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**OFFICE OF  
THE INSPECTOR GENERAL**

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**SOCIAL SECURITY ADMINISTRATION**

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**INDIVIDUALS RECEIVING BENEFITS  
UNDER MULTIPLE SOCIAL SECURITY  
NUMBERS AT THE SAME ADDRESS**

April 2005    A-01-05-25002

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**AUDIT REPORT**

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## **Mission**

**We improve SSA programs and operations and protect them against fraud, waste, and abuse by conducting independent and objective audits, evaluations, and investigations. We provide timely, useful, and reliable information and advice to Administration officials, the Congress, and the public.**

## **Authority**

**The Inspector General Act created independent audit and investigative units, called the Office of Inspector General (OIG). The mission of the OIG, as spelled out in the Act, is to:**

- Conduct and supervise independent and objective audits and investigations relating to agency programs and operations.**
- Promote economy, effectiveness, and efficiency within the agency.**
- Prevent and detect fraud, waste, and abuse in agency programs and operations.**
- Review and make recommendations regarding existing and proposed legislation and regulations relating to agency programs and operations.**
- Keep the agency head and the Congress fully and currently informed of problems in agency programs and operations.**

**To ensure objectivity, the IG Act empowers the IG with:**

- Independence to determine what reviews to perform.**
- Access to all information necessary for the reviews.**
- Authority to publish findings and recommendations based on the reviews.**

## **Vision**

**By conducting independent and objective audits, investigations, and evaluations, we are agents of positive change striving for continuous improvement in the Social Security Administration's programs, operations, and management and in our own office.**



## SOCIAL SECURITY

### MEMORANDUM

Date: April 29, 2005

Refer To:

To: The Commissioner

From: Inspector General

Subject: Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address (A-01-05-25002)

Our objective was to identify and prevent individuals from receiving Old-Age, Survivors, and Disability Insurance (OASDI) benefits and/or Supplemental Security Income (SSI) payments inappropriately under multiple Social Security numbers (SSN) at the same mailing address.

### BACKGROUND

The Office of the Inspector General (OIG) was alerted to three cases in January 2004 where beneficiaries inappropriately received benefits under multiple SSNs at the same address.<sup>1</sup> To identify the extent of this situation, we analyzed a data extract of approximately 54 million OASDI and SSI beneficiaries who received benefits in February 2004. Based on our analysis of the SSNs, address information and benefit records, we identified 354 beneficiaries who may have received benefits inappropriately under at least two different SSNs at the same address. (See Appendices B and C for additional information on background, scope and methodology.)

### RESULTS OF REVIEW

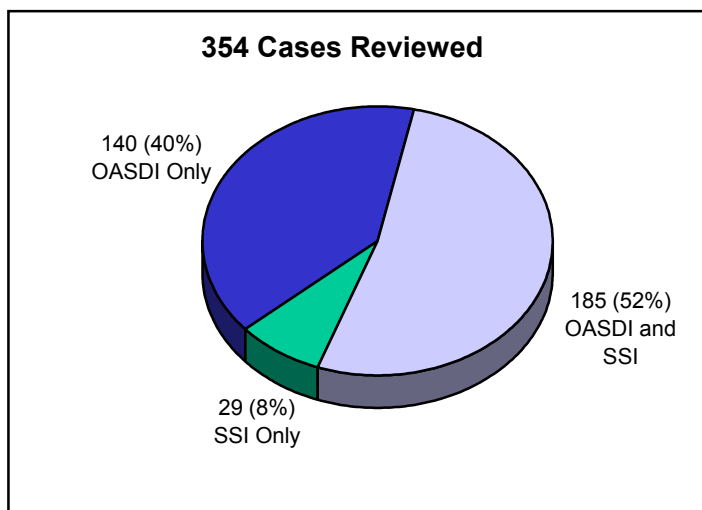
Because of our review of these 354 cases, the Social Security Administration (SSA) assessed almost \$9.2 million in overpayments for 220 beneficiaries who inappropriately received benefits under multiple SSNs at the same address. We also believe SSA avoided paying an estimated \$1.4 million by stopping these incorrect payments.<sup>2</sup>

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<sup>1</sup> The Department of Health and Human Services OIG issued a report on a similar issue—*Identifying Unauthorized Multiple Payments to the Same Person at the Same Address* (A-04-87-03001), August 1988.

<sup>2</sup> The future savings is the amount that would have been paid to the beneficiary if SSA had not stopped benefits based on action taken during our review. Savings were calculated by taking the last overpayment received by the beneficiary multiplied by 12 months. The \$1.4 million consists of \$160,150 for SSI recipients, \$478,200 for OASDI beneficiaries, and \$786,864 for beneficiaries receiving both SSI and OASDI benefits.

Although this represents a small fraction of the \$500 billion SSA pays to over 50 million beneficiaries<sup>3</sup> every year, 182 of the 220 cases with overpayments are being investigated for possible fraud on the part of the beneficiary. Also, addressing these cases supports SSA's Strategic Plan which includes objectives to prevent fraudulent and erroneous payments and to strengthen the integrity of the SSN.<sup>4</sup> Our Office of Investigations continues to work these cases.<sup>5</sup>



The 354 cases we identified included:

- 29 individuals who received only SSI payments;
- 140 individuals who received only OASDI benefits; and
- 185 individuals who received both SSI and OASDI benefits.

Working with SSA staff, we found that:

- 182 beneficiaries were overpaid about \$8.6 million due to possible fraud.
- 38 beneficiaries were overpaid \$565,403 for reasons other than possible fraud.
- 49 beneficiaries were not overpaid.<sup>6</sup>
- 85 beneficiaries are still having their cases reviewed. Based on information we received from SSA on November 23, 2004, most of these beneficiaries have received improper payments and the Agency is in the process of taking the necessary corrective action.

The following table shows the breakout of beneficiaries and overpayments by type of benefit received.

<sup>3</sup> SSA, Performance and Accountability Report, Fiscal Year 2004, pages 8 and 147.

<sup>4</sup> SSA Strategic Plan 2003-2008, page 22.

<sup>5</sup> As of January 2005, two beneficiaries have been arrested.

<sup>6</sup> Further review showed that these cases generally represented different individuals, such as twins.

	SSI Only		OASDI Only		SSI and OASDI		TOTAL	
Overpaid – Possible Fraud	18	\$560,612	55	\$2,813,216	109	\$5,251,661	182	\$8,625,489
Overpaid – Other Reasons	7	\$28,057	12	\$261,904	19	\$275,442	38	\$565,403
<b>Subtotal</b>	<b>25</b>	<b>\$588,669</b>	<b>67</b>	<b>\$3,075,120</b>	<b>128</b>	<b>\$5,527,103</b>	<b>220</b>	<b>\$9,190,892</b>
Not Overpaid	1	\$0	27	\$0	21	\$0	49	\$0
Pending Review	3	-	46	-	36	-	85	-
<b>Total Cases and Dollars</b>	<b>29</b>	<b>\$588,669</b>	<b>140</b>	<b>\$3,075,120</b>	<b>185</b>	<b>\$5,527,103</b>	<b>354</b>	<b>\$9,190,892</b>

As of April 13, 2005, SSA had recovered \$517,905 of the \$9.2 million in overpayments shown in the table above (about 6 percent).

### Beneficiaries Were Overpaid Due to Possible Fraud

SSA has controls in place to detect duplicate payments issued to the same SSI recipient or OASDI beneficiary. Specifically, the Supplemental Security Income Duplicate Payment Project (SSIDPP) is designed to eliminate the possibility of a recipient receiving duplicate payments due to multiple SSI records.<sup>7</sup> The Agency runs SSIDPP annually, and cases which meet the matching criteria are identified and transmitted to the appropriate SSA office to resolve the discrepancies.

Of 29 cases receiving only SSI payments, we found 18 instances of possible fraud. These 18 recipients were overpaid \$560,612 and received multiple SSI payments for 56 months, on average. For example:

- A 54-year-old recipient obtained a second SSN using a friend’s last name for the sole purpose of getting a second SSI payment. From August 1991 until July 2004, SSA overpaid this recipient \$89,654.

Additionally, SSA uses its Master File Duplicate Detection Operation (MAFDUP) software to identify beneficiaries who may be inappropriately receiving benefits on multiple OASDI records. The Agency runs MAFDUP twice annually, and alerts for cases which meet the matching criteria are sent to the appropriate SSA office to be developed and resolved.

Of 140 cases receiving only OASDI benefits, we found 55 instances of possible fraud. These 55 beneficiaries were overpaid over \$2.8 million and received multiple OASDI benefits for 101 months, on average. For example:

- A 71-year-old beneficiary with two different SSNs and her two children were overpaid \$264,103 since 1971. The beneficiary’s attorney is negotiating with the United States Attorney’s office on this matter.

<sup>7</sup> SSA, POMS, SI 02310.100.

- An 84-year-old beneficiary with two different SSNs was overpaid \$171,052 since 1986. The beneficiary admitted knowing that an individual cannot receive two full benefits at the same time. The SSA field office staff, working with OIG investigators, obtained copies of the beneficiary's bank statements, showing sufficient funds to repay the overpayment. When presented with this information, the beneficiary wrote a check and repaid the funds that day.

### **Beneficiaries Were Overpaid for Reasons Other than Possible Fraud**

We found 38 of the cases that were overpaid a total of \$565,403 did not involve possible fraud. Examples include improper payments resulting from SSA staff keying errors, staff not cross-referencing records, staff establishing benefits under the wrong SSN, etc. Specifically, 7 SSI recipients were overpaid \$28,057 (average of \$4,008 per recipient) over an average of 12 months; 12 OASDI beneficiaries were overpaid \$261,904 (average of \$21,825 per beneficiary) over an average of 49 months; and 19 beneficiaries who received both SSI and OASDI benefits were overpaid \$275,442 (average of \$14,497 per beneficiary) over an average of 37 months.

### **SSA Does Not Detect All Duplicate Benefits Paid Under Different SSNs**

SSA's controls do not identify all beneficiaries receiving OASDI benefits and/or SSI payments inappropriately under multiple SSNs at the same mailing address. Although SSIDPP detects duplicate SSI payments, it is only run once a year—allowing for overpayments to be larger and span longer periods of time than if they were detected and resolved sooner.<sup>8</sup> Also, although SSA runs MAFDUP twice annually to detect duplicate OASDI payments, the 140 cases we reviewed either were not identified by MAFDUP or were identified and not resolved.<sup>9</sup>

Furthermore, we were not able to identify any controls in place, such as SSIDPP or MAFDUP, to detect beneficiaries receiving *both* SSI and OASDI benefits under different SSNs. The SSIDPP only detects multiple SSI payments, and MAFDUP only detects multiple OASDI benefits. Over half of the beneficiaries we identified for review received benefits from both programs, where the individual was collecting:

- SSI payments under one SSN and OASDI benefits under a different SSN;
- SSI payments and OASDI benefits under one SSN and a second SSI payment under a different SSN; or
- SSI payments and OASDI benefits under one SSN and a second OASDI benefit under a different SSN.

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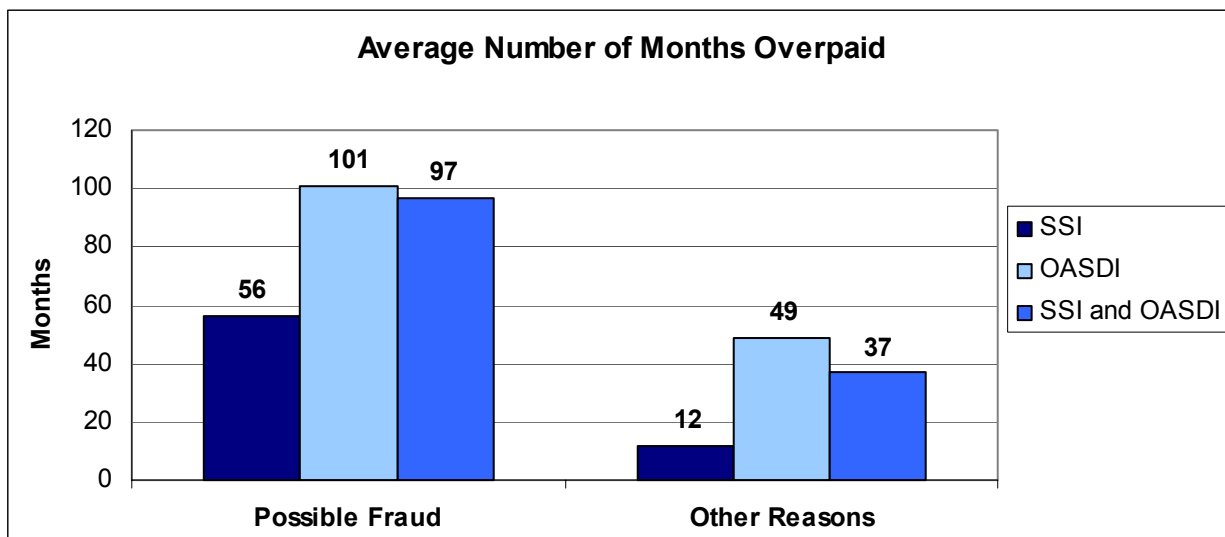
<sup>8</sup> On February 24, 2005, SSA staff informed the OIG that—as of January 2005—SSIDPP would be run quarterly.

<sup>9</sup> We included recommendations for MAFDUP in our March 2005 report, *Individuals Receiving Multiple Auxiliary or Survivor Benefits (A-01-05-25015)*. We provided the 140 OASDI cases to SSA systems staff for review of MAFDUP processes.

Of 185 beneficiaries receiving both SSI payments and OASDI benefits, there were 109 cases of possible fraud. These 109 beneficiaries were overpaid over \$5.2 million and received multiple SSI and OASDI benefits for 97 months, on average. For example:

- A beneficiary in Chicago received SSI payments under one name/SSN combination from May 1985 through June 2000, while working under another name/SSN combination until June 1996—when she began receiving disability benefits. Our investigators determined that the woman was receiving a third benefit payment (widows benefits) under her ex-husband's SSN. The total overpayment amounted to \$117,160 and judicial action is pending in this case.
- A 63-year-old individual with two SSNs was overpaid \$78,731 since 1991 because she received SSI payments while working and later collecting disability benefits under another SSN.

The following chart shows that individuals receiving both SSI payments and OASDI benefits are susceptible to receiving improper payments, similar to SSI only recipients and OASDI only beneficiaries—where SSA has data matching programs in place.



We received the following comments from an SSA employee who reviewed some of the cases we identified:

In the past, we have received a listing of SSI only cases where it appeared that one individual might be receiving on two SSI records, and typically the cases did not involve fraud or overpayments. The OIG audit listing also included [SSI] only cases, but additionally, [OASDI] only cases and concurrent cases ... Many of the cases involved fraud and/or large overpayments ... Our field offices are working with OIG, Office of Investigation[s], in the cases involving fraud ... we recommend this process be done annually and sent to the regions for development. As mentioned, the results were far more significant than the annual SSI-only listing we have historically received.

### Obtaining Multiple SSNs

Generally, SSA assigns an individual only one SSN. Protecting the integrity of the SSN is essential to the proper posting of reported earnings, the payment of SSA benefits, and the prevention of fraud and SSN misuse. SSA has implemented several initiatives to protect the integrity of the SSN. For example, SSA now requires mandatory interviews for all applicants for original SSNs who are over age 12 (lowered from age 18) and requires evidence of identity for all children, regardless of age. In addition, SSA has established an Enumeration Center in Brooklyn, New York, that focuses exclusively on assigning SSNs and issuing SSN cards.

The following table shows the range of time between the issuance of two SSNs under which benefits were paid for the 220 cases with overpayments. The majority of these SSNs were issued more than a year apart.<sup>10</sup>

Time Period Between SSNs Being Issued	Cases Overpaid
Unknown	16
Same month	20
Same year, over 1 month apart	14
1 to 5 years apart	32
6 to 10 years apart	26
11 to 15 years apart	33
16 to 20 years apart	29
21 to 25 years apart	27
Over 25 years apart	23
<b>Total</b>	<b>220</b>

### Benefits Issued Under Different Names

Our review of the 220 cases with overpayments showed that some beneficiaries not only had different SSNs, but they were also receiving benefits under different last names.

- 154 beneficiaries received multiple benefits using different last names—146 involved possible fraud and 8 did not.
- 66 beneficiaries received multiple benefits under the same last name—36 involved possible fraud and 30 did not.

<sup>10</sup> Based on feedback from SSA staff and OIG investigators, several of these individuals appear to have fraudulently obtained the second SSN by providing false information or documents to SSA.



The criteria SSA uses to identify duplicate payments includes matching on name. Therefore, if the names are different, SSA is less likely to identify them. Once all instances of possible fraud have been worked through resolution, we will revisit these cases to identify additional common characteristics regarding SSN integrity and misuse to share with SSA. (See Appendix D for prior OIG reports on SSN integrity.)

## **CONCLUSIONS AND RECOMMENDATIONS**

SSA's controls do not identify all individuals receiving OASDI benefits and/or SSI payments inappropriately under multiple SSNs at the same mailing address. Further, a portion of the individuals we identified appeared to have obtained benefits fraudulently—and SSA and the OIG continue to address this. To assist SSA in preventing fraudulent and improper payments and to strengthen the integrity of the SSN, we recommend that SSA:

1. Develop a match to identify and prevent beneficiaries inappropriately receiving both OASDI and SSI benefits under different SSNs.
2. Ensure that all beneficiaries inappropriately receiving multiple OASDI benefits at the same address are identified and that appropriate action is taken.
3. Run SSIDPP more frequently than once per year.

## **AGENCY COMMENTS**

SSA agreed with our recommendations. The Agency is planning to conduct a yearly match—beginning in February 2006—to identify and prevent beneficiaries receiving both OASDI and SSI benefits under different SSNs at the same mailing address. In addition, SSA took action on the OASDI cases and started running SSIDPP quarterly. (See Appendix E for SSA's comments.)



Patrick P. O'Carroll, Jr.

# *Appendices*

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[APPENDIX A](#) – Acronyms

[APPENDIX B](#) – Scope and Methodology

[APPENDIX C](#) – Background

[APPENDIX D](#) – The Social Security Number

[APPENDIX E](#) – Agency Comments

[APPENDIX F](#) – OIG Contacts and Staff Acknowledgments

## Acronyms

MAFDUP	Master File Duplicate Detection Operation
MBR	Master Beneficiary Record
OASDI	Old-Age, Survivors, and Disability Insurance
OIG	Office of the Inspector General
POMS	Program Operations Manual System
SSA	Social Security Administration
SSI	Supplemental Security Income
SSIDPP	Supplemental Security Income Duplicate Payment Project
SSN	Social Security Number
SSR	Supplemental Security Record
U.S.C.	United States Code

# Scope and Methodology

To accomplish our objective, we:

- Reviewed applicable sections of the Social Security Act and Social Security Administration (SSA) regulations, rules, policies and procedures.
- Reviewed a prior Department of Health and Human Services, Office of the Inspector General report, *Identifying Unauthorized Multiple Payments to the Same Person at the Same Address* (A-04-87-03001), August 1988.
- Obtained a file of Master Beneficiary Records (MBR) for all primary and auxiliary beneficiaries<sup>1</sup> and Supplemental Security Records (SSR) for all Supplemental Security Income (SSI) recipients who received benefits in February 2004. We ran several matches on these files based on the following fields: 5-digit zip code; date of birth; first name; and first 5 characters of the street address. We compared these 4 fields in the following files:
  - Records within the SSR file.
  - Records in the MBR file against the SSR file.
  - Records within the MBR primary beneficiary file.
  - Records in the MBR primary beneficiary file against the MBR auxiliary beneficiary file.
  - Records within the MBR auxiliary beneficiary file.

We removed any cases where the benefits on one record were cross-referenced or accounted for on the other record—as these individuals were entitled on multiple records or were concurrent beneficiaries—and SSA has processes in place to ensure benefits are adjusted appropriately. In addition, we removed any cases where the records were cross-referenced but the Social Security number (SSN) was incorrect, as we have previously studied this issue, and SSA is taking corrective action to identify and stop overpayments on these records with incorrect or missing SSNs.<sup>2</sup> Any remaining instances where two or more cases matched on the fields listed above were kept for review.

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<sup>1</sup> A “primary beneficiary” is a Social Security number-holder entitled to benefits based on his/her own work record. An “auxiliary beneficiary” is someone entitled to benefits based on someone else’s work record, by virtue of relationship to the number-holder. SSA, POMS GN 03301.002 B.

<sup>2</sup> We provided recommendations for incorrect and/or missing auxiliaries’ SSNs in our audit reports—*Impact on the Social Security Administration’s Programs When Auxiliary Beneficiaries Do Not Have Their Own Social Security Numbers* (A-01-02-22006), September 2002; and *Impact on the Social Security Administration’s Programs When Auxiliary Beneficiaries Have Incorrect Social Security Numbers* (A-01-03-33020), November 2003.

This match resulted in 1,329 cases for possible inclusion in our review. We then obtained the Numident record<sup>3</sup> for each beneficiary and compared the place of birth, parents, full names, other names used, and any other information on the record to help determine if the SSNs belonged to the same person or different individuals, such as twins with similar names. In addition, we reviewed the MBRs and SSRs to compare phone numbers, bank account information, and any other information available to help in making the determination.

After our matching processes and additional reviews, we had 381 cases where we believed individuals might be inappropriately receiving benefits under multiple SSNs at the same address. Prior to sending these cases to SSA to confirm their identities and assess whether payments were appropriate, 27 duplicate payments were detected by SSA and resolved. We referred the remaining 354 cases to SSA for review and requested that any instances of possible fraud be referred to the Office of the Inspector General's Office of Investigations.

After obtaining feedback from SSA on our cases, we quantified the amount of overpayments assessed by the Agency. We also calculated future savings for the next 12 months where SSA stopped the improper payments.

We conducted our audit between May 2004 and February 2005 in Boston, Massachusetts. We found the data used for this audit were sufficiently reliable to meet our audit objective. The entities audited were the Field Offices and Program Service Centers under the Deputy Commissioner of Operations, and the Office of Retirement and Survivors Insurance Systems and the Office of Disability and Supplemental Security Income Systems under the Deputy Commissioner of Systems. We conducted our audit in accordance with generally accepted government auditing standards.

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<sup>3</sup> The Numident Master File houses, in SSN order, the identifying information for each number-holder. SSA, POMS, RM 00209.002.

# BACKGROUND

## SSA's Controls for Detecting Duplicate Payments

When an individual applies for Old-Age, Survivors, and Disability Insurance (OASDI) benefits or Supplement Security Income (SSI) payments, Social Security Administration (SSA) staff ask the person about any prior applications for benefits. This is to ensure that individuals who may be entitled on more than one record receive the correct amount. In addition, SSA runs computer matches to identify records that appear to be duplicates based on name, date of birth, and/or zip code. SSA personnel review the records to determine whether they relate to the same beneficiary, correct the benefit amounts (if necessary), and assess any overpayments.

### SSI

Under Title XVI of the Social Security Act, the SSI program provides a minimum level of income to financially needy individuals who are aged, blind, or disabled.<sup>1</sup> Generally, individuals may receive payment of both OASDI and SSI benefits under the same Social Security number (SSN),<sup>2</sup> as long as the combination of such benefits does not exceed the maximum SSI payment allowed.<sup>3</sup>

The Supplemental Security Record (SSR) exchanges information with other SSA systems to detect duplicate records and payments. When differences are detected between the identity data from the SSR and other systems, an automatic alert is generated. SSA field office staff review the records, resolve any discrepancies, and make any necessary adjustments in SSI payments.<sup>4</sup>

Additionally, SSA designed the SSI Duplicate Payment Project to reduce the possibility of a recipient receiving duplicate payments due to multiple SSI records.<sup>5</sup> The project is run annually and is designed to identify cases which have matching names and the same date of birth.<sup>6</sup> Cases which meet these criteria are identified and transmitted to the appropriate SSA office to resolve the discrepancies.

### OASDI

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<sup>1</sup> The Social Security Act § 1601, *et seq.*, 42 U.S.C. § 1381, *et seq.*

<sup>2</sup> The Social Security Act § 1612(a)(2)(B), 42 U.S.C. § 1382(a)(2)(B).

<sup>3</sup> The Social Security Act § 1611(a)(1)(A), 42 U.S.C. § 1382(a)(1)(A).

<sup>4</sup> SSA, POMS, SM 02001.001-.425.

<sup>5</sup> SSA, POMS, SI 02310.100.

<sup>6</sup> On February 24, 2005, SSA staff informed the OIG that—as of January 2005—SSIDPP would be run quarterly.

Under Title II of the Social Security Act, the OASDI program provides monthly benefits to retired or disabled workers and their families and to survivors of deceased workers.<sup>7</sup> An individual may be eligible for benefits on several records. For example, a person can be entitled to benefits on his own earnings record and on his spouse's record. Although entitled on both records, SSA procedures generally provide that only the higher benefit amount is payable.

To ensure that individuals who are entitled to multiple OASDI benefits receive the correct payment amount, SSA developed systems to adjust, validate, and post accurate entitlement information on the Master Beneficiary Record (MBR) involved.<sup>8</sup> SSA also has another control in place to detect duplicate OASDI benefits, the Master File Duplicate Detection Operation (MAFDUP). The Agency runs MAFDUP twice annually (March and September) to detect records that match on several items, including first name, middle name, last name, zip code, and date of birth. Alerts are generated for beneficiaries who may be receiving benefits under multiple SSNs to the appropriate SSA office to be developed and resolved. To assist the Agency with tracking overpayments established as a result of MAFDUP, all overpayments posted to benefit records must be coded as "multiple entitlement."<sup>9</sup>

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<sup>7</sup> The Social Security Act §§ 202(a) - (k), 42 U.S.C. §§ 402(a) - (k).

<sup>8</sup> SSA, POMS, SM 00823.001.

<sup>9</sup> SSA, Operations Bulletin, OB 04-0197, April 1, 2004.

## The Social Security Number

Generally, the Social Security Administration (SSA) assigns an individual only one Social Security number (SSN). This unique number is used to record the individual's earnings for future benefit purposes and to keep track of benefits paid under that number. However, SSA may assign an individual a new SSN under certain circumstances, including:

- Sequential SSNs were assigned to members of the same family.
- Earnings records have become scrambled (i.e., wages belonging to one individual are posted to another individual's record).
- There are religious or cultural objections to certain numbers in the SSN.
- Evidence clearly shows the individual's SSN has been misused, and that he or she is being disadvantaged by that misuse.<sup>1</sup>

SSA's policy, in most cases, is to cross-reference the records for all SSNs assigned to an individual.<sup>2</sup> When SSA becomes aware that an individual may have been assigned more than one SSN, staff review the records and other available information to determine if the SSNs actually belong to the same individual. If the SSNs do belong to the same person, cross-reference fields are manually added to each record. A new SSN may be inappropriately assigned to an individual if he/she provides incomplete information or deliberately provides false information on the SSN application and submits evidence of age, identity, and citizenship/alien status/work authorization, which supports the information on the SSN application.

### Prior Reports on SSN Integrity

The following table shows some of the recent reports we have issued on SSN integrity.

<b>Social Security Number Integrity and Protection</b>	
<b>Report</b>	<b>Issued</b>
Management Advisory Report: The Social Security Administration's Procedures for Enumerating Foreign Students (A-05-03-23056)	December 17, 2003
Social Security Numbers with More Than One Owner (A-03-03-23003)	June 23, 2004

<sup>1</sup> SSA, POMS, RM 00205.040.

<sup>2</sup> SSA, POMS, RM 00205.001.



## Social Security Number Integrity and Protection

Report	Issued
Brooklyn Social Security Card Center's Compliance with Policies and Procedures When Processing Noncitizen Social Security Number Applications (A-08-04-14061)	August 30, 2004
Compliance with Policies and Procedures When Processing Noncitizen Social Security Number Applications at Foreign Service Posts (A-08-04-14060)	August 30, 2004
Field Offices' Compliance with Policies and Procedures When Processing Noncitizen Social Security Number Applications (A-08-04-14005)	August 30, 2004
Congressional Response Report: Survey of Educational Institutions' Issuance of Work Authorization Documents to Foreign Students (A-08-04-24102)	September 30, 2004

## Agency Comments



## SOCIAL SECURITY

MEMORANDUM

34111-24-1247

Date: April 15, 2005

Refer To: S1J-3

To: Patrick P. O'Carroll, Jr.  
Inspector General

From: Larry W. Dye /s/  
Chief of Staff

Subject: Office of the Inspector General (OIG) Draft Report, "Individuals Receiving Benefits Under Multiple Social Security Numbers at the Same Address" (A-01-05-25002)--  
INFORMATION

We appreciate OIG's efforts in conducting this review. Our comments on the draft report's recommendations are attached.

Please let me know if you have any questions. Staff inquiries may be directed to Candace Skurnik, Director, Audit Management and Liaison Staff, at extension 54636.

Attachment:  
SSA Response

**COMMENTS ON THE OFFICE OF THE INSPECTOR GENERAL (OIG)**  
**DRAFT REPORT "INDIVIDUALS RECEIVING BENEFITS UNDER MULTIPLE**  
**SOCIAL SECURITY NUMBERS AT THE SAME ADDRESS" (A-01-05-25002)**

Thank you for the opportunity to review and comment on the draft report. We appreciate your assistance in identifying and preventing fraudulent and improper payments and strengthening the integrity of the Social Security number (SSN). Over the last several years, we have focused much attention on strengthening the integrity of the SSN and I am pleased to take this opportunity to describe some of the initiatives and tools that are, or will be, available to address the specific issues identified in this report.

Since June 2002, we have required collateral verification of birth records for applications for original SSNs submitted for United States-born individuals age one and over. Furthermore, as required by Section 7213 of Public Law 108-458, we will soon begin verifying birth records (excluding those processed through the Enumeration at Birth Process) submitted by individuals to establish eligibility for an SSN. An Agency workgroup is currently working on the implementation of this provision. In addition, since October 1, 2002, the Social Security Administration (SSA) no longer assigns SSNs to non-citizens without first verifying the authenticity of their documents with the Department of Homeland Security.

To improve the processing of enumeration transactions, we now have a new tool called the "SS-5 Assistant." This tool serves as the front-end interface to the SSA enumeration system which Field Office employees use to process SSN applications through the Modernized Enumeration System (MES). The SS-5 Assistant guides the SSA employee through the enumeration process and enforces compliance with all enumeration policies.

In addition, in February 2004, we made several systems enhancements to the Master File Duplicate Detection Operation (MAFDUP) to improve the identification of inappropriate multiple payments to the same address. MAFDUP was reprogrammed to interface with enhancements to the Master Beneficiary Record (MBR), to compare health and medical insurance data. The interface assists us in identifying multiple SSNs at the same address who may be receiving inappropriate benefits. Finally, as part of our redesigned MES, we plan to develop a sophisticated means to search for the existence of multiple SSNs whenever someone applies for an original or replacement SSN in order to prevent and/or identify these situations.

In summary, we are confident that these changes are making it considerably more difficult for individuals to obtain SSNs using fraudulent documents and then defraud SSA. Our responses to the specific recommendations and some technical comments are provided below:

### **Recommendation 1**

SSA should develop a match to identify and prevent beneficiaries inappropriately receiving both Old Age Survivors and Disability Insurance (OASDI) and Supplemental Security Income (SSI) benefits under different SSNs.

#### **Response**

We agree. We are working internally with our systems staff to conduct a yearly match, beginning in February 2006, to identify and prevent beneficiaries receiving both OASDI and SSI benefits under different SSNs at the same mailing address. We expect the match operation to be handled through the process known as "CATF," where special programming requests are accomplished to assist with fraud investigative operations.

### **Recommendation 2**

SSA should ensure that all beneficiaries inappropriately receiving multiple OASDI benefits at the same address are identified and that appropriate action is taken.

#### **Response**

We agree. We completed our review of the cases provided by OIG in January 2005 and took appropriate action on all beneficiaries identified as possibly receiving incorrect multiple benefits. As a result of this review, we also referred cases that involved possible fraud to OIG for investigation.

### **Recommendation 3**

SSA should run the Supplemental Security Income Duplicate Payment Project (SSIDPP) more frequently than once per year.

#### **Response**

We agree. As of January 2005, SSA runs the SSIDPP quarterly.

[In addition to the items listed above, SSA provided technical comments which have been addressed, where appropriate, in this report.]

## OIG Contacts and Staff Acknowledgments

### ***OIG Contacts***

Judith Oliveira, Director, (617) 565-1765

David Mazzola, Audit Manager (617) 565-1807

### ***Acknowledgments***

In addition to those named above:

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Social Security Advisory Board

# **Overview of the Office of the Inspector General**

The Office of the Inspector General (OIG) is comprised of our Office of Investigations (OI), Office of Audit (OA), Office of the Chief Counsel to the Inspector General (OCCIG), and Office of Executive Operations (OEO). To ensure compliance with policies and procedures, internal controls, and professional standards, we also have a comprehensive Professional Responsibility and Quality Assurance program.

## **Office of Audit**

OA conducts and/or supervises financial and performance audits of the Social Security Administration's (SSA) programs and operations and makes recommendations to ensure program objectives are achieved effectively and efficiently. Financial audits assess whether SSA's financial statements fairly present SSA's financial position, results of operations, and cash flow. Performance audits review the economy, efficiency, and effectiveness of SSA's programs and operations. OA also conducts short-term management and program evaluations and projects on issues of concern to SSA, Congress, and the general public.

## **Office of Investigations**

OI conducts and coordinates investigative activity related to fraud, waste, abuse, and mismanagement in SSA programs and operations. This includes wrongdoing by applicants, beneficiaries, contractors, third parties, or SSA employees performing their official duties. This office serves as OIG liaison to the Department of Justice on all matters relating to the investigations of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

## **Office of the Chief Counsel to the Inspector General**

OCCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCCIG also advises the IG on investigative procedures and techniques, as well as on legal implications and conclusions to be drawn from audit and investigative material. Finally, OCCIG administers the Civil Monetary Penalty program.

## **Office of Executive Operations**

OEO supports OIG by providing information resource management and systems security. OEO also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OEO is the focal point for OIG's strategic planning function and the development and implementation of performance measures required by the Government Performance and Results Act of 1993.