

Payments to Individuals Incarcerated in California

Department of Corrections and Rehabilitation Facilities

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Office of Audit Report Summary

Objectives

To identify individuals who improperly received payments while incarcerated in California Department of Corrections and Rehabilitation (CDCR) facilities and determine why these individuals' payments were not timely suspended.

Background

The *Social Security Act* generally prohibits payments to individuals confined to a jail, prison, or certain other public institutions for committing a crime.

In October 2016, we obtained data from the CDCR that identified the personally identifiable information of approximately 188,000 prisoners incarcerated in California correctional facilities. We matched the file against Social Security payment records to identify inmates who may have improperly received payments while incarcerated.

Findings

We identified 123 inmates who received approximately \$3.5 million in improper payments while they were incarcerated in CDCR facilities.

- In 49 cases, the Social Security Administration's (SSA) Prisoner Update Processing System (PUPS) did not contain the inmates' most recent confinement information. We did not determine whether prison facilities reported the confinement information to SSA and could not otherwise explain why the confinement information did not appear in SSA's records.
- In 74 cases, PUPS contained the inmates' confinement information; however, SSA did not suspend the benefit payments. For these cases, SSA's systems should have alerted Agency staff to suspend the benefits. We did not determine whether the alerts failed to generate or SSA staff failed to act on the alerts.

We notified San Francisco Region Operations personnel about these cases, and they confirmed the inmates' confinement status; suspended payments to the inmates; and established, or were establishing, approximately \$3.5 million in overpayments for these inmates. Identification and correction of these discrepancies prevented approximately \$808,000 in additional overpayments over a 12-month period.

Conclusion

Because SSA corrected, or was correcting, these cases and was evaluating the feasibility of obtaining and periodically processing prisoner census files to stop improper payments, we are not making any recommendations in this report.

SSA stated it will continue to renegotiate prisoner reporting agreements to obtain more inmate records from correctional and mental health facilities.