

Report Summary

Social Security Administration Office of the Inspector General

September 2009



Objective

To determine the number of individuals who received excess Supplemental Security Income (SSI) payments as a result of an unearned income computation error.

Background

Individuals eligible for Social Security benefits who also qualify for SSI (concurrent entitlement) can receive SSI payments as long as the combination of benefits does not exceed the Federal Benefit Rate, plus a \$20 allowance. SSI payments are reduced, or offset, by a recipient's countable income--which includes Social Security benefits. We obtained data from 1 of 20 payment record segments and identified 338 cases where Social Security benefit amounts used in offset computations were less than the benefits the Social Security Administration (SSA) actually paid. Our review focused on these 338 cases.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-06-09-29103.pdf>

Supplemental Security Income Overpayments to Concurrent Beneficiaries Resulting from Incorrect Benefit Calculations (A-06-09-29103)

Our Findings

In March 2009, we identified 338 concurrent beneficiaries from 1 of 20 payment record segments, who received excessive SSI payments because SSA erroneously offset their SSI payment using Old-Age, Survivors and Disability Insurance (OASDI) benefit amounts that were not adjusted to reflect recent benefit payment increases. SSA overpaid these beneficiaries \$18,604 per month in Federal SSI payments and another \$2,557 per month in State supplemental benefits as a result of these errors. Most of these errors involved instances where SSA was collecting OASDI overpayments from the beneficiaries. A specific systems input associated with these payments unintentionally froze the OASDI benefit amounts used in the SSI unearned income offset computations.

Based on our audit results, we estimate SSA issued overpayments to approximately 6,800 concurrently entitled beneficiaries because SSA erroneously offset their SSI payments using OASDI benefit amounts that were not adjusted to reflect recent benefit payment increases. If these errors are not corrected, we estimate that SSA will issue approximately \$5.1 million in excessive SSI payments to these beneficiaries over the next 12 months.

Our Recommendations

In May 2009, we obtained a data extract from all payment record segments identifying more than 7,200 payment records where the SSI unearned income offset computation incorporated OASDI benefit amounts that were less than amounts SSA actually paid the beneficiaries. We provided these data to SSA Operations staff and recommended SSA review the cases and take appropriate action to correct the payment errors. We made additional recommendations to help prevent future payment errors.

SSA agreed with all our recommendations.