



SOCIAL SECURITY

Office of the Inspector General

MEMORANDUM

December 20, 2000

Refer To:

To: William A. Halter
Deputy Commissioner
of Social Security

Inspector General

Subject: Redeterminations for Supplemental Security Income Recipients Attaining Age 18
(A-01-00-10013)

Attached is a copy of our final report. Our objective was to determine whether the Social Security Administration is conducting eligibility redeterminations in a timely manner using adult eligibility criteria for recipients attaining age 18.

Please comment within 60 days from the date of this memorandum on corrective action taken or planned on each recommendation. If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.

A handwritten signature in black ink, appearing to read "James G. Huse, Jr.", with a small "for" written below it.

James G. Huse, Jr.

Attachment

**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**REDETERMINATIONS FOR
SUPPLEMENTAL SECURITY
INCOME RECIPIENTS
ATTAINING AGE 18**

December 2000

A-01-00-10013

AUDIT REPORT



Mission

We improve SSA programs and operations and protect them against fraud, waste, and abuse by conducting independent and objective audits, evaluations, and investigations. We provide timely, useful, and reliable information and advice to Administration officials, the Congress, and the public.

Authority

The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.**
- Promote economy, effectiveness, and efficiency within the agency.**
- Prevent and detect fraud, waste, and abuse in agency programs and operations.**
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.**
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.**

To ensure objectivity, the IG Act empowers the IG with:

- Independence to determine what reviews to perform.**
- Access to all information necessary for the reviews.**
- Authority to publish findings and recommendations based on the reviews.**

Vision

By conducting independent and objective audits, investigations, and evaluations, we are agents of positive change striving for continuous improvement in the Social Security Administration's programs, operations, and management and in our own office.

Executive Summary

OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) is conducting eligibility redeterminations in a timely manner using adult eligibility criteria for recipients attaining age 18.

BACKGROUND

The Social Security Independence and Program Improvement Act of 1994 (Public Law 103-296) requires SSA to redetermine the Supplemental Security Income (SSI) eligibility of at least one-third of all childhood SSI recipients who reach age 18 after April 1995 during the 1-year period following attainment of age 18.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) requires SSA to redetermine, within 1 year of the individual's 18th birthday, the eligibility of any individual who was eligible for SSI childhood benefits in the month before the individual attains age 18. This law, which was passed on August 22, 1996, requires that disability redeterminations be performed using the adult disability criteria for initial claims.

The Balanced Budget Act of 1997 (Public Law 105-33) extended the period of review to more than 1 year after the individual's 18th birthday. The effect of this change is to eliminate the time limit on SSA to initiate an age-18 disability redetermination only during the 1-year period following the individual's 18th birthday. However, we considered an age-18 redetermination to have been completed timely if it was initiated within 1 year of the individual's 18th birthday (the time requirement specified in Public Law 104-193).

The age-18 redetermination process begins with SSA's Central Office releasing the case to the Field Office (FO) through its automated system. The Central Office System automatically selects the case if the individual attains age 18 in the fiscal year in which the selection is made. When conducting an age-18 redetermination, the FO staff will conduct the disability interview in the same manner as for an initial claim, except that FO staff will not take a new application and will not develop medical information back to the original disability onset date. After the FO completes its work, it will send the case to the Disability Determination Services. Disability will be evaluated using the adult standard.

RESULTS OF REVIEW

Overall, SSA is conducting eligibility redeterminations in a timely manner using adult eligibility criteria for recipients attaining age 18. Our audit consisted of a detailed review of 150 randomly selected cases from a population of 155,860 individuals who became eligible for benefits as children and attained age 18 on or after August 23, 1996. Of these 150 cases, SSA did not complete 5 required age-18 redeterminations. Projecting the results of our sample to the population we estimate that at least 2,000 required age-18 redeterminations have not been completed.

Our review of 150 cases found:

- age-18 redeterminations were completed in 122 cases;
- age-18 redeterminations were not completed in 5 cases; and
- age-18 redeterminations were not required or not yet due in 23 cases.

CONCLUSION AND RECOMMENDATION

Overall SSA is conducting most age-18 redeterminations in a timely manner. SSA could improve performance in this area to ensure that all reviews released to the FOs are completed timely. We recommend that SSA periodically check to ensure that follow-up alerts on age-18 cases are resolved.

AGENCY COMMENTS

In response to our draft report, SSA agreed with our recommendation. (See Appendix B for SSA's comments.)

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Acronyms

DDS	Disability Determination Services
FO	Field Office
FY	Fiscal Year
OIG	Office of the Inspector General
P.L.	Public Law
SSA	Social Security Administration
SSI	Supplemental Security Income

Introduction

OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) is conducting eligibility redeterminations in a timely manner using adult eligibility criteria for recipients attaining age 18.

BACKGROUND

Related Legislation

The Social Security Independence and Program Improvement Act of 1994 (Public Law 103-296) requires SSA to redetermine the Supplemental Security Income (SSI) eligibility of at least one-third of all childhood SSI recipients who reach age 18 after April 1995 during the 1-year period following attainment of age 18.

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) requires SSA to redetermine, within 1 year of the individual's 18th birthday, the eligibility of any individual who was eligible for SSI childhood benefits in the month before the individual attains age 18. This law, which was passed on August 22, 1996, requires that disability redeterminations be performed using the adult disability criteria for initial claims.

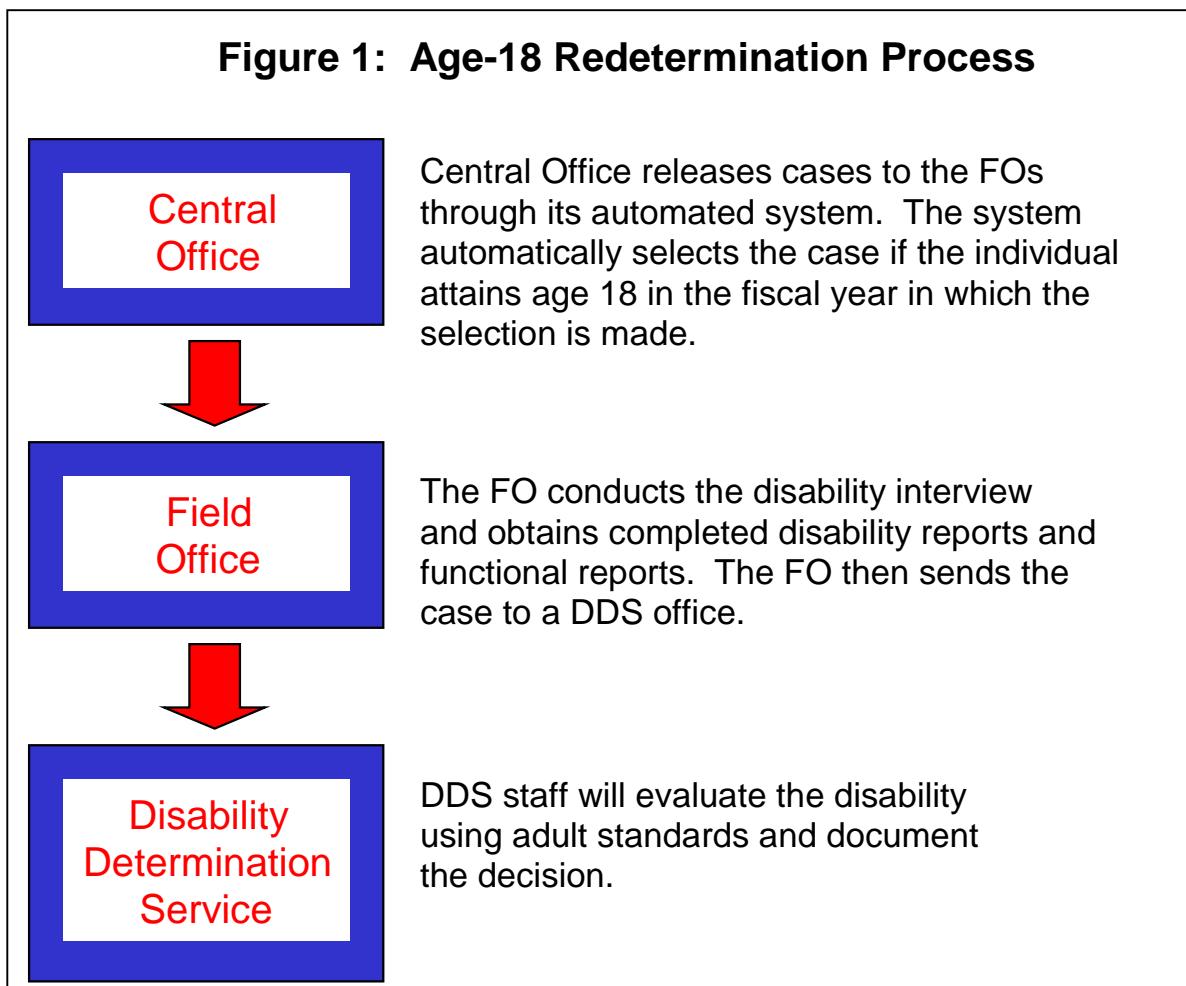
The Balanced Budget Act of 1997 (Public Law 105-33) extended the period of review to more than 1 year after the individual's 18th birthday. Specifically, Public Law (P.L.) 105-33 amended section 1614(a)(3)(H)(iii) of the Social Security Act to state: "...either during the 1-year period beginning on the individual's 18th birthday or, in lieu of a continuing disability review, whenever the Commissioner determines that the individual's case is subject to a redetermination under this clause." The effect of this change is to eliminate the time limits on SSA to initiate an age-18 disability redetermination only during the 1-year period following the individual's 18th birthday. However, we considered an age-18 redetermination to have been conducted timely if it was initiated within 1 year of the individual's 18th birthday (the time requirement specified in P.L. 104-193).

Age-18 Redetermination Process

The age-18 redetermination process begins with SSA's Central Office releasing the case to the Field Office (FO) through its automated system. When conducting an age-18 redetermination, the FO staff will conduct the disability interview in the same manner as for an initial claim, except that FO staff will not take a new application and will not develop medical information back to the original disability onset date. The FO will obtain completed disability reports and functional reports appropriate to initial

disability determinations. After the FO completes its work, it will send the case to the Disability Determination Services (DDS) with the Disability Redetermination Flag stapled to the top of the file identifying the case as an age-18 redetermination. The substantial gainful activity step of the sequential evaluation process and the medical improvement review standard do not apply to these redeterminations. The disability determination will be documented and input via Form SSA-832. On this form, an age-18 redetermination will be distinguished by a code entered in the "Why Review Was Made" field and "P.L. 104-193" entered in item 24. See figure 1 for a flow chart of the age-18 redetermination process.

Figure 1: Age-18 Redetermination Process



Age-18 Redeterminations Completed

The following chart shows the age-18 redeterminations completed by SSA in Fiscal Years (FY) 1995 through 1999.

Table 1: Age-18 Redeterminations Completed in FYs 1995 Through 1999

FY of DDS Decision	Initial DDS Decisions	Number of Continuations	Number of Cessations
1995	71	64	7
1996	12,640	8,158	4,482
1997	48,834	22,431	26,403
1998	40,945	21,453	19,492
1999	49,576	27,413	22,163
Total	152,066	79,519	72,547

Source: 2000 SSI Annual Report

SCOPE AND METHODOLOGY

To accomplish our objective, we:

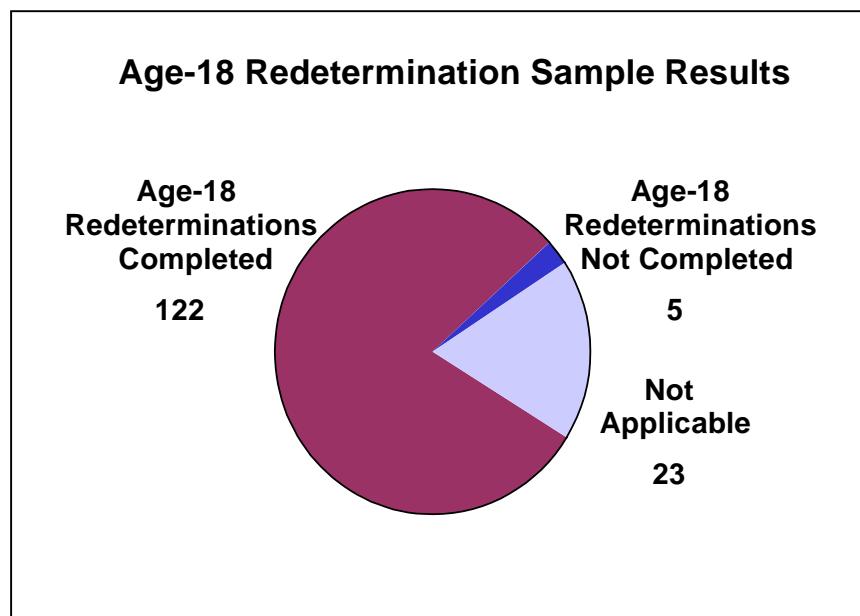
- Reviewed sections of the Social Security Act and SSA's regulations, rules, policies and procedures pertaining to age-18 redeterminations.
- Obtained a data file of 528,330 records containing all individuals in current or suspended pay status who became eligible for SSI benefits as a child and were 18 years or older at the time of our extract. We determined that 155,860 of these individuals attained age 18 on or after August 23, 1996, selected a random sample of 150 cases, and projected our sample results to the population. (See Appendix A for details of our sampling methodology and results.)
- Requested from SSA, copies of the medical files that supported the redetermination decisions for each of the sample cases.
- Researched the National Disability Determination Services System files for those cases where we were unable to obtain medical files.
- Contacted DDS and/or FO staff for cases where information in the medical files was not conclusive as to whether an age-18 redetermination had been completed. In those cases where FO staff confirmed that an age-18 redetermination had not been completed, we requested that the FO conduct the review.
- Determined for each sampled case whether: (1) an age-18 redetermination was completed; (2) the age-18 redetermination was initiated timely (before the

individual's 19th birthday); and (3) adult criteria was applied. If the age-18 redetermination was required but not completed, we calculated the amount of SSI benefits paid to the individual between the time of his or her 19th birthday and the date we reviewed the case.

We performed our review in Boston, Massachusetts between April 2000 and July 2000. The entity audited was the Office of Disability under the Deputy Commissioner for Disability and Income Security Programs. We conducted our audit in accordance with generally accepted government auditing standards.

Results of Review

Overall, SSA is conducting eligibility redeterminations in a timely manner using adult eligibility criteria for recipients attaining age 18. Our audit consisted of a detailed review of 150 randomly selected cases of individuals in current or suspended pay status who became eligible for benefits as children and attained age 18 on or after August 23, 1996. Of these 150 cases, SSA did not ensure that required age-18 redeterminations were completed in 5 cases. Projecting the results of our sample to the population we estimate that at least 2,000 required age-18 redeterminations have not been completed.



Our review of 150 cases found:

- age-18 reviews were completed in 122 cases;
- age-18 reviews were not completed in 5 cases; and
- age-18 reviews were ongoing or were not required in 23 cases.

AGE-18 REDETERMINATIONS NOT COMPLETED

We identified 5 cases where required age-18 redeterminations have not been completed.

- In one case an individual received a medical review and was continued under a childhood medical listing in November 1997, about 1 month prior to her 18th birthday. An age-18 redetermination was released to the FO. The FO believed that the above review was an age-18 redetermination and thus did not forward the case to the DDS to process an age-18 redetermination. The age-18 redetermination was not completed and the individual received \$5,959 in benefits for 15 months after her 19th birthday until the time we reviewed this case in June 2000.
- In a second case, the beneficiary's initial eligibility was determined in July 1998, about 1 month prior to her 18th birthday. An age-18 redetermination was released

but the FO decided to wait until March 1999 to perform the redetermination. The age-18 redetermination was not completed and the individual received \$2,594 in benefits for 8 months after her 19th birthday until the time we reviewed this case in April 2000.

- In a third case, the individual did not keep a scheduled appointment related to her age-18 redetermination at the FO. The FO sent a letter stating that benefits would terminate if the individual did not come to the FO. This individual came into the FO to answer questions related to the age-18 redetermination. In error, the FO did not send this case to the DDS so that an age-18 redetermination could be performed. The age-18 redetermination was not completed and the individual received \$1,024 in benefits for 2 months after her 19th birthday until the time we reviewed this case in June 2000.
- In a fourth case, an age-18 redetermination was performed but not processed. The DDS began an age-18 redetermination and decided that the individual's benefits should terminate due to failure to cooperate in May 1999. The case was then sent to the Disability Quality Branch which determined that the individual's benefits should have terminated in April 1999. The case was sent back to the FO. The FO was not aware that it should have processed the termination and, instead, sent the folder to the Wilkes-Barre Data Operations Center for storage. This individual was paid \$6,060 in benefits during the period from June 1999 until we reviewed the case in May 2000.
- In a fifth case, an individual was in suspended pay status in the month before he attained age 18 in February 1997, therefore an age-18 redetermination was not released to the FO. He went back into current pay status the month after his 18th birthday and has not undergone an age-18 redetermination. This individual was paid \$14,524 in benefits for 27 months after his 19th birthday until we reviewed the case in July 2000.

We notified SSA FO staff of these 5 cases and the Agency is taking corrective action to complete the age-18 reviews. Until we discussed these 5 cases with FO staff, SSA was not taking action to complete the reviews. In 3 of the 5 cases, follow-up alerts had been generated and issued to the DDS offices, but still the reviews had not been performed.

AGE-18 REDETERMINATIONS ONGOING OR NOT REQUIRED

Our review identified 23 cases that did not require age-18 redeterminations at the time of our review. Specifically, we found that:

- In 9 cases the individuals were evaluated under adult criteria.
- In 4 cases SSA was conducting age-18 redeterminations that were ongoing at the time of our review.

- In 5 cases age-18 reviews were not completed as the individuals were not receiving payments at the time the age-18 redetermination was to be processed.
- In 3 cases the individuals began receiving benefits under adult medical listings.
- In 2 cases age-18 redeterminations were initiated, but the recipients failed to cooperate with SSA. In these cases, benefits were suspended and the redeterminations were not completed.

Conclusion and Recommendation

SSA is conducting most age-18 redeterminations in a timely manner. SSA could improve performance in this area to ensure that all reviews released to the FOs are completed timely. We recommend that SSA periodically check to ensure that follow-up alerts on age-18 cases are resolved.

AGENCY COMMENTS

In response to our draft report, SSA agreed with our recommendation. Specifically, SSA plans to issue a reminder to FO staff about the importance of processing age-18 redeterminations in a timely manner and the need to monitor this workload. Additionally, the Deputy Commissioner for Disability and Income Security Programs submitted a request to the Office of Systems on November 20, 2000 for a systems enhancement to control and monitor this workload at the national level.

Appendices

Appendix A

Sampling Methodology and Results

We obtained from the Social Security Administration a data extract from the Supplemental Security Record of all individuals in current or suspended pay status who became eligible for Supplemental Security Income benefits as children and were 18 years or older at the time of our extract. Our sample population did not include cases where age-18 redeterminations were completed and benefits were terminated prior to the date of our extract (January 2000). From this data file, we determined that 155,860 of these individuals attained age 18 on or after August 23, 1996. We used this date because the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 was enacted on August 22, 1996. We selected a random sample of 150 cases from this population.

Sample Results and Attribute Projection

Population size	155,860
Sample size	150
Sampled cases where age-18 redeterminations were not completed	5
Projection of age-18 redeterminations not completed	5,195
Projection lower limit	2,062
Projection upper limit	10,722

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

For those cases where we were unable to obtain medical files, we researched the National Disability Determination Services System. We concluded that an age-18 redetermination was performed if the review was completed after the individual's 18th birthday and the "Why Review was Made" code equaled 29. We also checked whether the Study List Code equaled 8 (Redetermination pursuant to Public Law 104-193) and the Continuing Disability Review Type Code equaled 4 (Age-18 Disability Determination), which verifies that this was an age-18 redetermination.

Appendix B

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: DEC 15 2011

Refer To: SJ1-3

To: James G. Huse, Jr.
Inspector General

From: William A. Halter *Wax4*
Deputy Commissioner of Social Security

Subject: Office of the Inspector General (OIG) Draft Report, "Redeterminations for Supplemental Security Income Recipients Attaining Age 18" (Audit 22000023)—INFORMATION

Our comments to the subject report are attached. Staff questions should be directed to Neil Cunningham on extension 52290.

Attachment:
SSA Response

**COMMENTS OF THE SOCIAL SECURITY ADMINISTRATION (SSA) ON THE
OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT,
“REDETERMINATIONS FOR SUPPLEMENTAL SECURITY INCOME RECIPIENTS
ATTAINING AGE 18” (A-01-00-10013)**

Thank you for the opportunity to review the subject draft report. We offer the following comments.

Recommendation

SSA should periodically check to ensure that follow-up alerts on age-18 cases are resolved.

SSA Comment

We concur with this recommendation. As OIG reported, SSA is conducting most age-18 redeterminations timely. However, we also agree that SSA could improve performance in this area. We have processes in place to follow up with field offices (FO) on this critical workload. In December 2000, we will issue a reminder to the FOs about the importance of processing age-18 redeterminations in a timely manner and the need to monitor this workload.

Although there are systems in place to control and monitor redetermination workloads at the FO and Regional Office levels, the Deputy Commissioner for Disability and Income Security Programs submitted a request to the Office of Systems on November 20, 2000 for a systems enhancement to control and monitor this workload at the national level. Since planning, analysis and development are necessary before systems enhancements can be implemented, an expected completion date is not yet available.

Appendix C

OIG Contacts and Staff Acknowledgments

OIG Contacts

Roger J. Normand, Director, Disability Program Audit Division, (617) 565-1822

Rona Rustigian, Deputy Director, (617) 565-1819

Acknowledgments

In addition to those named above:

Walter Bayer, Auditor

Katie Hallock, Auditor

Kevin Joyce, Auditor

David Mazzola, Auditor

For additional copies of this report, please contact the Office of the Inspector General's Public Affairs Specialist at (410) 966-5998. Refer to Common Identification Number A-01-00-10013.

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Treasurer, National Council of Social Security Management Associations, Incorporated	1
Social Security Advisory Board	1
AFGE General Committee	9
President, Federal Managers Association	1
Regional Public Affairs Officer	1
Total	97

Overview of the Office of the Inspector General

Office of Audit

The Office of Audit (OA) conducts comprehensive financial and performance audits of the Social Security Administration's (SSA) programs and makes recommendations to ensure that program objectives are achieved effectively and efficiently. Financial audits, required by the Chief Financial Officers Act of 1990, assess whether SSA's financial statements fairly present the Agency's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs. OA also conducts short-term management and program evaluations focused on issues of concern to SSA, Congress, and the general public. Evaluations often focus on identifying and recommending ways to prevent and minimize program fraud and inefficiency.

Office of Executive Operations

The Office of Executive Operations (OEO) supports the Office of the Inspector General (OIG) by providing information resource management; systems security; and the coordination of budget, procurement, telecommunications, facilities and equipment, and human resources. In addition, this office is the focal point for the OIG's strategic planning function and the development and implementation of performance measures required by the Government Performance and Results Act. OEO is also responsible for performing internal reviews to ensure that OIG offices nationwide hold themselves to the same rigorous standards that we expect from the Agency, as well as conducting employee investigations within OIG. Finally, OEO administers OIG's public affairs, media, and interagency activities and also communicates OIG's planned and current activities and their results to the Commissioner and Congress.

Office of Investigations

The Office of Investigations (OI) conducts and coordinates investigative activity related to fraud, waste, abuse, and mismanagement of SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, physicians, interpreters, representative payees, third parties, and by SSA employees in the performance of their duties. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Counsel to the Inspector General

The Counsel to the Inspector General provides legal advice and counsel to the Inspector General on various matters, including: 1) statutes, regulations, legislation, and policy directives governing the administration of SSA's programs; 2) investigative procedures and techniques; and 3) legal implications and conclusions to be drawn from audit and investigative material produced by the OIG. The Counsel's office also administers the civil monetary penalty program.

