

Special Disability Workload Payments Made to Incarcerated Beneficiaries

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Office of Audit Report Summary

Objective

To determine whether beneficiaries included in the Social Security Administration's (SSA) Special Disability Workload (SDW) incorrectly received Disability Insurance (DI) benefits for periods when they were convicted of a criminal offense and confined in correctional institutions.

Background

Title II of the *Social Security Act* (Act), as amended, requires that SSA provide DI benefits to individuals who meet specific disability requirements. Section 1611 (e)(2) of the Act requires that Supplemental Security Income (SSI) recipients who have been identified as likely to be eligible for Old-Age, Survivors and Disability Insurance (OASDI) benefits file for those benefits. Studies SSA conducted identified SSI recipients who had their entitlement based on applications before January 1, 2000, and appeared to be insured for, but were not receiving, DI benefits. The Agency categorized these individuals as SDW cases. Subject to certain conditions, SSA suspends (a) OASDI payments to beneficiaries convicted and confined to correctional institutions for committing a criminal offense and (b) SSI payments to recipients who have been confined in a public institution throughout any month.

Our Findings

SSA issued improper DI benefit payments to beneficiaries for periods they were in correctional institutions. Of the 100 sample cases we reviewed, SSA appropriately took action to suspend DI benefit payments for 75 beneficiaries who had periods of conviction and incarceration, but overpaid DI benefits to the remaining 25 sample beneficiaries. Based on this sample, we estimate SSA overpaid about \$1 million to 440 beneficiaries.

Our Recommendations

We recommend that SSA:

1. Review the 25 beneficiaries who improperly received DI payments during periods of incarceration and collect any overpayments.
2. Take action it determines appropriate to review the accuracy of the DI payments made to the remaining 1,661 individuals in the Agency's SDW who have criminal history data in SSA's information systems.

SSA agreed with our recommendations.