

Social Security Benefits Paid Before and After an Individual's Death

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Office of Audit Report Summary

Background

Individuals must meet specific criteria to qualify for Social Security benefits. Qualifications for Old-Age, Survivors and Disability Insurance (OASDI) benefits include age, insured status, relationship, lawful presence, and disability. Supplemental Security Income (SSI) has some of the same requirements but also includes household living arrangements, income, and resource limits.

In addition to individuals who contribute to OASDI receiving benefits on their own records, some can receive SSI, auxiliary, and/or survivor benefits during their lifetime. Some individuals contribute without anyone ever receiving benefits on their records.

For example, if an OASDI-insured individual passes away without receiving any benefits, and no one else is eligible on his/her record, the Agency will not pay a benefit to anyone, regardless of the individual's contribution to the OASDI Trust Funds.

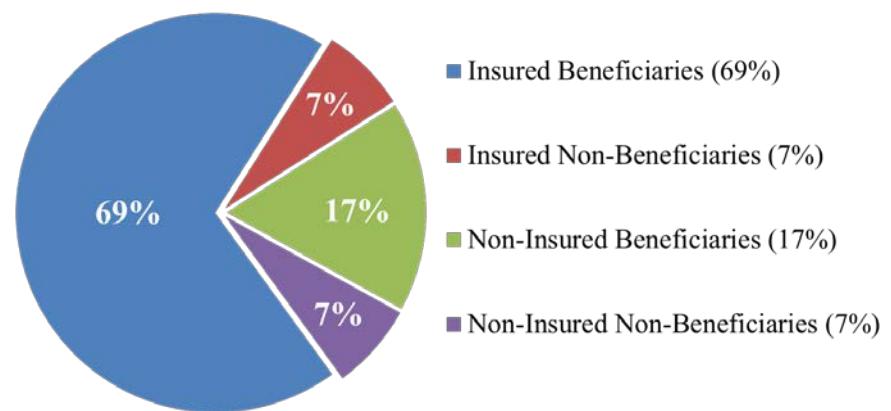
We completed this review to determine the type, and duration, of Social Security benefits paid to individuals, as well as their auxiliaries and survivors, before and after each individual's death. We also determined the characteristics of those paid and those not paid any type of benefit.

Summary

Based on analysis of 275 individuals in a randomly selected sample of about 2.7 million people with a date of death in Calendar Year 2014, we estimate that

- about 2.3 million individuals received a monthly benefit before death (moreover, 33 percent of the individuals in our sample had at least 1 auxiliary or survivor who received benefits based on their work history); and
- about 2 million individuals had sufficient work activity, or insured status, to receive retirement or disability benefits on their own records as of their date of death.

Once we determined insured status and receipt of benefits for all individuals in our sample, each individual fit into one of four major categories for further analysis.



With respect to the insured non-beneficiaries, we determined there were several reasons that deceased insured individuals in our sample never received benefits. Our analysis indicated that most insured individuals who died without receiving benefits were too young to draw retirement benefits, and their deaths were too sudden to apply for disability.