

Accuracy of Critical Payments

042403



March 2026

Office of Audit Report Summary

Objective

To determine whether Social Security Administration (SSA) employees accurately processed critical payments.

Background

An SSA employee initiates a critical payment when an Old-Age, Survivors, and Disability Insurance beneficiary or representative payee alerts SSA of a critical case or special situation when SSA is not paying regular monthly benefits, additional benefits are due, or a beneficiary reports they did not receive a monthly benefit.

These include dire need, court orders, legislative mandates, and preliminary and expedited payments.

Before a field office employee issues a critical payment, they review various systems and records to determine whether a payment is due. If payment is due, they determine the payment amount and make all relevant deductions in the system. SSA uses a two-personal identification number to authorize critical payments. After one field office employee initiates the critical payment, another employee with an approver security role approves and issues the payment.

Processing center employees conduct post-payment reviews of all critical payments.

We reviewed a random sample of 175 critical payments from a population of 3,549 issued in Fiscal Year 2023 from 1 segment of the Master Beneficiary Record.

Results

SSA employees accurately processed 109 of the 175 sampled critical payments. However, when employees processed the remaining 66 payments, they made 70 processing errors. For 20 critical payments, the processing errors resulted in SSA improperly paying beneficiaries approximately \$78,000.

We could not determine why employees made these errors. However, based on our discussions with SSA subject-matter experts and review of related policies and procedures, we believe SSA's policy and procedures did not contain clear guidance to help employees ensure they considered all required actions when processing critical payments. Also, these errors could be minimized if SSA improves controls over employees' manual entries in the Critical Payment System.

We estimate SSA employees accurately processed about 44,000 (62 percent) of the 70,980 critical payments and did not accurately process about 27,000 (38 percent)—making over 28,000 errors when they processed the payments. About 2,800 of these errors resulted in the payments being incorrectly documented on beneficiaries' records. For the remaining errors, we estimate the following.

- Field office employees improperly paid approximately 6,900 beneficiaries about \$1 million, but processing center employees identified the special situations and deductions from payment calculations during their post-payment review and adjusted future benefits due.
- About 8,100 of these errors resulted in SSA improperly paying beneficiaries \$12 million because employees did not accurately adjust beneficiary records.
- SSA issued approximately 10,500 beneficiaries a *Form SSA-1099, Social Security Benefit Statement*, with a benefit total that was over- or understated by about \$14 million because employees did not manually adjust records for replacement checks.

Recommendations

We made seven recommendations for SSA to take appropriate actions on errors our audit identified and establish controls and update policy and procedures to prevent future errors. SSA agreed to implement our recommendations.