

*Audit Report*

Match of Arkansas Death Information  
Against Social Security  
Administration Records

A-06-18-50663 / February 2019

# OIG

Office of the Inspector General  
SOCIAL SECURITY ADMINISTRATION

## MEMORANDUM

**Date:** February 28, 2019 **Refer To:**

**To:** The Commissioner

**From:** Inspector General

**Subject:** Match of Arkansas Death Information Against Social Security Administration Records  
(A-06-18-50663)

The attached final report presents the results of the Office of Audit's review. The objective was to determine the appropriateness of payments the Social Security Administration (SSA) issued to beneficiaries and representative payees who were listed as deceased on Arkansas Department of Health vital records. We also identified non-beneficiaries who were deceased according to Arkansas vital records but whose death information did not appear in SSA records.

If you wish to discuss the final report, please call me or have your staff contact Rona Lawson, Assistant Inspector General for Audit, 410-965-9700.



Gail S. Ennis

Attachment

# Match of Arkansas Death Information Against Social Security Administration Records

## A-06-18-50663



February 2019

Office of Audit Report Summary

### Objective

To determine the appropriateness of payments the Social Security Administration (SSA) issued to beneficiaries and representative payees who were listed as deceased on Arkansas Department of Health vital records. We also identified non-beneficiaries who were deceased according to Arkansas vital records but whose death information did not appear in SSA records.

### Background

To identify and prevent payments after death, SSA established a program under which States can voluntarily contract with the Agency to provide death data to match against its records.

We obtained Arkansas Department of Health death data that provided the personally identifiable information of approximately 736,000 Social Security numberholders who died in Arkansas from January 1990 through December 2016.

We matched the data against SSA payment records and identified current beneficiaries and representative payees whose personally identifiable information matched that of a deceased individual in the death data. We also identified non-beneficiaries who were deceased according to Arkansas vital records but whose death information did not appear in SSA records.

### Findings

SSA issued approximately \$3.9 million in payments after death to 112 beneficiaries and 2 representative payees who died in Arkansas in Calendar Year 2016 or earlier. We provided SSA with Arkansas death data and death certificates. SSA had completed, or was completing, action to address these cases. Identification and correction of these discrepancies will prevent approximately \$1.4 million in additional improper payments over the next 12 months.

We also identified 3,186 non-beneficiaries who were deceased according to Arkansas vital records but whose death information did not appear in SSA records. We provided SSA with Arkansas death data for these non-beneficiaries. Resolving these discrepancies will reduce SSA's exposure to future improper payments and improve the accuracy and completeness of the death information it shares with other Federal benefit-paying agencies.

### Conclusion

These cases represented an opportunity for SSA to reduce improper payments and improve the completeness of its death information. SSA had completed, or was completing, action to address the improper payment cases. SSA stated that, because the non-beneficiary cases did not involve improper payments, any future cleanup of these cases was a low priority and resource-dependent. SSA stated the earliest it could consider posting death information for these cases was the last quarter of Fiscal Year 2019.

Since SSA was already taking action on the issues we identified, we made no recommendations for corrective action.

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## **ABBREVIATIONS**

C.F.R.	Code of Federal Regulations
OIG	Office of the Inspector General
OASDI	Old-Age, Survivors and Disability Insurance
POMS	Program Operations Manual System
SSA	Social Security Administration
SSI	Supplemental Security Income
U.S.C.	United States Code

## OBJECTIVE

Our objective was to determine the appropriateness of payments the Social Security Administration (SSA) issued to beneficiaries and representative payees who were listed as deceased on Arkansas Department of Health vital records. We also identified non-beneficiaries who were deceased according to Arkansas vital records but whose death information did not appear in SSA records.

## BACKGROUND

To identify and prevent payments after death, section 205(r) of the *Social Security Act* requires that SSA establish a program under which States can voluntarily contract with the Agency to provide death data to match against their records.<sup>1</sup> When SSA receives and processes death data, its systems terminate payments to deceased beneficiaries.<sup>2</sup> When a representative payee<sup>3</sup> dies, SSA must either replace the payee or send payments directly to the beneficiary until it finds a suitable payee.<sup>4</sup> In addition, SSA's systems input dates of death in the Numident file, which stores personally identifiable information for all Social Security numberholders.<sup>5</sup> SSA uses Numident information to create a full file of death information it shares with other Federal benefit-paying agencies.

We obtained Arkansas Department of Health death data that provided the personally identifiable information of approximately 736,000 Social Security numberholders who died in Arkansas during Calendar Years 1990 through 2016. We matched the data against SSA payment records and identified beneficiaries and representative payees in current pay status whose personally identifiable information matched that of a deceased individual listed in the Arkansas death data. We also identified individuals who were not receiving OASDI benefits or SSI payments (that is, non-beneficiaries) whose death information did not appear in SSA records. See Appendix A for information on our scope and methodology.

## RESULTS OF REVIEW

SSA issued approximately \$3.9 million in payments after death to 112 beneficiaries and 2 representative payees who died in Arkansas in Calendar Year 2016 or earlier. In

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<sup>1</sup> *Social Security Act*, 42 U.S.C. § 405(r)(1) (govinfo.gov 2017).

<sup>2</sup> We use the term “beneficiary” throughout this report in reference to Old-Age, Survivors and Disability Insurance (OASDI) beneficiaries and/or Supplemental Security Income (SSI) recipients.

<sup>3</sup> SSA appoints a representative payee to receive and manage benefit payments for individuals unable to manage their own finances because of their youth or mental and/or physical impairments. *Social Security Act*, 42 U.S.C. § 405(j) (govinfo.gov 2017) and 1383(a)(2)(A)(ii) (govinfo.gov 2017).

<sup>4</sup> 20 C.F.R. §§ 404.2050(d) (govinfo.gov 2018) and 416.650(d) (govinfo.gov 2018). SSA may suspend payment under 20 C.F.R. § 404.2011(c) if it finds that paying the beneficiary directly would cause substantial harm, and the Agency cannot find a suitable alternative representative payee before the next payment is due.

<sup>5</sup> SSA, POMS, GN 02602.050, A (October 30, 2017).

September 2018, we provided Dallas Region staff with Arkansas death data and death certificates. As of January 2019, the Dallas Region had completed, or was completing, action to address these cases. Identification and correction of these discrepancies will prevent approximately \$1.4 million in additional improper payments over the next 12 months.

We also identified 3,186 non-beneficiaries who were deceased according to Arkansas vital records but whose death information did not appear in SSA records. We provided SSA with Arkansas death data for these non-beneficiaries. Resolving these discrepancies will reduce SSA's exposure to future improper payments and improve the accuracy and completeness of the death information it shares with other Federal benefit-paying agencies.

## **Payments Issued to Deceased Beneficiaries**

We identified 112 beneficiaries in current pay status whose personally identifiable information matched that of a deceased individual in the Arkansas death data. SSA issued these beneficiaries approximately \$3.8 million in payments after their deaths. Examples follow.

- A survivor beneficiary died in November 2001. SSA records did not contain a date of death and therefore survivor benefit payments continued. SSA issued over \$185,000 in payments after the month of death on the beneficiary's death certificate.
- A disability beneficiary died in April 2013. SSA records did not contain a date of death and therefore disability benefit payments continued. SSA issued over \$65,000 in payments after the month of death on the beneficiary's death certificate.
- A survivor beneficiary died in December 2009. SSA records did not contain a date of death and therefore survivor benefit payments continued. SSA issued over \$94,000 in payments after the month of death on the beneficiary's death certificate.

Payments were made after death in most cases because the beneficiaries' death information was not in SSA's records.<sup>6</sup> As a result, SSA did not terminate benefits after the individuals' deaths. As illustrated in Table 1, the earliest year of death for these beneficiaries was 2001. However, most of the beneficiaries died in 2015 or 2016.

**Table 1: Deceased Beneficiaries Matched to SSA's Payment Records by Year of Death**

Year of Death	Number of Records	Percent
2001-2009	6	5
2012-2014	12	11
2015-2016	94	84
<b>Total</b>	<b>112</b>	<b>100</b>

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<sup>6</sup> At the time of our review, four beneficiaries' death information appeared on the Numident. We did not determine whether the State reported the other beneficiaries' deaths to SSA.

Identification and correction of these discrepancies will prevent approximately \$1.4 million in additional improper payments over the next 12 months.

## **Payments to Deceased Representative Payees**

We identified two deceased representative payees. As of June 2018, SSA had issued the representative payees \$51,433 in payments after death. When a representative payee dies, SSA must replace the payee.<sup>7</sup> By replacing deceased representative payees, SSA aims to ensure funds are used to meet the beneficiary's needs, such as food, clothing, shelter, and medical care.

SSA systems contained death information for both deceased representative payees, but Agency staff had not replaced the decedents with new representative payees. This is a known issue that we reported to SSA<sup>8</sup> but did not appear to have been resolved. We provided SSA with information on both representative payees. As of January 2019, SSA had replaced, or was replacing, the deceased representative payees. Identification and correction of these discrepancies will prevent \$12,372 in additional payments after death over the next 12 months.

## **Deceased Non-beneficiary Numberholders**

We identified 3,186 non-beneficiaries<sup>9</sup> who were deceased according to Arkansas vital records but did not have death information in SSA records. As illustrated in Table 2, approximately 78 percent of these individuals died before 2010.

**Table 2: Non-Beneficiaries by Year of Death**

Year of Death	Number of Records	Percent
1990-1999	1,329	42
2000-2009	1,141	36
2010-2016	716	22
<b>Total</b>	<b>3,186</b>	<b>100</b>

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<sup>7</sup> 20 C.F.R. §§ 404.2050(d) (govinfo.gov 2018) and 416.650(d) (govinfo.gov 2018). SSA may suspend payment under 20 C.F.R. § 404.2011(b) if it finds that paying the beneficiary directly would cause substantial harm, and the Agency cannot find a suitable alternative representative payee before the next payment is due.

<sup>8</sup> SSA, OIG, *Deceased Representative Payees*, A-01-14-34112 (June 2015).

<sup>9</sup> We matched Arkansas death records that included a validated Social Security number, name, date of birth, and gender (per Enumeration Verification System process) to SSA's full file of death information and excluded individuals who were receiving OASDI benefits or SSI payments.

Resolving these discrepancies will reduce SSA's exposure to future improper payments and improve the accuracy and completeness of the death information it shares with other Federal benefit-paying agencies.<sup>10</sup> In September 2018, we provided SSA a file that identified all 3,186 individuals for corrective action. SSA stated that, because these types of cases do not involve improper payments, any future cleanup of these cases is a low priority and resource-dependent. SSA stated the earliest it could consider posting death information for these cases via the Continuing Death Data Improvement project under its Information Technology Modernization is the last quarter of Fiscal Year 2019. Depending on resources and system capacity, this activity could be postponed even further.

## CONCLUSIONS

SSA issued approximately \$3.9 million in payments after death to 112 beneficiaries and 2 representative payees. We also identified 3,186 non-beneficiaries who were deceased according to Arkansas death data but whose death information did not appear in SSA records.

SSA had completed, or was completing, action to address the improper payment cases. Identification and correction of these cases will prevent approximately \$1.4 million in additional improper payments over the next 12 months. SSA stated that, because the non-beneficiary cases did not involve improper payments, any future cleanup of these cases was a low priority and resource-dependent. SSA stated the earliest it could consider posting death information for these cases is the last quarter of Fiscal Year 2019. Since SSA was already taking action on the issues we identified, we made no recommendations for corrective action.

## AGENCY COMMENTS

SSA had no comments on the report (see Appendix B).



Rona Lawson  
Assistant Inspector General for Audit

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<sup>10</sup> Although SSA shares its death information with other Federal benefit-paying agencies, the other agencies should independently verify the individual's death before they take adverse action. Also, based on a January 2013 law, SSA is taking steps to improve the accuracy of its death information; *Improper Payments Elimination and Recovery Improvement Act of 2012*, Pub. L. No. 112-248, § 5(g)(1), 126 Stat. 2390, p. 2396 (September 10, 2013).

# *APPENDICES*

## **Appendix A – SCOPE AND METHODOLOGY**

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To accomplish our objective, we:

- Reviewed Federal laws and regulations related to death matches with State agencies; the Social Security Administration's (SSA) policies and procedures; and prior Office of the Inspector General reports.
- Obtained Arkansas death data that identified approximately 736,000 Social Security numberholders who died in Arkansas from January 1990 through December 2016. We matched these records against the following.
  - SSA payment records and identified 120 Old-Age, Survivors and Disability Insurance beneficiaries and/or Supplemental Security Income recipients in current pay status whose Social Security numbers, names, and dates of birth matched those of a deceased individual in the Arkansas data. We obtained Arkansas death certificates or other death verification<sup>1</sup> for 120 individuals and referred most<sup>2</sup> of these cases to SSA.
    - We determined eight beneficiaries were alive.
    - We determined 112 beneficiaries were deceased.
  - SSA payment records and identified two deceased representative payees with beneficiaries in current pay status as of June 2018.
  - SSA's Enumeration Verification System and SSA's full file of death information and identified 3,186 non-beneficiaries who were deceased according to Arkansas data but whose death information was not in the full file as of June 2018.
- Calculated payments issued after death to the beneficiaries and representative payees.

We conducted our audit from August 2018 to January 2019 at SSA's Regional Office in Dallas, Texas. We determined the data used for this audit were sufficiently reliable to meet our audit objective. The primary entities audited were the Offices of the Deputy Commissioners for Operations and Systems. 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 believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

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<sup>1</sup> We did not purchase death certificates for four beneficiaries because SSA records contained their dates of death.

<sup>2</sup> SSA had taken corrective action on four cases before our referrals.

## **Appendix B – AGENCY COMMENTS**

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### **SOCIAL SECURITY**

#### **MEMORANDUM**

Date: February 20, 2019

Refer To: S1J-3

To: Gail S. Ennis  
Inspector General

*Stephanie Hall*

From: Stephanie Hall  
Acting Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, “Match of Arkansas Death Information Against Social Security Administration Records” (A-06-18-50663) -- INFORMATION

Thank you for the opportunity to review the draft report. We have no comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Trae Sommer at (410) 965-9102.

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