

OIG

Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

Audit Report

Social Security Numbers on Notices
in the Online Retrieval System

A-02-13-13040 | September 2013

OIG Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: September 27, 2013

Refer To:

To: The Commissioner

From: Inspector General

Subject: Social Security Numbers on Notices in the Online Retrieval System (A-02-13-13040)

The attached final report presents the results of our audit. Our objective was to determine whether the Social Security Administration could limit the display of Social Security numbers on notices sent to beneficiaries that were maintained in the Agency's Online Retrieval System.

Please provide within 60 days a corrective action plan that addresses each recommendation. If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.



Patrick P. O'Carroll, Jr.

Attachment

Social Security Numbers on Notices in the Online Retrieval System

A-02-13-13040



September 2013

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) could limit the display of Social Security numbers (SSN) on notices sent to beneficiaries that were maintained in the Agency's Online Retrieval System (ORS).

Background

SSA sends about 350 million notices to beneficiaries each year. Many of these notices include SSNs and are stored in ORS. ORS allows SSA staff to review notices when beneficiaries contact SSA to discuss the notices they received. Through ORS, staff can view, reprint, send, and save notices addressed to beneficiaries.

Our Findings

SSA could limit the display of SSNs on the majority of new notices maintained in ORS and still reference notices by SSN in ORS. SSA could format notices without SSNs by using a 5-A record. While SSNs would be included as part of the notice file, allowing them to be referenced by SSN in ORS, the SSN would not be displayed on the printed notice that is mailed to a beneficiary.

SSA had not estimated the cost of removing SSNs from all notices maintained in ORS. It had only produced estimates on the cost of removing SSNs from some of the notices maintained in ORS. In FY 2012, SSA estimated it would incur 13 to 18 work years and pay \$2.3 to \$3.3 million to remove the SSNs from the 123 million notices formatted by Target Notice Architecture, a system that formats most of the notices originated by the different notice-generating programs. Additionally, SSA estimated it would incur over \$35 million in operational costs per year if it removed SSNs from notices because staff would need additional time to look up the SSNs of beneficiaries who contact SSA to discuss their notices but who do not know their SSNs.

Our Recommendations

1. Re-evaluate and document the assumptions used to develop the Agency's cost estimates to remove SSNs on notices.
2. Research cost-effective ways the Agency can limit SSNs on notices while still allowing for ORS' current functionality.

The Agency partially agreed with Recommendation 1 and fully agreed with Recommendation 2.

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ABBREVIATIONS

BNC	Beneficiary Notice Control Number
CMS	Centers for Medicare and Medicaid Services
COLA	Cost-of-Living Adjustment
ELLEN	Encapsulated Logic for Line-Advance File Presentation Encoded Notice
FISMA	<i>Federal Information Security Management Act</i>
IRS	Internal Revenue Service
OIG	Office of the Inspector General
OMB	Office of Management and Budget
OPSOS	Office of Public Service and Operations Support
ORS	Online Retrieval System
PII	Personal Identifiable Information
SSA	Social Security Administration
SSN	Social Security Number
TNA	Target Notice Architecture
VA	Department of Veterans Affairs
VBA	Veterans Benefits Administration
VHA	Veterans Health Administration

OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) could limit the display of Social Security numbers (SSN) on notices sent to beneficiaries that were maintained in the Agency's Online Retrieval System (ORS).

BACKGROUND

SSA sends about 350 million notices to beneficiaries each year. Per SSA, 191 million of the notices mailed annually include a full SSN. Many of these notices are stored in ORS (see Appendix B). Through ORS, staff can view, reprint, send, and save notices addressed to beneficiaries.

Notice Development

Notices SSA sends to the public and stores in ORS may originate from notice-generating programs operating in various SSA systems. The Target Notice Architecture (TNA) system formats most of the notices originated by the different notice generating programs. The notice generating programs provide TNA the text, language preference, and information for the notices. TNA uses this information to format the notices. TNA passes the formatted notices to the Encapsulated Logic for Line-Advanced Function Presentation Encoded Notice (ELLEN) system, which finalizes the notices for mailing.

Electronic copies of most mailed notices are stored in ORS, which allows SSA staff to retrieve notices should individuals contact SSA to discuss them. ORS references notices by the SSNs of the individuals whom SSA sent the notices or, in the case of notices sent to employers, by the Employer Identification Number. Notices include the SSN claim numbers so ORS can, in part, determine under which SSN to store the document.

Office of Management and Budget Guidance

On May 22, 2007, the Office of Management and Budget (OMB) issued a memorandum¹ requesting that Federal agencies review the unnecessary collection and use of SSNs. Specifically, it states that agencies should protect personally identifiable information (PII) in the Government's possession and avoid its breach. PII is information that can be used to distinguish or trace an individual's identity, such as their name, SSN, date and place of birth, or mother's maiden name.

¹ OMB, M-07-16, *Safeguarding Against and Responding to the Breach of Personally Identifiable Information* (May 22, 2007)

The *Federal Information Security Management Act (FISMA)*² requires that each Federal agency have procedures in place to identify, report, and respond to security incidents, including mitigating risks, before substantial damage occurs. In a July 25, 2007 memorandum,³ OMB required that agencies include in their 2007 FISMA reports their plans to eliminate the unnecessary collection and use of SSNs.

SSA's Removal of SSNs from Some Notices

Before OMB released its guidance, SSA removed the SSN from the annual title II cost-of-living adjustment (COLA) and Social Security Statements.⁴ Per a 2009 estimate, of the 350 million notices sent annually, SSA removed the SSNs from 40 million title II COLA notices and 140 million Social Security Statements. In FY 2012, the Agency mailed 60 million COLA notices and 24 million Social Security Statements.

SSA's Reviews of SSNs on Notices

In response to OMB's guidance, in 2007, SSA considered removing SSNs from additional notices. It concluded that displaying the SSN on notices was necessary because it permitted instantaneous identification of a beneficiary and the location of his/her records in SSA's computer systems. Additionally, removing the SSN would impede teleservice representatives' ability to authenticate a caller.

SSA confirmed this conclusion in its *Implementation Plan to Eliminate the Unnecessary Use of SSNs*, which was included as an appendix to its 2007 FISMA report. In the report, SSA stated that including the SSN in notices assured the recipient that the information in the notice applied to him/her, and it allowed SSA staff to efficiently associate documentation with the correct numberholder. The report concluded that unless SSA adopted an alternative method of distinguishing individuals, the display of SSNs on notices would remain necessary.

In 2009, the Agency reexamined the use of SSNs on notices. It focused on 1 notice system, TNA, which, at that time, generated approximately 80 million notices, annually. The workgroup discussed alternatives to using SSNs, such as using a truncated SSN or the Beneficiary Notice Control Number (BNC), which is another unique identifier SSA uses on Social Security Statement and COLA notices. The 2009 workgroup concluded that the use of the BNC was the preferred alternative but had concerns with its use, including the following.

- Based on SSA's policy, staff cannot communicate personal information to callers who cannot provide an SSN. Callers could not use the BNC as a substitute for the SSN for this purpose.

² Public Law 107-347, 116 Stat. 2899, Title III, Section 301 *et seq.*

³ OMB, M-07-19, *FY 2007 Reporting Instructions for the Federal Information Security Management Act and Agency Privacy Management* (July 25, 2007).

⁴ The Department of the Treasury removed the SSN from the face of all Social Security checks in 2003.

If a notice recipient did not know his/her SSN, the individual would have to either call back with the number or visit a field office where an employee would need to conduct a search to obtain the SSN. This would increase the amount of calls made to the 800 Number and the number of individuals visiting their local office.

- The BNC is not an alternative identifier. Notices going to the same individual from different notice systems or in different years would display a different BNC.
- There was no direct way to use the BNC to query ORS. A cross reference between the BNC and the SSN would be necessary. This would add an additional step to many inquiries.
- SSA has additional work related to use of the BNC on COLA notices each year after the notices are released. For example, mail clerks in SSA's processing centers verify the names and SSNs associated with returned correspondence that includes a BNC but not an SSN.

Executive staff from SSA's Offices of Operations, Systems, General Counsel, and Policy discussed the workgroup analysis and decided SSA would not remove SSNs from additional Agency notices.

RESULTS OF REVIEW

According to SSA, neither the *Social Security Act* nor its implementing regulations require that the Agency place the SSN, in full or otherwise, on notices. As such, SSA can limit the display of SSNs on the majority of new notices maintained in ORS and still reference notices by SSN in ORS. For example, TNA could include processing instructions, known as a 5-A record, which would suppress SSNs when notices are printed for mailing. While SSNs would remain within the formatted notices, allowing staff to reference them by SSN in ORS, SSNs would not be displayed on the printed notices mailed to beneficiaries.

SSA has produced estimates on the cost of removing SSNs from some notices, specifically those formatted by TNA. In FY 2012, SSA estimated it would incur 13 to 18 work years and pay \$2.3 to \$3.3 million to remove the SSNs from the 123 million notices formatted by TNA. SSA did not provide us documentation detailing how it developed the estimated work years or related costs. Additionally, SSA estimated it would incur over \$35 million in operational costs, annually, because staff would need additional time to look up the SSNs of beneficiaries who contacted SSA to discuss a notice they received and did not know their SSNs. SSA used the average length of a call to its national 800-number network as an estimate of how much additional time staff would need to look up SSNs. It did not complete a study to determine the time needed to staff these specific types of calls.

5-A Record

SSA could use a 5-A record to suppress the printing of SSNs on mailed notices while using the SSN to reference the electronic version of the notice in ORS. Specifically, the 5-A record would prompt the printer to ignore the command to print the SSN on the notice. SSA could also use the 5-A record to prompt the printer to only print a portion of the SSN on the notice. Since the SSN

would still be included in the notice files sent to ORS, it could use the SSN to track the electronic version of the notices.

Cost

SSA had not estimated the cost of removing SSNs from all notices maintained in ORS. However, it had produced estimates on the cost of removing SSNs from some notices.

Office of Systems Estimated Costs

In 2009, SSA's Office of Systems estimated it would take 9.9 work years and cost \$1.2 million to remove SSNs from about 80 million notices formatted by TNA.

We asked SSA to update its estimate for this audit. In FY 2012, SSA estimated it would incur 13 to 18 work years and pay \$2.3 to \$3.3 million to remove the SSNs from the 123 million notices TNA formatted. SSA did not provide us documentation that supported how it computed this estimate.

Office of Public Service and Operations Support Estimated Costs

In 2009, SSA's Office of Public Service and Operations Support (OPSOS) estimated that removing SSNs from the 80 million notices TNA formatted would add 314 work years and cost \$25 million. Based on past workloads, SSA estimated that approximately 5 percent of the individuals receiving notices, or 4 million people, would contact SSA and not know their SSNs. SSA estimated that the absence of SSNs on printed notices would add 5 minutes to the processing times for these 4 million beneficiaries. SSA staff would use the additional time to perform SSN searches for the beneficiaries because they need to know an individual's SSN before facilitating service.

Per OPSOS, the additional 5 minutes processing time totaled 160 work years. When computing its estimate, OPSOS multiplied the 160 work years by a field office/teleservice center overhead rate of 1.96. SSA estimated it would take two people 5 minutes each, 10 minutes in total, to perform SSN searches for those individuals who received a notice and did not know their SSNs. OPSOS computed the task time of 5 minutes based on the average length of a call to SSA's national 800-number network.

For our review, SSA updated its estimate and stated it would take 8 additional minutes to process transactions for about 4 million beneficiaries who contacted it and did not know their SSNs. It indicated it would cost about 385 work years, or \$35 million, if the Agency removed SSNs from its notices. It noted the cost for field office employees to respond to inquiries increased. This, combined with a higher processing time, increased the overall cost to process the inquiries. Similar to its earlier estimate, SSA used the average length of a call to its national 800-number network as an estimate of how much additional time staff would need to look up SSNs. It did not complete a study to determine the time needed to staff these specific types of calls.

Customer Service Concern

Per the 2009 workgroup report, OPSOS strongly recommended that SSA retain SSNs on notices. In the 2009 report, and in a meeting we held with OPSOS for this audit, OPSOS stated that the inclusion of SSNs on notices facilitated quicker service. SSA staff needs to know the SSN to facilitate service. When individuals do not recall their SSNs, SSA staff has to take additional steps, which takes additional time, to confirm the individuals' SSNs before addressing the reason they contacted SSA.

Additionally, OPSOS stated that removing SSNs from certain notices, such as benefit award notices, could cause confusion when individuals are eligible to receive benefits from more than one record, which occurs with some disability applicants and widows. The benefit award notices serve as official documents of entitlement or non-entitlement to SSA benefits. Individuals need to know to which record each notice refers, which the notice facilitates by including the SSN.

Additionally, OPSOS stated that earnings-related notices should include SSNs. SSA sends earnings notices to employers and workers when they need to modify, correct, or reconcile reported earnings. It is important for the employers and workers to know to which SSN the questioned earnings are associated to ensure they make the right modifications, corrections, or reconciliations.

OPSOS did not believe removing the SSN was cost-effective. Lastly, it did not believe the inclusion of SSNs on notices increased identity theft. It knew of no reports that identified SSNs on notices as being a source of stolen PII.

While OPSOS stated it did not think the inclusion of SSNs on notices was a PII loss risk, we believe there is a risk. For example, SSA estimates it receives approximately 7.7 million pieces of returned mail, annually, approximately 3 percent of the notices mailed each year.

SSA sends about 191 million notices each year that contain a full SSN. If SSA receives 3 percent of this mail as returned, it receives approximately 5.7 million pieces of returned mail that contain SSNs, annually. SSA could not provide us with an estimate of the percentage of notices with SSNs that do not reach the intended recipients and are not returned to SSA. Notices sent to incorrect addresses are at risk of being intercepted by someone other than the intended recipient. Notices intercepted by unintended recipients could provide SSA beneficiaries' names, addresses, and SSNs to individuals other than the SSN owners.

Other Federal Agencies' Practices

We spoke with staff from the Centers for Medicare and Medicaid Services (CMS), Department of Veterans Affairs (VA), and Internal Revenue Service (IRS) to determine the actions they have taken to limit SSNs on their notices.

CMS

CMS administers and manages the Medicare and Medicaid programs. CMS' notices either include only the last four digits of the SSN or do not include the SSN at all.

CMS maintains the correspondence it sends beneficiaries in databases, which allow staff to search for the correspondence by a beneficiaries' name, date of birth and address as well as the last four digits of their Health Insurance Claim Number. The Health Insurance Claim Number is CMS' unique identifier, which CMS bases on the beneficiary or wage earner's SSN. The Health Insurance Claim Number also includes a suffix, which describes the relationship between the beneficiary and wage earner.

VA

The VA includes the Veterans Health Administration (VHA) and Benefits Administration (VBA). VHA administers veteran health care services, and VBA administers veteran benefit programs.

VHA includes the full SSN on Explanation of Benefit notices sent to veterans, while most other notices to veterans use the last four digits of the SSN. VHA does not include the SSN on correspondence sent to veterans' family members. VHA maintains the information in mailed notices in a database. A user can search the database for veteran notices by a veteran's full SSN and name.

VBA identifies veterans and their beneficiaries by their claim number, which is generally a veteran's SSN.⁵ VBA uses the full claim numbers in some of its notices to veterans and beneficiaries and uses the last four digits of the claim number or another identifier, such as the Department of Defense identification number, for its active members.

VBA's notices are stored in Virtual VA and Veteran Benefit Management System. A user can search the Virtual VA to retrieve notices by a file number, which may be the SSN. The Veteran Benefit Management System allows users to search for notices using a beneficiaries first and last name, date of birth, or claim number.

IRS

While the IRS includes SSNs on most of the notices it mails annually, it has an SSN elimination and reduction program under which steps have been taken to remove SSNs from notices. For example, over 60 different non-payment IRS notices contained the last four digits of an SSN or no SSN at all. The IRS removed SSNs on certain taxpayer, collection, and enforcement correspondence. Most recently, the IRS introduced new regulations that will allow certain

⁵ The beneficiary's claim number is generally the SSN for veterans. If an individual became a veteran prior to the 1970's, VA uses another number as a claim number.

companies and organizations to issue correspondence to individual tax filers using a truncated taxpayer identification number, which will only show the last four digits of the individual's SSN.

The IRS does not store copies of its notices electronically. The IRS can store files of notices it sends, but it is not doing so. The IRS maintains other records on its systems regarding notices that it has mailed.

CONCLUSIONS

According to SSA, neither the *Social Security Act* nor its implementing regulations require that the Agency place the SSN, in full or otherwise, on notices.

Accordingly, SSA has taken some steps to limit SSNs on its notices. For example, it has removed SSNs from the annual COLA notices and Social Security Statements. We concluded that SSA could remove SSNs from additional notices and not limit its ability to store and retrieve the notices by SSN. Using 5-A records, SSA can maintain SSNs on the electronic version of its notices but suppress them on the printed versions mailed to beneficiaries.

SSA estimated it would incur 13 to 18 work years and pay \$2.3 to \$3.3 million to remove the SSNs from 123 million of its notices. It also estimated that removing the SSNs from these notices would add an additional \$35 million in operational costs. SSA did not provide us with documentation that explained all of the assumptions used for the former estimate and did not complete a study of the actual time needed to staff calls from beneficiaries who do not know their SSNs for the latter estimate.

While SSA stated that including SSNs on notices is a timesaving operational necessity, we believe it risks the release of SSNs to individuals other than the SSN's owner. Notices sent to an address that does not belong to the beneficiary are at risk of interception by someone other than the intended recipient. Notices that unintended recipients intercept could provide SSA beneficiaries' names, addresses, and SSNs to individuals other than the numberholders.

While SSA told us it did not know of reports of fraudsters obtaining PII from its notices, beneficiaries who have been victims of fraud are often unsure how fraudsters gained access to their PII. For example, thousands of beneficiaries have had their directly deposited Social Security benefit payments redirected from their banks accounts to accounts criminals controlled. While many of these beneficiaries admitted to providing individuals posing as lottery agents or government employees their personal information, others stated that they did not recall releasing their information to anyone. An SSA notice could provide a fraudster with the name, address, and SSN of beneficiaries, which may be enough information to commit financial crimes in the beneficiary's name.

We understand that SSA has implemented numerous improvements in how it assigns SSNs. Unfortunately, once SSA assigns an SSN, it has no authority to control the collection, use, and protection of these numbers by other entities. Our audit and investigative work have shown that the more SSNs are unnecessarily used, the higher the probability that they could be used to commit crimes. While SSA cannot control the collection and use of SSNs by other entities,

which may present a greater risk to the integrity of SSNs than the inclusion of SSNs in SSA's notices, we believe it is important to address any known risk, especially if that risk is under the Agency's control.

We believe the Agency should explore ways of protecting the integrity of the SSN by limiting SSNs on the 350 million notices it mails annually. SSA could truncate the SSNs on notices or remove them entirely wherever possible. SSA can begin to lower significantly the number of notices with SSNs, and the risk of releasing SSNs to individuals other than the SSN's owner, by eliminating the SSN from its highest volume notices. For example, SSA could eliminate 9.6 million SSNs from notices if it eliminated SSNs from the SSA-8151 *Supplemental Security Income Cost-of-Living Adjustment Notice of Change*. See Appendix B for a list of SSA's notices and the estimated annual volume for each notice.

RECOMMENDATIONS

We recommend that SSA:

1. Re-evaluate and document the assumptions used to develop the Agency's cost estimates to remove SSNs on notices.
2. Research cost-effective ways the Agency can limit SSNs on notices while still allowing for ORS' current functionality.

AGENCY COMMENTS

The Agency partially agreed with Recommendation 1 and fully agreed with Recommendation 2. For Recommendation 1, SSA agreed to document the assumptions it used to develop cost estimates to remove SSNs on notices. However, it disagreed with re-evaluating its assumptions. It stated that it did not capture the time it takes for staff to handle calls from beneficiaries who do not know their SSNs, and it did not have the resources to conduct a study of the actual time needed. For the full text of the Agency's comments, see Appendix C.

OIG RESPONSE

While documenting the assumptions used to develop the cost estimates is helpful, the more critical action needed is the re-evaluation of the assumptions used. SSA used the average length of a call to its national 800-number network as an estimate of how much additional time staff would need to handle these transactions. SSA did not provide us with an explanation as to why it assumed the average length of a call to the 800-number was a good estimate of the time needed to process transactions with individuals who do not recall their SSNs. While we understand SSA may need to use assumptions due to a lack of resources to study the actual time needed, SSA should have some basis of fact as to why its assumptions produce a good estimate. Without an estimate more closely aligned to the actual time needed, SSA's estimated costs may overstate the actual costs, and SSA may make a decision on the removal of SSNs from notices with inaccurate information.

APPENDICES

Appendix A – SCOPE AND METHODOLOGY

To accomplish our objective, we:

- Reviewed pertinent sections of Office and Management and Budget (OMB) memorandum M-07-16, *Safeguarding Against and Responding to the Breach of Personally Identifiable Information*, May 22, 2007, and the Social Security Administration’s (SSA) Response in its 2008 *Federal Information Security Management Act* Implementation Plan to Eliminate the Unnecessary Use of SSNs.
- Reviewed Office of the Inspector General (OIG) December 21, 2012 report on *Controls over the Enrollment Process with the Direct Express[®] Debit Card Program* (A-15-12-21273). The report questioned the need to include SSNs on notices.
- Obtained and reviewed a comprehensive list of Office of Systems’ notices.
- Interviewed, and reviewed documentation from, several SSA components in Policy, Operations, Communications, and Systems.
- Interviewed and researched other Federal agencies, such as the Centers for Medicare and Medicaid Services, Department of Veterans Affairs, and Internal Revenue Service to inquire about their best practices.

We conducted our audit work in the New York Audit Division, New York, between September 2012 and May 2013. The entities audited were the Office of Systems under the Office of the Deputy Commissioner for Systems and the Office of Operations under the Office of the Deputy Commissioner for Operations.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and conduct the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Appendix B – LIST OF SOCIAL SECURITY ADMINISTRATION SYSTEM NOTICES

Table B–1: The Social Security Administration’s (SSA) System Notices that Contain the Full Social Security Number

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Address Information Request SSA L-2001	Annual volume is not available	Y
Advance Fugitive Felons	4,455	Y
Advance Notice	324,900	Y
Amended Request to be Selected as Payee SSA-11	Annual volume is not available	Y
Amendment Supplemental Security Income Statement of Income and Resources SSA 8010	125,280	Y
Appeal	520	Y
Application for Help with Medicare Prescription Drugs SSA-1020 (Application Exception Development)	207,740	Y
Application for Help with Medicare Prescription Drugs SSA-1020 (Application Statement)	1,866,020	Y
Application for Help with Medicare Prescription Drugs Cover SSA-1020 (Cover)	6,500	Y
Application for Help with Medicare Prescription Drugs Receipt SSA-1020(Receipt)	223,340	Y
Automated Job Stream	207,985	Y
Automated Job Stream Automatic Earnings Reappraisal Operations System	4,815,142	Y
Auxiliary Beneficiary	See Modernized Claim System’s Volume	Y

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Bank Letter SSA-L 2001	Annual volume is not available	Y
Beneficiary Identification Code T	397,924	N
Benefit Termination Month Beneficiary Identification Code T Medicare	315,677	Y
Benefit Verification Notice/Proof of Income Letter	48,000,000	N
Call-in Letter	216,414	Y
Cost of Living Adjustment SSA 8166	15,014	Y
Consent to Representative Payment SSA-4164	Annual volume is not available	Y
Critical Payment System Notices	77,520	Y
Debt Management-Administrative Wage Garnishment	54,000	N
Debt Management –External Collection Operation	165,492	N
Decentralized Correspondence Employee SSA-L-3365	6,505,686	N
Decentralized Correspondence Employer SSA- L-4002	1,014,024	N
Decentralized Correspondence Self Employed SSA L 2765	462,153	N
Disability Insurance Benefit	See Modernized Claim System's Volume	Y
Disabled Working Individual Medicare	13,085	Y
Earnings After Death Report Employee SSA-L-3044	49,191	N
Earnings After Death Report Employer SSA-L-4112	See Earnings After Death Report Employee's Volume	N
Earnings After Death Report Self Employed SSA-L-3400	2,370	N

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Earnings Record Information L-191&L-192	193,893	Y
Educational Correspondence Medicare	11,600	Y
End Stage Renal Disease	See Modernized Claim System's Volume	Y
Extended Period of Eligibility	111,040	Y
Extended Period of Eligibility Terminating, Attainments, Transfers, and Terminations System	110,979	Y
Fee for Service Letter to the Beneficiary SSA L-251	178,200	N
Folder Document Output System Freeforms	5,000,000	N
Foreign Enforcement Questionnaires SSA 7161	33,770	N
Foreign Enforcement Questionnaires SSA 7162	308,384	N
Garnishment	1,253,708	Y
Important Information SSA-8166	5,572,832	Y
Income Related Monthly Adjustment Amount Benefit Rate Increase	1,586,763	Y
Income Related Monthly Adjustment Amount Daily	603,825	Y
Informal Denial	1,537,800	Y
Initial Claim Appointment Confirmation Concurrent	1,100,232	Y
Initial Claim Appointment Confirmation Title II	1,491,780	Y
Initial Claim Appointment Confirmation Title XVI	1,004,316	Y
Initial Claim Appointment Confirmation Title XVIII	9,948	Y
Internet 1020 Online Application for Part D Medicare Subsidy	3,076,812	Y

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Internet Benefit Verification Letter	784,000	N
Manual Adjustment, Credit, and Award Process	2,710,671	Y
Medical Termination	12,000	Y
Medicare Savings Programs Exception	12,480	Y
Medicare Subsidy Railroad	18,781	Y
Medicare Supplement Determination	3,076,812	Y
Mid-Year Mailer	1,582,721	N
Mobile Knowledge Based Wage Reporting	200,337	Y
Modernized Claim System	7,392,068	Y
More Information from the Claimant SSA-L732	180,000	Y
National Change of Address	1,224,435	N
Non-Select	17,100	Y
Potential Private Retirement Benefit Information	1,100,000	N
Post Entitlement Confirmation	443,556	Y
Recovery and Collection of Overpayment Process	3,758,272	Y
Recovery of Overpayments, Accounting, and Reporting	1,963,054	Y
Representative Payee Report Children SSA-6230 First Request	2,936,539	N
Representative Payee Report Children SSA-6230 Second Request	932,113	N
Representative Payee Report Children SSA-6230 Final Request	18,408	N
Representative Payee Report SSA-623 First Request	2,472,802	N
Representative Payee Report SSA-623 Second Request	660,461	N
Representative Payee Report SSA-623 Final Request	36,441	N

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Representative Payee Report SSA-6234	402,332	N
Request to be Selected as Payee SSA-11	976,004	Y
Retirement Insurance Benefit	See Modernized Claim System's Volume	Y
Returned Check Action Program	300,391	Y
Self-Employment Adjustment Adverse Action SSA L-5114	280,000	Y
Special Veterans Benefit Cost- of- Living Adjustment Notice of Change in Payment SSA-8181	1,530	Y
Special Veterans Benefit Cost- of- Living Adjustment Notice Plan Action SSA-8185	0 because of COLA increase	Y
Supplemental Security Income Cost- of- Living Adjustment Notice of Decision SSA-8151	9,618,587	Y
Supplemental Security Income Cost- of- Living Adjustment Notice of Planned Action SSA- 8155	509,671	Y
Step Parent	1,838	N
Subsequent Application for Reporting a Change that May Affect Your Extra Help with Medicare Prescription Drug Plan Costs SSA-1026	1,098,240	Y
Subsequent Application for Reporting a Change that May Affect Your Extra Help with Medicare Prescription Drug Plan Costs Application Cover Notice SSA-1026	3,900	Y
Subsequent Application for Reporting a Change that May Affect Your Extra Help with Medicare Prescription Drug Plan Costs Application Receipt SSA- 1026	11,440	Y

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Subsequent Application for Reporting a Change that May Affect Your Extra Help with Medicare Prescription Drug Plan Costs Exception SSA-1026	61,620	Y
Supplemental Security Income Amended Print Application and Amended Print Application Summary	701,640	Y
Supplemental Security Income Appeals Documents	1,981,080	Y
Supplemental Security Income Application Receipt	214,560	Y
Supplemental Security Income Cover Notice	504,360	Y
Supplemental Security Income Evidence Request Cover Notice	1,317,960	Y
Supplemental Security Income Follow-up Evidence Request Cover Notice	146,880	Y
Supplemental Security Income Informational Notice SSA-8199	340,000	Y
Supplemental Security Income Monthly Wage Verification Receipt	Annual volume not available	Y
Supplemental Security Income Notice of Appointment 1619(B) SSA-L-3075	Annual volume is not available	Y
Supplemental Security Income Notice of Appointment SSA L-3074	Annual volume is not available	Y
Supplemental Security Income Notice of Change SSA-8151-	4,426,424	Y
Supplemental Security Income Notice of Decision SSA-8165	4,830,218	Y
Supplemental Security Income Notice of Change in Payment SSA-8100	1,119,452	Y

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Supplemental Security Income Notice of Disapproved Claim SSA-8030	765,862	Y
Supplemental Security Income Notice of Planned Action SSA-8155	4,656,344	Y
Supplemental Security Income Overpayment-Current Pay SSA-8170	932,596	Y
Supplemental Security Income Overpayment-Non-Current Pay and in Living Arrangement SSA-8171	32,782	Y
Supplemental Security Income Overpayment-Non-Current Pay SSA-8172	353,830	Y
Supplemental Security Income Payment Decision SSA-8025	1,187,566	Y
Supplemental Security Income Print Application and Application Summary	9,329,400	Y
Supplemental Security Income Referral for Other Benefits SSA-8050	50,760	Y
Supplemental Security Income Referral for Other Benefits SSA-8051	309,600	Y
Supplemental Security Income Rental Subsidy Form	46,080	Y
Supplemental Security Income Request for Information Posteligibility SSA-L-8003	Annual volume is not available	Y
Supplemental Security Income Request for Information Posteligibility SSA-L-8004	Annual volume is not available	Y
Supplemental Security Income Statement of Claimant or Other Person	215,640	Y
Supplemental Security Income Witness Statement	19,800	Y

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?
Survivor Children Insurance	See Modernized Claims System's Volume	Y
T16 Disability Transmittal	0	Y
Tax Levy	14,159	Y
Telephone Knowledge Based Wage Reporting	See Internet Benefit Verification Letter's Volume	Y
Title II Closeout	886,920	Y
Title II Redesign	22,999,736	Y
Title XVIII Closeout	105,996	Y
Verification Request	191,360	Y
Widower's Insurance Benefit Retirement Insurance Benefit Notice	60,000	Y
Widows	78,384	Y
Written Verification of Wages from an Employer SSA L-4201	Annual volume is not available	Y
Young Children Earnings Record Employee Notice SSA L-3232	See Young Children Earnings Record Employer's Volume	N
Young Children Earnings Record Employer Notice SSA L-3231	17,173	N
Young Children Earnings Record Self Employed SSA L-3241	2,050	N

Table B-2: SSA's System Notices that Do Not Contain the Full Social Security Number

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?	Is the SSN truncated on the notice?
Application for Help With Medicare Prescription Drugs SSA-1020-OCR-SM	2,600,000	N	Y - the last four digits
Card Limit Denial Notice for Annual Limit	216	N	N
Card Limit Denial for Lifetime Limit	252	N	N

Name of Notice	Estimated Annual Volume	Is it stored in the Online Retrieval System?	Is the SSN truncated on the notice?
Fee for Service Letter to Representative Payee SSA-L252	1,300	N	N
Fraud Denial Notices	216	N	N
IRS/SSA Reconciliation Notice- SSA Has No Record of Employer Report (First Request)	286,208	N	N
IRS/SSA Reconciliation Notice- SSA Has No Record of Employer Report (Second Request)	160,432	N	N
IRS/SSA Reconciliation Notice- Discrepancy Between IRS and SSA Records (First Request)	97,767	N	N
IRS/SSA Reconciliation Notice- Discrepancy Between IRS and SSA Records (Second Request)	48,882	N	N
Long Term Fraud Delay Notice	6	N	N
Resubmission Notice Email	600 Initial 300 Follow-up	N	N
Resubmission Notices Paper	5400 Initial 3500 Follow-Up	Y-Initial N-Follow-up	N
Reporting a Change that May Affect Your Extra Help With Medicare Prescription Drug Plan Costs Subsidy Changing Events SSA-1026-OCR-SM-SCE	1,300	N	Y- the last four digits
Review of Your Eligibility for Extra Help with Medicare Prescription Drug Plan Costs Redeterminations SSA-1026-OCR-SM-REDE	225,000	N	Y- the last four digits
Title II Benefit Rate Increase Cost-of- Living Adjustment	45,954,959	N	N

Appendix C – AGENCY COMMENTS



SOCIAL SECURITY

MEMORANDUM

Date: September 11, 2013 Refer To: S1J-3

To: Patrick P. O’Carroll, Jr.
Inspector General

From: Katherine Thornton /s/
Deputy Chief of Staff

Subject: Office of the Inspector General Draft Report, “Social Security Numbers on Notices in the Online Retrieval System” (A-02-13-13040)--INFORMATION

Thank you for the opportunity to review the draft report. Please see our attached comments.

Please let me know if we can be of further assistance. You may direct staff inquiries to

Gary S. Hatcher at (410) 965-0680.

Attachment

COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, “SOCIAL SECURITY NUMBERS ON NOTICES IN THE ONLINE RETRIEVAL SYSTEM” (A-02-13-13040)

We take great care in protecting the integrity of the Social Security number (SSN) and our beneficiaries’ personal information. We are always looking for opportunities to increase this protection. To that end, we have removed SSNs from benefit checks and some of the approximately 350 million notices we send each year.

However, we have a fundamental business need to use the SSN in most correspondence to better serve our beneficiaries. For this reason, many of the notices stored in our Online Retrieval System (ORS) include SSNs. ORS allows us to view these notices when beneficiaries contact us with questions. ORS also allows us to reprint, send, and save notices addressed to beneficiaries.

Recommendation 1

Re-evaluate and document the assumptions used to develop the Agency’s cost estimates to remove SSNs on notices.

Response

We understand this recommendation to address two issues. First, is for us to re-evaluate our assumptions in order to develop an accurate assessment of the time staff needs to handle calls from beneficiaries who do not recall their SSNs. We disagree with re-evaluating our assumptions. We do not as a general practice capture the time it takes for staff to handle calls from beneficiaries who do not know their SSNs, and we do not have the resources to conduct a study of the actual time needed.

The second issue is to address documenting our assumptions because we did not provide detailed documentation on how we developed our cost estimates. We agree and expect by the end of calendar year 2013 to provide updated documentation detailing how we developed our cost estimates.

Recommendation 2

Research cost-effective ways the Agency can limit SSNs on notices while still allowing for ORS’ current functionality.

Response

We agree. We will convene a cross-component workgroup in fiscal year 2014 to research cost-effective alternatives.

Appendix D – MAJOR CONTRIBUTORS

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