

# Overpayment Waiver Requests Processed by Field Offices in Fiscal Years 2012 and 2013

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July 2015

Office of Audit Report Summary

Objective
To identify field offices that waived overpayments outside the typical range of field office waiver rates.
Background
The Social Security Administration (SSA) may waive recovery of an overpayment if the person is without fault, and recovery would either defeat the purpose of the <i>Social Security Act</i> or be against equity and good conscience. A waiver is a permanent write-off of the overpayment, and SSA cannot subsequently collect the waived amount by any means. Generally, the overpaid person must request a waiver.  SSA waives overpayments of \$1,000 or less without development unless there is some indication the debtor may be at fault. SSA refers to these as administrative waivers. However, the overpaid person must request the waiver.

## Findings

In December 2012, the Government Accountability Office recommended SSA explore ways to strengthen oversight of the overpayment waiver process by analyzing data to identify waiver trends, but SSA stated it did not have the resources to perform such analysis. However, in this report, we illustrated the type of analysis SSA could perform to identify offices that waived overpayments outside the typical range of field office waiver approval rates. We focused our analysis on field offices we determined were well outside the typical range. Specifically, these offices were the

- 14 field offices with Title II waiver approval rates of 96 percent or more,
- 7 field offices with Title II waiver approval rates of 30 percent or less,
- 40 field offices with Title XVI waiver approval rates of 96 percent or more, and
- 7 field offices with Title XVI waiver approval rates of 30 percent or less.

We found the field offices with waiver approval rates of at least 96 percent were likely to have administrative waiver rates of 50 percent or more. We also reviewed samples of waivers from the three field offices with the highest Title II waiver approval rates and the three field offices with the highest Title XVI waiver approval rates. Based on our review, we found 63 percent of Title II waivers and 69 percent of Title XVI waivers did not contain all of the required documentation to support the individual's request for waiver and SSA's decision.

## Recommendations

We recommend that SSA:

1. Regularly analyze waiver approval rates and review field offices that appear to be outliers to determine compliance with its policies on overpayment waivers.
2. Remind field office employees to document waiver requests and decisions in accordance with policy.

SSA agreed with our recommendations.