

The Social Security Administration's Compliance with the Improper Payments Elimination and Recovery Improvement Act of 2012 in the Fiscal Year 2018 Agency Financial Report A-15-18-50678



May 2019

Office of Audit Report Summary

Objectives

To determine whether the Social Security Administration (SSA) met all requirements of the *Improper Payments Elimination and Recovery Improvement Act of 2012* (IPERIA) and applicable guidance in the Payment Integrity section of its Fiscal Year 2018 Agency Financial Report (AFR). In addition, we evaluated the Agency's (1) accuracy and completeness of reporting and (2) performance in reducing and recapturing improper payments.

Background

On January 10, 2013, the President signed IPERIA into law. IPERIA amended the *Improper Payments Information Act of 2002* (IPIA) and *Improper Payments Elimination and Recovery Act of 2010* (IPERA). In June 2018, the Office of Management and Budget (OMB) issued updated Government-wide guidance on the implementation of IPIA, as amended by IPERA and IPERIA. Both the law and OMB guidance require that agencies report specific improper payment information in their AFRs. Further, the law and guidance also require that Inspectors General review the improper payment information agencies report in their AFRs.

Findings

In its FY 2018 AFR, SSA did not comply with all IPIA reporting requirements. SSA did not meet reduction targets for Old-Age, Survivors and Disability Insurance (OASDI) and Supplemental Security Income overpayments. The Agency reported the OMB-required improper payment information; however, there was one inaccuracy where the supporting documentation did not agree with amounts reported in SSA's FY 2018 AFR.

Although SSA had implemented corrective actions, there was no significant improvement in improper payments. Further, OASDI improper overpayments increased from FYs 2016 to 2017. SSA should determine whether it is identifying the root causes of improper payments and should implement additional initiatives to address those root causes. SSA was also unable to provide data that measured the effectiveness of its implemented corrective actions.

Recommendations

We recommend SSA:

1. Develop and/or enhance systems to capture data that measure the effectiveness of corrective actions.
2. Implement and expand existing corrective actions, where applicable, to address improper payments.
3. Develop new initiatives to address improper payments.

SSA agreed with our recommendations.