Objectives

To (1) determine whether the Social Security Administration (SSA) made payments to beneficiaries and/or representative payees who were deceased according to Kentucky’s Office of Vital Statistics and (2) identify non-beneficiaries in the State files whose death information did not appear in Agency records.

Background

To identify and prevent payments after death, SSA established a program under which States can voluntarily contract with SSA to provide death data to match against its records. Through Electronic Death Registration (EDR), States electronically submit death reports to SSA. If the decedent’s data match SSA records, SSA posts the State death information to its Numident file and terminates payments to deceased beneficiaries. In addition to EDR, SSA receives death information from other sources, such as family members and funeral directors.

We obtained data files that provided the personally identifiable information of approximately 1 million individuals the Kentucky Office of Vital Statistics recorded as deceased from January 1991 through December 2016. We matched the data against SSA’s June 2019 records.

Findings

We estimate SSA issued approximately $2.4 million after death to 35 beneficiaries who the Kentucky Office of Vital Statistics recorded as deceased from January 1991 through December 2016. Identifying and correcting these discrepancies will prevent approximately $347,000 in additional payments after death over the next 12 months.

We also identified 3,367 non-beneficiaries who were deceased according to the Kentucky Office of Vital Statistics but whose death information was not in SSA’s Numident. Resolving these discrepancies will improve the accuracy and completeness of death information the Agency shares with other Federal benefit-paying agencies.

We did not determine why the deaths were not in SSA’s Numident or whether the State reported the deaths to SSA. However, SSA rejects EDR death reports that do not pass its formatting and identification tests to prevent posting erroneous death data to its records. We have a separate, ongoing review that will assess the effectiveness of the EDR process.

Agency Actions Resulting from the Audit

In January 2020, we provided SSA with death certificates for the 35 beneficiaries. As of May 22, 2020, SSA had terminated benefits to 20 beneficiaries and initiated recovery of $468,184 in improper payments.

Recommendations

1. Take action to record deaths on the Numident, terminate payments, and initiate collection of overpayments, as appropriate, for the remaining beneficiaries we identified.

2. Add death information to the Numident, as appropriate, for the 3,367 non-beneficiaries with dates of death we identified using Kentucky records.

SSA agreed with our recommendations.