



# Semianual Report to Congress

April 1, 2019



September 30, 2019

# OIG BY THE NUMBERS

April 1, 2019 - September 30, 2019

**2,426**

cases opened



**2,792**

cases closed



## \$146+ Million

investigative monetary accomplishments

(includes SSA recoveries, restitution, fines, settlements, judgments, and estimated savings)

**44**



**audit reports issued**

**\$1.5+**  
**Billion**  
funds put to  
better use

**441**  
indictments  
or informations

**\$581+**  
**Million**  
questioned costs

**406,744**

allegations  
received



**39**

civil monetary penalty actions against those who  
made false statements, representations, or omissions  
to obtain, retain, or convert Social Security benefits



**\$3+ Million**  
civil monetary penalties  
and assessments

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# A MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present this Semiannual Report to Congress for the period April 1, 2019 through September 30, 2019. These 6 months have been a time of learning and analyzing—not only for me, but also for our entire organization. I have challenged our investigators, auditors, attorneys, and support staff to bring ideas to my attention that will improve our work, processes, and employee engagement, which are all critical for offices of inspector general (OIG) to be effective.

The OIG has also been challenged during this reporting period by a widespread fraud scheme misusing Social Security's trusted name. Last spring, we saw a significant spike in the number of allegations related to Social Security-related phone scams, in which callers threaten arrest or use other scare tactics to mislead victims into paying non-existent fines or debts with cash, retail gift cards, pre-paid debit cards, or wire transfers. This phenomenon, which continues to affect numerous Government agencies, shows no sign of stopping. We have seen and received many reports of public citizens losing significant sums of money to these scammers.



Therefore, during this reporting period, I have directed significant resources toward combating these scams with a collaborative approach involving our investigations, legal, communications, and information technology (IT) personnel, as well as other Government agencies and private entities. We have joint investigations ongoing with other Federal law enforcement agencies; we are in discussions with major retailers to display point-of-sale scam warnings; and we continue to work with the Social Security Administration (SSA) to reach out to the public to deliver a clear and consistent message: SSA will never demand payment with cash or retail gift cards, so hang up and ignore these fraudulent calls.

Our approach to this challenge has been one of interdisciplinary and interagency collaboration and cooperation, and I will emphasize this approach to address a range of issues going forward. We oversee an agency with the largest outlay of Federal funds, serving some of the most vulnerable people in our country. That responsibility requires an openness to new ideas and change, as well as a willingness to share expertise and resources across agencies for a common good.

I will also work to ensure that our resources support audits and investigations that will have the greatest potential impact on the integrity and effectiveness of SSA's programs and operations. We will gather and assess data and information, and draw conclusions and make decisions from that information. From third-party facilitator fraud to SSA's systems security, and everything in between, the OIG will continue to provide thorough oversight, but will strive to do so in more innovative and cost-effective ways. We are committed to making the best use of our human and financial resources to benefit Social Security and the American people.

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

Gail S. Ennis  
Inspector General



# SSA MANAGEMENT CHALLENGES

The OIG annually identifies the most significant management and performance challenges facing SSA based on legislative mandates and our audit and investigative work. Listed below is a summary of each challenge.



## IMPROVE ADMINISTRATION OF THE DISABILITY PROGRAM

The Agency continues to face challenges with pending initial disability claims and pending hearings, as well as hearings processing times. While pending levels and hearings timeliness have improved in recent years, SSA has not achieved its average hearings processing time goal of 270 days. Average processing time for hearings increased 65 percent from 360 days in Fiscal Year (FY) 2011 to 595 days in FY 2018, but it improved to 506 days in FY 2019. Also, few Ticket-eligible beneficiaries used their Tickets for vocational or employment services. To improve administration of the disability program, we believe SSA needs to 1) implement and monitor its Compassionate and REsponsive Service initiative, designed to improve timeliness and reduce the hearings backlog; 2) focus resources on capacity issues to better balance processing times and hearing office workloads. In addition, SSA should continue to create new opportunities for returning beneficiaries to work and ensure measurement of costs, savings, and effectiveness are part of the design of such initiatives. In FY 2019, we completed nine audits in this area and, as of October 2019, we have six reviews ongoing.



## MINIMIZE PAYMENT ERRORS AND IMPROVE MANAGEMENT OF PAYMENT WORKLOADS<sup>1</sup>

SSA issues monthly payments to over 70 million people and must be a responsible steward of the funds entrusted to its care by minimizing the risk of making improper payments, and effectively managing payment workloads. In FY 2018, SSA estimated computation errors resulted in \$942 million in over- and underpayments, and verification deficiencies resulted in nearly \$1 billion in overpayments. Improper payments can also result from inadequate management and processing of payment workloads. SSA has taken steps to minimize payment errors and improve management of payment workloads, but we believe the Agency needs to 1) do more to address the root causes of improper payments; 2) enhance accountability through program and automation improvements; 3) ensure staff have adequate training and technology; and 4) periodically review manual processes to determine whether they can be automated to reduce computation errors. In FY 2019, we completed 11 audits in this area and, as of October 2019, we have 19 reviews ongoing.



## IMPROVE THE PREVENTION, DETECTION, AND RECOVERY OF IMPROPER PAYMENTS<sup>1</sup>

SSA is responsible for issuing over \$1 trillion in benefit payments, annually. Given the amounts involved, even the slightest error in the overall payment process can result in millions of dollars in over- or underpayments. Preventing, detecting, and recovering improper payments continues to be a challenge. In its FY 2019 Agency Financial Report, SSA estimated it had made approximately \$8.2 billion in improper payments in FY 2018. The Agency continues collaborating with external partners to address the root causes of improper payments to prevent their recurrence, and modernize its debt management and collection processes. We believe SSA needs to 1) prevent improper payments through automation and data analytics, identifying changes that affect benefit payments; 2) expand efforts to collect data from reliable third-party sources that would aid SSA in mitigating discrepancies that can occur when beneficiaries and recipients self-report information; and 3) develop new initiatives to address improper payments. In FY 2019, we completed 15 audits in this area and, as of October 2019, we have 8 reviews ongoing.



## IMPROVE SERVICE DELIVERY<sup>2</sup>

SSA faces several challenges as it pursues its mission to deliver quality service to the public. SSA estimates, in FY 2020, it will pay over \$1 trillion in Old-Age, Survivors and Disability Insurance (OASDI) benefits to 65 million beneficiaries and nearly \$60 billion in Supplemental Security Income (SSI) payments to 8 million recipients. The Agency expects to process, among other workloads, 8.7 million initial OASDI and SSI claims, and 100 million post-entitlement actions. SSA faces growing workloads, but expects that more than 10,000 of its almost 61,000 employees will retire within the next 5 years. SSA continues expanding its suite of automated and on-line service options, but we continue to have concerns

1. For FY 2020, we split the prior management challenge, *Reduce Improper Payments and Increase Overpayment Recoveries*, into two challenges: *Minimize Payment Errors and Improve Management of Payment Workloads* and *Improve the Prevention, Detection, and Recovery of Improper Payments*.

2. We renamed the challenge *Improve Customer Service* to *Improve Service Delivery* to shift focus toward how SSA delivers services and will be able to deliver services in the future.



about identity authentication for on-line transactions. Finally, the Agency must focus on strengthening its representative payment program, to ensure the protection of its most vulnerable customers. The Agency must continue to implement the provisions of the *Strengthening Protections for Social Security Beneficiaries Act of 2018*. In FY 2019, we completed nine audits in this area and, as of October 2019, we have three reviews ongoing.

## **SECURE INFORMATION SYSTEMS AND PROTECT SENSITIVE DATA<sup>3</sup>**

Information breaches at several Federal agencies have underscored the importance of securing Federal systems and protecting sensitive information. SSA houses sensitive information about every individual who has been issued a Social Security number (SSN). It is imperative that SSA have a robust information security program, yet auditors have identified weaknesses that, when aggregated, created a significant deficiency in SSA's overall information systems security program. In the most recent report for SSA's compliance with the Federal Information Security Modernization Act of 2014, Grant Thornton LLP identified a number of deficiencies that may limit SSA's ability to protect the confidentiality, integrity, and availability of SSA's information systems and data. To address this significant challenge, SSA must 1) address the deficiencies identified by the independent auditor; 2) ensure its electronic services are secure and comply with Federal security requirements; 3) continue to be vigilant in protecting SSN and ensure any electronic applications related to SSN card issuance include effective authentication; and 4) improve wage reporting by informing employers about potential SSN misuse cases, identifying and resolving employer reporting problems, re-examining the validity and integrity checks used to prevent suspicious W-2s from being posted, and encouraging greater use of SSA's employee verification programs. In FY 2019, we completed three audits in this area and, as of October 2019, we have seven reviews ongoing.

## **MODERNIZE INFORMATION TECHNOLOGY**

SSA must modernize its IT infrastructure to accomplish its mission despite budget and resource constraints. SSA's aging infrastructure is increasingly difficult and expensive to maintain; the Agency continues relying on outdated applications and technologies to process its core workloads. In addition, the Agency requires modern software engineering tools and skills that could make its operations more efficient. SSA reports that budget constraints have forced it to use much of its IT funding to operate and maintain existing systems. Still, to ensure the Agency can keep pace with increasing workloads, it must maintain its legacy systems while developing their modern replacements. For several years, SSA has worked incrementally to modernize its IT infrastructure. The Agency's Chief Information Officer has acknowledged the Agency must undertake a larger, multi-year effort. However, SSA faces challenges in executing and implementing major IT projects and delivering expected functions on-schedule and within budget. For example, SSA estimated its costs for its Disability Case Processing System through FY 2022 would be approximately \$191 million, and the Agency still needs to develop functionality and implement the system in 21 disability determination services (DDS). To address its modernization challenges, SSA needs to 1) prioritize modernization activities to ensure available resources lead to improvements with the greatest impact on SSA's operations and the service it provides the public; and 2) ensure its IT planning and investment control processes are effective. Since FY 2018, we completed three audits in this area and, as of October 2019, we have two reviews ongoing.

3. For FY 2020, we eliminated the management challenge *Strengthen the Integrity and Protection of the Social Security Number*, incorporating all related audit work into the challenge *Secure Information Systems and Protect Sensitive Data*.



# HIGH-IMPACT INITIATIVES

## SOCIAL SECURITY-RELATED SCAM OUTREACH AND INVESTIGATIVE EFFORTS

During this reporting period—and since Fall 2018—we have seen a dramatic increase in allegations related to Social Security phone scams. These scams use Social Security's good name to scare victims into providing bank account numbers or money via gift cards, pre-paid debit cards, wire transfers, or cash. Although the scams generally do not involve Social Security benefits, the scams have the potential to negatively impact the public's trust in Social Security, and they hinder the Agency's ability to communicate with its customers. As a result, we have directed significant resources to a multi-disciplinary effort to 1) increase public awareness and 2) combat the scams through investigations and liaison with public and private entities.

- To increase public awareness, we conducted an outreach campaign to major retail, gift card, and internet search companies to inform them about the dramatic increase in scams and the potential for fraud losses for their customers. We are asking for their cooperation in warning their customers about these scams. During this reporting period, Wal-Mart began showing an SSA scam warning sign on large-screen televisions in almost half of their U.S. stores, in rotation with other anti-fraud messages and videos.
- To combat the scams, we have initiated a number of criminal investigations, and are working with the Department of Justice (DOJ) as well as other Federal law enforcement agencies. These investigations are ongoing, and we continue to analyze allegations and pursue investigative leads. We are also working with public and private entities to reduce scammers' ability to "spoof" legitimate Government phone numbers.

## COOPERATIVE DISABILITY INVESTIGATIONS EXPANSION

The Cooperative Disability Investigations (CDI) Program continues to be one of our most successful anti-fraud initiatives, contributing to the integrity of the Agency's disability programs. CDI, established in 1997, combines resources and expertise from SSA, OIG, state disability determination agencies, and State or local law enforcement, to investigate and deter Social Security disability fraud.

During this reporting period, we and SSA opened three CDI Units, in Bismarck, North Dakota; Boise, Idaho; and Helena, Montana. In addition, the Puerto Rico CDI Unit began receiving fraud referrals from the U.S. Virgin Islands.

For the reporting period, CDI investigations provided evidence that led to

- 1,388 disability claims being denied or ceased;
- \$78,267,788 in projected savings for SSA programs; and
- \$89,648,159 in projected savings for non-SSA programs.

CDI now has 46 units covering 40 states, the District of Columbia, and the Commonwealth of Puerto Rico. It also covers the U.S. territories of Guam, American Samoa, the Northern Mariana Islands, and the U.S. Virgin Islands. SSA and OIG will continue to work with its State and local partners to expand CDI coverage for all 50 states by 2022, as required by the *Bipartisan Budget Act of 2015*.

## LAW ENFORCEMENT TASK FORCE PARTICIPATION

The SSA OIG recognizes the critical need to have productive partnerships with other Federal, State, and local law enforcement agencies, to share information; cooperate on issues of overlapping jurisdiction or mutual concern; and combine expertise and resources to pursue fraud wherever we find it. To this end, we are active participants on law enforcement task forces across the country, including Federal Bureau of Investigations' joint terrorism task forces, Homeland Security Investigations' document and benefit fraud task forces, DOJ's elder justice task forces, and U.S. Marshals Service's fugitive task forces. These national, regional, and local task forces facilitate information sharing and combine resources of Federal, State, and local agencies to combat fraud and protect our communities.

We further contribute to the safety of our local communities through our Fugitive Felon Program, working with SSA to help Federal, state, and local law enforcement agencies locate individuals with outstanding warrants. During the reporting period, we referred 71,695 cases to law enforcement agencies to assist in their efforts to locate these individuals. We also may participate in apprehensions resulting from our Fugitive Felon Program referrals. For example, in July 2019, our Ashland, Virginia office, working with the Capital Area Regional Fugitive Taskforce, arrested Montrell Whitaker, a former SSI recipient wanted by the State of North Carolina for murder and kidnapping.



# AUDIT – Highlights



44  
Reports Issued



\$581,061,147  
Questioned Costs



\$1,589,293,063  
Funds Put to  
Better Use

## FOLLOW-UP: INDIVIDUALS WHO INAPPROPRIATELY RECEIVED BENEFITS UNDER MULTIPLE SOCIAL SECURITY NUMBERS

**OBJECTIVE:** Update prior, and identify new, cases of individuals who inappropriately received Social Security benefits under multiple SSNs. **RESULTS:** SSA's systems identify duplicate OASDI or duplicate SSI records by matching names and dates of birth. 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 did not detect the majority of the cases we identified because they involved both OASDI benefits and SSI payments or had different names. [We recommended, and SSA agreed](#), to develop a data match to identify and prevent beneficiaries from inappropriately receiving both OASDI and SSI benefits under different SSNs.

## THE SOCIAL SECURITY ADMINISTRATION'S USE OF AVERAGING WHEN IT DETERMINED SUBSTANTIAL GAINFUL ACTIVITY FOR DISABLED BENEFICIARIES

**OBJECTIVE:** Determine whether SSA policy for averaging earnings ensured staff made accurate and consistent substantial gainful activity determinations. **RESULTS:** Based on our sample results, we estimated SSA applied averaging provisions inconsistently or incorrectly to more than 30,000 beneficiaries, leading to questionable benefit payments totaling almost \$419 million. [SSA agreed with our recommendation](#) to establish objective criteria for staff to follow when averaging earnings to minimize inequity and unfairness in its determinations.

## WINDFALL ELIMINATION PROVISION EXEMPTIONS

**OBJECTIVE:** Determine whether SSA correctly exempted OASDI benefits using three specific exemptions under the Windfall Elimination Provision. **RESULTS:** Based on our sample results, we estimate SSA improperly paid approximately 3,600 beneficiaries \$118 million. Because of its administrative finality rules, SSA may not correct all the payment errors we identified. We previously recommended SSA take action regarding administrative finality, and SSA reported it was finalizing changes to the administrative finality policies and procedures. However, as of April 2019, the Agency had not changed its policies and procedures. If it does not take corrective action, we estimate the Agency will improperly pay an additional \$140 million in future payments to these beneficiaries. We recommended SSA review cases we identified in our audit, instruct staff to review policies and procedures, and finalize changes to its administrative finality policy. [SSA agreed to implement the recommendations](#).

## THE SOCIAL SECURITY ADMINISTRATION'S PROCESSING OF RETURNED OLD-AGE, SURVIVORS AND DISABILITY INSURANCE PAYMENTS

**OBJECTIVE:** Determine whether SSA processed returned OASDI benefits according to policy. **RESULTS:** Based on our sample results, we project there were 19,700 beneficiaries with returned OASDI benefits in Calendar Years 2015 through 2017 that SSA did not process according to policy, which resulted in approximately \$54.8 million in improper payments. These improper payments occurred because SSA made errors when it (1) determined the total amount of benefits due after payments were returned or (2) failed to verify and/or update beneficiary information so it could determine whether to reissue any portion of the returned benefits. [We recommended](#), and SSA agreed to, establish a process to review all returned OASDI payments greater than \$90,000, improve its controls over processing returned OASDI payments, and issue a reminder to employees on how to determine the appropriate action for returned OASDI payments.

## OVERPAYMENTS PENDING COLLECTION FOR MISCELLANEOUS REASONS

**OBJECTIVE:** Determine whether SSA should have resolved OASDI overpayments that were pending collection for miscellaneous reasons. **RESULTS:** Based on our sample results, we estimate there are approximately 2,600 debtors with overpayments totaling approximately \$35.4 million on the Master Beneficiary Record that SSA has not resolved or initiated/resumed collection for longer than 1 year. We made four recommendations to SSA, including to identify and resolve all debtors with a miscellaneous due process status for longer than 1 year; establish timeliness standards for resolving overpayments in a due process status; and regularly monitor the debt management database, and build controls into the modernized debt system, to ensure employees take appropriate action for overpayments in a due process status. [SSA agreed with three of our four recommendations](#); it did not agree to establish timeliness standards.

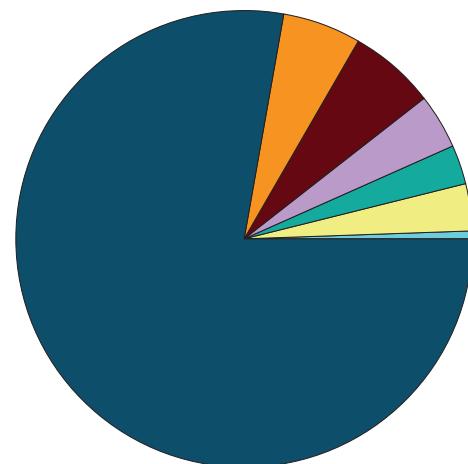


# INVESTIGATIONS - Highlights

**Total Allegations Received- 406,744**

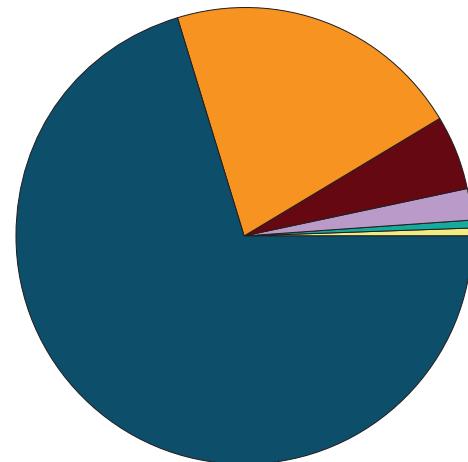
## By Category

- █ Social Security-related Scam<sup>1</sup> - **316,675**
- █ Old-Age and Survivors Insurance - **22,549**
- █ Disability Insurance - **25,015**
- █ SSI Disability and SSI Aged - **15,873**
- █ Social Security Number Misuse - **11,763**
- █ Other<sup>2</sup> - **13,137**
- █ Threats/Employee Safety and Employee-Related - **1,732**



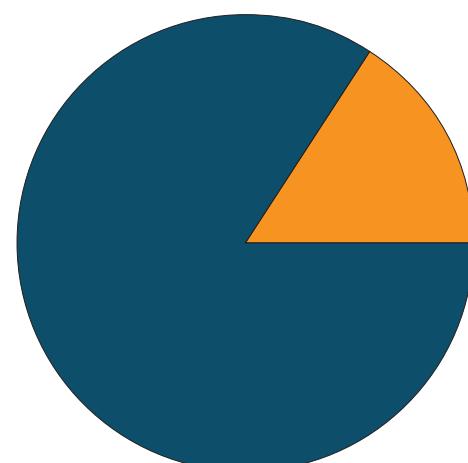
## By Source

- █ Private Citizens - **317,352**
- █ SSA and DDS Employees - **62,339**
- █ Anonymous - **17,016**
- █ Beneficiaries - **7,101**
- █ Law Enforcement - **1,854**
- █ Public Agencies and Other Sources<sup>3</sup> - **1,082**



## By Method

- █ Hotline<sup>4</sup> - **342,514**
- █ Non-Hotline<sup>5</sup> - **64,230**



1. Social Security-related scams refer to those who misuse Social Security's name to commit fraud.

2. Most of these allegations were determined to be unrelated to fraud, waste, or abuse in SSA programs or operations.

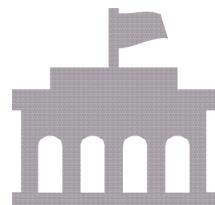
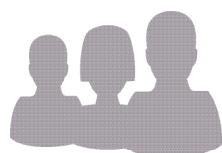
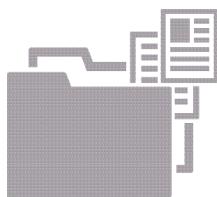
3. This includes, but is not limited to, Congress, Financial Institutions, Contractors/Grantees, Employee of Contractor, and Employee of Subject

4. Hotline allegations include those submitted through mail, phone, fax, and our [website](#); as well as any other allegations processed by 1) the National Center for Disaster Fraud pursuant to the SSA OIG cooperative agreement or 2) SSA OIG's Allegation Management and Fugitive Enforcement Division.

5. Non-hotline allegations include those submitted through the SSA electronic programmatic fraud referral form and those entered directly into SSA OIG's National Investigative Case Management System by the Office of Investigations, received from sources including, but not limited to, Congressional representatives and staff and other Federal, State, or local agencies.



## Investigative Achievements



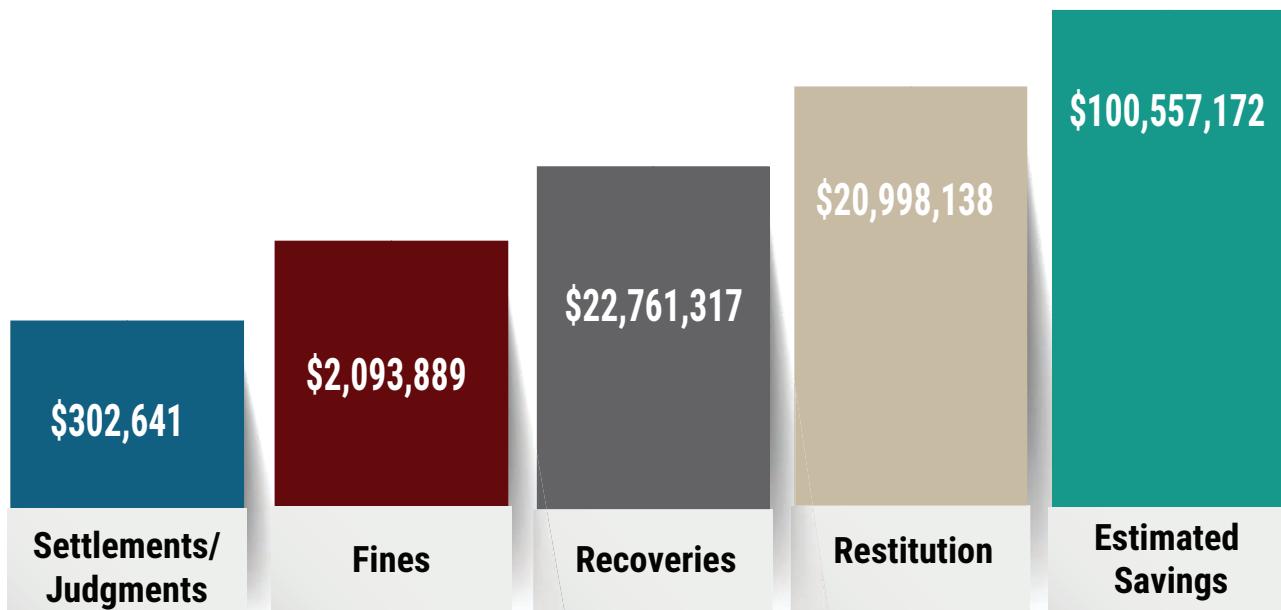
**2,177**  
Investigative Reports  
Issued<sup>1</sup>

**773**  
Persons Referred  
to Department of  
Justice for Criminal  
Prosecution<sup>2</sup>

**94**  
Persons Referred to State  
and Local Prosecuting  
Authorities for Criminal  
Prosecution<sup>3</sup>

**441**  
Indictments and  
Criminal Informations<sup>4</sup>

## Investigative Monetary Accomplishments



**TOTAL - \$146,713,157**

1. Total number of summary reports of investigative findings issued externally by the Office of Investigations, including prosecution referrals, reports of employee investigation, reports of special investigation, and reports of findings by a CDI unit.

2. Total number of individual subjects or entities referred to the DOJ where the investigative findings were not subject to pre-established prosecution declination guidelines.

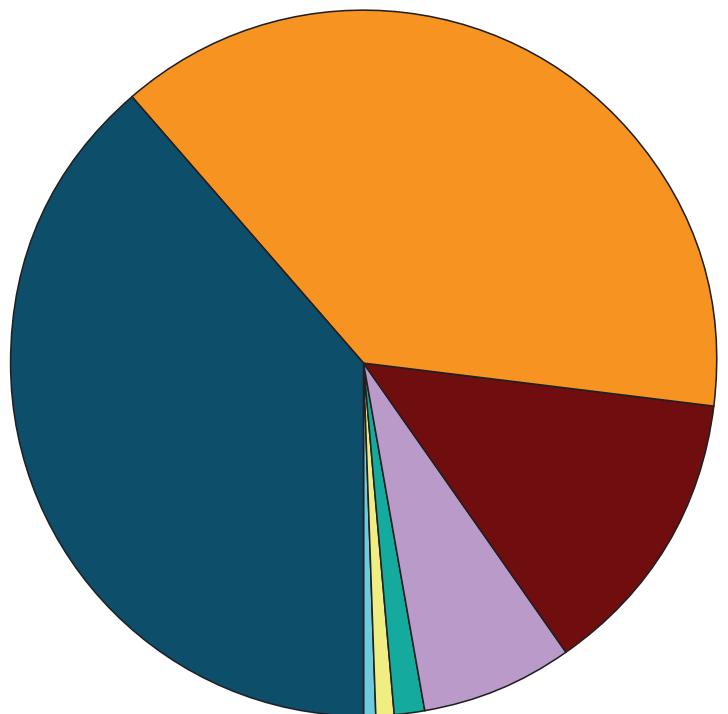
3. Total number of individual subjects or entities referred to State and local prosecuting authorities where the investigative findings were not subject to pre-established prosecution declination guidelines. These persons may also have been referred to DOJ.

4. Total number of initial indictment or criminal information filings per subject. Subsequent or superseding indictments or criminal informations related to the same subject are not included.

## Total Cases Opened - 2,426

### by Program Category

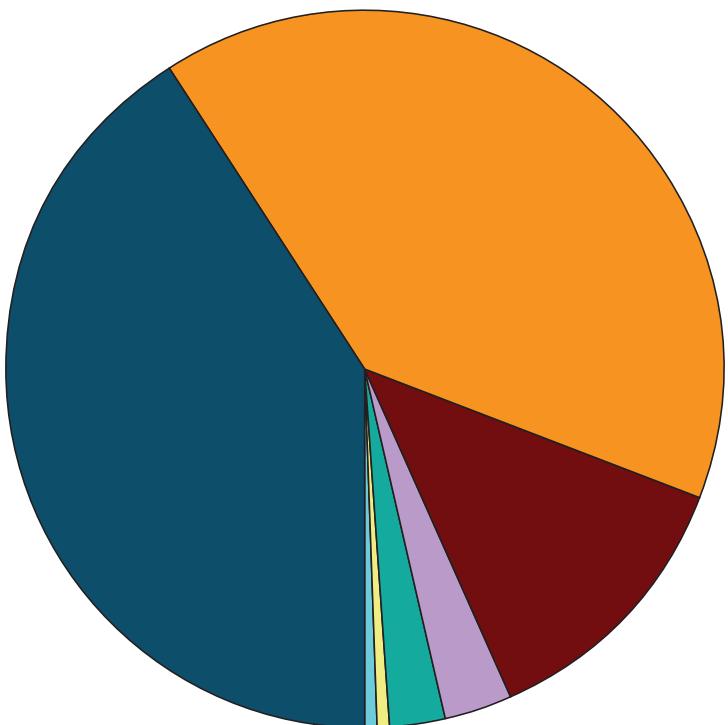
- Disability Insurance - **940**
- Supplemental Security Income - **930**
- Old-Age and Survivors Insurance - **322 Social**
- Security Number Misuse - **169**
- Other<sup>1</sup> - **37**
- Employee Safety - **18**
- Employee Fraud - **10**



## Total Cases Closed - 2,792

### by Program Category

- Disability Insurance - **1,147**
- Supplemental Security Income - **1,111**
- Old-Age and Survivors Insurance - **348 Social**
- Security Number Misuse - **91**
- Other<sup>1</sup> - **68**
- Employee Safety - **19**
- Employee Fraud - **8**



1. Category includes investigations representing less than 1% of total; for example, false personation and other issues unrelated to SSA's programs or operations.



# INVESTIGATIONS – Highlights



**940**  
Cases  
Opened



**1,147**  
Cases  
Closed



**930**  
Cases  
Opened



**1,111**  
Cases  
Closed

## DISABILITY INSURANCE FRAUD

### PSYCHIATRIST STEALS OVER \$1 MILLION

Acting on information received from the Florida Department of Insurance Fraud, our Ft. Lauderdale, Florida office, along with the Internal Revenue Service Criminal Investigation Division, investigated a 58-year-old Disability Insurance (DI) beneficiary, who was also receiving private insurance disability benefits. The investigation revealed that, from approximately January 2006 through March 2013, the man concealed his work activity as a psychiatrist. The investigation further revealed that the man took steps to conceal his earnings, including creating fictitious corporations and filing fraudulent income tax returns. The man pleaded guilty to mail fraud, theft of Government funds, Social Security fraud, and income tax evasion. In April 2019, he was sentenced to 51 months in prison and 3 years of supervised release. He was also ordered to pay over \$1 million in restitution, including \$451,026 to SSA.

### NEW JERSEY MAN STEALS DISABILITY BENEFITS

Acting on a referral from the Newark, New Jersey SSA office, our Iselin, New Jersey office investigated a 63-year-old DI beneficiary. The investigation revealed that the man fraudulently obtained multiple SSNs and, from approximately 2002 to 2012, used them to conceal his work activity and income from SSA while collecting DI. The man pleaded guilty to Social Security fraud and theft of Government funds. In September 2019, he was sentenced to 3 years of probation with a special condition of 8 months of home confinement. He was also ordered to repay \$221,364 to SSA.

## SUPPLEMENTAL SECURITY INCOME FRAUD

### EMPLOYEE OF ORGANIZATIONAL PAYEE STEALS SUPPLEMENTAL SECURITY INCOME PAYMENTS

Acting on information provided by the Tuscaloosa, Alabama SSA office, our Birmingham, Alabama office investigated a 42-year-old employee of an organization that served as representative payee for multiple SSI recipients. The investigation determined the woman took and converted to her own use the SSI payments received by the organizational representative payee on behalf of the organization's clients. The investigation also found that the woman transferred money between clients' accounts in an attempt to conceal the theft. The woman pleaded guilty to wire fraud and, in August 2019, she was sentenced to 12 months and 1 day in prison and 3 years of supervised release. She was also ordered to repay \$105,166 to SSA.

### TRAVEL AGENT DEFRAUDS CUSTOMERS AND SSA

Based on a referral received from the U.S. Attorney's Office, Middle District of Florida, our Jacksonville, Florida office, along with the U.S. Secret Service, investigated a 59-year-old SSI recipient. The investigation determined that, from approximately June 2005 to February 2009, the woman concealed from SSA her work activity as a travel agent. In addition, the woman made fraudulent charges on credit cards belonging to customers of the travel agency. The woman became a fugitive when a warrant was issued for her arrest in 2009; she was located and arrested in October 2018. The woman subsequently pleaded guilty to access device fraud and theft of Government funds. In June 2019, she was sentenced to 113 months and 17 days in prison and 3 years of supervised release. She was also ordered to repay \$53,108 to SSA, \$36,392 to a cruise line, and a total of \$4,169 to three private citizens.



# INVESTIGATIONS – Highlights



**322**  
Cases  
Opened



**348**  
Cases  
Closed



**169**  
Cases  
Opened



**91**  
Cases  
Closed

## **OLD-AGE AND SURVIVORS INSURANCE FRAUD**

### **WOMAN STEALS DECEASED GREAT-GRANDMOTHER'S RETIREMENT BENEFITS**

Acting on a referral from the Railroad Retirement Board (RRB) OIG, our Los Angeles, California office, along with the RRB OIG, investigated the 47-year-old great-granddaughter of a woman who was receiving both Social Security and RRB retirement benefits. The investigation revealed that, after her great-grandmother's death in January 2000, the great-granddaughter continued to receive and use the Social Security and RRB benefits disbursed for her great-grandmother. The woman pleaded guilty to Social Security fraud and, in April 2019, she was sentenced to 12 months and 1 day in prison and 2 years of supervised release. She was also ordered to repay \$99,086 to SSA and \$92,749 to RRB.

### **MAN STEALS OVER \$400,000 FROM SSA**

Based on information provided by the Mountain View, California SSA office, our San Francisco, California office investigated the 66-year-old son of a Social Security retirement beneficiary. The investigation determined that following his mother's death in December 1987, the son continued to receive and use the Social Security benefits intended for his mother. The son pleaded guilty to Social Security fraud and, in July 2019, he was sentenced to 18 months in prison and 3 years of supervised release. He was also ordered to repay \$407,007 to SSA.

## **SOCIAL SECURITY NUMBER MISUSE**

### **WOMAN USES THE IDENTITIES OF OTHERS TO STEAL FOOD STAMP BENEFITS**

Acting on information from the U.S. Attorney's Office, our Kansas City, Missouri office, along with the Missouri Department of Social Services, investigated a 36-year-old Missouri woman. The investigation determined that the woman used the personally identifiable information of other people to fraudulently obtain Federally funded Supplemental Nutrition Assistance Program benefits. The woman pleaded guilty to mail fraud, Social Security fraud, and aggravated identity theft. In June 2019, she was sentenced to 74 months in prison and 3 years of supervised release. She was also ordered to pay \$51,685 to the Missouri Department of Social Services.

### **DOMINICAN NATIONAL USES STOLEN IDENTITY TO STEAL BENEFITS AND OBTAIN A U.S. PASSPORT**

Acting on a request for assistance from the U.S. Department of State, Diplomatic Security Service, our Santa Ana, California office, along with the Diplomatic Security Service, investigated a 43-year-old national of the Dominican Republic. The investigation determined that the man used the personally identifiable information of a U.S. citizen to fraudulently obtain DI benefits and a U.S. passport. The man pleaded guilty to aggravated identity theft and, in June 2019, he was sentenced to 24 months in prison and 1 year of supervised release. He was also ordered to repay \$73,234 to SSA.



# INVESTIGATIONS – Highlights



**18**  
Cases  
Opened



**19**  
Cases  
Closed



**10**  
Cases  
Opened



**8**  
Cases  
Closed

## EMPLOYEE SAFETY

### MAN THREATENS TO KILL DISABILITY DETERMINATION SERVICES EMPLOYEE

Based on information provided by the Knoxville, Tennessee, SSA office, our Nashville, Tennessee office, together with the Federal Protective Service (FPS), investigated a 53-year-old applicant for DI benefits. The investigation found that the man threatened to kill a DDS employee after learning that his DI application would be denied. The man pleaded guilty to intimidating an employee or contractor of SSA acting in an official capacity. In September 2019, he was sentenced to 3 years of probation.

### MAN THREATENS TO SHOOT DDS EMPLOYEES

Acting on information provided from the DDS Kalamazoo, Michigan office, our Grand Rapids, Michigan office, along with the FPS, investigated a 55-year-old applicant for DI benefits. The investigation determined that the man threatened to obtain a firearm and shoot everyone at the Kalamazoo, Michigan office if his application for DI benefits was denied. The man pleaded guilty to sending threatening interstate communications and, in August 2019, he was sentenced to 12 months and 1 day in prison and 2 years of supervised release.

## EMPLOYEE FRAUD

### SSA EMPLOYEE MISUSES GOVERNMENT CREDIT CARDS

Based on information provided by the SSA hearing office in Memphis, Tennessee, our Memphis office investigated an SSA hearing office system administrator. The investigation revealed that the employee misused General Services Administration (GSA) Fleet Services credit cards to purchase fuel for her personal vehicle. The woman pleaded guilty to theft of Government funds. In April 2019, she was sentenced to time served of 1 day incarceration and 2 years of supervised release with a special condition of 4 months of home confinement. She was also ordered to repay \$7,224 to GSA.

### SSA EMPLOYEE STEALS DISABILITY BENEFITS

Acting on information provided by the SSA Wilkes-Barre Direct Operations Center, our Greensboro, North Carolina office investigated an SSA customer service representative. The investigation found that the man made false and misleading entries into SSA records resulting in the issuance of a retroactive DI benefit payment to be made on behalf of a beneficiary. The man caused the payment to be deposited into a bank account controlled by an associate of his who subsequently stole the funds. The man pleaded guilty to theft of Government funds and, in August 2019, he was sentenced to 8 months in prison and 1 year of supervised release. He was also ordered to repay \$29,760 to SSA.



# LEGAL – Highlights



**39**

Section 1129  
Cases Resolved



**\$3,105,366**  
Section 1129  
Penalties and  
Assessments  
Imposed



**8**

Section 1140  
Cases Resolved



**99**

Section 1140  
Prevention/Early  
Intervention Efforts

OIG attorneys perform a wide range of legal work that supports the OIG's oversight efforts. For example, they provide independent legal advice and counsel to the Inspector General (IG) on issues involving statutes, regulations, legislation, and policy directives, and the legal implications of audit and investigative activities. They also administer the SSA's Civil Monetary Penalty (CMP) Program and coordinate our whistleblower protection coordinator efforts, as described below.

## CIVIL MONETARY PENALTY PROGRAM

SSA's CMP program, delegated to the OIG, allows the IG to impose CMPs for certain violations of the *Social Security Act*. The CMP program permits the OIG to maximize our enforcement impact by creating an effective alternative when criminal or civil prosecution is not appropriate or feasible.

**Section 1129** of the *Social Security Act*, as amended, authorizes a CMP against anyone who:

- makes false statements to SSA, or knowingly withholds material facts from SSA, to obtain or retain benefits or payments under Titles II, VIII, or XVI of the *Social Security Act*; or
- wrongfully converts a beneficiary's payments while acting as a representative payee.

We are authorized to impose penalties of up to \$8,457 for each false statement, representation, omission, or conversion. Violators may also be subject to an assessment, in lieu of damages, of up to twice the amount of any resulting overpayment or conversion.

During this reporting period, we resolved 39 Section 1129 CMP cases, imposing more than \$3.1 million in penalties and assessments. In one case, the subject wrongfully received \$52,433 in SSI payments by concealing the ownership, related management and work activities of a lawn care business. We obtained a default judgment imposing a \$55,000 penalty and an assessment equal to the SSI overpayment, for a total CMP of \$107,433.

**Section 1140** of the *Social Security Act* prohibits people and companies from misleading consumers by giving a false impression of an official association with, or endorsement by the SSA, when communicating with the public. The focus of our Section 1140 consumer protection program is prevention and early intervention. We help to minimize harm to the public and SSA's reputation by alerting entities of Section 1140's prohibitions, and giving them a chance to comply. During the reporting period, we contacted the owners of 99 SSA-related domain names to educate them about the prohibitions and penalties for violating Section 1140, and where they can find additional information.

We are authorized to impose CMPs of up to \$10,519 for each misleading communication. During this reporting period, two related background screening companies, Trak-1 Technology, Inc. and PeopleFacts, LLC, agreed to pay jointly a \$103,950 penalty to resolve the government's claim that they misled consumers by including an image of the SSA's official seal in customer reports. Both companies cooperated with OIG, voluntarily discontinuing their use of the SSA's seal when notified of the government's inquiry. Under the settlement agreement, the companies did not admit to violating the law, but did agree to pay the penalty.

## WHISTLEBLOWER PROTECTION COORDINATION

The Chief Counsel to the IG serves as the Whistleblower Protection Coordinator for SSA, pursuant to the *Whistleblower Protection Coordination Act*. OIG attorneys assist in this role by maintaining the whistleblower section of our website and educating employees on 1) their rights and responsibilities and 2) procedural frameworks for reporting misconduct and protecting employees against retaliation. During this reporting period, we published a whistleblower edition of an internal newsletter and designed a new poster emphasizing the importance of whistleblowers to ensuring SSA's organizational integrity. The poster is on the OIG's website and available to SSA's components. To enhance whistleblower protection, the OIG updated its Special Agent Handbook to establish new procedural policies that underscore the Inspector General's commitment to protecting whistleblowers from retaliation. Also, the Office of Special Counsel (OSC) presented at an OIG manager's conference about OSC's evolving role in monitoring compliance and effectiveness of agency-specific whistleblower program implementation. OSC's presentation included extensive discussion of recent legislation and other emerging issues related to prohibited personnel practices.



# **APPENDICES**

# REPORTING REQUIREMENTS

This report meets the requirements of the *Inspector General Act of 1978*, as amended, and includes information mandated by Congress.

Section	Requirement	Page(s)
Section 4(a)(2)	Review of legislation and regulations	Appendix J p. 41
Section 5(a)(1)	Significant problems, abuses, and deficiencies	p. 8, p. 9
Section 5(a)(2)	Recommendations concerning significant problems, abuses, and deficiencies	p. 8
Section 5(a)(3)	Recommendations described in previous Semiannual Reports on which corrective actions are incomplete	Appendix D & E p. 27, p. 31
Section 5(a)(4)	Matters referred to prosecutive authorities and the prosecutions and convictions that have resulted	p. 9
Section 5(a)(5) & Section 6(b)(2)	Summary of instances where information was refused	Appendix C p. 26
Section 5(a)(6)	List of audits	Appendix B p. 21
Section 5(a)(7)	Summary of significant reports	p. 8
Section 5(a)(8)	Table showing the total number of audit reports and total dollar value of questioned costs	Appendix A & B p. 19, p. 21
Section 5(a)(9)	Table showing the total number of audit reports and total dollar value of funds put to better use	Appendix A & B p. 19, p. 21
Section 5(a)(10)	Audit recommendations more than 6 months old for which no management decision has been made	Appendix F p. 33
Section 5(a)(10)	Table showing each audit report, inspection report, and evaluation report issued before the reporting period with unimplemented recommendations	Appendix F p. 33
Section 5(a)(11)	Significant management decisions that were revised during the reporting period	Appendix C p. 26
Section 5(a)(12)	Significant management decisions with which the Inspector General disagrees	Appendix C p. 26
Section 5(a)(13)	Information described under section 804(b) of the <i>Federal Financial Management Improvement Act of 1996</i>	Appendix H p. 39
Section 5(a)(14)	The results of any peer review conducted by another Office of Inspector General during the reporting period	Appendix I p. 40



<b>Section</b>	<b>Requirement</b>	<b>Page(s)</b>
Section 5(a)(15)	List of any outstanding recommendations from any peer review conducted by another Office of Inspector General that have not been fully implemented, including a statement describing the status of the implementation and why implementation is not complete	Appendix I p. 40
Section 5(a)(16)	List of any peer reviews conducted by the Inspector General of another Office of the Inspector General during the reporting period, including a list of any outstanding recommendations made from any previous peer review (including any peer review conducted before the reporting period) that remain outstanding or have not been fully implemented	Appendix I p. 40
Section 5(a)(17) and (18)	Table showing total number of investigative reports issued	p. 10
Section 5(a)(19)	Detailed report on each investigation involving a senior Government employee where allegations of misconduct were substantiated	Appendix K p. 42
Section 5(a)(20)	Detailed description of any instances of whistleblower retaliation	Appendix M p. 44
Section 5(a)(21)	Description of any attempt by the establishment to interfere with the independence of the OIG	Appendix L p. 43
Section 5(a)(22)	Description of any audits or investigations that were not disclosed to the public	Appendix G p. 38



## APPENDIX A: RESOLVING AUDIT RECOMMENDATIONS

Questioned costs include Social Security Administration (SSA) expenditures that we determined, based on our audits: violated a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; were not supported by adequate documentation; or were unnecessary or unreasonable. Disallowed costs are those questioned costs that SSA management has sustained or agreed should not be charged to the Government.

Section 5(a)(8) of the *Inspector General Act of 1978*, as amended, requires that we provide statistical tables showing the total number of audit reports, inspection reports, and evaluation reports and the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs), for reports—

- (A) for which no management decision had been made by the commencement of the reporting period;
- (B) which were issued during the reporting period;
- (C) for which a management decision was made during the reporting period, including—
  - (i) the dollar value of disallowed costs; and
  - (ii) the dollar value of costs not disallowed; and
- (D) for which no management decision has been made by the end of the reporting period.

### Reports with Questioned Costs for the Reporting Period April 1, 2019 - September 30, 2019

Number	Dollar Value Supported	Dollar Value Unsupported
A. For which no management decision had been made by the commencement of the reporting period.	\$2,348,927,722	\$886,837
B. Which were issued during the reporting period. <sup>1</sup>	\$554,339,868	\$26,721,279
<b>Subtotal (A + B)</b>	<b>\$2,903,267,590</b>	<b>\$27,608,116</b>
Less:		
C. For which a management decision was made during the reporting period.		
i. Dollar value of disallowed costs. <sup>2</sup>	\$562,267,427	\$26,721,279
ii. Dollar value of costs not disallowed. <sup>2</sup>	\$15,616,887	\$0
<b>Subtotal (i + ii)</b>	<b>\$577,884,314</b>	<b>\$26,721,279</b>
D. For which no management decision had been made by the end of the reporting period. <sup>2</sup>	\$2,325,383,276	\$886,837

1. See Reports with Questioned Costs in Appendix B of this report.

2. Some reports have multiple monetary recommendations and are accounted for as follows. Three reports have one recommendation split between sections Ci and Cii. One report has one recommendation split between sections Ci and Cii and the other is recorded in section D. Two reports have one recommendation recorded in section Ci and the other is recorded in section D. One report has one recommendation recorded in section Ci and the other two are recorded in section D. One report has three recommendations recorded in section Ci and the other one is recorded in section D.



When SSA avoids costs by implementing our recommendations, those funds may be put to better use. Section 5(a)(9) of the *Inspector General Act of 1978*, as amended, requires that we provide statistical tables showing the total number of audit reports, inspection reports, and evaluation reports, and the dollar value of recommendations that funds be put to better use by management, for reports—

- (A) for which no management decision had been made by the commencement of the reporting period;
- (B) which were issued during the reporting period;
- (C) for which a management decision was made during the reporting period, including—
  - (i) the dollar value of recommendations that were agreed to by management; and
  - (ii) the dollar value of recommendations that were not agreed to by management; and
- (D) for which no management decision has been made by the end of the reporting period.

## Reports with Funds Put to Better Use April 1, 2019 - September 30, 2019

	<b>Number of Reports</b>	<b>Dollar Value</b>
<b>A. For which no management decision had been made by the commencement of the reporting period.</b>	15	\$5,275,827,482
<b>B. Which were issued during the reporting period.<sup>1</sup></b>	12	\$1,589,293,063
<b>Subtotal (A + B)</b>	27	\$6,865,120,545
<b>Less:</b>		
<b>C. For which a management decision was made during the reporting period.</b>		
<i>i. Dollar value of costs agreed to by management.<sup>2</sup></i>	6	\$1,129,420,828
<i>ii. Dollar value of costs not agreed to by management.<sup>2</sup></i>	1	\$125,662,404
<b>Subtotal (i + ii)</b>	7	\$1,255,083,232
<b>D. For which no management decision had been made by the end of the reporting period.<sup>2</sup></b>	22	\$5,610,037,313

1. See Reports with Funds Put to Better Use in Appendix B of this report.

2. Some reports have multiple monetary recommendations and are accounted for as follows. One report has one recommendation recorded in section Ci and the other is recorded in section D. One report has three recommendations recorded in section Ci and the other is recorded in section D.



## APPENDIX B: REPORTS ISSUED

### Reports with Non-Monetary Findings April 1 - September 30, 2019

Report Title	Report Number	Issue Date
The Social Security Administration's Use of Insight Software to Identify Potential Anomalies in Hearing Decisions	A-12-18-50353	4/19/2019
Single Audit of the State of Ohio for the Fiscal Year Ended June 30, 2018	A-77-19-00001	4/22/2019
Single Audit of the Commonwealth of Massachusetts for the Fiscal Year Ended June 30, 2018	A-77-19-00002	4/29/2019
Single Audit of the State of Texas for the Fiscal Year Ended August 31, 2018	A-77-19-00003	5/2/2019
Single Audit of the State of Louisiana for the Fiscal Year Ended June 30, 2018	A-77-19-00004	5/3/2019
Single Audit of the State of Wisconsin for the Fiscal Year Ended June 30, 2018	A-77-19-00006	5/16/2019
The Social Security Administration's Compliance with the <i>Improper Payments Elimination and Recovery Improvement Act of 2012</i> in the Fiscal Year 2018 Agency Financial Report	A-15-18-50678	5/20/2019
Single Audit of the State of Minnesota for the Fiscal Year Ended June 30, 2018	A-77-19-00007	5/20/2019
Single Audit of the State of New Jersey for the Fiscal Year Ended June 30, 2018	A-77-19-00008	6/4/2019
Medical Improvement Review Standard Exceptions Other Than Failure to Cooperate	A-01-18-50347	6/6/2019
External Peer Review of the U.S. Department of Energy, Office of Inspector General Audit Organization	A-09-18-50745	6/10/2019
Supplemental Security Income Redeterminations Closed by Field Office Management	A-06-18-50392	6/19/2019
Volume Representative Payee for the Social Security Administration in Connecticut	A-15-18-50443	6/24/2019
U.S. Veteran Disability Claims Processing Time	A-15-17-50227	7/12/2019
Individuals With Earnings Before Receiving Work-authorized Social Security Numbers	A-03-16-50132	7/19/2019
Single Audit of the State of Michigan for the Fiscal Year Ended September 30, 2018	A-77-19-00009	7/25/2019



**Reports with Non-Monetary Findings**  
**April 1 - September 30, 2019**

Report Title	Report Number	Issue Date
Single Audit of the State of California for the Fiscal Year Ended June 30, 2018	A-77-19-00010	8/2/2019
Security of the Social Security Administration's Cloud Environment	A-14-18-50498	8/29/2019
Administrative Law Judges' Appeals Council Remand Decisions	A-12-18-50290	9/12/2019
The Social Security Administration's Controls for Identifying Potentially Fraudulent Internet Claims	A-09-18-50655	9/13/2019
Unauthorized my Social Security Direct Deposit Changes Through May 2018	A-01-18-50669	9/25/2019
Single Audit of the State of Illinois for the Fiscal Year Ended June 30, 2018	A-77-19-00011	9/25/2019



**Reports with Questioned Costs**  
**April 1, 2018 - September 30, 2019**

Report Title	Report Number	Issue Date	Dollar Value
Follow-up: Individuals Who Inappropriately Received Benefits Under Multiple Social Security Numbers	A-01-16-50075	4/25/2019	\$25,011,965
Recovery of Old-Age, Survivors and Disability Insurance Overpayments When a Contingently Liable Beneficiary Stops Receiving Benefits	A-04-18-50651	5/15/2019	\$17,770,777
Single Audit of the State of Tennessee for the Fiscal Year Ended June 30, 2018	A-77-19-00005	5/16/2019	\$5,480
Supplemental Security Income Recipients with Double-counted Old-Age, Survivors and Disability Insurance Benefits	A-05-18-50532	5/20/2019	\$26,721,279
Follow-up: Underpayments on Prior Supplemental Security Income Records	A-07-18-50676	6/6/2019	\$127,646,300
The Social Security Administration's Use of Averaging When It Determined Substantial Gainful Activity for Disabled Beneficiaries	A-07-18-50394	6/26/2019	\$382,297
Administrative Costs Claimed by the District of Columbia Disability Determination Division	A-15-18-50628	8/5/2019	\$1,683,754
Windfall Elimination Provision Exemptions	A-13-17-34132	8/8/2019	\$118,136,291
Match of Florida Death Information Against Social Security Administration Records	A-08-18-50565	8/13/2019	\$36,119,961
Match of Puerto Rico Death Information Against Social Security Administration Records	A-08-14-14013	8/26/2019	\$11,633,648
Match of New Mexico Death Information Against Social Security Administration Records	A-06-18-50759	9/5/2019	\$3,766,439
Benefit Payments to Non-citizen Beneficiaries Living Outside the United States Who Have Not Met the 5-year Residency Requirement	A-07-18-50344	9/9/2019	\$28,745,020
The Social Security Administration's Processing of Returned Old-Age, Survivors and Disability Insurance Payments	A-07-18-50570	9/12/2019	\$54,752,920
Dedicated Account Underpayments Payable to Children Receiving Supplemental Security Income	A-04-18-50607	9/17/2019	\$65,527,495
Overpayments Pending Collection for Miscellaneous Reasons	A-04-18-50546	9/24/2019	\$35,446,020
The Social Security Administration's Accounting for, and Monitoring of, Court-ordered Restitutions	A-04-18-50633	9/24/2019	\$827,401



**Reports with Questioned Costs**  
**April 1, 2018 - September 30, 2019**

Report Title	Report Number	Issue Date	Dollar Value
Old-Age, Survivors and Disability Insurance Beneficiaries with Overpayments on Suspended and Terminated Records	A-07-18-50317	9/25/2019	\$25,318,560
Match of Maine and Rhode Island Death Data Against Social Security Administration Records	A-01-18-50314	9/26/2019	\$1,565,540
<b>Total</b>	<b>\$581,061,147</b>		



**Reports with Funds Put to Better Use**  
**April 1, 2018 - September 30, 2019**

<b>Report Title</b>	<b>Report Number</b>	<b>Issue Date</b>	<b>Dollar Value</b>
Supplemental Security Income Recipients with Double-counted Old-Age, Survivors and Disability Insurance Benefits	A-05-18-50532	5/20/2019	\$1,287,184
Follow-up: Minor Children Receiving Social Security Benefits Without A Representative Payee	A-13-17-50169	6/6/2019	\$34,714,105
The Social Security Administration's Use of Averaging When It Determined Substantial Gainful Activity for Disabled Beneficiaries	A-07-18-50394	6/26/2019	\$418,758,446
Follow-up on Deceased Representative Payees	A-01-18-50350	7/10/2019	\$10,650,935
Follow-up: Aged Beneficiaries Whose Benefits Have Been Suspended for Address, Whereabouts Unknown, or Foreign Enforcement	A-09-16-50077	8/6/2019	\$497,883,609
Windfall Elimination Provision Exemptions	A-13-17-34132	8/8/2019	\$140,471,624
Match of Florida Death Information Against Social Security Administration Records	A-08-18-50565	8/13/2019	\$6,295,201
Match of Puerto Rico Death Information Against Social Security Administration Records	A-08-14-14013	8/26/2019	\$1,352,292
Match of New Mexico Death Information Against Social Security Administration Records	A-06-18-50759	9/5/2019	\$796,734
Supplemental Security Income Underpayments Due Deceased Recipients	A-06-18-50608	9/10/2019	\$467,994,323
The Social Security Administration's Accounting for, and Monitoring of, Court-ordered Restitutions	A-04-18-50633	9/24/2019	\$8,714,310
Match of Maine and Rhode Island Death Data Against Social Security Administration Records	A-01-18-50314	9/26/2019	\$374,300
<b>Total</b>			<b>\$1,589,293,063</b>



## **APPENDIX C: SIGNIFICANT MANAGEMENT DECISIONS WITH WHICH THE INSPECTOR GENERAL DISAGREES**

Nothing to report.

## **SIGNIFICANT MANAGEMENT DECISIONS THAT WERE REVISED DURING THE REPORTING PERIOD**

Nothing to report.

## **SUMMARY OF INSTANCES WHERE INFORMATION WAS REFUSED**

Nothing to report.



# APPENDIX D: SIGNIFICANT MONETARY RECOMMENDATIONS FROM PRIOR FISCAL YEARS FOR WHICH CORRECTIVE ACTIONS HAVE NOT BEEN COMPLETED



30

*Total Unimplemented Significant Monetary Recommendations*

**\$7,167,757,627**  
FY 2014 - FY 2018

**Report Title,  
Report Number, Issue Date,  
Dollar Value**

**Unimplemented Recommendation**

**FY 2018**

[Accuracy of The Determination of Workers' Compensation Offset During Disability Insurance Claims Processing](#)  
A-02-14-34090, 9/25/18  
**\$33,820,756 Questioned Costs**

**Recommendation 2:** Determine whether the Social Security Administration (SSA) should review additional cases in the population of Disability Insurance (DI) beneficiaries who filed or intended to file for Workers' Compensation/Public Disability Benefit offset.

[Interim Benefits Paid After a Disability Claim is Denied](#)  
A-02-18-50543, 9/13/18  
**\$2,142,834 Questioned Costs**

**Recommendation 1:** Review and take appropriate actions to correct the cases we determined were not accurately processed.

[Representative Payee Criminal Bar Policy](#)  
A-13-18-50154, 8/31/18  
**\$13,730,931 Funds Put To Better Use**

**Recommendation 1:** SSA should determine if it should review the 4,856 payees we identified in its efforts to comply with the *Strengthening Protections for Social Security Beneficiaries Act of 2018*.

[Accuracy of Supplemental Security Income Payments to Recipients with Manually Deemed Income](#)  
A-07-18-50295, 8/30/18  
**\$136,569 Questioned Costs**

**Recommendation 1:** Take appropriate action to address the 46 recipients we identified with payment errors.

[Processing Times for Continuing Disability Review Pre-Hearing Case Reviews at the Reconsideration Level of Appeal](#)  
A-07-18-50391, 8/29/18  
**\$1,012,618 Questioned Costs**  
**\$6,780,418 Funds Put To Better Use**

**Recommendation 2:** Continue monitoring processing times at the pre-hearing case review step at the reconsideration level, and determine whether a formal goal for continuing disability reviews appeals is warranted if timeliness does not improve.

[Supplemental Security Income Recipients Who Have Not Had a Redetermination in Longer Than 10 Years](#)  
A-01-17-50219, 8/24/18  
**\$351,743,880 Questioned Costs**

**Recommendation 1:** Incorporate the findings of this audit, as well as the planned Office of Quality Review study, to enhance the business process used to select Supplemental Security Income (SSI) cases for a redetermination.



[\*\*Follow-Up: Dually Entitled Beneficiaries Who Are Subject to the Windfall Elimination Provision and Government Pension Offset\*\*](#)

A-09-17-50252, 8/1/18

**\$280,911,512 Questioned Costs**

**\$46,380,172 Funds Put To Better Use**

[\*\*The Social Security Administration's Use of Administrative Tolerance Waivers\*\*](#)

A-04-16-50145, 8/1/18

**\$12,568,202 Questioned Costs**

[\*\*Accuracy of Month of Entitlement Determinations for Supplemental Security Income Recipients Awarded Old-Age, Survivors and Disability Insurance Benefits\*\*](#)

A-08-18-50582, 7/27/18

**\$135,712,356 Questioned Costs**

**\$463,395,260 Funds Put To Better Use**

[\*\*Beneficiaries in Suspended Payment Status Pending The Selection of a Representative Payee\*\*](#)

A-09-17-50202, 6/1/18

**\$11,202,747 Funds Put To Better Use**

[\*\*Old-Age, Survivors and Disability Insurance Debtors Who Were Not Current on an Installment Agreement\*\*](#)

A-04-18-50265, 5/25/18

**\$88,295,888 Questioned Costs**

[\*\*Follow-Up: Payments to Individuals Whose Numident Record Contained a Death Entry\*\*](#)

A-06-17-50232, 5/24/18

**\$19,825,018 Questioned Costs**

**\$6,314,200 Funds Put To Better Use**

[\*\*Manual Adjustments to Old-Age, Survivors and Disability Insurance Overpayments\*\*](#)

A-07-18-50294, 4/9/18

**\$72,729,487 Questioned Costs**

**\$275,994,019 Funds Put To Better Use**

[\*\*Higher Benefits for Dually Entitled Widow\(er\)s Had They Delayed Applying for Retirement Benefits\*\*](#)

A-09-18-50559, 2/14/18

**\$131,817,936 Questioned Costs**

**\$9,847,464 Funds Put To Better Use**

[\*\*Old-Age, Survivors and Disability Insurance Benefits to Individuals Removed from the United States\*\*](#)

A-13-17-34105, 12/29/17

**\$2,803,833 Questioned Costs**

[\*\*The Cost-Effectiveness of Vocational Rehabilitation Services\*\*](#)

A-02-17-14048, 10/20/17

**\$94,883,352 Questioned Costs**

**Recommendation 3:** SSA should decide whether to revise its rules on administrative finality to allow for the correction of Windfall Elimination Provision and Government Pension Offset overpayments for the populations of dually entitled beneficiaries identified by our audits.

**Recommendation 1:** SSA should establish controls in the new Debt Management Product, as part of its Debt Management modernization initiative, that ensure technicians can only use the administrative tolerance waiver for overpayments allowable under the provision.

**Recommendation 1:** Evaluate, as part of information technology modernization efforts, the feasibility of new systems controls to help ensure that SSA establishes the earliest Old-Age, Survivors and Disability Insurance Month of Entitlement for SSI recipients.

**Recommendation 1:** Improve controls to ensure SSA does not improperly withhold payments to beneficiaries age 15 or older pending the selection of a representative payee.

**Recommendation 1:** Review the 12,269 delinquent debtor records and take action, where appropriate, to begin benefit adjustment or recovery using its external collection tools.

**Recommendation 1:** Verify the current vital status of beneficiaries identified during the audit and take appropriate action to terminate benefit payments or remove erroneous death entries. If applicable, SSA should also recover improper payments and refer potential instances of fraud to our Office of Investigations.

**Recommendation 2:** Determine the cost-effectiveness of reviewing additional manually adjusted overpayments that may need correction, focusing on overpayments adjusted by greater than \$20,000 to target larger dollar errors.

**Recommendation 1:** Take action, as appropriate, for the 41 beneficiaries identified by our audit.

**Recommendation 2:** Evaluate the results for the 41 beneficiaries in our sample and determine whether SSA should review the remaining population of 13,514 beneficiaries.

**Recommendation 2:** Take action, if appropriate, on the remaining 1,746 beneficiaries we identified who were still receiving benefits.

**Recommendation 1:** Determine whether the Agency should revise how it determines whether vocational rehabilitation services led to Social Security DI trust and/or the SSI general revenue fund savings before reimbursing vocational rehabilitation costs.



## FY 2017

[Widow\(er\)s Eligible for an Earlier Initial Month of Entitlement](#)  
A-09-17-50187, 8/7/17  
**\$285,191,557 Questioned Costs**

**Recommendation 2:** Determine the feasibility of reviewing the remaining population of widow(er)s who may be eligible for additional months of benefits before their application filing date and could have chosen an earlier initial month of entitlement.

[Beneficiaries Who Worked After Their Disability Onset Dates and Before Favorable Hearing Decisions](#)  
A-02-16-20132, 7/18/17  
**\$108,941,870 Questioned Costs**

**Recommendation 2:** Determine, based on the results of review of the 26 cases, whether additional cases in the remaining population of 35,595 beneficiaries who also had above substantial gainful activity-level earnings after disability onset and before a favorable hearing decision should be reviewed to ensure the Agency appropriately addressed the earnings.

[Cross-Referred Social Security Numbers](#)  
A-06-13-23091, 7/17/17  
**\$170,621,570 Questioned Costs**  
**\$21,179,350 Funds Put To Better Use**

**Recommendation 1:** Review all cases where numberholders (NH) simultaneously receive benefit payments under cross-referred Social Security numbers (SSN).

**Recommendation 4:** Review all cases where NHs received payments under SSNs that are cross-referred to SSNs that contain the NH's death information.

[Manually Reduced Cross-Program Recovery Overpayments](#)  
A-06-17-50225, 7/5/17  
**\$7,029,192 Funds Put To Better Use**  
**\$58,159,028 Questioned Costs**

**Recommendation 1:** Consider the cost-effectiveness of implementing controls to prevent systems from erroneously deleting SSI overpayments.

**Recommendation 3:** Consider the cost-effectiveness of identifying and re-establishing SSI overpayments erroneously deleted by Manual Adjustment Credit and Award Data Entry adjustments.

[Statutory Benefit Continuation During the Appeals Process For Medical Cessations](#)  
A-07-17-50127, 5/11/17  
**\$60,252,538 Questioned Costs**

**Recommendation 3:** SSA should evaluate the results of its actions for the individuals we identified, and determine the feasibility of identifying the remaining individuals in our populations who should have additional overpayments posted.

[Overpayments Collected Through Long-term Repayment Plans](#)  
A-07-16-50082, 5/3/17  
**\$971,212,348 Questioned Costs**

**Recommendation 1:** SSA should evaluate its existing program debt repayment policy to reduce long-term repayment arrangements.

## FY 2016

[Beneficiaries Serving as Representative Payees Who Have a Representative Payee](#)  
A-09-16-50109, 8/10/16  
**\$57,711,460 Funds Put To Better Use**

**Recommendation 3:** SSA should evaluate the results of its corrective action for the sampled beneficiaries, and take appropriate action to address the remaining populations of beneficiaries identified by our audit.

[Concurrently Entitled Beneficiaries Receiving Representative Payee And Direct Payments](#)  
A-09-16-50093, 5/5/16  
**\$114,820,087 Funds Put To Better Use**

**Recommendation 2:** Conduct timely matches of the Master Beneficiary Record and Supplemental Security Record matches to identify and correct discrepant payment information.

[Old-Age, Survivors and Disability Insurance Benefits Withheld Pending a Windfall Offset Determination](#)  
A-09-15-15041, 3/21/16  
**\$71,596,964 Questioned Costs**

**Recommendation 2:** SSA should evaluate the results of its actions for the 58 beneficiaries and take appropriate action to address the remaining population of 61,734 beneficiaries identified during the current audit.



## FY 2015

[Cost-Benefit Analysis of Processing Low-dollar Overpayments](#)

A-07-14-14065, 7/1/15

**\$3,175,601,911 Funds Put To Better Use**

**Recommendation 2:** SSA should reevaluate its process for collecting overpayments where the value of the overpayment is less than what SSA spends to collect the overpayment to ensure that it expends resources on activities that result in the greatest return on investment.

## FY 2014

[Accuracy of Auxiliary Payments to Children After Divorce](#)

A-13-11-21100, 5/12/14

**\$2,942,001 Questioned Costs**

**\$448,299 Funds Put To Better Use**

**Recommendation 2:** Determine and implement the most cost-effective process to prevent and detect overpayments to stepchildren after the parents' divorce.



# APPENDIX E: SIGNIFICANT NON-MONETARY RECOMMENDATIONS FROM PRIOR FISCAL YEARS FOR WHICH CORRECTIVE ACTIONS HAVE NOT BEEN COMPLETED



**Total Unimplemented Significant Non-Monetary Recommendations from February 2014 - September 2018**

Report Title, Report Number, Issue Date, Dollar Value	Unimplemented Recommendation
<b>FY 2018</b>	
<a href="#">Accuracy of the Determination of Workers' Compensation Offset During Disability Insurance Claims Processing</a> A-02-14-34090, 9/25/18	<b>Recommendation 3:</b> Take appropriate actions to improve the accuracy of Workers' Compensation/Public Disability Benefit (WC/PDB) offset determinations during Disability Insurance claims processing. For example, determine whether the Social Security Administration (SSA) should clarify policy, improve access to online resources, improve systems controls, and/or initiate data matches with WC/PDB payers.
<a href="#">Effectiveness of the Social Security Administration's Medicare Non-utilization Project</a> A-08-17-50261, 9/19/18	<b>Recommendation 3:</b> Conduct periodic follow-up interviews to reduce the risk of improper payments to deceased beneficiaries.
<a href="#">Controls over the Deletion of Prisoner Records</a> A-05-17-50256, 9/5/18	<b>Recommendation 1:</b> Identify the causes of erroneous prisoner record deletions we identified and make corrections to prevent future occurrences.
<a href="#">Match of Treasury Death Information Against Social Security Administration Records</a> A-06-18-50568, 8/27/18	<b>Recommendation 2:</b> Determine the feasibility and cost effectiveness of obtaining death reports from the Department of the Treasury (Treasury) when Treasury receives confirmed death information for other federal benefit-paying agencies' beneficiaries.
<a href="#">Underpayments Paid on Supplemental Security Income Records with Outstanding Overpayments</a> A-07-17-50182, 7/23/18	<b>Recommendation 1:</b> SSA should determine whether, as part of its information technology systems modernization, it could limit the number of manual actions required to ensure it withholds SSI prior month underpayments from SSI recipients to recover outstanding overpayments.
<a href="#">Overpayments Not Collected Through Benefit Withholding</a> A-07-18-50278, 7/16/18	<b>Recommendation 2:</b> SSA should determine whether, as part of its Debt Management modernization initiative, it could automate the manual actions currently required to ensure it initiates benefit withholding at the appropriate time.
<a href="#">Master Beneficiary Record Death Information that Did Not Appear on the Numident</a> A-06-17-50190, 5/3/18	<b>Recommendation 2:</b> Develop system enhancements that ensure death information input on payment records is also recorded on the Numident.
<a href="#">Using Nursing Home Data to Determine Suitability of Representative Payees</a> A-03-16-50056, 3/21/18	<b>Recommendation:</b> Review and analyze the Department of Health and Human Services' Centers for Medicare and Medicaid Services nursing home data to determine whether it can be a tool to assess the suitability of organizational payees that are nursing homes to ensure they are serving beneficiaries' best interests, especially those organizational payees that might not meet SSA's monitoring criteria.



[Higher Benefits for Dually Entitled Widow\(er\)s Had They Delayed Applying for Retirement Benefits](#)  
A-09-18-50559, 2/14/18

**Recommendation 4:** SSA should determine whether it should develop additional controls to ensure it informs widow(er) beneficiaries of their option to delay their application for retirement benefits.

## FY 2017

[Cross-Referred Social Security Numbers](#)  
A-06-13-23091, 7/17/17

**Recommendation 2:** Resolve any cases where SSA identifies an individual who receives benefit payments under more than one of his or her own properly assigned Social Security numbers (SSN).

**Recommendation 3:** Implement system controls to prevent simultaneous issuance of payments under cross-referred SSNs.

**Recommendation 6:** Add death information to the Numident records of non-beneficiary numberholders (NH) whose SSNs are cross-referred to SSNs that contain the NHs' death information.

[The Social Security Administration's Telework Program and its Effect on Customer Service \(Congressional Response Report\)](#)  
A-04-17-50267, 7/12/17

**Recommendation 1:** Determine whether additional customer service or production metrics would assist in measuring how telework affects field office's (FO) ability to provide customer service and employee productivity.

**Recommendation 3:** Determine the effect telework has on customer wait times when an FO experiences an unusually high number of visitors.

[Cross-Program Recovery to Collect Overpayments](#)  
A-13-15-15029, 4/28/17

**Recommendation 2:** Consider establishing automated alerts to notify staff to review certain overpayments when cross-program recovery should be used to collect overpayments.

## FY 2016

[Underpayments Payable to Widow\(er\)s Eligible for a Higher Monthly Benefit Amount](#)  
A-09-14-34103, 4/11/16

**Recommendation 4:** SSA should determine whether it should develop a systems alert to detect when a widow(er)'s indexing primary insurance amount should apply.

[Old-Age, Survivors and Disability Insurance Benefits Withheld Pending a Windfall Offset Determination](#)  
A-09-15-15041, 3/21/16

**Recommendation 3:** Take appropriate action to address the population of 26,558 beneficiaries identified during our 2011 audit.

**Recommendation 4:** Periodically identify and select for review beneficiaries whose Old Age, Survivors and Disability Insurance benefits are being withheld pending a windfall offset determination.

## FY 2015

[Supplemental Security Income Overpayments Pending a Collection Determination by the Social Security Administration](#)  
A-07-15-15030, 9/22/15

**Recommendation 3:** Establish a plan, as resources allow, to review remaining overpayments where no recent actions had been taken to collect overpayments from individuals no longer receiving SSI payments, focusing on the highest dollar overpayments first.

[Follow-Up: Collection of Civil Monetary Penalties](#)  
A-06-14-14047, 3/10/15

**Recommendation 2:** Pursue alternative methods to collect section 1129 civil monetary penalty balances due from individuals who do not receive SSA payments or voluntarily remit restitution.

## FY 2014

[Supplemental Security Income Telephone Wage Reporting](#)  
A-15-12-11233, 2/6/14

**Recommendation 1:** Adopt a process to identify and report unique Supplemental Security Income Telephone Wage Reporting classifications (for example, wage reports, wage reporters, wage earners, users, usage, etc.) for a specified period.



## APPENDIX F: OPEN RECOMMENDATIONS AND REPORTS WITH UNIMPLEMENTED RECOMMENDATIONS

The Social Security Administration Office of the Inspector General has open recommendations dating from Fiscal Year (FY) 2011. All recommendations from years prior to FY 2011 are closed. The chart below identifies the number of reports with unimplemented recommendations by year and the aggregate potential cost savings of those recommendations.

Year	Number of Reports with Unimplemented Recommendations	Number of Unimplemented Recommendations	Dollar Value of Aggregate Potential Cost Savings
2019 (as of March 31)	6	16	\$1,106,494,820
2018	34	61	\$2,200,644,642
2017	19	32	\$2,195,343,887
2016	13	24	\$281,227,735
2015	9	12	\$3,175,947,788
2014	7	11	\$3,526,453
2013	3	3	N/A
2012	4	4	\$196,258,314
2011	1	1	N/A
<b>TOTAL</b>	<b>96</b>	<b>164</b>	<b>\$9,159,443,639</b>



Below is additional detail for each report included in the Number of Reports column above containing an outstanding unimplemented recommendation. These report summaries are also on our website, <https://oig.ssa.gov>.

\* Denotes significant unimplemented recommendation as reported in Appendix D or Appendix E.

Report Title	Report Number	Issue Date	Dollar Value
The Social Security Administration's Application of Due-process Provisions for Old-Age, Survivors and Disability Insurance Overpayments	A-07-18-50622	3/29/2019	\$403,512,715
Processing of Deferred Old-Age, Survivors and Disability Insurance Cases with a High Risk of Benefit Payment Error	A-05-18-50620	3/15/2019	\$39,721,952
Supplemental Security Income Underpayments	A-15-18-50612	12/28/2018	N/A
Accuracy of Disability Entitlement Dates for Primary Beneficiaries Who Previously Filed Disability Claims	A-07-18-50257	12/21/2018	\$656,658,460
Beneficiaries Whose Payments Have Been Suspended and Have Death Information on the Numident	A-09-15-15039	12/21/2018	\$6,601,693
The Social Security Administration's Programs and Projects that Assist Beneficiaries in Returning to Work	A-04-18-50600	11/5/2018	N/A
Accuracy of the Determination of Workers' Compensation Offset During Disability Insurance Claims Processing*	A-02-14-34090	9/25/2018	\$33,820,756
Employers Reporting Wages with Nonwork Social Security Numbers	A-03-18-50537	9/25/2018	N/A
The Cost of Administering Claimant Representative Fees	A-04-17-50238	9/19/2018	\$942,049
Effectiveness of the Social Security Administration's Medicare Non-utilization Project*	A-08-17-50261	9/19/2018	\$17,583,591
Interim Benefits Paid After a Disability Claim is Denied*	A-02-18-50543	9/13/2018	\$2,142,834
The Social Security Administration's Comprehensive Integrity Review Process	A-14-17-50097	9/10/2018	N/A
Controls over the Deletion of Prisoner Records*	A-05-17-50256	9/5/2018	N/A
Representative Payee Criminal Bar Policy*	A-13-18-50154	8/31/2018	\$13,730,931
Accuracy of Supplemental Security Income Payments to Recipients with Manually Deemed Income*	A-07-18-50295	8/30/2018	\$136,569
Processing Times for Continuing Disability Review Pre-hearing Case Reviews at the Reconsideration Level of Appeal*	A-07-18-50391	8/29/2018	\$7,793,036
Match of Treasury Death Information Against Social Security Administration Records*	A-06-18-50568	8/27/2018	N/A
Supplemental Security Income Recipients Who Have Not Had a Redetermination in Longer than 10 Years*	A-01-17-50219	8/24/2018	\$351,743,880
Institutionalized Beneficiaries Who Have Earnings	A-02-17-50140	8/20/2018	\$994,579
The Social Security Administration's Use of Administrative Tolerance Waivers*	A-04-16-50145	8/1/2018	\$12,568,202
Follow-up: Dually Entitled Beneficiaries Who Are Subject to the Windfall Elimination Provision and Government Pension Offset*	A-09-17-50252	8/1/2018	\$327,291,684
Accuracy of Month of Entitlement Determinations for Supplemental Security Income Recipients Awarded Old-Age, Survivors and Disability Insurance Benefits*	A-08-18-50582	7/27/2018	\$599,107,616
Envoy, a Representative Payee for the Social Security Administration	A-13-18-50292	7/27/2018	N/A
Underpayments Paid on Supplemental Security Income Records with Outstanding Overpayments*	A-07-17-50182	7/23/2018	N/A
Overpayments Not Collected Through Benefit Withholding*	A-07-18-50278	7/16/2018	\$114,073,817



\* Denotes significant unimplemented recommendation as reported in Appendix D or Appendix E.

Report Title	Report Number	Issue Date	Dollar Value
Beneficiaries in Suspended Payment Status Pending the Selection of a Representative Payee*	A-09-17-50202	6/1/2018	\$16,181,097
Controls over Supplemental Security Income Applicants/Recipients' Transferring Ownership of Resources	A-02-16-50066	5/29/2018	N/A
Old-Age, Survivors and Disability Insurance Debtors Who Were Not Current on an Installment Agreement*	A-04-18-50265	5/25/2018	\$88,295,888
Follow-up: Payments to Individuals Whose Numident Record Contained a Death Entry*	A-06-17-50232	5/24/2018	\$26,139,218
Incorrect Payments to Disabled Beneficiaries Who Return to Work	A-07-17-50131	5/15/2018	N/A
Master Beneficiary Record Death Information that Did Not Appear on the Numident*	A-06-17-50190	5/3/2018	N/A
The Social Security Administration's Compliance with the Improper Payments Elimination and Recovery Improvement Act of 2012 in the Fiscal Year 2017 Agency Financial Report	A-15-18-50566	5/1/2018	N/A
Manual Adjustments to Old-Age, Survivors and Disability Insurance Overpayments*	A-07-18-50294	4/9/2018	\$348,723,506
Undeliverable Social Security Number Cards	A-15-17-50279	4/2/2018	N/A
Using Nursing Home Data to Determine Suitability of Representative Payees*	A-03-16-50056	3/21/2018	N/A
Council of the Inspectors General on Integrity and Efficiency Purchase Card Project	A-13-17-50266	2/21/2018	\$22,804
Higher Benefits for Dually Entitled Widow(er)s Had They Delayed Applying for Retirement Benefits*	A-09-18-50559	2/14/2018	\$141,665,400
Claims-taking Systems Access Profiles	A-14-17-50096	2/5/2018	N/A
Old-Age, Survivors and Disability Insurance Benefits to Individuals Removed from the United States*	A-13-17-34105	12/29/2017	\$2,803,833
The Cost-effectiveness of Vocational Rehabilitation Services*	A-02-17-14048	10/20/2017	\$94,883,352
Social Security Administration Employees Who Received Salary Increases While Working Under an Opportunity to Perform Successfully Plan	A-04-17-50208	9/14/2017	N/A
The Social Security Administration's Manual Award Process for Initial Retirement and Survivors Insurance Claims	A-08-16-50053	9/5/2017	\$44,655,050
Widow(er)s Eligible for an Earlier Initial Month of Entitlement*	A-09-17-50187	8/7/2017	\$285,453,378
Beneficiaries Who Worked After Their Disability Onset Dates and Before Favorable Hearing Decisions*	A-02-16-20132	7/18/2017	\$108,941,870
Cross-referred Social Security Numbers*	A-06-13-23091	7/17/2017	\$191,800,920
The Social Security Administration's Telework Program and Its Effect on Customer Service*	A-04-17-50267	7/12/2017	N/A
Manually Reduced Cross-program Recovery Overpayments*	A-06-17-50225	7/5/2017	\$65,188,220
Controls over Death Underpayments Paid to Non-beneficiaries	A-09-16-50114	6/29/2017	N/A
Supplemental Security Income Recipients Who Have Life Insurance Policies with Cash Surrender Values	A-02-16-21186	6/27/2017	N/A
Supplemental Security Income Overpayments Resulting from the Goldberg-Kelly Procedures	A-01-14-34091	6/12/2017	\$9,168,980
The Social Security Administration's Information Technology Costs of the National Support Center	A-04-16-50138	5/16/2017	N/A



\* Denotes significant unimplemented recommendation as reported in Appendix D or Appendix E.

Report Title	Report Number	Issue Date	Dollar Value
Statutory Benefit Continuation During the Appeals Process for Medical Cessations*	A-07-17-50127	5/11/2017	\$60,252,538
The Social Security Administration's Compliance with the Improper Payments Elimination and Recovery Improvement Act of 2012 in the Fiscal Year 2016 Agency Financial Report	A-15-17-50255	5/4/2017	N/A
Overpayments Collected Through Long-term Repayment Plans*	A-07-16-50082	5/3/2017	\$971,212,348
Cross-program Recovery to Collect Overpayments*	A-13-15-15029	4/28/2017	\$86,708,264
Manual Actions to Issue Old-Age, Survivors and Disability Insurance Underpayments Less Than \$6,000	A-07-17-50153	4/21/2017	N/A
Beneficiaries Whose Payments Have Been Suspended for No Child in Care and Who Are Serving as Representative Payees for Children	A-09-17-50200	2/24/2017	N/A
Individual Representative Payees Who Do Not Have a Social Security Number in the Social Security Administration's Payment Records	A-09-16-50159	2/17/2017	\$371,962,319
Pre-effectuation Reviews of Favorable Hearing Decisions	A-12-15-50015	2/7/2017	N/A
Old-Age, Survivors and Disability Insurance Benefits Affected by Federal Pensions	A-13-16-23006	9/29/2016	N/A
Access to the Social Security Administration's my Social Security Online Services	A-14-15-15010	9/29/2016	N/A
The Social Security Administration's Plan to Achieve Self-Support Program	A-08-16-50030	9/27/2016	N/A
Benefits Payable to Child Beneficiaries Whose Benefits Were Withheld Pending the Selection of a Representative Payee	A-09-16-50088	9/23/2016	\$9,124,990
Beneficiaries Serving as Representative Payees Who Have a Representative Payee*	A-09-16-50109	8/10/2016	\$57,711,460
Workload Oversight in the Miami Hearing Office	A-12-15-50041	6/9/2016	N/A
Concurrently Entitled Beneficiaries Receiving Representative Payee and Direct Payments*	A-09-16-50093	5/5/2016	\$114,820,087
Underpayments Payable to Widow(er)s Eligible for a Higher Monthly Benefit Amount*	A-09-14-34103	4/11/2016	N/A
Old-Age, Survivors and Disability Insurance Benefits Withheld Pending a Windfall Offset Determination*	A-09-15-15041	3/21/2016	\$71,596,964
Households With Multiple Children Receiving Supplemental Security Income Payments Because of Mental Impairments	A-08-14-14098	3/2/2016	N/A
Higher Retirement Benefits Payable to Families of Disabled Beneficiaries	A-09-14-34080	2/2/2016	\$27,974,234
Colorado Disability Determinations Service Administrative Cost Reporting	A-06-15-50033	12/31/2015	N/A
Accuracy of Disability Benefits to Beneficiaries Who Also Receive Federal Employees' Compensation Act Payments	A-02-15-22114	11/13/2015	N/A
Oversight of the Benefit Offset National Demonstration Project	A-04-14-14078	9/22/2015	N/A
Supplemental Security Income Overpayments Pending a Collection Determination by the Social Security Administration*	A-07-15-15030	9/22/2015	N/A
Overpayment Waiver Requests Processed by Field Offices in Fiscal Years 2012 and 2013	A-07-15-35031	7/30/2015	N/A
Cost-benefit Analysis of Processing Low-dollar Overpayments*	A-07-14-14065	7/1/2015	\$3,175,601,911
Reimbursement for Data Exchanges with Third Parties	A-03-14-24027	5/8/2015	N/A



\* Denotes significant unimplemented recommendation as reported in Appendix D or Appendix E.

Report Title	Report Number	Issue Date	Dollar Value
Observations and Recommendations for the Disability Case Processing System	A-14-15-50008	5/4/2015	N/A
Fraud Risk Performance Audit of the Social Security Administration's Disability Programs	A-15-15-25002	4/29/2015	N/A
Using Medicare Data to Identify Disabled Individuals Who Are Deceased	A-08-13-13038	4/7/2015	\$345,877
Follow-up: Collection of Civil Monetary Penalties*	A-06-14-14047	3/10/2015	N/A
Auxiliary Beneficiaries Who Do Not Have Their Own Social Security Number	A-01-14-14036	9/29/2014	\$136,153
Payments to Individuals with Deaths Reported in California from 1980 to 1987	A-06-14-21416	8/14/2014	N/A
Access Controls over the Business Services Online	A-03-13-13015	6/5/2014	N/A
Accuracy of Auxiliary Payments to Children after Divorce*	A-13-11-21100	5/12/2014	\$3,390,300
Supplemental Security Income Recipients Who Had Not Cashed Their Checks Within 1 Year	A-09-13-23023	4/7/2014	N/A
Improper Use of Children's Social Security Numbers	A-03-12-21269	3/31/2014	N/A
Supplemental Security Income Telephone Wage Reporting*	A-15-12-11233	2/6/2014	N/A
Access Controls for the Social Security Number Verification Service	A-03-12-11204	4/18/2013	N/A
Direct Deposit Changes Initiated Through Financial Institutions and the Social Security Administration's Internet and Automated 800-Number Applications	A-14-12-21271	12/20/2012	N/A
Benefit Payments Managed by Representative Payees of Children in Pennsylvania's State Foster Care Programs	A-13-12-11245	12/4/2012	N/A
Management Advisory Report: Supplemental Security Income Payments to Multi-recipient Households	A-06-09-29149	8/7/2012	\$62,563,749
Beneficiaries Who Had Not Cashed their Social Security Checks Within 1 Year	A-09-10-20133	7/19/2012	\$133,694,565
Title II Deceased Beneficiaries Who Do Not Have Death Information on the Numident	A-09-11-21171	7/9/2012	N/A
State Disability Determination Services' Employee and Contractor Suitability Program	A-15-11-21180	12/21/2011	N/A
Recovery of Title II Payments Issued After Beneficiaries' Deaths	A-09-10-11037	1/4/2011	N/A

## REPORTS WITH RECOMMENDATIONS ISSUED BY MARCH 31, 2019 FOR WHICH NO MANAGEMENT DECISION HAD BEEN MADE BY THE END OF THIS REPORTING PERIOD

We do not have any reports with recommendations issued by March 31, 2019 for which no management decision had been made by the end of this reporting period.

## REPORTS FOR WHICH NO ESTABLISHMENT COMMENT WAS RETURNED WITHIN 60 DAYS OF BEING PROVIDED THE REPORT

During this reporting period, the Socia Security Administration responded to all reports issued to it for comment within 60 days.

# APPENDIX G: CLOSED AUDITS AND INVESTIGATIONS NOT AVAILABLE TO THE PUBLIC

## OFFICE OF AUDIT

For this reporting period, we did not have any reviews not made available to the public. Of the 44 audit reports issued this period, three of them were issued with "limited distribution" due to the sensitivity of the reported information and findings.

- Security of the Social Security Administration's Cloud Environment ([A-14-18-50498](#)) – issued August 2019
- The Social Security Administration's Controls for Identifying Potentially Fraudulent Internet Claims ([A-09-18-50655](#)) – issued September 2019
- Unauthorized my Social Security Direct Deposit Changes Through May 2018 ([A-01-18-50669](#)) – issued September 2019

To protect the sensitive data and yet provide the greatest transparency, we published the title, date, and a summary of the reviews on our public website.

## OFFICE OF INVESTIGATIONS

During the reporting period, we closed one investigation of alleged misconduct by a senior Social Security Administration (SSA) employee that was not disclosed to the public. The allegations were partially substantiated, as detailed below.

**Description of Investigation:** A senior government employee within SSA was alleged to have held a joint bank account with a Supplemental Security Income (SSI) recipient and to have assisted the recipient with an appeal of an SSA decision. The employee was also alleged to have had an improper relationship with a law firm representing applicants for Disability Insurance and SSI. It was further alleged that the employee completed work assignments for another employee and attributed the work to that employee. The employee retired from SSA.

**Status:** Closed

**Disposition:** The allegation of an improper relationship with a law firm was not substantiated. The other allegations were substantiated.

**Department of Justice (DOJ) Referral:** Yes

**DOJ Referral Date:** August 10, 2016

**DOJ Declination:** August 10, 2016



## **APPENDIX H: INFORMATION DESCRIBED UNDER SECTION 804(B) OF THE FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT OF 1996**

Section 804(b) of the *Federal Financial Management Integrity Act* (FFMIA) requires an Office of Inspector General (OIG) to report whether its agency has met the targets in a remediation plan. Because the Social Security Administration (SSA) is FFMIA-compliant, it does not have a remediation plan. Therefore, SSA OIG does not have information to report.



# APPENDIX I: PEER REVIEWS

## OFFICE OF AUDIT

Generally accepted Government auditing standards requires that our Office of Audit undergo a peer review every 3 years to determine whether we suitably designed our system of quality control, and whether we are complying with that system, to provide us with reasonable assurance of conforming with applicable professional standards. There are three possible ratings: Pass, Pass with Deficiencies, and Fail.

- The Department of Veterans Affairs (VA) Office of Inspector General (OIG) conducted our last peer review and issued its final System Review Report in August 2018. We received a rating of Pass. The VA OIG did not identify any findings or make any recommendations as a result of its review.
- On June 10, 2019, we issued our System Review Report for the peer review we conducted of the Department of Energy OIG's audit organization. We issued a rating of Pass and did not make any recommendations.
- There are no outstanding recommendations from prior peer reviews we completed of other OIGs, nor from prior peer reviews other OIGs completed of our Office of Audit.

## OFFICE OF INVESTIGATIONS

Our Office of Investigations is required to undergo a peer review every 3 years to ensure general and qualitative standards comply with the requirements of the Quality Standards for Investigations adopted by the Council of the Inspectors General on Integrity and Efficiency (CIGIE). The peer review also ascertains whether adequate internal safeguards and management procedures exist to ensure that the law enforcement powers conferred by the 2002 amendments to the *Inspector General Act of 1978* are properly exercised pursuant to Section 6(e) of the *Inspector General Act of 1978* (as amended) and the U.S. Attorney General Guidelines for OIGs with Statutory Law Enforcement Authority.

- During the reporting period, the Department of Homeland Security OIG conducted a peer review of our Office of Investigations; the review findings have not yet been provided.
- We concluded a peer review of the U.S. Department of Health and Human Services (HHS) OIG, Office of Investigations, on February 7, 2019. We found HHS OIG was in compliance with the quality standards established by CIGIE and the Attorney General guidelines, and we have no outstanding unimplemented recommendations to report.



## APPENDIX J: REVIEW OF LEGISLATION & REGULATIONS

Section 4(a)(2) of the *Inspector General Act of 1978*, as amended, requires the Social Security Administration (SSA) Office of the Inspector General (OIG) to review existing and proposed legislation as well as regulations relating to SSA's programs and operations, and to make recommendations concerning impact on such programs or on the prevention of fraud, waste, and abuse. We accomplish this in several ways:

- Our audits and other reports evaluate SSA's compliance with existing laws and regulations.
- We recommend, when appropriate, issuing regulations or seeking appropriate legislative authority, and we provide a status of those recommendations in our Semiannual Report to Congress.
- We provide Congressional Response Reports in response to direct requests.
- We describe planned reviews in our annual Audit Work Plan that will address issues related to laws and regulations.
- We communicate directly with congressional staff as needed to discuss legislative issues relating to our work.

### CIGIE LEGISLATION COMMITTEE

SSA OIG is an active member of the Legislation Committee of Council of the Inspectors General on Integrity and Efficiency (CIGIE). In this role, we serve on a small team of Inspectors General (IG), working in close coordination with CIGIE's Executive Officers to monitor, evaluate, prioritize, and develop legislative products that affect the IG community. The Committee is an essential liaison between the IGs and Congress, providing experience-based practical and technical support. To effectively identify, craft, and propose legislation to enhance the success of the IGs, the Committee maintains an open channel of informal communication with congressional staff, and provides formal comments on behalf of CIGIE.

During this period, the Committee coordinated community-wide and agency-specific concerns of CIGIE members on an array of proposed laws relating to good Government and proposed legislation directly impacting OIGs. For example, we provided comments for inclusion in the Committee's comments to Congress on referrals of whistleblower reports about an OIG made to the Office of the Special Counsel, required information to Congress including disclosure of high-level subjects of investigation prior to findings and semiannual reports, and acting IG appointments.



## **APPENDIX K: INVESTIGATIONS INVOLVING SENIOR GOVERNMENT EMPLOYEES WHERE ALLEGATIONS OF MISCONDUCT WERE SUBSTANTIATED**

During the reporting period, we closed one investigation of alleged misconduct by a senior Social Security Administration (SSA) employee that was disclosed to the public. The allegations were substantiated, as detailed below.

**Description of Investigation:** A senior government employee within SSA was alleged to have made credible threats to harm SSA employees. The employee died as the result of an apparent self-inflicted injury during an incident with police.

**Status:** Closed

**Disposition:** Allegations substantiated.

**Department of Justice (DOJ) Referral:** Yes

**DOJ Referral Date:** August 21, 2018

**DOJ Declination:** August 24, 2018



## **APPENDIX L: SSA INTERFERENCE WITH OIG INDEPENDENCE**

For the reporting period, we have no instances to report of the Social Security Administration interfering with Office of the Inspector General independence or our ability to carry out our oversight work.



# **APPENDIX M: DESCRIPTION OF WHISTLEBLOWER ALLEGATIONS AND INSTANCES OF RETALIATION**

## **WHISTLEBLOWER ALLEGATIONS**

The *Inspector General Act of 1978* authorizes the Office of the Inspector General (OIG) to receive and investigate whistleblower allegations, or allegations from Social Security Administration (SSA) employees, contractors, and job applicants concerning alleged mismanagement, waste of funds, abuse of authority, specific danger to public health or safety, or other violations within the Agency. Federal law protects government employees, contractors, and job applicants who submit whistleblower allegations from retaliation via certain prohibited personnel practices, including, for example, a significant change in duties or a disciplinary action.

OIG's Whistleblower Protection Unit evaluates all incoming whistleblower disclosures—and allegations of retaliation—from SSA employees, contractors, and job applicants; and determines if OIG action is warranted. During this reporting period, we received 34 whistleblower allegations. We closed 32 allegations, and 22 allegations—some received in prior reporting periods—remained open while we continued to evaluate them.

## **WHISTLEBLOWER RETALIATION**

Section 5(a)(20) of the *Inspector General Act of 1978*, as amended, requires SSA OIG to provide a detailed description of any instance of whistleblower retaliation, including information about the official found to have engaged in retaliation and what, if any, consequences the establishment imposed to hold that official accountable. There are no instances of retaliation to report for this reporting period.



## GLOSSARY OF ACRONYMS

CDI	Cooperative Disability Investigations
CIGIE	Council of the Inspectors General on Integrity and Efficiency
CMP	civil monetary penalty
DDS	disability determination services
DI	Disability Insurance
DOJ	Department of Justice
FO	field office
FPS	Federal Protective Service
FY	fiscal year
GSA	General Services Administration
IG	Inspector General
IT	information technology
NH	numberholder
OASDI	Old-Age, Survivors and Disability Insurance
OIG	Office of the Inspector General
RRB	Railroad Retirement Board
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security number
Treasury	Department of the Treasury
VA	Department of Veterans Affairs
WC/PDB	Workers' Compensation/Public Disability Benefit

