



Office *of the* Inspector General

SOCIAL SECURITY ADMINISTRATION

Audit Report

Redeterminations Social Security
Administration Employees Closed
Without Assessing Resources

A-02-18-50545 July 2021

MEMORANDUM

Date: July 21, 2021

Refer To:

To: The Commissioner

From: Inspector General

Subject: Redeterminations Social Security Administration Employees Closed Without Assessing Resources (A-02-18-50545)

The attached final report presents the results of the Office of Audit's review. The objective was to determine whether Social Security Administration staff used updated values of all resources when they completed redeterminations to determine whether recipients remained eligible for Supplemental Security Income payments.

Please provide within 60 days a corrective action plan that addresses each recommendation. If you wish to discuss the final report, please call me or have your staff contact Michelle L. Anderson, Assistant Inspector General for Audit, at 410-965-9700.



Gail S. Ennis

Attachment

Redeterminations Social Security Administration Employees Closed Without Assessing Resources A-02-18-50545



July 2021

Office of Audit Report Summary

Objective

To determine whether Social Security Administration (SSA) staff used updated values of all resources when they completed redeterminations to determine whether recipients remained eligible for Supplemental Security Income (SSI) payments.

Background

Because SSI is a needs-based program, SSA periodically completes redeterminations, which are reviews of recipients' and their deemors' non-medical eligibility factors to determine whether recipients are still eligible for, and receiving, the correct SSI payments. Deemors are individuals, such as an ineligible spouse or parent, whose income and resources SSA considers when it determines recipients' SSI eligibility and payment amounts.

SSA staff generally uses the Modernized Supplemental Security Income Claims System (MSSICS) to complete redeterminations. MSSICS includes questions that guide staff to ask recipients about all the resources they and their deemors possess. MSSICS displays a detailed resource screen for each type of resource identified. Staff uses the screen to document the resource values.

We reviewed a random sample of 200 recipients who had redeterminations completed during Fiscal Years 2015 through 2018.

Findings

SSA staff did not update the value of 1 or more resources in MSSICS when they completed redeterminations for 131 of the 200 recipients we reviewed. In total, staff did not update 207 resource values. The values were last updated during a previous redetermination or contact or when the recipients initially applied for SSI. Without the updated values, we could not determine whether staff considered the values when they determined whether the recipients' resources were over the tolerance amount or resource limit.

Of the 207 resources staff did not update, 187 were financial accounts. We acquired the financial account records, and, when we added the actual account values to the recipients' other resources in MSSICS, we determined 16 recipients' resources were over the tolerance amount, and 8 recipients were over the SSI resource limit. The eight recipients received \$7,743 in SSI payments for which they were ineligible. Projecting these results to the population, 65,980 recipients were over the SSI resource limit and were improperly paid approximately \$64 million.

Finally, SSA did not list all the recipients' financial accounts as resources in MSSICS. Thirty-one recipients had financial accounts in the Supplemental Security Record as the accounts into which their SSI payments were direct deposited. These accounts were not listed as resources in MSSICS. For the eight recipients we determined were over the resource limit, two were over the limit based on financial accounts that were listed in SSA's Supplemental Security Record but not in MSSICS.

Recommendations

We recommend SSA (1) determine the eligibility of the eight SSI recipients we determined were over the resource limit because of their financial account balances; (2) update its policy to require staff to document in MSSICS the values of all identified resources for the current redetermination period to ensure a complete record of the resource values staff used to make determinations on recipients' SSI eligibility; and (3) remind staff to develop recipient-owned accounts listed on the Supplemental Security Record when completing redeterminations. SSA disagreed with our second recommendation, while agreeing with our first and third recommendations.

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ABBREVIATIONS

FY	Fiscal Year
MSSICS	Modernized Supplemental Security Income Claims System
OIG	Office of the Inspector General
<i>POMS</i>	<i>Program Operations Manual System</i>
SSA	Social Security Administration
SSI	Supplemental Security Income
SSR	Supplemental Security Record
U.S.C.	United States Code

OBJECTIVE

To determine whether Social Security Administration (SSA) staff used updated values of all resources when they completed redeterminations to determine whether recipients remained eligible for Supplemental Security Income (SSI) payments.

BACKGROUND

SSA administers the SSI program under Title XVI of the *Social Security Act*. The SSI program provides monthly payments to people with limited income and resources who are aged, blind, or disabled.¹ In March 2021, SSA issued \$4.8 billion in SSI payments to approximately 8 million recipients.

Redeterminations

Because SSI is a needs-based program, SSA staff periodically completes redeterminations, which are reviews of recipients' and their deemors'² non-medical eligibility factors, to determine whether recipients are still eligible for, and receiving, the correct SSI payments. Non-medical eligibility factors include the recipients'/deemors' resources and income, along with recipients' living arrangements.³ Resources⁴ include cash and any other personal property, including real property⁵ recipients or deemors own; have the right, authority, or power to convert to cash (if not already cash); and are not legally restricted from using for their support and maintenance.⁶ To be eligible for SSI payments, individuals cannot have countable resources in excess of \$2,000, and couples cannot have countable resources in excess of \$3,000.⁷

¹ *Social Security Act*, 42 U.S.C. § 1381a (govinfo.gov 2018).

² A deemor is an individual, such as an SSI recipient's ineligible spouse or parent, whose income and resources SSA considers when it determines a recipient's SSI eligibility or payment amount. SSA, *POMS*, SI 01310.127 (April 13, 1999).

³ SSA, *POMS*, SI 02305.001, A (September 5, 2019).

⁴ SSA, *POMS*, SI 01110.310.B.1 (October 25, 1990). Resources can be liquid or non-liquid. Liquid resources include stocks; bonds; mutual fund shares; checking and savings accounts; savings bonds and Treasury bills, notes, and bonds; and mortgages. SSA, *POMS*, SI 01110.305.B.1 (October 10, 2002). Non-liquid resources include household goods and personal effects; automobiles, trucks, tractors, and other vehicles; machinery and livestock; buildings, land, and other real property rights; and non-cash business property.

⁵ Real property includes land, houses, buildings, and property in foreign countries that is owned by the recipient, eligible spouse, and/or deemors.

⁶ SSA, *POMS*, SI 01110.100, B.1 (January 21, 1993).

⁷ SSA, *POMS*, SI 01110.003, A.3 (December 8, 2010). For SSI purposes, a couple is eligible when both individuals are eligible for SSI, are married and begin living together, hold themselves out as husband and wife and begin living together, or resume living together while married or while holding out as husband and wife or when the ineligible spouse becomes eligible to receive SSI payments. SSA, *POMS*, SI 02005.030, A.2 (May 9, 2012).

SSA staff generally uses the Modernized Supplemental Security Income Claims System (MSSICS)⁸ to complete redeterminations.⁹ MSSICS includes questions that guide staff to ask recipients about all the resources they and their deemors possess. After staff completes a redetermination in MSSICS, staff should provide the recipient a printed copy of the recorded information. Staff then asks recipients to attest to the accuracy of the listed information¹⁰ and records the recipients' attestations in MSSICS.¹¹

If the combined value of liquid resources exceeds a certain tolerance limit, staff must verify the value of all liquid resources.¹² Staff should also determine whether the recipients were eligible, and paid the right amount each month, for the time covered by the redetermination.¹³

Although SSA policy requires that staff review all recipients' and their deemors' resources during redeterminations, it does not require that it update their alleged values on the corresponding MSSICS resource page when those values are less than the tolerance amount. When the values are less than the tolerance amount, staff can accept recipients' allegations of their resources' values.¹⁴

Social Security Administration Reviews of Redeterminations

SSA initiated Performance Quality Reviews in March 2018 to provide a consistent and standardized process to document the quality of technical workloads across SSA's operational components.¹⁵ As part of this initiative, SSA reviewed nearly 16,000 redeterminations from October 2018 through February 2019. Of the 16,000, there were 1,067 where SSA identified

⁸ In Fiscal Year (FY) 2018, SSA completed 94 percent of redeterminations using MSSICS.

⁹ SSA, *POMS*, SI 02305.001, C.3 (September 5, 2019). Staff can also use the *Statement for Determining Continuing Eligibility for Supplemental Security Income Payment* (Forms SSA-8202-BK or SSA-8203-BK) to manually complete redeterminations outside MSSICS. SSA, *POMS*, SI 02305.032, A.1 (June 30, 2017).

¹⁰ SSA, *POMS*, SI 02305.003, F.1 (June 16, 2017).

¹¹ SSA, *POMS*, SI 02305.003, D (June 16, 2017).

¹² SSA, *POMS*, SI 01140.010, A (July 12, 2012) and SSA, *POMS*, SI 02305.034.B (November 13, 2019). The period of review for redetermination development ends the last day of the month before the current redetermination initiation date and begins the first day of the latest of the following: the month SSA initiated the previous redetermination, the month the recipient applied for SSI, or the month the recipient first became eligible for SSI.

¹³ SSA, *POMS*, SI 02305.001, A (September 5, 2019) and SSA, *POMS*, SI 02305.034.B (November 13, 2019).

¹⁴ SSA, *POMS*, SI 01140.010, A (July 12, 2012). SSA staff should verify the value of liquid and non-liquid resources the first moment of any month for which they must determine SSI eligibility unless a tolerance applies or instructions indicate verification is not required.

¹⁵ *Memorandum of Understanding Performance Quality Reviews Between American Federation of Government Employees and Social Security Administration*, March 8, 2018. Claims technical experts complete a minimum of two Performance Quality Reviews per month for all claims specialists.

redeterminations with financial account¹⁶ and cash value documentation errors. In 737 of the 1,067 cases, SSA staff did not properly verify the recipients’ financial account balances.¹⁷

In its *Financial Report for Fiscal Year 2020*, SSA reported that errors or omissions related to SSI recipients’ financial account balances were a major cause of overpayments in the SSI program.¹⁸ The report stated, “The leading cause of SSI overpayment errors is financial accounts with countable resources in excess of the allowable resource limits. When an applicant, recipient, or deemor has financial accounts with values exceeding the allowable resource limits, these accounts may result in periods of SSI ineligibility.” The amount of overpayments caused by excess financial account balances has increased over time (see Table 1).

Table 1: Financial Account Overpayment Deficiency Dollars, FYs 2015 Through 2019 (Dollars in Millions)¹⁹

	2015	2016	2017	2018	2019
Overpayments	\$997	\$1,031	\$1,080	\$1,095	\$1,148

To better determine financial account balances, SSA developed the Access to Financial Institutions process as an alternative to recipients self-reporting their balances. The process allows SSA staff to electronically verify recipients’ financial institution account balances through participating banks to determine SSI eligibility. This process also helps identify potential undisclosed accounts. SSA uses the Access to Financial Institutions process to verify financial accounts during the SSI application process and when it conducts redeterminations.

Audit Population

From 1 segment of the Supplemental Security Record (SSR), we identified 82,482 recipients for whom SSA completed redeterminations in FYs 2015 through 2018. From this population, we reviewed a random sample of 200 recipients to determine whether SSA updated the value of all those recipients’ resources when it completed their redeterminations. See Appendix B for more information on our sampling methodology and results.

¹⁶ Financial accounts include checking, savings, and credit union accounts.

¹⁷ In these 737 cases, staff did not apply Access to Financial Institutions procedures as required, misapplied the Access to Financial Institutions liquid resource tolerance, requested the incorrect period needed for review, or did not complete the GeoRequest as required.

¹⁸ SSA, *Social Security Administration’s FY 2020 Agency Financial Report*, p. 193 (November 2020).

¹⁹ SSA, *Social Security Administration’s FY 2020 Agency Financial Report*, p. 194 (November 2020).

RESULTS OF REVIEW

SSA staff did not update the value of 1 or more resources in MSSICS when they completed redeterminations for 131 of the 200 recipients we reviewed. In total, staff did not update 207 resource values. The values were last updated during a previous redetermination or contact or when the recipients initially applied for SSI. Although SSA's policy did not require that the resource values be updated, without the updated information, we could not determine whether staff considered the updated values when they determined whether the resources needed to be verified or the recipients remained eligible for SSI payments.

Resource Values

Of the 207 resources SSA staff did not update, 187 were financial accounts (see Table 2).

Table 2: Resources Staff Did Not Update

Type of Resource	Number of Resources
Financial Accounts	187
Vehicles	9
Cash	5
Life Insurance Policies	2
Other Resources ²⁰	2
Real Property Other Than Home	1
Trusts	1
Total	207²¹

Because the resource values were not updated, we could not determine whether the recipients met the tolerance amount that would have required that staff verify the resource values. If the alleged values of the resources exceeded SSA's tolerance amounts, staff should have updated the values in MSSICS, verified the values of the resources,²² and used the Access to Financial Institutions process to verify financial account balances.

²⁰ The Other Resources screen collects information about other resources not listed separately on the Resource Selection screen that are owned by the claimant, claimant's spouse, and deems.

²¹ Nineteen recipients had 20 resources other than a financial account. One recipient had two resources other than a financial account.

²² SSA, *POMS*, SI 01140.010, B.1 (July 12, 2012).

To determine whether the financial accounts would have affected SSA staff's determinations on the tolerance amounts and the recipients' SSI eligibility, we acquired the recipients' and their deemors' financial account records.²³ Based on the records, we determined 16 recipients' resources exceeded the tolerance amount when SSA conducted the redeterminations.

Based on the financial records, we also determined eight recipients were over the SSI resource limit when their financial accounts' balances were taken into account.²⁴ The recipients received \$7,743 in SSI payments for which they were ineligible. Projecting these results to the population, SSA improperly paid 65,980 recipients approximately \$64 million (see Appendix B).

There are other possible costs related to the eight cases. Most States pay SSI recipients a State supplementary payment, and some States elect to have those payments administered by SSA. An SSI redetermination is also a redetermination of the SSA-administered State supplementary payment eligibility and payment amounts. Two of the eight cases we determined were over the resource limit involved SSA-administered State supplementary payments.

Although we were able to acquire financial account records, records for the other undeveloped resources were not readily available. Nineteen recipients had resources other than financial accounts whose values staff did not update in MSSICS during the redeterminations we reviewed.²⁵ Because we did not obtain records to verify these other resources, we could not conclude whether they would have caused additional recipients to exceed the resource limit for SSI eligibility.²⁶

Redetermination Controls

When SSA staff is completing redeterminations it is required to ask recipients about the values of all alleged resources to ensure it considers all resource values when it makes SSI eligibility determinations. Further, staff provides recipients printouts that list all the resources the recipients attested to owning and their values. SSA staff should ask recipients to review and attest to the accuracy of the resource information included in the redetermination printouts.

²³ We could not obtain bank records for seven recipients. The banks advised us either the accounts were not opened in the period of our review or the recipient and/or deemors were not account owners (see Appendix A).

²⁴ SSA posted improper payments on two recipients' records after our review.

²⁵ The resources other than financial accounts whose values staff did not update in MSSICS during the redeterminations we reviewed are non-excludable vehicles, trust, real property, cash, life insurance, and other resources.

²⁶ We focused on developing the financial account balances SSA did not develop because the majority of undeveloped resources were financial accounts.

In its review of *The Social Security Administration's Financial Report for Fiscal Year 2017*,²⁷ KPMG LLP²⁸ identified errors in how SSA staff processed redeterminations, which demonstrated that controls over the process were not fully effective. KPMG staff observed instances of SSA staff not properly asking all questions required to complete the redetermination.²⁹ KPMG staff also observed instances where SSA staff failed to read the complete attestation³⁰ statement during redeterminations.³¹ More recently, as part of its testing for *The Social Security Administration's Financial Report for Fiscal Year 2019*,³² Grant Thornton LLP³³ identified errors in how SSA staff processed redeterminations, including deviating from the attestation script.³⁴

Financial Accounts Not Listed in Modernized Supplemental Security Income Claims System

Although many of the financial accounts we identified were listed as resources in MSSICS when staff completed redeterminations, not all were. Per policy, a direct deposit indicator on the SSR indicates staff needs to develop for savings or checking accounts.³⁵ Specifically, 31 recipients' SSRs listed the financial accounts the recipients used to receive their SSI payments;³⁶ however, those accounts were not included as resources in MSSICS. Therefore, they were not considered as resources when staff completed redeterminations. For the eight recipients we determined were over the resource limit, two were over the limit based on the balances of financial accounts used for direct deposit of the recipient's SSI payments.

²⁷ SSA, OIG, *The Social Security Administration's Financial Report for FY 2017, A-15-18-50273* (November 2017).

²⁸ KPMG LLP is an independent certified public accounting firm contracted to audit SSA's FY 2017 consolidated financial statements.

²⁹ KPMG identified 2 instances of 45 sampled cases reviewed where claims specialists failed to ask claimants all required questions needed to complete the redetermination interview.

³⁰ Attestation is the action SSA staff takes as the alternative signature for the redetermination processed in MSSICS.

³¹ KPMG identified 4 instances of 45 sampled cases where claims specialists failed to read the complete attestation statement at the beginning, the conclusion, or during both the beginning and conclusion of the redetermination interview.

³² SSA, OIG, *The Social Security Administration's Financial Report for FY 2019, A-15-18-50677* (November 2019).

³³ Grant Thornton LLP is an independent certified public accounting firm contracted to audit SSA's FY 2019 consolidated financial statements.

³⁴ For the FY 2020 consolidated financial statements audit, Grant Thornton LLP staff did not conduct site visits and test SSA's controls over redeterminations because of the COVID-19 coronavirus pandemic.

³⁵ SSA, *POMS*, SI 02305.101, E.2 (July 31, 2017).

³⁶ After our review, 17 of the 31 accounts listed in recipients' SSRs as the financial account they used to receive their SSI payments were still not listed in MSSICS. SSA posted another eight accounts listed in the SSR in MSSICS. Three recipients' records were terminated in the SSR. For another two recipients, the bank name was added to MSSICS, but the account number was not added, so we could not determine whether the account in the SSR was added to MSSICS. Finally, for one record, we could not access MSSICS.

RECOMMENDATIONS

We recommend SSA:

1. Determine the eligibility of the eight SSI recipients we determined were over the resource limit because of their financial account balances.
2. Update its policy to require staff to document in MSSICS the values of all identified resources for the current redetermination period to ensure a complete record of the resource values staff used to make determinations on recipients' SSI eligibility.
3. Remind staff to develop recipient-owned accounts listed on the Supplemental Security Record when completing redeterminations.

AGENCY COMMENTS

SSA agreed with our first and third recommendations but disagreed with our second. According to the Agency, if it were to implement the second recommendation, it would lead to redundant documentation requirements that would not improve accuracy or prevent improper payments. See Appendix C for the full text of its comments on our report.

OIG RESPONSE

SSA requires staff to ask individuals for the alleged the values of all their known resources; however, the Agency does not require staff to affirm in MSSICS that they have done so in all cases. Without documentation, SSA cannot be certain that staff follow policy. For example, the lack of any change to the alleged value of a resource could indicate that the value has not changed since the last redetermination; however, it could also indicate that an employee simply did not ask the individual about it.

Prior audit work has identified instances where SSA staff did not ask all required redetermination questions or read through the complete attestation with recipients. Furthermore, this audit found that SSA improperly paid 65,980 recipients approximately \$64 million because resources were not adequately addressed. Therefore, we believe the Agency needs stronger controls.

Requiring staff to explicitly affirm that they have discussed and recorded the alleged values of all identified resources during redeterminations would not lead to redundant documentation. It would provide an accurate recording of recipients' resources, helping to ensure staff follows policy and improving an important quality assurance process on which SSA relies to ensure only eligible recipients receive SSI payments.



Michelle L. Anderson
Assistant Inspector General for Audit

APPENDICES

Appendix A – SCOPE AND METHODOLOGY

To accomplish our objectives, we:

- Reviewed the applicable sections of the *Social Security Act* and Social Security Administration’s (SSA) *Program Operations Manual System*.
- From 1 segment of the Supplemental Security Record (SSR), we obtained a data extract of 226,973 Supplemental Security Income (SSI) recipients who had 1 or more resources in SSA’s records and a completed redetermination as of October 24, 2018. For these cases, we extracted information from the SSR and active records in Modernized Supplemental Security Income Claims System (MSSICS).
- To ensure we reviewed more current redeterminations, we identified the recipients from our initial population whose redeterminations were completed in Fiscal Years 2015 through 2018. From this population, we removed recipients who only had resources SSA determined they no longer owned or the recipients acquired after their last redeterminations, which left a population of 82,768 recipients. Finally, we removed 286 cases we reviewed during our audit of *Supplemental Security Income Redeterminations Closed by Field Office Management (A-06-18-50392)*, which left a population of 82,482 recipients. From this population, we selected a random sample of 200 recipients.

To determine whether SSA updated all the 200 recipients’ resources when it redetermined their eligibility for SSI payments, we took the following steps.

- Reviewed the recipients’ MSSICS screens to determine whether SSA personnel updated the recipients’ resources during the most recent redeterminations.
- Excluded non-liquid resources, such as vehicles¹ and burial funds.
- Reviewed the cases that had a redetermination completion date and compared the redetermination initiation date to the resource dates extracted from MSSICS to determine the number of cases where SSA did not update the recipients’ resources during the review period.
- Reviewed the SSR to determine whether any of the cases had bank data on the record with no corresponding Bank Resource screen in MSSICS.
- Determined the amount of SSI payments recipients received since the values of all their resources listed in MSSICS were updated.

¹ We excluded one automobile per household regardless of the value if the recipient, couple, or member of the recipient’s household used the automobile for transportation.

- Requested that SSA provide Access to Financial Institutions reports for the recipients with financial account balances that were not updated during the redeterminations. During our review of the Access to Financial Institutions reports, we identified recipients with undisclosed accounts.
- Subpoenaed recipients' and deemors' bank records from financial institutions listed in the SSR, Access to Financial Institutions reports, or MSSICS.²
- Determined the improper payment amounts for cases where the financial account balances were over the SSI eligibility resource limit.

We determined the computer-processed data were sufficiently reliable for our intended use. We conducted tests to determine the completeness and accuracy of the data. These tests allowed us to assess the reliability of the data and achieve our audit objective. We conducted our audit work in the New York Audit Division between February 2019 and October 2020. The entity audited was the Office of Operations under the Office of the Deputy Commissioner for Operations.

We assessed the significance of internal controls necessary to satisfy the audit objective. This included an assessment of the five internal control components, including control environment, risk assessment, control activities, information and communication, and monitoring. We also reviewed the principles of internal controls as associated with the audit objective. We identified the following five components and seven principles as significant to the audit objective.

- Component 1: Control Environment
 - Principle 2: Exercise Oversight Responsibility
- Component 2: Risk Assessment
 - Principle 7: Identify, Analyze, and Respond to Risks
 - Principle 8: Assess Fraud Risk
- Component 3: Control Activities
 - Principle 10: Design Control Activities
 - Principle 12: Implement Control Activities
- Component 4: Information and Communication
 - Principle 15: Communicate Externally
- Component 5: Monitoring
 - Principle 16: Perform Monitoring Activities

² Although some financial accounts appeared to be resources in MSSICS, the financial institutions advised us that some accounts were not opened in the period of our review or the account was not owned by a recipient or deemor. Also, during the subpoena process, we identified undisclosed accounts for recipients/deemors. These accounts were held at the financial institution we subpoenaed but were not listed in the SSR, Access to Financial Institutions reports, or MSSICS.

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

Appendix B – SAMPLING METHODOLOGY AND RESULTS

From 1 segment of the Supplemental Security Record, we identified 82,482 Supplemental Security Income (SSI) recipients whose resource values the Social Security Administration did not update when it completed redeterminations during Fiscal Years 2015 through 2018. From this population, we randomly selected and reviewed 200 recipients.

Table B–1: Population and Sample Size

Description	Recipients
Population Size (identified in 1 segment of the record)	82,482
Sample Size	200
Total Estimated Universe (population size x 20 segments)	1,649,640

Of the 200 cases, for 69 recipients who appeared to have resources that were not updated, the resources were updated after we extracted our data or were excluded after we obtained the financial records. For the remaining 131 recipients, during redeterminations, staff did not update the value of 1 or more resources on the Modernized Supplemental Security Income Claims System resource screens. Table B–2 provides our results for the 200 recipients in our random sample.

Table B–2: Sample Results

Description	Number of Cases with Errors
Sample Results (for 1 segment)	131
Point Estimate (for 1 segment)	54,026
Total Projection – Lower Limit (for 1 segment)	49,144
Total Projection – Upper Limit (for 1 segment)	58,621
Estimate in Universe (point estimate x 20 segments)	1,080,520

Note: Projections were calculated at the 90-percent confidence level.

To help determine whether the financial accounts affected the recipients' SSI eligibility, we acquired financial account records. We reviewed the bank records of 119¹ recipients and determined 8 were over the resource limit.

¹ We requested records for an additional seven recipients, but the banks advised us the accounts were not opened in the period of our review or the recipient and/or deems were not owners of the accounts. We did not request financial records for two recipients because SSA recorded their bank balances in MSSICS. Finally, three recipients had resources other than a financial account, and it was the other resources that were not developed.

Table B-3: Cases with Improper Payments

Results	Number of Cases with Improper Payments	Improper Payment Amount
Cases with Improper Payments	8	\$7,743
Point Estimate (for 1 segment)	3,299	\$3,193,291
Total Projection – Lower Limit (for 1 segment)	1,656	\$1,200,318
Total Projection – Upper Limit (for 1 segment)	5,854	\$5,186,263
Estimate in Universe (point estimate x 20 segments)	65,980	\$63,865,820

Appendix C – AGENCY COMMENTS



Social Security

MEMORANDUM

Date: June 24, 2021

Refer To: TQA-1

To: Gail S. Ennis
Inspector General



From: Scott Frey
Chief of Staff

Subject: Office of the Inspector General Draft Report, "Redeterminations Social Security Administration Employees Closed Without Assessing Resources" (A-02-18-50545) -- INFORMATION

Thank you for the opportunity to review the draft report. We agree with recommendations one and three.

We disagree with recommendation two. Redundant documentation requirements would not improve accuracy or prevent improper payments. Our policy allows technicians to accept a recipient's allegation about the value of a resource if it is under a certain value threshold. If the alleged value is above the threshold, technicians verify the value of a resource, unless an exception applies. Finally, recipients or their representatives review the information captured during a redetermination interview. They must affirm the accuracy of the information under penalty of perjury. Thus, we provide updated information on resources for each redetermination.

Additionally, auditors used subpoenas, a resource unavailable to our technicians, to locate unidentified financial accounts. Our technicians rely on the information recipients provide about resources. Redundant entries in our claim system for known resources will not help us identify unknown resources.

Please let me know if I can be of further assistance. You may direct staff inquiries to Trae Sommer at (410) 965-9102.



Mission:

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