

# Fiscal Year 2014 Inspector General Statement on the Social Security Administration's Major Management and Performance Challenges

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Office of Audit Report Summary

### Objective

To summarize and assess the most serious management and performance challenges facing the Social Security Administration (SSA).

### Background

The *Reports Consolidation Act of 2000* requires that Inspectors General summarize and assess the most serious management and performance challenges facing agencies and the agencies' progress in addressing those challenges.

In Fiscal Year (FY) 2014, we focused on the following management and performance challenges: Reduce the Hearings Backlog and Prevent its Recurrence; Improve the Timeliness and Quality of the Disability Process; Reduce Improper Payments and Increase Overpayment Recoveries; Improve Customer Service; Invest in Information Technology (IT) Infrastructure to Support Current and Future Workloads; Strengthen the Integrity and Protection of the Social Security Number (SSN); and Strengthen Planning, Transparency, and Accountability.

### Our Findings

SSA faced the following challenges in FY 2014.

- While SSA has emphasized the need for quality, consistency, and timeliness in its disability decisions, this continues to remain a challenge as the hearings backlog approaches 1 million cases and timeliness continues to worsen.
- SSA needs to address the receipt of millions of initial disability and reconsideration claims and backlogs of initial disability claims and continuing disability reviews, while also protecting its disability programs from fraud.
- SSA is one of the Federal agencies with a high amount of improper payments. SSA will need to take additional actions related to reducing improper payments.
- SSA faces several challenges, such as increasing workloads and representative payee oversight, as it pursues its mission to deliver services that meet the public's changing needs.
- SSA faces major challenges to ensure it has sufficient IT controls, provides secure electronic services to meet the growing needs of its customers, strategically plans to modernize its systems for future service delivery, and efficiently implements major IT initiatives.
- Protecting the SSN and properly posting the wages reported under SSNs are critical to ensuring eligible individuals receive the full benefits they are due.
- The FY 2014 *Independent Auditor's Report* contained two significant deficiencies in internal control. The auditor identified a significant deficiency in internal controls related to the calculation, recording, and prevention of overpayments, and a significant deficiency in the area of information systems controls.