

# Report Summary

Social Security Administration Office of the Inspector General

November 2010



## Objective

To provide a summary and assessment of the most serious management and performance challenges facing the Social Security Administration (SSA).

## Background

The *Reports Consolidation Act of 2000*, requires that the Inspector General provide an assessment of the most serious management and performance challenges facing SSA in Fiscal Year (FY) 2010.

- Implement the *American Recovery and Reinvestment Act of 2009* Effectively and Efficiently
- Reduce the Hearings Backlog and Prevent its Recurrence
- Improve the Timeliness and Quality of the Disability Process
- Reduce Improper Payments and Increase Overpayment Recoveries
- Improve Customer Service
- Invest in Information Technology Infrastructure to Support Current and Future Workloads
- Strengthen the Integrity and Protection of the Social Security Number
- Improve Transparency and Accountability

To view the full report, visit <http://www.ssa.gov/oig/ADOBE/PDF/A-02-11-11131.pdf>

## ***Fiscal Year 2010 Inspector General Statement on the Social Security Administration's Major Management and Performance Challenges (A-02-11-11131)***

While SSA made progress in FY 2010 in addressing these challenges, some improvements are still needed. For example, SSA needs to:

- The purchase of the site for the new National Computer Center (NCC) has been delayed, thus delaying the start of the construction of the NCC. The timely completion of the new NCC is critical to SSA's ability to continue providing the level of service the American public expects and needs.
- In a review on continuing disability reviews (CDR), we reported that a backlog of over 1.5 million full medical CDRs will exist at the end of FY 2010. We estimated SSA will have made benefit payments of between \$1.3 and \$2.6 billion from Calendar Years 2005 through 2010 that could have potentially been avoided if full medical CDRs were conducted when they became due.
- SSA decreased the number of Supplemental Security Income redeterminations conducted between FYs 2003 and 2009 by more than 40 percent. We estimated in a July 2009 report that SSA could have saved an additional \$3.3 billion during FYs 2008 and 2009 by conducting redeterminations at the same level it did in FY 2003.
- Our reviews continue to identify problems with SSA's Representative Payment program. Specifically, (1) SSA did not identify aged beneficiaries who became incapable of managing their benefits after their initial entitlement; (2) children in foster care had their benefits managed by representative payees who were not the foster care agency or foster care parent; (3) representative payees did not disclose previous incarcerations on their applications to serve as payees; and (4) certain individual and organizational representative payees had not complied with SSA's policies and procedures.