

Report Summary

Social Security Administration Office of the Inspector General

April 2011



Objective

To determine whether the Social Security Administration (SSA) implemented the Office of Quality Performance's (OQP) recommendation to match the names and addresses on its payment rolls and the Earnings Suspense File (ESF) to identify unreported wages earned by beneficiaries/recipients. In addition, we assessed the impact of Supplemental Security Income (SSI) recipients' wages on the ESF.

Background

In January 2004, OQP evaluated a computer match using a common address from SSA's payment records and ESF wage reports. OQP estimated that about 4,200 beneficiaries and recipients had unreported wages for Tax Year (TY) 1999 posted to the ESF that could have affected their benefits. OQP recommended that SSA conduct a match of the Title II/XVI payment rolls with the ESF for the most recent year of earnings postings to identify unreported wages using the beneficiaries' and recipients' addresses, last names, and first initials.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-03-10-11038.pdf>

Supplemental Security Income Recipients with Wages in the Earnings Suspense File (A-03-10-11038)

Our Findings

SSA had not implemented OQP's recommendation to match the names and addresses included on its payment rolls and the ESF to identify unreported wages earned by beneficiaries/recipients. Agency personnel could not explain why the recommendation was not implemented other than it appeared to be an oversight. We compared the names and addresses from the SSI payment rolls and the ESF for TY 2008 and found recipients and deemors were working using SSNs not assigned to them, which resulted in SSI recipients being overpaid. Based on our sample of 250 cases, we found that for 70 cases (28 percent), about \$1.4 million in suspended wages was earned by SSI recipients/deemors, resulting in 14 SSI recipients' being overpaid about \$54,000 in benefits.

Our Recommendations

We recommended that SSA:

1. Determine whether it is cost-beneficial to review the 2,400 cases from the 3 strata where sample cases resulted in overpayments, and ascertain whether the suspended wages belong to recipients/deemors—and adjust recipients' benefits as appropriate.
2. Based on the above analysis, periodically conduct a match of names and addresses from the SSI payment rolls and ESF to detect unreported wages earned by SSI recipients and their deemors. The match criteria should focus on first name, last name and address; first name and address; and first name and last name of spouse and parent to detect SSI overpayments. In addition, establish tolerances when matching the address field to account for data entry errors or different spellings that generally exist in large databases.