

Manual Actions on Old-Age, Survivors and Disability Insurance Post-entitlement Alerts

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Office of Audit Report Summary

Objective

To determine whether Social Security Administration (SSA) processing center (PC) employees correctly processed Old-Age, Survivors and Disability Insurance (OASDI) post-entitlement alerts produced by the Title II Redesign (T2R) system.

Background

Once a beneficiary becomes entitled to OASDI benefits, SSA must update its records to reflect changes in the beneficiary's circumstances. SSA refers to these updates as post-entitlement actions. T2R is SSA's primary post-entitlement processing system. In some instances, T2R cannot process post-entitlement actions to update beneficiaries' records and PC employees must do so.

When updates must be manually processed, T2R produces alerts. A PC employee must review the alert, correct any issues that prevented T2R from automatically processing the update, and make the necessary changes to the beneficiary's record.

We identified 52,108 OASDI post-entitlement alerts T2R produced on or after January 1, 2017 and designated as processed and completed by PC employees from January 24 through February 6, 2019. We reviewed a random sample of 200 post-entitlement alerts to determine whether PC employees processed them correctly.

Findings

Of the 200 OASDI post-entitlement alerts we reviewed, PC employees incorrectly processed 83 (42 percent). Of the 83 incorrectly processed alerts, 48 resulted in improper payments totaling \$329,767 through May 2019. Based on our sample results, we estimate PC employees incorrectly processed approximately 555,000 alerts, resulting in approximately \$1.3 billion in improper payments.

For 45 of the 83 alerts, PC employees took incorrect manual post-entitlement actions and did not update the beneficiaries' records correctly. Our analysis showed that, in some instances, employees took incorrect manual actions because they did not—*for unknown reasons*—follow the provided instructions when they processed alerts. In other instances, employees may have incorrectly processed the alerts because of vague and generic alert language and corresponding written instructions.

Employees processed the remaining 38 alerts incorrectly because they cleared the alerts without taking corrective actions. SSA does not require that employees document why they did not take corrective action on alerts. Thus, we were unable to determine why employees cleared the alerts without taking action.

SSA Initiatives to Improve Manual Processing

In recent months, SSA has provided PC employees refresher training on the manual processing of post-entitlement actions and implemented a national quality review process that includes these actions. In a future audit, we will ascertain whether these newly implemented initiatives improve the accuracy of post-entitlement processing actions.

Recommendations

We made seven recommendations for SSA to correct errors identified during our review, improve its controls over PC employees' actions on post-entitlement alerts produced by T2R, and monitor training and quality initiatives to increase post-entitlement alert processing accuracy. SSA agreed with our recommendations.