

Accuracy of Month of Entitlement Determinations for Supplemental Security Income Recipients Awarded Old-Age, Survivors and Disability Insurance Benefits

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Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) established the correct month of entitlement (MOE) when it awarded Supplemental Security Income (SSI) recipients Old-Age, Survivors and Disability Insurance (OASDI) benefits.

Background

An OASDI beneficiary's MOE is the first month he/she became entitled to benefits. The MOE may be the month the claimant submitted his/her application or the month(s) before or after the application. The MOE may affect an individual's OASDI benefit rate for the rest of his/her life.

The MOE may also affect SSI payments and eligibility. SSA requires that SSI recipients file for all other benefits in the earliest month possible. However, technicians must manually review a variety of factors to determine the earliest MOE.

From a population of 162,012 SSI recipients who submitted OASDI claims in Calendar Year (CY) 2016, we reviewed a random sample of 200 recipients. In addition, we interviewed SSA personnel to better understand the issues technicians may experience when they make MOE determinations.

Findings

SSA technicians had not established the correct MOE in about 23 percent of the OASDI benefit awards to SSI recipients we reviewed. The incorrect MOEs affected both OASDI and SSI program funds. However, the incorrect program distributions partially offset each other in the form of over- and underpayments. We estimated SSA incorrectly issued over \$359 million from OASDI program funds and over \$228 million from SSI program funds to the beneficiaries in our population. After offsetting the incorrect OASDI and SSI program funds, we estimated the resulting financial impact to beneficiaries was over \$135 million.

While the causes of inaccurate MOEs varied, almost all involved SSA technicians making incorrect filing date determinations. According to technicians with whom we spoke, inaccurate MOE determinations resulted from insufficient systems controls, the complexity of SSA's policies and procedures, and inadequate training. In addition, SSA personnel cited time constraints and limited field office resources as factors that hindered technicians' ability to establish the correct MOE.

To improve the accuracy of OASDI MOE determinations, SSA should develop systems controls, clarify its policies and procedures, and provide additional training. Given the number of OASDI awards and significant amount of incorrect program funds and improper payments to beneficiaries, SSA should also evaluate the cost effectiveness of reviewing and correcting prior OASDI MOE determinations.

Recommendations

We made four recommendations to improve the accuracy of SSA's OASDI MOE determinations for SSI recipients.

SSA agreed with our recommendations.