

The Social Security Administration's Compliance with the *Improper Payments Elimination and Recovery Act of 2010* in the Fiscal Year 2013 Agency Financial Report

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Office of Audit Report Summary

Objective

To review the Improper Payments Information section in the Fiscal Year (FY) 2013 Agency Financial Report (AFR) and determine whether the Social Security Administration (SSA) met all requirements of the *Improper Payments Elimination and Recovery Act of 2010* (IPERA). In addition, we evaluated the Agency's (1) accuracy and completeness of reporting and (2) performance in reducing and recapturing improper payments.

Background

On July 22, 2010, the President signed IPERA into law. IPERA amended the *Improper Payments Information Act of 2002* (IPIA) to prevent the loss of billions in taxpayer dollars. In April 2011, the Office of Management and Budget (OMB) issued Government-wide guidance on the implementation of IPIA, as amended by IPERA.

Our Findings

We found that the Agency complied with all of IPIA's reporting requirements; however, it did not meet the OMB-established reduction targets required by IPIA. The Agency accurately reported improper payment information and produced a substantially complete report. Because of system limitations, SSA could not provide documentation to support the results of one of the corrective actions for the OASDI program. The Agency also did not timely provide documentation to support one of the leading causes of improper administrative payments.

We also noted that for both financial accounts and wages, actual deficiency dollars had increased despite the implementation of the Access to Financial Institutions and Supplemental Security Income Telephone Wage Reporting programs.

Our Recommendation

Based on our review, we recommend that, in accordance with OMB guidance, SSA should annually review its existing corrective actions to determine whether any action can be intensified or expanded, resulting in a high-impact, high return on investment in terms of reduced or prevented improper payments.

SSA agreed with the recommendation.