

# Report Summary

Social Security Administration Office of the Inspector General

December 2010



## Objective

To determine the validity of disability diagnosis codes that appeared on the Social Security Administration's (SSA) payment records.

## Background

The disability diagnosis code is an integral part of each disabled individual's permanent record. The four-digit numeric code identifies the basic medical condition that rendered the individual disabled. SSA uses the diagnosis code along with other fields for a variety of purposes, such as determining the timing and nature of continuing disability reviews.

Our March 2000 report, *Reliability of Diagnosis Codes Contained in the Social Security Administration's Data Bases* (A-01-99-61001), stated that payment records for 1.49 million disabled individuals contained missing, invalid, or unestablished diagnosis codes.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-06-09-19128.pdf>

## Accuracy of Diagnosis Codes in the Social Security Administration's Databases (A-06-09-19128)

### Our Findings

While we found that diagnosis codes for approximately 5.5 percent of disabled beneficiaries or recipients were missing, invalid, or unestablished, the number of records with these errors had declined significantly over the past 10 years. We determined that, as of February 2009, 814,425 disabled beneficiaries in current payment status had records that contained missing, invalid, or unestablished diagnosis codes. The total number of records with these errors declined by about 45 percent, while the percentage of disabled individuals whose records contained these errors fell by about 57 percent, compared with errors identified in our March 2000 review. One contributing factor was that SSA system controls did not prevent use of invalid diagnosis codes. Instead, the system accepts any four-digit code input by Disability Determination Services staff.

SSA payment records should accurately reflect the establishment of a condition that entitled an individual to disability payments. We commend SSA for its progress and encourage the Agency to continue making strides to reduce the frequency of these errors.

### Our Recommendations

We recommended that SSA consider implementing controls during future systems updates that (1) ensure accurate diagnosis codes are reflected on its records and (2) allow use of only valid four-digit diagnosis codes.

SSA agreed with Recommendation 2 but disagreed with Recommendation 1. SSA acknowledged that enhancing communication between various systems might be beneficial but stated it did not intend to re-direct resources for this purpose. However, SSA also stated it would work to make sure the Supplemental Security Record and Master Beneficiary Record interface properly with the Disability Control File. We believe SSA's response and planned actions adequately addressed our recommendations.