

Report Summary

Social Security Administration Office of the Inspector General

February 2009



Objective

To determine the effectiveness of the Social Security Administration's (SSA) efforts to collect Title XVI overpayments from individuals who agreed, but failed, to honor an installment agreement.

Background

When SSA is unable to recover an overpayment by full refund or adjustment to monthly payments, an individual can enter into an agreement with SSA and refund the overpayment through monthly installment payments. If the debtor fails to make the payments, SSA can recover the overpayments through other options, including the Treasury Offset Program (TOP), which offsets any Federal payment. If SSA is unable to collect an overpayment from a beneficiary, and the overpaid funds were paid to a representative payee who receives Title XVI or Title II benefits, the overpayment can be recovered from the representative payee's benefits.

To view the full report, visit
<http://www.ssa.gov/oig/ADO/BEPDF/A-02-09-29007.pdf>

Quick Response Evaluation: Effectiveness of Title XVI Installment Agreements (A-02-09-29007)

Our Findings

SSA is not fully using all recovery methods available to recover delinquent Title XVI overpayments from 12 debtors with overpayments of \$15,000 or more in 1 segment of the Supplemental Security Record (SSR). For 11 debtors, either recovery via TOP, benefit withholding from a representative payee, or both, could have been pursued but were not. Additionally, we identified another debtor who previously received Title XVI payments and was overpaid. After not receiving Title XVI for 7 years, she began to receive payments again, but the old overpayment was not being recovered since it was not transferred to her new record. By not pursuing available collection methods in these 12 cases, SSA lost the opportunity to collect \$252,685. Estimating these results to the entire SSR, we estimate SSA failed to pursue available collection methods for 240 individuals or their representative payees with combined overpayments of \$5.1 million.

Matters for Consideration

SSA can pursue benefit withholding from representative payees when it is available if attempts to recover the overpayment from the recipient have failed. Also, SSA can work to ensure that overpayments are transferred from terminated SSRs to new SSRs when a new record is put into payment status. A recommendation to ensure eligibility for TOP is determined on a debt basis rather than debtor basis was previously provided in our September 2008 report, *Status of Title II Installment Agreements* (A-02-08-18074).