

Report Summary

Social Security Administration Office of the Inspector General

July 2009



Objective

To determine the accuracy of the Social Security Administration's (SSA) determinations of Supplemental Security Income (SSI) applicants/recipients' resources related to vehicle ownership.

Background

SSA excludes as a resource the value of one vehicle per family regardless of its value. Additional vehicles are considered non-liquid resources, and they are generally counted as a resource. While automobiles are often the vehicle in question, other vehicles, such as boats or recreational vehicles, can be counted as resources as well. SSA has provided its staff with LexisNexis Risk Management Solution Database to help verify the accuracy of resources allegation by obtaining property and resource information for SSI applicants and recipients in certain States.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-02-08-28038.pdf>

Supplemental Security Income Recipients with Unreported Vehicles (A-02-08-28038)

Our Findings

Our audit confirmed that SSA's records regarding SSI recipient vehicle ownership were not always accurate. Of the 275 sampled SSI recipients, 68 (25 percent) did not report to SSA that they owned vehicles. In addition, 11 of these 68 individuals exceeded the resource limit for SSI eligibility when the values of their unreported vehicles were counted as resources, resulting in improper payments totaling \$80,107. Estimating these results to the total population, approximately 468,140 recipients inaccurately reported their vehicle ownership to SSA. We also estimate that about 75,720 recipients were improperly paid approximately \$551 million because of inaccuracies in SSA's records on the recipients' vehicle ownership. Further, we found that in some instances, SSA staff did not determine vehicle values through the National Automobile Dealer's Association (NADA) e-Valuator or other third-party valuation methods, as required.

Our Recommendations

We recommended that SSA: 1) assess the costs/benefits of requiring the use of LexisNexis queries for those SSI applicants and recipients determined to be less likely to report vehicle ownership; 2) assess the costs/benefits of obtaining vehicle registration information directly from States that allow access to vehicle ownership records so it can be used to verify recipients' resources during initial applications and redeterminations; 3) use the vehicle registration information obtained from LexisNexis or directly from the States to update the redetermination selection model to ensure recipients less likely to report their vehicle ownership are selected more frequently for redeterminations; and 4) remind staff to follow policy on the use of the NADA e-Valuator or a disinterested, knowledgeable source when determining the value of applicants or recipients' vehicles.

SSA agreed with the recommendations.