The Social Security Administration's Affordable Care Act – Health Insurance Exchange Social Security Number Verification Process
A-08-14-14060

Objective

To assess the Social Security Administration's (SSA) *Affordable Care Act* (ACA) – Health Insurance Exchange (HIX) Social Security number (SSN) verification process.

Background

Beginning October 1, 2013, U.S. citizens and lawful aliens began using Health Insurance Marketplaces to obtain health coverage through the ACA. Marketplaces review applications to determine their eligibility for, or exemption from, Insurance Affordability Programs. When an individual files an application, Marketplaces send their SSN, name, and date of birth to the Centers for Medicare and Medicaid Services (CMS). CMS then electronically sends this identity information to SSA for verification. SSA either verifies the information or sends a non-verified response to CMS.

To accomplish our objective, we reviewed ACA-HIX SSN verification policies and procedures and interviewed SSA and CMS officials. We also determined whether SSA could provide additional information to CMS to enhance program integrity.

Our Findings

Our review of the ACA-HIX SSN verification process found SSA generally provided appropriate and timely responses to CMS. SSA verified identity information for 95 percent of applicants. However, SSA could not verify the remaining 5 percent because identity information did not match Agency records. When an applicant's information does not match SSA's records, Marketplaces instruct the applicant to send a copy of their Social Security card or tax forms to resolve the discrepancy.

Although our review did not disclose any significant issues, we believe SSA could enhance program integrity for the ACA-HIX SSN verification process. For example, although SSA does not process Title II or XVI benefit applications when the Numident contains a fraud code (about 4,000 SSNs associated with fraudulent activity), it would verify identity information CMS submitted when such codes are present. However, we could not determine whether SSA had verified identity information when the Numident contained a fraud code because SSA and CMS did not routinely maintain such information. According to SSA, ACA did not require that the Agency provide fraud codes, and CMS did not request them. While SSA was willing to work with CMS to add fraud codes to the ACA-HIX SSN verification process, SSA told us that CMS must request a change in program requirements and agree to pay for related costs.

CMS confirmed that SSA generally provided appropriate and timely responses. CMS also stated that ACA did not require that SSA provide fraud codes and acknowledged it would receive a verified response when fraud codes were on the Numident. However, CMS told us it was willing to discuss using fraud codes with SSA to obtain a better understanding of the potential impact on verification of identity information.

Our Recommendation

Consult with CMS to determine the feasibility of adding a non-verified response to the ACA-HIX SSN verification process when the Numident contains a fraud code.

SSA agreed with our recommendation.