

Overpayments in the Social Security Administration's Disability Programs—A 10-Year Study

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Office of Audit Report Summary

Objective

To study 1,532 beneficiaries who received disability benefits in October 2003 to determine the amount of overpayments in the Social Security Administration's (SSA) disability programs between October 2003 and February 2014 (just over a 10-year period).

Background

We selected for review a sample of 1,532 beneficiaries from a file of 8.9 million beneficiaries who were receiving disability payments in October 2003.

We originally reviewed these 1,532 cases for an April 2006 audit.

Conclusions

Our review of 1,532 beneficiaries in current pay status as of October 2003 found that over a 10-year period (from October 2003 through February 2014), SSA assessed overpayments for 44.5 percent of sampled beneficiaries. Based on the sample, we estimated

- SSA assessed overpayments totaling about \$16.8 billion between October 2003 and February 2014 for approximately 4 million beneficiaries who were in current payment status in October 2003;
- SSA recovered about \$8.1 billion of the \$16.8 billion in overpayments it assessed; and
- SSA prevented about \$8 billion in overpayments between October 2003 and February 2014 to approximately 1 million beneficiaries in current pay status in October 2003 by suspending monthly payments.

Additionally, the overpayment rate in Fiscal Year 2004 was 3.1 percent of all benefits paid that year.

SSA reviewed the draft report and provided technical comments regarding unavoidable overpayments related to medical improvement, which we incorporated into the body of this report.