

Report Summary

Social Security Administration Office of the Inspector General

June 2011



Objective

To determine the accuracy of the Social Security Administration's (SSA) determinations of Supplemental Security Income (SSI) recipients' resources related to real property ownership.

Background

SSA considers real property other than a primary residence a resource. SSI recipients or their representative payees must report events or changes in their resources that can affect their SSI eligibility or payment amount. SSA staff can use LexisNexis as a tool to obtain information about SSI applicants' or recipients' real property ownership.

To view the full report, visit
<http://www.ssa.gov/oig/ADO/BEPDF/A-02-09-29025.pdf>

Supplemental Security Income Recipients with Unreported Real Property (A-02-09-29025)

Our Findings

SSA's records on real property ownership matched with public property records in LexisNexis for 298 of the 350 recipients we reviewed. SSA determined that 25 recipients did not own what appeared to be unreported properties listed in LexisNexis. For the remaining 27 recipients, SSA determined LexisNexis was accurate and the recipients owned unreported real property. Sixteen of these 27 recipients were improperly paid about \$112,000 when the value of their unreported real property was taken into account. The Agency could not recover approximately half of this because of its rules of administrative finality. Based on our sample results, we estimated that about 541,580 recipients misreported real property ownership, and SSA improperly paid 320,940 of these recipients over \$2.2 billion. Comparing the costs of using LexisNexis to the benefits gained, we concluded that the use of LexisNexis was cost effective and would save about \$350 million annually.

Our Recommendations

We recommended, and SSA agreed to:

1. Assess the costs/benefits of expanded LexisNexis use in determining the accuracy of recipients' allegations of resources through a pilot study requiring the use of LexisNexis when initial SSI applications are processed and SSI redeterminations are completed.
2. Expand the use of LexisNexis if the pilot study demonstrates it is cost-beneficial to do so.
3. Update the current policy on similar fault determinations to include the limitations listed in the Code of Federal Regulations (physical, mental, educational, and linguistic) and ensure they are taken into account in determining whether a previous determination or decision was made with similar fault.
4. Train staff on the criteria of similar fault determinations to ensure improper payments made to SSI recipients with similar characteristics and circumstances are treated similarly when caused by SSI recipients not reporting their resources.