

Benefit Payments to Non-citizen Beneficiaries Living Outside the United States Who Have Not Met the 5-year Residency Requirement

A-07-18-50344



September 2019

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) suspended benefits to non-citizen beneficiaries who had not met their 5-year residency requirement and resided outside the United States for longer than 6 consecutive months.

Background

The Old-Age, Survivors and Disability Insurance (OASDI) program provides benefits to wage earners and their families who meet certain criteria in the event the wage earner retires, becomes disabled, or dies.

If a family member of a wage earner is eligible for OASDI benefits and is not a U.S. citizen, he/she may need to meet a 5-year residency requirement. To fulfill the residency requirement, the beneficiary must establish a physical residence in the United States, while in a qualifying relationship with the wage earner, with the intent to reside for a cumulative period of at least 5 years.

SSA uses the automated Regular Transcript Attainment and Selection Pass (RETAP) process to prompt benefit suspension for non-citizen beneficiaries who have not meet their 5-year residency requirement and have been outside the United States for longer than 6 consecutive months.

Finding

Of the 200 non-citizen beneficiaries we reviewed, SSA did not properly suspend benefits to 26 (13 percent). SSA should have suspended these beneficiaries because they had not met their 5-year residency requirement and lived outside the United States for longer than 6 consecutive months.

Of the 26 beneficiaries, 23 met the criteria for the RETAP process to prompt benefit suspension. However, RETAP did not identify these beneficiaries for suspension. According to SSA, a RETAP programming limitation prevented these beneficiaries from being identified for benefit suspension. SSA employees omitted information from the remaining three beneficiaries' Master Beneficiary Records required for RETAP to prompt benefit suspensions.

By not appropriately suspending benefits, SSA overpaid these 26 beneficiaries approximately \$332,000. Accordingly, we project SSA overpaid nearly \$29 million to approximately 2,300 non-citizen OASDI beneficiaries.

Recommendations

We made three recommendations including that SSA take actions to address the non-citizen beneficiaries we identified whose benefits need to be suspended and for SSA to establish a process to periodically identify for correction MBRs where SSA employees did not record the required information. SSA agreed with our recommendations.

Agency Actions Resulting from the Audit

We provided SSA the 26 non-citizen beneficiaries for whom it needed to take actions to suspend benefits. As of August 2019, SSA had taken or initiated corrective actions for 15 of the 26 beneficiaries.