

Using Bank Data to Identify Supplemental Security Income Recipients with Potential Overpayments

A-01-12-11223



September 2013

Office of Audit Report Summary

Objective

To evaluate the feasibility of using bank data to identify Supplemental Security Income (SSI) recipients with overpayments.

Background

While conducting our audit of *Supplemental Security Income Recipients with Automated Teller Machine Withdrawals Outside the United States*, we identified bank statements that contained deposit amounts that appeared to exceed the allowable income/resource limits. The sample we used consisted of SSI recipients born outside the United States. We selected our sample from this population because a Government Accountability Office report noted that recipients born outside the United States accounted for at least 87 percent of the overpayments because the recipient was outside the United States for more than 30 days (and the previous audit objective was to identify overpayments caused by these violations).

We conducted additional analysis of the bank statements from the same random sample of 250 foreign-born SSI recipients selected for our audit. Although place of birth was not relevant to the current audit, using the same records represented a considerable cost savings. Because we had to subpoena records, we only obtained information from one bank for this review. However, we chose the most commonly used bank for SSI recipients with direct deposits.

Our Findings

We estimate SSA overpaid approximately \$55 million to 18,541 SSI recipients because it was not informed of changes to these individuals' financial situations.

If our results using sample data associated with one bank represent all banks, SSA potentially would have overpaid about \$225 million to 76,168 SSI recipients.

Receiving data from a reliable third-party source aids in mitigating discrepancies that can occur when SSI recipients self-report their personal financial situations.

Our Recommendation

We recommend that SSA continue developing additional methods to identify unreported income (earned and unearned) instead of relying primarily on SSI recipients' self-reporting.

SSA agreed with the recommendation.