



Semiannual Report to Congress

October 1, 2020 - March 31, 2021



Social Security Administration
Office of the Inspector General

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GLOSSARY OF ACRONYMS

CDI	Cooperative Disability Investigations
CMP	civil monetary penalty
COVID-19	novel coronavirus SARS-CoV2
DDS	disability determination services
DI	Disability Insurance
DOJ	U.S. Department of Justice
DOL	U.S. Department of Labor
FBI	Federal Bureau of Investigation
FY	fiscal year
IRS	Internal Revenue Service
OIG	Office of the Inspector General
OPM	Office of Personnel Management
PPP	Paycheck Protection Program
SSA	U.S. Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security number
USPIS	U.S. Postal Inspection Service
USSS	U.S. Secret Service
VA	U.S. Department of Veterans Affairs



MESSAGE FROM THE INSPECTOR GENERAL

I am pleased to present this Semiannual Report to Congress summarizing our activities from October 1, 2020, through March 31, 2021.

During this reporting period, we worked diligently to achieve our core mission during a global pandemic, while continuing to combat Social Security-related phone scams and addressing the emerging challenge of fraud related to the *Coronavirus Aid, Recovery, and Economic Security Act*. To accomplish all of this, we had to stretch our limited resources, reallocate personnel, and make data-driven decisions about which workloads to prioritize.

We recently issued our [Strategic Plan for Fiscal Years 2021-2025](#). Over the next 5 years, we will focus our resources to build on our strengths, address challenges, mitigate risks, and capitalize on opportunities for growth, development, and innovation. Our mission and vision emphasize our role as public servants and agents of positive change. Our strategic goals and objectives reflect the work we must accomplish, and identify major activities that will contribute to our progress.



Our Strategic Plan aligns with my priorities as Inspector General: enhancing analyses; building data analytics capabilities; establishing an enterprise risk management program; integrating modern information technology and automation tools; and investing in our workforce. These improvements will lead to a more nimble and responsive organization. This plan is dynamic and adaptable, allowing us to shift priorities and resources to accommodate developments beyond our control.

This report shares the results of our audit, investigative, and legal work during the past 6 months. We appreciate your interest in the Office of the Inspector General's work, and welcome your feedback. Please contact us if you have any questions about this report or other aspects of our oversight of the Social Security Administration. Thank you for your partnership in our shared goal of improving Social Security and ensuring its efficiency and effectiveness for all Americans.

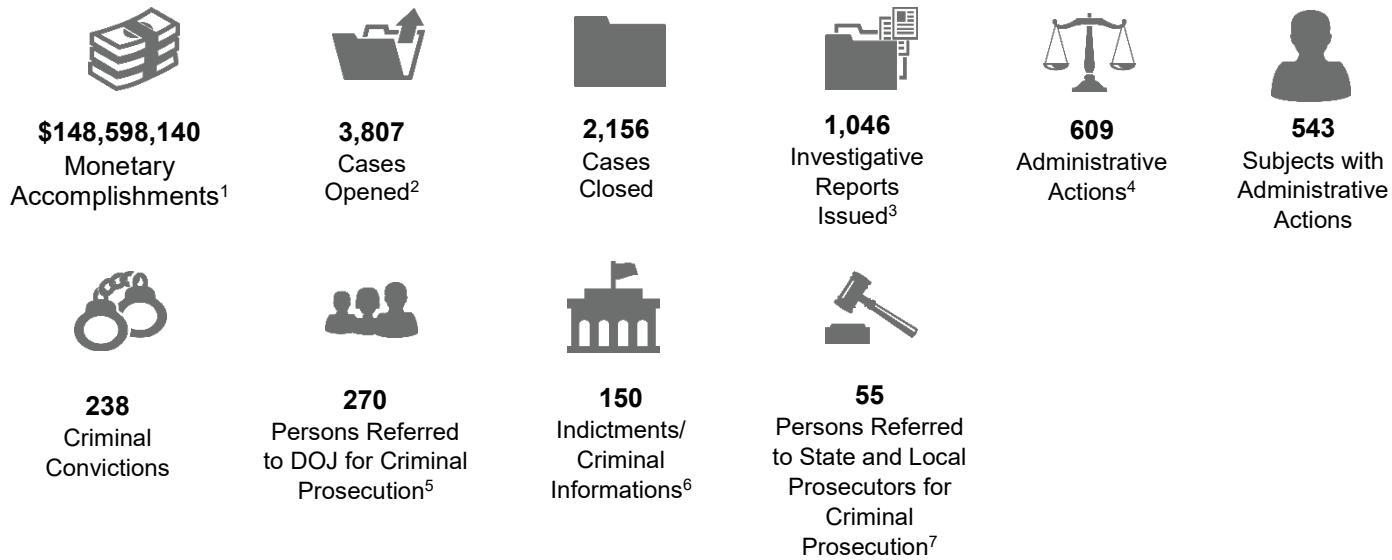
A handwritten signature in blue ink that reads "Gail S. Ennis".

Gail S. Ennis
Inspector General



STATISTICAL ACHIEVEMENTS

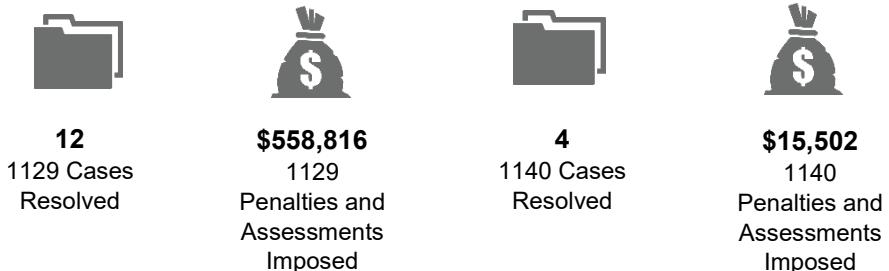
INVESTIGATIONS



AUDIT



LEGAL



¹ Includes court-ordered restitution, recoveries, settlements, judgements, fines, civil monetary penalties, and estimated savings resulting from our investigations.

² In October 2020, we changed the way we categorize our investigations to more accurately reflect the nature of our work. Therefore, this number includes both preliminary and full investigations.

³ Summary reports of investigative findings issued externally by the Office of Investigations, including prosecution referrals, reports of employee investigation, reports of special investigation, and reports of findings by a Cooperative Disability Investigations unit.

⁴ Includes benefits terminated, claims denied, administrative recovery, reduction in benefits, removal of representative payee, and benefits suspended.

⁵ Individual subjects or entities referred to the U.S. Department of Justice where the investigative findings were not subject to pre-established prosecution declination guidelines.

⁶ Initial indictment or criminal information filings per subject; subsequent or superseding indictments and/or criminal informations for the same subject not included.

⁷ Total number of individual subjects or entities referred to state and local prosecuting authorities where the investigative findings were not subject to pre-established prosecution declination guidelines. These persons may also have been referred to the U.S. Department of Justice.

⁸ The Social Security Administration agreed with 95 of 97, or 98%, of the recommendations we made this period.

⁹ This figure reflects the dollar value of aggregate potential cost savings for all reports with unimplemented monetary recommendations through September 2020.



HIGH-IMPACT INITIATIVES

Following are summaries of four Office of the Inspector General (OIG) initiatives that had a significant impact on the integrity, effectiveness, and efficiency of the Social Security Administration's (SSA) programs and operations during this reporting period.

1. COVID-19 Pandemic Response Efforts

The novel coronavirus SARS-CoV2 (COVID-19) pandemic has substantially transformed Federal agency business processes and customer service. SSA continues its efforts to maximize protections to its employees and the public by reducing certain workloads and minimizing in-office activity and services. We are engaged with the agency as it begins recovery of services and operations. We are conducting oversight related to the COVID-19 pandemic and investigating allegations of fraud tied to COVID-19 pandemic relief programs, funds, and related scams.

We are participating in 28 COVID-19 fraud workgroups and collaborating with other Federal law enforcement entities on joint investigations related to the COVID-19 pandemic, including unemployment insurance fraud and Paycheck Protection Program (PPP) fraud.

Unemployment Insurance Fraud

As part of the National Unemployment Insurance Fraud Task Force, we are working with the U.S. Secret Service (USSS), U.S. Department of Labor (DOL) OIG, Federal Bureau of Investigation (FBI), Homeland Security Investigations, Internal Revenue Service (IRS) Criminal Investigation, U.S. Postal Inspection Service (USPIS), and Department of Homeland Security OIG, in coordination with U.S. Department of Justice (DOJ), to investigate fraud schemes targeting the unemployment insurance programs of state workforce agencies. Fraudsters are using stolen identities to file fraudulent unemployment claims and exploit the unprecedented expansion of these benefits in response to the COVID-19 pandemic.

In October 2020, an unemployment insurance investigation, on which we provided substantial assistance, led to the [arrests of five people](#) and seizure of over \$1.1 million in cash. The charges, announced by the U.S. Attorney's Office for the District of Rhode Island, revealed an alleged scheme to use stolen personally identifiable information to apply for unemployment benefits and Federal and state tax refunds, and withdraw the funds shortly after they were direct deposited into accounts set up to receive the fraudulently obtained funds. We worked this case jointly with the FBI, IRS Criminal Investigation, DOL OIG, USPIS, USSS, and Rhode Island state agencies.

Paycheck Protection Program Fraud

We are also working with other Federal, state, and local agencies to pursue Social Security number (SSN) misuse and other crimes committed in relation to PPP fraud. For example, in November 2020, a joint investigation led to the [arrest](#) of a Warren County, New Jersey businessman for wire fraud, bank fraud, and money laundering. We worked with the USPIS, IRS Criminal Investigation, Board of Governors of the Federal Reserve System and the Bureau of Consumer Financial Protection OIG, and Federal Deposit Insurance Corporation OIG to gather evidence of Rocco Malanga's alleged scheme to submit three fraudulent PPP loan applications. Malanga allegedly received nearly \$1.8 million in loans, diverting the funds to accounts under the control of his relatives and to another company that did not obtain a PPP loan.

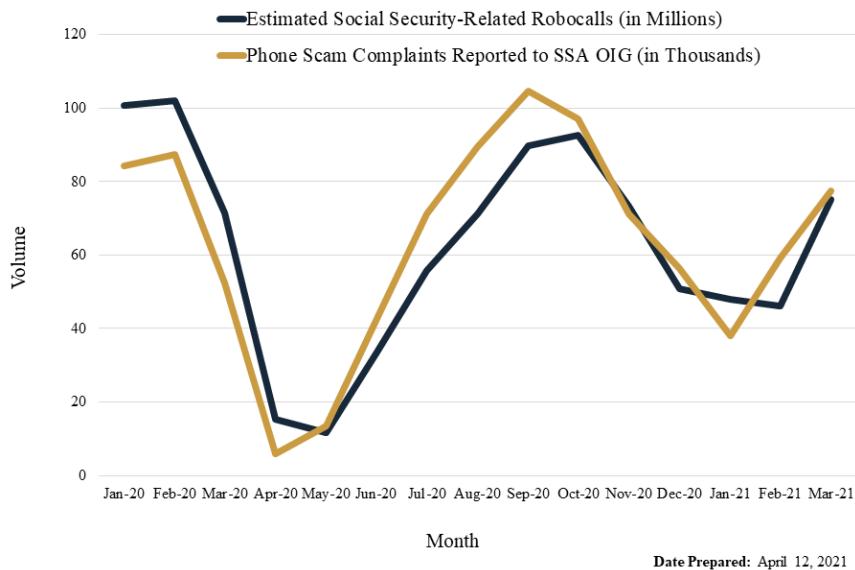


HIGH-IMPACT INITIATIVES

2. Social Security-Related Phone Scams

In a Social Security-related phone scam, a caller claims to be a government employee. The caller may ask for personal information, demand payment, or make threats. These scams primarily use the telephone, but a small number of scams are reported to have been communicated via email, text, or U.S. mail.

While monthly volumes vary, we received roughly the same number of Social Security-related phone scam complaints this reporting period as we did during the last reporting period.¹⁰



We continued our aggressive public awareness campaign to protect taxpayers from Social Security-related phone scams. We provided public outreach materials explaining how to identify phone scams and how to report scam activity to us through our [website \(oig.ssa.gov\)](http://oig.ssa.gov). We use reports of scam activity to identify trends and investigate and disrupt the scams.

During this reporting period, we issued two fraud advisories warning the public about Social Security-related phone scams:

- [Inspector General Updates Warning for Social Security Phone Scams](#)
- [New Tactics for Government Imposters](#)

¹⁰ Estimated Social Security-related robocall volume data provided by YouMail, a company providing call-blocking services. YouMail stated its scam call volume estimates for this reporting period are conservative, so actual volume may be higher.



HIGH-IMPACT INITIATIVES

In addition, we designated March 4, 2021, as the second annual National “Slam the Scam” Day. Federal agencies, state and local governments, and private companies joined forces to encourage taxpayers to hang up on telephone scammers impersonating government employees. We led coordination efforts, created marketing materials, contacted media outlets, and published content. The infographic below has more detail about this outreach effort and its results.

NATIONAL “SLAM THE SCAM” DAY HIGHLIGHTS

March 4, 2021



press coverage
includes online articles, local and national television stories, and radio



FACEBOOK

government officials and organizations, and private companies and citizens helped slam the scam, potentially reaching **nearly 3 MILLION** people



#SlamTheScam
tweets viewed **1.98 million** times

SSA OIG engagements:
39 163 264 51

Tweeted by:
FBI | USAGOV | FTC | Medicare.gov | EPA | CFPB | Home Depot | Federal Reserve | CVS | DEA | government officials | Ways and Means Committee | local police departments | other OIGs



Anti-Spoofing Penalties Modernization Act of 2021



- Introduced by U.S. Senators Susan Collins, Kyrsten Sinema, Josh Hawley, and Gary Peters
- Doubles penalties for illegal caller-ID “spoofing”
- Press release dated March 4, 2021 commemorates National “Slam the Scam” Day



HIGH-IMPACT INITIATIVES

Disruption and Investigative Efforts

During this reporting period, we continued to combat phone scams through criminal investigations and disruption. Our efforts to pursue scam organizers and facilitators resulted in multiple judicial actions, including the following:

- On September 1, 2020, and on October 6, 2020 respectively, as a result of an OIG-led investigation, husband and wife Mehulkumar Manubhai Patel and Chaitali Dave [pledaded guilty](#) in the Northern District of Georgia to laundering over \$500,000 from dozens of scam victims on behalf of Indian-based phone scammers.
- On November 17, 2020, the U.S. Attorney's Office for the Northern District of Georgia [announced](#) the indictment of India-based Voice over Internet Protocol provider, E Sampark, and its director, Gaurav Gupta. Pursuant to a consent permanent injunction, a Federal court also ordered a Florida based server farm to stop providing E Sampark and Gupta with servers used to perpetuate the alleged scheme.
- On January 6, 2021, Hirenkumar P. Chaudhari, of Des Plaines, Illinois [pledaded guilty](#) to money laundering. Chaudhari admitted that he opened multiple bank accounts in the United States to receive money from victims of a phone scam that involved people falsely claiming to be associated with, among other agencies, SSA and DOJ.
- On February 3, 2021, Karla Suzanne Spiker, of Orlando, Florida, [was sentenced](#) in the Northern District of Georgia. She pleaded guilty to money laundering and was convicted on October 30, 2020, for her role collecting over \$300,000 in scam victim funds.
- On March 30, 2021, Anuj Mahendrabhai Patel [pledaded guilty](#) in the Central District of California to conspiracy to commit mail fraud and wire fraud for his scheme to defraud victims of more than \$500,000 through Social Security-related scam phone calls. One co-conspirator was sentenced on March 29, 2021, to 5 months of time-served in federal prison and was ordered released to immigration authorities for deportation. A third defendant is scheduled for trial in May 2021.

3. Facilitator Fraud Investigations

In recent years, we re-focused resources on third-party facilitator investigations. Third-party facilitators assist individuals in the disability claims process and may include licensed medical professionals, attorneys, non-attorney representatives, interpreters, social workers, and even SSA or state disability determination services (DDS) employees. Fraud occurs when third-party facilitators provide false information in the application process for disability benefits. Often, facilitator fraud investigations uncover widespread fraud, as demonstrated by the following significant case highlight:

- New York Psychiatrist Sentenced for Role in Large-Scale Disability Fraud Scheme

During this reporting period, we [announced](#) the sentencing of Raymond Pierre Paul, a psychiatrist practicing in Nassau County, New York, for his role in a wide-ranging, years-long criminal disability fraud conspiracy involving hundreds of former New York City police



HIGH-IMPACT INITIATIVES

officers and firefighters, many of whom claimed disabilities based on the terrorist attacks of September 11, 2001.

This investigation determined many applicants were recruited after they received a New York City disability pension. As part of the scheme, the applicants would not file for SSA disability until Pierre Paul, or another psychiatrist, had treated them for at least a year. To participate in the scheme, the applicants agreed to pay compensation equaling their first 14 months of SSA disability benefits. These kickbacks ranged from \$20,000 to \$50,000.

To date, this investigation has led to 134 arrests and 116 criminal convictions, as well as more than 25 civil monetary penalty (CMP) actions for false statements and material omissions to SSA. The four other scheme ringleaders previously pleaded guilty to conspiracy and agreed to make restitution of millions of dollars in exchange for reduced sentences. Moreover, SSA terminated benefits of over 300 persons who were involved in the scheme but not indicted. So far, the scheme resulted in court-ordered restitution of over \$25 million and additional improper benefit payments of over \$49 million. Savings to SSA, to date, are estimated at \$52 million. Our New York Field Division investigated this case jointly with the New York Police Department's Internal Affairs Division, Manhattan District Attorney's Office, and the New York State Attorney General's Office.

4. Cooperative Disability Investigations

Since 1997, the Cooperative Disability Investigations (CDI) program has improved disability program integrity by resolving questions of fraud in Social Security disability claims. CDI units combine resources and expertise from SSA, the OIG, state DDS agencies, and state or local law enforcement, to investigate and deter disability fraud. CDI units combine Federal and state resources and expertise to benefit not only Social Security programs, but also other Federal and state programs, such as food stamps, housing assistance, Medicare, and Medicaid.

Since inception, CDI investigations have contributed to a projected savings to taxpayers of more than \$7 billion. From October 1, 2020, through March 31, 2021, CDI investigations led to:

- 623 disability claims being denied or ceased;
- \$52,811,409 in projected savings for SSA programs; and
- \$36,723,259 in projected savings for non-SSA programs.

We maintained productivity across the country despite experiencing challenges in performing investigative fieldwork related to the COVID-19 pandemic. We comply with all local COVID-19 guidelines affecting each of our CDI units to protect our personnel and the public.

We remain on schedule to expand CDI coverage to Maine, Vermont, and Connecticut by the end of Fiscal Year (FY) 2021. CDI currently has 49 units covering 44 states, the District of Columbia, and the Commonwealth of Puerto Rico. It also covers the U.S. territories of Guam, American Samoa, the Northern Mariana Islands, and the Virgin Islands. SSA and the OIG will continue to work with their state and local partners to expand CDI coverage for all 50 states by FY 2022, in accordance with the *Bipartisan Budget Act of 2015*.



HIGH-IMPACT INITIATIVES

Following are significant CDI case highlights from this reporting period:

- Coralville Woman Fraudulently Received More Than \$193,000 in Benefits

Based on a referral from the Iowa DDS, the Des Moines, Iowa CDI Unit investigated a woman who failed to report employment while she was receiving Disability Insurance (DI) benefits and Iowa housing assistance, funded by the U.S. Department of Housing and Urban Development. She was sentenced to 15 months in prison and 3 years of supervised release, and was ordered to repay \$161,627 to SSA and \$31,727 to the Iowa City Housing Authority. [Press Release](#)

- Woman Concealed Business to Receive Nearly \$200,000 in Benefits

Based on a referral from the FBI, the St. Louis CDI Unit jointly investigated a woman who concealed her home health care business and more than \$100,000 income per year, so she could continue receiving DI benefits. She also submitted false documentation about her employment and income in applying for financing to purchase a Mercedes-Benz vehicle. She was sentenced to 12 months and 1 day in prison, and was ordered to repay \$199,911 to SSA and \$8,596 to Mercedes-Benz. [Press Release](#)

- Sioux Falls Man Concealed Work to Maintain Eligibility for SSI and Medicaid

Based on a referral from the Yankton, South Dakota SSA office, our Sioux Falls, South Dakota CDI Unit investigated a man who failed to report his work and income to SSA while receiving Supplemental Security Income (SSI). From October 2015 to February 2019, the man was employed by Panera Bread, Billion, Wells Fargo, and Midco, but made a statement to SSA that his only income was his and his wife's SSI payments. The man was sentenced to 5 years of probation and was ordered to repay \$29,133 to SSA and \$42,520 to South Dakota Medicaid. [Press Release](#)



INVESTIGATIONS OVERVIEW

The OIG's Office of Investigations receives and evaluates allegations of fraud, waste, abuse, and mismanagement in SSA's programs and operations, and takes appropriate action on them in coordination with Federal, state, and local prosecutors. The Office of Investigations also investigates allegations of retaliation against whistleblowers who have made protected disclosures. Our investigations may result in criminal or civil prosecution, CMP, or agency administrative actions. We received 510,576 allegations during this reporting period, shown by category in the chart below.

Allegations Received by Category October 1, 2020 – March 31, 2021



Disability Insurance Fraud

This type of fraud historically comprises a significant part of our investigative workload. DI fraud includes, among other activities, concealing work activity or medical improvement while receiving disability benefits, representative payee misuse, and deceased payee fraud. Following are significant DI fraud highlights from this reporting period.

- SSA Representative Payee Misused More Than \$256,000 of Clients' Funds

Based on a referral from the Silverdale, Washington SSA office, we investigated the owner and operator of a guardianship business who misused his elderly and disabled clients' Social Security benefits. Working jointly with the Kitsap, Washington Sheriff's Department, we found this representative payee misused more than \$250,000 from 21 victims through 240 separate transactions. The victims lost from \$200 up to \$66,000 each. The man was sentenced to 1 year and 1 day in prison and was ordered to make restitution of \$256,336. [Press Release](#)

- Plumbing Company Owner Concealed Work to Receive More Than \$305,000 in Benefits

Based on a referral to our fraud hotline, we investigated the owner of a Tucson, Arizona plumbing company who concealed his employment and wages from 2005 through January 2014, while receiving DI benefits. The man was sentenced to 6 months in prison and was ordered to repay \$305,371 to SSA and pay a \$200,000 fine. [Press Release](#)

¹¹ Most of these allegations were determined to be unrelated to fraud, waste, or abuse in SSA programs or operations.



INVESTIGATIONS OVERVIEW

- Woman Concealed Son’s Death and Misused More Than \$256,000 in Benefits

Based on a referral from SSA’s Office of Business Improvement, we investigated a Maryland woman who misused DI benefits intended for her son, who died in 1994. For approximately 24 years, she concealed the death from SSA, forging her son’s signature to deposit and misuse the DI benefits intended for him. She used the funds for personal expenses and to pay credit card debt she incurred on accounts she opened using her late son’s identity. The woman was sentenced to 2 years in prison and 3 years of supervised release, and was ordered to repay \$256,244 to SSA. [Press Release](#)

Supplemental Security Income Fraud

SSI is a needs-based program, and we work to ensure that only those who are truly eligible for these critical benefits receive them. Eligibility for SSI primarily relies on self-reporting many factors including earnings, assets, resources, marital status, residency, and living arrangements, among others. We investigate allegations of many types of SSI fraud, including when someone conceals a marriage, real estate and other assets, or their true country of residence from SSA while receiving SSI payments. Following are significant SSI fraud highlights from this reporting period.

- Woman Misrepresented Living Arrangements to Receive More Than \$89,000 in SSI

Based on a referral from the Waterville, Maine SSA office, we investigated a woman who concealed the presence of her husband in her household in order to maintain her eligibility to receive SSI. From about August 2006 through March 2019, the woman falsely represented to SSA that she was living alone and not receiving help or money from any other person during this time. She was sentenced to 4 years of probation, with a condition of home confinement not to exceed 6 months, and was ordered to repay \$89,864 to SSA. We investigated this case jointly with the USPIS. [Press Release](#)

- Woman Made False Statements to Receive More Than \$146,000 in SSI

Based on a referral from the Waterbury, Connecticut SSA office, we investigated a woman who was receiving SSI for herself and as representative payee for her children. From 2005 to 2018, the woman made multiple false statements to SSA about her household’s income, resources, and living arrangements. She also failed to disclose income of approximately \$220,000 she received from a civil lawsuit. The woman was sentenced to 3 months in prison and 3 years of supervised release, with the first 3 months of the supervised release to be served in home confinement. She was also ordered to repay \$146,753 to SSA. [Press Release](#)



INVESTIGATIONS OVERVIEW

- Woman Provided False Information to Receive \$95,000 in Government Assistance

Based on a referral from the Rutland, Vermont SSA office, we investigated a woman who provided false information to qualify for SSI and other assistance. She claimed that she and her husband were separated and that he did not live in her household when, in fact, he did live with her and earned substantial income that would have made her ineligible for SSI and other assistance. She was sentenced to 2 years of probation and was ordered to repay \$39,684 to SSA and \$55,316 to the State of Vermont. We investigated this case jointly with the U.S. Department of Health and Human Services OIG. [Press Release](#)

Retirement and Survivors Insurance Fraud

These investigations pertain primarily to Retirement and Survivors Insurance benefits, including deceased payee fraud, representative payee misuse, false statements about marital or parental status in applying for survivors' benefits, and other related types of fraud. Following are significant Retirement and Survivors Insurance fraud highlights from this reporting period.

- Man Misused over \$409,000 in Pension and Retirement Benefits After Mother's Death

Based on [OIG audit findings](#), we investigated a man who misused civil service pension and Social Security retirement benefits intended for his mother. From February 2009 to June 2018, he failed to report his mother's death to SSA and the U.S. Office of Personnel Management (OPM) and continued to receive the benefits that were deposited in a joint bank account. He withdrew the funds typically by checks he endorsed, payable to himself or to his former business. The man was sentenced to 18 months in prison and 3 years of supervised release, and was ordered to repay \$40,403 to SSA and \$369,018 to OPM. We investigated this case jointly with the OPM OIG. [Press Release](#)

- Bank Manager Misused \$1.2 Million from Bank Accounts of Deceased Beneficiaries

Based on a referral from the Las Vegas, Nevada SSA office, we investigated a bank branch manager who withdrew and misused approximately \$1.2 million from two of his bank's customer accounts. The man received information about two accounts with large balances and no activity except for monthly U.S. Department of Veterans Affairs (VA) benefits and/or SSA benefits that continued to be deposited. He then ordered debit cards for the accounts to withdraw cash, and misused those funds or deposited them into his personal bank account. The man was sentenced to 2 years and 6 months in prison, 3 years of supervised release, and ordered to repay \$757,986 to VA and \$436,687 to SSA. We investigated this case jointly with the VA OIG. [Press Release](#)

- Representative Payee Misused More Than \$144,000 After Stepmother's Death

Based on a referral from the Norfolk, Nebraska SSA office, we investigated a man who served as representative payee for his stepmother, who died in 1999. He concealed her death from SSA for 20 years, falsely reporting she was still alive and providing a false account of how he was using the benefits intended for her. The man was sentenced to 5 years of probation and was ordered to repay \$144,465 to SSA. [Press Release](#)



INVESTIGATIONS OVERVIEW

- Man Concealed Father's Death for Nearly a Decade and Misused More Than \$221,000

Based on [OIG audit findings](#) and a referral from the Beaverton, Oregon SSA office, we investigated a man who misused SSA retirement benefits intended for his father. The man's father passed away in 2009 and he failed to inform the bank and SSA, so benefits continued to be deposited into a joint bank account. The man transferred these funds into other accounts and misused them on personal expenses for nearly 10 years. He was sentenced to 5 years of probation and was ordered to repay \$221,960 to SSA. [Press Release](#)

- Woman Concealed Grandmother's Death for 18 Years and Misused over \$146,000

Based on a referral from the Brunswick, Georgia SSA office, we investigated a woman who misused SSA benefits intended for her grandmother. For 18 years, the woman concealed her grandmother's death from SSA, and continued to receive the SSA benefits and misuse them for personal expenses. She was sentenced to 5 months in prison and 3 years of supervised release, and was ordered to repay \$146,342 to SSA. [Press Release](#)

Social Security Number Misuse

We work to ensure the integrity of SSNs, as SSA depends on them to accurately post earnings to individuals' records and calculate earned benefits. SSNs are used by not only SSA but also other agencies and entities, so we often investigate their misuse jointly with other agencies. We are authorized to investigate any situation in which a person misuses an SSN, whether it be for unauthorized work, obtaining a loan, applying for a government benefit, or any other purpose. Following are significant SSN misuse highlights from this reporting period.

- Woman Misused Identities to Receive More Than \$276,000 in Fraud Scheme

Based on a referral from the Washington State Department of Social and Health Services, we investigated a woman for identity theft. The woman misrepresented her living arrangements and income in applying for government benefits in her own name, and applied for and received additional benefits using the identities of multiple friends and family members, including minor children. As a U.S. Postal Service letter carrier, she also stole and deposited checks from the mail she was assigned to deliver. The woman was sentenced to 27 months in prison and 3 years of supervised release, and was ordered to repay \$276,639. We investigated this case jointly with the Washington State Department of Social and Health Services Office of Fraud and Accountability and the U.S. Postal Service OIG. [Press Release](#)

- Car Dealership Employee Defrauded Lenders of More Than \$264,000 in Auto Loan Scheme

Based on a referral from the FBI, we investigated an employee of a car dealership in Connecticut for a scheme involving fraudulent auto loan applications and identity theft. Between November 2015 and June 2016, the man falsified documentation for auto loans, including SSA benefit verification letters, and in some instances used others' identities to apply for loans without their authorization. He was sentenced to 21 months in prison and 5 years of supervised release, and was ordered to repay \$251,267. In addition, the owner of the car dealership pleaded guilty in connection with this case and sentencing is pending. We investigated this case jointly with the FBI. [Press Release](#)



INVESTIGATIONS OVERVIEW

Employee Safety

Employee safety is of paramount concern. We share responsibility for investigating reports of threats or use of force against SSA employees with the Department of Homeland Security's Federal Protective Service, and with local law enforcement if the activity occurs off federally owned or leased property. The following is a significant case highlight from this reporting period.

- Man Sent Anthrax Hoax Letters to SSA and District Court Offices

Based on a referral from the Plattsburgh, New York SSA office, we investigated a man for threatening SSA employees. The man mailed several envelopes containing white powder addressed to SSA offices in Plattsburgh, Binghamton, and Utica, as well as U.S. District Court offices in Syracuse, Binghamton, Albany, and Plattsburgh. All of the envelopes contained a typed note that read "ANTHRAX." The man was convicted of conveying false information and hoax letters, and was sentenced to time served (more than 2 years in prison) and 3 years of supervised release. We investigated this case jointly with the USPIS and the FBI. [Press Release](#)

Employee Fraud

Public integrity investigations are critical to ensuring we maintain the public trust in SSA's program and operations. We must take swift action concerning allegations against employees who may have misused their position for personal gain or violated other laws or regulations in the performance of their official duties. The following is a significant employee fraud case highlight from this reporting period.

- Former SSA Employee Misdirected More Than \$732,000 in Government Funds

Based on a referral from the Aurora, Illinois SSA office, we investigated a former SSA claims specialist for misusing agency systems for personal gain. From 2013 to 2018, the employee used the Social Security earnings records of deceased workers to create fraudulent applications for benefits. She then used her employee credentials to approve the applications and route the payments to bank accounts she controlled. She was sentenced to 4 years in prison and was ordered to repay \$732,382 to SSA. We investigated this case jointly with the U.S. Department of State Diplomatic Security Service. [Press Release](#)

Whistleblower Retaliation

The *Inspector General Act of 1978*, as amended, authorizes the OIG to receive and investigate allegations by SSA employees, contractors, and job applicants of alleged mismanagement, waste of funds, abuse of authority, specific danger to public health or safety, or other violations. Federal law protects government employees, contractors, and job applicants who submit whistleblower allegations from retaliation via certain prohibited personnel practices. The OIG evaluates all incoming whistleblower disclosures—and allegations of retaliation—from SSA employees, contractors, and job applicants; and determines if OIG action is warranted.

We have no instances of whistleblower retaliation to report.



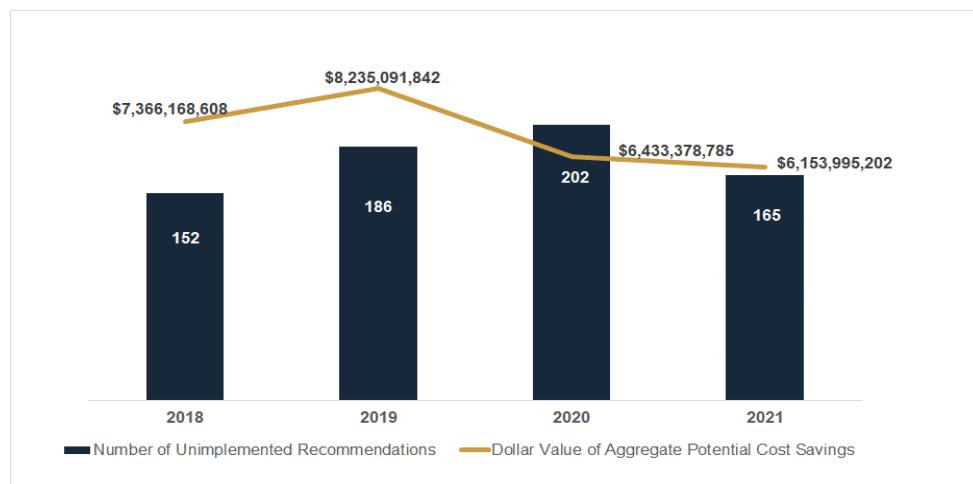
AUDIT OVERVIEW

Our audits help SSA best serve the American people by identifying opportunities for savings, better use of funds, and improvements in SSA program management and results. We continue to deploy audit resources to address [SSA's top management and performance challenges](#). These challenges include: (1) improving service delivery; (2) modernizing information technology; (3) protecting the confidentiality, integrity, and availability of SSA's information systems and data; (4) improving the prevention, detection, and recovery of improper payments; (5) improving administration of the disability programs; and (6) responding to the COVID-19 pandemic. We also conduct reviews at the request of Congress.

This reporting period, we issued 23 audit reports, 16 of which had recommendations related to approximately \$2.3 billion in potential cost savings.¹² The other seven reports, which had non-monetary recommendations, included five mandatory reviews (related to [SSA's charge card programs](#), [information security program and practices](#), [major management and performance challenges](#), [financial reporting](#), and [reporting of high-dollar overpayments](#)); an [audit of SSA's Disability Case Processing System](#); and a [single audit of Michigan's disability program](#). See Appendices B and C for statistical tables showing potential cost savings and Appendix D for the full list of audit reports issued this reporting period.

We continuously engage SSA to ensure timely resolution of all recommendations. As of March 31, 2021, and as shown in detail at Appendix F, SSA had not implemented 25 significant monetary recommendations from FY 2016 through the first half of FY 2020, offering potential savings in excess of \$2.8 billion. However, as shown on the following chart, potential cost savings from all unimplemented recommendations decreased from approximately \$6.4 billion to \$6.2 billion from FY 2020 through this reporting period (the first half of FY 2021), and the number of unimplemented recommendations decreased from 202 to 165 over the same period.

Potential Cost Savings from Unimplemented Recommendations¹³



¹² Potential cost savings include recommendations associated with questioned costs and putting funds to better use. The \$2.3 billion includes \$284,164,039 from audits with questioned costs in which the dollar value was supported, \$98,792,243 from audits with questioned costs in which the dollar value was not supported (for both figures, see Appendix B, row B), and \$1,879,802,800 from audits with recommendations for funds to be put to better use (see Appendix C, row B).

¹³ In order to provide SSA with adequate time to implement our recommendations, we only report unimplemented recommendations 6 months after providing them to the agency. The FY 2021 figure includes audits issued through March 31, 2020.



AUDIT OVERVIEW

Significant Audit Findings during the Reporting Period

- One Social Security Act Provision Gave Financial Advantage to Certain Disability Beneficiaries ([A-07-18-50636](#))

Potential Savings of \$1.4 Billion: The Social Security Act contains a provision passed in 1965 to provide Medicare eligibility for spouses of disabled beneficiaries by allowing the disabled individual to convert to early retirement benefits without the age-based reduction made for non-disabled individuals. However, Congress modified the Medicare eligibility rules for spouses in 1980, making them eligible for Medicare regardless of whether their spouse is entitled to retirement or disability benefits so it is no longer necessary to convert to retirement benefits for this reason. Of the 100 beneficiaries we reviewed in this audit, 89% took advantage of the early retirement provision, which provided an \$1.8 million financial advantage and could provide most of these individuals \$2.4 million more because this advantage will continue through the rest of their lives. In aggregate, the provision could affect 29,000 beneficiaries and cost \$1.4 billion in additional lifetime benefits. We recommended SSA determine whether it should propose a change to section 202(q)(7)(F) of the Social Security Act to eliminate the financial advantage it gives to certain disability beneficiaries. SSA disagreed with our recommendation and deferred to Congress to determine whether a legislative change is necessary. (See Appendix E for more detail.)

- SSA Needs to Properly Terminate or Reinstate Benefits for Disabled Beneficiaries Whose Benefits Have Been Suspended for Address Development, Whereabouts Unknown, or Miscellaneous Reasons ([A-09-18-50523](#))

Almost \$1 Billion in Funds Could Be Put to Better Use: SSA should have terminated disability benefits for 5,699 beneficiaries who either did not cooperate with a continuing disability review or requested SSA terminate their benefits. If SSA had terminated these benefits, approximately \$336.7 million in funds would have been put to better use. SSA also should have reinstated disability benefits totaling approximately \$197.2 million payable to 3,918 disabled beneficiaries and documented its attempts to locate 6,055 beneficiaries who had approximately \$452.7 million in suspended benefits. SSA concurred with the four recommendations we made.

- Vulnerable Populations May Not Have Received All Benefits They Were Due ([A-08-19-50814](#), [A-09-19-50791](#), [A-13-18-50714](#), and [A-09-19-50848](#))

Potential Underpayments of \$244.8 Million: We completed four audits identifying underpayments or potential underpayments to vulnerable populations such as child beneficiaries, widows, SSI recipients, and surviving spouses. In addition to correcting specific records we identified, SSA will need to:

- implement system improvements;
- properly explain to claimants the advantages and disadvantages of filing applications for certain benefits; and



AUDIT OVERVIEW

- properly develop leads and identify individuals eligible for other benefits.

In addition to these findings, SSA did not take sufficient action to pay individuals identified in two prior reviews on these issues. SSA concurred with the 14 recommendations we made.

- Data Matching Against State Death Record and Internal SSA Records Identified Millions in Payments to Deceased Individuals ([A-06-18-50768](#), [A-06-18-50849](#), [A-06-18-50907](#), [A-08-19-50816](#), [A-13-17-50176](#), and [A-15-18-50680](#))

Payments Made to Deceased Beneficiaries Totaling \$67.4 Million. We matched death information from five states and from SSA's data against SSA records to identify payments made to individuals after they were deceased. In total, we identified \$67.4 million already paid and \$15.6 million that could be paid if SSA did not take action on the individual cases. By resolving these discrepancies, SSA could reduce exposure to future payments after death and improve the accuracy and completeness of the death information it shares with other Federal benefit-paying agencies.¹⁴ SSA immediately started corrective action on these cases. SSA concurred with the 11 recommendations we made.

¹⁴ The Agency continues to take corrective action to address these issues.



LEGAL OVERVIEW

Civil Monetary Penalty Program

SSA's CMP program, delegated to the OIG, allows the Inspector General to impose CMPs for certain violations of the *Social Security Act*. The CMP program is an effective administrative enforcement alternative when criminal or civil prosecution is not appropriate or feasible.

Section 1129 of the *Social Security Act*, as amended, authorizes a CMP under Titles II, VIII, and XVI of the *Social Security Act* against anyone who: (1) makes a false or misleading statement to SSA to obtain or retain benefits or payments; (2) receives benefits or payments while withholding disclosure of a material fact; or (3) wrongfully converts a beneficiary's payments while acting as a representative payee. We are authorized to impose penalties of up to \$8,708 for each false or misleading statement, material omission, or conversion.¹⁵ Violators may also be subject to an assessment, in lieu of damages, of up to twice the amount of any resulting overpayment or conversion. During this reporting period, we imposed \$558,816 in penalties and assessments resulting from Section 1129 violations.

Section 1140 of the *Social Security Act*, as amended, prohibits people and companies from misleading consumers by giving a false impression of an official association with, or endorsement by SSA. Section 1140 also prohibits the reproduction and sale of SSA publications and forms without authorization. During the reporting period, we imposed a total of \$15,502 in penalties and assessments resulting from 1140 violations.

Review of Legislation and Regulations¹⁶

Section §4(a)(2) of the *Inspector General Act of 1978*, as amended, requires the OIG to review existing and proposed legislation and regulations, and make recommendations concerning the impact of such legislation or regulations on the economy and efficiency of, or the prevention and detection of fraud in, SSA programs and operations. In addition to communicating directly with congressional staff as needed to discuss legislative issues, below are examples of the way we accomplished this statutory requirement during this reporting period:

- Reviewed proposed legislation and regulations, including the following:
 - A draft advance notice of rulemaking regarding the impact of SSA imposter scams on certain Social Security beneficiaries;
 - A bill requiring Federal agencies to develop and disclose reopening plans to ensure employee health and safety during public health emergencies; and
 - A draft bill regarding testimonial subpoena authority for IGs to conduct oversight.
- Recommended in the audit report, [Social Security Beneficiaries Financially Advantaged by Electing to Convert from Disability Benefits to Reduced Retirement Benefits](#), that SSA determine whether it should propose a change to section 202(q)(7)(F) of the *Social Security Act* to eliminate the financial advantage it gives to certain beneficiaries.
- Evaluated SSA's compliance with existing laws and regulations in the following reports:
 - [SSA's Information Security Program and Practices for Fiscal Year 2020](#)
 - [SSA's Financial Report for Fiscal Year 2020](#)

¹⁵ The *Bipartisan Budget Act of 2015* authorized the annual adjustment of CMP amounts for inflation.

¹⁶ We previously included this section as an appendix; we have moved it into the Legal Overview to highlight the importance of this OIG function in keeping the Commissioner of Social Security and Congress fully and currently informed.



APPENDIX A

REPORTING REQUIREMENTS

This report meets the requirements of the *Inspector General Act of 1978*, as amended, and includes information as mandated by Congress.

Section	Requirement	Page(s)
4(a)(2)	Review of legislation and regulations	20
5(a)(1)	Significant problems, abuses, and deficiencies	17-19
5(a)(2)	Recommendations concerning significant problems, abuses, and deficiencies	17-19
5(a)(3)	Significant recommendations described in previous Semiannual Reports on which corrective actions have not been completed	31-37
5(a)(4)	Matters referred to prosecutive authorities and the prosecutions and convictions that have resulted	5
5(a)(5), 6(b)(2)	Summary of any report made from the Inspector General to the Commissioner regarding instances when Social Security Administration (SSA) employees refused to provide information or assistance to the Office of the Inspector General (OIG)	50
5(a)(6)	A listing, subdivided according to subject matter, of each audit/evaluation report issued	25-29
5(a)(7)	Summary of significant reports	17-19
5(a)(8)	Table showing the total number of audit reports and total dollar value of questioned costs	23
5(a)(9)	Table showing the total number of audit reports and total dollar value of funds put to better use	24
5(a)(10)	Summary of reports 1) with outstanding unimplemented recommendations; 2) for which no management decision had been made by the end of the reporting period; and 3) for which SSA did not provide comments within 60 days	38-44, 45, 47
5(a)(11)	Significant management decisions that were revised during the reporting period	46
5(a)(12)	Significant management decisions with which the Inspector General disagrees	30
5(a)(13)	Information described under section 804(b) of the <i>Federal Financial Management Improvement Act of 1996</i>	49



APPENDIX A

5(a)(14)	The results of any peer review conducted by another OIG during the reporting period	51
5(a)(15)	List of any outstanding recommendations from any peer review conducted by another OIG that have not been fully implemented, including a statement describing the status of the implementation and why implementation is not complete	51
5(a)(16)	List of any peer reviews conducted by the Inspector General of another OIG during the reporting period, including a list of any outstanding recommendations made from any previous peer review (including any peer review conducted before the reporting period) that remain outstanding or have not been fully implemented	51
5(a)(17), (18)	Table showing total number of investigative reports issued	5
5(a)(19)	Detailed report on each investigation involving a senior government employee where allegations of misconduct were substantiated	52
5(a)(20)	Detailed description of any instances of whistleblower retaliation	16
5(a)(21)	Description of any attempt by the establishment to interfere with the independence of the OIG	50
5(a)(22)	Description of any audits or investigations that were not disclosed to the public	48



APPENDIX B

REPORTS WITH QUESTIONED COSTS

Questioned costs include SSA expenditures that we determined, based on our audits: (1) violated a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; (2) were not supported by adequate documentation; or (3) were unnecessary or unreasonable.

Disallowed costs are those questioned costs identified through our audits that SSA management has sustained or agreed should not be charged to the Government.

Section 5(a)(8) of the *Inspector General Act of 1978*, as amended, requires that we provide statistical tables showing the total number of audit reports, inspection reports, and evaluation reports, and the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs), for reports—

- A. for which no management decision had been made by the commencement of the reporting period;
- B. which were issued during the reporting period;
- C. for which a management decision was made during the reporting period, including—
 - i. the dollar value of disallowed costs; and
 - ii. the dollar value of costs not disallowed; and
- D. for which no management decision had been made by the end of the reporting period.

Reports with Questioned Costs for October 1, 2020 through March 31, 2021			
	Number of Reports	Dollar Value Supported	Dollar Value Unsupported
A. For which no management decision had been made by the commencement of the reporting period.	36	\$3,926,771,617	\$0
B. Which were issued during the reporting period. ¹	14	\$284,164,039	\$98,792,243
Subtotal (A + B)	50	\$4,210,935,656	\$98,792,243
Less:			
C. For which a management decision was made during the reporting period.			
i. Dollar value of disallowed costs. ²	21	\$1,695,762,886	\$0
ii. Dollar value of costs not disallowed. ²	1	\$59,625,205	\$0
Subtotal (i + ii)	22	\$1,755,388,091	\$0
D. For which no management decision had been made by the end of the reporting period. ²	33	\$2,455,547,565	\$98,792,243

¹ See Appendix D, Reports with Questioned Costs.

² Some reports have multiple monetary recommendations and are accounted for as follows: 1) three reports have one recommendation recorded in section C.i. and one recorded in section D; 2) one report has two recommendations, one recorded in section C.i. and the other recorded in section D; and 3) one report has one recommendation split between sections C.i. and C.ii.



APPENDIX C

REPORTS WITH FUNDS PUT TO BETTER USE

Funds may be put to better use when the Social Security Administration could avoid expenditures by implementing our recommendations. Section 5(a)(9) of the *Inspector General Act of 1978*, as amended, requires that we provide statistical tables showing the total number of audit reports, inspection reports, and evaluation reports, and the dollar value of recommendations that funds be put to better use by management, for reports—

- A. for which no management decision had been made by the commencement of the reporting period;
- B. which were issued during the reporting period;
- C. for which a management decision was made during the reporting period, including—
 - i. the dollar value of costs agreed to by management; and
 - ii. the dollar value of costs not agreed to by management; and
- D. for which no management decision had been made by the end of the reporting period.

Reports with Funds Put to Better Use October 1, 2020 through March 31, 2021

	Number of Reports	Dollar Value
A. For which no management decision had been made by the commencement of the reporting period.	15	\$2,241,471,454
B. Which were issued during the reporting period.¹	14	\$1,879,802,800
Subtotal (A + B)	29	\$4,121,274,254
Less:		
C. For which a management decision was made during the reporting period.		
i. Dollar value of costs agreed to by management. ²	13	\$2,379,928,580
ii. Dollar value of costs not agreed to by management. ²	2	\$802,351,971
Subtotal (i + ii)	15	\$3,182,280,551
D. For which no management decision had been made by the end of the reporting period.²	16	\$938,993,703

¹ See Appendix D, Reports with Funds Put to Better Use.

² Some reports have multiple monetary recommendations and are accounted for as follows: 1) one report has two recommendations with one recorded in section C.i. and one recorded in section D; and 2) one report has one recommendation split between sections C.i. and C.ii.



APPENDIX D

REPORTS ISSUED

We issued 23 audit reports during this reporting period. The *Inspector General Act of 1978*, as amended, requires that we identify audit reports with non-monetary findings, questioned costs, and funds put to better use. Audit reports may be listed more than once in the charts that follow. All of our audit reports are available on our website [at this link](#).

Reports with Non-Monetary Findings, by Category

October 1, 2020 through March 31, 2021

Report Title	Report Number	Issue Date
Mandatory Reviews		
Fiscal Year 2019 Risk Assessment of the Social Security Administration's Charge Card Programs	A-13-18-50711	10/6/2020
The Social Security Administration's Information Security Program and Practices for Fiscal Year 2020	A-14-19-50854	10/23/2020
Fiscal Year 2020 Inspector General's Statement on the Social Security Administration's Major Management and Performance Challenges	A-02-19-50825	11/6/2020
The Social Security Administration's Financial Reporting for Fiscal Year 2020	A-15-19-50843	11/10/2020
The Social Security Administration's Reporting of High-dollar Overpayments in Fiscal Year 2020 Under Executive Order 13520	A-15-19-50846	12/8/2020
Improve Administration of the Disability Programs		
Single Audit of the State of Michigan for the Fiscal Year Ended September 30, 2019	A-77-21-00001	11/16/2020
Protect the Confidentiality, Integrity, and Availability of SSA's Information Systems and Data		
Security of the Social Security Administration's Disability Case Processing System	A-14-20-50896	11/20/2020



APPENDIX D

Reports with Questioned Costs, by Category

October 1, 2020 through March 31, 2021

Report Title	Report Number	Issue Date	Dollar Value
Improve the Prevention, Detection, and Recovery of Improper Payments			
Match of Virginia Death Information Against the Social Security Administration Records	A-15-18-50680	10/16/2020	\$5,421,922
Improper Payments to Retired Beneficiaries Who Worked Before Full Retirement Age	A-09-18-50685	11/4/2020	\$6,912,636
Benefits Payable to Widow(er)s Subject to Government Pension Offset Had They Delayed Their Application	A-09-19-50791	11/19/2020	\$12,767,916
Match of Ohio Death Information Against Social Security Administration Records	A-06-18-50768	11/24/2020	\$28,669,407
Supplemental Security Income Recipients Denied Old-Age, Survivors and Disability Insurance Benefits Based on Lack of Technical Evidence	A-05-18-50654	11/30/2020	\$98,792,243
Old-Age, Survivors and Disability Insurance Child Beneficiaries Receiving Benefits Under Multiple Records	A-08-19-50814	12/7/2020	\$15,385,561
Old-Age, Survivors and Disability Insurance Benefits to Individuals Who Are Recorded as Deceased on the Supplemental Security Record	A-13-17-50176	12/9/2020	\$1,114,939
Follow-up on Disabled Supplemental Security Income Recipients Potentially Eligible for Childhood Disability Benefits	A-13-18-50714	12/10/2020	\$18,537,060
Follow-up on Underpayments Payable to Terminated Old-Age, Survivors and Disability Insurance Beneficiaries	A-09-19-50848	12/11/2020	\$142,499,023
Match of Mississippi Death Information Against Social Security Administration Records	A-08-19-50816	12/11/2020	\$8,101,655
Match of Louisiana Death Information Against Social Security Administration Records	A-06-18-50907	12/22/2020	\$15,852,079
Match of Colorado Death Information Against Social Security Administration Records	A-06-18-50849	3/19/2021	\$8,606,875



APPENDIX D

Improve Service Delivery			
Social Security Administration Beneficiaries Eligible for Total and Permanent Disability Federal Student Loan Discharge	A-06-17-50281	11/9/2020	\$20,276,826
Improve Administration of the Disability Programs			
Achieving a Better Life Experience Accounts	A-02-18-50357	3/26/2021	\$18,140
TOTAL	\$382,956,282		



APPENDIX D

Reports with Funds Put to Better Use, by Category

October 1, 2020 through March 31, 2021

Report Title	Report Number	Issue Date	Dollar Value
Improve the Prevention, Detection and Recovery of Improper Payments			
Match of Virginia Death Information Against the Social Security Administration Records	A-15-18-50680	10/16/2020	\$629,151
Improper Payments to Retired Beneficiaries Who Worked Before Full Retirement Age	A-09-18-50685	11/4/2020	\$1,438,276
Benefits Payable to Widow(er)s Subject to Government Pension Offset Had They Delayed Their Application	A-09-19-50791	11/19/2020	\$42,625,501
Match of Ohio Death Information Against Social Security Administration Records	A-06-18-50768	11/24/2020	\$7,932,251
Supplemental Security Income Recipients Denied Old-Age, Survivors and Disability Insurance Benefits Based on Lack of Technical Evidence	A-05-18-50654	11/30/2020	\$36,352,320
Old-Age, Survivors and Disability Insurance Child Beneficiaries Receiving Benefits Under Multiple Records	A-08-19-50814	12/7/2020	\$2,636,949
Follow-up on Disabled Supplemental Security Income Recipients Potentially Eligible for Childhood Disability Benefits	A-13-18-50714	12/10/2020	\$3,578,220
Follow-up on Underpayments Payable to Terminated Old-Age, Survivors and Disability Insurance Beneficiaries	A-09-19-50848	12/11/2020	\$6,722,508
Match of Mississippi Death Information Against Social Security Administration Records	A-08-19-50816	12/11/2020	\$1,482,113
Match of Louisiana Death Information Against Social Security Administration Records	A-06-18-50907	12/22/2020	\$3,083,100
Match of Colorado Death Information Against Social Security Administration Records	A-06-18-50849	3/19/2021	\$2,503,158
Improve Service Delivery			
Social Security Administration Beneficiaries Eligible for Total and Permanent Disability Federal Student Loan Discharge	A-06-17-50281	11/9/2020	\$5,656,560



APPENDIX D

Improve Administration of the Disability Programs

Disabled Beneficiaries Whose Benefits Have Been Suspended for Address Development, Whereabouts Unknown or Miscellaneous Reasons	A-09-18-50523	10/21/2020	\$986,597,569
Social Security Beneficiaries Financially Advantaged by Electing to Convert from Disability Benefits to Reduced Retirement Benefits	A-07-18-50636	1/14/2021	\$778,565,124
TOTAL			\$1,879,802,800



APPENDIX E

SIGNIFICANT MANAGEMENT DECISION WITH WHICH THE INSPECTOR GENERAL DISAGREES

Social Security Beneficiaries Financially Advantaged by Electing to Convert from Disability Benefits to Reduced Retirement Benefits ([A-07-18-50636](#))

Results of Review: The objective of this audit was to determine the extent to which Section 202(q)(7)(F) of the *Social Security Act* gave a financial advantage to certain disability beneficiaries. We found this provision gave a financial advantage to 89 of 100 beneficiaries in our sample. It created a financial advantage because when these individuals reached full retirement age, the provision caused the Social Security Administration (SSA) to provide higher retirement benefits by removing an age-based reduction for months they were entitled to both disability and reduced retirement benefits. Specifically, of the 89 beneficiaries: 70 avoided a reduction because they were receiving workers' compensation or public disability payments; 11 increased total payments for their families; and 8 avoided a reduction because they returned to work. The 89 beneficiaries had already received approximately \$1.8 million more in benefits since full retirement age. Further, 86 of the 89 beneficiaries will receive an estimated \$2.4 million more in benefits because this advantage continues through the rest of their lives. We estimate the provision will result in approximately 29,000 beneficiaries receiving almost \$1.4 billion in additional lifetime benefits.

Recommendation: We recommend SSA determine whether it should propose a change to section 202(q)(7)(F) of the *Social Security Act* to eliminate the financial advantage it gives to certain disability beneficiaries.

Agency Response: SSA disagreed with our recommendation and deferred to Congress to determine benefit amounts and methods for computing them.

Our Response: We agree only Congress can enact or change laws stipulating how SSA computes benefits. However, as detailed in Circular No. A-19, SSA's Office of Legislation and Congressional Affairs coordinates the development of legislative proposals and determines which proposals it will submit to the Office of Management and Budget. For example, in support of its Fiscal Year 2021 Congressional Budget Justification, SSA coordinated with the Office of Management and Budget on several legislative proposals to change how it computes certain individuals' benefits. These proposals included changes to the way SSA determines payment amounts for disability beneficiaries entitled to retroactive benefits and Supplemental Security Income recipients with multiple eligible children or who live with other adults. In prior correspondence related to this report, SSA stated, "This report, which only quantifies the scope of the benefits this provision provides to certain people, does not meet the threshold for us to begin consideration of a legislative proposal to change it. For that, we would want additional policy justification and analysis of other factors, such as the effects such a change would have on beneficiaries, whether intended or not, and the effect on Social Security's operations." In response to our recommendation, SSA did not provide evidence it assessed, or plans to assess, any of these factors to determine the appropriateness of a legislative proposal. We believe the magnitude of our audit results and actions by Congress in Pub. L. No. 96-473, which changed Medicare eligibility requirements and appears to negate the need for this benefit-election provision, justify SSA's consideration of the feasibility of a legislative proposal.¹

¹ Act of October 19, 1980, Pub. L. No. 96-473, § 2, 94 Stat. 2263 (1980).



APPENDIX F

SIGNIFICANT MONETARY RECOMMENDATIONS FROM PRIOR FISCAL YEARS FOR WHICH CORRECTIVE ACTIONS HAVE NOT BEEN COMPLETED



25

*Total Unimplemented
Significant Monetary
Recommendations*
**Fiscal Years 2016 – 2020
(through March 31)**
\$2,843,499,211

Report Title, Report Number, Issue Date

Dollar Value(s)

Unimplemented Recommendation

Fiscal Year 2020

Manual Actions on Old-Age, Survivors and Disability Insurance Post-entitlement Alerts
(A-07-18-50621, 3/9/20)

\$616,427,374 Questioned Costs

Recommendation 5: Monitor T2R alerts employees cleared without taking corrective actions.

Beneficiaries with Representative Payees and Earnings (A-02-17-50143, 3/5/20)

\$7,942,555 Questioned Costs

\$2,739,108 Funds Put to Better Use

Recommendation 2: Establish a process to review the accuracy of earnings records and primary insurance amount increases of beneficiaries likely to have inaccurate earnings posted to their records after their entitlement to Old-Age, Survivors and Disability Insurance. The Social Security Administration (SSA) should apply criteria such as, but not limited to, the criteria we used in our review and revise its criteria based on the results of its reviews to continuously improve the effectiveness of the process.

FY 2019

Old-Age, Survivors and Disability Insurance Beneficiaries with Overpayments on Suspended and Terminated Records (A-07-18-50317, 9/25/19)

\$17,976,178 Questioned Costs

Recommendation 2: Establish a process to identify overpayments that exist on suspended or terminated Social Security numbers (SSN) that the Re-entitled Beneficiaries process does not detect, so the agency can transfer and recover them via benefit withholding.

Overpayments Pending Collection for Miscellaneous Reasons (A-04-18-50546, 9/24/19)

\$33,673,719 Questioned Costs

Recommendation 2: Identify and resolve all debtors with a miscellaneous due process status for longer than 1 year.



APPENDIX F

The Social Security Administration's Accounting for, and Monitoring of, Court-ordered Restitutions (A-04-18-50633, 9/24/19)

\$6,734,317 Funds Put to Better Use

Recommendation 2: Use the reconciled list, mentioned in recommendation 1, to ensure the U.S. Department of Justice (DOJ) is collecting the court-ordered restitutions, and if not being collected, use all methods of recovery and/or contact DOJ, as required by policy, to determine whether civil actions should be taken.

Dedicated Account Underpayments Payable to Children Receiving Supplemental Security Income (A-04-18-50607, 9/17/19)

\$65,223,112 Questioned Costs

Recommendation 2: Identify and take corrective action on the remaining population of Supplemental Security Income (SSI) recipients with unpaid dedicated account underpayments.

Follow-up: Minor Children Receiving Social Security Benefits Without a Representative Payee (A-13-17-50169, 6/6/19)

\$22,499,184 Funds Put to Better Use

Recommendation 2: Implement a process to periodically identify all children under age 17 and 5 months being paid directly; and determine and document whether the agency needs to appoint representative payees.

Recovery of Old-Age, Survivors and Disability Insurance Overpayments When a Contingently Liable Beneficiary Stops Receiving Benefits (A-04-18-50651, 5/15/19)

\$15,101,940 Questioned Costs

Recommendation 2: Review and take action to remove the overpayment balance from the 4,690 terminated contingently liable beneficiaries and transfer the debt balance to the original debtor for an immediate payment of the overpayment or seek recovery through additional debt collection tools.

The Social Security Administration's Application of Due-process Provisions for Old-Age, Survivors and Disability Insurance Overpayments (A-07-18-50622, 3/29/19)

\$144,322,321 Questioned Costs

\$259,024,702 Funds Put to Better Use

Recommendation 2: Improve its alert and quality review processes for overpayments requiring manual notices to ensure notices are complete, accurate, and sent timely.

Recommendation 3: Revise systems programming to ensure automated overpayment notices contain all required due-process language.

Processing of Deferred Old-Age, Survivors and Disability Insurance Cases with a High Risk of Benefit Payment Error (A-05-18-50620, 3/15/19)

\$39,514,050 Questioned Costs

Recommendation 3: Review the population of deferred Old-Age, Survivors and Disability Insurance cases we identified to assess whether additional cases need correction.

Accuracy of Disability Entitlement Dates for Primary Beneficiaries Who Previously Filed Disability Claims (A-07-18-50257, 12/21/18)

\$376,918,787 Questioned Costs

\$279,264,694 Funds Put to Better Use



APPENDIX F

Recommendation 4: Determine whether SSA needs to review additional beneficiaries who had prior Disability Insurance benefits filings and may have incorrect entitlement dates.

Fiscal Year 2018

Interim Benefits Paid After a Disability Claim is Denied (A-02-18-50543, 9/13/18)

\$2,142,834 Questioned Costs

Recommendation 1: Review and take appropriate actions to correct the cases we determined were not accurately processed.

The Social Security Administration's Use of Administrative Tolerance Waivers

(A-04-16-50145, 8/1/18)

\$12,568,202 Questioned Costs

Recommendation 1: Establish controls in the new Debt Management Product, as part of its Debt Management modernization initiative, that ensure technicians can only use the administrative tolerance waiver for overpayments allowable under the provision.

Old-Age, Survivors and Disability Insurance Debtors Who Were Not Current on an Installment Agreement (A-04-18-50265, 5/25/18)

\$88,295,888 Questioned Costs

Recommendation 1: Review the 12,269 delinquent debtor records and take action, where appropriate, to begin benefit adjustment or recovery using its external collection tools.

Higher Benefits for Dually Entitled Widow(er)s Had They Delayed Applying for Retirement Benefits (A-09-18-50559, 2/14/18)

\$131,817,936 Questioned Costs

\$9,847,464 Funds Put To Better Use

Recommendation 1: Take action, as appropriate, for the 41 beneficiaries identified by our audit.

Recommendation 2: Evaluate the results for the 41 beneficiaries in our sample and determine whether SSA should review the remaining population of 13,514 beneficiaries.

Old-Age, Survivors and Disability Insurance Benefits to Individuals Removed from the United States (A-13-17-34105, 12/29/17)

\$2,803,833 Questioned Costs

Recommendation 2: Take action, if appropriate, on the remaining 1,746 beneficiaries we identified who were still receiving benefits.

The Cost-effectiveness of Vocational Rehabilitation Services (A-02-17-14048, 10/20/17)

\$94,883,352 Questioned Costs

Recommendation 1: Determine whether the agency should revise how it determines whether vocational rehabilitation services led to Social Security Disability Insurance trust and/or the SSI general revenue fund savings before reimbursing vocational rehabilitation costs.



APPENDIX F

Fiscal Year 2017

Widow(er)s Eligible for an Earlier Initial Month of Entitlement (A-09-17-50187, 8/7/17)

\$285,191,557 Questioned Costs

Recommendation 2: Determine the feasibility of reviewing the remaining population of widow(er)s who may be eligible for additional months of benefits before their application filing date and could have chosen an earlier initial month of entitlement.

Cross-referred Social Security Numbers (A-06-13-23091, 7/17/17)

\$170,621,570 Questioned Costs

\$21,179,350 Funds Put To Better Use

Recommendation 1: Review all cases where numberholders simultaneously receive benefit payments under cross-referred SSNs.

Recommendation 4: Review all cases where numberholders received payments under SSNs that are cross-referred to SSNs that contain the numberholders' death information.

Manually Reduced Cross-program Recovery Overpayments (A-06-17-50225, 7/5/17)

\$7,029,192 Funds Put To Better Use

\$58,159,028 Questioned Costs

Recommendation 1: Consider the cost-effectiveness of implementing controls to prevent systems from erroneously deleting SSI overpayments.

Recommendation 3: Consider the cost-effectiveness of identifying and re-establishing SSI overpayments erroneously deleted by Manual Adjustment Credit and Award Data Entry adjustments.

FY 2016

Old-Age, Survivors and Disability Insurance Benefits Withheld Pending a Windfall

Offset Determination (A-09-15-15041, 3/21/16)

\$71,596,964 Questioned Costs

Recommendation 2: Evaluate the results of its actions for the 58 beneficiaries and take appropriate action to address the remaining population of 61,734 beneficiaries identified during the current audit.



APPENDIX G

SIGNIFICANT NON-MONETARY RECOMMENDATIONS FROM PRIOR FISCAL YEARS FOR WHICH CORRECTIVE ACTIONS HAVE NOT BEEN COMPLETED



14

*Total
Unimplemented
Significant
Non-Monetary
Recommendations
Fiscal Years 2016 –
2020 (through
March 31)*

Report Title, Report Number, Issue Date

Unimplemented Recommendation(s)

Fiscal Year 2020

Manual Actions on Old-Age, Survivors and Disability Insurance Post-entitlement Alerts (A-07-18-50621, 3/9/20)

Recommendation 6: Implement a quality review focused specifically on manually processed T2R alerts to ensure the accuracy of this workload improves.

Beneficiaries with Representative Payees and Earnings (A-02-17-50143, 3/5/20)

Recommendation 4: Revise notices sent to beneficiaries and their representative payees informing them of benefit increases due to additional earnings to include the employer(s) name, earnings amounts, a reminder to report errors to the Social Security Administration (SSA), and instructions on reporting errors.

Fiscal Year 2019

Dedicated Account Underpayments Payable to Children Receiving Supplemental Security Income (A-04-18-50607, 9/17/19)

Recommendation 3: Improve controls to ensure it timely pays dedicated account underpayments for children receiving Supplemental Security Income (SSI), such as establishing management reports, retaining diaries, and/or adding automation as discussed in the report.

Windfall Elimination Provision Exemptions (A-13-17-34132, 8/8/19)

Recommendation 4: Finalize changes to its administrative finality policy regarding whether the agency should continue to pay prospective benefits even where administrative finality currently prohibits reopening the determination.



APPENDIX G

Recovery of Old-Age, Survivors and Disability Insurance Overpayments When a Contingently Liable Beneficiary Stops Receiving Benefits (A-04-18-50651, 5/15/19)

Recommendation 3: Establish controls to remove the outstanding debt from terminated contingently liable beneficiaries and transfer the balance to the original debtor for an immediate payment of the overpayment or seek recovery through additional debt collection tools when available.

Beneficiaries Whose Payments Have Been Suspended and Who Have Death

Information on the Numident (A-09-15-15039, 12/21/18)

Recommendation 2: Develop controls for suspended beneficiaries with death information on the Numident to ensure they are resolved in a timely manner.

Fiscal Year 2018

Underpayments Paid on Supplemental Security Income Records with Outstanding Overpayments (A-07-17-50182, 7/23/18)

Recommendation 1: Determine whether, as part of its information technology systems modernization, it could limit the number of manual actions required to ensure it withholds SSI prior month underpayments from SSI recipients to recover outstanding overpayments.

Overpayments Not Collected Through Benefit Withholding (A-07-18-50278, 7/16/18)

Recommendation 2: Determine whether, as part of its Debt Management modernization initiative, it could automate the manual actions currently required to ensure it initiates benefit withholding at the appropriate time.

Using Nursing Home Data to Determine Suitability of Representative Payees

(A-03-16-50056, 3/21/18)

Recommendation 1: Review and analyze the Department of Health and Human Services' Centers for Medicare and Medicaid Services nursing home data to determine whether it can be a tool to assess the suitability of organizational payees that are nursing homes to ensure they are serving beneficiaries' best interests, especially those organizational payees that might not meet SSA's monitoring criteria.

Higher Benefits for Dually Entitled Widow(er)s Had They Delayed Applying for Retirement Benefits (A-09-18-50559, 2/14/18)

Recommendation 4: Determine whether it should develop additional controls to ensure it informs widow(er) beneficiaries of their option to delay their application for retirement benefits.

Fiscal Year 2017

The Social Security Administration's Telework Program and Its Effect on Customer Service (Congressional Response Report) (A-04-17-50267, 7/12/17)

Recommendation 1: Determine whether additional customer service or production metrics would assist in measuring how telework affects field offices' ability to provide customer service and employee productivity.

Recommendation 3: Determine the effect telework has on customer wait times when a field office experiences an unusually high number of visitors.

Cross-program Recovery to Collect Overpayments (A-13-15-15029, 4/28/17)



APPENDIX G

Recommendation 2: Consider establishing automated alerts to notify staff to review certain overpayments when cross-program recovery should be used to collect overpayments.

Fiscal Year 2016

Old-Age, Survivors and Disability Insurance Benefits Withheld Pending a Windfall Offset Determination (A-09-15-15041, 3/21/16)

Recommendation 4: Periodically identify and select for review beneficiaries whose Old Age, Survivors and Disability Insurance benefits are being withheld pending a windfall offset determination.



APPENDIX H

OPEN RECOMMENDATIONS AND REPORTS WITH UNIMPLEMENTED RECOMMENDATIONS

The Office of the Inspector General has open recommendations dating from Fiscal Year (FY) 2012. All recommendations from years prior to FY 2012 are closed. The chart below identifies the number of reports with unimplemented recommendations by year and the aggregate potential cost savings of those recommendations.

Reports with Open Recommendations			
October 1, 2020 through September 30, 2020			
Fiscal Year	Number of Reports with Unimplemented Recommendations	Number of Unimplemented Recommendations	Dollar Value of Aggregate Potential Cost Savings
2020	16	40	\$2,183,178,825
2019	22	50	\$2,381,989,375
2018	18	28	\$369,287,520
2017	8	17	\$923,573,817
2016	6	14	\$99,571,198
2015	2	2	N/A
2014	6	8	\$136,153
2013	3	3	N/A
2012	3	3	\$196,258,314
TOTAL	84	165	\$6,153,995,202



APPENDIX H

Below, we list reports with an outstanding unimplemented recommendation.

*Denotes significant unimplemented recommendation.

Report Title	Report Number	Issue Date	Dollar Value
The Social Security Administration's Rejection of State Electronic Death Registration Reports	A-08-18-50499	9/21/2020	\$53,383,404
Miscellaneous Benefit Suspensions for Old-Age, Survivors and Disability Insurance Beneficiaries	A-07-19-50799	9/21/2020	\$377,577,400
Accuracy of Supplemental Security Income Recipients' Reports of Separation	A-02-14-31417	7/30/2020	\$496,382
The Social Security Administration's Actions to Resolve Potentially Fraudulent Internet Claims	A-09-18-50603	6/11/2020	\$22,083,797
Retirement Beneficiaries Potentially Eligible for Widow(er)'s Benefits	A-13-13-23109	6/9/2020	\$724,767,623
Agency Processing of Duplicate Payment Detection Alerts	A-05-19-50796	5/6/2020	\$24,314,735
Match of Pennsylvania Death Information Against Social Security Administration Records	A-15-18-50679	3/23/2020	\$24,267,618
Manual Actions on Old-Age, Survivors and Disability Insurance Post-entitlement Alerts*	A-07-18-50621	3/9/2020	\$616,427,374
Beneficiaries with Representative Payees and Earnings*	A-02-17-50143	3/5/2020	\$10,853,640
Follow-up: Beneficiaries Who Had Not Cashed Their Checks Within 1 Year	A-09-18-50562	12/23/2019	\$97,311,977
Multiple Social Security Numbers Assigned to Non-citizens Using the Enumeration Beyond Entry Program	A-08-18-50472	12/17/2019	N/A
The Social Security Administration's Controls over Malicious Software and Data Exfiltration	A-14-18-50709	12/4/2019	N/A
The Social Security Administration's Controls over Malware Introduced by Email Phishing	A-14-18-50710	12/4/2019	N/A
Accuracy of Manual Actions for Old-Age, Survivors and Disability Insurance Underpayments over \$6,000	A-03-18-50703	12/2/2019	\$80,668,259
Match of Delaware Death Information Against Social Security Administration Records	A-15-18-50662	11/27/2019	N/A



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Report Title	Report Number	Issue Date	Dollar Value
Appropriateness of Actions Taken on Pending Workers' Compensation Cases	A-05-18-50627	10/7/2019	\$151,026,616
Old-Age, Survivors and Disability Insurance Beneficiaries with Overpayments on Suspended and Terminated Records*	A-07-18-50317	9/25/2019	\$17,976,178
The Social Security Administration's Accounting for, and Monitoring of, Court-ordered Restitutions*	A-04-18-50633	9/24/2019	\$9,541,711
Overpayments Pending Collection for Miscellaneous Reasons*	A-04-18-50546	9/24/2019	\$35,446,020
Dedicated Account Underpayments Payable to Children Receiving Supplemental Security Income*	A-04-18-50607	9/17/2019	\$65,223,112
The Social Security Administration's Controls for Identifying Potentially Fraudulent Internet Claims	A-09-18-50655	9/13/2019	N/A
The Social Security Administration's Processing of Returned Old- Age, Survivors and Disability Insurance Payments	A-07-18-50570	9/12/2019	\$18,964,672
Supplemental Security Income Underpayments Due Deceased Recipients*	A-06-18-50608	9/10/2019	\$467,994,323
Security of the Social Security Administration's Cloud Environment	A-14-18-50498	8/29/2019	N/A
Windfall Elimination Provision Exemptions*	A-13-17-34132	8/8/2019	\$1,835,472
Follow-up: Aged Beneficiaries Whose Benefits Have Been Suspended for Address, Whereabouts Unknown, or Foreign Enforcement	A-09-16-50077	8/6/2019	\$497,883,609
Volume Representative Payee for the Social Security Administration in Connecticut	A-15-18-50443	6/24/2019	N/A
Follow-up: Minor Children Receiving Social Security Benefits Without A Representative Payee*	A-13-17-50169	6/6/2019	\$22,499,184
Follow-up: Underpayments on Prior Supplemental Security Income Records	A-07-18-50676	6/6/2019	\$127,431,265
Medical Improvement Review Standard Exceptions Other Than Failure to Cooperate	A-01-18-50347	6/6/2019	N/A



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Report Title	Report Number	Issue Date	Dollar Value
The Social Security Administration's Compliance with the <i>Improper Payments Elimination and Recovery Improvement Act of 2012</i> in the Fiscal Year 2018 Agency Financial Report	A-15-18-50678	5/20/2019	N/A
Recovery of Old-Age, Survivors and Disability Insurance Overpayments When a Contingently Liable Beneficiary Stops Receiving Benefits*	A-04-18-50651	5/15/2019	\$17,770,777
The Social Security Administration's Application of Due-process Provisions for Old-Age, Survivors and Disability Insurance Overpayments*	A-07-18-50622	3/29/2019	\$403,347,023
Processing of Deferred Old-Age, Survivors and Disability Insurance Cases with a High Risk of Benefit Payment Error*	A-05-18-50620	3/15/2019	\$39,721,952
Supplemental Security Income Underpayments	A-15-18-50612	12/28/2018	N/A
Accuracy of Disability Entitlement Dates for Primary Beneficiaries Who Previously Filed Disability Claims*	A-07-18-50257	12/21/2018	\$656,658,460
Beneficiaries Whose Payments Have Been Suspended and Have Death Information on the Numident*	A-09-15-15039	12/21/2018	N/A
The Social Security Administration's Programs and Projects that Assist Beneficiaries in Returning to Work	A-04-18-50600	11/5/2018	N/A
Accuracy of the Determination of Workers' Compensation Offset During Disability Insurance Claims Processing*	A-02-14-34090	9/25/2018	N/A
Effectiveness of the Social Security Administration's Medicare Non-utilization Project	A-08-17-50261	9/19/2018	\$17,583,591
Interim Benefits Paid After a Disability Claim is Denied*	A-02-18-50543	9/13/2018	\$2,142,834
The Social Security Administration's Comprehensive Integrity Review Process	A-14-17-50097	9/10/2018	N/A
Institutionalized Beneficiaries Who Have Earnings	A-02-17-50140	8/20/2018	N/A



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Report Title	Report Number	Issue Date	Dollar Value
The Social Security Administration's Use of Administrative Tolerance Waivers*	A-04-16-50145	8/1/2018	\$12,568,202
Accuracy of Month of Entitlement Determinations for Supplemental Security Income Recipients Awarded Old-Age, Survivors and Disability Insurance Benefits*	A-08-18-50582	7/27/2018	N/A
Underpayments Paid on Supplemental Security Income Records with Outstanding Overpayments*	A-07-17-50182	7/23/2018	N/A
Overpayments Not Collected Through Benefit Withholding*	A-07-18-50278	7/16/2018	\$9,344,420
Beneficiaries in Suspended Payment Status Pending the Selection of a Representative Payee	A-09-17-50202	6/1/2018	N/A
Controls over Supplemental Security Income Applicants/Recipients' Transferring Ownership of Resources	A-02-16-50066	5/29/2018	N/A
Old-Age, Survivors and Disability Insurance Debtors Who Were Not Current on an Installment Agreement*	A-04-18-50265	5/25/2018	\$88,295,888
Manual Adjustments to Old-Age, Survivors and Disability Insurance Overpayments*	A-07-18-50294	4/9/2018	N/A
Undeliverable Social Security Number Cards	A-15-17-50279	4/2/2018	N/A
Using Nursing Home Data to Determine Suitability of Representative Payees*	A-03-16-50056	3/21/2018	N/A
Higher Benefits for Dually Entitled Widow(er)s Had They Delayed Applying for Retirement Benefits*	A-09-18-50559	2/14/2018	\$141,665,400
Old-Age, Survivors and Disability Insurance Benefits to Individuals Removed from the United States*	A-13-17-34105	12/29/2017	\$2,803,833
The Cost-effectiveness of Vocational Rehabilitation Services*	A-02-17-14048	10/20/2017	\$94,883,352
Widow(er)s Eligible for an Earlier Initial Month of Entitlement*	A-09-17-50187	8/7/2017	\$285,453,378
Cross-referred Social Security Numbers*	A-06-13-23091	7/17/2017	\$191,800,920



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Report Title	Report Number	Issue Date	Dollar Value
The Social Security Administration's Telework Program and Its Effect on Customer Service*	A-04-17-50267	7/12/2017	N/A
Manually Reduced Cross-program Recovery Overpayments*	A-06-17-50225	7/5/2017	\$65,188,220
Supplemental Security Income Overpayments Resulting from the Goldberg-Kelly Procedures	A-01-14-34091	6/12/2017	\$9,168,980
The Social Security Administration's Information Technology Costs of the National Support Center	A-04-16-50138	5/16/2017	N/A
Cross-program Recovery to Collect Overpayments*	A-13-15-15029	4/28/2017	N/A
Individual Representative Payees Who Do Not Have a Social Security Number in the Social Security Administration's Payment Records	A-09-16-50159	2/17/2017	\$371,962,319
Access to the Social Security Administration's my Social Security Online Services	A-14-15-15010	9/29/2016	N/A
The Social Security Administration's Plan to Achieve Self-Support Program	A-08-16-50030	9/27/2016	N/A
Old-Age, Survivors and Disability Insurance Benefits Withheld Pending a Windfall Offset Determination*	A-09-15-15041	3/21/2016	\$71,596,964
Households With Multiple Children Receiving Supplemental Security Income Payments Because of Mental Impairments	A-08-14-14098	3/2/2016	N/A
Higher Retirement Benefits Payable to Families of Disabled Beneficiaries	A-09-14-34080	2/2/2016	\$27,974,234
Accuracy of Disability Benefits to Beneficiaries Who Also Receive <i>Federal Employees' Compensation Act</i> Payments	A-02-15-22114	11/13/2015	N/A
Supplemental Security Income Overpayments Pending a Collection Determination by the Social Security Administration*	A-07-15-15030	9/22/2015	N/A
Fraud Risk Performance Audit of the Social Security Administration's Disability Programs	A-15-15-25002	4/29/2015	N/A
Auxiliary Beneficiaries Who Do Not Have Their Own Social Security Number	A-01-14-14036	9/29/2014	\$136,153



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Report Title	Report Number	Issue Date	Dollar Value
Payments to Individuals with Deaths Reported in California from 1980 to 1987	A-06-14-21416	8/14/2014	N/A
Access Controls over the Business Services Online	A-03-13-13015	6/5/2014	N/A
Supplemental Security Income Recipients Who Had Not Cashed Their Checks Within 1 Year	A-09-13-23023	4/7/2014	N/A
Improper Use of Children's Social Security Numbers	A-03-12-21269	3/31/2014	N/A
Supplemental Security Income Telephone Wage Reporting*	A-15-12-11233	2/6/2014	N/A
Access Controls for the Social Security Number Verification Service	A-03-12-11204	4/18/2013	N/A
Direct Deposit Changes Initiated Through Financial Institutions and the Social Security Administration's Internet and Automated 800-Number Applications	A-14-12-21271	12/20/2012	N/A
Benefit Payments Managed by Representative Payees of Children in Pennsylvania's State Foster Care Programs	A-13-12-11245	12/4/2012	N/A
Management Advisory Report: Supplemental Security Income Payments to Multi-recipient Households	A-06-09-29149	8/7/2012	\$62,563,749
Beneficiaries Who Had Not Cashed their Social Security Checks Within 1 Year	A-09-10-20133	7/19/2012	\$133,694,565
Title II Deceased Beneficiaries Who Do Not Have Death Information on the Numident	A-09-11-21171	7/9/2012	N/A



APPENDIX I

REPORTS ISSUED PRIOR TO THE REPORTING PERIOD FOR WHICH NO MANAGEMENT DECISION HAD BEEN MADE BY THE END OF THIS REPORTING PERIOD

We do not have any reports with recommendations issued by September 30, 2020, for which no management decision had been made by the end of this reporting period.



APPENDIX J

SIGNIFICANT MANAGEMENT DECISIONS THAT WERE REVISED

We have no significant management decisions to report that were revised during the reporting period.



APPENDIX K

DRAFT REPORTS FOR WHICH AGENCY COMMENTS WERE NOT PROVIDED WITHIN 60 DAYS

The Social Security Administration did not respond to five reports issued to it for comment by September 30, 2020, within 60 days:

- *Accuracy of Supplemental Security Income Recipients' Reports of Separation* (A-02-14-31417) – draft report was issued April 13, 2020, but comments were not provided until July 10, 2020.
- *Match of Kentucky Death Information Against Social Security Administration Records* (A-04-19-50815) – draft report was issued June 1, 2020, but comments were not provided until September 3, 2020.
- *Improper Payments to Retired Beneficiaries Who Worked Before Full Retirement Age* (A-09-18-50685) – draft report was issued August 10, 2020, but comments were not provided until October 27, 2020.
- *Old-Age, Survivors and Disability Insurance Benefits to Individuals Who Are Recorded as Deceased on the Supplemental Security Record* (A-13-17-50176) – draft report was issued September 8, 2020, but comments were not provided until November 27, 2020.
- *Follow-up on Disabled Supplemental Security Income Recipients Potentially Eligible for Childhood Disability Benefits* (A-13-18-50714) – draft report was issued September 8, 2020, but comments were not provided until November 20, 2020.



APPENDIX L

CLOSED AUDITS AND INVESTIGATIONS NOT AVAILABLE TO THE PUBLIC

For this reporting period, we did not have any reviews not made available to the public. Of the 23 audit reports issued this period, two were issued as containing "restricted information" due to the sensitivity of the reported information and findings. Report summaries for these reports, [Security of the Social Security Administration's Disability Case Processing System](#) and [The Social Security Administration's Information Security Program and Practices for Fiscal Year 2020](#), are posted to our public website.



APPENDIX M

FEDERAL FINANCIAL MANAGEMENT IMPROVEMENT ACT OF 1996 COMPLIANCE

Section 804(b) of the *Federal Financial Management Improvement Act of 1996* requires the Office of the Inspector General to report whether the agency has met the milestones in a remediation plan. Because the Social Security Administration is in compliance with the *Federal Financial Management Integrity Act of 1996*, it does not have a remediation plan. Therefore, we have no information to report.



APPENDIX N

INSTANCES OF AGENCY INTERFERENCE OR REFUSAL TO PROVIDE INFORMATION

During this reporting period, we have no instances of Social Security Administration (SSA) interference with Office of the Inspector General (OIG) independence to report, and no instances to report in which SSA employees refused to provide information or assistance to the OIG.



APPENDIX O

PEER REVIEWS

Office of Audit

Generally accepted government auditing standards require that our Office of Audit undergo a peer review every 3 years to determine whether we suitably designed our system of quality control, and whether we are complying with that system, to provide us with reasonable assurance of conforming with applicable professional standards.

We did not complete a peer review of any other Office of Inspector General (OIG), nor did any other OIG complete a peer review of our Office of Audit, during this reporting period. There are no outstanding recommendations from prior peer reviews we completed of other OIGs, nor from prior peer reviews other OIGs completed of our Office of Audit.

Office of Investigations

Federal OIG investigative offices must undergo a peer review every 3 years to ensure that Council of the Inspectors General on Integrity and Efficiency Quality Standards for Investigations and Quality Standards for Digital Forensics are followed and that law enforcement powers conferred by Section 6(e) of the *Inspector General Act of 1978*, as amended, or other authorities, are properly exercised. Each OIG is required to implement and maintain a system of quality control for its investigative operations that ensures compliance with required standards.

We did not complete a peer review of any other OIG, nor did any other OIG complete a peer review of our Office of Investigations, during this reporting period. There are no outstanding recommendations from prior peer reviews we completed of other OIGs, nor from prior peer reviews other OIGs completed of our Office of Investigations.



APPENDIX P

INVESTIGATIONS INVOLVING SENIOR GOVERNMENT EMPLOYEES WHERE ALLEGATIONS OF MISCONDUCT WERE SUBSTANTIATED

During this reporting period, we did not close any investigations involving senior government employees where allegations of misconduct were substantiated.





Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION