

Households with Multiple Children Receiving Supplemental Security Income Payments Because of Mental Impairments

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Office of Audit Report Summary

Objective

To identify and review households with multiple children receiving Supplemental Security Income (SSI) payments because of mental impairments.

Background

In the 1990s, SSI program eligibility was expanded to include children who had mental impairments. Therefore, the Social Security Administration's (SSA) SSI program experienced significant growth from children who had mental impairments. Since that time, the number of children receiving SSI payments because of mental impairments has continued to rise. In Calendar Year 2013, SSA paid over 1.3 million children over \$10 billion in SSI payments. About 70 percent of these children had mental impairments.

Recent Government Accountability Office (GAO), Social Security Advisory Board, and SSA reviews have identified various issues and concerns pertaining to the childhood disability program.

We reviewed 42 households (193 children) in 4 States that had 4 or more children receiving SSI payments because of a mental impairment.

Findings

Neither we nor SSA could identify all the households with multiple children receiving SSI because of mental impairments. As such, we were unable to satisfy that part of our audit objective. However, our interviews with individuals at selected field offices, State disability determination services (DDS), and Cooperative Disability Investigations Units, and reviews of 42 households (193 children) with 4 or more mentally disabled children, raised some concerns about the potential for individuals to exploit vulnerabilities in program controls. Although our discussions and case reviews raised some program integrity issues, we did not project our results to all households with multiple children receiving SSI. We recognize that more than one child in a household may have legitimate disabilities; however, we believe SSA should consider households with multiple children applying for, or receiving, SSI for mental impairments as high-risk.

To enhance program integrity, we believe field offices should routinely notify DDSs about households that have multiple children receiving SSI payments because of mental impairments, as GAO previously recommended. We determined that field offices did not notify DDSs of other children in the household in 150 (92 percent) of the 163 electronic case files we reviewed. Without such information, DDS' ability to identify potential fraud and abuse is limited. In addition, 84 (44 percent) of the 193 cases we reviewed were overdue for a continuing disability review (CDR). When SSA does not conduct CDRs as scheduled, some children may receive payments for which they are no longer eligible.

Recommendations

We recommend that SSA (1) take steps to ensure field offices notify DDSs about claims in which multiple children are applying for, or receiving, SSI payments because of mental impairments and document such actions; (2) conduct medical CDRs on the children in multi-recipient households we identified; and (3) develop and implement a plan to identify households nationwide in which multiple children are receiving SSI payments because of mental impairments and ensure it conducts medical CDRs timely.

SSA agreed with Recommendation 2 and partially agreed with Recommendations 1 and 3.