

July 2017

Office of Audit Report Summary

Objectives

To determine (1) the validity of payments the Social Security Administration (SSA) issued simultaneously under multiple cross-referred Social Security numbers (SSN) and (2) whether death information input on the Numident record of one SSN was also recorded on the Numident record(s) of the cross-referred SSN(s).

Background

When SSA assigns an SSN, it creates a master record of relevant information about the numberholder in its Numident file. When SSA issues an individual more than one SSN or becomes aware a numberholder has more than one SSN, it cross-refers the SSNs on the Multiple Social Security Number Cross-Reference File so the individual's earnings can be properly credited to his/her earnings record. When SSA becomes aware that SSNs belonging to two different people are cross-referred, it should remove the cross-reference.

SSA should not allow individuals who obtain more than one SSN to simultaneously receive SSA payments under more than one of their assigned SSNs.

Findings

SSA issued improper payments to individuals under multiple cross-referred SSNs and did not develop a method to ensure death information input on numberholders' Numident records was also input on cross-referred Numident records. Based on our sample results, we estimate that SSA issued approximately \$171 million in improper payments to about 2,000 beneficiaries who had multiple cross-referred SSNs. If the Agency does not correct these errors, we estimate it will improperly issue about \$21.2 million over the next 12 months.

SSA also recorded death information on approximately 2.7 million non-beneficiary numberholders' Numident records but did not input death information on their cross-referred SSNs. As a result, we estimate SSA erroneously excluded more than 2 million deceased numberholders' SSNs from the Death Master File.

Recommendations

We recommended that SSA determine the feasibility of taking appropriate action to:

- Review all cases where numberholders simultaneously receive payments under cross-referred SSNs; resolve any cases where SSA identifies an individual who receives benefit payments under more than one of his/her properly assigned SSNs; and implement system controls to prevent simultaneous issuance of payments under cross-referred SSNs.
- Review all cases where numberholders receive payments under SSNs that are cross-referred to SSNs that contain the numberholders' death information; implement system controls to ensure death information input on numberholders' Numident records is also input on all the numberholders' cross-referred SSN(s); and add death information to the Numident records of non-beneficiary numberholders whose SSNs are cross-referred to SSNs that contain the numberholders' death information.
- Remove cross-references for SSNs in cases where cross-referred SSNs belong to more than one individual.

SSA agreed with our recommendations.