

Summary of Supplemental Security Income Recipients Eligible for, or Receiving, Russian Pension

A-01-12-21238



December 2012

Social Security Administration Office of the Inspector General

Objective

To identify Supplemental Security Income (SSI) recipients who may have been overpaid because they were eligible for, or were receiving, Russian pensions.

Background

Generally, individuals are not eligible for SSI if they fail to take all the appropriate steps to apply for all other benefits for which they may be eligible—including pensions.

Foreign pension-paying entities that pay income to persons living in the United States do not usually make the income information readily available to the Internal Revenue Service. Thus, the Social Security Administration (SSA) cannot detect these pensions through electronic systems interfaces and therefore individuals must self-report them. However, there is no incentive for SSI recipients to report the pension income since it could reduce their monthly SSI payment or make them ineligible for SSI.

Our Findings

Based on the results of our review, we estimate at the 90-percent confidence level that 8,718 SSI recipients were eligible for, or were receiving, undisclosed Russian pensions. In addition, we estimate SSA overpaid 2,051 recipients about \$45 million because of undisclosed Russian pensions and will continue improperly paying about \$5 million in SSI payments over the next 12 months if this income is not properly posted to SSA's records. These errors occurred because recipients did not report their Russian pension income to SSA. However, SSA staff could have identified the possibility of a pension by probing more in cases where people moved to the United States from Russia. Many of the SSI recipients in our sample only spoke Russian, and we were unable to communicate with them in English. Their place of birth and language preference indicated they may have worked in Russia and been eligible for a pension.

Our Recommendations

We recommend that SSA:

1. Follow up on the cases in our sample in which the recipients are receiving or eligible for Russian pensions and take appropriate corrective action.
2. Remind employees to inquire about the possibility of foreign pensions during initial claims and redeterminations.
3. Evaluate the guide developed by the SSA employee and determine whether it should be made available to SSA staff nation-wide.

SSA agreed with the recommendations.