

Child Support and the Supplemental Security Income Program

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Office of Audit Report Summary

Objective

To demonstrate the potential monetary impact if legislation is enacted that allows the Social Security Administration (SSA) to (1) require that all parents applying for or receiving Supplemental Security Income (SSI) payments on behalf of their children file for child support, if appropriate, and (2) obtain and match State child support data with the SSI rolls to identify unreported child support payments that may impact SSI payments.

Background

SSI is intended to be a program of last resort. Therefore, it is important to assess the other benefit programs for which an individual is eligible based on his/her own activities or based on indirect qualification through family circumstances. A recipient is not eligible for SSI if he/she does not apply for all other benefits for which he/she may be eligible; including veterans' compensation, pensions, Social Security benefits, and unemployment insurance benefits. Conversely, children who receive SSI are not required to file for child support benefits, even though filing for child support benefits is a condition of eligibility for income assistance programs such as Temporary Assistance for Needy Families, Medicaid, and Food Stamps.

Our Findings

SSA could save approximately \$151.2 million, annually, if the number of individuals receiving and/or reporting child support increases by 100,000. Alternatively, SSA could save approximately \$302.4 million, annually, if the number of recipients receiving and/or reporting child support increases by 200,000. These dollar figures are conservative and are greatly reduced from figures we calculated assuming the results from 1999 SSA and Government Accountability Office studies are similar today.

Requiring cooperation with child support enforcement agencies would be consistent with the philosophy that the SSI program should serve as a program of last resort. Such a requirement could increase savings to the SSI program as well as improve the financial status of children receiving SSI.

Improving access to child support data would enhance the integrity of the SSI program by reducing overpayments to children who are receiving child support and help SSA identify unreported child support payments.

Our Recommendation

We recommend that, in consultation with the Secretary of the Department of Health and Human Services (HHS), SSA consider legislative changes that would (1) require that all parents applying for or receiving SSI payments on behalf of their children under age 18 file for child support, if appropriate, and (2) authorize the Secretary of HHS to match State child support data with the SSI rolls to identify unreported or underreported child support payments which may impact SSI payments.

SSA agreed with our recommendation.