



Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: July 3, 2024

Refer To: 032316

To: Gina Clemons
Deputy Commissioner
Office of Analytics, Review, and Oversight

From: Michelle L. Anderson *Michelle L. Anderson*
Assistant Inspector General for Audit

Subject: Widow(er)s at or Beyond Full Retirement Age

We reviewed mother/father and disabled widow(er) beneficiaries who were at, or beyond, full retirement age (FRA) as of February 2024 to determine whether SSA had appropriately converted their benefit type to widow(er)s. We identified 757 widow(er)s who were not converted. As a result, the Social Security Administration (SSA) may be underpaying these beneficiaries.

In lieu of a report, we are issuing this memorandum to inform SSA of these beneficiaries. We are not making a formal recommendation for corrective action; the Agency can act in response to this information as it deems appropriate.

BACKGROUND

Under the Old-Age, Survivors, and Disability Insurance program,¹ to be entitled to mother/father or surviving divorced mother/father benefits, a deceased numberholder's widow(er) or surviving divorced wife/husband must be caring for the numberholder's entitled child.^{2,3} The

¹ 42 U.S.C. §§ 401, 402(g)(1), 423; 20 C.F.R. §§ 404.339, 340.

² SSA, *POMS*, RS 00208.001 A (February 23, 2012) and RS 00208.010 A (February 23, 2012). A child in-care is a child beneficiary under age 16 for whom the mother/father exercises parental control and responsibility or a child beneficiary aged 16 or older with a disability and, depending on the disability, the mother/father exercises parental control and responsibility or performs personal services. SSA, *POMS*, RS 01310.001 (January 3, 2024).

³ A numberholder earns Social Security credits while working for wages or self-employment income. SSA, *Glossary of Social Security Terms*. SSA.gov (May 20, 2024). For the remainder of this memorandum, we use the term "mother/father" to include surviving divorced mother/father.

mother/father benefit is 75 percent⁴ of the numberholder's primary insurance amount (PIA).⁵ According to SSA policy, SSA must convert mother/father benefits to widow(er) benefits when the beneficiary attains FRA and meets the conditions for entitlement to widow(er)'s benefits or surviving divorced wife/husband benefits.⁶ Generally, when a mother/father attains FRA, SSA's Title II Redesign system automatically converts the mother/father benefit to widow(er)'s benefits, if the numberholder is fully insured and the mother/father's age is proven.⁷ Where the first month of entitlement to widower(s) benefits is the month of attainment of FRA or later, the widow(er)'s benefit is equal to 100 percent⁸ of the decedent's PIA except where the deceased numberholder was at any time entitled to a reduced retirement insurance benefit or was eligible for the delayed retirement credit.⁹

Under the Old-Age, Survivors, and Disability Insurance program,¹⁰ a deceased numberholder's widow(er) must have a disability that began within the prescribed period and have attained age 50, but not yet attained age 60, to be entitled to disabled widow(er) or disabled surviving divorced wife/husband benefits.¹¹ Generally, SSA does not reduce disability benefits based on the beneficiaries' age; however, disabled widow's benefits are reduced for age. When a widow(er) attains FRA, SSA converts those benefits to reduced aged widow(er)'s benefits¹² and SSA generally processes the conversion through its Title II Redesign system.¹³

⁴ Mother/father and surviving divorced mother/father benefits are subject to the family maximum provision limit. SSA, *POMS*, RS 00208.015 A (March 27, 2012). The *Social Security Act* limits the amount of monthly benefits SSA can pay on any one record. 42 U.S.C. § 403(a) and SSA, *POMS*, RS 00615.730 (September 16, 2002).

⁵ SSA uses the PIA to determine cash-benefit amounts. These benefit amounts include monthly benefits to the numberholder and benefits for dependents and survivors. SSA, *Social Security Handbook, Primary Insurance Amount (PIA) as Basic Figure*, ch. 700 (July 30, 2007).

⁶ SSA, *POMS*, RS 00208.085 (October 24, 2014). For this review, we identified mothers/fathers entitled on the record of fully insured numberholders. For the remainder of this memorandum, we use the term "widow(er)'s" to include surviving divorced wives/husbands.

⁷ SSA *POMS*, RS 00208.085 A (October 24, 2014).

⁸ The original benefit is subject to reduction for the family maximum for the widow(er). SSA, *POMS*, RS 00615.301 A.3 (December 5, 2023). However, the benefit of a surviving divorced wife/husband is not subject to reduction for the family maximum. SSA, *POMS*, RS 00207.002 A (September 15, 2023) and RS 00615.682 (September 16, 2002).

⁹ SSA, *POMS*, RS 00207.002 (September 15, 2023). A delayed retirement credit is an increase in the monthly benefit amount due a retired numberholder or their widow(er) for each month beginning with FRA that a benefit is due but not paid. SSA, *POMS*, RS 00615.690 A.1 (December 6, 2023).

¹⁰ 42 U.S.C. §§ 401, 402(e)(1), (f)(1); 20 C.F.R. §§ 404.335(c), 336(c).

¹¹ SSA, *POMS*, RS 00615.310 (September 16, 2002). For the remainder of this memorandum, we use the term "disabled widow(er)" to include disabled surviving divorced wife/husband.

¹² SSA, *POMS*, RS 00615.310 (September 16, 2002) and RS 00207.001 A.3 (September 11, 2023).

¹³ SSA, *POMS*, RS 00207.005 G (September 8, 2023).

Some beneficiaries are dually entitled to disability benefits based on their own earnings and disabled widow(er)'s benefits based on their deceased spouse's earnings.¹⁴ For dually entitled beneficiaries, if the disabled widow(er)'s benefits started when the disability benefits began or later, SSA adjusts the widow(er)'s benefits and eliminates the reduction for age¹⁵ when it awards the retirement benefits.¹⁶

MOTHERS AND FATHERS ENTITLED TO WIDOW(ER)'S BENEFITS

We identified 40 mothers/fathers who were at, or beyond, FRA and were potentially eligible for benefits as widow(er)s. For example, in one instance, SSA paid a surviving divorced mother benefits because she had a disabled child in her care. This beneficiary attained FRA in February 2019 and should have begun receiving 100 percent of her former spouse's PIA instead of the 75 percent she was receiving as a surviving divorced mother.¹⁷ We estimate this beneficiary has been underpaid over \$55,000 for February 2019 through March 2024. Furthermore, monthly underpayments will continue until SSA converts her benefit type and appropriately adjusts her benefit rates.

As of March 2024, SSA had converted 2 of the 40 beneficiaries to widow(er)s and assessed an underpayment for 1 of the 2 beneficiaries.¹⁸ SSA did not assess an underpayment for the other beneficiary it converted; however, we estimated SSA potentially underpaid this beneficiary over \$7,000 from October 2022 to March 2024. Furthermore, monthly underpayments will continue until SSA appropriately adjusts her benefit rate.¹⁹

We did not review the other 37 mothers/fathers to calculate any potential underpayments. We did not determine why SSA did not convert the beneficiaries to widow(er) benefits at FRA.

DISABLED WIDOW(ER)S ENTITLED TO WIDOW(ER)'S BENEFITS

We identified 717 disabled widow(er)s who were at, or beyond, FRA. Of the 717:

- 476 became entitled to disabled widow(er)'s benefits as of the same month or after they became entitled to disability benefits on their own record and could be entitled to higher widow(er)'s benefits at FRA;

¹⁴ SSA, *POMS*, RS 00615.020 (December 5, 2023).

¹⁵ Generally, widow(er)'s benefits are reduced if entitlement begins before the month they attain FRA. 20 C.F.R. § 404.410.

¹⁶ SSA, *POMS*, RS 00615.350 C (December 15, 2023).

¹⁷ The surviving divorced mother was married to the deceased numberholder for more than 10 years before their divorce.

¹⁸ SSA converted one of the beneficiaries from mother's/father's benefits to aged widow's benefits and paid the beneficiary an underpayment of \$2,821 in March 2024.

¹⁹ While SSA converted the benefit type from mother's/father's benefit to widow's benefit, SSA did not adjust her benefit rate. Instead SSA staff determined no action was needed because SSA converted her benefit type to widow. As of March 2024, this widow received a monthly benefit of \$1,217. We estimate her new monthly benefit amount to be \$1,633. Therefore, this widow is potentially entitled to an additional \$416 per month in widow's benefits.

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- 74 became entitled to disabled widow(er)s benefits before their dual entitlement to disability benefits on their own record; and
- 167 were not dually entitled to disability benefits on their own records.

SSA may need to adjust widow(er)'s benefits and eliminate the reduction for age when it awards retirement benefits. For example, a disabled widow became entitled to disability benefits on her own record in December 1990 and disabled widow's benefits in October 2014. The widow attained FRA in November 2022 but SSA did not convert her disability benefits to retirement benefits nor did the Agency convert her disabled widow's benefits to widow's benefits. Since the beneficiary became entitled to disability benefits on her own earnings record before her disabled widow's benefits began, SSA should have eliminated the reduction for age when she attained FRA. We estimate the disabled widow could be entitled to over \$8,600 in additional benefits from November 2022 to March 2024 if SSA eliminated the reduction for age. Furthermore, monthly underpayments will continue until SSA adjusts her benefits.

We did not review the other 475 disabled widow(er)s to calculate the underpayments potentially due them. For the remaining 241 disabled widow(er)s whose disability benefits began before their disabled widow(er)'s benefits or who were not entitled to disability benefits on their own records, SSA needs to update their benefits from disabled widow(er) to widow(er) in its systems; however, these beneficiaries would not be due additional benefits. We did not determine why SSA did not convert the 717 disabled widow(er)s to widow(er)s at FRA.

CONCLUSION

We believe SSA should review the records for these beneficiaries to determine whether they are due additional benefits. Our staff can coordinate with your staff and provide information on these beneficiaries.

If you wish to discuss this memorandum, please call me or have your staff contact Shirley Todd, Director, Program Audit Division 3.