

# The Social Security Administration's Interim Assistance Reimbursement Program

## A-13-13-13035



January 2015

Office of Audit Report Summary

### Objective

To determine whether the Social Security Administration (SSA) complied with its policies and procedures for the Interim Assistance Reimbursement (IAR) program. Specifically, we determined whether SSA (1) reduced applicable Supplemental Security Income (SSI) underpayments for appropriate interim assistance amounts paid to States; (2) reduced underpayments, as required, for other qualifying items before recipients were directly paid underpayments; and (3) conducted periodic sample reviews of States' accounting records of monthly IAR payments.

### Background

SSI applicants may need financial aid for basic needs while SSA is determining the applicant's eligibility for SSI. As a result, State agencies may enter into an agreement with SSA to provide temporary assistance to SSI applicants. Under the agreement, State agencies provide individuals interim assistance from State funds. Upon determining the applicant's eligibility for SSI, SSA reimburses the State for interim assistance payments made to recipients using State or local funds. SSA refers to this coordinated Federal/State effort as the IAR program.

### Findings

Generally, SSA complied with requirements to reduce applicable SSI underpayments for interim assistance amounts paid to States. Our comparison of Electronic Interim Assistance Reimbursement (eIAR) system and Supplemental Security Record underpayment data for over 70,000 SSI recipients indicated 99.95 percent of the records reviewed had no discrepancies regarding interim assistance amounts paid to the States. Our analysis identified discrepancies for 39 recipients. SSA staff agreed to take appropriate action to correct the information in SSA's records for the 39 recipients.

We found SSA consistently reduced underpayments, as required, for qualifying items before recipients were directly paid SSI underpayments. Our review of 100 recipients found appropriate reductions applied before all recipients were directly paid underpayments.

SSA policy states that regional offices (RO) should review samples of IAR payments to States every 2 or 3 years depending on RO workloads. We found that, during Fiscal Years 2011 through 2013, ROs conducted sample reviews of IAR payments for 14 States. RO reviews for the 14 States complied with policies and procedures for reviewing State accounting records. However, ROs did not conduct sample reviews for the District of Columbia and 22 States with IAR agreements during our 3-year review period. Two ROs did not conduct any IAR sample reviews during the 3-year period.

### Recommendation

We recommend that SSA assess its policy regarding the frequency of conducting periodic IAR sample reviews and establish management controls to ensure ROs comply with established policy.

SSA agreed with our recommendation.