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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**SPOUSES' TO WIDOW(ER)S' BENEFITS  
WHEN GOVERNMENT PENSIONS  
ARE INVOLVED**

September 2009

A-13-08-28103

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**AUDIT REPORT**

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## **Mission**

**By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, Congress and the public.**

## **Authority**

**The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:**

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.**
- Promote economy, effectiveness, and efficiency within the agency.**
- Prevent and detect fraud, waste, and abuse in agency programs and operations.**
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.**
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.**

**To ensure objectivity, the IG Act empowers the IG with:**

- Independence to determine what reviews to perform.**
- Access to all information necessary for the reviews.**
- Authority to publish findings and recommendations based on the reviews.**

## **Vision**

**We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.**



# SOCIAL SECURITY

## MEMORANDUM

Date: September 30, 2009

Refer To:

To: The Commissioner

From: Inspector General

Subject: Spouses' to Widow(er)s' Benefits When Government Pensions are Involved  
(A-13-08-28103)

## OBJECTIVE

Our objective was to determine whether government pension verifications and payment recalculations were completed when auxiliary beneficiaries receiving payments as spouses had their benefit status changed to widow(er)s.

## BACKGROUND

The Social Security Administration (SSA) administers the Old-Age, Survivors, and Disability Insurance (OASDI) program under Title II of the *Social Security Act*. The program provides monthly benefits to retired or disabled workers and their families and to survivors of deceased workers.<sup>1</sup> An individual may be eligible for OASDI benefits under his/her own work history as well as under a spouse's work history. The amount of benefits is based on the work history used in the calculation and the relationship of the individuals involved. A beneficiary may be eligible for higher benefits under a spouse's work history at the time of application. However, events, such as the death of a spouse, may cause the type and/or amount of benefits to change.

Spouses of individuals insured under the OASDI program can be eligible for OASDI auxiliary benefits, which are based on a percentage of the insured individual's primary insurance amount (PIA).<sup>2</sup> In most cases, the maximum OASDI benefit an individual can receive as a spouse is 50 percent of the PIA. However, the maximum OASDI benefit amount an individual can receive as a widow(er) is 100 percent of the decedent's PIA.

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<sup>1</sup> *Social Security Act* § 201 et seq., 42 U.S.C. § 401 et seq.

<sup>2</sup> The PIA is the benefit (before rounding down to the next lower whole dollar) a person will receive if he/she elects to begin receiving retirement benefits at his/her full retirement age. At this age, the benefit is neither reduced for early retirement nor increased for delayed retirement.

OASDI auxiliary benefits can be subject to the Government Pension Offset (GPO). GPO reduces monthly Social Security benefits for spouses, divorced spouses, and surviving spouses who receive a pension payment<sup>3</sup> based on their own work for a Federal, State, or local government that was not covered employment, and not subject to Social Security taxes, under the *Federal Insurance Contributions Act (FICA)*.<sup>4</sup> The GPO amount is two-thirds the amount of the pension. If two-thirds of the government pension is equal to or more than the OASDI benefit, spouse or widow(er) OASDI payments can be reduced to zero.

Under certain conditions, beneficiaries may be granted an exemption from GPO. SSA policy identifies various situations for granting these exemptions.<sup>5</sup> SSA policy further instructs that if an exemption applies, staff should verify the exemption in accordance with policy and record, if applicable, the exemption on GPO data input screens.<sup>6</sup>

SSA staff is required to initiate an action to determine whether the change from spouse to widow(er) status would increase the benefit payment amount. If staff does not make this assessment, improper payments may occur. To identify individuals who may be subject to GPO, SSA primarily relies on applicants to report whether they are receiving, or will receive in the future, a pension based on non-covered earnings (earnings not subject to FICA taxes). However, for retired Federal employees, SSA receives monthly pension data from the Office of Personnel Management.

We examined information from an electronic data extract of the Agency's Master Beneficiary Record (MBR). The data extracted from 1 segment of the MBR<sup>7</sup> identified 2,769 widow(er)s (1) who had been eligible for OASDI spousal benefits; (2) for whom SSA concluded GPO was applicable to those spousal benefits; and (3) whose OASDI benefit status changed from spouse to widow(er) between January 1, 1985 and August 18, 2008. We selected for review a random sample of 100 widow(er)s. See Appendix B for our Scope and Methodology, and Appendix C for our Sampling Methodology and Results.

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<sup>3</sup> A pension payment is defined as any periodic or lump-sum payment received from a defined benefit or contribution plan that is based on the person's own noncovered earnings while in the service of a State, local, or Federal government.

<sup>4</sup> *Social Security Act* § 202(k)(5), 42 U.S.C. § 402(k)(5); 20 C.F.R. § 404.408a.

<sup>5</sup> Program Operations Manual System (POMS), GN 02608.100 General Rules for Government Pension Offset and GN 02608.101 - 107 (POMS provisions related to GPO exemptions).

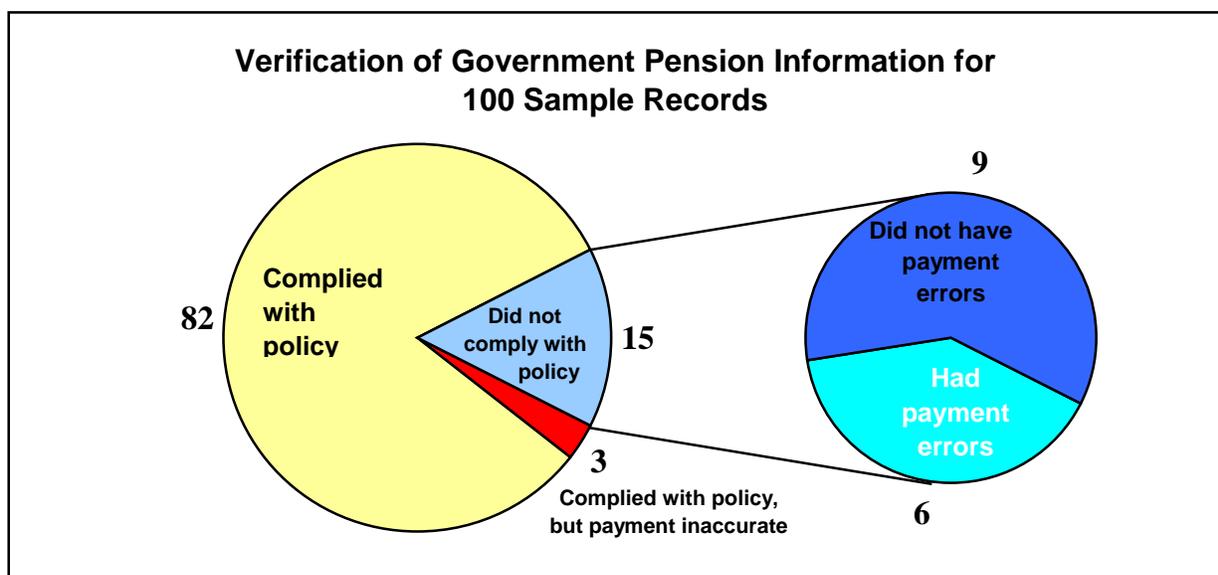
<sup>6</sup> POMS, GN 02608.200 Processing Initial Claims, Section 4.a.

<sup>7</sup> The MBR is divided into 20 segments with each segment representing 5 percent of all OASDI benefit records.

## RESULTS OF REVIEW

SSA did not always verify government pension information as required by the Agency's policies and procedures. SSA determined GPO was applicable to the OASDI spousal benefits for all 100 widow(er)s selected for review. When these 100 beneficiaries' status changed from spouse to widow(er)s, we found SSA staff did not verify 15 widow(er)s' government pension information as required. Because the government pension information was not verified, improper payments of about \$57,000 were made from January 1985 through August 2008 to six widows in our sample. Five widows were overpaid,<sup>8</sup> and one was underpaid.

We also tested the sample records to determine whether the new benefit payment was accurately calculated when the spousal benefits were converted. Generally, we found payment recalculations were completed accurately when spouses' status changed to widow(er)s. Of the 85 widow(er)s who had their government pension information verified, we identified 3 whose payments were not converted accurately. From January 1985 through August 2008, improper payments totaling about \$25,000 were made to these three individuals. One widow was overpaid, and two were underpaid.



In total, we identified 9 individuals with improper payments from the 100 sampled. These nine payment errors totaled about \$82,000. Estimating our sample results to the population, SSA staff made errors converting about 4,980 spousal benefits to widows resulting in about \$45.5 million in improper payments between January 1985 and August 2008. If these errors are not corrected, about 4,400 individuals will have payment errors totaling about \$147.8 million over their remaining expected lifetimes.<sup>9</sup>

<sup>8</sup> As of September 8, 2009, the Agency has verified four of the five overpayments. For the one overpayment that has not been verified, we included an overpayment of \$34,815 based on the pension information recorded in SSA's information systems at the time of our review.

<sup>9</sup> See Appendix C for details on our sampling results and estimates.

## **SSA Did Not Always Verify Government Pension Information, As Required**

When a spouse receives a government pension and applies for OASDI widow(er) benefits, SSA takes action to verify the government pension information. SSA policy<sup>10</sup> directs staff to either (a) request a spouse to answer questions about a government pension based on his/her own government employment, not covered under Social Security, that is or may be received; or (b) complete Form SSA-3885, Government Pension Offset questionnaire. SSA had determined GPO was applicable to the spousal benefits for all 100 widow(er)s we reviewed. During our review, we did not determine the accuracy of government pension information used for, or SSA's decisions concerning, OASDI widow(er)s benefits.

For those beneficiaries eligible for OASDI spousal benefits whose benefit status changed to widow(er)s, SSA policy indicates verification of Government pension information is not required in total offset cases.<sup>11</sup> In total offset cases, OASDI auxiliary benefits are reduced to zero. However, Agency policy<sup>12</sup> requires that corroborating evidence be obtained if

- the report is from a source other than the employer or pension-paying agency; and
- a change in the pension or spouse's monthly benefit will result in an increase in the benefit amount payable, for example, total to partial GPO will occur; and
- the pension information of record was not previously corroborated; or
- the pension information of record is more than 2 years old.

We examined information recorded in SSA's information systems for 100 beneficiaries who were eligible for OASDI spousal benefits and whose benefit status changed to widow(er)s. Of the 100 widow(er)s selected for review, we found actions taken by the Agency for 85 complied with SSA's policies regarding government pension information. Of the 85, we found the government pension information of record continued to result in GPO that reduced OASDI benefits to zero for 43 widow(er)s. In compliance with policy, Agency staff did not verify the pension information for these widow(er)s. The Agency verified government pension information for 41 widow(er)s. Finally, for one widow, the application for OASDI benefits was withdrawn.

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<sup>10</sup> POMS, GN 02608.100 C.1. The referenced POMS indicates that SSA should "Request the spouse to answer questions on the CLGP [Claimant Government Pension] MCS [Modernized Claims System] screen. . . ." Based on the responses received, a spouse can be requested to provide detailed information about a government pension based on his/her own government employment, not covered under Social Security, that is or may be received.

<sup>11</sup> POMS, GN 02608.100 General Rules for Government Pension Offset, Section C.2.

<sup>12</sup> POMS, GN 02608.300 A.1.b.

SSA did not always verify government pension information, as required by its policies and procedures.<sup>13</sup> For 15 of the 100 widow(er)s we reviewed, corroborating evidence was not obtained for government pension information, as required. Since corroborating evidence was not obtained, the GPO amount used to calculate OASDI spousal benefits was also used to recalculate widow(er)s' benefits.

Of the 15 widow(er)s for whom corroborating evidence was not obtained for their government pension information, we found 4 were granted exemption from GPO. In each instance, the applicable MBR was annotated to indicate the exemption was "previously established." However, the MBRs did not contain information indicating the basis for the exemptions, as required.

We also learned the Agency implemented an automated alert process in July 2004. This automated alert notifies staff when a spouse becomes a widow(er) and the verification of government pension information is over 2 years old. Three of the 15 widow(er)s we identified were converted from spouses to widow(er)s after SSA implemented this alert process. The remaining 12 widow(er)s' conversions occurred before implementation of the alert process.

In March 2009, we met with staff from SSA's Office of Operations, Office of Public Service and Operations Support, to determine why the required government pension verifications were not completed for 15 widow(er)s. Staff agreed corroborating evidence should have been, but was not, obtained for these widow(er)s. Staff stated a "systems alert" should be automatically sent to the applicable program service center when corroborating evidence must be obtained. Further, staff was unable to explain why the 15 widow(er)s' government pension information was not verified. Regarding the four instances where the Agency granted exemption from GPO, we were advised "it appeared" the MBRs were coded erroneously. We requested that SSA verify the 15 widow(er)s' pension information.

From July to September 2009, SSA provided additional information about the widows we referred for further review. SSA's verification of pension information determined that nine widow(er)s did not have payment errors, and improper payments were made to six widows. One widow was underpaid about \$2,000, and five widows<sup>14</sup> were overpaid about \$55,000. Because government pension information was not verified timely, improper payments of about \$57,000 were made from January 1, 1985 through August 2008 to six widows in our sample.

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<sup>13</sup> POMS, GN 02608.300.

<sup>14</sup> As of September 8, 2009, the Agency has verified four of the five overpayments. For the one overpayment that has not been verified, we included an overpayment of \$34,815 based on the pension information recorded in SSA's information systems at the time of our review.

## **OASDI Widow(er)s' Benefit Recalculations Were Not Always Completed Accurately**

Generally, we found payment recalculations were completed when auxiliary beneficiaries receiving payments as spouses had their benefit status changed to widow(er)s. We determined whether benefit payment recalculations were completed for the 85 widow(er)s according to SSA's government pension verification policies. Of the 85 widow(er)s, we found benefit payments for 84 were recalculated when their benefit status changed. For the remaining widow, benefit payment recalculation was not completed. Using the government pension information recorded in SSA's information systems at the time of our review, we recalculated this widow's benefit payment. Our computations indicated this widow was improperly paid. We requested SSA review the widow's information, and the Agency subsequently acknowledged the widow was underpaid about \$370 in July and August 2008.

We examined the recalculated OASDI benefits of the remaining 84 widow(er)s and identified 2 instances where benefit payments were recalculated incorrectly. Our computations indicated these widows were improperly paid. We requested that SSA review the widows' information. The Agency subsequently acknowledged one widow was underpaid and the other was overpaid. For the period January 1985 through August 2008, two widows were underpaid a total of \$830, and one widow was overpaid about \$24,150.

For the period January 1985 through August 2008, we identified a total of about \$25,000 in payment errors on three widows' payment records because SSA staff did not recalculate the benefit amounts accurately.

## **CONCLUSION AND RECOMMENDATIONS**

For the widow(er)s reviewed, we found in most instances, SSA complied with its policies for verifying government pension information. Generally, we also found payment recalculations were completed when auxiliary beneficiaries receiving payments as spouses had their benefit status changed to widow(er)s. However, we believe SSA could improve its management controls over these matters.

From January 1985 through August 2008, we estimate about 8,300 widow(er)s' government pension information was not verified as required. Further, approximately 4,980 widow(er)s received improper payments because recalculations were not completed or OASDI benefits were inaccurately recalculated. As a result of these conditions, we estimate improper payments totaling approximately \$45.5 million occurred during this period.

Furthermore, we estimate about 4,400 widow(er)s will have payment errors of approximately \$147.8 million over their lifetimes if SSA does not take action to verify pension information, recalculate benefits payments when auxiliary beneficiaries receiving payments as spouses have their benefit status changed to widow(er)s, and

correct benefit recalculation errors. Since the total value of improper payments could be significant, we believe SSA should take action to prevent these conditions from occurring.

We recommend SSA:

1. Correct the payment errors we identified where corroborating evidence of government pension information was not obtained as required.
2. Determine whether it would be cost effective to conduct a clean-up project to identify current widow(er)s whose government pension information was not verified as required by policy, take appropriate action to verify the information, and adjust the OASDI payment amounts as needed.
3. Remind employees to follow policies and procedures to verify government pension information when required to do so.

## **AGENCY COMMENTS**

SSA agreed with our recommendations (see Appendix D).



Patrick P. O'Carroll, Jr.

# *Appendices*

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APPENDIX A – Acronyms

APPENDIX B – Scope and Methodology

APPENDIX C – Sampling Methodology and Results

APPENDIX D – Agency Comments

APPENDIX E – OIG Contacts and Staff Acknowledgments

## Acronyms

C.F.R.	Code of Federal Regulations
FICA	<i>Federal Insurance Contributions Act</i>
GPO	Government Pension Offset
MBR	Master Beneficiary Record
OASDI	Old-Age, Survivors, and Disability Insurance
OIG	Office of the Inspector General
PIA	Primary Insurance Amount
POMS	Program Operations Manual System
SSA	Social Security Administration
U.S.C.	United States Code

# Scope and Methodology

To accomplish our objective, we:

- Reviewed applicable Federal laws and regulations, pertinent parts of the Social Security Administration's (SSA) Program Operations Manual System and other criteria relevant to the Old-Age, Survivors, and Disability Insurance (OASDI) programs and Government Pension Offset (GPO).
- Identified and reviewed prior relevant audits.
- Examined information from an electronic data extract of the Agency's Master Beneficiary Record (MBR). The data extracted from 1 segment of the MBR<sup>1</sup> identified 2,769 widow(er)s (1) who had been eligible for OASDI spousal benefits; (2) for whom SSA concluded GPO was applicable to those spousal benefits; and (3) whose OASDI benefit status changed from spouse to widow(er) between January 1, 1985 through August 18, 2008.
- Selected a random sample of 100 widow(er)s from the 2,769 identified. For the widow(er)s selected, we determined whether (1) corroborating evidence was obtained when the benefit payment status changed from spouse to widow(er); (2) OASDI benefit recalculations were completed when auxiliary beneficiaries receiving payments as spouses had their benefit status changed to widow(er)s; and (3) calculation errors occurred when auxiliary beneficiaries receiving OASDI payments as spouses had their benefit status changed to widow(er)s. See Appendix C for further information on our sampling methodology and results.
- Used government pension information and the primary insurance amount<sup>2</sup> recorded in SSA's information systems at the time of our review to recalculate OASDI benefits for the 100 widow(er)s in our sample.
- Examined information recorded in the MBR and Modernized Claims System for selected widow(er)s.

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<sup>1</sup> The MBR is divided into 20 segments with each segment representing 5 percent of all OASDI benefit records.

<sup>2</sup> The primary insurance amount is the benefit (before rounding down to next lower whole dollar) a person would receive if he/she elects to begin receiving retirement benefits at his/her full retirement age. At this age, the benefit is neither reduced for early retirement nor increased for delayed retirement.

We determined the computer-processed data used for this audit were sufficiently reliable for their intended use. Further, any data limitations were minor in the context of this assignment, and the use of the data should not lead to an incorrect or unintentional conclusion. The electronic data used in our audit were primarily extracted from the MBR.

The entity audited was the Office of Public Service and Operations Support under the Deputy Commissioner for Operations. We performed our review in Baltimore, Maryland, from October 2008 to July 2009. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

## Sampling Methodology and Results

We examined information from an electronic data extract of the Social Security Administration’s (SSA) Master Beneficiary Record (MBR). The data extracted from 1 segment of the MBR<sup>1</sup> identified 2,769 widow(er)s (1) who had been eligible for Old-Age, Survivors, and Disability Insurance (OASDI) spousal benefits; (2) for whom SSA concluded Government Pension Offset was applicable to those spousal benefits; and (3) whose OASDI benefit status changed from spouse to widow(er) between January 1, 1985 and August 18, 2008.

Of the 2,769, we selected and reviewed a random sample of 100 widow(er)s.

<b>Table 1: Sample Population from MBR January 1, 1985 Through August 18, 2008</b>	
<b>Population Size (1 Segment of MBR)<sup>2</sup></b>	<b>2,769</b>
<b>Sample Size</b>	<b>100</b>

For the 100 widow(er)s selected, we determined whether (1) corroborating evidence was obtained when the benefit status changed from spouse to widow(er); (2) OASDI benefit recalculations were completed when auxiliary beneficiaries receiving payments as spouses had their benefit status changed to widow(er)s; and (3) calculation errors occurred when auxiliary beneficiaries receiving OASDI payments as spouses had their benefit status changed to widow(er)s.

<b>Table 2: Number of Beneficiaries Where Government Pension Information Was Not Verified or Corroborating Evidence Was Not Obtained January 1, 1985 Through August 18, 2008</b>	
<b>Sample Size</b>	<b>100</b>
<b>Number of Widow(er)s Whose Government Pension Information Was Not Verified/Corroborating Evidence Not Obtained</b>	<b>15</b>
<b>Projection of Widow(er)s Whose Government Pension Information Was Not Verified or Corroborating Evidence Not Obtained</b>	
<b>Point Estimate (1 Segment of MBR)</b>	<b>415</b>
<b>Lower Limit</b>	<b>265</b>
<b>Upper Limit</b>	<b>609</b>
<b>Total Estimate (20 Segments of MBR)</b>	<b>8,300</b>

Note: All projections are at the 90-percent confidence level.

<sup>1</sup> The MBR is divided into 20 segments with each segment representing 5 percent of all OASDI benefit records.

<sup>2</sup> Population of electronic data extracted from 1 segment of the MBR.

Of the 100 widow(er)s in our sample, we found recalculations of OASDI benefits for 9 widows were not accurate. Improper payments of \$82,199 were made to the 9 widows. Projecting these results to all 20 segments of the MBR, we estimate improper payments of approximately \$45.5 million were made to about 4,980 widow(er)s. The following tables provide the details of our sample results, statistical projections, and estimates.

<b>Table 3: Number of OASDI Widow(er)s' Benefits That Were Not Accurate January 1, 1985 Through August 18, 2008</b>	
<b>Sample Size</b>	<b>100</b>
<b>Number of Widow(er)s' OASDI Benefits That Were Not Accurate</b>	<b>9</b>
<b>Projection of Widow(er)s' OASDI Benefits That Were Not Accurate</b>	
<b>Point Estimate (1 Segment of MBR)</b>	<b>249</b>
<b>Lower Limit</b>	<b>134</b>
<b>Upper Limit</b>	<b>417</b>
<b>Total Estimate (20 Segments of MBR)</b>	<b>4,980</b>

Note: All projections are at the 90-percent confidence level.

<b>Table 4: Amount of OASDI Widow(er)s' Benefits That Were Not Accurate January 1, 1985 Through August 18, 2008</b>	
<b>Sample Size</b>	<b>100</b>
<b>Amount of Widow(er)s' OASDI Benefits That Were Not Accurate</b>	<b>\$82,199</b>
<b>Projection of Widow(er)s' OASDI Benefits That Were Not Accurate</b>	
<b>Point Estimate (1 Segment of MBR)</b>	<b>\$2,276,108</b>
<b>Lower Limit</b>	<b>\$251,337</b>
<b>Upper Limit</b>	<b>\$4,300,880</b>
<b>Total Estimate (20 Segments of MBR)</b>	<b>\$45,522,160</b>

Note: All projections are at the 90-percent confidence level.

We also estimated the improper payments that can occur if SSA does not take corrective action to identify and correct the amount of OASDI benefits for widow(er)s. Our estimate is based on eight<sup>3</sup> widows we identified as having inaccurate OASDI benefits as of the date we completed our review. For the eight widows, we used the over or underpayment amounts as of August 2008 to calculate their future estimated improper payments.

<sup>3</sup> We identified nine benefit calculation errors resulting in the improper payment of monthly benefits. However, SSA staff identified the incorrect payment for one widow and took corrective action to adjust the benefit payment during our review period. As a result, we excluded this widow from our estimates related to improper payments that can occur in the future if SSA does not take corrective action.

<b>Table 5: Future OASDI Widow(er)s' With Payment Errors if Corrective Actions are Not Taken</b>	
<b>Sample Size</b>	<b>100</b>
<b>Number of Widow(er)s' OASDI Benefits That Were Not Accurate</b>	<b>8</b>
<b>Projection of Widow(er)s' OASDI Benefits That Were Not Accurate</b>	
<b>Point Estimate (1 Segment of MBR)</b>	<b>222</b>
<b>Lower Limit</b>	<b>114</b>
<b>Upper Limit</b>	<b>383</b>
<b>Total Estimate (20 Segments of MBR)</b>	<b>4,440</b>

Note: All projections are at the 90-percent confidence level.

<b>Table 6: Future OASDI Widow(er)s' Benefit Payment Errors if Corrective Actions are Not Taken</b>	
<b>Sample Size</b>	<b>100</b>
<b>Amount of Widow(er)s' Monthly OASDI Benefits That Were Not Accurate<sup>4</sup></b>	<b>\$266,855</b>
<b>Projection of Widow(er)s' Monthly OASDI Benefit Errors That Will Occur if Not Corrected</b>	
<b>Point Estimate (1 Segment of MBR)</b>	<b>\$7,389,219</b>
<b>Lower Limit</b>	<b>\$849,241</b>
<b>Upper Limit</b>	<b>\$13,929,198</b>
<b>Total Estimate (20 Segments of MBR)</b>	<b>\$147,784,380</b>

Note: All projections are at the 90-percent confidence level.

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<sup>4</sup> To estimate the amount of payment errors that may occur to these widow(er)s in the future, we multiplied the monthly over or underpayment amount by the number of months the beneficiaries are expected to live beyond August 2008. We used the life expectancy rates published by the Department of Health and Human Services, Centers for Disease Control and Prevention (National Vital Statistics Report, Vol. 56, No.9, Tables 2 and 3, December 28, 2007) to determine the number of months the beneficiaries were expected to live beyond August 2008. This methodology was used to estimate improper payments that may occur if SSA does not take action to identify and correct the amount of OASDI benefits for widow(er)s.

## Agency Comments



## SOCIAL SECURITY

### MEMORANDUM

**Date:** September 24, 2009 **Refer To:** S1J-3

**To:** Patrick P. O'Carroll, Jr.  
Inspector General

**From:** Margaret J. Tittel //s//  
Acting Chief of Staff

**Subject:** Office of the Inspector General (OIG) Draft Report, "Spouses' to Widow(er)s' Benefits When Government Pensions are Involved" (A-13-08-28103)--INFORMATION

Thank you for the opportunity to review and comment on the draft report. We appreciate OIG's efforts in conducting this review. Attached is our response to the report findings and recommendations.

Please let me know if we can be of further assistance. Please direct staff inquiries to Candace Skurnik, Director, Audit Management and Liaison Staff, at extension 54636.

Attachment

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT, "SPOUSES' TO WIDOW(ER)S' BENEFITS WHEN GOVERNMENT PENSIONS ARE INVOLVED" A-13-08-28103**

**Recommendation 1**

Correct the payment errors identified where corroborating evidence of government pension information was not obtained as required.

Response

We agree. We have corrected the payment errors for all of the cases identified, except for one. We are currently taking action to correct this last case.

**Recommendation 2**

Determine whether it would be cost effective to conduct a clean-up project to identify current widow(er)s whose government pension information was not verified as required by policy, take appropriate action to verify the information, and adjust the Old-Age, Survivors, and Disability Insurance (OASDI) payment amounts as needed.

Response

We agree. We will evaluate the cost effectiveness of conducting a clean-up project.

**Recommendation 3**

Remind employees to follow policies and procedures to verify government pension information when required to do so.

Response

We agree. In the first quarter of fiscal year 2010, we will issue a reminder to staff to follow agency policies and procedures when verifying government pension information.

[In addition to the information listed above, SSA provided technical comments which have been addressed, where appropriate, in this report.]

## OIG Contacts and Staff Acknowledgments

### ***OIG Contacts***

Shirley E. Todd, Director, Evaluation Division

Randy Townsley, Audit Manager

### ***Acknowledgments***

In addition to those named above:

Janet Stein-Pezza, Auditor-in-Charge

Tracey Edwards, Auditor

Nicole Gordon, Auditor

Brennan Kraje, Statistician

Charles Zaepfel, IT Specialist

For additional copies of this report, please visit our web site at [www.socialsecurity.gov/oig](http://www.socialsecurity.gov/oig) or contact the Office of the Inspector General's Public Affairs Staff Assistant at (410) 965-4518. Refer to Common Identification Number A-13-08-28103.

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Social Security Advisory Board

## **Overview of the Office of the Inspector General**

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

### **Office of Audit**

OA conducts financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

### **Office of Investigations**

OI conducts investigations related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

### **Office of the Counsel to the Inspector General**

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Also, OCIG administers the Civil Monetary Penalty program.

### **Office of External Relations**

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

### **Office of Technology and Resource Management**

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.