

# Report Summary

Social Security Administration Office of the Inspector General

September 2009



## Objective

To evaluate the Social Security Administration's (SSA) controls over suspending the collection of Title XVI overpayments and determine whether personnel complied with existing policies and procedures. Additionally, we determined the status of recommendations we made in a previous report, *The Social Security Administration's Controls over the Suspension of Title XVI Overpayment Collection Efforts*.

## Background

When a Title XVI overpayment occurs, SSA can suspend collections of the debt in certain situations. Specifically, collection efforts can be suspended when a recipient is not in current payment status and previous collection efforts have determined the individual is unable to repay, is unwilling to repay, cannot be located, or is out of the country. Suspension decisions allow SSA to stop unproductive collection efforts.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-04-09-19039.pdf>

## ***Follow-up: The Social Security Administration's Controls over Suspending Collection Efforts on Title XVI Overpayments (A-04-09-19039)***

### Our Findings

SSA took action on three of the recommendations in our prior report. However, funding limitations delayed development of an automated system that would address the two remaining recommendations. SSA's corrective actions resulted in some improvements in the error rates we previously reported. However, we still found similar conditions identified in the prior report.

SSA did not always (1) document the justification for the decisions to suspend overpayment collection efforts and (2) obtain the required management approval before suspending an overpayment. On occasion, SSA personnel suspended collection efforts when debtors or the debtors' representative payees had reported earnings that may have enabled some repayment. Also, SSA personnel suspended collections of some debts and classified the debtors as unable to locate or out of the country even though we did not find evidence that SSA attempted to contact the debtors or the debtors' representative payees through their current employer. Overall, we estimated for 6,500 cases, totaling \$52.2 million, SSA personnel did not follow policies and procedures when it suspended overpayment collection efforts.

### Our Recommendations

We recommended that SSA (1) continue to urge staff compliance with existing policy when suspending Title XVI overpayments and hold accountable those employees who do not follow established criteria, (2) consider revising its May 2009 policy to require a 2-PIN process for suspension decisions controlled by its Recovery and Collection of Overpayments System, and (3) revise policy to require the use of all internal resources to locate a debtor.