

*Audit Report*

Overpayments Not Collected  
Through Benefit Withholding



## MEMORANDUM

**Date:** July 16, 2018 **Refer To:**

**To:** The Commissioner

**From:** Acting Inspector General

**Subject:** Overpayments Not Collected Through Benefit Withholding (A-07-18-50278)

The attached final report presents the results of the Office of Audit's review. Our objective was to determine whether the Social Security Administration appropriately withheld overpayments from individuals receiving Old-Age, Survivors and Disability Insurance or Supplemental Security Income benefits.

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

A handwritten signature in black ink that reads "Gale Stallworth Stone".

Gale Stallworth Stone

Attachment

# Overpayments Not Collected Through Benefit Withholding

## A-07-18-50278



July 2018

Office of Audit Report Summary

### Objective

To determine whether the Social Security Administration (SSA) appropriately withheld overpayments from individuals receiving Old-Age, Survivors and Disability Insurance (OASDI) or Supplemental Security Income (SSI) benefits.

### Background

When an individual receives an OASDI or SSI benefit for any period that exceeds the amount SSA should have paid for that period, an overpayment occurs.

SSA provides the overpaid person written notification of the cause and amount of the overpayment as well as liability for repayment. In the overpayment notice, SSA requests a full and immediate refund and advises the individual of his/her due-process rights.

Overpayment recovery should begin 60 days after SSA notifies the individual of the overpayment unless the individual makes a due-process request. If the individual makes a due-process request, SSA does not initiate withholding or it stops withholding until the request is resolved. When SSA has resolved the request, it should begin or resume withholding all or part of the monthly benefit to recover the overpayment.

### Findings

SSA did not always appropriately withhold overpayments from individuals receiving OASDI or SSI benefits. We reviewed a sample of 50 OASDI beneficiaries and 50 SSI recipients who were receiving a monthly benefit and had a total outstanding overpayment balance greater than \$1,000. We found SSA missed opportunities to recover overpayments from 31 of these individuals' benefits (28 OASDI beneficiaries and 3 SSI recipients).

- Ten individuals did not make due-process requests. In two cases, SSA did not initiate benefit withholding 60 days after it notified the individual of the overpayment, as required by policy. For the eight others, SSA interrupted or stopped collection efforts and did not resume them in a timely manner. Had SSA initiated or resumed benefit withholding in accordance with policy, it could have collected approximately \$13,000 in overpayments from these individuals. During our review, SSA took corrective actions for 8 of the 10 individuals.
- Twenty-one individuals made due-process requests that SSA did not address for longer than 180 days. Had SSA resolved these due-process requests and initiated benefit withholding within 180 days, it could have collected over \$121,000 in overpayments from these individuals. During our review, SSA took corrective actions for 8 of the 21 individuals.

### Recommendations

We made four recommendations, including that SSA take steps to ensure it begins recovering outstanding overpayments as soon as possible for individuals who are receiving ongoing benefits.

SSA agreed with our recommendations.

## TABLE OF CONTENTS

Objective .....	1
Background .....	1
Results of Review .....	2
Overpayment Recovery Actions .....	3
SSA Did Not Resolve Pending Due-process Requests Timely .....	5
Conclusions.....	6
Recommendations.....	7
Agency Comments.....	7
Appendix A – Scope and Methodology .....	A-1
Appendix B – Sampling Results and Projections.....	B-1
Appendix C – Agency Comments.....	C-1

## **ABBREVIATIONS**

OASDI	Old-Age, Survivors and Disability Insurance
POMS	Program Operations Manual System
ROAR	Recovery of Overpayments, Accounting and Reporting
SSA	Social Security Administration
SSI	Supplemental Security Income
SSR	Supplemental Security Record
U.S.C.	United States Code

## OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) appropriately withheld overpayments from individuals receiving Old-Age, Survivors and Disability Insurance (OASDI) or Supplemental Security Income (SSI) benefits.

## BACKGROUND

When an individual receives an OASDI or SSI benefit for any period that exceeds the amount SSA should have paid for that period, an overpayment occurs. Once SSA determines it has made an overpayment, the overpaid amount is a debt owed the Government.<sup>1</sup>

SSA sends the overpaid person written notification of the cause and amount of the overpayment as well as liability for repayment. The overpayment notice requests a full and immediate refund and advises the individual of his/her due-process rights.<sup>2</sup>

If a full refund is not possible and the individual is receiving a monthly benefit, SSA should recover the overpayment by withholding all or part of the monthly benefit. Overpayment recovery should begin 60 days after SSA notifies the individual of the overpayment unless the individual makes a due-process request. Individuals may request

- explanation,
- reconsideration, or
- waiver.<sup>3</sup>

If the individual makes a due-process request, SSA does not initiate withholding until the request is resolved. When SSA has resolved the request, it should begin withholding all or part of the monthly benefit to recover the overpayment.<sup>4</sup>

---

<sup>1</sup> SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02201.001, sec. A (October 31, 2017).

<sup>2</sup> SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02201.009, sec. B (October 26, 2017).

<sup>3</sup> SSA, *POMS, SI-Supplemental Security Income*, ch. SI 022, subch. SI 02260.006 (March 30, 2018). See SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02270.005 (January 27, 2009).

<sup>4</sup> See Footnote 3.

For each program—OASDI and SSI—we identified a population of individuals who were receiving a monthly benefit and had a total outstanding overpayment balance greater than \$1,000. From 1 segment of the Recovery of Overpayments, Accounting and Reporting system, we identified 2,156 OASDI beneficiaries, and, from 1 segment of the Supplemental Security Record, we identified 508 SSI recipients who met these criteria. In addition, SSA’s system indicated, as of January 2017, it was not recovering the overpayment through benefit withholding.<sup>5</sup>

From each of these populations, we reviewed evidence from various SSA systems for 50 OASDI beneficiaries and 50 SSI recipients. With this evidence, we determined whether SSA had delayed recovering overpayments from individuals’ benefits because of an outstanding due-process request. Further, we determined how long individuals’ due-process requests had been pending. See Appendix A for our detailed scope and methodology.

## RESULTS OF REVIEW

SSA missed opportunities to recover overpayments from 31 of the 100 individuals reviewed (28 OASDI beneficiaries and 3 SSI recipients).

- Ten individuals did not make due-process requests. For two of the cases, SSA did not initiate benefit withholding 60 days after it notified the individual of the overpayment, as required by policy. For the eight others, SSA interrupted or stopped collection efforts and did not resume them in a timely manner. Had SSA initiated or resumed benefit withholding in accordance with policy, it could have collected approximately \$13,000 in overpayments from these individuals as of January 2018. Accordingly, we estimate SSA could have collected over \$9 million in overpayments from OASDI beneficiaries and SSI recipients in our population.

---

<sup>5</sup> For SSI recipients, we found some instances where the SSR included multiple overpayment actions on the same date. Therefore, we were unable to eliminate from our population some SSI recipients for whom SSA was recovering the overpayment through benefit withholding at the time of our data extract. However, our detailed sample analysis identified these instances, thus they did not affect the error rate and projections. Further, we excluded individuals where SSA had never taken any action on the overpayment. This ensured our population differed from previous OIG audits, and we did not duplicate the findings or recommendations.

- Twenty-one individuals made due-process requests that SSA did not address within 180 days.<sup>6</sup> Had SSA resolved these due-process requests and initiated benefit withholding within 180 days, it could have collected over \$121,000 in overpayments from these individuals as of January 2018. Accordingly, we estimate SSA could have collected almost \$105 million in overpayments from OASDI beneficiaries and SSI recipients in our population.

## Overpayment Recovery Actions

For 8 (16 percent) of the 50 OASDI beneficiaries and 2 (4 percent) of the 50 SSI recipients we reviewed, SSA did not initiate benefit withholding 60 days after it notified the individual of the overpayment or did not resume benefit withholding in a timely manner, as required by policy.<sup>7</sup> Specifically, SSA did not take action to begin withholding for 186 to 3,403 days (see Table 1).<sup>8</sup>

**Table 1: No Benefit Withholding Action for Longer than 60 Days**

Number of Days	Number of Individuals
186 – 260	3
261 – 360	2
361 – 460	2
More than 460	3
<b>Total</b>	<b>10</b>

SSA policy requires that it begin withholding benefits to collect an overpayment 60 days after it issues the overpayment notice if the individual does not make a due-process request.<sup>9</sup> Typically, SSA's systems automate this process by initiating withholding 2 months after SSA establishes the overpayment on the record. However, when this does not occur, employees must take manual actions to ensure recovery begins at the appropriate time. For the OASDI beneficiaries, SSA should have begun withholding the full benefit amount after 60 days.<sup>10</sup> For the SSI

---

<sup>6</sup> SSA used a system designed to identify overpayments on which it had not taken collection action for an extended period. This system generates alerts on OASDI overpayments for which the date of the last collection activity was 180 days or more. Therefore, we used this criterion as a benchmark for our analysis. See the report section entitled SSA Did Not Resolve Pending Due-process Requests Timely for more detailed information.

<sup>7</sup> The 10 individuals did not make due-process requests. See SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02201.011 (April 11, 2014).

<sup>8</sup> Seven of the 10 individuals agreed to repay their overpayments via benefit withholding, but SSA took between 6 and 15 months to initiate the withholding.

<sup>9</sup> See Footnote 7.

<sup>10</sup> See SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02201.009 (October 26, 2017).

recipients, SSA should have begun withholding the lesser of (1) the amount of the recipient's payment or (2) an amount equal to 10 percent of the recipient's income.<sup>11</sup>

If SSA does not take action to recover overpayments for an extended period, it is less likely to recover the overpaid amount. Reasons it is more difficult to recover an overpayment include

- benefits could terminate—recovery of an overpayment is more difficult if an individual is no longer eligible to receive monthly benefits since SSA would have to attempt to collect the overpayment through other collection methods;<sup>12</sup>
- the beneficiary stopped receiving benefits on the overpaid record and subsequently began receiving benefits on a different record—for recovery, the overpayment would have to be manually transferred to the subsequent record; and
- policy could prohibit recovery—SSA generally cannot recover an overpayment by withholding from benefits if more than 10 years have elapsed and the means to collect by benefit withholding was available but no recovery efforts were initiated.<sup>13</sup>

For example, SSA issued an overpayment notice to an SSI recipient in May 2008. At that time, the recipient was not receiving SSI payments. Further, SSA's system indicated the recipient was unwilling to repay the overpayment. However, the recipient started receiving SSI payments in October 2008. The field office should have manually initiated overpayment recovery when payments to the recipient resumed. However, as of January 2018, more than 3,400 days had elapsed since payments resumed, and SSA had taken no action to collect the overpayment from the recipient. If SSA does not initiate benefit withholding by October 2018, policy will prohibit it from collecting the overpayment.

Had SSA initiated or resumed benefit withholding in a timely manner, it could have collected almost \$13,000—more than \$10,000 from the eight OASDI beneficiaries and more than \$2,600 from the two SSI recipients we reviewed as of January 2018. Accordingly, we estimate SSA could have collected approximately \$9 million in overpayments from OASDI beneficiaries and more than \$520,000 from SSI recipients (see Appendix B, Table B–3).

---

<sup>11</sup> *Social Security Act*, 42 U.S.C. § 1383(b)(1)(B)(ii)(I)-(II) (November 2, 2016).

<sup>12</sup> Other collection methods include, but are not limited to, full refund or monthly installment payments, Treasury Offset Program—Tax Refund Offset and administrative offset or referral of the debt to credit bureaus. SSA, *POMS, GN - General*, ch. GN 022, subch. GN 02210.150 (October 16, 2008). SSA, *POMS, GN - General*, ch. GN 022, subch. GN 02210.180, sec. A (July 1, 2016). SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02201.029 (March 9, 2016).

<sup>13</sup> SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02210.003 (August 16, 2010).

During our review, SSA initiated benefit withholding for 7 of the 10 individuals who did not make due-process requests, and 1 individual stopped receiving benefits.<sup>14</sup> However, SSA should take appropriate actions on the two individuals for whom it had not begun benefit withholding to recover their overpayments. Further, the Agency should determine whether, as part of its Debt Management modernization initiative, it could automate the manual actions required to ensure it initiates benefit withholding at the appropriate time. In the meantime, SSA should emphasize to managers and employees, through training and reminders, the importance of addressing aged due-process requests and benefit withholding actions.

## SSA Did Not Resolve Pending Due-process Requests Timely

For 21 of the 100 individuals in our sample, SSA took longer than 180 days to make determinations on overpayment due-process requests. Specifically, 20 of the 50 OASDI beneficiaries and 1 of the 50 SSI recipients had overpayment due-process requests pending for longer than 180 days (see Table 2).

**Table 2: Due-process Requests Pending Longer Than 180 Days**

Number of Days	Number of Individuals
243 – 380	4
381 – 580	9
581 – 780	1
781 – 980	1
More than 980	6
<b>Total</b>	<b>21</b>

For example, SSA notified an OASDI beneficiary of a \$2,072 overpayment in August 1997. In the same month, the beneficiary submitted a due-process request for an informal waiver. As of January 2018, more than 7,400 days had elapsed since the informal waiver request, and SSA had not made a determination on the waiver.<sup>15</sup>

---

<sup>14</sup> SSA's initiation of benefit withholding for these individuals was not part of a targeted effort to address overpayment recovery. Rather, SSA found and corrected them during subsequent non-related events. Therefore, SSA does not need to take any further action for these individuals.

<sup>15</sup> Though more than 10 years have passed since the debt accrued, SSA can still collect the overpayment because an unresolved due-process request was the cause of the Agency's inaction. SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02210.003, sec. A.4 (August 16, 2010).

SSA did not have a published processing time goal for resolving overpayment due-process requests. However, it uses the Delinquent Debt Trigger File operation to identify cases where SSA has not taken collection action for an extended period. The operation runs semiannually (May and September) and generates alerts on cases for which the date of the last collection activity for an OASDI overpayment is 180 days or more before the run. Accordingly, we used this de facto standard of 180 days to report on pending due-process requests.

Had SSA resolved the due-process requests within 180 days and initiated benefit withholding, it could have collected almost \$122,000—over \$121,000 from the 20 OASDI beneficiaries and more than \$200 from the 1 SSI recipient we reviewed—through January 2018. Accordingly, we estimate SSA missed the opportunity to collect almost \$105 million in overpayments from OASDI beneficiaries and over \$40,000 from SSI recipients<sup>16</sup> (see Appendix B, Table B–5).

During our review, SSA initiated benefit withholding for 8 of the 21 aforementioned individuals.<sup>17</sup> However, SSA should take appropriate actions on the 13 individuals with a due-process request pending longer than 180 days. In addition, SSA should consider establishing a timeframe goal for resolving due-process requests and monitoring adherence to the goal.

## CONCLUSIONS

We reviewed a sample of 100 individuals who were receiving a monthly benefit and had a total outstanding overpayment balance greater than \$1,000. We found SSA missed opportunities to recover overpayments from 31 of these individuals' Social Security benefit payments. For 10 individuals, SSA did not initiate or resume benefit withholding in a timely manner, as required by policy. For the remaining 21, SSA did not withhold benefits because due-process requests remained unresolved for extended periods. Had SSA initiated withholding timely, we estimate it could have already collected over \$114 million in overpayments from almost 25,000 individuals. During our review, SSA took corrective actions on 16 of the 31 cases.

---

<sup>16</sup> We acknowledge that some overpayments may not be collected. However, SSA does not publish overpayment waiver approval rates. According to the Agency's Financial Report, SSA waived \$339 million of the \$23 billion outstanding debt in FY 2017. Thus, waivers accounted for only 1.5 percent of outstanding overpayments.

<sup>17</sup> SSA's initiation of benefit withholding for these individuals was not part of a targeted effort to address overpayment recovery. Rather, SSA found and corrected them during subsequent non-related events. Therefore, SSA does not need to take any further action for these individuals.

## **RECOMMENDATIONS**

We recommend that SSA:

1. Take appropriate actions on the 2 individuals for whom it had not begun benefit withholding and the 13 individuals with a due-process request pending longer than 180 days.
2. 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.
3. Emphasize to managers and employees, through training and reminders, the importance of addressing aged due-process requests and benefit withholding actions.
4. Consider establishing a timeframe goal for resolving due-process requests and monitoring adherence to the goal.

## **AGENCY COMMENTS**

SSA agreed with our recommendations. The Agency's comments are included in Appendix C.



Rona Lawson  
Assistant Inspector General for Audit

# *APPENDICES*

## **Appendix A – SCOPE AND METHODOLOGY**

---

To accomplish our objective, we:

- Reviewed applicable Federal laws and regulations as well as sections of the Social Security Administration’s (SSA) policies and procedures.
- Obtained data from one segment of the Recovery of Overpayments, Accounting and Reporting (ROAR) system and Supplemental Security Record (SSR).<sup>1</sup> The files contained 2,156 Old-Age, Survivors and Disability Insurance (OASDI) beneficiaries and 508 Supplemental Security Income (SSI) recipients (1) who were receiving a monthly benefit, (2) who had a total outstanding overpayment balance greater than \$1,000, and (3) from whom SSA’s system indicated it was not recovering the overpayment through withholding as of January 2017.

For SSI recipients, we found there were some instances where the SSR included multiple overpayment actions on the same date. Therefore, we were unable to eliminate from our population some SSI recipients for whom SSA was recovering the overpayment through benefit withholding at the time of our data extract. However, our detailed sample analysis identified these instances, thus they did not affect the error rate and projections. Further, we excluded individuals where SSA had never taken any action on the overpayment.<sup>2</sup>

- Selected a random sample of 50 OASDI beneficiaries and 50 SSI recipients for detailed review. Reviewed the following SSA systems for the sampled beneficiaries and recipients to identify the last action taken on the overpayment and determine the time elapsed since the last action through January 31, 2018.
  - ROAR
  - Master Beneficiary Record
  - SSR
  - Debt Management System
  - Online Retrieval System
  - Claims File Records Management System
  - Paperless Processing Center

---

<sup>1</sup> The SSR controls the recovery and collection activities related to SSI overpayments. One segment of the SSR represents 5 percent of the total population of SSI recipients. The ROAR controls the recovery and collection activities related to OASDI benefit overpayments. One segment of the ROAR represents 20 percent of the total population of OASDI beneficiaries. However, to ensure consistency with the review of the SSR segment, we selected the Social Security numbers that corresponded with one segment of the SSR. Therefore, for purposes of this review, one segment of the ROAR represents 5 percent of the total population of OASDI beneficiaries.

<sup>2</sup> This ensured our population differed from previous OIG audits and we did not duplicate the findings or recommendations.

- Considered sampled individuals to be an error if SSA (1) did not receive a due-process request and did not initiate benefit withholding 60 days after SSA notified the individual of the overpayment, or (2) took longer than 180 days to process a due-process request. For each sampled individual we considered to be an error, we:
  - Calculated the amount SSA could have collected had it withheld benefits at the first opportunity.
  - Monthly repayment amount - For each OASDI error, we identified a monthly withholding amount of either (1) the entire monthly benefit amount or (2) the partial withholding amount requested by the beneficiary.<sup>3</sup> For each SSI error, we identified 10 percent of the recipient's monthly payment.<sup>4</sup>
  - Number of months SSA did not initiate benefit withholding - For those errors where SSA did not receive a due-process request; we identified the number of months beginning 60 days after SSA posted the overpayment on the record through January 31, 2018, the date of our review. For those errors where SSA received a due-process request, we identified the number of months elapsed beginning 180 days after SSA received the due-process request. For those individuals for whom SSA began partial benefit withholding after our data extract, we excluded all months after SSA initiated partial benefit withholding from our calculation.
  - Additional collections – To identify the amount SSA could have collected had it taken necessary actions to initiate benefit withholding, we multiplied the monthly repayment amount by the number of months withholding was not initiated.
  - Our calculation considered collections not to exceed the outstanding overpayment balance.

The principal entity audited was the Office of Operations. We conducted our review in the Office of Audit in Kansas City, Missouri, between November 2017 and January 2018. We determined the data used for this audit were sufficiently reliable to meet our objectives. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

---

<sup>3</sup> SSA, *POMS, GN-General*, ch. GN 022, subch. GN 02201.009 (October 26, 2017).

<sup>4</sup> See SSA, *POMS, SI-Supplemental Security Income*, ch. SI 022, subch. SI 02220.001 (September 20, 2017).

## Appendix B – SAMPLING RESULTS AND PROJECTIONS

---

We established our populations and selected samples as identified in Appendix A. We made statistical projections for the entire population of Old-Age, Survivors and Disability Insurance (OASDI) and Supplemental Security Income (SSI) recipients based on the results of our sample analysis.

**Table B–1: Sample Size**

	OASDI	SSI
Sample Size	50	50
Segment Total	2,156	508
Estimated Total Population (20 segments)	43,120	10,160

In the following tables, we used statistical projections to make estimates for the entire OASDI population based on our sample results for the OASDI program. For SSI, we used straight-line estimates to project totals for the entire population. In all instances, we believe our straight-line estimates represent the entire population.

### No Recovery Action Errors and Projections

We identified eight OASDI beneficiaries and two SSI recipients for whom SSA did not initiate or resume benefit withholding even though these individuals did not make a due-process request. During our review of the sample items, we determined SSA had initiated partial withholding for seven beneficiaries and one recipient after our data extract. Based on these results, we estimate 6,900 beneficiaries and 400 recipients had no active benefit withholding action or pending due-process requests (see Table B–2).

**Table B–2: No Recovery Action Errors and Projections**

Description	Number of Beneficiaries	Number of Recipients	Total Individuals
Sample Results	8	2	10
Projected Quantity	345	20	365
Projection – Lower Limit	179		
Projection – Upper Limit	579		
Population Estimate (20 Segments)	6,900	400	7,300

**Note:** All projections are at the 90-percent confidence level.

For these 10 individuals, if SSA had initiated or resumed benefit withholding in a timely manner, it could have collected \$12,837 (\$10,234 for OASDI and \$2,603 for SSI) as of January 2018. For the 2 individuals for whom SSA had yet to take action, the Agency missed overpayment collections totaling \$1,940 of the \$12,837. Based on these results, we estimate SSA could have collected \$9,346,360 (\$8,825,800 OASDI and \$520,560 SSI) (see Table B–3).

**Table B–3: No Recovery Action Missed Overpayment Collection Errors and Projections**

Description	OASDI Missed Overpayment Collection	SSI Missed Overpayment Collection	Total Missed Overpayment Collection
Sample Results	\$10,234	\$2,603	\$12,837
Projected Quantity	\$441,290	\$26,028	\$467,318
Projection – Lower Limit	\$138,641		
Projection – Upper Limit	\$743,939		
Population Estimate (20 Segments)	\$8,825,800	\$520,560	\$9,346,360

**Note:** All projections are at the 90 percent confidence level.

## Pending Due-process Requests Errors and Projections

We identified 20 OASDI beneficiaries and 1 SSI recipient for whom SSA took longer than 180 days to make determinations on overpayment due-process requests. During review of our sample items, we determined SSA had initiated partial withholding for eight individuals after our data extract. Based on these results, we estimate 17,240 beneficiaries and 200 recipients had no active withholding action and pending due-process requests (see Table B–4).

**Table B–4: Unresolved Due-process Request Errors and Projections**

Description	Number of Beneficiaries	Number of Recipients	Total Individuals
Sample Results	20	1	21
Projected Quantity	862	10	872
Projection – Lower Limit	614		
Projection – Upper Limit	1,131		
Population Estimate (20 Segments)	17,240	200	17,440

**Note:** All projections are at the 90-percent confidence level.

Had SSA resolved the due-process requests within 180 days and initiated benefit withholding for these 21 individuals, it could have collected \$121,666 (\$121,463 for OASDI and \$203 for SSI) as of January 2018. For those 13 individuals for whom SSA had yet to take action, missed overpayment collections totaled \$60,443 of the \$121,666. We estimate SSA did not collect \$104,789,840 (\$104,749,340 OASDI and \$40,500 SSI) (see Table B–5).

**Table B–5: Unresolved Due-process Request Missed Overpayment Collection Errors and Projections**

Description	OASDI Missed Overpayment Collection	SSI Missed Overpayment Collection	Total Missed Overpayment Collection
Sample Results	\$121,463	\$203	\$121,666
Projected Quantity	\$5,237,467	\$2,025	\$5,239,492
Projection – Lower Limit	\$2,804,316		
Projection – Upper Limit	\$7,670,619		
Population Estimate (20 segments)	\$104,749,340	\$40,500	\$104,789,840

**Note:** All projections are at the 90-percent confidence level.

## **Appendix C – AGENCY COMMENTS**

---



### **SOCIAL SECURITY**

#### **MEMORANDUM**

Date: July 11, 2018 Refer To: S1J-3

To: Gale S. Stone  
Acting Inspector General

*Stephanie Hall*

From: Stephanie Hall  
Acting Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, “Overpayments Not Collected Through Benefit Withholding” (A-07-18-50278) -- INFORMATION

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

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

**SSA COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, “OVERPAYMENTS NOT COLLECTED THROUGH BENEFIT WITHHOLDING” (A-07-18-50278)**

We have several programs and management information tools in place to control records with outstanding overpayments. We also have a strategy in place to improve and enhance our debt recovery efforts, and we are working toward its implementation. Although OIG’s 180-day timeframe for resolution of due process requests is not currently part of our policy or business process, we understand the importance to resolve these requests in a timely manner. We will evaluate the feasibility to implement a timeframe to resolve due process requests as we continue to examine improvement of our debt collection processes. Below are our responses to the recommendations.

**Recommendation 1**

Take appropriate actions on the 2 individuals for whom the Social Security Administration (SSA) had not begun benefit withholding and the 13 individuals with a due-process request pending longer than 180 days.

Response

We agree.

**Recommendation 2**

Determine whether, as part of its information technology systems modernization, it could automate the manual actions currently required to ensure it initiates benefit withholding at the appropriate time.

Response

We agree.

**Recommendation 3**

Emphasize to managers and employees, through training and reminders, the importance of addressing aged due-process requests and benefit withholding actions.

Response

We agree.

**Recommendation 4**

Consider establishing a timeframe goal for resolving due-process requests and monitoring adherence to the goal.

Response

We agree.

## MISSION

By conducting independent and objective audits, evaluations, and investigations, the Office of the Inspector General (OIG) inspires public confidence in the integrity and security of the Social Security Administration's (SSA) programs and operations and protects them against fraud, waste, and abuse. We provide timely, useful, and reliable information and advice to Administration officials, Congress, and the public.

## CONNECT WITH US

The OIG Website (<https://oig.ssa.gov/>) gives you access to a wealth of information about OIG. On our Website, you can report fraud as well as find the following.

- OIG news
- audit reports
- investigative summaries
- Semiannual Reports to Congress
- fraud advisories
- press releases
- congressional testimony
- an interactive blog, “[Beyond The Numbers](#)” where we welcome your comments

In addition, we provide these avenues of communication through our social media channels.



[Watch us on YouTube](#)



[Like us on Facebook](#)



[Follow us on Twitter](#)



[Subscribe to our RSS feeds or email updates](#)

## OBTAIN COPIES OF AUDIT REPORTS

To obtain copies of our reports, visit our Website at <https://oig.ssa.gov/audits-and-investigations/audit-reports/all>. For notification of newly released reports, sign up for e-updates at <https://oig.ssa.gov/e-updates>.

## REPORT FRAUD, WASTE, AND ABUSE

To report fraud, waste, and abuse, contact the Office of the Inspector General via

**Website:** <https://oig.ssa.gov/report-fraud-waste-or-abuse>

**Mail:** Social Security Fraud Hotline  
P.O. Box 17785  
Baltimore, Maryland 21235

**FAX:** 410-597-0118

**Telephone:** 1-800-269-0271 from 10:00 a.m. to 4:00 p.m. Eastern Standard Time

**TTY:** 1-866-501-2101 for the deaf or hard of hearing