

Report Summary

Social Security Administration Office of the Inspector General

October 2010



Objective

To determine the extent to which improper payments resulted when Federal employees received both Social Security disability payments and *Federal Employees' Compensation Act* (FECA) payments.

Background

FECA provides Federal employees injured while performing their duties with workers' compensation (WC) benefits, which include wage-loss benefits for total or partial disability.

The *Social Security Act* (Act) states, when a Disability Insurance (DI) beneficiary under age 65 also receives public disability benefits, which includes WC, a reduction of the DI benefit may occur. For Supplemental Security Income (SSI) payments made under the Act, an individual whose income exceeds a certain amount in a particular month is not eligible for SSI in that month.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-15-09-19008.pdf>

Federal Employees Receiving Both Federal Employees' Compensation Act and Disability Insurance Payments (A-15-09-19008)

Our Findings

We confirmed with the Social Security Administration (SSA) that improper payments resulted when recipients whose FECA compensation was not recorded or accounted for in the calculation of their DI benefits. In addition, we estimated improper payments that resulted when SSA did not take into account recipients' FECA compensation in calculating their SSI payments. Based on our findings, we projected approximately \$43 million in estimated overpayments were paid to about 961 DI recipients for whom SSA did not consider FECA compensation in the initial calculation of their benefits. Furthermore, we estimate approximately \$603,140 in overpayments was paid to about 80 SSI recipients whose FECA compensation was not initially accounted for in the calculation of their payments.

Our Recommendation

We recommended that SSA develop a computer matching agreement with the Department of Labor (DoL) to identify possible DI and SSI claimants whose benefits do not reflect the FECA compensation they received. A matching agreement will allow SSA to perform matching activities similar to what we performed in this review and take appropriate action for recipients who have overpayments that result from SSA not taking into account FECA compensation.

SSA agreed with our recommendation and is currently drafting a computer matching agreement for this purpose and has started discussions with the DoL. SSA also informed us it has determined that the legal authority to perform this computer match is included in Sections 224(h)(1) and 1636(f) of the Act, which requires Federal agencies to furnish SSA with information necessary to verify eligibility for the DI and SSI programs.