

Work Review Determinations for Disabled Beneficiaries

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Office of Audit Report Summary

Objective

To determine whether the Social Security Administration's (SSA) controls ensured work review determinations were accurate and supportable.

Background

The Old-Age, Survivors and Disability Insurance (OASDI) program provides disability benefits to eligible individuals who cannot engage in substantial gainful activity (SGA) because of a disabling condition. When a disabled beneficiary works, SSA may conduct a work continuing disability review (CDR) to determine whether the beneficiary has engaged in SGA. During a work CDR, SSA evaluates a beneficiary's work for SGA and makes a work review determination. If SSA determines the beneficiary's work activity is SGA, it may suspend or terminate benefits.

The OASDI program includes work incentives for disabled beneficiaries to return to work. SSA identifies and applies work incentives during work CDRs, which require additional documentation and a more complex work review determination.

To process work CDRs, SSA employees use the eWork application. From eWork, we identified 63,550 beneficiaries who underwent work CDRs involving 1 of 3 incentives initiated from January 1, 2018 through December 31, 2019. We reviewed three random samples of beneficiaries, one for each type of incentive.

Results

SSA's controls did not ensure work review determinations were accurate and supportable. We estimate SSA made errors on work review determinations for more than 31,000 beneficiaries, which resulted in over \$553 million in questionable benefit payments.

The errors we identified occurred because (1) the controls in eWork do not adequately guide SSA employees when they apply work incentives; (2) eWork has limited functionality; and (3) certain work incentive policies and forms are unclear. SSA stated it has plans to replace eWork with a new system for work CDR processing but did not provide a clear timeline for implementation.

Recommendations

We made five recommendations for SSA, including taking corrective action on the errors we identified; incorporating controls and increased functionality in the system that will replace eWork; providing employees refresher training to properly monitor accurate completion of manual updates while increased automation efforts are pending; and updating policy and forms with clearer, specific instructions.

SSA agreed with our recommendations.