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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**FOLLOW-UP: SOCIAL SECURITY  
NUMBER CARDS  
ISSUED AFTER DEATH**

May 2011

A-06-10-20136

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**AUDIT REPORT**

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## **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 20, 2011

Refer To:

To: The Commissioner

From: Inspector General

Subject: Follow-up: Social Security Number Cards Issued After Death (A-06-10-20136)

## OBJECTIVE

Our objective was to determine the status of corrective actions the Social Security Administration (SSA) took to address findings and recommendations in our April 2005 report, *Social Security Number Cards Issued After Death (A-06-03-13078)*.

## BACKGROUND

The Social Security number (SSN) has become a primary means of identification in both the public and private sectors. As use of the SSN has grown, so has identity fraud. SSA has a role in combating identity fraud through the prevention and detection of SSN misuse. Each year, SSA processes approximately 6 million original and 12 million replacement Social Security card applications.<sup>1</sup>

SSA policy prohibits issuance of replacement cards when the numberholder is deceased.<sup>2</sup> Our April 2005 report concluded that SSA did not comply with this policy. We also determined that SSA issued multiple replacement SSN cards to applicants after a date of death was posted on SSA's records; paid survivor benefits to auxiliaries of apparently living individuals; and accepted questionable proof of identity documents when it processed applications for replacement cards.

In response to our findings and recommendations, SSA agreed to remind field office employees of replacement card policies and review procedures to ensure discrepancies are promptly resolved when information provided by applicants for replacement cards conflicts with information in SSA's records.

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<sup>1</sup> SSA's *Performance and Accountability Report for Fiscal Year (FY) 2010*, p. 92.

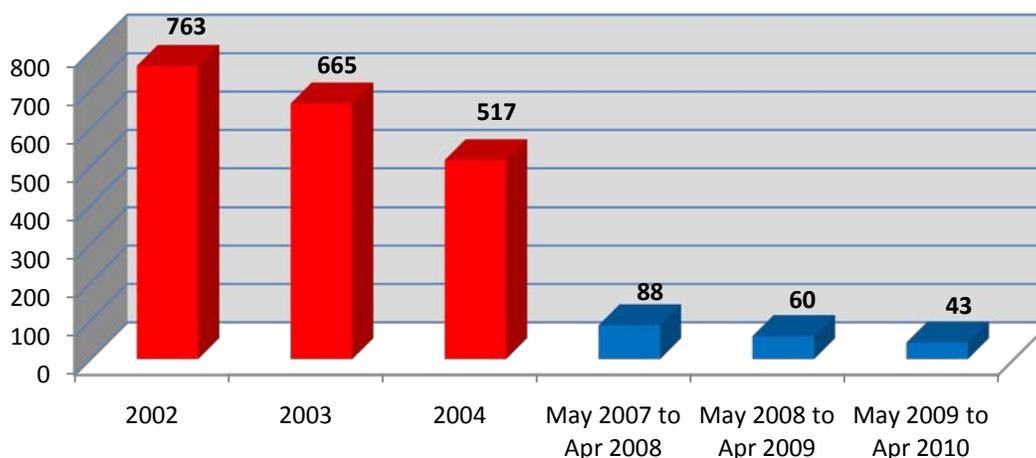
<sup>2</sup> SSA, POMS, RM 10225.090.

In May 2010, we obtained updated data identifying all instances from May 2007 through April 2010 where SSA issued replacement SSN cards although Agency staff recorded a date of death in the numberholders' Numerical Identification (Numident) record. See Appendix B for detailed information regarding the scope and methodology of this review.

## RESULTS OF REVIEW

SSA took action to address findings and recommendations in our April 2005 report. As illustrated in Table 1, the frequency of replacement card issuances declined significantly in instances where SSA records indicated the numberholder was deceased.<sup>3</sup>

**Table 1. Total SSN Cards Issued to Numberholders with a Date of Death on their Numident Record**



The overall trend is downward. However, contrary to SSA policy, from May 2007 to April 2010, SSA issued 191 replacement cards to numberholders when its records indicated the individuals were deceased. These discrepancies represented only a minute fraction of replacement cards issued each year.

- In 170 cases, we believe SSA issued the replacement cards as a result of administrative errors. For example, based on information provided during death claim processing, it may be necessary to update the Numident record of a deceased person. After processing the update, the SSA employee must make a systems input to suppress replacement card issuance. It appeared SSA employees did not always make inputs necessary to suppress replacement card issuance.

<sup>3</sup> We did not obtain data for January 2005 through April 2007.

- In 17 cases, we could not determine why SSA issued the replacement cards.<sup>4</sup> In 7 of these 17 cases, SSA issued replacement cards and paid survivor benefits to the applicant's auxiliary beneficiaries.<sup>5</sup>
- In four cases, SSA records contained evidence that indicated the numberholders were actually alive and death entries on their records were erroneous. As of February 2011, these numberholders' personally identifiable information was available for viewing on at least one public Internet site.<sup>6</sup>

In February 2011, we provided the 21 cases mentioned above to SSA's Office of Operations (Operations) staff in Baltimore, Maryland. Operations plans to review these cases.

## CONCLUSION

The number of instances where SSA issued replacement cards to apparently deceased numberholders declined significantly since our prior audit. We identified a small number of questionable replacement card issuances and forwarded the cases to SSA Operations staff for action. We believe the discrepancies were isolated and not indicative of systemic problems. As a result, this report contains no recommendations.

## AGENCY COMMENTS

SSA stated it would continue to research the cases cited in our report and agreed to provide an update on its findings. SSA comments are included in Appendix C.



Patrick P. O'Carroll, Jr.

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<sup>4</sup> Dallas Regional Office staff reviewed these cases and could not explain the replacement card issuances.

<sup>5</sup> SSA paid approximately \$179,000 in survivor benefits to nine auxiliary beneficiaries of these numberholders.

<sup>6</sup> SSA maintains a record of reported deaths known as the Death Master File and provides this information to the Department of Commerce for sale to the public. Various public Websites purchase the Death Master File and make it accessible via the Internet.

# *Appendices*

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APPENDIX A – Acronyms

APPENDIX B – Scope and Methodology

APPENDIX C – Agency Comments

APPENDIX D – OIG Contacts and Staff Acknowledgments

## Acronyms

FY	Fiscal Year
Numident	Numerical Identification
OIG	Office of the Inspector General
Operations	Office of Operations
SSA	Social Security Administration
SSN	Social Security Number
<u><i>Form</i></u>	
SS-5	<i>Application for a Social Security Card</i>

# Scope and Methodology

To accomplish our objective, we:

- Reviewed the Social Security Administration's (SSA) policies and procedures related to issuing Social Security number (SSN) cards and prior Office of the Inspector General reports pertaining to enumeration.
- Interviewed Dallas Regional Office staff regarding procedures used in issuing SSN cards.
- Obtained a data extract from SSA's Numerical Identification (Numident) record and identified 191 instances from May 2007 through April 2010 where SSA issued an SSN card after a date of death entry on the numberholders' record.
- Requested *Applications for a Social Security Card* (Form SS-5) from SSA's Office of Central Operations, Center for Material Resources. We determined whether there were notable differences between numberholder information provided on Forms SS-5 and information in SSA's records.
- Determined whether records contained information to explain why SSA issued replacement SSN cards although there was a date of death in the numberholders' Numident records.
- Retrieved and reviewed the Master Beneficiary, Modernized Enumeration System, and Numident Records for our audit population.

We conducted our audit between September 2010 and January 2011 in Dallas, Texas. We determined that the data used for this audit were sufficiently reliable to meet our audit objective. The entity audited was the Office of Deputy Commissioner for Operations. We conducted this 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

## Agency Comments



### MEMORANDUM

Date: May 10, 2011

Refer To: S1J-3

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

From: Dean S. Landis /s/  
Deputy Chief of Staff

Subject: Office of the Inspector General (OIG) Draft Report, "Follow-up: Social Security Number Cards Issued After Death" (A-06-10-20136)--INFORMATION

Thank you for the opportunity to review the draft report. I am pleased with your findings. We will continue to research the 17 unexplained cases cited in your report, and will update you on our findings.

Please let me know if we can be of further assistance. Please direct staff inquiries to Chris Molander, at extension 57401.

## OIG Contacts and Staff Acknowledgments

### *OIG Contacts*

Ronald Gunia, Director, Dallas Audit Division

Neha Smith, Audit Manager

### *Acknowledgments*

In addition to those named above:

David McGhee, Senior Auditor

Joe Cross, Information Technology Specialist

For additional copies of this report, please visit our Website at [www.ssa.gov/oig](http://www.ssa.gov/oig) or contact the Office of the Inspector General's Public Affairs Staff Assistant at (410) 965-4518. Refer to Common Identification Number A-06-10-20136.

## ***DISTRIBUTION SCHEDULE***

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Chairman and Ranking Minority Member, Committee on the Budget, House of Representatives

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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 Counsel to the Inspector General (OCIG), 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 Counsel to the Inspector General**

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG 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, OCIG 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.