

Report Summary

Social Security Administration Office of the Inspector General

September 2009



Objective

To determine whether the Social Security Administration (SSA) properly identified and controlled overpayments recorded as "special payment amounts" (SPA) on the Master Beneficiary Record (MBR).

Background

In some instances, overpayments to beneficiaries are temporarily recorded as a SPA until they have been validated. If the SPA is a legally defined overpayment, it should be removed from the MBR and recorded in the Recovery of Overpayments, Accounting and Reporting (ROAR) System, which controls the recovery and collection of overpayments until they are repaid or otherwise resolved. SSA conducts an annual clean-up project to ensure SPA overpayments are removed from the MBR and established in ROAR.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-09-09-29011.pdf>

Controls over "Special Payment Amount" Overpayments for Title II Beneficiaries (A-09-09-29011)

Our Findings

We found SSA needs to improve its controls over SPA overpayments to ensure recovery actions are initiated timely and overpayments are controlled and tracked until recovered or otherwise resolved. Specifically, we found that SSA did not always properly establish valid overpayments or remove erroneous SPA overpayments from the MBR. Based on our sample results, we estimate that

- 11,840 beneficiaries received \$65.3 million in overpayments for which SSA had not initiated or pursued recovery actions, and
- 4,840 beneficiaries had \$27.5 million in erroneous SPA overpayments that should have been removed from the MBR

We also found SSA's annual clean-up project was generally effective in identifying unresolved SPA overpayments. However, SSA could improve its annual clean-up project by identifying and selecting additional SPA overpayments for review.

Our Recommendations

We recommended that SSA: (1) establish overpayments in ROAR and initiate or pursue recovery actions for the 93 beneficiaries identified by our audit; (2) remove erroneous SPA overpayments from the MBR for the 38 beneficiaries identified by our audit; (3) improve compliance to ensure SPA overpayment alerts are reviewed and resolved in a timely manner; and (4) modify the selection criteria for the annual SPA clean-up project to include dually and technically entitled beneficiaries whose benefits have been suspended.

SSA agreed with our recommendations.