

# *Summary of Using Medicare Claim Data to Identify Deceased Beneficiaries*

## A-08-09-19105



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Social Security Administration Office of the Inspector General

### Objective

To determine whether the Social Security Administration (SSA) could use enhanced Medicare claim data to better identify deceased beneficiaries.

### Background

We obtained a data extract of individuals age 90 or older (as of February 1, 2011) with a residential address in the United States, enrolled in Medicare, and in current payment status. After matching SSA and Centers for Medicare and Medicaid Services (CMS) data files, we identified beneficiaries who did not use Medicare from 2007 through 2009. From this population, we randomly selected and attempted to contact 125 beneficiaries with residential addresses in a postal zone within 60 miles of an Office of Audit (OA) field office to determine whether they were alive and entitled to benefits.

To view the full report, visit <http://oig.ssa.gov/audits-and-investigations/audit-reports/A-08-09-19105>.

### Our Findings

Based on the results of our review, we believe SSA can use enhanced Medicare claim data to better identify deceased beneficiaries using less time and fewer resources. For example, SSA either terminated or suspended benefits of 44 (35 percent) of our 125 sample beneficiaries, which is significantly higher than the 5 percent SSA found in its 2002 Medicare Non-Usage Project (MNUP).

Based on our findings, we estimate that SSA overpaid 890 deceased beneficiaries about \$99 million. Further, we estimate that over the next 12 months, SSA will pay about \$9 million in additional overpayments to these deceased beneficiaries. In addition, we estimate that about 1,160 beneficiaries were living outside the United States and did not report their address change to SSA, and about 190 beneficiaries' whereabouts were unknown. These are conservative estimates because they exclude beneficiaries who did not live near an OA field office. Furthermore, we believe it is likely that many of the beneficiaries with suspended benefits are deceased. We reached this conclusion because they did not contact SSA to reinstate their benefits.

### Our Recommendations

1. Continue working with CMS to establish a data use agreement to identify aged beneficiaries who are not using Medicare and use this information to conduct MNUP reviews.
2. Review all non-citizen beneficiaries in our sample who are alive and living outside the United States to determine whether they meet alien nonpayment provisions.
3. Continue expanding the use of electronic death exchange information with foreign governments who are willing to share such information to ensure the Agency does not continue to pay beneficiaries who die while living outside the United States.
4. Continue working with the banking industry (as allowed under law) to find inactive bank accounts of deceased beneficiaries, thus avoiding overpayments.

SSA agreed with our recommendations.