

Agency Processing of Duplicate Payment Detection Alerts

A-05-19-50796



May 2020

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) correctly processed alerts for beneficiaries who may have received duplicate Old-Age, Survivors and Disability Insurance (OASDI) payments.

Background

The OASDI program provides monthly benefits to retired and disabled workers, including their dependents and survivors. SSA's Master File Duplicate Detection Operation (MAFDUP) identifies beneficiaries who may be receiving duplicate OASDI payments under more than one Social Security number (SSN). Employees must review the duplicate payment alerts to determine whether a duplicate payment exists and, if necessary, correct the payments and establish an overpayment. MAFDUP identifies beneficiaries with the same names, dates of birth, and ZIP codes who are receiving a payment under more than one SSN and whose records do not contain proper multiple entitlement information.

Of 11,208 beneficiaries with 3 or more alerts from September 2016 through March 2019, we reviewed a random sample of 100 beneficiaries with 3 to 6 alerts and all 5 beneficiaries with more than 6 alerts.

Findings

Of the 100 beneficiaries with 3 to 6 alerts, SSA employees incorrectly processed alerts for 51 and had not processed duplicate payment alerts for 20. Based on our random sample, we estimate SSA:

- Incorrectly processed duplicate payment alerts for 5,714 beneficiaries. Of these, SSA improperly paid 3,473 beneficiaries approximately \$24.3 million.
- Had not processed duplicate payment alerts for 2,241 beneficiaries. Of these, SSA improperly paid 1,680 beneficiaries approximately \$13.7 million.

SSA incorrectly processed the alerts for all five beneficiaries with more than six alerts, resulting in an improper payment of \$6,678. Finally, we identified four additional beneficiaries who met the criteria for a duplicate payment alert, but MAFDUP did not generate an alert.

Agency Actions Resulting from the Audit

In September 2019, we provided SSA with the 56 beneficiaries with incorrectly processed alerts and 20 beneficiaries with unprocessed alerts. As of March 2020, SSA had addressed the errors for the 76 beneficiaries. We also provided SSA with the SSNs of the four beneficiaries who should have had an alert but did not. SSA corrected the records for all of these beneficiaries.

Recommendations

We made five recommendations for SSA to improve controls of duplicate payment alerts and determine whether additional Information Technology modernization efforts can reduce duplicate payments. SSA agreed with four recommendations, but did not agree to identify an appropriate timeliness requirement for processing duplicate payment alerts and establish procedures to ensure employees process the alerts in accordance with the established timeliness requirement. The report includes the full text of the Agency's comments as well as our response.