

Highlights of [GAO-05-115](#), a report to the Chairman, Committee on Finance, United States Senate

Why GAO Did This Study

In fiscal year 2004, the Social Security Administration (SSA) issued about 4.2 million original Social Security numbers (SSN) and 2 million SSN replacement cards to U.S.-born children. Despite its narrowly intended purpose, today, young children need a SSN to be claimed on their parent's income tax return or to apply for certain government benefits. Because children's SSNs, like all SSNs, are vulnerable to theft and misuse, the Chairman of the Senate Committee on Finance requested that GAO (1) document SSA's current processes and internal controls for issuing SSNs to U.S.-born children under the age of 18 and (2) identify any weaknesses that may affect SSA's ability to ensure the integrity of the SSN and the efficiency of enumeration processes.

What GAO Recommends

GAO recommends that SSA strengthen its SSN processes through increased EAB oversight, better coordination with audit agencies, improved EAB education, and policy clarification on handling birth certificates. SSA disagreed with GAO's recommendation to increase oversight but agreed with the remaining recommendations and outlined planned or ongoing efforts to address them.

Since birth certificates are key to SSN issuance, GAO recommends that the Congress consider developing a nationwide system to verify birth records.

www.gao.gov/cgi-bin/getrpt?GAO-05-115.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Barbara Bovbjerg at (202) 512-7215 or bovbjergb@gao.gov.

SOCIAL SECURITY ADMINISTRATION

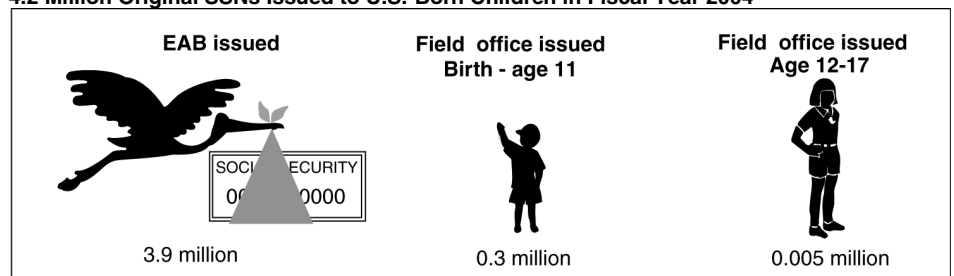
Actions Needed to Strengthen Processes for Issuing Social Security Numbers to Children

What GAO Found

SSA has two processes for issuing SSNs to U.S.-born children—one that allows parents to request SSNs through a hospital during birth registration and one that permits them to apply through SSA field offices—both of which include various internal control mechanisms. Today, SSA issues the majority of SSNs to children through its Enumeration at Birth (EAB) program. Participating hospitals forward the SSN request and other birth registration data to vital statistics agencies, which then send it to SSA. SSA's automated system ensures that the data are complete and mails the SSN to the parent. Parents may also request SSNs through SSA field offices by mail or in person. This process requires parents to present proof of the child's age, identity, and citizenship as well as proof of their own identity. As fraud prevention measures, SSA also interviews children 12 and older and verifies documents with a third party for those over age 1. If a child's SSN card is lost or stolen, parents may also apply for a replacement card. SSA requires proof of identification for both the parent and the child to obtain such cards.

Despite SSA's efforts to improve its enumeration processes, weaknesses persist in EAB program oversight and outreach, manual birth verification procedures, and other vulnerabilities that could adversely affect the integrity of SSA's processes. Federal internal control standards state that agencies should assess and mitigate risk to their programs. However, SSA does not conduct comprehensive integrity reviews, or coordinate with external auditing agencies to ensure that vital statistics agencies and hospitals are properly collecting and protecting enumeration data for children. In addition, SSA lacks a nationwide capability to efficiently verify birth certificates for children whose parents apply through SSA field offices, although a prior SSA pilot proved successful in providing such verifications. Further, SSA lacks a policy for securing and tracking birth certificates once manual verifications are complete, making these documents vulnerable to misuse. Finally, SSA's policies for verifying birth certificates of children under age 1 and for issuing replacement SSN cards, which allow for up to 52 cards annually, remain weak and could expose the program to fraud. The Intelligence Reform and Terrorism Prevention Act of 2004 will assist SSA in protecting the integrity of the SSN by requiring the agency to verify birth documents for all SSN applicants, except for EAB purposes, and limit the issuance of SSN replacement cards.

4.2 Million Original SSNs Issued to U.S.-Born Children in Fiscal Year 2004



Source: SSA and Art Explosion.