The Social Security Administration's Processing of Mail and Enumeration Services During the COVID-19 Pandemic

July 29, 2021

A-08-21-51036 & A-15-21-51015
MEMORANDUM

Date: July 29, 2021

Refer To: A-08-21-51036 & A-15-21-51015

To: Kilolo Kijakazi
    Acting Commissioner

From: Gail S. Ennis
      Inspector General

Subject: The Social Security Administration’s Processing of Mail and Enumeration Services During the COVID-19 Pandemic

The attached interim report presents preliminary findings related to two Office of Audit reviews. The objectives of these audits are to evaluate SSA’s management of mail and controls over its processing of Social Security card applications during the COVID-19 pandemic. If you wish to discuss the interim report, please contact me directly, or have your staff contact Michelle L. Anderson, Assistant Inspector General for Audit.

Attachment
Background

In March 2020, the Social Security Administration (SSA) suspended most in-person services in response to the COVID-19 pandemic. Since then, the Agency has been primarily relying on its customers to submit paperwork by mail so it may process critical workloads. We have initiated two reviews to assess SSA’s management of mail and controls over its processing of Social Security card applications during the COVID-19 pandemic. In support of the audits, Office of the Inspector General personnel visited SSA offices to observe mail processes and the Agency’s handling of the original documents submitted by individuals who requested Social Security cards. As of July 28, 2021, we had visited 73 SSA facilities that included field offices, program service centers (PSC), and Social Security Card Centers. We have identified critical issues related to policy and practices that affect the timely and efficient processing of mail and enumeration-related work that require immediate attention. We have been engaged with SSA executives on addressing these issues since July 5, 2021, and briefed staff in the Office of the Commissioner on these concerns before the current Acting Commissioner of SSA was appointed.

Key Concerns Related to the Agency’s Policies and Oversight of Mail

- SSA has no performance metrics and does not maintain management information on the volume of incoming, outgoing, or pending mail. Consequently, the Agency does not have sufficient information to enable it to adjust staffing levels to ensure mail is processed timely.1

- SSA lacks comprehensive policies and procedures to track and return original documents—including driver’s licenses, birth certificates, passports, and naturalization documents—that customers provide as proof of eligibility for benefits or a Social Security number card.

Effects of Inadequate Internal Controls over Mail Processing

- Some offices had backlogs of workloads that involved original documents. For example, one PSC had more than 9,000 unprocessed original documents it had received as early as November 2020. We found that some of these documents were necessary to establish individuals’ eligibility for benefit payments.

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1 Conversely, SSA requires the Department of Health and Human Services, which manages SSA’s Mid-America PSC mailroom, to process 95 percent of all properly addressed incoming and outgoing mail within one business day. As we continue our audit fieldwork, we will determine the extent to which SSA monitors compliance with this requirement.
Some offices had backlogs of unprocessed applications for new or replacement Social Security cards. For example, one field office had 677 unprocessed applications dated as early as July 2020. We also observed a Social Security card center that had over 9,000 unprocessed applications dated as early as May 2021. As a result, individuals have yet to receive their original documents or Social Security number card.

Some locations had backlogs of remittances or un-negotiated benefit checks. For example, one PSC had 247 unprocessed remittances or un-negotiated checks dated as far back as November 2019. Financial institutions are not obligated to cash uncertified checks that are more than six months old, which leaves the Agency at risk of not being able to collect the remittance check funds.

There were large quantities of undeliverable mail at some PSCs. For example, at one PSC, auditors noted more than 200,000 pieces of returned mail, some of which were over one year old. Some of these pieces may require action, such as suspending or terminating beneficiaries’ payments.

While all SSA facilities were locked, some offices stored original documents in unsecure locations, such as desks and bins. In addition, employees at three offices informed us the U.S. Postal Service or special carriers left mail or packages, which may have included original documents or personally identifiable information, outside the offices in publically accessible areas after business hours and over the weekends.

Approximately 50 percent of field office managers reported they are overwhelmed by mail duties, and approximately 20 percent stated they are unable to keep up with mail workloads. Some office managers also told us they did not have adequate in-person staffing to keep up with mail duties while offices remained closed because of the COVID-19 pandemic.

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2 Un-negotiated benefit checks are paper checks issued by the Department of the Treasury that beneficiaries or the U.S. Postal Service returned to SSA.

3 SSA has policies that provide guidance on actions that should be taken for undeliverable mail depending on the type of mail. For example, when SSA receives undeliverable mail that contains original documents submitted with a Social Security card application, policy instructs Agency personnel to conduct follow up procedures to identify the applicants’ current address. If SSA personnel are unable to obtain a current address, they are to hold the undeliverable mail and shred the contents if they have no further contact with the applicant within 30 days. We found instances in which offices were not consistently following this policy; however, due to backlogs it seems reasonable to preserve original documents to allow the Agency ample time to identify correct address information.

4 We based these figures on statements field office managers made to auditors prior to July 12, 2021. During our site visits, we observed some offices that had large backlogs and other offices that had no backlogs. SSA implemented technologies, such as WorkTrack and Paperless, which provide the opportunity to distribute workloads to remote personnel after mail is electronically scanned. However, we found SSA personnel used these systems inconsistently.
Scope Limitation

Two to four weeks prior to each office visit conducted from June 16 through July 16, 2021, we notified management of the date and time of our arrival. In some cases, SSA personnel took actions to address backlogs in anticipation of our visit, which impaired our ability to gain an understanding of the true state of the Agency’s mail and SSN card operations. We were not assured that what we observed in the selected offices generally represented all offices. Accordingly, our report will include a scope limitation to provide context for readers to reasonably interpret our findings. To address these concerns, for the remaining site visits we conducted after July 16, 2021, we provided no more than four hours advance notice before we arrived on site.

Conclusion

We believe these deficiencies occurred because SSA does not have comprehensive, specific, or detailed policies, management information, or performance metrics related to how it processes mail. Without this information, SSA cannot know how much unprocessed mail it has, what is in the mail, or how old the mail is. In addition, Agency leadership is unable to assess staffing needs and distribute workloads. Without an effective system of internal control, there is heightened risk that SSA may lose sensitive documents. Agency managers stated the volume of mail exponentially increased during the COVID-19 pandemic. It is reasonable that it would take weeks or months to adjust processes to account for these changes. However, given that these conditions have existed for longer than 16 months, and Congress and the media have raised similar concerns, the Agency has had sufficient time and notice to plan and respond to these issues. As noted above, we are engaged with SSA management on addressing many of the issues described in this report, and we plan to issue final reports before end of Calendar Year 2021. That report will describe final findings and recommendations as well as Agency actions taken to address these concerns.


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