Recovery Efforts for Deceased Beneficiaries' Overpayments
032406

August 2026 **Office of Audit Report Summary**

Objective

To determine whether Social Security Administration (SSA) employees followed policy for recovering overpayments made to Old-Age, Survivors, and Disability Insurance beneficiaries who subsequently died with outstanding overpayment balances.

Background

When a beneficiary dies with an outstanding overpayment, SSA policy requires that employees pursue recovery using a specific priority adjustment, including the following.

- Withholding any underpayments due the deceased beneficiary.
- Withholding any lump-sum death payment payable on the same earnings record.
- Proposing benefit adjustments against contingently liable beneficiaries.
- Recovering from the deceased beneficiary's estate.

We identified 17,979 adult beneficiaries who died between December 2022 and December 2024 with approximately $240 million in outstanding overpayments. We reviewed a random sample of 125 deceased beneficiaries.

Results

Of the 125 beneficiaries we reviewed, SSA employees followed policy for recovering overpayments for 66 (53 percent). However, employees did not follow SSA's policies for recovering overpayments made to 59 (47 percent) beneficiaries who subsequently died. Specifically, SSA did not

- attempt recovery from 40 deceased beneficiaries' estates;
- process pending actions to attempt recovery from contingently liable individuals for 15 deceased beneficiaries' overpayments; or
- withhold lump-sum death payments from eligible survivors to offset 4 deceased beneficiaries' overpayments.

Based on our sample results, we estimate SSA could attempt recovery of outstanding overpayments totaling approximately $106 million that 8,486 deceased beneficiaries owed by applying its priority of overpayment adjustments.

Recommendations

We recommend SSA

1. Pursue recovery of the 10 deceased beneficiaries' overpayments from the contingently liable individuals identified in our review, as required by SSA policy and
2. Implement controls to ensure employees follow policy to attempt recovery of deceased beneficiaries' overpayments from estates, contingently liable beneficiaries, and lump-sum death payments.

SSA agreed to implement our recommendations.