
**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**JOINT SOCIAL SECURITY
AND CANADIAN BENEFICIARIES
RESIDING IN THE UNITED STATES**

May 2008 A-01-05-25124

AUDIT REPORT



Mission

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Authority

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

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

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

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

Vision

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



SOCIAL SECURITY

MEMORANDUM

Date: May 2, 2008

Refer To:

To: The Commissioner

From: Inspector General

Subject: Joint Social Security and Canadian Beneficiaries Residing in the United States
(A-01-05-25124)

OBJECTIVE

Our objective was to confirm the identities of beneficiaries residing in the United States who were receiving benefits from both the Social Security Administration (SSA) and Human Resources and Social Development Canada (HRSD).

BACKGROUND

In November 2005, SSA's Office of the Inspector General (OIG) met with officials from HRSD to discuss a joint proposal to confirm the identities of Canadian social insurance beneficiaries residing in the United States as well as to confirm the identities of United States Social Security beneficiaries residing in Canada.¹ Based on our discussions, we proceeded with a joint project whereby SSA/OIG agreed to conduct site visits on beneficiaries living in the United States who were receiving benefits from both the United States and Canada (that is, joint beneficiaries) to confirm their identities.

Generally, beneficiaries may continue to receive benefits from both SSA and HRSD while residing in the United States. However, because these individuals reside outside of Canada, there is an increased risk that HRSD will not timely detect events—such as death—that could impact a beneficiary's eligibility or payment amount.

¹ SSA pays retirement benefits to eligible individuals under Title II of *The Social Security Act*. (*The Social Security Act* § 201 *et seq.*, 42 U.S.C. § 401 *et seq.*)

As of April 2007, there were 28,655 beneficiaries residing in the United States receiving benefits from both SSA and HRSD. We limited our review to 7,342 joint beneficiaries who were age 69 or older, receiving \$100 or more in monthly benefits and residing in certain geographical areas. We selected a random sample of 275 individuals from this population for personal contact to verify they were alive. (See Appendix B for additional background information, including scope and methodology.)

RESULTS OF REVIEW

We confirmed the identities of almost all 275 joint beneficiaries residing in the United States. Of the 275:

- 270 beneficiaries (98 percent) were alive and properly receiving benefits.
- 5 beneficiaries (2 percent) were deceased. SSA detected the deaths and stopped benefits timely.

SSA and HRSD Service to Beneficiaries

During our visits, we inquired about the service beneficiaries received from both SSA and HRSD. Overall, beneficiaries who sought assistance from both agencies reported being satisfied with the service they received.

OIG Service to Beneficiaries

In several instances, we were asked for basic customer service assistance when we visited beneficiaries. For example, one beneficiary asked how her family should handle her Canadian social insurance affairs once she dies. We informed the beneficiary that her family should contact HRSD in Canada when she dies since SSA and HRSD do not exchange death information. The beneficiary was grateful and thanked us for this information.

Accuracy of SSA's Contact Information

SSA's records contained accurate contact information for 186 of the 275 joint beneficiaries in our review. For the remaining 89 beneficiaries, we found that SSA did not have current address and/or telephone information on its records.² It is important that SSA's records contain current contact information so the Agency may contact beneficiaries when necessary regarding benefit payments. For example, SSA may need to contact a beneficiary to verify continuing eligibility or payment amount. The table below summarizes the 275 cases in our review by the accuracy of SSA's contact information.

² As of March 2008, SSA had updated all but four of the beneficiaries' records and was in the process of updating the remaining addresses and telephone numbers.

Accuracy of SSA's Contact Information	Number of Beneficiaries	Percent
Telephone Only Incorrect	64	23%
Address and Telephone Information Incorrect	18	7%
Address Only Incorrect	7	2%
Sub-Total: Address and/or Telephone Information Incorrect	89	32%
Address and Telephone Information Correct	186	68%
Total	275	100%

CONCLUSION

Within our sample, we confirmed the identities of almost all the joint beneficiaries residing in the United States. In addition, we found that beneficiaries were generally satisfied with the service they received from both SSA and HRSD. Furthermore, we found that SSA's records contained accurate contact information for a majority of the joint beneficiaries in our review.

AGENCY RESPONSE

SSA was pleased with the results of our review. (See Appendix C.)



Patrick P. O'Carroll, Jr.

Appendices

[APPENDIX A](#) – Acronyms

[APPENDIX B](#) – Background, Scope and Methodology

[APPENDIX C](#) – Agency Comments

[APPENDIX D](#) – OIG Contacts and Staff Acknowledgments

Acronyms

HRSD	Human Resources and Social Development Canada
OIG	Office of the Inspector General
SSA	Social Security Administration

Background, Scope and Methodology

In November 2005, the Social Security Administration's (SSA) Office of the Inspector General (OIG) met with officials from Human Resources and Social Development Canada (HRSD) to discuss a joint proposal to confirm the identities of Canadian social insurance beneficiaries residing in the United States as well as to confirm the identities of United States Social Security beneficiaries residing in Canada.¹ Based on our discussions, we proceeded with a joint project whereby SSA/OIG agreed to conduct site visits on beneficiaries living in the United States who were receiving benefits from both the United States and Canada (that is, joint beneficiaries) to confirm their identities. In return, HRSD agreed to conduct site visits on joint beneficiaries living in Canada to confirm their identities.²

With the assistance of SSA's Office of International Programs, Office of International Operations, and other appropriate components, an appendix was added to the existing Administrative Understanding on Mutual Assistance between Canada and the United States for this initiative. The new appendix was approved on April 13, 2007.

Joint Beneficiaries Residing in the United States

In June 2007, we received from HRSD a file of 54,777 Canadian beneficiaries residing in the United States. We matched Canada's file against Social Security benefit rolls and identified a population of 28,655 beneficiaries residing in the United States who were receiving benefits from both the United States and Canada (that is, joint beneficiaries) as of April 2007. We then limited the population by age and monthly benefit amount and excluded anyone with a monthly benefit amount less than \$100 and anyone who was under the age of 69.

We further limited the population to those joint beneficiaries residing within 120 miles of an OIG/Office of Audit or the cities of Miami, Tampa, or Orlando, Florida; and Los Angeles, California. As a result, we identified a population of 7,342 joint beneficiaries residing within these areas. We selected a random sample of 275 individuals from the population we identified for review to confirm whether the beneficiaries were alive. The following table summarizes the 275 cases by State.

¹ SSA pays retirement benefits to eligible individuals under Title II of *The Social Security Act*. (*The Social Security Act* § 201 *et seq.*, 42 U.S.C. § 401 *et seq.*)

² HRSD selected a random sample of 275 joint beneficiaries residing in Canada to confirm their identities. As of March 2008, HRSD had completed a majority of its cases and confirmed the identities of most of the joint beneficiaries residing in Canada.

State	Number of Beneficiaries
Florida	100
California	85
New York	24
Massachusetts	15
Texas	11
Maryland	10
Illinois	9
Pennsylvania	7
Georgia	7
Virginia	5
Missouri	1
Kansas	1
Total	275

For the 275 joint beneficiaries selected for review, we:

- Sent letters to the address of record for each of the beneficiaries notifying them of our intention to meet with them in person, explaining the purpose of the visit, and requesting address and telephone number corrections.
- Researched available data on SSA's systems and found that five beneficiaries were deceased. These deaths were reported timely, and, as a result, SSA stopped benefits timely.
- Received reports from beneficiaries of telephone number and address corrections. Some beneficiaries also notified us of dates they would be available to meet with us.
- Conducted interviews and established identities for 270 of the 275 joint beneficiaries.
- Referred 1 of the 270 cases to SSA for development, since we were unable to initially contact the beneficiary.

We performed our review between July 2007 and March 2008 in Boston, Massachusetts, and beneficiaries' residences in the United States. We tested the data obtained for our audit and determined it to be sufficiently reliable to meet our objective. The principal entities audited were SSA's Field Offices and Program Service Centers under the Deputy Commissioner for Operations.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Agency Comments



SOCIAL SECURITY

MEMORANDUM

Date: April 24, 2008 **Refer To:** S1J-3

To: Patrick P. O'Carroll, Jr.
Inspector General

From: David V. Foster /s/
Chief of Staff

Subject: Office of the Inspector General (OIG) Draft Report, "Joint Social Security and Canadian Beneficiaries Residing in the United States" (A-01-05-25124)—INFORMATION

Thank you for the opportunity to review and comment on the draft report. We are pleased that in 98 percent of the cases reviewed, the audit confirmed the identities of the beneficiaries residing in the United States and receiving benefits from the Social Security Administration (SSA) and Human Resources and Social Development Canada (HRSD), and that the remaining 2 percent of the cases were found to be deceased beneficiaries whose records were terminated timely. We are also pleased with the finding that the beneficiaries were generally satisfied with the service provided by SSA and HRSD. Finally, we are encouraged to learn that the majority of the records reviewed contained accurate contact information. Beneficiaries are responsible for reporting changes in contact information, such as current address and telephone numbers, and this information is not always reported timely.

We look forward to receiving the results of the HRSD review as it relates to American beneficiaries residing in Canada.

Please let me know if we can be of further assistance. Staff inquiries may be directed to Ms. Candace Skurnik, Director, Audit Management and Liaison Staff, at extension 54636.

OIG Contacts and Staff Acknowledgments

OIG Contacts

Judith Oliveira, Director, Boston Audit Division, (617) 565-1765

David Mazzola, Audit Manager, (617) 565-1807

Acknowledgments

In addition to those named above:

Kevin Joyce, IT Specialist

Frank Salamone, Senior Auditor

Melinda Tabicas, Senior Auditor

For additional copies of this report, please visit our web site at www.socialsecurity.gov/oig or contact the Office of the Inspector General's Public Affairs Specialist at (410) 965-3218. Refer to Common Identification Number A-01-05-25124.

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Social Security Advisory Board

Overview of the Office of the Inspector General

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Chief Counsel to the Inspector General (OCCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

Office of Audit

OA conducts financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

Office of Investigations

OI conducts investigations related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

Office of the Chief Counsel to the Inspector General

OCCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Also, OCCIG administers the Civil Monetary Penalty program.

Office of External Relations

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

Office of Technology and Resource Management

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.