

Bank Balances and Account Information for Supplemental Security Income Recipients

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Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) missed opportunities to identify Supplemental Security Income (SSI) recipients who had excess resources in bank accounts.

Background

The SSI program provides cash assistance to people who are aged, blind, or disabled with limited income and resources. In July 2016, SSA paid 8.3 million recipients \$4.7 billion in monthly SSI payments.

SSI applicants and recipients are required to report their resources to SSA to ensure they are eligible for SSI. Since January 1, 1989, the SSI resource limits have been \$2,000 for an individual and \$3,000 for a couple.

We identified 717 adult SSI recipients (from 1 segment of the Supplemental Security Record) who answered that they had no bank account but who were receiving payments via direct deposit at 1 of the top 4 banks where SSI was direct deposited and who had a redetermination from January 2011 through March 2016. We selected a random sample of 100 recipients for detailed analysis and requested their bank records.

Generally, when an SSI recipient's payments are direct deposited to a financial institution, the account title must indicate the recipient owns the account.

Findings

SSA missed the opportunity to identify 3 SSI recipients (from a sample of 100) who had excess resources in bank accounts because of conflicting information in SSA's systems. In these three cases, the individuals neither told SSA they had bank accounts nor identified the amount of funds in the accounts. Had SSA known about the accounts and their balances, it could have confirmed the accounts and found bank account balances over the SSI resource limit. In November 2016, SSA assessed a \$1,442 overpayment in one case, but, for the other two cases, SSA did not assess overpayments because of its administrative finality rules (which set time limits for re-opening certain cases). Overall, we identified a small number of cases with excess resources when compared to the millions of individuals who receive SSI each month.

Additionally, we found that 13 of the 100 recipients did not follow SSA policy regarding the titling of their bank accounts. Of these recipients, four received their SSI payments directly, and nine received their payments through a representative payee. These recipients' names were not correctly listed on the bank account in which their SSI payments were direct deposited. Based on these sample results, we estimate that approximately \$1 million in monthly SSI payments was direct deposited into about 1,860 SSI recipients' bank accounts that were not titled correctly. If the recipient does not own the account, someone other than the recipient has access to the SSI payments that are intended for low-income aged, blind, or disabled individuals. Also, when the recipient has a representative payee to manage the funds, the recipient's ownership interest in the account is required.

Recommendation

We recommend that SSA take corrective action on the 13 sample cases with incorrect bank account titles. SSA agreed with the recommendation.