



U.S. SENATE COMMITTEE ON

# Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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For Immediate Release

Tuesday, July 13, 2004

Grassley calls on Social Security Administration to protect program dollars for disabled

WASHINGTON – Sen. Chuck Grassley called the results of a new government audit of overpaid Social Security benefits "astonishing," and urged the Social Security Administration to adopt a detailed plan of action to recover as much as \$3 billion in overpayments.

Grassley, who is chairman of the Senate Committee on Finance, said, "Any way you look at it, the Social Security Administration is confronted with known and unknown overpayments involving billions of taxpayer dollars. These dollars should be available to benefit individuals who legitimately need disability payments." In a letter today, Grassley urged the Social Security Commissioner to act quickly on the recommendations made by the Inspector General.

The audit was conducted by the Office of the Inspector General for the Social Security Administration. It is titled "Disabled Title II Beneficiaries With Earnings on the Master Earnings File," A-01-03-13019.

The text of Grassley's letter to Commissioner Jo Anne Barnhart follows here.

July 13, 2004

Jo Anne Barnhart  
Commissioner  
Social Security Administration  
500 E. Street, SW  
Washington, DC 20254

Dear Commissioner Barnhart:

Today, the Social Security Administration (SSA), Office of Inspector General (OIG), released an astonishing audit, which estimates that the SSA overpaid benefits to 171,620 ineligible individuals totaling \$3.15 billion. While the SSA *successfully* determined that 117,320 of these individuals were ineligible for payments totaling \$1.78 billion, the SSA failed to identify an estimated 63,000 individuals who were overpaid \$1.37 billion.

As chairman of the Committee on Finance, I do not know which finding is most troubling. Any way you look at it, the SSA is confronted with known and unknown overpayments involving billions of taxpayer's dollars – billions that should be available to benefit individuals who legitimately need disability payments.

I am pleased that the SSA has agreed with the OIG's recommendations, however, I am concerned about their implementation. With billions of dollars at stake, I believe it is essential to develop a detailed plan of action to address the OIG's findings and recommendations. Specifically, I want to be advised about specific goals and dates for implementing these recommendations. In addition, please provide me additional details about the cost-benefit analyses and resource allocation decisions used to identify and recover these overpayments.

Thank you for your attention to these important implementation issues and for your response by September 30, 2004. Your staff may contact my Committee staff, Emilia DiSanto or Dan Donovan, at (202) 224-4515 with any concerns or questions.

Sincerely,

Charles E. Grassley  
Chairman