

# Supplemental Security Income Recipients Eligible for Retirement Benefits

## A-09-16-50130



December 2018

Office of Audit Report Summary

### Objective

To determine whether the Social Security Administration (SSA) had adequate controls to ensure it properly awarded retirement benefits to individuals who were receiving Supplemental Security Income (SSI) payments.

### Background

SSI is intended to be a program of last resort for aged, blind, or disabled individuals who meet certain income and resource limits for eligibility. Therefore, SSI recipients are required to file for other benefit programs that reduce SSI payments, such as Old-Age, Survivors and Disability Insurance (OASDI). OASDI benefits are the greatest source of other program benefits.

An application under the SSI program is also an open application for benefits under the OASDI program. When an individual initially applies for SSI payments, SSA employees must take steps to determine whether the individual could be entitled to OASDI benefits. In addition, SSA employees must assess potential retirement eligibility while they re-evaluate recipients' eligibility to SSI payments. If an SSI recipient could be eligible for OASDI retirement benefits, SSA must notify him/her in writing of the requirement to file for those benefits. Failure to file for retirement benefits has a direct effect on SSI eligibility and payment.

### Findings

SSA needs to improve its controls to ensure it properly awards retirement benefits to individuals who receive SSI payments. We found that SSA did not always award retirement benefits to SSI recipients who became eligible after they attained age 62. This occurred because SSA did not notify the recipients when they became eligible for retirement benefits. Based on our random sample, we estimate SSA neither awarded approximately \$54.3 million in retirement benefits nor reduced SSI payments by approximately \$49.5 million, as required. After offsetting the OASDI and SSI program funds, we estimate the resulting underpayments to 3,465 SSI recipients totaled approximately \$4.8 million.

### Recommendations

We recommend SSA:

1. Determine the feasibility of addressing the remaining 7,971 SSI recipients identified by our audit who may be eligible for retirement benefits.
2. Remind employees to follow Agency policy and inform SSI recipients when they become eligible for retirement benefits.

SSA agreed with our recommendations.