

Audit Report

Follow-up: Individuals Who
Inappropriately Received Benefits
Under Multiple Social Security
Numbers



MEMORANDUM

Date: April 25, 2019 **Refer To:**

To: The Commissioner

From: Inspector General

Subject: Follow-up: Individuals Who Inappropriately Received Benefits Under Multiple Social Security Numbers (A-01-16-50075)

The attached final report presents the results of the Office of Audit's review. The objective was to update prior, and identify new, cases of individuals who inappropriately received Social Security benefits under multiple Social Security numbers.

If you wish to discuss the final report, please call me or have your staff contact Rona Lawson, Assistant Inspector General for Audit, 410-965-9700.

A handwritten signature in black ink that reads "Gail S. Ennis".

Gail S. Ennis

Attachment

Follow-up: Individuals Who Inappropriately Received Benefits Under Multiple Social Security Numbers

A-01-16-50075



April 2019

Office of Audit Report Summary

Objective

To update prior, and identify new, cases of individuals who inappropriately received Social Security benefits under multiple Social Security numbers (SSN).

Background

Generally, the Social Security Administration (SSA) assigns an individual one SSN but may assign another SSN because of fraud, administrative error, or other reason(s).

In 4 prior audits, we identified 784 individuals who appeared to have inappropriately received Social Security benefits under multiple SSNs. When we issued our reports, SSA had assessed about \$17.7 million in overpayments for 411 individuals; and the Agency or our Office of Investigations continued reviewing the remaining 373 cases.

To follow up on these 784 cases, we quantified any subsequent overpayments as well as any recovered overpayments. We also obtained from the Office of Investigations the status of its investigations and evaluated SSA's implementation of the prior audit recommendations. Finally, using the same methodology as the prior audits, we identified 147 new cases.

Findings

SSA improperly paid approximately \$46.9 million—\$29.2 million identified in this audit and \$17.7 million identified in our prior audits—to 724 beneficiaries who had multiple SSNs and for other reason(s).

SSA's systems identify duplicate Old-Age, Survivors and Disability Insurance (OASDI) or duplicate Supplemental Security Income (SSI) records by matching names and dates of birth. SSA did not detect the majority of the cases we identified because they involved *both* OASDI benefits and SSI payments or had different names.

Recommendation

We recommend SSA develop a match to identify and prevent beneficiaries from inappropriately receiving *both* OASDI and SSI benefits under different SSNs.

SSA agreed with our recommendation.

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ABBREVIATIONS

AFES	Anti-Fraud Enterprise Solution
C.F.R.	Code of Federal Regulations
CY	Calendar Year
FY	Fiscal Year
MBR	Master Beneficiary Record
OAFP	Office of Anti-Fraud Programs
OASDI	Old-Age, Survivors and Disability Insurance
OI	Office of Investigations
OIG	Office of the Inspector General
POMS	Program Operations Manual System
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security Number
SSR	Supplemental Security Record
U.S.C.	United States Code

OBJECTIVE

Our objective was to update prior, and identify new, cases of individuals who inappropriately received Social Security benefits under multiple Social Security numbers (SSN).

BACKGROUND

Generally, the Social Security Administration (SSA) assigns an individual one SSN (a process called enumeration)¹ but may assign an additional SSN because of fraud, administrative error, or other reason(s). Most original SSNs are assigned when parents apply for a newborn's SSN while in the hospital.² Other original SSNs result from applications made at local SSA field offices or from applications by qualified immigrants who are entering the United States.³ If SSA knowingly assigns an individual another SSN, its policy is to cross-reference the records.

In addition, to identify individuals with multiple SSNs, SSA

- ✓ asks, during the claims process, whether claimants have ever applied for Old-Age, Survivors and Disability Insurance (OASDI) benefits or Supplemental Security Income (SSI) payments using any other SSN⁴ and
- ✓ runs computer matches to detect records that appear to be duplicates based on name, date of birth, and/or ZIP code.

Furthermore, SSA's policies require that all cases suspected of fraud be referred to our Office of Investigations (OI).

¹ In Fiscal Year (FY) 2018, SSA issued 16.5 million new and replacement SSN cards. SSA, *Agency Financial Report Fiscal Year 2018*, p. 8 (November 9, 2018). In August 2009, SSA began phasing in the Social Security Number Application Process—an Intranet application for taking original and replacement SSN card applications. The Process was fully implemented in February 2010. SSA also opened 14 Social Security Card Centers to improve the integrity of the SSN process.

² SSA, *POMS*, RM 10205.505 (January 15, 2010).

³ If an immigrant applies for an SSN, enumeration data are collected during the visa process. Once the individual is admitted into the United States, the Department of Homeland Security transmits enumeration data to SSA for SSN assignment. SSA, *POMS*, RM 10205.600, A (March 2, 2015).

⁴ SSA, *POMS*, GN 00205.010 (January 4, 2017). The OASDI program provides payments to wage earners and their families in the event the wage earner retires, becomes disabled, or dies. *Social Security Act*, 42 U.S.C. § 402(a-h) (govinfo.gov 2017). The SSI program provides payments to financially needy individuals who are aged, blind, or disabled. *Social Security Act*, 42 U.S.C. § 1382(a) (govinfo.gov 2017).

In 4 prior audits, we identified 784 individuals who appeared to be inappropriately receiving OASDI benefits or SSI payments under multiple SSNs.⁵ When we issued these reports, SSA had assessed about \$17.7 million in overpayments for 411 individuals; and the Agency or OI continued reviewing the remaining 373 cases.

To follow up on the status of these 784 cases, we quantified any subsequent overpayments and the amount of overpayments SSA recovered. We also obtained from OI the status of its investigations. In addition, we determined whether SSA implemented our prior audit recommendations; see Appendix A.

To identify new cases of individuals inappropriately receiving Social Security benefits under multiple SSNs, we followed the same methodology we used in our prior reports. We matched Master Beneficiary Records (MBR) and Supplemental Security Records (SSR) based on date of birth, first and last name, and/or address. We compared additional data fields from these and other SSA records. Our analysis identified 147 individuals who may have been inappropriately receiving payments under multiple SSNs. We referred these cases to OI. See Appendix B for details on our scope and methodology.

RESULTS OF REVIEW

SSA paid approximately \$46.9 million to 724 individuals who were inappropriately receiving Social Security benefits under multiple SSNs or for other reason(s).⁶ As of February 2019, SSA had improperly paid

- \$33.8 million to 577 individuals who were identified in our 4 prior audits⁷ (see Table 1) and
- \$13.1 million to 147 individuals newly identified in this audit (see page 6).⁸

For the 147 new cases, the most recent SSN involved was issued in Calendar Year (CY) 2005, over a decade ago.

⁵ SSA, OIG, *Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address*, A-01-05-25002 (April 2005); *Beneficiaries Paid Under More than One Social Security Number*, A-01-06-26022 (August 2006); *Follow-up: Individuals Receiving Benefits Inappropriately Under Multiple Social Security Numbers at the Same Address*, A-01-10-11008 (October 2011); and *Follow-up: Individuals Receiving Benefits Under Multiple Social Security Numbers at Different Addresses*, A-01-11-11145 (January 2012).

⁶ Overpayments averaged more than \$62,000 and ranged from \$19 to \$537,259. The median overpayment was about \$42,000. In FY 2018, SSA paid over \$1 trillion to over 67 million individuals. SSA, *Agency Financial Report Fiscal Year 2018*, p. 7 (November 9, 2018).

⁷ Of the \$33.8 million, \$17.7 million was previously identified in our prior audits and \$16.1 million was subsequently identified in this audit (see Table 1). Of the \$16.1 million, SSA assessed about \$13.5 million, and we estimated \$2.6 million in improper payments.

⁸ Of the \$13.1 million, SSA assessed about \$7.2 million, and we estimated \$5.9 million in improper payments for cases that continued to be reviewed by SSA or OI.

Multiple SSN Cases from the Four Prior Audits

Of the 784 cases identified in our 4 prior audits,

- 577 individuals were improperly paid \$33.8 million—of which SSA had recovered \$10.7 million as of February 2019(see Table 1), and
- 207 individuals were not improperly paid; most cases involved different people.

Table 1: Prior Audit Cases—Status as of February 2019

Audit	Initial Improper Payments (millions)	Subsequent Improper Payments (millions) ⁹	Total Cases and Improper Payments (millions)	Improper Payments Recovered (millions)
<i>Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address (April 2005)</i>	\$9.2	\$4.1	272	\$13.3
<i>Beneficiaries Paid Under More Than One Social Security Number (August 2006)</i>	\$3.1	\$5.4	126	\$8.5
<i>Follow-up: Individuals Receiving Benefits Inappropriately Under Multiple Social Security Numbers at the Same Address (October 2011)</i>	\$2.5	\$3.8	107	\$6.3
<i>Follow-up: Individuals Receiving Benefits Under Multiple Social Security Numbers at Different Addresses (January 2012)</i>	\$2.9	\$2.8	72	\$5.7
TOTAL	\$17.7	\$16.1	577	\$33.8
				\$10.7 (32%)

When we issued our prior audits, some case outcomes could not be reported because the criminal investigation or prosecution was not completed at that time. Below are some steps in the Federal criminal process; however, these steps are not an exhaustive list as some cases may be more complex than others:¹⁰

- ✓ allegation received;
- ✓ investigation conducted;
- ✓ individual charged;
- ✓ individual arraigned;
- ✓ trial held; and
- ✓ individual sentenced.

⁹ This column represents the improper payments identified after we issued the report whereas the prior column represents initial improper payments identified when we issued the report.

¹⁰ Department of Justice, *Steps in the Federal Criminal Process*, justice.gov (last visited December 19, 2018).

For the 577 cases, the \$33.8 million in improper payments occurred for several reasons, including individuals using multiple SSNs, identity theft, and administrative errors. Of the 577 cases, 116 were criminally prosecuted and 11 were assessed civil monetary penalties.¹¹ The remaining 450 cases were not prosecuted or assessed civil monetary penalties because, generally, the improper payments were below prosecution thresholds, involved identity theft, or occurred as a result of administrative errors. See Table 2 for the outcomes of the 116 cases.

Table 2: Case Outcomes

Case Outcome	Number of Cases
Guilty or No Contest	102
Settlement or Agreement	10
Dismissal	3
Not Guilty	1
Total	116

- SSA improperly paid approximately \$27 million to 426 individuals who received benefits under multiple SSNs.¹² For example, a California woman identified in our October 2011 audit obtained three SSNs using different names in 1972, 1980, and 1984. In November 1991, she began receiving disability benefits under one SSN. In November 1999, she began receiving SSI payments under another SSN. She also continued working under a third SSN. In October 2014—3 years after we issued our report—the Superior Court of California sentenced her to 3 years in State prison for Grand Theft. In addition, SSA assessed an overpayment of over \$474,000. As of February 2019, SSA had recovered over \$77,000 and waived¹³ about \$140,000 of the overpayment.

¹¹ If the U.S. Attorney’s Office formally declines a case, the Office of the Counsel to the Inspector General may impose a civil monetary penalty against individuals making false statements or representations when obtaining or retaining Social Security benefits or payments. *Social Security Act*, 42 U.S.C. § 1320(a-8) (govinfo.gov 2017).

¹² In two cases, we calculated about \$171,000 in improper payments. SSA did not assess the overpayment in one case because the beneficiary was deceased. In the other case, SSA did not assess the overpayment because it was unclear as to whether the beneficiary or some other individual had improperly taken the funds.

¹³ SSA may waive recovery of an overpayment if the person is without fault, and recovery would either defeat the purpose of the *Social Security Act* or be against equity and good conscience. *Social Security Act*, 42 U.S.C. § 404(b) (govinfo.gov 2017); 20 C.F.R. § 404.506(a) (govinfo.gov 2018); SSA, *POMS*, GN 02250.001 (October 4, 2005). Without fault means the person was blameless in the creation of the overpayment. 20 C.F.R. §§ 404.507 and 416.552 (govinfo.gov 2018); SSA, *POMS*, GN 02250.005 A.2 (October 7, 2014) and SI 02260.010 A (October 9, 2014). An overpayment waiver can also be granted for an SSI overpayment if recovery would impede effective or efficient administration of the SSI program. *Social Security Act*, 42 U.S.C. § 1383(b)(1)(B)(i) (govinfo.gov 2017); 20 C.F.R. § 416.550 (govinfo.gov 2018); SSA, *POMS*, SI 02260.001 A.1 (January 30, 2017). A waiver is a permanent write-off of the overpayment, and SSA cannot subsequently collect the waived amount by any means. SSA, *POMS*, GN 02215.235 B.4 (May 1, 2013).

In another example, a Texas woman identified in our August 2006 audit obtained two SSNs using different names in 1971 and 1987. In October 1995, she began receiving retirement benefits under one SSN. In August 2000, she began receiving retirement benefits under the other SSN. Prosecutors declined to prosecute this case; however, OI referred the case to the Office of the Counsel to the Inspector General to assess a \$30,000 civil monetary penalty in April 2007. As of February 2019, SSA had recovered about \$16,000.

- SSA improperly paid approximately \$1.2 million to 80 beneficiaries because of administrative errors. For example, in March 2003, a Texas man identified in our April 2005 audit began receiving disability benefits under one SSN. In May 2006, he began receiving disability benefits under another SSN. SSA had not issued him two SSNs. However, SSA mistakenly set up a second disability payment under an SSN that belonged to another person and differed by one digit. Per our referral, SSA corrected these records and assessed a \$22,000 overpayment. As of August 2008, SSA had recovered the \$22,000.
- SSA improperly paid approximately \$5.6 million to 69 beneficiaries because of identity theft—one of the fastest-growing crimes in the United States.¹⁴ For example, a California woman identified in our August 2006 audit assumed the identity of a Texas woman. In October 1975, she began receiving SSI payments using this identity. OI verified she was an imposter, and SSA terminated payments and calculated a \$185,000 overpayment. However, the fraudster’s identity was unknown. Therefore, this case was not prosecuted, and SSA did not assess the overpayment.
- SSA improperly paid approximately \$22,000 to two beneficiaries. In one case, OI determined the records belonged to two different beneficiaries—one of whom was incarcerated. SSA was not aware this beneficiary was in prison. Generally, Federal law prohibits payments to beneficiaries who are inmates of a public institution.¹⁵ Therefore, SSA assessed a \$6,000 overpayment, and, as of August 2006, had recovered the full overpayment amount. The other case involved a father who misused his son’s benefits and was assessed a \$16,000 overpayment. As of December 2014, SSA had recovered over \$9,000 and waived about \$7,000 of the overpayment.

In our four prior audits, we recommended SSA review, and, if needed, take corrective action on cases we identified, process multiple SSN detection matches more frequently, and further develop fraud detection matches. As of March 2019, SSA had implemented all but one—to develop a match identifying beneficiaries inappropriately receiving both OASDI and SSI benefits under different SSNs. SSA agreed with this recommendation; however, because of

¹⁴ SSA, *Understanding the Benefits*, Publication No. 05-10024, p. 4 (January 2019). In 32 of the 69 cases, SSA was unable to assess an overpayment because the fraudster’s identity was unknown. For these 32 cases, we estimated about \$2.4 million in overpayments.

¹⁵ Federal law prohibits payments to incarcerated OASDI beneficiaries who are confined for longer than 30 days in a public institution pursuant to conviction for a criminal offense and SSI recipients for any month in which they are inmates of a public institution for a full calendar month. *Social Security Act*, 42 U.S.C. § 402(x)(1) (govinfo.gov 2017) and *Social Security Act*, 42 U.S.C. § 1382(e)(1)(E) (govinfo.gov 2017).

system limitations at that time, did not implement it. See Appendix A for prior audit recommendation details.

New Multiple SSN Cases

For the 147 new cases, almost \$13.1 million in improper payments were made because individuals used multiple SSNs or stole other individuals' identities. As of February 2019, SSA had assessed about \$7.2 million in overpayments to 82 beneficiaries, and we estimated \$5.9 million was improperly paid to 65 beneficiaries.

Of the 147 new cases identified in our review, as of the date of our review, OI was still investigating 90; 48 were referred to SSA; 7 were prosecuted; and 2 were deceased.

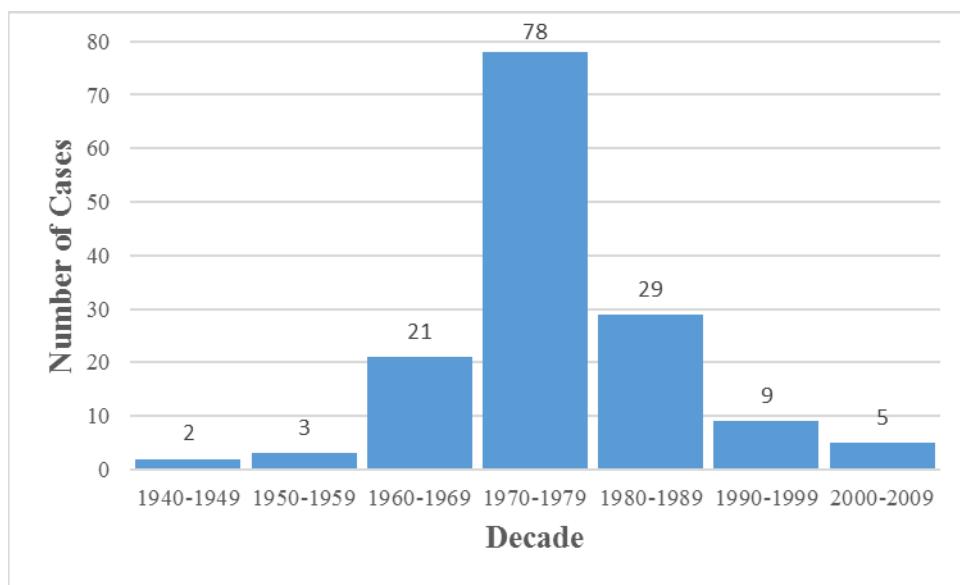
- A Washington woman obtained two SSNs using different names in 1969 and 1991. In April 2011, she began receiving retirement benefits under one SSN. In August 2013, she began receiving retirement benefits and, in September 2013, she began receiving SSI payments under the other SSN. When she filed for these benefits, she did not report the other SSN or benefit income to SSA. Although the names on the payment records were different—the addresses and telephone numbers were the same. OI confirmed these records belonged to the same woman. The U.S. Attorney's Office prosecuted this case. She pled guilty and was sentenced to 3 years' probation. In addition, SSA assessed a \$144,000 overpayment, and, as of February 2019, had recovered about \$2,600.
- An Illinois woman obtained two SSNs using different last names in 1963 and 1972. In September 2007, she began receiving retirement benefits under one SSN. In June 2008, she began receiving retirement benefits under the other SSN. When she filed for retirement benefits, she did not report the other SSN or benefit income to SSA. Although the payment records had different last names—the addresses and telephone numbers were the same. OI confirmed these records belonged to the same woman and, because the U.S. Attorney's Office declined to prosecute the individual, referred the case to SSA for administrative action. SSA corrected the records and assessed a \$99,000 overpayment. As of February 2019, SSA had recovered about \$24,000 of the overpayment.
- A Pennsylvania woman obtained two SSNs using different last names in 1967 and 1973. In June 2002, she began receiving SSI payments under one SSN. In August 2016, she began receiving retirement benefits under the other SSN. When filing for retirement benefits, she did not report the other SSN or SSI income to SSA. Although both payment records listed Pennsylvania as the State—the street addresses, ZIP codes, last names, telephone numbers, and bank accounts were different. In addition, Numident records listed the same first name, middle name, and parents' names but had different years of birth.¹⁶ As of the date of our review, OI's investigation was ongoing. If it is determined these records belong to the same individual, we estimate she was improperly paid about \$137,000.

¹⁶ SSA's Numident Master File maintains the identifying information for each numberholder.

For the 147 new cases, 27 individuals had addresses in different cities on SSA's records, and 120 individuals had addresses in the same city on SSA's records. For example, one individual had an address in Tobyhanna, Pennsylvania, for the OASDI benefits whereas the address for the SSI payments was in Cary, North Carolina—500 miles away. See Appendix C for further details about case addresses.

In addition, of the 147 new cases, the more recently issued SSN involved in each case was issued from CYs 1943 through 2005. None of the SSNs was issued in the past decade; see Figure 1.

Figure 1: Most Recent SSN Issuance by Decade



Duplicate Record Identification and Deviations

SSA systems identify duplicate OASDI or SSI records by matching records on several items, including beneficiaries' names, dates of birth, and ZIP codes—described below. However, SSA did not have a system for identifying beneficiaries who were inappropriately receiving *both* OASDI benefits and SSI payments because, according to SSA, system limitations prevented such matches between these records.

- **Master File Duplicate Detection Operation** identifies duplicate payment situations for OASDI beneficiaries. Beneficiaries identified appear to be incorrectly established on the MBR under more than one SSN. The Operation alerts are generated for records matching on first name, middle initial, last name, date of birth, and ZIP code.

- **SSI Duplicate Payment Project** identifies duplicate payment situations for SSI recipients. Recipients identified appear to have multiple SSRs under more than one SSN. Project alerts are generated for records matching on first name, last name, and same month and year of birth.¹⁷

These alerts are sent to SSA offices to review, and, if necessary, terminate the incorrect records and assess any overpayments.

Generally, SSA's systems would not have detected the 724 cases we identified because a majority received *both* OASDI benefits and SSI payments or had different names (see Table 3).

Table 3: Record Deviations*

Type of Record Deviation or Error	Prior Cases	New Cases	Total Cases	Overpayments
Different Benefits (OASDI and SSI)	299	58	357	\$21,986,000
Different Names	201	78	279	\$20,839,000
Different Date of Birth	1	0	1	\$18,000
Different ZIP Code	11	7	18	\$2,273,000
Administrative Error	34	0	34	\$374,000
No Deviation or Error	31	4	35	\$1,452,000
TOTAL	577	147	724	\$46,942,000

*Some cases had multiple deviations; however, we ranked deviations as ordered in Table 3.

In four *new* cases, beneficiary records did not appear to have deviating information. According to SSA, Agency computer matches detected three of the four cases; however, when our audit began, SSA was still processing these cases. There was no definitive timeframe for SSA to process alerts that appear to be duplicate records per internal computer matches. According to SSA, the remaining case was not detected because of changed ZIP code data at the time of its match.

For example, in March 2016, SSA computer matches identified a Tennessee man who was inappropriately receiving OASDI payments under multiple SSNs. In June 2017, he was still receiving benefits and was consequently detected by our audit. We referred this case to OI. Because it did not meet case-opening guidelines, OI referred the matter to SSA for appropriate action. In October 2017, 20 months after the Agency's computer matches detected this case, and, after we informed OI about this case, SSA stopped issuing the incorrect benefits and posted a \$10,000 overpayment. As of February 2018, SSA had recovered the \$10,000. As previously mentioned, there is no timeframe for SSA to process these types of alerts.

¹⁷ Middle name and day of birth is not included in the matching process.

SSA'S ANTI-FRAUD ENTERPRISE SOLUTION

In November 2014, SSA created the Office of Anti-Fraud Programs (OAFP) to focus on anti-fraud initiatives. As of November 2018, OAfp was implementing an Anti-Fraud Enterprise Solution (AFES)—a multi-year, multi-phase project that will replace, and expand on, SSA's anti-fraud systems. AFES is expected to integrate data from multiple sources and use predictive analytics to identify high-risk transactions for review thereby preventing fraudulent actions from advancing.

We provided OAfp our analysis for the new multiple SSN cases as well as our prior audit cases, with relevant data fields to determine whether AFES could conduct a similar analysis. AFES subject matter experts explained that, eventually, the system could conduct this analysis; however, further system development is needed to do so. When completed, SSA envisions AFES will consist of a data analytics engine, case management system, and workflow tool to assist with anti-fraud efforts.

CONCLUSIONS

SSA improperly paid approximately \$46.9 million—\$29.2 million identified in this audit and \$17.7 million identified in our prior audits—to 724 beneficiaries with multiple SSNs and for other reason(s). SSA's systems identify duplicate OASDI or SSI records by matching on names and dates of birth. SSA did not detect the majority of the cases we identified because they involved *both* OASDI benefits and SSI payments or had different names.

RECOMMENDATION

We recommend that SSA develop a match to identify and prevent beneficiaries from inappropriately receiving *both* OASDI and SSI benefits under different SSNs.

AGENCY COMMENTS

SSA agreed with our recommendation; see Appendix D.

OTHER MATTERS

During our analysis, we identified cases that were not related to this review's objective but needed corrective action, and we provided them to SSA.

- Fifty-nine OASDI auxiliary beneficiaries in current pay status whose SSNs on the MBR were incorrect because of typographical or transposition errors. It is important that SSNs be correct when SSA performs internal or external (other Federal entities and State agencies) system matches. As of September 2017, SSA had corrected the SSNs on the MBR for the 59 cases.
- Ninety individuals were entitled to benefits under multiple SSNs that were cross-referenced, but it appeared their payment information was not up-to-date on the cross-referenced records. Generally, SSA's systems automatically update and re-calculate benefit payments for cross-referenced records.¹⁸ Of the 90 cases, as of March 2019, SSA was reviewing 46, had updated 37 with the correct payment information, had documented 6 as deceased, and had determined 1 involved different individuals. In addition, SSA assessed about \$151,000 in overpayments.



Rona Lawson
Assistant Inspector General for Audit

¹⁸ We discuss this computation in the report SSA, OIG, *Supplemental Security Income Overpayments to Concurrent Beneficiaries Resulting from Incorrect Benefit Calculations*, A-06-09-29103, p. 2 (September 2009). The Social Security Act, 42 U.S.C. § 1382(a)(1) (govinfo.gov 2017).

APPENDICES

Follow-up: Individuals Who Inappropriately Received Benefits Under Multiple SSNs (A-01-16-50075)

Appendix A – PRIOR AUDIT RECOMMENDATION STATUS

For status of our prior audit recommendation to the Social Security Administration (SSA) for individuals receiving benefits under multiple Social Security numbers (SSN), see Table A–1.

Table A–1: Prior Audit Recommendation Status

Audit	Recommendation Related to Current Audit	Agency Response	Status
<i>Individuals Receiving Multiple Auxiliary or Survivor Benefits, A-01-05-25015 (March 2005)</i>	Review the Master File Duplicate Detection Operation procedures (and modify if necessary) to ensure all beneficiaries who appear to have incorrectly received multiple benefits are identified and alerted.	SSA agreed.	<p>As of July 2018, SSA had enhanced the Operation identification process to</p> <ul style="list-style-type: none">• clearly define some Master Beneficiary Record (MBR) data elements;• look at the correct MBR tags when comparing health and medical insurance data on both SSNs; and• generate a high priority, follow-up alert to the field when the initial alert was not worked. <p>SSA was considering further enhancements; however, additional systems modifications would require funding and approval of the Agency's Information Technology Advisory Board.</p>
<i>Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address, A-01-05-25002 (April 2005)</i>	Develop a match to identify and prevent beneficiaries from inappropriately receiving both Old-Age, Survivors and Disability Insurance (OASDI) and Supplemental Security Income (SSI) benefits under different SSNs.	SSA agreed.	SSA did not implement this recommendation because of system limitations.
	Run the SSI Duplicate Payment Project more frequently than once a year.	SSA agreed.	As of January 2005, SSA was running the Project quarterly.

Audit	Recommendation Related to Current Audit	Agency Response	Status
<i>Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address, A-01-05-25002 (April 2005)</i>	Ensure all beneficiaries inappropriately receiving multiple OASDI benefits at the same address are identified and appropriate action is taken.	SSA agreed.	As of February 2019, of the 784 cases identified in these 4 prior audits <ul style="list-style-type: none"> • 577 individuals were improperly paid \$33.8 million, and SSA recovered about \$10.7 million (32 percent), and
<i>Beneficiaries Paid Under More Than One Social Security Number, A-01-06-26022 (August 2006)</i>	Work with our Office of Investigations (OI) and assess overpayments where appropriate.	SSA agreed.	• 207 individuals were not improperly paid; most cases involved different people.
<i>Follow-up: Individuals Receiving Benefits Inappropriately Under Multiple Social Security Numbers at the Same Address, A-01-10-11008 (October 2011)</i>	Work with OI and assess overpayments where appropriate.	SSA agreed.	
<i>Follow-up: Individuals Receiving Benefits Under Multiple Social Security Numbers at Different Addresses, A-01-11-11145 (January 2012)</i>	Once OI completes its review of potential fraud cases, we recommend SSA take appropriate action, such as assessing overpayments, stopping benefits, etc.	SSA agreed.	

Appendix B – SCOPE AND METHODOLOGY

To accomplish our objective, we:

- Reviewed applicable sections of the *Social Security Act* and Social Security Administration (SSA) regulations, rules, policies, and procedures, as well as other applicable Federal laws and regulations.
- Reviewed prior Office of the Inspector General (OIG) reports including SSA, OIG: *Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address*, A-01-05-25002 (April 2005); *Beneficiaries Paid Under More than One Social Security Number*, A-01-06-26022 (August 2006); *Follow-up: Individuals Receiving Benefits Inappropriately Under Multiple Social Security Numbers at the Same Address*, A-01-10-11008 (October 2011); and *Follow-up: Individuals Receiving Benefits Under Multiple Social Security Numbers at Different Addresses*, A-01-11-11145 (January 2012).
- Followed up on the status of 784 prior audit cases by obtaining Master Beneficiary Records (MBR), Supplemental Security Records (SSR), Numident records,¹ and Office of Investigations' (OI) case information. Using this information, we updated prior audit cases' overpayments, recovery amounts, and investigation status. In addition, we calculated improper payments that SSA did not assess because of identity theft, death, or other reason(s).
- Identified new cases of individuals who appeared to be inappropriately receiving Social Security benefits under multiple Social Security numbers (SSN) at the same or different address. Specifically, we did the following.
 - Obtained the MBRs of Old-Age, Survivors and Disability Insurance (OASDI) primary and auxiliary beneficiaries and SSRs of Supplemental Security Income (SSI) recipients who received benefits in July 2016.² We also obtained the beneficiaries' Numident data. Using these files, we matched and compared data such as name, date of birth, birthplace, parents' names, and addresses in the
 - ✓ MBR primary beneficiary file,
 - ✓ MBR auxiliary beneficiary file,
 - ✓ MBR primary beneficiary file against the MBR auxiliary beneficiary file,
 - ✓ SSR file, and
 - ✓ MBR file against the SSR file.

¹ SSA's Numident Master File maintains the identifying information for each numberholder.

² A primary beneficiary is a Social Security numberholder entitled to benefits based on his/her own work record. An auxiliary beneficiary is someone entitled to benefits based on someone else's work record, by virtue of relationship to the numberholder. SSA, POMS, GN 03301.002 B (August 1, 2008).

- This analysis identified over 4,500 potential cases. We narrowed this population as follows.
 - Removed cases identified in our prior audits.³
 - Obtained and compared MBR, SSR, and other relevant data (earnings, living arrangements, military service, marriage data, etc.) and removed deceased individuals, twins, different people, and individuals with cross-referenced SSNs. Through this analysis, we determined the following.
 - There were 147 individuals who may have been inappropriately receiving benefits under more than 1 SSN. We referred these cases to OI for further investigation. We also requested that OI transfer cases, as needed, to SSA. We summarized OI case outcomes. In addition, we summarized improper payments the Agency assessed and estimated improper payments the Agency did not assess.
 - There were 59 MBR auxiliary beneficiaries in current pay whose own SSNs on the MBR were incorrect because of a typographical or transposition error. We referred these cases with the correct SSNs to SSA and requested the Agency update the records.
 - There were 90 individuals with cross-referenced SSNs; however, payment records appeared to be incorrect. We referred these cases to SSA for review and, if necessary, to take corrective action. We also summarized improper payments assessed by the Agency.
- Updated prior cases' recovery amounts and new cases' overpayments and recovery amounts as of February 2019.
- Provided SSA's Office of Anti-Fraud Programs (OAFP) a list of cases we identified, as well as a list of data elements we reviewed. We discussed with OFAP whether our analysis could be incorporated into its Anti-Fraud Enterprise Solution.
- Obtained from SSA information on data matches, such as the Master File Duplicate Detection Operation and SSI Duplicate Payment Project.

We conducted audit work in Boston, Massachusetts, between May 2017 and March 2019. We determined the data used for this audit were sufficiently reliable to meet our audit objective. The entities audited were the Offices of the Deputy Commissioners of Operations; Retirement and Disability Policy; and Systems.

³ SSA, OIG, *Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address*, A-01-05-25002 (April 2005); *Beneficiaries Paid Under More than One Social Security Number*, A-01-06-26022 (August 2006); *Follow-up: Individuals Receiving Benefits Inappropriately Under Multiple Social Security Numbers at the Same Address*, A-01-10-11008 (October 2011); *Follow-up: Individuals Receiving Benefits Inappropriately Under Multiple Social Security Numbers at Different Addresses*, A-01-11-11145 (January 2012); and *Cross-referred Social Security Numbers*, A-06-13-23091 (July 2017).

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix C – LOCATION OF NEW CASES

For the 147 new cases, 27 had records with addresses listed in different cities (Table C–1), and the remaining 120 had records with addresses listed in the same city (Table C–2).

Table C–1: Records with Addresses in Different Cities

Record Count	Record 1		Record 2		Estimated Miles Between Cities
	City	Jurisdiction	City	Jurisdiction	
1	Las Vegas	Nevada	San Juan	Puerto Rico	3,209
2	Marathon	Florida	Pismo Beach	California	3,036
3	Bridgeport	Pennsylvania	Yakima	Washington	2,767
4	Onawa	Iowa	Hoopo	California	1,814
5	Frederiksted	Virgin Islands	Bronx	New York	1,685
6	San Juan	Puerto Rico	New Jersey City	New Jersey	1,607
7	Bethlehem	Pennsylvania	Dallas	Texas	1,464
8	Seattle	Washington	Gallup	New Mexico	1,316
9	Chandler	Arizona	San Antonio	Texas	964
10	Green Valley	Arizona	Monterey	California	853
11	Picayune	Mississippi	Corn	Oklahoma	822
12	Tobyhanna	Pennsylvania	Cary	North Carolina	517
13	New York	New York	Elmhurst	New York	386
14	Philadelphia	Pennsylvania	Washington	District of Columbia	136
15	Chesterfield	Virginia	Portsmouth	Virginia	93
16	Medford	New York	New York	New York	58
17	Los Angeles	California	Fontana	California	50
18	Landing	New Jersey	Stirling	New Jersey	30
19	Chicago	Illinois	Lisle	Illinois	25
20	Las Vegas	Nevada	Henderson	Nevada	16
21	Brownsville	Texas	Los Fresnos	Texas	13
22	Ferndale	Michigan	Detroit	Michigan	12
23	Vancouver	Washington	Portland	Oregon	9
24	Mango	Florida	Valrico	Florida	8
25	Sayville	New York	Holbrook	New York	7
26	El Monte	California	La Puente	California	6
27	Mattapan	Massachusetts	Roxbury	Massachusetts	3

Table C–2: Records with Addresses in Same City

City	Jurisdiction	Number of Records
Albertville	Alabama	1
Anaheim	California	1
Atlanta	Georgia	2
Austin	Texas	1
Bakersfield	California	1
Baltimore	Maryland	3
Bedford Heights	Ohio	1
Bladensburg	Maryland	1
Bloomington	California	1
Bronx	New York	3
Brooklyn	New York	4
Cambridge	Massachusetts	1
Camden	New Jersey	1
Charlotte	North Carolina	1
Cherry Hill	New Jersey	1
Chicago	Illinois	11
Clarksville	Tennessee	1
Cleveland	Ohio	1
Compton	California	1
Concord	North Carolina	1
Coronado	California	1
Delray Beach	Florida	1
Detroit	Michigan	3
Dover	Delaware	1
Duluth	Georgia	1
El Sereno	California	1
Elizabeth	New Jersey	1
Erie	Pennsylvania	1
Fairburn	Georgia	1
Frederick	Maryland	1
French Settlement	Louisiana	1
Fresno	California	1
Gansevoort	New York	1
Grand Prairie	Texas	1
Greensboro	Alabama	1
Hallsville	Missouri	1
Holmes Beach	Florida	1
Killeen	Texas	1
Kissimmee	Florida	2
La Puente	California	1

City	Jurisdiction	Number of Records
Las Vegas	Nevada	1
Lawrenceville	Georgia	1
Lemon Grove	California	1
Linden	New Jersey	1
Los Angeles	California	3
Matteson	Illinois	1
Memphis	Tennessee	1
Miami	Florida	1
Monterey Park	California	1
Murrayville	Georgia	1
North Las Vegas	Nevada	1
New Hampton	New York	1
New York	New York	3
Newark	New Jersey	1
Niles	Illinois	1
North Bergen	New Jersey	1
North Fort Myers	Florida	1
Oakland	California	1
Ocean City	New Jersey	1
Orlando	Florida	4
Palisade	Nebraska	1
Palmdale	California	1
Pasadena	California	1
Philadelphia	Pennsylvania	2
Phoenix	Arizona	2
Port St. Lucie	Florida	1
Raymond	Mississippi	1
Reading	Pennsylvania	1
Redding	California	1
Reseda	California	1
Rialto	California	1
Riverside	Illinois	1
Saint Louis	Missouri	1
Salinas	California	1
San Francisco	California	1
Santa Rosa	California	1
Seattle	Washington	1
Sedalia	Missouri	1
Shirley	Massachusetts	1
Southfield	Michigan	1
Squatec	Quebec, Canada	1
St. Albans	New York	1

City	Jurisdiction	Number of Records
Toa Alta	Puerto Rico	1
Tracy	California	1
Troy	Michigan	1
Ward	Arkansas	1
Washington	District of Columbia	1
Waynesboro	Mississippi	1
Whittier	California	1
Woodhaven	New York	1
Total		120

Appendix D – AGENCY COMMENTS



SOCIAL SECURITY

MEMORANDUM

Date: March 21, 2019 Refer To: S1J-3

To: Gale S. Ennis
Inspector General

Stephanie Hall

From: Stephanie Hall
Acting Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, "Follow-up: Individuals Who Inappropriately Received Benefits Under Multiple Social Security Numbers" (A-01-16-50075) -- INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to Trae Sommer at (410) 965-9102.

SSA COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL DRAFT REPORT, "FOLLOW UP: INDIVIDUALS WHO INAPPROPRIATELY RECEIVED BENEFITS UNDER MULTIPLE SOCIAL SECURITY NUMBERS" (A-01-16-50075)

GENERAL COMMENTS

In 2010, we improved our controls through the development of a web-based Social Security number processing application that helps prevent the assignment of more than one Social Security number to an individual. As we continue to modernize our systems, we plan to standardize the data, including address information, we capture across our systems. These efforts will not only improve our internal controls, but will support the utilization of data analytics to address the conditions highlighted in this report.

Recommendation 1

We recommend SSA develop a match to identify and prevent beneficiaries from inappropriately receiving both OASDI and SSI benefits under different SSNs.

Response

We agree.

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