

Report Summary

Social Security Administration Office of the Inspector General

January 2011



Objective

To determine whether the Social Security Administration (SSA) took appropriate actions to recover payments issued after beneficiaries' deaths.

Background

Generally, any payments made after a beneficiary's death are not subject to SSA's normal overpayment recovery procedures. Instead, the recovery of these payments is the responsibility of the Department of the Treasury (Treasury). Treasury recovers these payments from financial institutions through a process called reclamation. SSA must coordinate the recovery efforts with Treasury as well as make attempts to recover outstanding payments that are outside Treasury's jurisdiction.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-09-10-11037.pdf>

Recovery of Title II Payments Issued After Beneficiaries' Deaths **(A-09-10-11037)**

Our Findings

SSA needs to improve its controls and procedures to ensure that appropriate and timely actions are taken to recover payments issued after beneficiaries' deaths. Based on a random sample of 200 beneficiaries, we estimate about

- \$18.8 million in payments after death was not recovered or properly resolved for approximately 25,940 deceased beneficiaries, and
- \$34.8 million in payments after death that had been recovered or properly resolved needed to be removed as overpayments from SSA's records for approximately 17,520 deceased beneficiaries.

Our Recommendations

We recommended that SSA:

1. Take corrective action, as appropriate, for the 68 errors identified by our audit.
2. Evaluate the results of its corrective actions for the 68 errors and determine whether it should review the population of 6,486 deceased beneficiaries with payments after death.
3. Remind employees to take appropriate actions to (a) initiate reclamation requests timely, (b) resolve periodic alerts, (c) recover payments after death from liable financial institutions/individuals, and (d) identify underpayments.
4. Revise, where needed, the frequency of periodic alerts.

SSA agreed with all of our recommendations