

Concurrent Beneficiaries Improperly Receiving Payments in Excess of Federal Limits

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Office of Audit Report Summary

Objective

To determine whether individuals concurrently entitled to Supplemental Security Income (SSI) payments and Old-Age, Survivors and Disability Insurance (OASDI) benefits received combined payments in excess of Federal limits.

Background

The OASDI program provides benefits to wage earners and their families in the event the wage earner retires, becomes disabled, or dies. The SSI program provides payments to financially needy individuals who are aged, blind, or disabled.

Under the SSI program, each eligible individual living in his/her own household and having no other countable income is provided a maximum monthly Federal cash payment of \$710. The Social Security Administration (SSA) reduces SSI payments by a recipient's countable income (which includes OASDI benefits), less certain exclusions.

Our Findings

SSA improperly issued approximately 2,747 concurrent beneficiaries combined SSA payments that exceeded Federal limits.

- 246 concurrent beneficiaries received combined payments in excess of Federal limits for undetermined reasons. Available records indicated that SSA had electronically linked the beneficiaries' payment records; however, for unexplained reasons, the payment system used incorrect OASDI payment amounts when it computed the SSI payments.
- 2,349 concurrent beneficiaries received combined payments in excess of Federal limits because of system-related payment computation errors.
- 152 concurrent beneficiaries received combined payments in excess of Federal limits because of system-related payment computation errors. We reported these payment errors to SSA as part of a prior audit. In 2011, SSA reported it had taken corrective action to resolve these errors. However, payment errors on these records persisted.

We estimate that SSA overpaid these beneficiaries approximately \$3.4 million in SSI payments because of these errors. If these errors are not corrected, we estimate SSA will overpay these beneficiaries approximately \$2 million over the next 12 months.

Our Recommendations

On September 27, 2013, we provided SSA with a file that identified the 2,747 beneficiaries. We recommended that SSA review the 2,747 cases and take appropriate action to recover the overpayments and prevent future payment errors, as appropriate. We also recommended that SSA correct the systems errors that caused these payment errors or implement compensating controls to timely identify and correct these errors on individual payment records.

SSA agreed with our recommendations but did not agree with our overpayment estimates.