old-Age, Survivors and Disability Insurance Benefits

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Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) correctly processed Supplemental Security Income (SSI) alerts related to double-counted Old-Age, Survivors and Disability Insurance (OASDI) benefits.

Background

The OASDI program provides benefits to wage earners and their families who meet certain criteria in the event the wage earner retires, becomes disabled, or dies. The SSI program provides payments to financially needy individuals who are aged, blind, or disabled. Individuals eligible to receive OASDI and SSI at the same time are referred to as concurrently entitled. When individuals are concurrently entitled, SSA considers OASDI benefits as income when it determines their SSI payment amount. For a concurrently entitled beneficiary who meets specific criteria, SSA systems generate an alert when SSA begins collecting an OASDI overpayment. This alert prompts staff to determine whether the overpaid amount was previously counted as income when the SSI payment amount was calculated. If it was, SSA must ensure it does not reduce the SSI payments incorrectly during the overpayment collection period.

Findings

SSA did not always correctly process SSI alerts related to double-counted OASDI benefits for our sample of 100 cases. As a result, as of December 2018, SSA

- had erroneously processed 22 SSI recipients' cases, which resulted in the Agency underpaying them almost \$29,000 and
- had not processed 33 SSI recipients' cases, which resulted in the Agency underpaying them over \$51,000.

Further, unless SSA takes corrective actions, we estimate it will underpay 13 of the 55 individuals approximately \$4,000 in Calendar Year 2019. Based on the sample results, SSA underpaid an estimated 18,000 SSI recipients approximately \$26.7 million. Further, the Agency will underpay an estimated 4,000 individuals approximately \$1.3 million in Calendar Year 2019.

Also, as of December 2018, we had identified over 48,000 unprocessed cases with alerts pending 6 months or longer—with 41 percent pending 2 years or longer.

Recommendations and Agency Response

We recommend SSA:

1. Correct the 55 underpayments we identified.
2. Evaluate the reasons for the case processing errors we identified and take steps to improve accuracy, such as giving refresher training.

SSA agreed with our recommendations.

Agency Actions Resulting from the Audit

On March 5, 2019, in response to our audit, SSA provided guidance to its regional offices to instruct field offices to view the related alert lists—specifically the cases pending longer than 6 months. Accordingly, we did not make a recommendation concerning the cases unprocessed for longer than 6 months. Additionally, in its April 30, 2019 comments, SSA informed us it had processed 35 of the 55 underpayments identified in the audit.