
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**PAYMENTS TO INDIVIDUALS
WHOSE NUMIDENT RECORD
CONTAINS A DEATH ENTRY**

June 2009 A-06-08-18095

AUDIT REPORT



Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.
- Promote economy, effectiveness, and efficiency within the agency.
- Prevent and detect fraud, waste, and abuse in agency programs and operations.
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.
- Access to all information necessary for the reviews.
- Authority to publish findings and recommendations based on the reviews.

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



SOCIAL SECURITY

MEMORANDUM

Date: June 26, 2009

Refer To:

To: The Commissioner

From: Inspector General

Subject: Payments to Individuals Whose Numident Record Contains a Death Entry
(A-06-08-18095)

OBJECTIVE

Our objective was to determine the appropriateness of benefits paid to individuals whose Numident record contained a date of death.

BACKGROUND

The Old-Age, Survivors and Disability Insurance (OASDI) program provides benefits to insured individuals who have reached their minimum retirement age, dependents of insured wage earners in the event the family wage earner dies, and disabled wage earners and their families. The Supplemental Security Income (SSI) program provides payments to qualifying individuals who are 65 or older, blind, or disabled.

Section 205(r) of the *Social Security Act* requires that the Social Security Administration (SSA) match States' death records against SSA payment records to identify and prevent erroneous payments after death.¹ In addition, SSA matches death records from other Federal, State, and local agencies. SSA uses the Death Alert, Control, and Update System (DACSUS) to receive and process death information,² and records dates of death on the Numident. The Numident Master File houses, in Social Security number (SSN) order, personally identifiable information (PII) for each numberholder.³ DACUS was designed to ensure that all benefits to deceased beneficiaries⁴ are terminated appropriately and produce a national record of death

¹ 42 U.S.C. § 405(r)(1).

² SSA, Program Operations Manual System (POMS), GN 02602.060A and B, *The Death Alert, Control and Update System (DACSUS)*.

³ SSA, POMS, RM 00209.002A, *Numident Query*.

⁴ We use the term "beneficiary" throughout this report in reference to both OASDI beneficiaries and SSI recipients.

information, known as the Death Master File (DMF).⁵ Prior audits and investigations have found that in some cases, SSA continues to pay benefits after death. Payments issued after a beneficiary's death are considered improper payments.⁶ See Appendix B for a discussion of our scope and methodology.

RESULTS OF REVIEW

SSA made payments to more than 6,000 beneficiaries for months or even years after receiving notification the beneficiaries were deceased. SSA received death reports for these beneficiaries and recorded dates of death on the Numident. However, SSA did not record the death information on the beneficiary's payment record or terminate benefit payments to these individuals. Our audit results indicated that a large percentage of these beneficiaries were actually alive, and that death entries recorded on their Numidents were erroneous. However, our audit results also indicated that a number of these beneficiaries were deceased, and that dates of death recorded on their Numidents were accurate.

In January 2008, we identified 305 beneficiaries⁷ who received OASDI and/or SSI payments at the same time their Numident record indicated they were deceased. During our review, we verified the living status⁸ of 228 of these 305 beneficiaries.⁹ Our review found that 88 of the 228 beneficiaries were, in fact, deceased, and that death information appearing on the Numident was accurate. In these cases, SSA issued payments to the beneficiaries 2 to 366 months after receiving notification the beneficiary was deceased. SSA improperly paid these 88 deceased beneficiaries approximately \$2.0 million. We also confirmed that 140 of the 228 beneficiaries were alive, and the death entries on the Numident were erroneous. The addition of erroneous death entries can lead to benefit termination, cause severe financial hardship and distress to affected individuals, and result in the publication of living individuals' PII in the DMF.

⁵ SSA, POMS, GN 02602.060B.1.

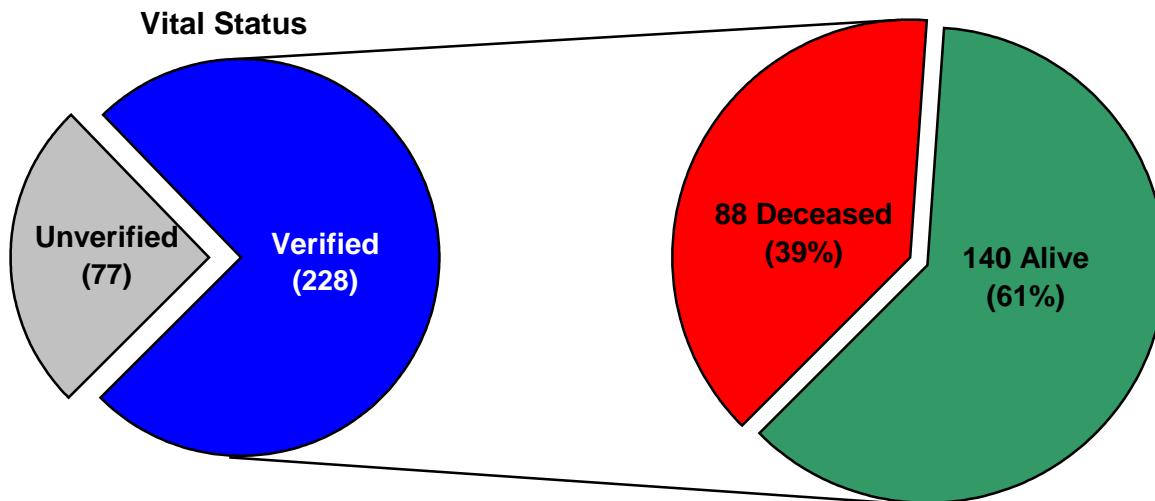
⁶ SSA POMS, GN 02401.917B, *Limited Payability Death Cases – (Titles II and XVI)*.

⁷ We obtained data used for this audit from 1 of the 20 (5 percent) payment record segments.

⁸ Through interviews with the beneficiaries or their family members, or through review of available documentation, we obtained sufficient evidence to determine whether the beneficiaries were living or deceased.

⁹ We did not confirm the status of the remaining 77 beneficiaries during our review. In these cases, we attempted, but were not able, to make telephone contact or verify their living status.

**305 Beneficiaries in Current Pay Status
Whose Numident Contained a Death Entry
As of January 2008**



Based on our results, we estimate that as of January 2008, about 6,100 beneficiaries in current payment status had a date of death recorded on their Numident record.¹⁰ We estimate that approximately 1,760 of the 6,100 beneficiaries were actually deceased, and that SSA made approximately \$40.3 million in improper payments to the deceased beneficiaries after recording their date of death in SSA's records. Further, we estimate SSA would make approximately \$6.9 million in additional improper payments over the next 12 months if these discrepancies were not corrected. See Appendix C for a discussion of our Case Results and Estimates.

BENEFICIARIES CONFIRMED DECEASED

SSA issued payments to deceased beneficiaries after recording valid dates of death on the beneficiaries' Numident record. We obtained confirmation that 88 beneficiaries in current payment status were actually deceased and that dates of death recorded on the Numident were correct. However, payments to these beneficiaries continued 2 to 366 months after SSA recorded the beneficiaries' date of death on the Numident. SSA issued approximately \$2.0 million in improper payments to these 88 beneficiaries through 2008 and would have issued approximately \$347,000 in additional improper payments over the next 12 months to the 39 beneficiaries discussed below if these discrepancies were not corrected.¹¹

¹⁰ This estimate was based on 305 beneficiaries from 1 payment record segment multiplied by 20 payment record segments. In March 2009, we obtained an updated data extract from all 20 payment record segments that identified 6,733 beneficiaries in current payment status whose Numident contained a date of death. We provided pertinent beneficiary information to SSA's Office of Operations.

¹¹ During the audit, we provided SSA with pertinent information related to these beneficiaries. As of April 2009, SSA terminated benefit payments to all 39 beneficiaries.

- We verified that 39 beneficiaries were deceased. We confirmed 26 deaths through interviews with family members or other reliable parties. We verified an additional 13 deaths by obtaining death certificates from the applicable State Bureau of Vital Statistics. Our analysis indicated that SSA continued to issue benefit payments to these 39 beneficiaries 12 to 312 months after receiving notification the beneficiaries were deceased and recording their dates of death on the Numident.¹² SSA issued approximately \$1.3 million in improper payments to these individuals and would have issued approximately \$347,000 in additional improper payments over the next 12 months had these discrepancies not been corrected. Examples of our findings follow.
 - ✓ A beneficiary died in April 1990. In May 1990, SSA recorded the beneficiary's date of death on her Numident record. The Numident death entry referenced a New York City death certificate number. However, SSA did not record the death entry on the beneficiary's payment record and continued issuing monthly benefit payments. As of October 2008, SSA's records indicated this individual was in current payment status and received \$1,185 in monthly retirement benefits. We requested and obtained the beneficiary's death certificate from the City of New York Bureau of Vital Records. The death certificate confirmed the beneficiary died in April 1990. In October 2008, SSA terminated benefit payments to this deceased beneficiary. However, from May 1990 through October 2008, SSA issued 222 improper payments, totaling approximately \$210,000, to this beneficiary. Our review of available information indicated that someone cashed these check payments. To date, SSA has not recovered any of the improper payments. The Office of the Inspector General (OIG) has arrested a suspect and is awaiting judicial action on this case.
 - ✓ A beneficiary died in April 2000. In August 2000, SSA recorded the beneficiary's date of death on her Numident record. However, SSA did not record the death entry on the beneficiary's payment record and continued issuing monthly benefit payments. As of August 2008, SSA's records indicated this individual was in current payment status and received \$972 in monthly retirement benefits. We interviewed a family member who confirmed this beneficiary died in April 2000. We provided this information to SSA, and in October 2008, SSA terminated payments to this beneficiary. However, from April 2000 through October 2008, SSA issued 100 improper payments, totaling approximately \$87,226, to this beneficiary. SSA electronically deposited these payments into the deceased individual's bank account. Our review indicates that each month, the deposited funds were withdrawn from the bank account by the deceased beneficiary's son. The OIG's Office of Investigations contacted the son and he refunded the improper payments to SSA.
- SSA terminated the improper benefit payments to 49 deceased beneficiaries included in our review. However, SSA continued to issue benefit payments to these 49 beneficiaries 2 to 366 months after receiving notification the beneficiaries were

¹² We referred 37 of the 39 cases to our Office of Investigations for potential criminal investigation.

deceased and recording their dates of death on the Numident. Improper payments made to these individuals totaled approximately \$733,487.¹³ Examples of our findings follow.

- ✓ A beneficiary died in June 2001. In the same month, SSA recorded the beneficiary's date of death on her Numident record. However, SSA did not record the death entry on the beneficiary's payment record and continued issuing monthly benefit payments. As of January 2008, SSA's records indicated this individual was in current payment status and received \$782 in monthly widow's benefits. SSA terminated the payment record in May 2008 and referred the case to the OIG's Office of Investigations. However, from July 2001 through March 2008,¹⁴ SSA issued 81 monthly payments to the deceased beneficiary, totaling approximately \$57,528. Our review of available information indicated someone endorsed and deposited these check payments. In September 2008, the Department of the Treasury attempted to reclaim the payments, but was able to recover only 2 months of payments (April and May 2008 benefit payments). The OIG investigated the case and found the responsible individual. The individual has pled guilty and is awaiting sentencing.
- ✓ A beneficiary died in December 2006, and SSA recorded the beneficiary's date of death on the Numident in March 2007. Improper payments continued to this beneficiary until SSA terminated benefits because of death in June 2008. From January 2007 through June 2008, SSA issued 18 improper payments totaling \$23,076. SSA electronically deposited these payments into a bank account controlled by the deceased beneficiary's representative payee. SSA established that the representative payee was liable for these overpayments. The OIG has an open investigation on this case.

We could not explain why various controls designed to prevent or detect payments to deceased beneficiaries failed in these instances. For example, we determined that SSA received verified Electronic Death Registration (EDR) reports¹⁵ for 14 of the 88 beneficiaries. Upon receipt of verified EDR reports, SSA's systems should have automatically terminated payments to the deceased individuals.¹⁶ However, these payments were not terminated. In another 34 cases, we determined SSA's Office of Operations staff received and input death reports. While processing these death reports, SSA employees should have observed the deceased individuals received benefit payments and taken action to terminate the payments. SSA staff recorded the death entries on the Numident, but took no action to terminate benefit payments. In the

¹³ As of December 2008, SSA recovered approximately \$224,000 of these overpayments, primarily through the Department of the Treasury reclamation process.

¹⁴ Payments in April and May 2008 were recovered by the Department of the Treasury.

¹⁵ States use EDR to submit death information to SSA.

¹⁶ SSA, POMS, SM 00623.001B.2.d, *Death Alert, Control, and Update System (DACSUS)*.

remaining 40 cases, the death reports SSA received were unverified EDR reports or obtained through data matches with other agencies.

In all 88 cases, once the death reports were processed, DACUS should have generated alerts to notify the appropriate field office to take action and resolve the discrepancies.¹⁷ Field office staff are required to give prompt attention to all DACUS alerts to minimize or prevent improper payments and instructed to take appropriate action to clear alerts within 30 days.¹⁸ We reviewed the Death Alert Tracking System (DATS) and did not find pending alert tracking records for any of the 88 deceased beneficiaries. According to SSA and the DATS website, once a pending alert is cleared, it is added to a clearance list. DATS deletes the clearance list the following week. Since we found no pending DACUS alerts for these beneficiaries, we believe the alerts were cleared without proper action being taken to terminate the payment records.

We also observed that SSA did not implement compensating controls to periodically identify and resolve these inconsistencies.

BENEFICIARIES CONFIRMED ALIVE

During our review, we confirmed that 140 beneficiaries in current payment status were alive, and death entries on their Numident records were erroneous.

- SSA confirmed that death entries on 72 beneficiaries' Numident records were erroneous, and the beneficiaries were actually alive as of January 2008. SSA removed these erroneous death entries from the Numident.
- We confirmed 35 beneficiaries were alive through in-person interviews in the beneficiaries' homes or at a local SSA office. Upon verification, we informed SSA the beneficiaries were alive and requested the Agency remove the erroneous death entries from the Numident.
- We confirmed another 33 beneficiaries were alive based on analysis of SSA's records. Each of the 33 beneficiaries received auxiliary benefits under another family member's earning record. The beneficiary's own account number recorded on SSA's payment records erroneously listed the SSN of an unrelated, deceased numberholder. It appeared most of these discrepancies were the result of transposition errors. We identified the correct SSN for each of these beneficiaries and found nothing further to indicate the beneficiaries were deceased. We notified SSA Operations staff and requested they take action to correct these errors.

¹⁷ We did not verify that field offices received DACUS alerts related to the payment records included in our review.

¹⁸ SSA, POMS, GN 02602.065C.2, *DACUS Alerts*.

Problems Persist for Living Beneficiaries with Erroneous Dates of Death

Erroneous death entries can lead to benefit termination, cause severe financial hardship and distress to affected individuals, and result in the publication of living individuals' PII. SSA's DMF contains detailed PII on deceased individuals, which is provided to the Department of Commerce's National Technical Information Service. The National Technical Information Service then sells the DMF data. Customers can purchase the complete data file and subscribe to monthly electronic additions, corrections, and deletions for an additional cost. Our prior audit work¹⁹ determined that SSA inadvertently exposed the PII of thousands of living individuals through publication of the DMF.

Many of the beneficiaries we contacted expressed persistent problems as a result of the erroneous dates of death that appeared on their SSA records. In fact, some beneficiaries expressed they were aware of this issue and attempted to correct it multiple times only to find at a later date that the problem still existed. One individual stated he sought assistance from his congressional representative to correct this problem. Others expressed problems with Federal and State agencies, as well as with private pension plans. To illustrate, several beneficiaries had problems with the Internal Revenue Service and stated they did not receive their 2008 Economic Stimulus Refund checks as a result of the death reporting error, and others stated they had to prove to the Internal Revenue Service they were not deceased before receiving a refund. In another example, a retired beneficiary expressed a recurring problem when he could not receive funding from his private pension plan since he was declared deceased. Each time he attempted to correct the issue, the problem recurred when the pension plan updated its death information.

77 BENEFICIARIES' STATUS NOT CONFIRMED

We attempted to verify the living status of all 305 beneficiaries through review of SSA data, contact with the beneficiaries using the telephone numbers reflected on SSA's payment records, or through in-person interviews with beneficiaries or family members. However, we could not confirm the living status for 77 of the 305 beneficiaries. As of December 2008, the 77 beneficiaries received benefit payments 15 to 430 months after SSA recorded dates of death on their Numident record. SSA paid these beneficiaries more than \$5.7 million after recording their dates of death. SSA records currently contain contradictory information regarding the vital status of these beneficiaries. Until the living status of these beneficiaries is verified, SSA has no assurance these payments are valid.

¹⁹ SSA/OIG, *Personally Identifiable Information Made Available to the General Public Via the Death Master File* (A-06-08-18042), June 2008.

CONCLUSION AND RECOMMENDATIONS

SSA continued to issue payments to more than 6,000 beneficiaries after receiving reports the beneficiaries were deceased and recording dates of death on the beneficiaries' Numident record. We estimate that approximately 1,760 of the 6,100 beneficiaries are actually deceased, and that SSA paid approximately \$40.3 million in questionable benefits to these deceased beneficiaries. In addition, we estimated SSA would issue approximately \$6.9 million in additional improper payments over the next 12 months if these discrepancies were not corrected.

On March 11, 2009, we obtained an updated data extract from all 20 payment record segments that identified 6,733 beneficiaries²⁰ in current payment status whose Numident record contained a date of death. We provided the data to SSA Operations and recommend that SSA:

1. Determine the current living status of all 6,733 beneficiaries.
2. Terminate benefits, recover improper payments, and refer potential instances of fraud to the Office of Investigations for all beneficiaries determined to be deceased during living status verifications.
3. Remove erroneous dates of death on the beneficiaries' Numident record for all beneficiaries determined to be alive during living status verifications.
4. Periodically identify all beneficiaries with a death indicator on their Numident receiving benefits and take action to determine the living status for these individuals. This could be accomplished either by improving follow-up on DACUS alerts or implementing a new periodic review.

AGENCY COMMENTS AND OIG RESPONSE

SSA agreed with recommendations 1 through 3. SSA partially agreed with recommendation 4 and stated it would investigate the alert and follow-up systems to assess how the cases were missed by current controls. If SSA cannot correct the limitation of the current system interface, it will then assess the feasibility of an additional alert system or recurring file match runs. We believe SSA's response and planned actions adequately address our recommendations. The full text of SSA's comments is included in Appendix D.



Patrick P. O'Carroll, Jr.

²⁰ Includes 5,917 OASDI beneficiaries, 735 SSI recipients, and 81 individuals concurrently entitled to both OASDI and SSI payments.

Appendices

[**APPENDIX A**](#) – Acronyms

[**APPENDIX B**](#) – Scope and Methodology

[**APPENDIX C**](#) – Case Results and Estimates

[**APPENDIX D**](#) – Agency Comments

[**APPENDIX E**](#) – OIG Contacts and Staff Acknowledgments

Appendix A

Acronyms

DACUS	Death Alert, Control, and Update System
DATS	Death Alert Tracking System
DMF	Death Master File
EDR	Electronic Death Registration
OASDI	Old-Age, Survivors and Disability Insurance
OIG	Office of the Inspector General
PII	Personally Identifiable Information
POMS	Program Operations Manual System
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security Number
U.S.C.	United States Code

Scope and Methodology

To accomplish our objective, we:

- Reviewed the Social Security Administration's (SSA) policies and procedures related to death reports and erroneous deaths.
- Reviewed Federal law and regulations relating to death matches with State agencies.
- Identified 305 current payment status beneficiaries and recipients (as of January 2008) from one randomly selected payment record segment who had a date of death on their Numident record.
- Reviewed the Master Beneficiary Record, Supplemental Security Record, and Numident for the 305 selected records.
- Identified 33 beneficiaries whose payment records were erroneously cross-referenced to deceased individuals, but were actually alive. We referred these cases to SSA's Office of Operations for payment record correction.
- Identified the remaining 272 beneficiaries' payment status, beginning in July 2008, and determined whether the dates of death that appeared on the Numident in January 2008, remained on the Numident.
 - ✓ We identified 49 beneficiaries whose payment records were terminated due to death. In each case, the death entry that appeared on the Numident in January 2008 was valid. For each of these beneficiaries, we determined the number of improper payments SSA issued after recording the death entry on the Numident.
 - ✓ We identified 72 beneficiaries whose death entries were removed from the Numident by SSA. SSA should remove a beneficiary's death entry only after verifying the individual is actually alive. We accepted SSA's determination the individuals were alive and did not perform additional verification.
 - ✓ We grouped the remaining beneficiaries into one of the following categories.
 - *53 beneficiaries with residential addresses within 100 miles of an Office of Audit location¹* – We attempted to contact a family member or the beneficiary

¹ The Office of Audit has staff in New York, New York; Baltimore, Maryland; Philadelphia, Pennsylvania; Dallas, Texas; Birmingham, Alabama; Atlanta, Georgia; Chicago, Illinois; Richmond, California; Falls Church, Virginia; Boston, Massachusetts; and Kansas City, Missouri.

in person to confirm their living status. If the individual was deceased and a family member confirmed their status, no further work was necessary. However, when we were able to make contact with the beneficiary, we conducted a face-to-face interview to confirm their living status. We made initial contact by telephone, and if the telephone number was not listed on their SSA record (or was invalid), we attempted to locate a valid number via the internet or through a public records search. We mailed certified letters with delivery confirmation and referred unsuccessful attempts to SSA.

- *18 beneficiaries with State death certificate information reported on their Numident record* – We initially attempted to contact the beneficiaries' family member(s) by telephone to verify their deceased status. If attempts were unsuccessful, we requested death certificates from the corresponding State's Bureau of Vital Statistics.
 - *Other beneficiaries with residential addresses more than 100 miles from an Office of Audit location* – We conducted in-person interviews with six beneficiaries living in Southern California. We attempted to contact the remaining beneficiaries, or a family member, by telephone. We did not attempt to conduct in-person interviews with the remaining beneficiaries from this group due to the lack of proximity to an Office of Audit location.
- Reviewed the current payment records, in February 2009, for beneficiaries whose living status was not verified to determine whether SSA had taken subsequent action to confirm their living status.
 - Quantified improper payments and funds at risk.

We performed our audit between July 2008 and February 2009 at SSA's Regional Office in Dallas, Texas. The entity audited was the Office of the Deputy Commissioner for Operations. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We tested the data obtained for our audit and determined it was sufficiently reliable to meet our objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C

Case Results and Estimates

We identified 305 beneficiaries from 1 payment record segment receiving benefits despite having a date of death on their Numident record. Each of these beneficiaries received Old-Age, Survivors and Disability Insurance (OASDI) and/or Supplemental Security Income (SSI) payments in January 2008 although the Social Security Administration's (SSA) Numident indicated the beneficiaries were deceased. During the audit, we verified that 88 of the 305 beneficiaries were actually deceased. In each of the 88 cases, SSA received death reports and recorded dates of death on the beneficiaries' Numident record. However, SSA did not record the death entry on the beneficiaries' payment record and continued to issue benefit payments for 2 to 366 months after the beneficiaries' deaths. We also verified that 140 of the 305 beneficiaries were alive and that SSA erroneously recorded death information on the Numident. We did not confirm the living status for the remaining 77 beneficiaries.

Completed Living Status Verifications			
Beneficiaries Confirmed Deceased	Beneficiaries Confirmed Alive	Beneficiaries' Status Not Confirmed	Total
88	140	77	305

Through 2008, SSA issued approximately \$2.0 million in improper payments to 88 deceased beneficiaries included in our review and would have paid approximately \$347,000 in additional improper payments to 37 of these beneficiaries over the next 12 months had these discrepancies not been corrected. The chart below illustrates the questioned costs paid to the 88 deceased beneficiaries.

Improper Payments to Deceased Beneficiaries		
Beneficiaries	Improper Payments Issued	Improper Payments Over Next 12 Months
88	\$2,012,934	\$346,827

Our audit results were based on our review of data from 1 of 20 payment record segments—or 5 percent of the total population of beneficiaries who received OASDI and/or SSI payments. To estimate the total questioned costs applicable to all payment record segments, we multiplied the questioned payment amount for one segment times the total number of segments (20) in our population. Based on our results, we estimate SSA issued approximately \$40.3 million in improper payments to 1,760 deceased beneficiaries. In addition, we estimated SSA would issue approximately \$6.9 million in additional improper payments to deceased beneficiaries over the next 12 months if these discrepancies were not corrected.

Estimated Improper Payments for All 20 Segments			
	Number of Beneficiaries	Improper Payments Issued	Improper Payments Over Next 12 Months
Beneficiaries Confirmed Deceased	88	\$2,012,934	\$346,827
Multiplied by 20 Payment Record Segments	1,760	\$40,258,680	\$6,936,540

Appendix D

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: June 12, 2009

Refer To: S1J-3

To: Patrick P. O'Carroll, Jr.
Inspector General

From: James A. Winn /s/
Chief of Staff

Subject: Office of the Inspector General (OIG) Draft Report, "Payments to Individuals Whose Numident Record Contains a Death Entry" (A-06-08-18095)--INFORMATION

Thank you for the opportunity to review and comment on the draft report. We appreciate OIG's efforts in conducting this review. Attached are our responses to the report findings and recommendations.

Please let me know if we can be of further assistance. Please direct staff inquiries to Ms. Candace Skurnik, Director, Audit Management and Liaison Staff, at extension 54636.

Attachment:
SSA Response

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, "PAYMENTS TO INDIVIDUALS WHOSE NUMIDENT RECORD CONTAINS A DEATH ENTRY" (A-06-08-18095)

We reviewed the subject report and agree with the findings and recommendations. Below are our responses to the specific recommendations.

Recommendation 1

Determine the current vital status of all 6,733 beneficiaries (who were in current payment status in March 2009 although their Numident record contained a death entry).

Comment

We agree. We will investigate the vital status of these 6,733 beneficiaries as quickly as possible based on available resources.

Recommendation 2

Terminate benefits, recover improper payments, and refer potential instances of fraud to the Office of Investigations for all beneficiaries determined to be deceased during living status verifications.

Comment

We agree. We will take action as quickly as possible based on available resources.

Recommendation 3

Remove erroneous dates of death on the beneficiaries' Numident record for all beneficiaries determined to be alive during living status verifications.

Comment

We agree. Based on available resources and our efforts on the first recommendation, we will take action as soon as possible.

Recommendation 4

Periodically identify all beneficiaries and recipients with a death indicator on their Numident receiving benefits and take action to determine the living status for these individuals. This could be accomplished either by improving follow-up on Death Alert, Control, and Update System alerts or implementing a new periodic review.

Comment

We partially agree. We agree that there should be adequate alert systems in place to ensure the posting of correct death information to Numident records. However, we are concerned that additional alerts may duplicate systems processes that are already in place. We will investigate the alert and follow-up systems to assess how these cases were missed by our current controls. If we cannot correct the limitation of our current system interface, we will then assess the feasibility of an additional alert system or recurring file match runs.

Appendix E

OIG Contacts and Staff Acknowledgments

OIG Contacts

Ron Gunia, Director, Dallas Audit Division

Jason Arrington, Audit Manager

Acknowledgments

In addition to those named above:

Clara Soto, Senior Auditor

For additional copies of this report, please visit our web site at www.ssa.gov/oig or contact the Office of the Inspector General's Public Affairs Staff Assistant at (410) 965-4518. Refer to Common Identification Number A-06-08-18095.

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