

# Direct Deposit Changes by Social Security Administration 800-number Staff

## 012401



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Office of Audit Report Summary

### Objective

To determine whether direct deposit changes initiated by 800-number staff were authorized by Social Security beneficiaries.

### Background

The Social Security Administration (SSA) has a national 800-number that handles calls from the public. Before April 14, 2025, staff could change an individual's direct deposit over the telephone by asking the caller to confirm certain personally identifiable information.

We identified 3,109 beneficiaries who had direct deposit changes by 800-number staff from October through December 2023, followed by a non-receipt of benefits, followed by another direct deposit change. We randomly selected 200 beneficiaries and quantified the amount of benefits misdirected because of unauthorized direct deposit changes.

We also identified 74,916 beneficiaries who had direct deposit changes initiated by 800-number staff from October 1 to 30, 2024. We randomly selected 225 beneficiaries and listened to recorded calls to determine whether SSA employees appropriately verified caller identities before changing beneficiaries' direct deposit information.

### Results

Social Security beneficiaries did not always authorize direct deposit changes initiated by 800-number staff. We estimated \$2.2 million for approximately 1,197 beneficiaries had been misdirected because of unauthorized direct deposit changes from October through December 2023. As of April 2025, we estimated SSA had not recovered approximately \$2 million of the \$2.2 million.

For the sample cases with direct deposit changes between October and December 2023, we could not confirm whether SSA followed policy regarding the verification of callers' identities for these misdirected benefit payments because SSA no longer had the recorded calls related to these direct deposit changes. Additionally, we found 19 beneficiaries—including 2 who were deceased—had not received replacement payments as of April 2025.

For the sample cases with direct deposit changes in October 2024, we found SSA staff did not always appropriately verify the identities of callers to the 800-number. We estimated SSA did not appropriately verify the identities of 25,638 callers who contacted the Agency in October 2024 before changing the beneficiaries' direct deposit information. Although SSA had announced plans to revise its policy, we issued an early alert memorandum to SSA in March 2025 to inform the Agency that 800-number staff did not always follow policy to verify a caller's identity before making a direct deposit change.

In April 2025, SSA revised its policy for direct deposit changes over the telephone. We believe this new policy will help reduce the risk of 800-number employees inappropriately verifying the identities of callers before making direct deposit changes because it limits how changes can be made over the telephone. In addition, it requires stronger identity proofing and authentication for direct deposit changes.

SSA plans to continue to develop its new process to ensure staff adhere to access and disclosure concerns as well as policy and procedure guidelines.