

The Social Security Administration's Compliance with the Improper Payments Elimination and Recovery Improvement Act of 2012 in the Fiscal Year 2019 Agency Financial Report (A-15-19-50842)



May 2020

Office of Audit Report Summary

Objectives

To determine whether the Social Security Administration (SSA) met all requirements of the *Improper Payments Elimination and Recovery Improvement Act of 2012* (IPERIA) and applicable guidance in the Payment Integrity section of the Fiscal Year (FY) 2019 Agency Financial Report (AFR). In addition, we evaluated the Agency's (1) accuracy and completeness of reporting and (2) performance in reducing and recapturing improper payments.

Background

On January 10, 2013, the President signed IPERIA into law. IPERIA amended the *Improper Payments Information Act of 2002* (IPIA) and *Improper Payments Elimination and Recovery Act of 2010* (IPERA). In June 2018, the Office of Management and Budget (OMB) issued updated Government-wide guidance on the implementation of IPIA, as amended by IPERA and IPERIA. Both the law and OMB guidance require that agencies report specific improper payment information in their AFRs. Further, the law and guidance also require that Inspectors General review the improper payment information agencies report in their AFRs.

Findings

In its FY 2019 AFR, SSA did not comply with all IPIA reporting requirements. Specifically, SSA did not meet reduction targets for Supplemental Security Income overpayments. In addition, we noted instances where the Agency reported OMB-required improper payment information, but the supporting documentation did not agree with statements made in the FY 2019 AFR.

Although it had implemented corrective actions, SSA had not significantly reduced improper payments. SSA should determine whether it is correctly targeting the root causes of improper payments and implement additional initiatives to address those root causes. SSA was also unable to provide data that measured the effectiveness of its implemented corrective actions. SSA stated “we implemented [the Improper Payment Alignment Strategy], which will help focus our corrective actions on the true root causes of improper payments.”

Recommendations

We previously recommended SSA:

- Develop and/or enhance systems to capture data that measure the effectiveness of corrective actions.
- Implement and expand existing corrective actions, where applicable, to address improper payments.
- Develop new initiatives to address improper payments.

SSA has not yet implemented these recommendations. We are not making new recommendations and encourage SSA to continue working on the existing recommendations from our prior report.

SSA provided a response to our report and technical comments, which we incorporated as appropriate.