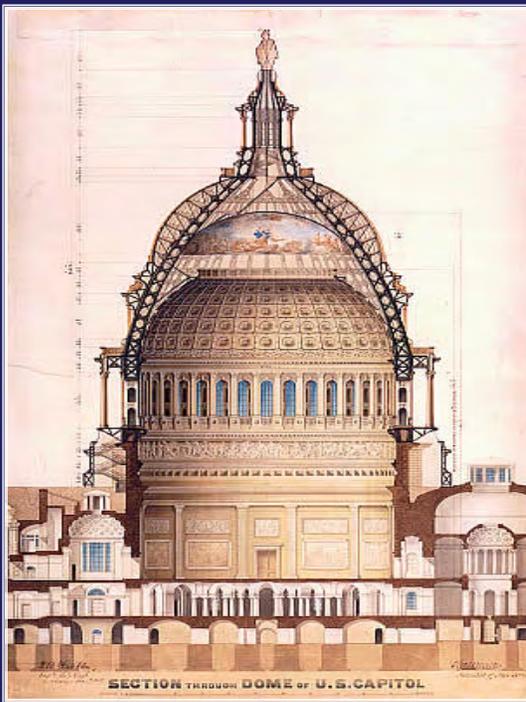


SOCIAL SECURITY ADMINISTRATION
OFFICE OF THE INSPECTOR GENERAL
SEMIANNUAL REPORT TO CONGRESS

APRIL 1, 2007 – SEPTEMBER 30, 2007



Social Security Administration Office Of The Inspector General

Mission Statement

By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.

Vision and Values

We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.



A MESSAGE FROM THE INSPECTOR GENERAL

The seemingly straightforward mission of the Office of the Inspector General for the Social Security Administration is to prevent and detect fraud, waste, abuse, and mismanagement in Social Security programs and operations. This has been a constant since this Office was formed in 1995, and will remain so for the foreseeable future. Despite this, two realities never cease to amaze me: how the nuanced character and composition of that mission change from day to day and year to year, and the willingness and proficiency with which our auditors, agents, attorneys, and other employees adapt to those changes.

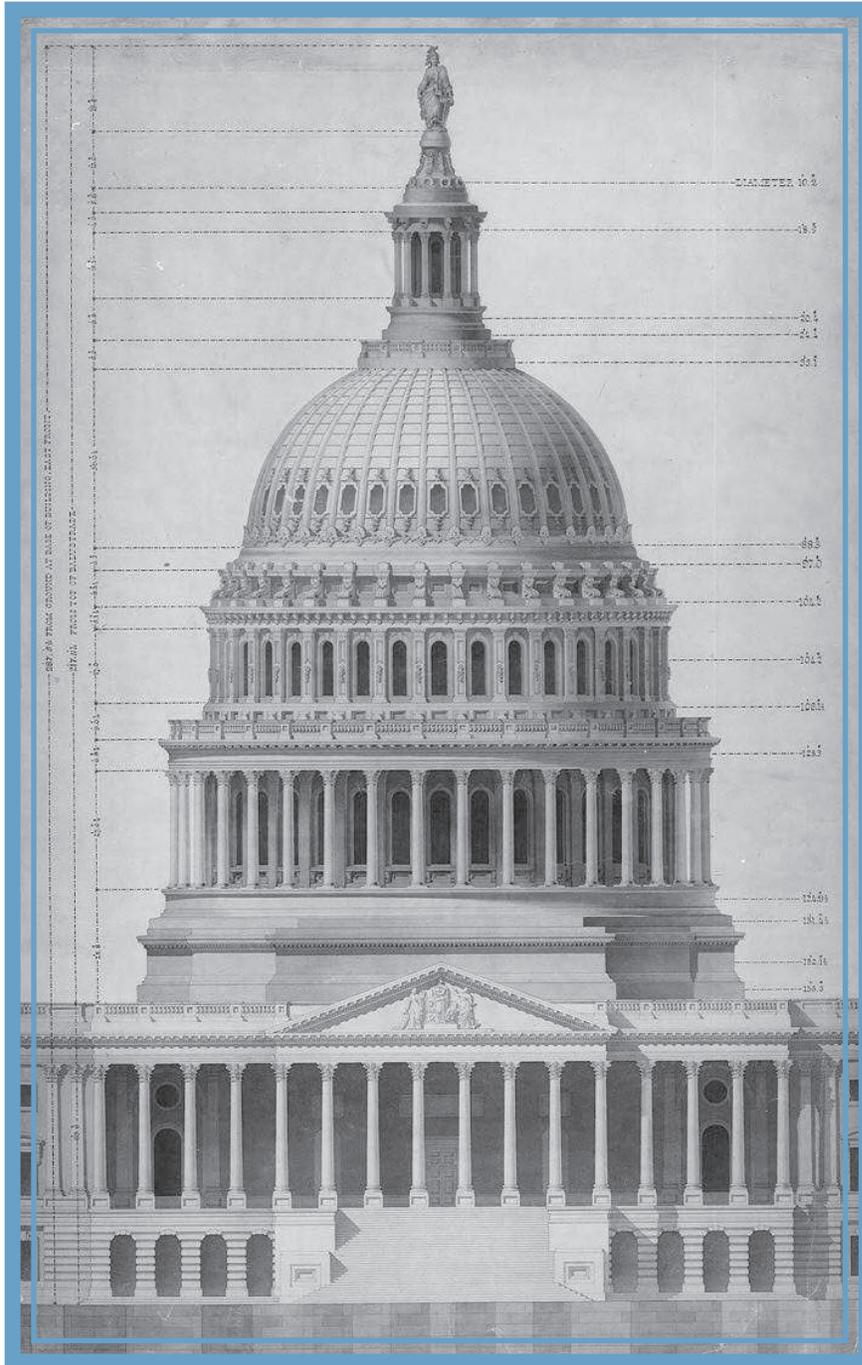


From benefit fraud to Social Security number misuse, from homeland security to data security, and from misreported earnings to disability program improvement, the landscape is ever-changing. This makes our work both extremely challenging and consistently rewarding. On any given day, our employees arrive at any one of our 75 offices across the country not knowing what new issues will arise during the course of their workday. Some days, the change in course is subtle, while some days, issues like terrorism and hurricane relief arrive unexpectedly and subsume all.

Regardless of the challenges they face, the men and women of the Office of the Inspector General are a talented and dedicated group of professionals. Proud of their work and believing deeply in their mission, they bring diverse skills but the same unyielding commitment to the table every day. I am honored to have the opportunity to lead—and, in some respects, be led by—each of them.

This report chronicles their impressive accomplishments over the past 6 months. As you read, I encourage you to take note of the sheer breadth of issues and challenges that they face and the ingenuity and dedication they bring to bear. With steadfast support from our partners in SSA and the Congress, this Office will continue to rise to current challenges and anticipate those waiting just around the bend.

Patrick P. O'Carroll, Jr.
Inspector General

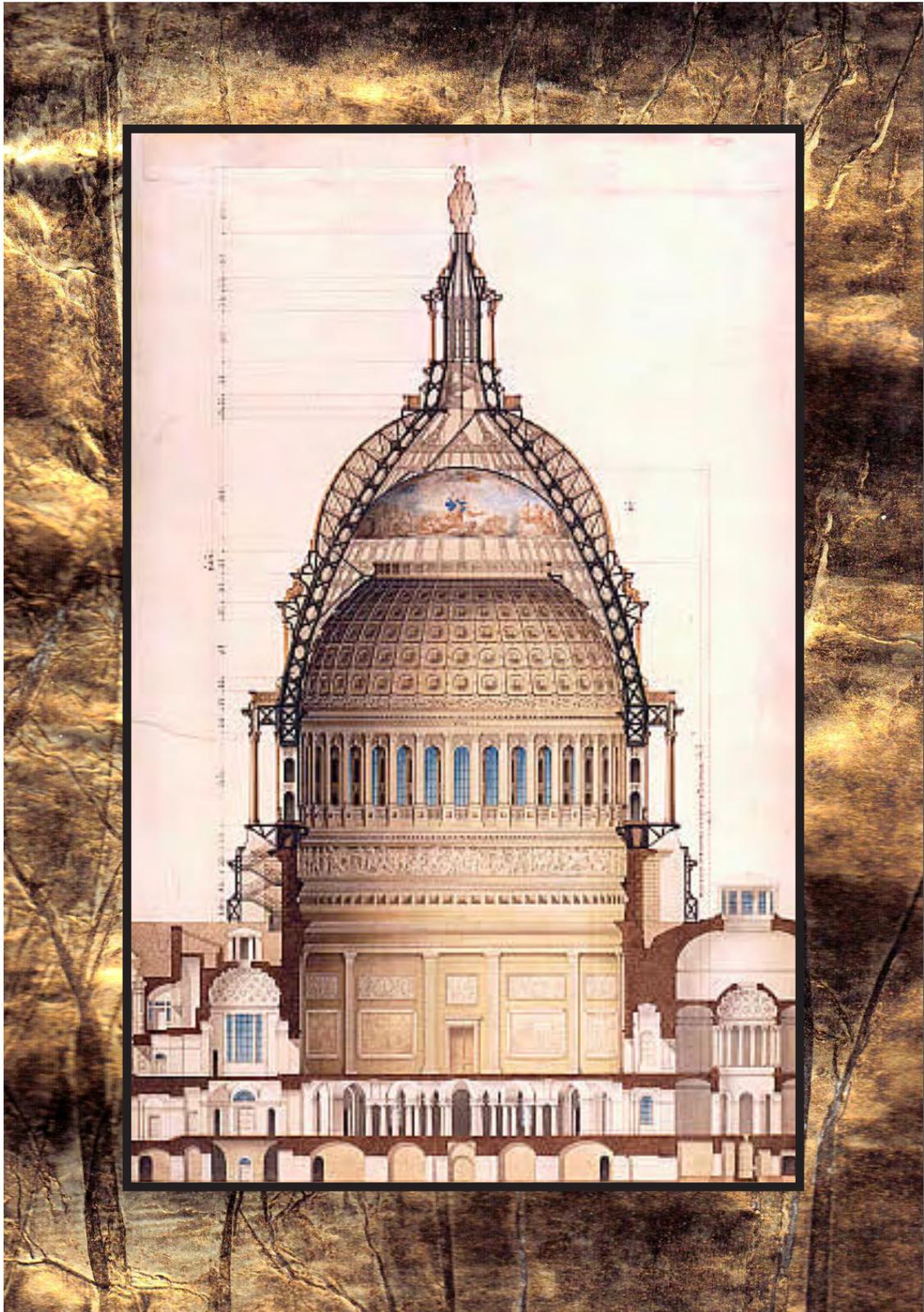




Semiannual Report to Congress

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EXECUTIVE SUMMARY

With this report, the Social Security Administration (SSA), Office of the Inspector General (OIG) proudly presents its accomplishments from April 1 – September 30, 2007. The sections of this report correspond to the three major goals—impact, value, and people—set forth in the *OIG Strategic Plan: Fiscal Years 2006 – 2010*. Highlights of our many noteworthy achievements in audit, investigations, and legal counsel appear in each of these categories as follows:

Impact

We work to have a positive impact on SSA programs and operations by enhancing their integrity, efficiency, and effectiveness. Toward this goal, we received 56,221 fraud allegations from SSA employees, the Congress, the public, law enforcement agencies, and other sources during the second half of Fiscal Year (FY) 2007. From those allegations, we closed 5,734 criminal investigations, resulting in 1,420 arrests, 955 indictments, and 1,833 convictions, civil monetary penalty (CMP) assessments, and illegal alien apprehensions. Our Cooperative Disability Investigative (CDI) Program continues to be one of our most successful initiatives, contributing to the integrity of SSA's disability programs. During this reporting period, the efforts of our CDI Units resulted in more than \$105 million in SSA program savings.

Our auditors also had a significant impact during this reporting period, issuing 64 reports and making recommendations on a

wide variety of challenges facing the Agency. Our audit work over the past 6 months includes a review of the organizational structure and functions of SSA's Office of Disability and Income Security Programs, in response to a request by the Commissioner of Social Security. In addition, in an ongoing effort to improve the integrity of the Social Security number (SSN), our auditors evaluated the effectiveness of the programs that allow employers to verify the names and SSNs of existing and newly hired employees, and reviewed the various purposes for which State and local governments collect and use SSNs.

Value

Our organization strives to provide valuable products and services in a timely manner to the Congress, SSA and other key decision-makers while sustaining a positive return for each tax dollar invested in OIG activities. During this reporting period, our auditors identified more than \$794 million in questioned costs and nearly \$319 million in Federal funds that could be put to better use. Highlighted audits include a review of improper payments resulting from the Annual Earnings Test, and an assessment of the financial impact of the Agency's administrative finality rules on Title II benefit payments.

In the second half of FY 2007, we are reporting over \$201 million in investigative accomplishments, with over \$36 million in SSA recoveries, restitution, fines, settlements, and judgments, and over \$165 million in projected savings from investigations resulting in the suspension or termination of benefits. In addition, we participated in multi-agency investigations



that resulted in over \$15 million in savings, restitution, and recoveries for other agencies. Highlighted investigations in this section revealed evidence of disability program fraud, representative payee fraud, and SSN misuse.

During this reporting period, our attorneys initiated 215 CMP actions (Section 1129 cases) that involved false statements or representations made in connection with obtaining or retaining benefits or payments under Titles II and XVI of the *Social Security Act* (*the Act*). Included in our investigative accomplishments above is over \$3 million in penalties and assessments that our attorneys imposed through our CMP program.

People

We strive to promote a skilled, motivated, diverse workforce in a positive and rewarding work environment. During this reporting period, we hired 23 employees through a variety of sources. In addition, a review of our current workforce, coupled with the realization that OIG will have a large number of employees eligible to retire within the next 5 years, compelled us to form a workgroup to address this issue. The workgroup is developing a succession-planning program with the goal of producing highly qualified candidates for future leadership vacancies.

We continued to target those who misused SSNs in an attempt to defraud the Federal Government's assistance programs in the wake of the devastation wrought by Hurricanes Katrina and Rita. As part of the Department of Justice's (DOJ) Hurricane Katrina Fraud Task Force, during this reporting period, our Office of Investigations has secured 4 indictments

and 10 convictions of individuals for hurricane-related fraud.

As is reflected in our significant accomplishments during this reporting period, we never waver in our dedication to our core mission of inspiring public confidence by detecting and preventing fraud, waste, and abuse in SSA's programs and operations. We will continue to work with our partners in SSA, the Congress, and other Federal agencies to ensure the integrity and reliability of the Social Security programs upon which so many Americans depend for their economic security.

INTRODUCTION TO OUR ORGANIZATION

The SSA OIG comprises the Immediate Office of the Inspector General and four major components: the Offices of Audit, Investigations, Resource Management, and the Chief Counsel to the Inspector General.

IMMEDIATE OFFICE OF THE INSPECTOR GENERAL (IO)

IO provides the Inspector General with staff assistance on the full range of his responsibilities. IO staff provides liaison with all agencies sharing common interests with OIG and ensures coordination with Congressional committees, SSA, the Social Security Advisory Board, and the President's Council on Integrity and Efficiency. IO also includes the Office of Quality Assurance and Professional Responsibility (OQAPR), which is responsible for two critical functions. It conducts exhaustive reviews of each of the OIG's component



offices to ensure compliance with Federal laws and regulations, Agency policies, and relevant professional standards. OQAPR also conducts thorough and timely investigations should allegations of misconduct be lodged against an OIG employee.

OFFICE OF AUDIT (OA)

OA conducts and supervises financial and performance audits of SSA programs and operations, and makes recommendations to ensure that program objectives are achieved effectively and efficiently. Financial audits determine whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management and program evaluations, and other projects on issues of concern to SSA, the Congress, and the general public.

OFFICE OF INVESTIGATIONS (OI)

OI conducts and coordinates investigative activity related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, and third parties, as well as by SSA employees while performing their official duties. This office serves as OIG's liaison to the DOJ on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

OFFICE OF THE CHIEF COUNSEL TO THE INSPECTOR GENERAL (OCCIG)

OCCIG provides independent legal advice and counsel to the Inspector General on a wide range of issues, including statutes, regulations, legislation, and policy directives. OCCIG administers the CMP program, and advises the Inspector General on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. In addition, OCCIG manages OIG's external and public affairs program, preparing OIG publications and handling Congressional, media, and public requests for information.

OFFICE OF RESOURCE MANAGEMENT (ORM)

ORM provides administrative and management support to the Inspector General and OIG components. ORM formulates and executes the OIG budget and confers with the Office of the Commissioner, the Office of Management and Budget (OMB) and the Congress on budget matters. ORM is responsible for strategic planning and performance reporting, and facility and property management. ORM develops and maintains OIG's administrative and management policy and procedures, and performs all human resource support activities for OIG. ORM also plans, designs, develops, tests, implements, and maintains hardware, software, and telecommunications networks to support OIG's mission.



IMPACT

We are committed to enhancing SSA's effectiveness and efficiency through our investigative, audit, and legal activities. Through our best efforts, we strive to have maximum impact on SSA's programs and operations to ensure their continued integrity and reliability.

During this reporting period, we completed numerous audits, investigations, and legal initiatives covering major SSA program and management areas, which had a significant impact on the detection and prevention of fraud, waste, and abuse. The summaries presented below are indicative of our work over the past 6 months.

Audit Impact Initiatives

OA contributes to this strategic goal by conducting and supervising comprehensive financial and performance audits, and by making recommendations to maximize the effective operations of Social Security programs. These audits, along with short-term management and program evaluations, focus on those SSA programs and activities most vulnerable to fraud and abuse.

SSN Protection: Controls over Employee Verification Programs

To assist employers with accurate wage reporting, SSA has several voluntary services that allow employers to verify the names and SSNs of existing and newly-hired employees. These include the Employee Verification Service (EVS) Telephone/Fax, EVS for Registered Users, and SSN Verification Service (SSNVS). In addition, SSA participates in a Department

of Homeland Security (DHS) initiative called E-Verify (formerly the Employment Eligibility Verification System/Basic Pilot), which assists employers in verifying the employment eligibility of newly hired employees. In this audit, we assessed controls over each employee verification program and identified best practices.

We found that SSA's SSNVS had adequate access controls. However, we found that SSA needed to establish more effective controls over access to its EVS programs, and that DHS needed to establish more effective such controls over E-Verify. In addition, we determined that feedback responses provided to employers were inconsistent among the verification programs. Finally, we found that both EVS programs and DHS' E-Verify lacked effective controls related to monitoring employers' use of the programs. Due to the vulnerabilities and inconsistencies we found among these programs, SSA's data could be susceptible to unauthorized access as well as inadvertent disclosure of personally identifiable information (PII) to unauthorized users.

SSA agreed with most of our recommendations, including that SSA (1) consider combining the EVS telephone/fax and EVS for Registered Users under SSNVS and (2) ensure that feedback responses provided to employers for the four verification programs are consistent. SSA disagreed with our recommendation to consider modifying all verification programs to detect SSNs for individuals in non-work status. The Agency stated that it believed that work authorization was DHS' responsibility and should be handled through DHS' E-Verify process.



SSA Operations: SSA's Incident Response and Reporting System

The Federal Information Security Management Act of 2002 requires that Federal agencies implement an information security program that includes procedures for detecting, reporting, and responding to security incidents. OMB recently released guidance regarding the reporting of security incidents involving PII, as well as reminding Federal agencies of existing requirements. OMB also explained new requirements for addressing PII issues in FY 2008 information technology budget submissions. We conducted an audit to determine whether SSA complied with Federal regulations and established standards and guidelines with respect to security incidents involving PII.

We found that SSA established a framework for its incident response and reporting system. Various components within SSA work together to protect PII and effectively remediate incidents when they occur. Moreover, the Agency works diligently to protect itself against the latest security-related threats. However, SSA needs to ensure that it appropriately addresses all security incidents, and that OIG is included in the incident response process.

SSA agreed with our eight recommendations, including that SSA ensure a consistent definition of a security incident throughout the Agency; align PII policy and practices with the United States Computer Emergency Readiness Team; and notify OIG of all security incidents when they occur, so OIG can determine whether further investigation is required.

SSA Operations: Organizational Review of the Office of Disability and Income Security Programs

In March 2007, the Commissioner of Social Security requested that we review the organizational structure and functions of the Office of Disability and Income Security Programs (ODISP). ODISP directs and manages the planning, development, and issuance of operational regulations, standards, and instructions for the OASDI and SSI programs.

We interviewed 112 ODISP employees, as well as a number of employees in other SSA components, and reviewed documentation related to ODISP's organizational structure and functions. We found that ODISP was not focused solely on planning and program policy issues, but was also responsible for several operational functions. We found that some ODISP functions may be better aligned to improve coordination and productivity, while other functions appear to be inconsistent with ODISP's mission and may be managed better elsewhere in SSA. In addition, our interviews with ODISP's employees and several of ODISP's customers revealed a consistent theme of poor communication within ODISP and with other SSA components.

SSA may be better served from a functional point of view if ODISP's main focus were program policy. The Agency generally agreed with our recommendations to:

- + re-direct ODISP's focus to program policy;
- + align similar/related functions within ODISP;



- ✦ delineate more clearly the role of ODISP with respect to other components;
- ✦ improve communications within ODISP and with other components; and,
- ✦ consider renaming ODISP and SSA's Office of Policy to clarify the roles of each component, or combining ODISP with the Office of Policy.

SSA Operations: Quick Disability Determinations

We assessed SSA's Quick Disability Determinations (QDD) process pilot in Region I. Claims selected for QDD involve a high potential that (1) the claimant is disabled; (2) evidence can be obtained easily and quickly; and (3) the case can be processed within 20 calendar days of receipt in the Disability Determination Services (DDS). We conducted this review to determine whether QDD cases were processed within established guidelines, and to identify possible improvements to the process.

We found that SSA generally made medical determinations for QDD claims within established standards. Of the claims that were medically allowed, SSA made 79 percent of determinations within the 20-day standard, and exceeded the 20-day standard for 16 percent of determinations. Five percent of the claims were not medically allowed. In addition, our review identified 16 claimants (2.4 percent) who were medically allowed but were waiting for SSA to finish non-medical development on their claims. As a result of our review, SSA took immediate action to complete these cases, and based on feedback we provided, the Agency is improving its controls over non-medical development of QDD claims.

We also found that about one-third of the Title II-only claims we reviewed were processed early in the statutory 5-month waiting period. We recommended that SSA consider refining the QDD selection process in the future, prior to rolling it out to another region, to focus on claims at the end of or beyond the waiting period.

SSN Protection: State and Local Governments' Collection and Use of SSNs

State and local governments provide benefits and services to millions of individuals each year. To assist in this process, many State and local governments collect and use SSNs. We reviewed relevant laws, policies, and practices of all 50 States to (1) discern the purposes for which SSN collection and use is legally mandated; (2) identify measures States have taken to limit SSN collection and use; and (3) evaluate State laws that govern the protection of SSNs from improper use and disclosure.

Based on our review, we were concerned about the collection, use, and protection of SSNs by State and local governments. Despite the increasing threat of identity theft, some government agencies collect and use SSNs even when another identifier would suffice. While Federal or State law may require that agencies collect SSNs in some instances, we believe some do so for convenience. In our opinion, a government entity should not place more value on convenience than on the security of its constituents' personal information. We also believe individuals who provide their SSNs to government entities have an expectation that these numbers will be protected from public disclosure.



We recommended that SSA (1) seek legislation to limit State and local governments' collection and use of SSNs; (2) educate State and local governments about the potential risks associated with collecting and improperly disclosing SSNs; and (3) promote best practices of State and local governments. SSA agreed with Recommendations 2 and 3. Although SSA disagreed with Recommendation 1, it agreed in principle with similar legislation currently under consideration. We concur that seeking additional or separate legislation would not be necessary if such proposed legislation becomes law.

SSA Operations: Assessment of F-1 Students' Use of Social Security Numbers

F-1 visas are issued to foreign students who are eligible to work on campus. SSA will only issue SSNs to F-1 students without DHS employment authorization if they can provide evidence of on-campus work authorization and verification of employment. Because we were concerned that F-1 students and schools could exploit vulnerabilities in the enumeration process to acquire SSNs improperly, we conducted an audit to (1) determine whether F-1 students actually worked on campus and (2) assess schools' compliance with F-1 enumeration regulations.

We reviewed the records of 24,504 F-1 students and found that 2,479 (10 percent) did not have wages posted to their SSA earning records in 2005 or 2006, indicating that they may not have worked on campus. We also determined that 680 students worked off campus. In addition, interviews we conducted with SSA field office personnel and school officials revealed weaknesses in

the F-1 enumeration process. First, SSA personnel did not always understand or comply with F-1 student enumeration procedures. We also found that some F-1 students and schools may have manipulated the enumeration process to obtain SSNs inappropriately. For example, some school officials told us that some F-1 students worked at jobs for a short period of time (for example, 1 or 2 days) or did not begin work at all. They believed the students obtained offers of employment to qualify for an SSN but had no intention of working on campus.

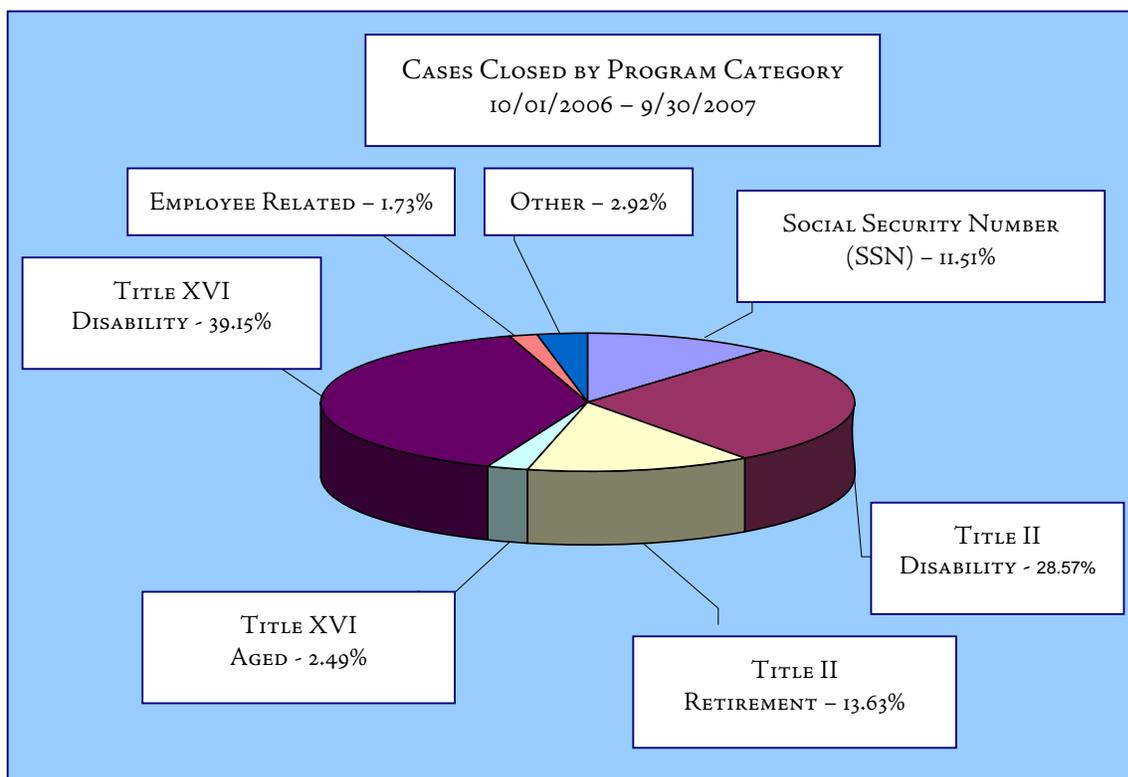
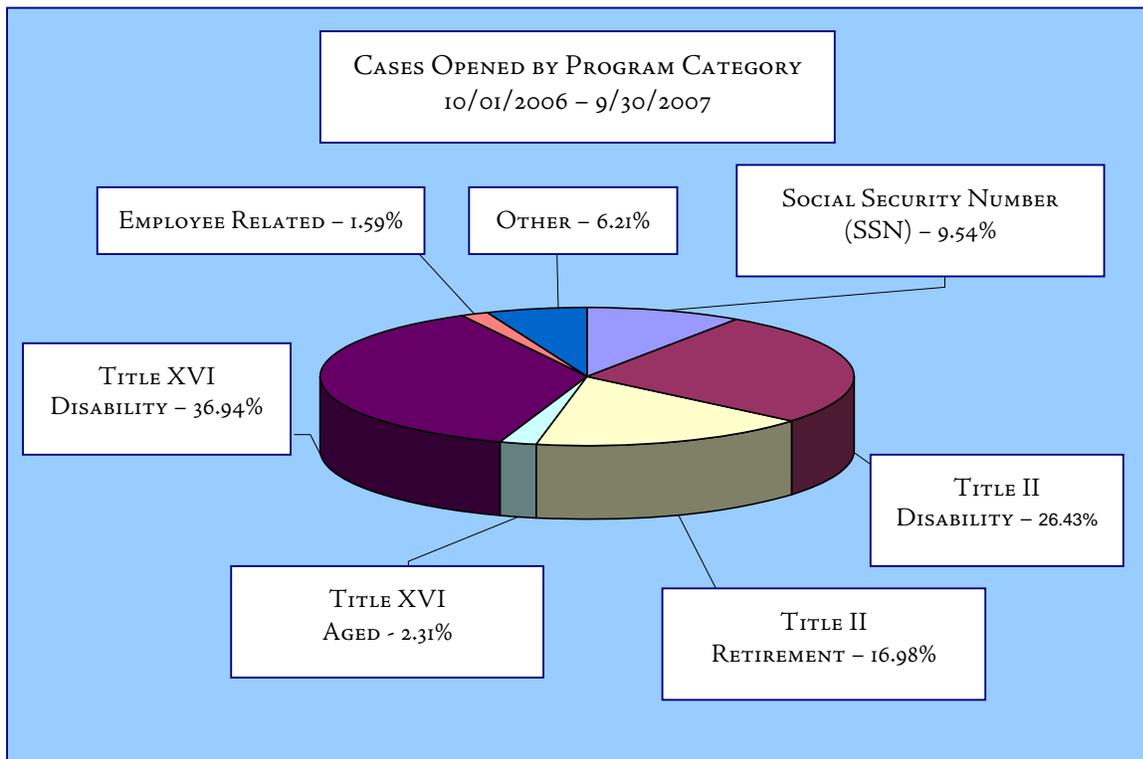
SSA agreed with our recommendations to: (1) prevent SSN assignment to F-1 students when their employment start date is 30 or more days from their SSN application date; (2) reemphasize F-1 enumeration policies and procedures to field office personnel; and (3) coordinate with schools to educate the university community about these policies and procedures.

Investigative Impact Initiatives

OI examines and investigates allegations of fraud, waste, abuse, and mismanagement in SSA programs and operations. These allegations may involve benefit fraud, SSN misuse, violations by SSA employees, or fraud related to grants and contracts. Our investigations often result in criminal or civil prosecutions and CMP assessments against offenders. These investigative efforts impact SSA program integrity by deterring those contemplating fraud against SSA in the future. Our work in the areas of program fraud, enumeration fraud and SSN misuse, and employee misconduct ensures the reliability of SSA programs and their future operations.



Investigative Results			
	10/01/06–03/31/07	04/01/07–09/30/07	FY 2007
Allegations Received	57,309	56,221	113,530
Cases Opened	5,449	6,812	12,261
Cases Closed	5,340	5,734	11,074
Arrests	1,709	1,420	3,129
Indictments	850	955	1,805
Total Judicial Actions	1,991	1,833	3,824
Criminal Convictions	1,087	1,333	2,420
Civil/CMPs	20	373	393
Illegal Alien Apprehensions	884	127	1,011





Allegations Received by Source			
	10/01/06 – 3/31/07	4/01/07 – 9/30/07	FY 2007
Law Enforcement	21,234	20,006	41,240
Private Citizens	8,766	8,425	17,191
Anonymous	9,075	9,133	18,208
SSA Employees	13,318	14,785	28,103
Other	3,459	2,330	5,789
Beneficiaries	964	915	1,879
Public Agencies	493	627	1,120
TOTAL	57,309	56,221	113,530

Allegations Received by Category			
	10/01/06 – 3/31/07	4/01/07 – 9/30/07	FY 2007
SSI Disability	20,464	20,679	41,143
Disability Insurance	21,466	20,250	41,716
SSN	5,587	6,698	12,285
Old-Age, Survivors Insurance	3,159	4,930	8,089
Other	5,525	2,466	7,991
Employee	607	690	1,297
SSI Aged	501	508	1,009
TOTAL	57,309	56,221	113,530



Employee Fraud: SSA Employee Conspires to Defraud Internal Revenue Service

Agents from our New York City office investigated an SSA employee for selling legitimate SSNs for \$250 each to a co-conspirator. The employee and her co-conspirator, a tax preparer, used the SSNs as dependents on other individuals' tax returns so they would qualify for tax refunds under the Earned Income Tax Credit program.

In May 2007, both suspects pled guilty to conspiracy to defraud the Government. The SSA employee was sentenced to 2 years' supervised release and was ordered to pay restitution of \$127,584 to the Internal Revenue Service (IRS). The employee retired in June 2006. The co-conspirator was sentenced to 15 months' incarceration and 3 years of supervised release, and was ordered to pay restitution of \$80,242 to the IRS.

Employee Fraud: SSA Employee Reinstates Benefits for Prison Inmate

Our San Antonio office investigated an SSA employee who reinstated Title II widows benefits for an incarcerated individual. The employee admitted to accessing the SSA database and entering a fraudulent prison release date, causing the reinstatement of benefits and issuance of a check for \$13,935. In May 2007, after pleading guilty to theft of Government funds, the employee was sentenced to 5 years' probation and 6 months of home confinement, and was ordered to pay full restitution to SSA. SSA terminated the employee in March 2007.

Employee Fraud: SSA Employee Conducts Real Estate Business from Government Computer

Our New York City office opened an investigation after the Downtown New York SSA office reported that an employee had improperly accessed Social Security information. Our agents found that the employee used her Government computer to obtain confidential SSA information for tenants living in her rental properties, and also processed replacement Social Security cards without authorization. In addition, she admitted to misusing her Government computer for the purpose of operating her personal real estate business. In May 2007, she pled guilty to fraud and related activity in connection to computers, and was sentenced to 2 years of probation. She was also ordered to pay a fine of \$2,000. SSA terminated the employee in September 2007.

Bankruptcy Fraud Project: Woman Uses SSNs to Commit Bankruptcy Fraud

Our Denver office conducted this SSN misuse investigation as part of our national Bankruptcy Fraud project, a cooperative effort with DOJ's United States Trustee Program, which is responsible for overseeing the administration of bankruptcy cases. We received a request for investigative assistance from the Colorado U.S. Attorney's Office (USAO), which had learned that a 41-year-old Denver resident had misused SSNs to obtain credit and housing, and then filed for bankruptcy to avoid liability for the debts. Moreover, the woman and her husband were known to be serial bankruptcy filers, and



a bankruptcy judge had previously barred them from filing future bankruptcy claims. The woman pled guilty to SSN misuse in July 2007, and was sentenced to 24 months' incarceration and 3 years' probation. She was also ordered to pay \$43,090 in restitution to various victims. The USAO declined to prosecute the woman's husband in relation to the SSN misuse.

Fugitive Felon Program

The OIG's Fugitive Felon Program identifies fugitive felons and parole and probation violators via automated data matches between SSA's beneficiary rolls and Federal and State warrant databases. The impact of this program reaches beyond Social Security to local communities across the United States. Our efforts contributed to the arrest of over 7,500 fugitives during this reporting period, over 14,000 in FY 2007, and over 59,000 arrests since the program's inception in 1996. The following are highlights of fugitive felon activities during the past 6 months.

Fugitive Felon Program: Rape Suspect Arrested

Agents from our Atlanta office, working with the U.S. Marshals Service, arrested a 25-year-old SSI disability recipient in May 2007. The suspect was arrested without incident at a local SSA office. The arrest was based on an October 2006 warrant obtained by the College Park, Georgia Police Department.

Fugitive Felon Program: Child Rapist Arrested

In July 2007, agents from our Spokane office, working with the U.S. Marshals Service, the Spokane County Sheriff's Office, and the Washington State Department of

Corrections arrested a 46-year-old SSI disability applicant at his residence. The arrest was based on a no-bail felony warrant, issued in August 2006 by the Superior Court for Spokane Washington, charging him with child rape.

Fugitive Felon Program: Fugitive Apprehended After Three Years

Agents from our New York City office, working with the New York Regional Fugitive Task Force, arrested a 57-year-old SSI disability recipient at his apartment in Brooklyn, New York in August 2007. The arrest was based on an October 2004 warrant issued by the New York State Division of Parole for a narcotics conviction. The suspect had eluded law enforcement authorities for 3 years.

Cooperative Disability Investigative Program

Our Cooperative Disability Investigative (CDI) Program continues to be one of our most successful initiatives, contributing to the integrity of SSA's disability programs. CDI is a joint effort of the OIG, SSA, State DDSs, and State and local law enforcement personnel. Our 19 CDI Units in 17 States work to obtain sufficient evidence to identify and resolve issues of fraud and abuse related to initial and continuing disability claims. The following table highlights the successes of the CDI program, which resulted in more than \$105 million in SSA program savings during this reporting period, and more than \$196 million during FY 2007.



Cooperative Disability Investigative Program Results

April 1 – September 30, 2007

State	Allegations Received	Confirmed Fraud Cases	SSA Savings ¹	Non-SSA Savings ²
Arizona	77	48	\$3,036,662	\$955,815
California ³	471	383	\$22,824,275	\$17,325,511
Colorado	62	47	\$3,125,500	\$1,262,052
Florida	58	57	\$3,081,466	\$3,183,296
Georgia	159	89	\$5,621,816	\$1,617,583
Illinois	43	37	\$2,160,628	\$988,311
Louisiana	58	29	\$1,833,206	\$988,644
Massachusetts	69	24	\$1,383,283	\$584,700
Missouri	99	68	\$4,219,790	\$1,582,450
New Jersey	76	88	\$5,799,900	\$4,984,340
New York	113	81	\$5,373,720	\$5,544,660
Ohio	222	192	\$12,094,700	\$6,511,920
Oregon	175	149	\$9,702,016	\$8,610,030
Tennessee	93	50	\$3,232,156	\$1,564,134
Texas ⁴	181	103	\$6,423,781	\$3,449,189
Virginia	75	58	\$3,656,718	\$3,070,519
Washington	197	186	\$11,625,380	\$9,288,810
Totals (4/1/2007 – 9/30/2007)	2228	1689	\$105,194,997	\$71,511,964
Totals (10/1/2006 – 3/31/2007)	1966	1417	\$91,416,713	\$59,154,524
FY 2007 Grand Totals	4194	3106	\$196,611,710	\$130,666,488

¹SSA program savings are reported at a flat rate of \$66,500 for initial claims that are denied as a result of CDI investigations. When a CDI Investigation supports the cessation of an in-pay case, SSA program savings are calculated by multiplying the actual monthly benefit times 60 months.

²Non-SSA Savings are also projected over 60 months whenever another governmental program withholds benefits as a result of a CDI investigation, using estimated or actual benefit amounts documented by the responsible agency.

³California has two units, one in Los Angeles, and the other in Oakland.

⁴Texas has two units, one in Dallas, and the other in Houston.



The following CDI case summaries highlight major investigations we conducted during this reporting period which enhanced SSA program integrity and the reliability of SSA's operations.

CDI: Man Alleging Blindness Found Working as Butcher

Our St. Louis CDI unit investigated a 30-year-old man who filed initial Title II and Title XVI disability claims due to blindness. The man alleged that he could not see well enough to drive, fix meals, leave his home unaccompanied, or get his medications out of the bottles. This case was forwarded to our CDI unit by the Cape Girardeau, Missouri DDS for possible malingering and multiple inconsistencies regarding the man's visual abilities and functioning.

During the CDI investigation, the man was seen driving to multiple locations. In one instance, the man was observed entering a grocery store and working as a butcher. After contacting the grocery store owner, our investigators learned that the man was not an employee, but helped the other workers a few times a week. According to the owner, the man advised he had a worker's compensation lawsuit pending in Arkansas for being electrocuted while working in the meat department of a grocery store. The owner stated the man is a very skilled butcher and is able to operate equipment such as the slicer, saw, and grinder. The CDI unit provided this information to the DDS, which denied the disability claims.

CDI: Man and Wife Get Jail Time for Fabricating a Military Service-Related Disability

The Atlanta CDI Unit investigated a man who had received Title II disability benefits

since 1998 for post-traumatic stress disorder (PTSD). The man reported that his combat experience in Vietnam and witnessing a fatal car accident in 1998 had triggered PTSD and left him unable to care for himself, drive, or socialize with friends. The U.S. Department of Veterans Affairs (VA) referred this case to the Atlanta CDI unit, alleging that the man had concealed his employment and functional abilities in his application for disability benefits.

The CDI investigation revealed that the man devised an elaborate scheme with his wife to develop a fraudulent history of military service to support his disability claim. For example, our agents determined that he served as a truck driver in Vietnam for 3 months, and never saw combat. They also determined that he did not witness a fatal car accident in 1998. Moreover, they found that he and his wife ran a lucrative farming business, which made him ineligible to receive disability benefits. His scheme defrauded SSA and VA of \$304,772. A jury found the husband and wife guilty of theft of Government funds, false statements to SSA, wire fraud, and aiding and abetting. They were sentenced in March 2007 to 37 months in prison and 3 years of supervised release, and were ordered to pay restitution of \$133,690 to SSA and \$171,082 to VA.

CDI: Waitress Fraudulently Receives Title II and Title XVI Disability Benefits for 5 Years

Our Tampa CDI unit received an allegation from the Carrollwood, Florida SSA office concerning the work activity of a 44-year-old woman who had received Title II and Title XVI disability benefits since 2002 based on PTSD, including depression, inability to concentrate, and lapses in memory. The investigation revealed that the woman was



employed as a waitress and earned over \$1,200 per month.

Members of our Tampa CDI unit observed the woman working as a waitress taking and delivering orders without difficulty, and interacting well with the customers. When asked for directions, the woman gave clear and detailed directions, including approximate distances and number of traffic lights. The woman waited on the tables in a brisk and efficient manner. In May 2007, SSA terminated the woman's disability benefits and assessed a combined Title II and Title XVI overpayment of \$53,550.

CDI: Woman Concealing Work Activity Assessed \$30,000 CMP

The Baton Rouge CDI unit investigated a 31-year-old woman who received SSI disability payments for back ailments. The woman alleged she was injured in a car accident, which made it difficult for her to sit, stand, squat, kneel, climb stairs, use her hands for fine motor skills, or lift her arms over her head. In addition, she reported the maximum weight she could lift was 5 to 10 pounds. This case was referred to the CDI unit by the Office of the Attorney General for the State of Louisiana because the woman filed a lawsuit as a result of the car accident. The woman's auto insurance company provided CDI investigators with videotapes of the woman carrying groceries (including two 1-gallon milk jugs at the same time) and a toddler.

CDI investigators then observed the woman working at a department store, where she stood for long periods of time. Investigators also observed the woman shopping, bending over the front car seat to secure a child, carrying a toddler, driving, and using a

cellular telephone. The woman's Title XVI disability payments were terminated. In addition, OCCIG subsequently imposed a \$30,000 CMP against the woman for making false statements to SSA.

Legal Impact Initiatives

OCCIG improves SSA program integrity from a different perspective, through its administration of the CMP provisions of Section 1140 of *the Act*. Section 1140 of *the Act* enables OCCIG to impose penalties against individuals or entities that use SSA's program words, letters, symbols, or emblems in advertisements or other communications in a manner that falsely implies SSA's approval, endorsement, or authorization. Additionally, Section 1140 prohibits an entity from charging a fee for a service provided free of charge by the SSA without including certain mandatory language informing the consumer that they may deal directly with the Agency. An individual or entity that violates this provision is subject to a maximum penalty of \$5,000 for each communication that misleads recipients or fails to disclose the nature of the service. Our nationwide enforcement efforts serve as a meaningful deterrent in this area and continue to positively impact SSA's mission.

The following case highlight demonstrates OCCIG's commitment to ensuring that advertisers do not use Social Security symbols and terms to mislead the public.

Private Company Ordered to Stop Publishing Misleading Directory

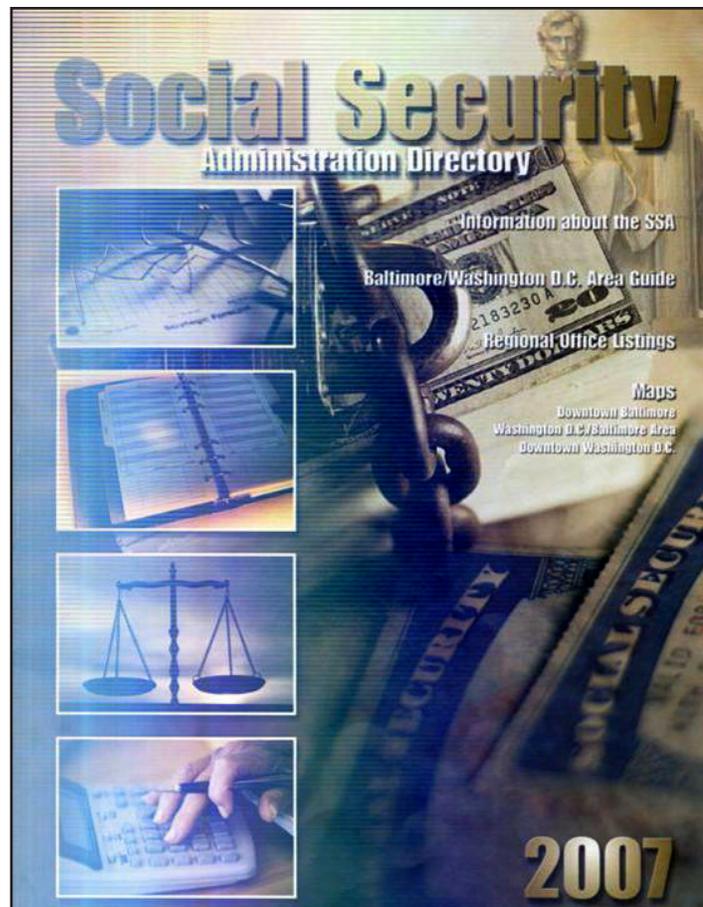
In Spring 2007, OCCIG received complaints from multiple sources concerning a 2007 SSA Directory that appeared to be either from SSA or otherwise endorsed or affiliated



with SSA. The publication contained one small disclaimer that stated “[t]he appearance of advertising in this publication does not constitute endorsement by the Social Security Administration ...” However, Section 1140 specifically provides that the use of a disclaimer is not an appropriate corrective measure. OCCIG contacted SSA’s Office of Publications and Logistics Management, and confirmed that this publication was in no way endorsed by or affiliated with SSA.

On April 19, 2007, the Chief Counsel issued a cease-and-desist letter to the California company which published the directory,

citing OCCIG’s concerns and including a copy of Section 1140. The letter demanded proof of the company’s intended compliance with Section 1140 within 30 days. One week later, the company submitted a letter agreeing to immediately cease and desist producing the directory and pursuing any business matters associated with SSA.





VALUE

All OIG initiatives strive to provide value to SSA, the Congress, other key decision-makers, and the public by delivering timely and reliable audit, investigative, and legal products and services. To achieve the intended value, these products and services must effectively meet the needs of all whom we serve while maximizing our available resources. To do this, we integrate best-practice strategies and the newest technologies to increase our productivity and maximize our return on investment to the public. Taken together, our audits, investigations, and legal efforts generated a positive return during the second half of FY 2007.

Value Attained Through Audits

The focal point of many of our audits is the identification of SSA program and operational areas where funds could be put to better use. In addition, we have often isolated situations where we have questioned approaches and their costs, and have recommended alternatives to yield program and operational savings.

During this reporting period, our auditors issued 64 reports with recommendations identifying over \$794 million in questioned costs and nearly \$319 million in Federal funds that could be put to better use. Some of our most notable audits are summarized below.

SSA Operations: Improper Payments Resulting from the Annual Earnings Test

SSA reduces payments to those retirement beneficiaries under full retirement age (FRA) who earn wages above an established exempt amount. SSA's annual earnings test (AET) determines whether beneficiaries have earnings in excess of the exempt amount, and adjusts their benefit amount accordingly. To ensure compliance with AET provisions, SSA also compares beneficiaries' earnings which are reported by employers and posted to the Master Earnings File (MEF) with the earnings reported by beneficiaries, which are posted to the Master Beneficiary Record (MBR). This process, called the Earnings Enforcement Operation (EEO), is designed to identify beneficiaries who are overpaid.

We conducted this audit to determine whether SSA properly adjusted benefits to beneficiaries subject to the AET. We identified a population of about 200,000 beneficiaries for Calendar Years (CY) 2002 through 2004 with (1) earnings greater than the annual exempt amount, and (2) a difference of at least \$100 between the wages on the MBR and those on the MEF.

Based on our review, we estimated that SSA overpaid about \$313 million to 89,300 beneficiaries and underpaid about \$35 million to 12,800 beneficiaries. These errors occurred primarily because SSA did not process all records identified by the EEO. In addition, we found that SSA had not processed approximately 1.4 million records identified by the EEO for CYs 1996 through 2001. Unless corrective action is taken, we estimate SSA will pay at least \$104



million in overpayments and \$11 million in underpayments annually.

SSA agreed with our recommendations, including that SSA review and process EEO selections pending since 1996, and determine whether the EEO should also identify potential underpayments based on differences in wages posted to the MBR and MEF.

Benefit Payment Audit: Administrative Finality in the Old-Age, Survivors and Disability Insurance Program

SSA's rules of administrative finality govern the reopening and revising of benefit payment determinations when they are later found to be incorrect. Generally, under administrative finality, SSA will not revise an incorrect benefit payment amount which resulted in more benefits than were due if the error is discovered more than 4 years after the initial determination. We conducted this audit to assess the financial impact of these administrative finality rules on the OASDI program.

From a population of 77,969 OASDI individuals receiving benefits as of June 2005, whose benefit records indicated that administrative finality was involved, we analyzed a random sample of 275 cases. Based on our analysis, we estimated that SSA identified about 44,230 beneficiaries whose benefits had been incorrectly calculated, but did not revise the amounts because of its administrative finality rules. As a result, we estimated that these individuals were paid about \$140.5 million more in OASDI benefits than they would have been paid had the errors not occurred. We also estimated that about 25,801 of these beneficiaries will be paid an additional

\$49.8 million in the future because their ongoing benefits were not corrected when the Agency identified the errors.

In light of the millions of Trust Fund dollars that could be saved, we recommended that SSA consider revising its rules/regulations to permit changes to ongoing OASDI benefit payments whenever errors are discovered. SSA disagreed with our recommendation, citing significant operational costs and potential beneficiary hardship, and further stating that administrative finality fosters public confidence in the Agency's decisions.

Benefit Payment Audit: Adjustment of Widows Insurance Benefits at Full Retirement Age

Some individuals are entitled to both Social Security disability benefits based on their own earnings history and widows/widowers benefits based on the earnings of their deceased spouse. Widows/widowers benefits are reduced when beneficiaries elect to receive them prior to FRA; however, this reduction is eliminated when beneficiaries attain FRA and transition from disability to retirement benefits. We conducted this review to determine whether SSA properly adjusts widows/widowers benefits when beneficiaries attain FRA.

Based on our review of a random sample of cases, we estimate that about 9,751 beneficiaries were underpaid approximately \$113.7 million through November 2006. If SSA does not take action to correct the benefits paid to these individuals, we estimate that they will continue to be underpaid about \$137.8 million over the rest of their lives. On average, for our sample



cases, 121 months (or 10 years) had elapsed since the beneficiaries attained FRA.

SSA agreed with our recommendations that the Agency (1) review these cases and take any appropriate action; (2) remind staff of proper procedures for adjusting widows benefits; and (3) review automated programs used to ensure that these cases are identified.

Benefit Payment Audit: SSI Recipients Eligible as Disabled Adult Children under the OASDI Program

We performed this audit to determine whether SSI recipients who previously received OASDI benefits as child beneficiaries were eligible for additional benefits. Individuals receiving SSI payments may also be eligible for disabled adult child benefits under the OASDI program if they (1) were disabled before reaching age 22; (2) are not entitled to a higher OASDI benefit payment based on their own work history; and (3) have a parent who is receiving benefits or who was insured for benefits at the time of death.

Based on an analysis of SSA records, we identified 5,908 SSI recipients who appeared to be eligible for additional OASDI benefits. Of these, we randomly selected 200 for further review, and found that 137 appeared to be eligible for additional benefits. Based on this review, we estimate that about 4,047 SSI recipients may be eligible for additional OASDI benefits. Of the 137 cases, we selected 10 SSI recipients to assess their respective OASDI and SSI payments. We determined these 10 recipients were owed OASDI underpayments of approximately \$114,000.

SSA agreed with our recommendation to determine whether the SSI recipients we identified are eligible for OASDI benefits and calculate any underpayments. Also, SSA should evaluate ongoing efforts to identify individuals who may be eligible as disabled adult children to determine whether these efforts should be expedited or expanded.

Nationwide Review of Federal Employees Who Received Compensation for Lost Wages for Periods When Earned Wages Were Reported

The *Federal Employees' Compensation Act* (FECA) provides for compensation for lost wages and medical benefits to Federal employees who are injured on the job or incur a work-related injury or illness. The FECA program is administered by the U.S. Department of Labor (DOL). In this review, we determined the number of individuals receiving FECA benefits for whom earned wages were also reported on SSA's Master Earnings File.

Our analysis of records provided by DOL OIG¹ showed that in CY 2004, 26,057 individuals were classified as not having a wage earnings capacity or their wage earnings capacity had not been determined. Of these individuals, we determined that 1,795 (6.9 percent) earned wages while receiving FECA compensation. The total amount of FECA compensation for lost wages paid to these individuals in CY 2004 was \$48,751,751. The total amount of wages

¹This evaluation was conducted for research and statistical purposes only. As such, our office will not take any action that might affect the rights, benefits, or privileges of specific individuals identified during the course of the evaluation.



earned was \$12,607,480. The wages ranged from about \$100 to \$115,502. However, we did not review individual case files to determine whether improper payments occurred.

Our review shows that the potential exists for a substantial amount of improper FECA payments if Federal agencies do not improve program oversight and monitoring. Unfortunately, because of restrictions of the *Computer Matching and Privacy Protection Act of 1988*, we cannot disclose to the affected agencies the identities of the individuals identified by our review. We believe that OIGs should work with their respective agencies to resolve the issues identified in this report.

Value Attained Through Investigations



During this reporting period, the efforts of our investigators yielded significant results arising from the successful prosecution of cases that we developed. Our investigators achieved over \$201 million in investigative accomplishments, with over \$36 million in SSA recoveries, restitution, fines, settlements, and judgments and over \$165 million in projected savings from investigations resulting in the suspension or termination of benefits. The following table represents the efforts of OI personnel nationwide to recover SSA funds lost as a result of fraud.

SSA Funds Reported			
	10/01/06 – 3/31/07	04/01/07 – 09/30/07	FY 2007
Recoveries	\$21,845,480	\$22,236,296	\$44,081,776
Fines	\$784,847	\$2,312,264	\$3,097,111
Settlements/ Judgments	\$522,088	\$211,224	\$733,312
Restitution	\$15,115,742	\$11,319,884	\$26,435,626
Estimated Savings	\$140,814,075	\$165,325,820	\$306,139,895
Total	\$179,082,232	\$201,405,488	\$380,487,720



The following case summaries are indicative of the more than 5,734 investigations that we closed during this reporting period. The cases we have highlighted illustrate the many instances where our investigative efforts have resulted in a significant return on investment.

SSN Misuse: California Residents Perpetrate \$58 Million Unemployment Insurance Fraud

Our San Francisco office conducted a joint investigation with the U.S. Department of Labor, the California Employee Development Department (EDD), the United States Postal Inspection Service, Immigration and Customs Enforcement, and the California Highway Patrol. The investigation revealed that five different groups of individuals were using a similar scheme involving SSN misuse to defraud the California EDD's unemployment insurance program. The individuals stole payroll information belonging to employees, and then filed unemployment insurance claims using that information, directing payments to different addresses they had established. The investigation also revealed that the owner of a small market had knowingly cashed fraudulently obtained unemployment insurance checks for nine of these individuals. These schemes resulted in a loss of more than \$58 million to the California EDD.

Nine individuals pled guilty to conspiracy, mail fraud, identity theft, and conspiracy to launder money, and were sentenced to prison sentences ranging from 30 to 126 months and probation ranging from 36 to 60 months. They were also ordered to pay varying amounts of restitution jointly and severally to the EDD. The market owner pled guilty to conspiracy to launder money and was sentenced in June

2007 to 72 months in prison and 36 months of supervised release. He was ordered to pay restitution of more than \$16 million jointly and severally with his co-conspirators to EDD.

SSN Misuse: Four Colorado Residents Use Fake SSNs to Obtain Medical Services

A joint investigation was conducted by our Denver office and the Aurora, Colorado Police Department. The investigation revealed that four individuals misused SSNs to obtain medical services at an Aurora hospital. One of the individuals pled guilty to providing false information to obtain hospital care, and was sentenced in April 2007 to 6 months in prison. The second pled guilty to second degree forgery, and was sentenced in May 2007 to 630 days in prison. The third person pled guilty to identity theft and was sentenced in July 2007 to 4 years' probation and 100 hours of public service, and the fourth pled guilty to providing false information and was sentenced to 30 days in prison.

Representative Payee Fraud: Law Firm Conspires to Defraud SSA Beneficiaries

We conducted this investigation in coordination with the U. S. Attorney's Office for the Western District of Michigan, the Federal Bureau of Investigation, the Eaton, Michigan County Prosecutor's Office, the Eaton County Sheriff's Department, the Michigan State Police, and the Charlotte, Michigan Police Department. Our Detroit office investigated an attorney and his office manager for misuse of clients' funds. The attorney was the guardian, conservator, and, in some cases, SSA-appointed representative payee for approximately 167 clients. Our investigation revealed that the attorney and



his office manager were responsible for the theft of approximately \$1.65 million dollars from 98 individuals over a 5-year period. About \$154,000 of the \$1.65 million dollars represented SSA benefits, and the remainder of the loss was the victims' life savings. The suspects used the money to operate the law office and to pay gambling debts and other personal expenditures.

In May 2007, after the attorney and office manager pled guilty to conspiracy to commit mail fraud and conspiracy to commit Social Security fraud, the attorney was sentenced to 60 months of incarceration and 3 years' supervised release. The office manager was sentenced to 54 months' incarceration and 3 years' supervised release. Both the attorney and the office manager were ordered to jointly pay \$1,656,409 in restitution to the 98 victims (87 of the victims were SSA beneficiaries and monies owed them totaled \$154,552).

Representative Payee Fraud: Mother Convicted of Murder

Our Des Moines, Iowa office received a referral from the Johnstown, Iowa Police Department regarding a murder investigation involving the representative payee for a 3-year-old SSI recipient. According to the police, the girl's mother, who was also her representative payee, starved the child and failed to provide the child with necessary medical treatments. The child died in March 2006. Based on the investigative findings, SSA determined that from September 2002 through March 2006, the mother misused \$23,269 of her daughter's SSI payments.

After pleading guilty, the woman was sentenced in August 2007 to 15 years in prison for 2nd-degree murder and 10 years in prison for neglect of a dependent person, both

sentences to run concurrently. In addition, she was ordered to pay restitution of \$150,000 to the victim's estate or heirs. A supplemental order concerning the amount of restitution owed to SSA and the Department of Human Services is pending.

Representative Payee Fraud: Former Girlfriend Conceals Boyfriend's Disability Award

Our Baltimore office received a request for assistance from the Montgomery County, Maryland Police Department regarding a case of possible identity theft and misappropriation of SSA funds. Our investigation revealed that when a man applied for Title II disability benefits, his SSA records showed he was already receiving those benefits. We determined that in 1997, the man's former girlfriend had applied for, and was awarded Title II disability benefits using his personal information but without his knowledge. Moreover, SSA had appointed her as his representative payee. From December 1997 through September 2005, the former girlfriend fraudulently received \$73,156, and had also used the man's personal information to purchase automobiles.

She pled guilty to theft and was sentenced in August 2007 to 5 years in prison (with 4 years suspended) and 3 years of probation. She was also ordered to pay restitution of \$73,156 to SSA.

Disability Program Fraud: SSA Beneficiary Found Working as Vice-President of Restaurant Chain Earning Over \$900,000

Our New York City office conducted this investigation based upon a referral from a major insurance company. Our investigation revealed that a Title II disability beneficiary



claimed he was unable to work due to a heart condition in order to receive payments from SSA and various insurance companies. From June 2000 through April 2006, the man was employed as the vice-president of a company that owns and operates restaurants and banquet facilities worldwide, and received yearly wages in excess of \$900,000. In addition, he supervised multi-million dollar construction projects and managed several restaurants in the New York City area.

In July 2007, the man pled guilty to insurance fraud and was sentenced to 1½ to 4½ years' incarceration. He was ordered to pay restitution in the amount of \$927,000 to three insurance companies and \$90,000 to SSA.

Disability Program Fraud: Electric Company Owner Defrauds SSA of \$180,066

Our Phoenix office initiated this investigation based upon an allegation received from the Mesa, Arizona SSA office. The allegation claimed that a Title II disability beneficiary concealed his work activity from SSA while collecting benefits for himself and his four children. Our investigation revealed that in May 1996, the man had obtained full-time employment with an electric company and became co-owner 4 months later. He was responsible for writing checks, managing financial records, negotiating agreements, and performing various physical duties in the field, earning and concealing between \$1,000 and \$4,000 monthly. In May 2007, the man pled guilty to theft of Government funds and was sentenced to 12 months of incarceration and 3 years of probation. He was also ordered to pay restitution of \$180,066 to SSA.

Disability Program Fraud: Custodian Fraudulently Collects Over \$97,000 From SSA

Agents in our Chicago office investigated a Title II disability beneficiary who received benefits for himself and his dependents and who failed to report his work activity to SSA. Our investigation determined that from June 2001 through June 2005, the man was employed as a custodian for a condominium homeowners' association. The man used a fictitious name and a different SSN to conceal his employment. In June 2007, after pleading guilty to theft of Government funds, the man was sentenced to 5 years' probation and was ordered to pay restitution of \$97,884 to SSA.

Deceased Payee Project (BIC-D): Daughter Conceals Mother's Death to Collect \$29,095

Our Richmond office conducted this investigation as part of the national Deceased Payee (BIC-D) project, which identifies widows/widowers of Title II beneficiaries whose benefits continued to be paid after their death. Our agents investigated a woman who failed to notify SSA that her mother had died in November 1999. The investigation revealed that the mother's benefits were directly deposited into a bank account jointly held with her daughter. From December 1999 through November 2002, the woman fraudulently received \$29,095 in benefits, which she used to pay her household bills and living expenses. In August 2007, after pleading guilty to theft of government funds, she was sentenced to 5 years' probation, and was ordered to pay full restitution to SSA.



Double Check Negotiation (DCN) Project: Mother Double Negotiates 25 Checks

Our Albany office conducted this investigation as part of the national DCN project, which targets individuals who repeatedly allege non-receipt of SSI checks in order to receive a replacement check, and then cash both the original and replacement checks. This investigation revealed that a woman cashed 25 SSI replacement checks totaling \$13,690 over a period of 5 years, for herself and her four children, for whom she was representative payee. In April 2007, after pleading guilty to grand larceny, the woman was sentenced to 60 days' incarceration and 5 years' probation. She agreed to reimburse SSA for the outstanding balance of \$6,630, after \$7,060 had already been withheld from her SSI payments.

Beneficiaries Paid Under Multiple SSNs at Same Address Project (MS Project): Woman Receives SSA Benefits Under Two Different SSNs

This case was opened based on a referral from our April 2005 audit, *Individuals Receiving Benefits under Multiple SSNs at the Same Address*. The investigation, conducted by our New York City office, revealed that a beneficiary fraudulently collected Title II and Title XVI disability benefits during the period September 1983 through December 2004 under two different names and SSNs. Furthermore, she directed the benefits under both SSNs to separate bank accounts. The beneficiary admitted to having two different SSNs, stating that her original SSN was obtained at birth, and the second number was assigned to her after she married and changed her name. She pled guilty to theft of

Government property and was sentenced in April 2007 to 3 years' probation and ordered to pay restitution of \$152,742 to SSA.

Value Attained Through Legal Initiatives

OCCIG's efforts to administer that portion of the CMP program which deals with violators of Section 1129 of *the Act* maximize the resources available to us and create a positive return on investment. Section 1129 of *the Act* allows for the imposition of a CMP against those who make false statements or representations in connection with obtaining or retaining benefits or payments under Titles II, VIII, or XVI of *the Act*. In addition, CMPs may be used to penalize representative payees for wrongful



conversion of payments made under the Social Security programs, and to penalize individuals who knowingly withhold a material fact from SSA. After consultation with the DOJ, OCCIG is authorized to impose penalties of up to \$5,000 for each false statement, representation, conversion, or omission. A person may also be subject to an assessment, in lieu of damages, of up to twice the amount of any resulting overpayment.

The following table and cases highlight the value achieved through our Section 1129 efforts for this reporting period.



False Statements Under Section 1129 - Results

	10/01/06 – 03/31/07	04/01/07 – 09/30/07	FY 2007
Cases Received	272	273	545
Cases Initiated	173	215	388
Cases Closed	255	342	597
Penalties and Assessments Imposed	\$1,296,251	\$3,039,553	\$4,335,804
Number of Hearings Requested	10	9	19

Penalty Imposed Against Representative Payee for Making False Statements

OCCIG imposed a \$26,880 CMP and assessment in lieu of damages against a Florida woman for making false statements to SSA. The woman, who was acting as representative payee for her son, told SSA that she and her son did not live with the son’s father. However, SSA received information that they were all living together and contacted OIG, which verified the false statements through investigation. These false statements directly affected the son’s eligibility for Title XVI payments and caused SSA to overpay the mother \$16,880, an amount which will now be recouped through payment of the CMP assessment.

Employer Faces \$50,000 Penalty for Conspiring to Conceal Man’s Wages

OI investigated a Title II retirement beneficiary and his employer based on an allegation by the Minden, Louisiana SSA office that they had concealed the beneficiary’s wages. The investigation determined that the man persuaded his employer to pay a portion of his wages to his wife, in order to circumvent

SSA’s Annual Earnings Test and continue to receive full retirement benefits in addition to his wages. The employer directed his payroll clerk to apportion part of his earnings to the beneficiary’s wife while still crediting him with full-time employment so he could continue to receive health insurance benefits.

The retirement beneficiary was criminally prosecuted for theft of Government funds and ordered to make restitution of \$18,641 to SSA. The employer admitted his wrongdoing to OI investigators, who referred the case to OCCIG for CMP consideration. OCCIG subsequently negotiated a \$50,000 CMP settlement with the man’s employer.

OCCIG Settles Double Check Negotiation Case for \$75,000

OCCIG negotiated a CMP settlement agreement of \$75,000 with a Massachusetts SSI recipient with an extensive history of claiming non-receipt of her SSI payment and then cashing both the original and replacement checks. A local SSA office in Boston referred the case to the OIG, alleging that the woman had committed 20 DCNs in the past 6 years,



and more than 30 over the past decade. Her repeated DCNs had caused a \$24,156 fraud loss to the SSI program. When OCCIG began CMP proceedings against the woman and attempted to serve her with a penalty letter, she evaded service on multiple occasions. OI agents in Boston located and successfully served the woman, and OCCIG eventually settled the case for a \$75,000 penalty. The woman is also making full restitution to SSA via withholding of her monthly SSI payment.

Sting Operation Nets Multiple CMP Referrals

In April 2007, our St. Louis office referred multiple DCN cases to OCCIG for CMP consideration. A pattern of repeated DCNs by both Social Security beneficiaries and representative payees in the Kansas City, Missouri area had led OI agents to conduct a “sting” operation. The agents were able to identify many repeat offenders in Kansas City, St. Louis, and Omaha, Nebraska who had double-negotiated checks 5 or more times.

After the USAO declined criminal and civil prosecution of the individuals, OI referred them to OCCIG, which developed the allegations into 70 active cases. OCCIG attorneys then gathered the necessary evidence and information (copies of negotiated checks, current addresses and phone numbers, SSA contact names, etc.) and began CMP proceedings in many of the cases. By September 2007, 11 cases had been closed, resulting in \$209,500 in penalties. OCCIG is currently taking CMP action on another 53 of these cases.



PEOPLE

We continue to enjoy success in achieving our mission due in large part to the outstanding efforts of our employees. We work to retain these talented individuals by providing a positive and rewarding work environment. OIG leadership has created a culture where employees can realize their potential through training opportunities and developmental assignments. The OIG Organizational Health Committee annually assesses employee satisfaction levels and addresses areas of concern. In addition, OIG components conduct training conferences each year to educate their employees on new operational procedures and to promote teamwork.

Budget

For FY 2007, our annual appropriation was \$92 million, which supported an end-of-year staffing level of 590 employees. The salaries and benefits of our employees accounted for approximately 84 percent of our spending. We used the remaining 16 percent for necessary expenses such as travel, training, communications, reimbursable work authorizations, and general procurements, as well as to provide for basic infrastructure needs such as rent and interagency service agreements. The FY 2007 budget supported our efforts to meet and exceed the expectations set forth in our Strategic Plan for FYs 2006-2010. Our Strategic Plan goals and accomplishments will also be published in the Annual Congressional Budget Justification.

Human Capital Planning and Management

We actively pursue and work to retain the best possible employees. First, our budget and staffing plan forecasts employee departures based on historical trends and human resource data, which allows us to establish optimal timeframes for recruiting new employees. Moreover, OIG managers monitor staffing to ensure that vacant positions are filled promptly, ensuring that OIG components have the ability to fulfill their respective missions.

Our human capital specialists and recruiters participate in job and career fairs nationwide. These events target underrepresented groups in the labor market, allowing us to maintain a truly diverse workforce. Once we identify the best candidates, we employ a structured interview process to fairly assess their qualifications. Through these efforts, we have recently hired 23 employees and plan to hire an additional 17 employees early in FY 2008.

Also during this reporting period, the Inspector General convened an internal workgroup to address the timely issue of succession planning. This decision was based on a comprehensive and long-range analysis of our current workforce, which found that OIG has many employees who will be eligible to retire within the next 5 years. The succession planning workgroup is developing a training and development program with the goal of producing highly qualified candidates for future leadership vacancies. The workgroup's plan will be implemented beginning in FY 2008.



Information Technology (IT)

We provide and maintain most of our own information technology (IT) systems. Our IT specialists value state-of-the-art tools and place a high priority on ensuring that our employees have the latest proven technologies with which to perform their work.

During this reporting period, we continued to build a comprehensive administrative database that will allow for interconnectivity between OIG's components. Modules for budget, workflow processing, and facilities management are being refined prior to their release.

In support of the President's goal to expand electronic services, we maintain an Internet website that is informative and useful to the public. Citizens using our web-based services will find them easy-to-understand. A workgroup comprised of auditors, investigative personnel, legal experts, and administrative technicians continuously monitors the OIG website to ensure that all information is accurate and up-to-date.

Finally, our IT staff analyzes industry trends to find new technologies that may enhance our business processes. In FY 2007, for example, we began implementing technology aimed at improving our disaster recovery capabilities. In addition, OIG software specialists and contract personnel have worked during this reporting period to implement enhancements to our National Investigative Case Management System, which is already a model for investigative case management across the Federal Government.

Outreach Efforts

We are always seeking new ways to reach out to the wider Federal community as well as to members of the public. In a variety of venues, we share our mission of promoting integrity and excellence in Social Security programs and operations. These occasions are important opportunities to exchange information and forge partnerships. They also give us the chance to educate and inspire public confidence in Federal programs.

Senior OIG officials addressed national audiences on current issues of interest during this reporting period. In September 2007, Inspector General O'Carroll addressed the Kansas City chapter of the Association of Government Accountants regarding the OIG's role in maintaining Social Security number integrity. Also in September, IG O'Carroll was a featured speaker at the National Association of Disability Examiners' annual conference in Sioux Falls, South Dakota. In this forum, IG O'Carroll shared current OIG initiatives aimed at improving SSA's disability programs. Finally, Deputy Chief Counsel for External Relations Jonathan Lasher was featured on a panel at the Association of Government Accountants' 2007 Internal Control and Fraud Conference in Atlanta in September 2007. Deputy Chief Counsel Lasher spoke about the Federal Government's efforts to protect Americans' personally identifiable information.

OIG employees are active in their local communities, in both personal and professional capacities. Following are highlights of our outreach efforts during this reporting period:



In May 2007, special agents from our Philadelphia and Houston offices participated with other law enforcement personnel in child safety events sponsored by the National Center for Missing and Exploited Children. Parents were provided free child safety kits, and children were fingerprinted and photographed.



Personnel from our Kansas City office recently participated in the “Run for Mercy 2007,” which raised funds for children in South Africa affected by AIDS, and in a United Way charity event with Centers for Medicare and Medicaid Services employees.



The Resident Agent-in-Charge of our Batavia office serves on the Board of Advisors to the Criminal Justice Departments at the State University of New York at Brockport and Roberts Wesleyan College in Rochester. He also actively supports youth programs by providing assistance to the Monroe County Police Explorer Academy in Rochester.



A Special Agent from our Houston office founded a non-profit organization serving less fortunate individuals in the community. The organization has run donation drives for area families, and partnered with Texas Children’s Hospital to provide free immunizations to underprivileged children.

Hurricane Response Efforts

We continue to be actively involved in pursuing investigations of fraud related to Hurricanes Katrina and Rita and helping

SSA prepare for similar events in the future. Our auditors have completed three hurricane-related audits, assessing SSA’s service delivery and its accountability over 1) duplicate payments, equipment, and records; and 2) disaster relief funds. In addition, attorneys from our Office of the Chief Counsel have represented the OIG on the PCIE/ECIE Homeland Security Roundtable, the collaborative effort for hurricane recovery oversight across Federal agencies.

Because the SSN is a key identifier for the various relief programs, SSA OIG is a critical partner in multi-agency investigations of hurricane-related fraud. We have also assigned an agent to the DOJ’s Hurricane Katrina Fraud Task Force in Louisiana, where we have been involved in numerous joint investigations of hurricane-related fraud. Since the inception of the Task Force, OI has opened 57 investigations. For this reporting period, our investigators secured 4 indictments and 10 convictions of individuals for hurricane-related fraud. Following are highlights of our hurricane-related investigative activity during this reporting period.

Man Files 39 Applications for Disaster Unemployment Assistance

In cooperation with the Louisiana Department of Labor (DOL), U. S. Postal Inspection Service, and U. S. Marshals Service, agents from our Baton Rouge office investigated a 46-year-old Villa Rica, Georgia resident for making fraudulent applications for Disaster Unemployment Assistance funds. Our investigation revealed that the man submitted 39 applications containing false identities and SSNs of alleged



Hurricane Katrina victims to the Louisiana DOL. As a result of his actions, the man received \$39,835 in hurricane disaster funds from the Federal Emergency Management Agency (FEMA). In July 2007, the man pled guilty to wire fraud and illegal use of an SSN. He was sentenced to 27 months' incarceration and 5 years' supervised release and was ordered to pay full restitution to FEMA.

Man Files 18 Claims for Hurricane Relief Funds

Agents from our Houston office, in coordination with the U.S. Postal Inspection Service, Department of Homeland Security, and Small Business Administration, investigated a 26-year-old Houston resident who filed 18 fraudulent applications for FEMA disaster assistance, each time using a different SSN and a unique "damaged address" in New Orleans and Lake Charles, Louisiana, and in Beaumont, Texas. FEMA paid the man 18 separate \$2,000 expedited assistance checks. These checks were issued before inspectors visited the addresses listed on the applications. Our investigation revealed that the man was a long-time resident of Houston and lived there throughout 2005 when Hurricanes Katrina and Rita hit the U.S.

In June 2007, the man pled guilty to mail fraud and aggravated identity theft, was sentenced to 45 months' incarceration and 36 months' supervised release, and was ordered to pay partial restitution to FEMA.

South Carolina Woman Applies for Hurricane Disaster Relief

Agents in our Columbia office initiated this investigation based on a request from the FBI. Our investigation revealed that a 34-

year-old Title XVI disability beneficiary, living in Columbia, South Carolina, made fraudulent claims to FEMA in order to receive disaster assistance associated with Hurricanes Katrina and Rita. Our investigation uncovered a loss of \$27,311.

In March 2007, she pled guilty to theft of Government funds and misuse of a SSN, and was sentenced to 16 months' incarceration and 6 years' probation. She was also ordered to pay restitution of \$23,741 to FEMA and \$3,570 to SSA.

Hurricane Rita Evacuee Attempts to Collect Disability Benefits While Working

Investigators from our Houston CDI unit investigated a 46-year-old woman who filed for Title II and Title XVI disability benefits based on allegations of depression, anxiety, and high blood pressure. The woman reported she relocated to Houston in the aftermath of Hurricane Rita, which resulted in emotional problems due to "stress from the hurricane." She also alleged memory problems and difficulty making decisions.

Our investigators learned that the woman received a FEMA housing allotment to live in a hotel, with her mother and three children, after the hurricane. Hotel staff reported that the woman and her family would stay at the hotel about 2 days a week and then be gone for days. When investigators interviewed the woman, she told them she was employed by a human resources agency and also worked as a realtor. She drove a car and lived in a house in an affluent neighborhood. The woman was articulate and communicated well when speaking to the CDI Unit investigators. SSA subsequently denied her Title II and Title XVI disability claims.



A SPECIAL THANK YOU

THE DILIGENT WORK, OUTSTANDING EFFORTS,
AND MANY CONTRIBUTIONS OF OUR ENTIRE OIG
STAFF MAKE THE NUMEROUS ACCOMPLISHMENTS
HIGHLIGHTED IN THIS SEMIANNUAL REPORT TO
CONGRESS POSSIBLE.

WE WOULD LIKE TO THANK THEM FOR THEIR
DEDICATED SPIRIT AND MANY SUCCESSES.





REPORTING REQUIREMENTS
AND
APPENDICES



Reporting Requirements

This report meets the requirements of the *Inspector General Act of 1978*, as amended, and includes information mandated by Congress.

Section	Requirement	Page(s)
Section 4(a)(2)	Review of legislation and regulations	N/A
Section 5(a)(1)	Significant problems, abuses, and deficiencies	8-30
Section 5(a)(2)	Recommendations with respect to significant problems, abuses, and deficiencies	8-11, 21-23
Section 5(a)(3)	Recommendations described in previous Semiannual Reports on which corrective actions are incomplete	Appendices F & G
Section 5(a)(4)	Matters referred to prospective authorities and the prosecutions and convictions that have resulted	12-19, 24-28
Section 5(a)(5) & Section 6(b)(2)	Summary of instances where information was refused	N/A
Section 5(a)(6)	List of audits	Appendix B
Section 5(a)(7)	Summary of particularly significant reports	8-11, 21-23
Section 5(a)(8)	Table showing the total number of audit reports and total dollar value of questioned costs	Appendix A
Section 5(a)(9)	Table showing the total number of audit reports and total dollar value of funds put to better use	Appendix A
Section 5(a)(10)	Audit recommendations more than 6 months old for which no management decision has been made	Appendix A
Section 5(a)(11)	Significant management decisions that were revised during the reporting period	N/A
Section 5(a)(12)	Significant management decisions with which the Inspector General disagrees	Appendix D



Appendix A: Resolving Audit Recommendations

The following chart summarizes SSA's responses to our recommendations for the recovery or redirection of questioned and unsupported costs. Questioned costs are those costs that are challenged because of a violation of law, regulation, etc. Unsupported costs are those costs that are questioned because they are not justified by adequate documentation. This information is provided in accordance with P.L. 96- 304 (the *Supplemental Appropriations and Recession Act of 1980*) and the *Inspector General Act of 1978*, as amended.

Reports with Questioned Costs for the Reporting Period April 1, 2007 – September 30, 2007			
	Number	Value Questioned	Value Unsupported
A. For which no management decision had been made by the commencement of the reporting period.	12	\$26,866,460	\$75,051
B. Which were issued during the reporting period.	22 ^a	\$794,823,344	\$106,173
Subtotal (A + B)	34	\$821,689,804	\$181,224
Less:			
C. For which a management decision was made during the reporting period.	18 ^b	\$153,532,975	\$75,051
i. Dollar value of disallowed costs.	13	\$9,165,146	\$75,051
ii. Dollar value of costs not disallowed.	5	\$144,367,829	\$0
D. For which no management decision had been made by the end of the reporting period.	19	\$668,156,829	\$106,173

- a. See *Reports with Questioned Costs* in Appendix B of this report.
- b. *Administrative Costs Claimed by the Tennessee Disability Determination Services (A-04-06-16053)* contained dollars that were disallowed and dollars not disallowed.



The following chart summarizes SSA's response to our recommendations that funds be put to better use through cost avoidances, budget savings, etc.

Reports with Recommendations that Funds Be Put to Better Use Reporting Period April 1, 2007 – September 30, 2007		
	Number	Dollar Value
A. For which no management decision had been made by the commencement of the reporting period.	5	\$2,570,832,901
B. Which were issued during the reporting period.	10 ^a	\$318,977,901
Subtotal (A + B)	15	\$2,889,810,802
Less:		
C. For which a management decision was made during the reporting period.		
i. Dollar value of recommendations that were agreed to by management.		
(a) Based on proposed management action.	8	\$36,000,133
(b) Based on proposed legislative action.	0	\$0
ii. Dollar value of costs not agreed to by management.	3	\$2,593,588,737
Subtotal (i + ii)	11 ^b	\$2,629,588,870
D. For which no management decision had been made by the end of the reporting period.	5	\$260,221,932

- a. See *Reports with Funds Put to Better Use* in Appendix B of this report.
- b. *Administrative Costs Claimed by the Tennessee Disability Determination Services (A-04-06-16053)* contained dollars that were disallowed and dollars not disallowed.



Appendix B: Reports Issued

Reports with Non-Monetary Findings October 1, 2006 – September 30, 2007		
Audit Number	Report	Issue Date
A-03-05-25009	Effectiveness of the Young Children's Earnings Records Reinstatement Process	10/20/2006
A-77-07-00001	Management Advisory Report: Single Audit of the State of Florida for the Fiscal Year Ended June 30, 2005	10/27/2006
A-77-07-00002	Management Advisory Report: Single Audit of the State of Maryland for the Fiscal Year Ended June 30, 2005	10/27/2006
A-02-07-17075	Inspector General Statement on the Social Security Administration's Major Management Challenges	11/3/2006
A-15-06-16099	Social Security Administration's Financial Report for Fiscal Year 2006	11/7/2006
A-77-07-00003	Management Advisory Report: Single Audit of the State of New York for the Fiscal Year Ended March 31, 2005	11/22/2006
A-77-07-00004	Management Advisory Report: Single Audit of the Commonwealth of Pennsylvania for the Fiscal Year Ended June 30, 2005	11/22/2006
A-15-07-17031	Costs Claimed by the Association of University Centers on Disabilities Contract Number 600-01-60127 (Limited Distribution)	12/1/2006
A-77-07-00005	Management Advisory Report: Single Audit of the State of South Carolina for the Fiscal Year Ended June 30, 2005	12/4/2006
A-03-06-26106	Congressional Response Report: Employer Feedback on the Social Security Administration's Verification Programs	12/14/2006
A-08-06-26100	Congressional Response Report: Accuracy of the Social Security Administration's Numident File	12/18/2006
A-14-05-14042	Impact of Unauthorized Employment on Social Security Benefits	12/21/2006
A-15-06-16091	MAXIMUS' Indirect Cost Rates for Fiscal Years 2002 and 2003 (Limited Distribution)	12/21/2006
A-14-06-16023	General Controls Review of the Florida Division of Disability Determinations Claims Processing System	1/10/2007
A-13-06-26097	Follow-up: Analysis of Information Concerning Representative Payee Misuse of Beneficiaries' Payments	1/18/2007
A-05-07-17058	Contract for the Meridian Management Corporation at the Great Lakes Program Service Center (Limited Distribution)	1/29/2007
A-77-07-00007	Management Advisory Report: Single Audit of the Hawaii Department of Human Services for the Fiscal Year Ended June 30, 2005	2/5/2007
A-09-06-16101	The Las Vegas Social Security Card Center	2/8/2007
A-15-06-16065	Controls over Representative Payee Accounting of Social Security Funds	2/26/2007
A-77-07-00008	Management Advisory Report: Single Audit of the Government of the District of Columbia for the Fiscal Year Ended September 30, 2005	2/27/2007



Reports with Non-Monetary Findings October 1, 2006 – September 30, 2007		
Audit Number	Report	Issue Date
A-15-06-16111	Performance Indicator Audit: Electronic Service Delivery	3/8/2007
A-15-06-16109	Performance Indicator Audit: Claims Processing	3/16/2007
A-06-06-26138	The Social Security Administration's Accountability of Federal Emergency Management Agency Funds Provided for Hurricane Relief Efforts	3/23/2007
A-77-07-00009	Management Advisory Report: Single Audit of the State of Illinois for the Fiscal Year Ended June 30, 2005	3/23/2007
A-77-07-00011	Management Advisory Report: Single Audit of the State of New Jersey for the Fiscal Year Ended June 30, 2005	3/23/2007
A-12-06-26130	Management's Use of Workload Status Reports at Hearing Offices	3/26/2007
A-03-06-16062	The Social Security Administration's Compliance with Employee Tax Requirements	4/6/2007
A-06-06-26137	Accountability over Duplicate Payments, Equipment and Records in the Hurricane Recovery Area	4/23/2007
A-06-06-26140	Supplemental Security Income Payments Mailed to Field Office Addresses	4/23/2007
A-15-07-17032	The Social Security Administration's Oversight of the PSI Group, Inc., Presort Mail Contract -- Contract # GS-25F-0010M (Limited Distribution)	4/24/2007
A-02-06-16110	Performance Indicator Audit: Disability Determination Services Processing	5/8/2007
A-12-07-27162	Organizational Review of the Office of Disability and Income Security Programs	5/16/2007
A-15-06-16113	Performance Indicator Audit: Hearings and Appeals Process	5/17/2007
A-13-07-27123	Phase 6 of the Social Security Administration's Special Disability Workload	5/18/2007
A-15-06-16037	FECA: A Nationwide Review of Federal Employees Who Received Compensation for Lost Wages for Periods When "Earned Wages" Were Reported on the Social Security Administration's Master Earnings File	5/18/2007
A-14-07-17022	The Social Security Administration's Information Technology Maintenance and Local Area Network Relocation Contract	5/21/2007
A-01-07-17035	Quick Disability Determinations	5/31/2007
A-15-06-16139	Performance Review of the Social Security Administration's National Computer Center and Security West Building Guard Service Contract (Limited Distribution)	5/31/2007
A-08-07-17043	Original Social Security Numbers Assigned to U.S. Citizens Age 12 or Older	6/18/2007
A-04-07-17027	Contract with Riojas Enterprises, Incorporated, for Case Folder Filing Support Services - Contract #0600-98-34420	6/19/2007



Reports with Non-Monetary Findings October 1, 2006 – September 30, 2007		
Audit Number	Report	Issue Date
A-04-07-17026	Field Office Use of the SS-5 Assistant	7/2/2007
A-08-07-17076	Assignment of Social Security Numbers to J-1 Exchange Visitors	7/20/2007
A-14-07-17099	Social Security Administration's Management of Information Technology Projects	7/26/2007
A-14-07-27110	Social Security Administration's Progress in Implementing Homeland Security Presidential Directive 12	7/26/2007
A-13-06-16032	The Social Security Administration's Monitoring of Dedicated Accounts for Supplemental Security Income Recipients	8/3/2007
A-14-07-17070	The Social Security Administration's Incident Response and Reporting System	8/3/2007
A-03-05-25018	Overstated Earnings and Their Effect on Social Security Administration Programs	8/7/2007
A-06-06-16088	Controls over Survivor's Benefits When Indications Exist a Wage Earner is Alive	8/8/2007
A-15-07-17128	Performance Indicator Audit: Improper Payments	8/31/2007
A-02-07-27021	Compliance with Onsite Security Control and Audit Review Requirements at Field Offices	9/4/2007
A-03-06-15036	Controls Over Employee Verification Programs	9/4/2007
A-08-07-27177	Management Advisory Report: Third Parties Applying for Medicare Part D Low-Income Subsidies on Behalf of Others (Limited Distribution)	9/5/2007
A-08-07-17086	State and Local Governments' Collection and Use of Social Security Numbers	9/10/2007
A-12-07-27091	Workload Activity at Five Hearing Offices in Region IV	9/10/2007
A-08-07-17085	Assessment of F-1 Students' Use of Social Security Numbers	9/12/2007
A-02-07-17127	Performance Indicator Audit: Staff Skills and Productivity	9/24/2007
A-06-06-16132	Disability Insurance Beneficiaries Convicted of Crimes Against the Social Security Administration's Programs	9/24/2007
A-07-07-27150	Payee Services, A Fee-for-Service Organizational Representative Payee for the Social Security Administration (Limited Distribution)	9/24/2007
A-08-07-17077	Social Security Numbers Assigned to Citizens of Compact of Free Association Countries (Limited Distribution)	9/24/2007
A-14-07-17101	Fiscal Year 2007 Evaluation of the Social Security Administration's Compliance with the Federal Information Security Management Act	9/24/2007



Reports with Non-Monetary Findings October 1, 2006 – September 30, 2007		
Audit Number	Report	Issue Date
A-15-07-17129	Performance Indicator Audit: Customer Satisfaction	9/24/2007
A-02-06-26051	The Validity of Earnings Posted to the Social Security Administration's Master Earnings File for Children Ages 7 through 13	9/28/2007
A-03-07-17065	Effectiveness of the Single Select Edit Routine	9/28/2007
A-12-07-17057	Claimant Representatives Barred from Practicing before the Social Security Administration	9/28/2007
A-12-07-17080	On-site Security Control and Audit Review at Hearing Offices	9/28/2007
A-14-07-17024	Access to Social Security Administration Data Provided by Disability Determination Services Positional Profiles (Limited Distribution)	9/28/2007
A-14-07-27133	The Social Security Administration's Information Resources Management Strategic Plan	9/28/2007



Reports with Questioned Costs October 1, 2006 – September 30, 2007			
Audit Number	Issue Date	Report	Dollar Amount
A-01-06-16041	10/27/2006	Administrative Costs Claimed by the Vermont Disability Determination Services	\$3,362
A-01-06-26105	11/14/2006	Supplemental Security Income Recipients Whose Medicare Benefits Were Terminated Due to Death	\$490,288
A-04-05-15133	11/22/2006	Title II Disability Insurance Benefits with a Workers' Compensation Offset	\$216,278,326
A-01-06-26131	12/11/2006	Title II Beneficiaries in England	\$24,049
A-01-06-21093	12/20/2006	Childhood Continuing Disability Reviews and Age 18 Redeterminations	\$199,165,109
A-77-07-00006	1/18/2007	Management Advisory Report: Single Audit of the State of Washington for the Fiscal Year Ended June 30, 2005	\$76,021
A-13-06-16029	2/5/2007	Administrative Costs Claimed by the Maryland Disability Determination Services	\$151,641
A-02-06-26019	3/2/2007	The Social Security Administration's Collection of Court-ordered Restitution	\$18,340,375
A-02-06-25141	3/23/2007	Direct Deposits for Multiple Title XVI Recipients into the Same Bank Account	\$1,226,318
A-07-07-17045	3/23/2007	Kansas Department of Social and Rehabilitation Services, an Organizational Representative Payee for the Social Security Administration	\$8,840
A-15-06-16127	3/23/2007	Administrative Costs Claimed by the Florida Division of Disability Determinations	\$2,379,104
A-04-06-16053	3/30/2007	Administrative Costs Claimed by the Tennessee Disability Determination Services	\$2,449,320
A-15-07-27117	3/30/2007	Defense Contract Audit Agency's Audit of Lockheed Martin Services, Inc. Incurred Costs for Calendar Year Ending December 31, 2004 (DCAA Report Number 6501-2004B10100001)	\$2,551,124
A-77-07-00010	3/30/2007	Management Advisory Report: Single Audit of the Puerto Rico Department of the Family for the Fiscal Year Ended June 30, 2003	\$207,302
A-13-07-17073	4/30/2007	Supplemental Security Income Recipients Eligible as Disabled Adult Children Under the Old-Age, Survivors and Disability Insurance Program	\$114,254
A-01-07-27122	5/14/2007	Adjustment of Widow's Insurance Benefits at Full Retirement Age	\$113,721,946
A-08-06-16125	5/18/2007	Administrative Costs Claimed by the Mississippi Disability Determination Services	\$27,681
A-05-06-16118	5/22/2007	Administrative Costs Claimed by the Illinois Disability Determination Services	\$208,471
A-09-06-16120	5/30/2007	Administrative Costs Claimed by the Idaho Disability Determination Services	\$800,000
A-09-06-16128	5/31/2007	The Social Security Administration's Controls and Procedures over Supplemental Security Income Death Alerts	\$2,404,124



Reports with Questioned Costs October 1, 2006 – September 30, 2007			
Audit Number	Issue Date	Report	Dollar Amount
A-02-07-17046	6/11/2007	Administrative Costs Claimed by the New York Division of Disability Determinations	\$132,403
A-13-06-16031	6/22/2007	Cross-Program Recovery of Benefit Overpayments	\$10,922,467
A-13-06-16121	6/27/2007	Administrative Costs Claimed by the West Virginia Disability Determination Services	\$3,134,805
A-09-07-17063	7/3/2007	An Individual Representative Payee for the Social Security Administration in the San Francisco Region	\$34,868
A-07-06-16098	7/12/2007	Administrative Costs Claimed by the Missouri Disability Determination Services	\$4,564
A-09-06-16129	7/31/2007	Administrative Costs Claimed by the California Disability Determination Services	\$1,658,596
A-02-06-16043	8/3/2007	Administrative Costs Claimed by the New Jersey Department of Labor, Division of Disability Determination Services	\$3,342
A-07-07-17034	8/31/2007	Underpayments on Prior Supplemental Security Income Records	\$169,730,993
A-09-07-17066	8/31/2007	Improper Payments Resulting from the Annual Earnings Test	\$348,680,140
A-15-08-28046	8/31/2007	Management Advisory Report: Defense Contract Audit Agency's Audit of Lockheed Martin Services, Inc., Incurred Costs for Calendar Year Ending December 31, 2005 (Limited Distribution)	\$1,940,162
A-04-07-27153	9/5/2007	Management Advisory Report: Adequacy of the Administrative Practices in the Atlanta North Office of Disability Adjudication and Review (Limited Distribution)	\$386,261
A-01-07-27029	9/24/2007	Administrative Finality in the Old-Age, Survivors and Disability Insurance Program	\$140,533,069
A-07-07-17104	9/24/2007	Contract with I. Levy and Associates for Development and Implementation of the Electronic Folder Interface at Disability Determination Services	\$6,845
A-77-07-00012	9/24/2007	Management Advisory Report: Single Audit of the Commonwealth of Pennsylvania for the Fiscal Year Ended June 30, 2006	\$64,177
A-77-07-00013	9/24/2007	Management Advisory Report: Single Audit of the State of Arizona for the Fiscal Year Ended June 30, 2006	\$7,363
A-15-07-16034	9/28/2007	Follow-Up Audit: Indirect Costs for the Connecticut Disability Determination Services for the Period July 1, 2003 through June 30, 2005	\$412,986
TOTAL			\$1,238,280,696



Reports with Funds Put to Better Use			
October 1, 2006 – September 30, 2007			
Audit Number	Issue Date	Report	Dollar Amount
A-01-06-16054	10/27/2006	Follow up on the Social Security Administration's Procedures to Identify Representative Payees Who Are Deceased	\$25,504,667
A-01-06-26105	11/14/2006	Supplemental Security Income Recipients Whose Medicare Benefits Were Terminated Due to Death	\$237,103
A-04-05-15133	11/22/2006	Title II Disability Insurance Benefits with a Workers' Compensation Offset	\$83,144,832
A-01-06-26131	12/11/2006	Title II Beneficiaries in England	\$17,628
A-01-06-21093	12/20/2006	Childhood Continuing Disability Reviews and Age 18 Redeterminations	\$105,552,612
A-07-05-15094	12/21/2006	Impact of Statutory Benefit Continuation on Disability Insurance Benefit Payments Made During the Appeals Process	\$44,997,323
A-09-06-26086	1/8/2007	Government Pension Offset Exemption for Texas School Districts' Employees	\$2,537,391,759
A-02-06-25141	3/23/2007	Direct Deposits for Multiple Title XVI Recipients into the Same Bank Account	\$264,390
A-06-06-16117	3/26/2007	Administrative Costs Claimed by the Commonwealth of Puerto Rico Disability Determination Program	\$1,107,250
A-04-06-16053	3/30/2007	Administrative Costs Claimed by the Tennessee Disability Determination Services	\$6,564,835
A-01-07-27122	5/14/2007	Adjustment of Widow's Insurance Benefits at Full Retirement Age	\$137,808,597
A-05-06-16118	5/22/2007	Administrative Costs Claimed by the Illinois Disability Determination Services	\$807,851
A-07-07-17033	5/24/2007	Contract for the Migration of I. Levy Software at Disability Determination Services (Limited Distribution)	\$3,000
A-09-06-16120	5/30/2007	Administrative Costs Claimed by the Idaho Disability Determination Services	\$876,476
A-13-06-16031	6/22/2007	Cross-Program Recovery of Benefit Overpayments	\$6,147,424
A-13-06-16121	6/27/2007	Administrative Costs Claimed by the West Virginia Disability Determination Services	\$1,503,361
A-09-07-17063	7/3/2007	An Individual Representative Payee for the Social Security Administration in the San Francisco Region	\$36,198
A-02-06-16043	8/3/2007	Administrative Costs Claimed by the New Jersey Department of Labor, Division of Disability Determination Services	\$5,800,583
A-09-07-17066	8/31/2007	Improper Payments Resulting from the Annual Earnings Test	\$116,226,713
A-01-07-27029	9/24/2007	Administrative Finality in the Old-Age, Survivors and Disability Insurance Program	\$49,767,698
TOTAL			\$3,123,760,300



Appendix C: Reporting Requirements Under the Omnibus Consolidated Appropriations Act for FY 1997

To meet the requirements of the *Omnibus Consolidated Appropriations Act of 1997*, P.L. 104-208, we are providing requisite data for FY 2007 from the Offices of Investigations and Audit in this report.

OFFICE OF INVESTIGATIONS

We are reporting over \$36 million in SSA funds as a result of our investigative activities in this reporting period. These funds are broken down in the table below.

Investigative Activities					
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Total
Court Ordered Restitution	\$7,012,788	\$ 8,102,954	\$6,863,938	4,455,946	\$26,435,626
Recoveries	\$11,082,762	\$ 10,762,718	\$12,069,915	\$10,166,381	\$44,081,776
Fines	\$225,727	\$559,120	\$1,006,516	\$1,305,748	\$3,097,111
Settlements/ Judgments	\$212,252	\$309,836	\$115,600	\$95,624	\$733,312
TOTAL	\$18,533,529	\$ 19,734,628	\$20,055,969	\$16,023,699	\$74,347,825

OFFICE OF AUDIT

SSA management has informed us that it has completed implementing recommendations from 17 audit reports during this time period valued at over \$320 million.

ADMINISTRATIVE COSTS CLAIMED BY THE NEW JERSEY DEPARTMENT OF LABOR, DIVISION OF DISABILITY DETERMINATION SERVICES (NJ-DDS) (A-02-06-16043, 8/3/2007)

We recommended that responsible SSA Headquarters' components, the Regional Office's Center for Disability and NJDDS personnel work together to determine the appropriateness of the movement of ASAP funds between FYs. The implemented value of this recommendation is \$5,797,572.

ADMINISTRATIVE COSTS CLAIMED BY THE NEW JERSEY DEPARTMENT OF LABOR, DIVISION OF DISABILITY DETERMINATION SERVICES (A-02-06-16043, 8/3/2007)

We recommended that SSA verify the adjustment of \$3,011 of Nonpersonnel Service Costs representing mailgram expenses incurred in FY 2005 but charged to FY 2004.



ADMINISTRATIVE COSTS CLAIMED BY THE WEST VIRGINIA DISABILITY DETERMINATION SERVICES (WV-DDS) (A-13-06-16121, 6/27/2007)

We recommended that SSA require the WV DDS to provide supporting documentation or withdraw funding authority of \$508,147, \$339,639, and \$655,575 for FYs 2003 through 2005, respectively, for the unsupported obligations.

ADMINISTRATIVE COSTS CLAIMED BY THE IDAHO DISABILITY DETERMINATION SERVICES (ID-DDS) (A-09-06-16120, 5/30/2007)

We recommended that SSA ensure the ID DDS establishes a fee schedule for medical costs. The fees may not exceed the highest rate paid by Federal or other State agencies for the same or similar types of service. The implemented value of this recommendation is \$876,476.

ADMINISTRATIVE COSTS CLAIMED BY THE ILLINOIS DISABILITY DETERMINATION SERVICES (A-05-06-16118, 5/22/2007)

We recommended that SSA reduce DDS funding authorizations when they are no longer needed to make disability determinations. Rescinding excess funding authorization decreases the risk of funds being spent on expenditures not related to the proper FY. The implemented value of this recommendation is \$807,581.

ADMINISTRATIVE COSTS CLAIMED BY THE TENNESSEE DISABILITY DETERMINATION SERVICES (TN-DDS) (A-04-06-16053, 3/30/2007)

We recommended that SSA require that the TN-DDS review the unliquidated FYs 2003 and 2004 expenditures, totaling \$135,555 and make appropriate adjustments.

CHILDHOOD CONTINUING DISABILITY REVIEWS AND AGE 18 REDETERMINATIONS (A-01-06-21093, 12/20/2006)

We recommended that SSA conduct childhood CDRs at least every 3 years for children under age 18 whose impairments are likely to improve in accordance with *the Act's* provisions. We also recommended that SSA conduct age-18 redeterminations by the time recipients attain age 20. The implemented recommendation is valued at \$105,552,612.

TITLE II BENEFICIARIES IN ENGLAND (A-01-06-26131, 12/11/2006)

We recommended that SSA terminate benefits for two Title II beneficiaries based upon our review. The implemented value of this recommendation is \$17,628.

TITLE II DISABILITY INSURANCE BENEFITS WITH A WORKERS' COMPENSATION OFFSET (A-04-05-15133, 11/22/2006)

We recommended that SSA determine whether assigning WC offset cases only to technicians specialized in this workload would be cost-effective and improve payment accuracy. The implemented value of this recommendation is \$83,144,832.



FOLLOW UP ON THE SOCIAL SECURITY ADMINISTRATION'S PROCEDURES TO IDENTIFY REPRESENTATIVE PAYEES WHO ARE DECEASED (A-01-06-16054, 10/27/2006)

We recommended that SSA ensure the needs of the remaining beneficiaries and recipients in OIG's population are being met and that all deceased payees are replaced with new payees. The implemented value of this recommendation is \$25,504,667.

IMPROPERLY PAID LUMP-SUM DEATH PAYMENTS (A-08-05-25145, 8/18/2006)

We recommended that SSA remedy weaknesses within Modernized Claims System (MCS), Manual Adjustment, Credit and Award Processing (MADCAP) System and the Title II Processing System that allow Lump-Sum Death Payments to be paid when recoverable overpayments exist. The implemented value of this recommendation is \$570,597.

BENEFICIARIES PAID UNDER MORE THAN ONE SOCIAL SECURITY NUMBER (A-01-06-26022, 8/10/2006)

We recommended that SSA continue to work with OI on cases identified during our audit and assess overpayments where appropriate. The implemented recommendation is valued at \$849,983.

BENEFITS PAID TO DUALY ENTITLED TITLE II BENEFICIARIES (A-01-06-26004, 8/7/2006)

We recommended that SSA review the remaining 1,360 cases to ensure that all overpayments are identified, recorded and pursued for recovery. The implemented value of this recommendation is \$14,653,420.

MATCH OF VETERANS AFFAIRS' HISTORICAL DEATH FILE AGAINST THE SOCIAL SECURITY ADMINISTRATION'S BENEFIT ROLLS (A-01-05-35086, 6/14/2006)

We recommended that SSA review the remaining 1,167 cases in our audit population in which it appears payments may have been issued after death. The implemented value of this recommendation is \$1,940,796.

ADMINISTRATIVE COSTS CLAIMED BY THE TEXAS DISABILITY DETERMINATION SERVICES (A-06-06-16008, 3/23/2006)

We recommended that SSA deobligate \$40,157 from the FY 2004 Form SSA-4513.

THE SOCIAL SECURITY ADMINISTRATION'S CONTROLS OVER THE SUSPENSION OF TITLE XVI OVERPAYMENT COLLECTION EFFORTS (A-04-04-24029, 4/12/2005)

We recommended that SSA issue a reminder and, if necessary, further guidance to SSA debt collection staff requiring that they fully develop and document overpayment suspension decisions, as required by SSA policy. The implemented recommendation is valued at \$75,760,500.

ASSESSMENT OF THE ENUMERATION AT ENTRY PROCESS (A-08-04-14093, 3/15/2005)

We recommended that SSA continue to work with the State and DHS to resolve data compatibility issues, including name standardization. The implemented recommendation is valued at \$3,285,960.



Appendix D: Significant Management Decisions With Which the Inspector General Disagrees

ADMINISTRATIVE FINALITY IN THE OLD-AGE, SURVIVORS AND DISABILITY INSURANCE PROGRAM (OASDI) (A-01-07-27029, 9/24/2007)

Recommendation: We encouraged the Agency to consider making revisions to its rules and regulations that will permit changes to the ongoing OASDI benefit payments whenever errors are discovered.

Agency Response: SSA disagreed. Any changes in the existing rules would need to be carefully weighed to determine the potential impact of any changes on both the beneficiaries and the Agency. At this time SSA does not agree that it would be in the Social Security program's best interest to perform ongoing OASDI benefit recalculations, as to do so would require additional administrative resources and/or the deferral of other Agency work. Section 205(c) of the *Social Security Act* (and implementing regulations at 20 CFR 404.820ff) limits the circumstances in which earnings records from past years may be revised downward. This, in turn, may limit the ability of SSA in many cases to make the sorts of downward adjustments in benefit amounts that are intended in the recommendation. It may be that, in the absence of a statutory change to section 205(c), the impact of the recommendation with respect to SSA's regulatory administrative finality policy may be limited.



Appendix E: Collections From Investigations and Audits

The *Omnibus Consolidated Appropriations Act of 1997* (P.L. 104-208) requires us to report additional information concerning actual cumulative collections and offsets achieved as a result of OIG activities each semiannual period.

OFFICE OF INVESTIGATIONS

Total Restitution Reported by DOJ as Collected for SSA			
FY	Total Number of Individuals Assigned Court Ordered Restitution	Court Ordered Restitution for This Period	Total Restitution Collected by DOJ
2005	661	\$22,292,757	\$1,753,601
2006	578	\$18,817,909	\$1,447,402
2007 ¹	655	\$26,435,626	\$898,764
TOTAL	1,894	\$67,546,292	\$4,099,767

¹Reflects collection for October 1, 2006– June 30, 2007

Recovery Actions Based on OI Investigations		
FY	Total Number of Recovery Actions Initiated	Amount for Recovery
2005	1,686	\$30,908,777
2006	1,865	\$35,492,314
2007 ¹	2,514	\$44,081,776
TOTAL	6,065	\$110,482,867

¹Reflects data for October 1, 2006– September 30 2007



OFFICE OF AUDIT

The following chart summarizes SSA's responses to our recommendations for the recovery or redirection of questioned and unsupported costs. This information is prepared in coordination with SSA's management officials and is current as of September 30, 2007.

SSA's Responses to OIG's Recommendations						
Recovery or Redirection of Questioned and Unsupported Costs						
FY	Reports with Questioned Costs	Questioned/Unsupported Costs	Management Concurrence	Amount Collected or to be Recovered	Amount Written-Off/Adjustments	Balance
2005	24	\$374,930,433	\$363,916,161	\$173,530,234	\$120,328,421	\$75,538,490
2006	24	\$1,373,740,596	\$1,245,415,125	\$1,226,721,695	\$129,567,145	\$17,451,756
2007	36	\$1,238,280,696	\$210,172,161	\$208,745,191 ¹	\$360,720,476	\$669,427,392
TOTAL	84	\$2,986,951,725	\$1,819,503,447	\$1,608,997,120	\$610,616,042	\$762,417,638

¹This amount includes \$612,363 in collected funds that were contained in the report, *Indirect Cost for the Connecticut Disability Determinations Service for the Period July 1, 2003 through June 30, 2005 (A-15-07-16034, 9/28/07)*. Corrective action was taken on initial audit, *Indirect Cost Clasimed by the Connecticut Disability Determinations Service (A-15-03-23041, 9/07/04)* and the indirect cost was returned.



Appendix F: Significant Monetary Recommendations From Prior FYs for Which Corrective Actions Have Not Been Completed

IMPACT OF STATUTORY BENEFIT CONTINUATION ON SUPPLEMENTAL SECURITY INCOME PAYMENTS MADE DURING THE APPEALS PROCESS (A-07-05-15095, 5/10/2006)

Recommendation: Enhance the business process to allow more timely decisions on medical cessation appeals.

Valued at: \$158,778,983 in funds put to better use.

Agency Response: SSA agreed with the recommendation.

Corrective Action: Enhancing the business process may allow for improved stewardship and more timely decisions regarding Supplemental Security Income (SSI) cessation cases and benefit continuation during the appeal period. SSA intends to decrease processing time in all disability appeals through the implementation of eDib and the new disability regulations.

Processing times reflected in the report indicate that SSA is following the regulations and ALJs are following HALLEX guidelines that include assignment of continuing benefit disability cessation cases as 7th of 11 categories of priority cases they may be processing. There are significant reasons for the categorization of these priorities and SSA cannot justify moving this category of cases ahead of the others. Although SSA recognizes its responsibility to stewardship, the Agency must at times balance that against service obligations. Therefore, at this time SSA is not in a position to support segregating cases that are receiving benefit continuation and processing those cases first.

Recommendation: Remind SSA components of the proper procedures for terminating SSI benefits following medical cessation decisions.

Valued at: \$13,869,533 in funds put to better use.

Agency Response: SSA agreed with the recommendation.

Corrective Action: SSA will remind the appropriate components of the proper procedures for terminating SSI benefits following medical cessation decisions. Also, it should be noted that SSA implemented systems enhancements in January and April 2004 which automatically handle payment termination in Statutory Benefit Continuation cases with the former Office of Hearings and Appeals (OHA) or Disability Determination Service (DDS) involvement, respectively. When the termination decision is received from the DDS or ALJ, the SSI system automatically terminates the benefit continuation according to established guidelines. Manual intervention is not required. In addition, systems controls are in place to ensure that these cases can be tracked.



Appendix G: Significant Non-Monetary Recommendations From Prior FYs for Which Corrective Actions Have Not Been Completed

THE SOCIAL SECURITY ADMINISTRATION'S PROGRAM FOR ISSUING REPLACEMENT SOCIAL SECURITY CARDS TO PRISONERS (A-08-06-16025, 7/13/2006)

Recommendation: Perform a review at each prison with which it is considering executing a Memorandum of Understanding (MOU) to ensure its procedures for establishing prisoner identity are sufficient to ensure SSN integrity and compliance with the intent of the Intelligence Reform and Terrorism Prevention Act of 2004.

Agency Response: SSA agreed with the recommendation. The Agency has formed a workgroup to address this recommendation and other issues dealing with the enumeration of prisoners. The workgroup will provide the appropriate support to implement this recommendation.

Corrective Action: In January 2007, SSA employees visited a Federal prison in Petersburg, Virginia to observe the prisoner intake process and discuss the types of documents used to identify a Federal prisoner. Based on this visit, the workgroup agreed on a prisoner enumeration process covering all Federal facilities. The Agency has made significant progress in completing an MOU with the Bureau of Prisons. The workgroup will soon reconvene to develop policy and procedures covering State and local facilities.

Recommendation: Require that field offices perform annual onsite reviews of prison procedures for submitting prisoner replacement SSN applications and required evidence and take corrective action as needed.

Agency Response: SSA agreed with the recommendation.

Corrective Action: SSA agreed in principle that periodic onsite reviews of prisons would be a good idea. The prisoner enumeration workgroup is investigating this issue to determine what is practicable given the limited resources in the regional and field offices.



GLOSSARY OF ACRONYMS

Abbreviation	Definition
AET	Annual Earnings Test
CDI	Cooperative Disability Investigations
CMP	Civil Monetary Penalty
CY	Calendar Year
DCN	Double Check Negotiation
DDS	Disability Determination Services
DHS	Department of Homeland Security
DOJ	Department of Justice
DOL	Department of Labor
ECIE	Executive Council on Integrity and Efficiency
EDD	Employee Development Department
EEO	Earnings Enforcement Operation
EVS	Employee Verification System
FBI	Federal Bureau of Investigation
FECA	Federal Employees Compensation Act
FEMA	Federal Emergency Management Agency
FRA	Full Retirement Age
FY	Fiscal Year
IO	Immediate Office
IRS	Internal Revenue Service
IT	Information Technology
MBR	Master Beneficiary Record
MEF	Master Earnings File
MOU	Memorandum of Understanding
OA	Office of Audit
OASDI	Old-Age, Survivors, and Disability Insurance
OCCIG	Office of the Chief Counsel to the Inspector General
ODISP	Office of Disability and Income Security Programs



Abbreviation	Definition
OI	Office of Investigations
OIG	Office of the Inspector General
OMB	Office of Management and Budget
OQAPR	Office of Quality Assurance and Professional Responsibility
ORM	Office of Resource Management
PCIE	President's Council on Integrity and Efficiency
PII	Personally Identifiable Information
PTSD	Post-Traumatic Stress Disorder
QDD	Quick Disability Determinations
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security Number
SSNVS	Social Security Number Verification Service
<i>the Act</i>	<i>Social Security Act</i>
USAO	United States Attorney's Office
VA	Department of Veterans Affairs



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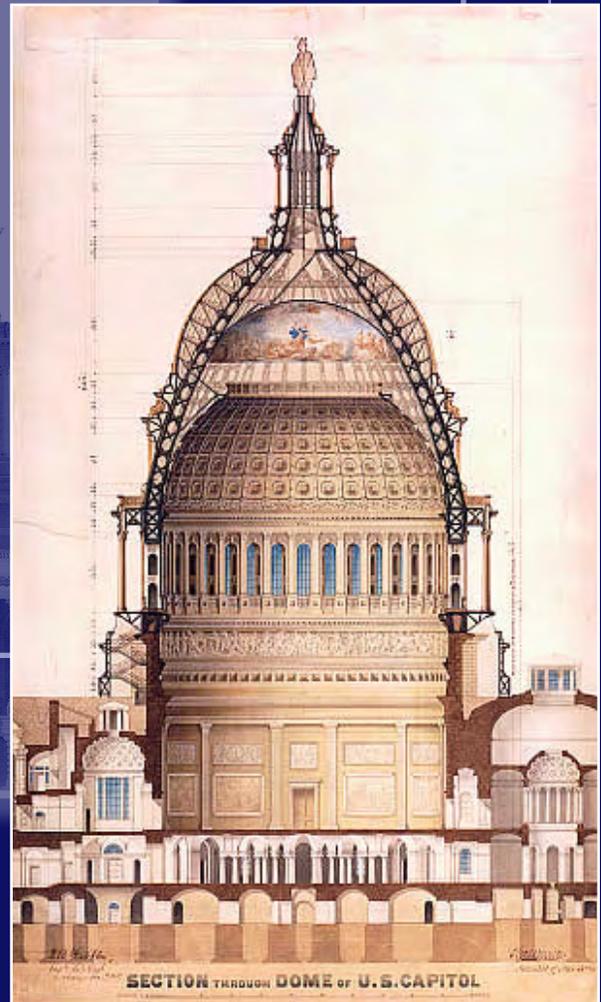
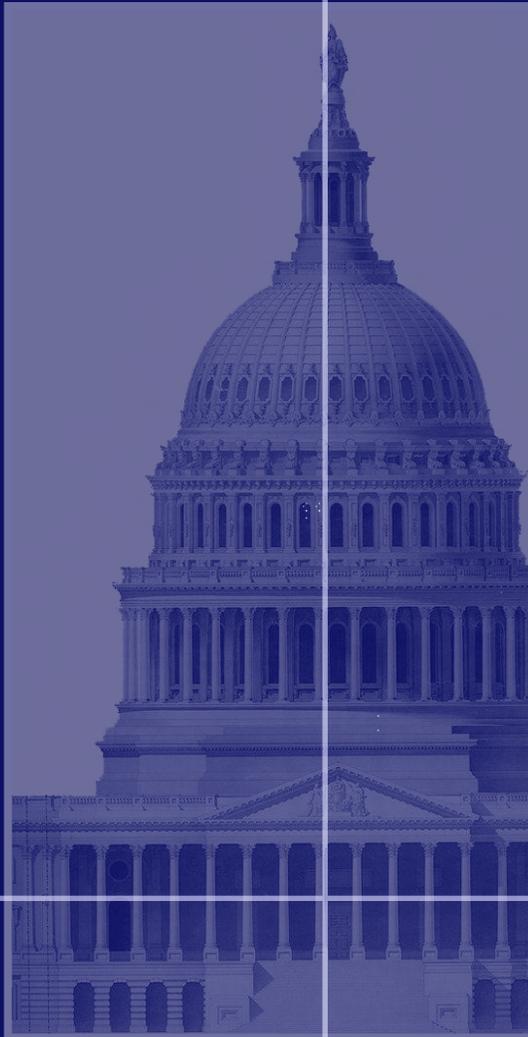
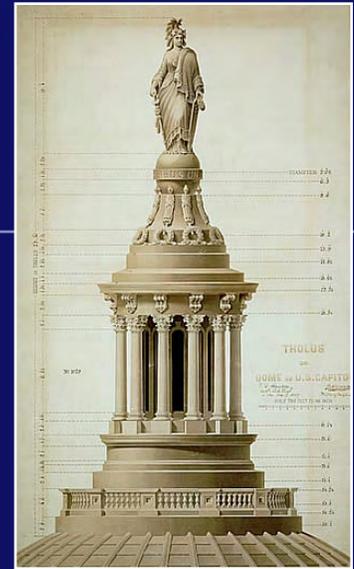
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