Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

Audit Report

Supplemental Security Income Earnings Alerts

022310 September 2026

Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: September 15, 2026 **Refer to:** 022310

To: Frank Bisignano
Commissioner

From: Michelle L. Anderson
Assistant Inspector General for Audit as First Assistant

Subject: Supplemental Security Income Earnings Alerts

The attached final report presents the results of the Office of Audit's review. The objective was to determine whether the Social Security Administration resolved earnings alerts for Supplemental Security Income recipients that remained pending as of September 2024.

Please provide within 60 days a corrective action plan that addresses each recommendation. If you wish to discuss the final report, please call me or have your staff contact Jeffrey T. Brown, Deputy Assistant Inspector General for Audit.

Attachment

Supplemental Security Income Earnings Alerts 022310

September 2026 **Office of Audit Report Summary**

Objective

To determine whether the Social Security Administration (SSA) resolved earnings alerts for Supplemental Security Income (SSI) recipients that remained pending as of September 2024.

Background

The SSI program provides monthly cash assistance to people who are aged, blind, or disabled and have limited income and resources. SSA evaluates income monthly. Generally, as a recipient's income increases, their SSI payment decreases. If a recipient's income exceeds allowable limits in a month, the recipient is not eligible for SSI payments for that month.

To maintain accurate earnings information, SSA uses the earnings alert system to identify discrepancies between a recipient's reported and actual wages. A discrepancy occurs when a recipient's actual earnings differ from the earnings SSA used to calculate the SSI payment.

We identified 417,291 SSI recipients who had at least 1 pending earnings alert on their record as of September 2024. We randomly selected 100 of these recipients to determine whether SSA took appropriate action to resolve the alerts.

Results

SSA employees resolved earnings alerts for 20 of the 100 recipients we reviewed. However, Agency employees did not resolve earnings alerts for 80 recipients who had at least 1 earnings alert pending as of September 2024.

- For 63 recipients, SSA employees did not start reviews of 37 earnings alerts and did not complete their reviews of 26 earnings alerts. As of April 2025, the 63 earnings alerts remained pending.
- For 17 recipients, SSA employees cleared the earnings alerts but did not verify and record all earnings that affected the SSI payment amounts.

The results of our current review indicate actions the Agency took in response to our prior review were not sufficient, as employees still were not taking appropriate actions to resolve earnings alerts.

Based on our sample results, we estimate SSA paid about 333,800 recipients approximately $1 billion that they would not have been eligible to receive had the Agency properly considered and fully developed their unreported earnings when it determined their SSI eligibility and associated payment amounts. Agency employees did not complete, or incorrectly completed, earnings reviews and eligibility determinations, which led SSA to issue these payments. Because of SSA's administrative finality policy, it will be unable to recover approximately $664 million of these payments, absent a determination of fraud or similar fault. SSA should be able to take corrective action on the remaining approximately $344 million.

Recommendations

We made three recommendations for SSA to review and take corrective action on errors our audit identified, identify the factors contributing to employees not diligently pursuing earnings alerts or not accurately resolving them, and implement appropriate corrective action.

SSA agreed to implement our recommendations.

TABLE OF CONTENTS

ABBREVIATIONS

IRS	Internal Revenue Service
OIG	Office of the Inspector General
POMS	Program Operations Manual System
SSA	Social Security Administration
SSI	Supplemental Security Income
U.S.C.	United States Code

OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) resolved earnings alerts for Supplemental Security Income (SSI) recipients that remained pending as of September 2024.

BACKGROUND

The SSI program provides monthly cash assistance to people who are aged, blind, or disabled and have limited income and resources.[1] SSA evaluates income each month.

Generally, as a recipient's income increases, their SSI payment amount decreases.[2] If a recipient's income exceeds allowable limits in a given month, the recipient is not eligible for SSI payments for that month.[3] Countable income includes wages and net self-employment earnings.[4] An SSI recipient, or their representative payee, is responsible for timely reporting changes in income as such changes may affect their eligibility and/or payment amounts.[5]

To maintain accurate earnings information, SSA uses an earnings alert system to identify discrepancies between a recipient's reported and actual wages. A discrepancy occurs when a recipient's actual earnings differ from the earnings SSA used to calculate the SSI payment. SSA's system will generate an alert when wage information from the Internal Revenue Service (IRS) or a state agency exceeds the earnings the SSI recipient reported for the tax year.[6]

SSA policy requires that an employee address an earnings alert during a redetermination or other post-eligibility activity.[7] An employee must contact the recipient to resolve the earnings discrepancy by verifying the earnings information and determining its effect on current and past SSI eligibility and payment amounts. The employee must then update the Supplemental Security Record, pursue recovery of any resulting overpayment, and clear the earnings alert.[8] If the recipient does not respond, or provide the information needed to resolve the earnings discrepancy, the employee must suspend SSI payments.[9]

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[1] *Social Security Act* § 1611, 42 U.S.C. § 1382.

[2] SSA, *POMS*, SI 00810.001, B.2 (August 9, 2023).

[3] *SSA, POMS,* SI 00810.001, B.2 (August 9, 2023).

[4] SSA, *POMS*, SI 00810.015, A.2 (July 28, 2023).

[5] SSA, *POMS*, SI 02301.005 (March 11, 2026).

[6] SSA, *POMS*, SI 02310.055, A (December 17, 2012), and SI 02310.062, C (June 4, 2021).

[7] SSA, *POMS*, SI 02310.005, C.2 (May 15, 2007).

[8] SSA, *POMS*, SI 02310.062, C (June 4, 2021).

[9] SSA, *POMS*, SI 02301.235, A (April 24, 2025).

Administrative Finality

Under SSA's administrative finality rules, SSA considers determinations of SSI eligibility and payment amounts due to be correct and will only re-open and revise them under certain conditions. Generally, SSA will not re-open and revise SSI determinations made more than 24 months in the past unless the case involves fraud or similar fault. SSA defines fraud as an intentional act to obtain benefits through false statements for the concealment of material information. SSA defines similar fault as knowingly providing incorrect or incomplete information, or knowingly concealing information, that is material to SSA's determination.[10] In such cases, SSA may re-open determinations and recover overpayments without regard to the 24-month limitation.

Whether the Agency may re-open and revise prior periods of SSI eligibility depends, in part, on whether employees diligently pursue and resolve the earnings alerts. When an employee completes their review within 6 months after SSA's system generated the earnings alert, the Agency's diligent pursuit standard is met.[11]

- When an SSA employee meets the diligent pursuit standard, and, absent a finding of fraud or similar fault, the Agency may re-open and revise SSI eligibility and payment determinations made up to 24 months before *the date of the alert*, and the Agency may recover any resulting overpayments.

- When an SSA employee does not meet the diligent pursuit standard and, absent a finding of fraud or similar fault, the Agency may only re-open and revise SSI eligibility and payment determinations made up to 24 months before *the date the employee began reviewing the alert*, and the Agency may recover any resulting overpayments. SSI payments for earlier periods that would otherwise have been affected by the unreported earnings—and which could have been re-opened and revised had the employee diligently pursued the alerts—cannot be revised. The Agency will not calculate, record, and pursue for recovery, any overpayments for periods that cannot be revised.

Prior Audit

In a December 2012 review, we found SSA did not timely develop earnings alerts.[12] We estimated SSA could have prevented or recovered approximately $110 million in SSI overpayments for over 25,000 recipients had it resolved earnings alerts within 6 months of the alerts' generation dates. We recommended SSA (1) remind staff to develop alerts by taking all appropriate actions to post earnings and (2) determine whether it is cost-effective to establish earnings alerts that are more likely to lead to payment changes. In response, SSA issued administrative guidance that reminded employees to develop earnings alerts and take appropriate action to accurately post earnings data to SSA systems. The Agency also evaluated the cost-effectiveness of establishing earnings alerts and determined they would not be productive or cost-effective.

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[10] SSA, *POMS*, SI 04070.005, A.11 and A.12 (April 27, 2007).

[11] SSA, *POMS*, DI 27505.005 (June 5, 2008).

[12] SSA, OIG, *SSA's Development of Earnings Alerts for SSI Recipients*, *A-02-11-11185*, (December 2012).

SCOPE AND METHODOLOGY

We identified 417,291 SSI recipients who had at least 1 pending earnings alert on their record as of September 2024. We randomly selected 100 of these recipients to determine whether SSA took appropriate action to resolve their alerts.

We used earnings information the IRS and states reported to estimate recipients' monthly earnings.[13] We verified the names and identifying information in the earnings alerts matched the corresponding recipients and associated reported earnings. Based on this verification, we presumed the earnings identified in the alerts were accurate. We did not contact recipients to obtain actual wages earned during each month of the review period.

We estimated improper payments based on all available information in SSA systems when we conducted our review. To account for allowable adjustments, we (1) applied any applicable income exclusions identified from recipients' prior earnings to the earnings reported in the alerts; and (2) considered recipients' living arrangements, where applicable, in determining recipients' countable income.

It is possible that some of the earnings associated with the pending earnings alerts were incorrect. It is also possible that some of these earnings, although attributable to the SSI recipients, may not have affected their eligibility or payment amounts because they were eligible for certain income exclusions. See Appendix A for more details about our scope and methodology.

RESULTS OF REVIEW

SSA employees resolved earnings alerts for 20 of the 100 recipients we reviewed. However, Agency employees did not resolve earnings alerts for the remaining 80 recipients who had at least 1 earnings alert pending as of September 2024.

- For 63 recipients, SSA employees did not start their reviews of 37 earnings alerts or did not complete their reviews of 26 earnings alerts. As of April 2025, the earnings alerts remained pending.
- For 17 recipients, SSA employees cleared the earnings alerts but did not verify and record all earnings that affected the SSI payment amounts.

The results of our current review indicate the actions SSA took in response to our prior review were not sufficient, as employees continued not taking appropriate actions to resolve earnings alerts.

[13] SSA's Master Earnings File contains the earnings employers and the IRS reported. These data include regular wages and salaries, tips, self-employment income, and deferred compensation. The Office of Child Support Enforcement's National Directory of New Hires wage database contains wage data for a quarter.

Based on our sample results, we estimate SSA paid approximately 333,800 recipients about $1 billion that they would not have been eligible to receive had the Agency properly considered and fully developed their unreported earnings when determining their SSI eligibility and associated payment amounts. Agency employees did not complete, or incorrectly completed, earnings reviews and eligibility determinations, which led SSA to issue these payments.[14] SSA's administrative finality policy does not allow it to recover approximately $664 million of these payments absent a determination of fraud or similar fault. SSA should be able to take corrective action on the remaining approximately $344 million. See Appendix B for additional information about our sampling methodology and results.

Earnings Alerts That Remained Pending

SSA employees either had not started or had not completed their reviews of 63 of the 100 recipients' earnings alerts. As of April 2025, these earnings alerts had been pending for an average of 733 days, indicating employees did not diligently pursue their resolution.

Contacting Recipients to Review Alerts

Employees did not contact 37 recipients to confirm their earnings information before clearing the earnings alerts, as required.[15] SSA received alerts that earnings information the IRS or state agency provided exceeded the earnings the SSI recipients reported to SSA. However, we found no evidence that SSA employees attempted to resolve the earnings discrepancies in the Agency's records, and the associated alerts remained unresolved.

Follow-Up Actions When Recipients Do Not Respond

Employees attempted to contact 26 recipients but neither tried additional contact nor suspended benefits when the recipients failed to respond. Employees should have followed up by telephone or mail when recipients did not respond to the initial contact attempt. If recipients still did not respond, employees should have suspended SSI payments.[16]

[14] The projected overpayment amount includes both over- and underpayments.

[15] SSA, *POMS*, SI 02310.007, B (June 23, 2008).

[16] SSA, *POMS*, SI 02301.235, A (April 24, 2025).

Example. On July 2, 2018, SSA's system alerted an SSA field office to a discrepancy in the 2017 earnings reported by the father of a minor SSI recipient whose eligibility was based, in part, on the father's income. On June 18 and July 1, 2019, an SSA employee scheduled appointments for the father to verify his earnings information, but the father did not respond to either. The employee took no further action, and, as of March 2026, the alert remained unresolved for longer than 7 years. During this period, the father continued working and his earnings increased each year, while the recipient continued receiving SSI payments. We estimate SSA paid the recipient about $36,000 from October 2017 through December 2025 because the father's unreported earnings affected the recipient's SSI eligibility and payment amounts. Had SSA employees pursued the earnings alert when the Agency received it, they would have identified the unreported earnings and initiated recovery of the resulting overpayment. Because they did not, SSA can only recover overpayments for the 24 months before the review of the 2018 alert. Therefore, if the review began in March 2026, SSA would not be able to recover approximately $19,000. SSA considers payments associated with this unrecoverable amount to be correct and will not establish an overpayment to seek recovery, absent a determination of fraud or similar fault.

Impact of Unresolved Earnings Alerts

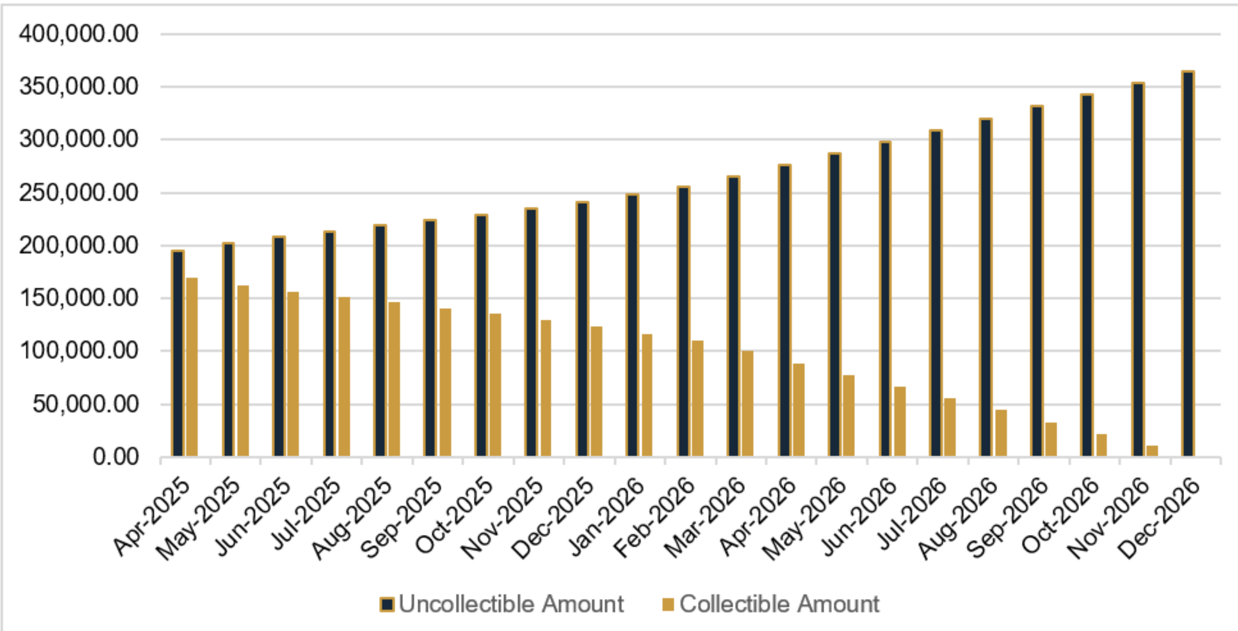
SSA employees did not diligently pursue the information needed to resolve the earnings alerts for all 63 recipients, and, as of April 2025, the alerts remained unresolved for longer than 6 months. Figure 1 illustrates how long the alerts had been pending.

Figure 1: Age of Unresolved Earnings Alerts as of April 2025

We determined 42 of the 63 SSI recipients had earnings that affected their SSI eligibility and associated payment amounts. During the affected months, SSA issued approximately $369,000 in payments.

Figure 2 illustrates how delays limited the Agency's ability to revise and recover the 42 SSI recipients' affected payments. SSA generated earnings alerts for these SSI recipients on various dates on or before September 2024, when they remained pending. These alerts indicated the recipients may not have been eligible for payments during some portion of the period between March 2017 and December 2024. SSA employees did not diligently pursue the alerts, but the Agency's administrative finality rules limit its authority to recover overpayments to a 24-month period before the date employees would begin their reviews. Therefore, December 2026 represents the last month SSA could recover any of the payments we identified, unless there is a finding of fraud or similar fault.

Figure 2: Estimated SSI Payments To Recipients That They Would Not Have Been Eligible to Receive Had SSA Considered Their Unreported Earnings



We could not determine why employees did not initiate or complete reviews of earnings alerts in accordance with Agency policies, and Agency subject-matter experts could not provide an explanation.

Based on our sample results, we estimate SSA paid about 264,000 SSI recipients approximately $937 million that they would not have been eligible to receive had the Agency considered their unreported earnings when determining their SSI eligibility and associated payment amounts.[17] Because of administrative finality, SSA cannot pursue approximately $644 million of this amount for recovery because it considers those payments final and will not establish overpayments for them, absent a determination of fraud or similar fault.[18]

[17] See Tables B-5 and B-6 in Appendix B.

[18] See Table B-7 in Appendix B.

Cleared Alerts with Incomplete Corrective Action

When clearing earnings alerts, SSA employees must review the individual's earnings file to identify any employers or earnings that are not reflected in the earnings alert or recorded in the SSI record. If employees find additional employers, they should verify and document these earnings.[19]

SSA employees did not document all unreported earnings that were readily available in SSA systems before they cleared the earnings alerts. For 17 of the 100 recipients we sampled, SSA employees verified and recorded some earnings that were not previously reflected in the recipients' SSI records. However, SSA employees did not record all earnings that affected the recipients' SSI payment amounts.

As of April 2025, SSA had paid 12 of the 17 recipients approximately $17,000 in SSI payments that they would not have been eligible to receive had the Agency verified and documented all their unreported earnings when determining their SSI eligibility and associated payment amounts. We could not determine why SSA employees did not take appropriate action to verify and document earnings reflected in these earnings alert cases in accordance with Agency policies.

Example. An SSA employee received an earnings alert in September 2024 after the Agency's systems identified a discrepancy between IRS-reported earnings and earnings posted to the recipient's record for calendar year 2023. Before clearing the alert in June 2025, the employee posted some 2023 wages to the recipient's record but did not post the full amount reported by the IRS. Specifically, the employee did not post approximately $15,000 in 2023 wages, even though the information was available at the time of our review. The individual would not have been eligible for the $1,800 SSA paid them between April and May 2023 had the Agency considered these additional earnings. However, because more than 24 months passed since SSA issued these payments, the Agency will neither revise these payments nor establish and pursue recovery of an overpayment, unless it establishes fraud or similar fault.

Based on our sample results, we estimate SSA paid about 70,000 SSI recipients approximately $71 million that they would not have been eligible to receive had the Agency verified and documented all their unreported earnings when determining their SSI eligibility and associated payment amounts.[20] SSA's administrative finality policy does not allow SSA to pursue approximately $20 million of this amount for recovery because it considers those payments final and will not establish overpayments for them absent a determination of fraud or similar fault.[21]

[19] SSA, *POMS*, SI 02310.062, F.4 (June 4, 2021).

[20] See Tables B-5 and B-6 in Appendix B.

[21] See Table B-7 in Appendix B.

CONCLUSION

SSA has the opportunity to strengthen its controls to ensure employees timely and accurately resolve earnings alerts, which can improve the Agency's ability to identify and recover SSI payments that recipients would not have been eligible to receive had SSA considered their unreported earnings. Timely and thorough resolution of earnings alerts can also help SSA recover overpayments before administrative finality provisions limit—and in some cases eliminate—the Agency's authority to do so, resulting in a permanent loss to the Federal government.

RECOMMENDATIONS

We recommend SSA:

1. Review and take corrective action on the 63 earnings alerts that Agency employees did not start or complete.

2. Review and take corrective action on the 17 earnings alerts where Agency employees did not record all earnings.

3. Identify the factors contributing to employees not diligently pursuing earnings alerts or not accurately resolving them, and implement appropriate corrective actions.

AGENCY COMMENTS

SSA agreed to implement our recommendations (see Appendix C).

APPENDICES

Appendix A – SCOPE AND METHODOLOGY

To accomplish our objective, we:

- Reviewed applicable sections of the *Social Security Act*, Code of Federal Regulations, and Social Security Administration (SSA) policies and procedures.

- Reviewed prior SSA and Office of the Inspector General reports on Supplemental Security Income earnings alerts.

- Obtained information from subject-matter experts regarding SSA policy, procedures, and systems related to earnings alerts.

- Identified 417,291 Supplemental Security Income recipients in current pay status who had at least 1 pending earnings alert on their Supplemental Security Record as of September 2024.

- Selected a random sample of 100 recipients for review. We completed the following.

    - Determined the alert status at the time of our review (resolved or pending).

    - Determined the difference between the Internal Revenue Service or state-reported earnings and those recorded in SSA's records.

    - Reviewed SSA-documented efforts to address the alerts and determined additional action needed to resolve the alerts.

    - Estimated any improper payments resulting from our findings and whether administrative finality rules preclude SSA from re-opening and recovering any payments.

    - Referred error cases to SSA for review and corrective action.

We conducted our review between April 2025 and August 2026. We assessed the reliability of the Supplemental Security Record data by tracing a random sample of data to the system that produced it to ensure our data were accurate. We determined the data used in this report were sufficiently reliable given our audit objective and intended use of the data. The principal entity audited was SSA's Chief of Field Operations under the Deputy Commissioner.

We assessed the significance of internal controls necessary to satisfy the audit objective. This included an assessment of five internal control components. In addition, we reviewed the principles of internal controls associated with the audit objective. We identified the following components and principles as significant to the audit objective.

- Component 1: Control Environment
  - Principle 2: Exercise oversight responsibility
  - Principle 5: Enforce accountability
- Component 2: Risk Assessment
  - Principle 7: Identify, analyze, and respond to risk
  - Principle 8: Assess fraud risk
- Component 3: Control Activities
  - Principle 10: Design control activities
  - Principle 12: Implement control activities
- Component 4: Information and Communication
  - Principle 14: Communicate internally
- Component 5: Monitoring
  - Principle 16: Perform monitoring activities
  - Principle 17: Evaluate issues and remediate deficiencies

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 audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusion based on our audit objective.

Appendix B – SAMPLING METHODOLOGY AND RESULTS

We obtained our audit populations as detailed in Appendix A. To conduct this review, we used a simple random sample statistical approach. This is a standard statistical approach used for creating a sample from an audit population completely at random. Each sample item had an equal chance of selection, and the selection of one item had no impact on the selection of other items. This guaranteed that we chose a sample that represented the audit population, absent human biases, and ensured statistically valid conclusions of, and projections to, the entire audit population under review. Our sampling approach for this review ensures the reported projections are statistically sound and defensible.

Table B–1: Population and Sample Size

Population	Number of Recipients
Population	417,291
Sample Size	100

Social Security Administration (SSA) employees did not appropriately resolve earnings alerts for 80 of the 100 Supplemental Security Income (SSI) recipients we reviewed who had at least 1 earnings alert pending as of September 2024. Projecting our sample results to the population of 417,291 recipients, we estimate SSA did not appropriately resolve earnings alerts for 333,833 recipients.

Table B–2: Sample Results

Population	Number of Recipients
Sample Results	80
Point Estimate	333,833
Projection – Lower Limit	301,622
Projection – Upper Limit	360,260

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

Based on our sample results, we estimate SSA paid 333,833 recipients over $1 billion that they would not have been eligible to receive had the Agency properly considered and fully developed their unreported earnings when determining their SSI eligibility and associated payment amounts. Agency employees did not complete, or incorrectly completed, earnings reviews and eligibility determinations, which led SSA to issue these payments.

Table B–3: SSI Payments Not Due Recipients

Population	Payments
Sample Results[1]	$229,447
Point Estimate	$1,007,855,806
Projection – Lower Limit	$675,672,505
Projection – Upper Limit	$1,340,039,108
Outliers	$156,388
Total (Point Estimate Plus Outliers)	$1,008,012,194

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

Because of its administrative finality policy, we estimate the Agency will be unable to recover approximately $664 million of these payments, absent a determination of fraud or similar fault.

Table B–4: Uncollectable SSI Payments

Population	Payments
Sample Results[2]	$155,939
Point Estimate	$663,998,677
Projection – Lower Limit	$377,287,795
Projection – Upper Limit	$950,709,558
Outliers	$48,139
Total (Point Estimate Plus Outliers)	$664,046,816

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

We allocated the estimated 333,833 recipients for whom SSA did not appropriately resolve earnings alerts (from Table B-2 above) between 2 error categories.

- Unresolved alerts that remained pending represented 79 percent of the total errors. Therefore, we multiplied 333,833 by 79 percent to estimate 263,728 recipients had unresolved alerts that remained pending.

- Cleared alerts with incomplete corrective action represented 21 percent of the total errors. Therefore, we multiplied 333,833 by 21 percent to estimate 70,105 recipients for whom SSA cleared alerts with incomplete corrective action.

[1] We removed five individuals from our projection calculation because they were statistical outliers. These individuals would not have been entitled to receive a total of $156,388 in SSI payments had the Agency reviewed the associated earnings alerts that remained pending. We included this amount separately in our estimate.

[2] We removed two individuals from our projection calculation because they were statistical outliers. These individuals would not have been entitled to receive a total $48,139 in SSI payments had SSA reviewed the associated earnings alerts that remained pending. We included this amount separately in our estimate.

Table B–5: Estimated Number of Recipients by Category

	Unresolved Alerts That Remained Pending	Cleared Alerts with Incomplete Corrective Action	Total
Errors in Sample	63	17	80
Percent of Total	79%	21%	100%
Estimated Total Errors	263,728	70,105	333,833

We allocated the point estimate of $1,007,855,806 in payments SSA made to ineligible recipients (from Table B-3 above) between two error categories.

- Unresolved alerts that remained pending represented 93 percent of the point estimate. Therefore, we multiplied $1,007,855,806 by 93 percent to arrive at a net estimate that totaled $937,305,900. We then added the outlier payments, totaling $156,388, that we removed from the statistical projection in Table B-3 to estimate SSA made payments totaling $937,462,288 to recipients who had unresolved alerts that remained pending.

- Cleared alerts with incomplete corrective action represented 7 percent of the point estimate. Therefore, we multiplied $1,007,855,806 by 7 percent to estimate SSA made payments totaling $70,549,906 to recipients for whom the Agency cleared alerts with incomplete corrective action.

Table B–6: Estimated Amounts by Category

	Unresolved Alerts That Remained Pending	Cleared Alerts with Incomplete Corrective Action	Total
Errors in Sample	$212,441	$17,006	$229,447
Percent of Total	93%	7%	100%
Point Estimate	$937,305,900	$70,549,906	$1,007,855,806
Add: Outliers	$156,388	$0	$156,388
Estimated Total Errors	$937,462,288	$70,549,906	$1,008,012,194

We allocated the point estimate of $663,998,677 in payments SSA will be unable to recover due to its administrative finality policy, absent a determination of fraud or similar fault (from Table B-4 above) between two error categories.

- Unresolved alerts that remained pending represented 97 percent of the point estimate. Therefore, we multiplied $663,998,677 by 97 percent to arrive at a net estimate totaling $644,078,717. We then added the outlier payments totaling $48,139 that we removed from the statistical projection in Table B-4 above to estimate that SSA will be unable to recover payments made to recipients in this category totaling $644,126,856 due to its administrative finality policy, absent a determination of fraud or similar fault.

- Cleared alerts with incomplete corrective action represented three percent of the point estimate. Therefore, we multiplied $663,998,677 by 3 percent to estimate that SSA will be unable to recover payments made to recipients in this category totaling $19,919,960 due to its administrative finality policy absent a determination of fraud or similar fault.

Table B–7: Estimated Uncollectable Amounts by Category

	Unresolved Alerts That Remained Pending	Cleared Alerts with Incomplete Corrective Action	Total
Errors in Sample	$151,603	$4,336	$155,939
Percent of Total	97%	3%	100%
Point Estimate	$644,078,717	$19,919,960	$663,998,677
Add: Outliers	$48,139	$0	$48,139
Estimated Total Errors	$644,126,856	$19,919,960	$664,046,816

We identified $343,965,378 in improper payments for which SSA can take corrective action.[3]

- Overpayments caused by unresolved alerts that remained pending represented 95.1 percent of the point estimate. Therefore, we multiplied $343,965,378 by 95.1 percent to arrive at a net estimate totaling $327,111,074. Underpayments caused by unresolved alerts that remained pending represented 0.5 percent of the point estimate. Therefore, we multiplied $343,965,378 by 0.5 percent to arrive at a net estimate totaling $1,719,827.

- Overpayments caused by cleared alerts with incomplete corrective action represented 4.2 percent of the point estimate. Therefore, we multiplied $343,965,378 by 4.2 percent to arrive at a net estimate totaling $14,446,546. Underpayments caused by cleared alerts with incomplete corrective action represented 0.2 percent of the point estimate. Therefore, we multiplied $343,965,378 by 0.2 percent to arrive at a net estimate totaling $687,931.

Table B–8: Estimated Collectable Amounts by Category

	Unresolved Alerts That Remained Pending (Overpayments)	Unresolved Alerts That Remained Pending (Underpayments)	Cleared Alerts with Incomplete Corrective Action (Overpayments)	Cleared Alerts with Incomplete Corrective Action (Underpayments)	Total
Errors in Sample	$366,771	$2,058	$16,388	$619	$385,836
Percent of Total	95.1%	0.5%	4.2%	0.2%	100%
Estimated Amounts	$327,111,074	$1,719,827	$14,446,546	$687,931	$343,965,378

[3] The $343,965,378 is the $1,008,012,194 estimated total in Table B-6 less the $664,046,816 in payments SSA will be unable to recover due to its administrative finality policy, absent a determination of fraud or similar fault.

Based on the information in Table B–8 total overpayments (questioned costs) equals $341,557,620 and total underpayments (funds put to better use) equals $2,407,758.

Appendix C – AGENCY COMMENTS

SOCIAL SECURITY
Office of the Commissioner

MEMORANDUM

Date: September 8, 2026 Refer To: TQA-1

To: Michelle L. Anderson
Assistant Inspector General for Audit as First Assistant

From: Chad Poist
Chief Risk Officer

Subject: Office of the Inspector General Draft Memorandum "Supplemental Security Income Earnings Alerts" (022310) -- INFORMATION

Thank you for the opportunity to review the draft report. We agree with the recommendations. SSA is committed to program integrity and appreciates OIG's review. Our assessment found that, for several cases identified as not started or incomplete, the required redetermination was not yet due when the alert was generated, and the status of these cases was consistent with established workflow timelines. Additionally, corrective action has since been completed on a portion of the cited cases. We will continue to strengthen our processes to ensure timely and accurate resolution of earnings alerts.

Please let me know if I can be of further assistance. You may direct staff inquiries to Amy Gao, Director of the Audit Liaison Staff.

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