

# Report Summary

Social Security Administration Office of the Inspector General

July 2012



## Objective

To determine whether the Social Security Administration (SSA) had adequate controls to ensure death information for Title II deceased beneficiaries was recorded on the Numident.

## Background

To identify and prevent erroneous payments to deceased beneficiaries, SSA matches reports of death received from Federal, State, and local agencies against its electronic payment records. SSA records death information on the Numident, a master file that contains personally identifiable information (PII) for each individual issued a Social Security number. Finally, SSA uses death information from the Numident to (1) create the Death Master File (DMF), (2) determine whether wages are erroneous during the Annual Wage Reporting process, and (3) allow employers to determine the eligibility of newly hired employees to work in the United States through E-Verify.

To view the full report, visit <http://oig.ssa.gov/audits-and-investigations/audit-reports/A-09-11-21171>

## *Title II Deceased Beneficiaries Who Do Not Have Death Information on the Numident (A-09-11-21171)*

### Our Findings

SSA needs to improve its controls to ensure it records beneficiaries' death information on the Numident. Specifically, we determined that SSA did not record death information on the Numident for approximately 1.2 million deceased beneficiaries. As a result, as many as

- 1.2 million deceased beneficiaries were not on the DMF,
- 681 deceased beneficiaries had earnings on the Master Earnings File that were recorded 1 or more years after their deaths, and
- 23 employers made 30 E-Verify inquiries for 23 deceased beneficiaries and did not receive any indication that these individuals were deceased.

Generally, the deaths were not on the Numident because the beneficiaries' PII on SSA's payment records or death report did not match the beneficiaries' PII on the Numident. We also found that SSA staff incorrectly deleted death information of deceased beneficiaries from the Numident.

### Our Recommendations

We recommended that SSA:

1. Analyze its death processing systems to ensure it records death information on the Numident and determine whether it can efficiently correct any of the 1.2 million beneficiary records identified by our audit.
2. Develop a cost-effective method for identifying deceased beneficiaries who have death information on the Master Beneficiary Record (MBR) but not on the Numident. This could involve periodic matches between the MBR and Numident to detect and correct missing death information.

SSA agreed with all our recommendations.