

The Social Security Administration's Rejection of State Electronic Death Registration Reports

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Office of Audit Report Summary

Objectives

To assess the Social Security Administration's (SSA) rejection of State-submitted Electronic Death Registration (EDR) reports and determine whether these rejections resulted in the Agency (1) improperly paying deceased beneficiaries and representative payees and (2) not posting death information to the Numidents of deceased non-beneficiaries.

Background

The EDR process begins when a funeral director submits a decedent's personally identifiable information to SSA's Online Verification System (OVS) through a State's EDR software. OVS determines whether the information matches SSA's Numident. Once States certify the deaths, they transmit the EDR reports to SSA. SSA's Death Information Processing System (DIPS) performs a series of verification checks on States' EDR reports. If the EDR report passes these tests, SSA posts the death information to its Numident and terminates benefits. DIPS rejects EDR reports that do not pass its verification tests.

From November 2017 through October 2018, SSA received 2,526,496 State-submitted EDR reports. DIPS rejected 205,547 (8 percent). Of these, we reviewed 13,989 (7 percent) that contained personally identifiable information that did match the Numident but did not have a date of death recorded on the Numident.

Findings

While DIPS rejects EDR reports that do not pass its verification tests to prevent posting erroneous death information, SSA's rejection of 13,989 State-submitted EDR reports resulted in SSA

- improperly paying an estimated \$36 million to 3,120 deceased beneficiaries and 20 deceased representative payees and
- not posting dates of death to the Numidents of 10,849 deceased non-beneficiaries.

We estimate identifying and correcting the missing dates of death prevented, or will prevent, approximately \$23 million in additional improper payments to deceased beneficiaries and payees over the next 12 months.

Of the 13,989 rejected EDR reports, DIPS rejected 13,829 (99 percent) because State records did not match exactly with the most recent information in SSA's OVS file. For example, DIPS rejected one EDR report because it listed the decedent's middle name as "Lynne," but the OVS file listed it as "Lynn." We matched the 13,829 rejected EDR reports with the Numident and determined SSA would have posted correct death information had it processed these EDR reports. Had States followed SSA instructions to submit EDR reports that matched exactly with the OVS file, DIPS would have posted the deaths. SSA could have also prevented the improper payments had it designed DIPS to perform a Numident match before it rejected EDR reports with OVS discrepancies.

DIPS rejected the remaining 160 (1 percent) EDR reports because they did not pass its other verification tests. For example, they were missing death certificate numbers or had invalid dates. States would need to correct and re-submit these EDR reports.

Recommendations

We made three recommendations for SSA to reduce improper payments, correct its death records, and enhance the EDR process. SSA agreed with our recommendations.