

Supplemental Security Income High-error Profile Redeterminations

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September 2013

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) was effectively completing Supplemental Security Income (SSI) high-error profile (HEP) redeterminations.

Background

SSA has measures to help identify SSI recipients who have excess income and/or resources, such as periodically conducting redeterminations to determine whether recipients are still eligible for, and receiving, the correct SSI payments. SSA conducts unscheduled redeterminations based on a recipient or couple's reported changes in circumstances that may affect eligibility and payment amount. SSA selects automated redeterminations based on specific case characteristics. SSA identifies discretionary redeterminations each September when it runs an error profiling system that identifies the expected amount of SSI overpayment. Recipients with the highest risk of likely overpayment are coded as Profile C. Profile C redeterminations efficiently identify overpayments.

Our Findings

Each year, SSA identifies the number of Profile C redeterminations it will complete based on the dedicated program integrity funding it expects to receive in its budget appropriation. Since SSA is uncertain of this amount at the beginning of the year when it selects Profile C redeterminations, SSA intentionally selects more Profile C redeterminations than it plans to complete. SSA's method for assigning redeterminations as Profile C is based on the anticipated dedicated program integrity funding and the amount SSA allocates to redeterminations to achieve the agency performance targets set by the Office of Management and Budget and Congress. Therefore, when actual dedicated program integrity funding is at or lower than expected, some Profile C redeterminations selected are not completed. For example, in FY 2011, the dedicated program integrity funding SSA received resulted in the Agency not completing up to 201,000 Profile C redeterminations selected.

While SSA is required to spend the dedicated program integrity funding on program integrity workloads, SSA has the authority to use additional funds for program integrity. If SSA had received additional dedicated program integrity funding or used funding beyond the amount dedicated for program integrity, it could have completed more of these 201,000 Profile C redeterminations in FY 2011. If SSA completed all 201,000 Profile C redeterminations, we estimate that it would have identified at least \$228.5 million in additional improper payments, both overpayments and underpayments. However, using funds beyond the amount dedicated for program integrity would have resulted in reductions in SSA's other workloads, such as processing initial claims.

Our Recommendation

We recommend that SSA continue increasing the number of Profile C redeterminations completed each year as resources allow.

SSA responded that program integrity work, including Profile C redeterminations, is a priority for the Agency. SSA indicated that the availability of increased dedicated funding is critical to implementing our recommendation. SSA stated that it would continue to devote resources to handle incoming work while maintaining program integrity commitments. SSA considers this recommendation closed for tracking purposes. We do not agree with closing the recommendation prematurely. Rather, we encourage the Agency to evaluate whether resources above the dedicated program integrity funding could be used to complete additional program integrity activities, such as Profile C redeterminations.