

System Alerts for Beneficiaries Identified by the Delinquent Debt Trigger File

A-07-18-50743



June 2021

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) resolved the delinquent status of overpayments for beneficiaries identified by the Delinquent Debt Trigger File (DDTF).

Background

SSA runs the DDTF operation every March and September to identify beneficiaries who have overpayments for which SSA has taken no collection action for at least 180 days. SSA runs the operation to reduce the debt backlog and resolve the delinquent status of the identified overpayments. To resolve the delinquent status, SSA must collect the overpayment or take policy-appropriate action to update the record.

SSA policy specifies the action its employees should take to resolve each alert. The action taken depends on the overpayment's characteristics. If the action does not result in recovery or termination of collection actions, the beneficiary may reappear in a subsequent DDTF listing.

We identified 2,768 beneficiaries who had total overpayments of at least \$20,000 and appeared in both the March 2017 and March 2019 DDTF listings. We reviewed this population to determine whether SSA resolved the delinquent status of the beneficiaries' overpayments between the March and September 2019 DDTF listings.

Findings

Of the 2,768 beneficiaries we reviewed from the March 2019 DDTF listing, 2,243 (81 percent) appeared again in the September 2019 listing, indicating SSA did not resolve the overpayments' delinquent status. Of the 2,243 beneficiaries,

- 1,383 had alerts indicating no beneficiaries were receiving benefits on their records; therefore, SSA should have terminated collection activities, referred the beneficiaries to the Department of Justice for civil suits, or attempted recovery from the beneficiaries' estates;
- 688 had alerts indicating SSA should have attempted to recover the overpayments from beneficiaries who were receiving benefits; and
- 172 required further SSA review to determine whether collection was possible because the alerts did not indicate whether individuals were receiving benefits.

Of the 525 (19 percent) beneficiaries who were not in the September 2019 listing, we reviewed 50 and found SSA did not resolve the delinquent status of 19 beneficiaries' overpayments. Of these, 13 did not have a beneficiary on the record who was receiving benefits; thus, SSA should have terminated collection activity, referred the beneficiary for civil suit, or attempted recovery from the estate. The other six had a beneficiary on the record who was receiving benefits and from whom SSA should have attempted to initiate recovery.

We project more than 2,400 beneficiaries with over \$118 million in overpayments remained delinquent. Of this amount, SSA could attempt to recover approximately \$37 million.

Recommendations

We recommended SSA (1) review the overpayments for the 2,768 beneficiaries we identified and resolve those that have not been resolved and (2) identify and prioritize DDTF alerts it believes present the greatest possibility for recovering overpaid funds, and implement measures to resolve alerts for beneficiaries who appear in multiple listings. SSA agreed with our recommendations.