

Summary of Beneficiaries Incorrectly Identified as Prisoners

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Social Security Administration Office of the Inspector General

Objective

To determine how beneficiaries were affected when the Social Security Administration (SSA) mistook them for prisoners.

Background

The *Social Security Act* generally prohibits benefits to individuals confined to a facility for committing a crime. As a result, SSA obtains prisoner data from various sources and electronically matches the data against its benefit rolls. When the data match, the system creates a record in SSA's Prisoner Update Processing System (PUPS) and sends a PUPS alert to SSA staff.

If an SSA employee determines an individual's benefits should stop based on a PUPS alert, he/she will input the suspension into PUPS, if possible.

Our Findings

We found some beneficiaries who were adversely affected when SSA mistook them for prisoners. Of the 309 beneficiaries in our population, 291 had been adversely affected. SSA erroneously suspended these 291 individuals' benefits and generally assessed overpayments on their records. Furthermore, of these 291 beneficiaries, SSA

- owed \$32,254 to 8 beneficiaries for the benefits it erroneously suspended; and
- collected \$16,014 from 19 beneficiaries to recover the erroneous overpayments. In all but 12 of these cases, SSA returned the beneficiaries' money. In these 12 cases, SSA owed the beneficiaries \$6,017.

As of August 2012, SSA had paid \$31,714 to 7 of the 8 beneficiaries in the first bullet and \$4,298 to 8 of the 12 beneficiaries in the second bullet. At that time, SSA was still working on the five remaining cases.

Additionally, we found three beneficiaries SSA overpaid. As of August 2012, SSA had assessed \$19,565 in overpayments for two of the cases and was working on the remaining case, which we estimate SSA overpaid \$1,870.

Of the 291 beneficiaries—194 were adversely affected because of mistaken identity, and 97 were adversely affected for other reasons, such as systems limitations or input errors. These findings are small given that SSA paid about \$770 billion to over 60 million beneficiaries in Fiscal Year 2011.

Our Recommendations

We recommend SSA finish working the remaining six cases.

SSA agreed with the recommendation.