

Old-Age, Survivors, and Disability Insurance Overpayment Notices 152407



September 2026

Office of Audit Report Summary

Objective

To determine whether the Social Security Administration (SSA) issued Old-Age, Survivors, and Disability Insurance overpayment notices and processed explanation requests according to policy.

Background

Overpayments occur when SSA pays a beneficiary more than they are due for a given period. When SSA discovers it has overpaid an individual, it sends an overpayment notice as soon as possible. The notice explains the reason for, and amount of, the overpayment and the individual's liability for repayment.

If the overpaid individual agrees with SSA's determination and overpayment amount, they may contact SSA to request a different rate of withholding or set up a repayment plan if they are not receiving benefits from which the Agency could recover the overpayment. When an overpaid individual disagrees with the fact or amount of the overpayment, they may request a reconsideration. If they cannot pay and do not believe they are at fault, they may request a waiver. An overpaid individual may also request an explanation to clarify the information they received in an overpayment notice.

Results

SSA issued overpayment notices that complied with policy for 54 percent of the overpayments we reviewed. However, the Agency did not issue policy-compliant notices for 46 percent. The most common errors were that notices did not include policy-required information that explained how and when the overpayment was made; did not include language that explained the overpaid individual's right to request a reconsideration or waiver; included inaccurate overpayment amounts and reasons; and contained conflicting language.

SSA correctly processed 37 percent of the overpayments that had explanation request indicators. However, the Agency incorrectly processed 63 percent. This included cases for which employees misused the explanation request indicator, because these individuals contacted SSA for reasons other than to request a written explanation. Additional errors included SSA issuing deficient explanation notices and not documenting the requests as required by policy.

Conclusion

SSA must issue complete and accurate overpayment notices to ensure individuals have a clear understanding of how and when overpayments occurred and how SSA calculated the overpayment amounts. Providing information with instructions on how to seek reconsideration, waiver, or explanation and detailing repayment options ensures overpaid individuals fully understand their rights and can make informed decisions. In addition, when individuals request explanations, employees must properly process the requests to address overpaid individuals' concerns. By doing so, the Agency could reduce unnecessary work, lower administrative costs, and enhance customer service, which, in turn, may strengthen public trust and confidence in the Agency.

Recommendations

We made six recommendations for SSA to establish controls and update systems, policy, and procedures to ensure it issues complete and accurate overpayment notices and processes explanation requests according to policy. SSA agreed with our recommendations.