

# Controls over the Issuance of Supplemental Security Income Installment Payments

## A-09-11-21194



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Office of Audit Report Summary

### Objective

To determine whether the Social Security Administration (SSA) had adequate controls to ensure it paid Supplemental Security Income (SSI) underpayments in accordance with its installment payment requirements.

### Background

The SSI program provides a minimum level of income to financially needy individuals who are aged, blind, or disabled. An underpayment occurs when the amount due a recipient is greater than the amount paid during a period of eligibility. SSI underpayments must be paid by installments when they equal or exceed 3 times the current maximum individual Federal benefit amount plus the individual's federally administered State supplement. When a recipient is in a suspended or terminated status, SSA employees must manually control the underpayments to ensure they are paid accurately and timely.

### Our Findings

Generally, SSA had effective controls to ensure it properly paid underpayments in accordance with its installment payment requirements to SSI recipients in current pay status. However, SSA needs to improve controls to ensure it pays underpayments to recipients whose payments had been suspended or terminated. We estimate that SSA had not paid about \$55.3 million in underpayments to 13,334 recipients.

These underpayments were not paid because SSA employees did not establish controls to ensure it paid the underpayments after the recipients' SSI payments were suspended or terminated. Specifically, SSA employees had not established diaries to control the issuance of the underpayments to these recipients. Without these diaries, the underpayments may never be paid.

### Our Recommendations

We recommend that SSA:

1. Take corrective action, as appropriate, for the 115 recipients identified by our audit.
2. Evaluate the results of its corrective action for the 115 recipients and determine whether it should review the population we identified of underpaid recipients in a suspended or terminated status.
3. Remind employees to prepare diaries to control the issuance of underpayments to recipients in a suspended or terminated status.

SSA agreed with all our recommendations.