



## SOCIAL SECURITY

### MEMORANDUM

Date: February 4, 2009

Refer To:

To: The Commissioner

From: Inspector General

Subject: Sources of Erroneous Death Entries Input into the Death Master File (A-06-09-29095)

The attached final report presents the results of our review. Our objectives were to identify the sources of erroneous death reports input into the Death Master File and determine whether requiring that all States submit death reports via the Electronic Death Registration reporting system will eliminate death reporting errors.

If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.

A handwritten signature in black ink, appearing to read "Patrick P. O'Carroll, Jr." with a stylized flourish at the end.

Patrick P. O'Carroll, Jr.

Attachment

# ***QUICK RESPONSE EVALUATION***

## ***Sources of Erroneous Death Entries Input into the Death Master File***

**A-06-09-29095**



January 2009

## **Mission**

**By conducting independent and objective audits, evaluations and investigations, we inspire public confidence in the integrity and security of SSA's programs and operations and protect them against fraud, waste and abuse. We provide timely, useful and reliable information and advice to Administration officials, 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**

**We strive for continual improvement in SSA's programs, operations and management by proactively seeking new ways to prevent and deter fraud, waste and abuse. We commit to integrity and excellence by supporting an environment that provides a valuable public service while encouraging employee development and retention and fostering diversity and innovation.**

## OBJECTIVE

Our objectives were to identify the sources of erroneous death reports input into the Death Master File (DMF) and determine whether requiring that all States submit death reports via the Electronic Death Registration (EDR) reporting system will eliminate death reporting errors.

## BACKGROUND

As a result of a *Freedom of Information Act*<sup>1</sup> lawsuit,<sup>2</sup> the Social Security Administration (SSA) maintains a record of reported deaths known as the DMF. The terms of the related consent judgment required that SSA make available to the Plaintiff, the Social Security number (SSN), surname, and date of death of deceased numberholders. Since that time, SSA has expanded the information published in the DMF to include the decedent's date of birth, first and middle name, and last known residential State/ZIP code. As of October 2008, the DMF database contained approximately 85 million records.

In our June 4, 2008 report, *Personally Identifiable Information Made Available to the General Public Via the Death Master File (A-06-08-18042)*, we reported that SSA's publication of the DMF resulted in the breach of personally identifiable information (PII) for over 20,000 living individuals erroneously listed as deceased in the DMF. SSA made these individuals' SSNs; first, middle, and last names; dates of birth and death; and State and ZIP codes of last known residences available to users of the DMF before learning they were not actually deceased. SSA attempted to retract these disclosures by deleting the individuals' information from the DMF from January 2004 through April 2007. While these deletion transactions prevented the PII from being included in subsequent versions of the DMF, the deletions had no effect on the PII previously made available to DMF subscribers.

We analyzed recent DMF transactions to identify the sources of erroneous death entry inputs. We performed this work to determine whether full implementation of the EDR reporting system would actually eliminate erroneous death inputs. EDR is a State-sponsored initiative to improve the accuracy and timeliness of death registrations. Each participant (for example, funeral homes, hospitals, coroners, local registrars) electronically submits death certificate information to a State registration point, which, in turn, forwards death information electronically to SSA. Although all States currently send death reports to SSA, EDR reports are different because the States are provided

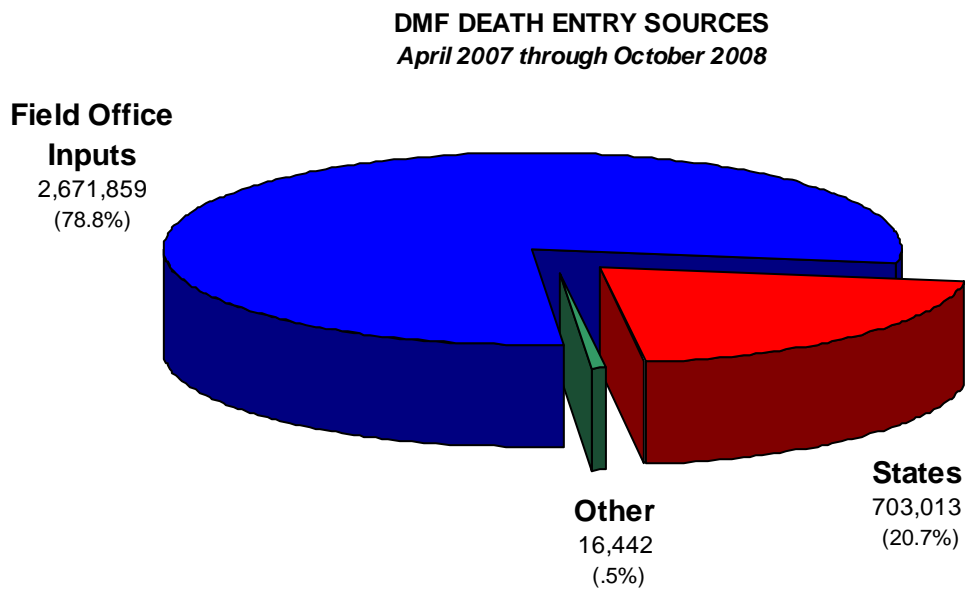
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<sup>1</sup> *The Freedom of Information Act*, Title 5 of the United States Code, section 552, generally provides that any person has the right to request access to Federal agency records or information.

<sup>2</sup> *Perholtz v. Ross*, Civ. No. 78-2385 and 78-2386 (D.D.C. - 1980).

an opportunity to verify the SSN on these reports via an on-line SSN verification process before submission. Since SSA has already verified the SSNs, its systems will process these reports without additional verification, terminate the individual's benefits, and post the date of death in its records. In theory, under EDR, death inputs by SSA field office staff would no longer be necessary. As of July 2008, 22 States, the District of Columbia, and New York City were participating in the EDR program.

In April 2007, update files for the DMF provided by SSA to the Office of the Inspector General began including a field that indicated whether a State had verified the deceased individual's SSN before reporting the death to SSA. From April 2007 through October 2008, SSA added approximately 3.4 million records to the DMF. The chart below summarizes the input source of these death entries.



Review of available DMF data indicated that during the same period, SSA added and then subsequently deleted 7,597 death entries to/from the DMF. The 7,597 death entries involved 7,530 different numberholders.<sup>3</sup> The fact that SSA deleted the death entries indicated the original death reports were erroneous. Further, 2,306 of the 7,530 numberholders were receiving benefit payments from SSA in November 2008, indicating SSA had verified the numberholders were alive. We recognize these transactions involve a small number of individuals relative to the total number of death entries added to the DMF (an error rate of less than one-quarter of 1 percent). However, erroneous death entries are a serious and sensitive issue that can result in the accidental exposure of a living individual's PII, result in an individual's benefits being wrongfully terminated and subject SSA to criticism from the affected individuals, the public and Congress.

<sup>3</sup> SSA added then deleted 58 different numberholders' death entries 2 or more times during the period reviewed.

## Results of Review

Our analysis showed that approximately 98 percent of erroneous death entries input into the DMF were death reports from non-State sources. Therefore, even if all States were to submit death reports via EDR, there could still be some erroneous death entries input to the DMF.

<b>Erroneous Death Reports Added to and Subsequently Deleted from the DMF April 2007 through October 2008</b>		
Received from	Transactions	Percent
Non-State Sources	7,431	97.8
EDR State--Unverified	97	1.3
EDR State--Verified	16	0.2
Non-EDR State	53	0.7
Total	7,597	100.0

Our review of SSA data also showed that death reporting errors occurred even when the death report was received from States via EDR. Although States had the opportunity to verify the SSNs on the death reports, in 97 of 113 cases where EDR States were the source of the erroneous death entry, the State did not verify the SSN of the deceased before submitting the death report to SSA. In the other 16 instances, the erroneous death entries were verified by the State before submission, indicating that even with this level of assurance, death reporting errors were not completely eliminated.

Further analysis of the erroneous death entries noted that most were input by SSA employees while processing death-related claims or while inputting death reports from family members or funeral homes. For example, the digits of an SSN could be inadvertently transposed during death entry input, erroneously terminating the wrong numberholder's record.

<b>Sources of 7,597 Erroneous Death Reports</b>		
Description	Transactions	Percent
SSA Staff Death Entry Input	6,754	88.9
First-Party Death Report to SSA	311	4.1
Funeral Home Death Report to SSA	257	3.4
EDR State	113	1.5
Non-EDR State	53	0.7
Veterans Affairs	54	0.7
Other	55	0.7
Total	7,597	100.0

We also obtained and reviewed available residency information for the numberholders erroneously added to the DMF. We found that residents of States that reported death information to SSA via EDR were nearly as likely to be erroneously added to the DMF as residents of States that did not report death information via EDR.

<b>Last Known State of Residence for Numberholders Erroneously Added to the DMF</b>		
<b>Numberholder's Last Known Address</b>	<b>Transactions</b>	<b>Percent</b>
EDR State	3,147	41.4
Non-EDR State	3,405	44.8
Residence Information Incomplete or Not Available	1,045	13.8
Total	7,597	100.0

SSA management stated the Agency has taken action to address errors in manually input death reports. In July 2007, SSA implemented a computer screen alert, as a double check for its employees to ensure they are taking the proper action. SSA is also considering several additional systems enhancements that could improve field office and teleservice processes to further reduce errors.

## *Matters for Consideration*

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Most of the erroneous death entries input in the DMF originated from non-State sources. Therefore, even if all States submitted death reports via EDR, death reporting errors would likely continue.

Even with full implementation of EDR, additional changes would be necessary to eliminate the cause of most erroneous death entries. First, SSA would have to stop accepting and inputting death reports from all non-EDR sources. For example, SSA would have to turn away widows or other family members who visit a field office to report a death until it receives “official” notification from the State before initiating or terminating related benefit claims. SSA would also have to stop processing death reports received directly from other non-State sources, such as funeral homes, postal authorities, etc. Lastly, SSA would have to require that all States actually verify SSNs before submitting a death report via EDR, or develop procedures to validate unverified death reports received via EDR.

SSA acknowledged it is not practical for field offices to stop accepting and processing first-party death reports. Eliminating first-party reports of death information would delay the processing of claims, increase erroneous payments, and cause public relations problems. Therefore, it is imperative that SSA continue to improve the death reporting process to reduce or eliminate erroneous death terminations and prevent the accidental exposure of living individuals' PII.



# Appendices

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APPENDIX A – Scope and Methodology

APPENDIX B – OIG Contacts and Staff Acknowledgments

# Scope and Methodology

To accomplish our objective, we:

- Reviewed applicable Social Security Administration (SSA) policies and procedures and discussed these policies and procedures with SSA staff.
- Reviewed Federal laws on disclosure of personal information.
- Identified approximately 3.4 million death entries SSA added to the Death Master File (DMF) and another 20,229 death entries SSA removed from the DMF from April 2007 through October 2008.
- We analyzed the DMF transactions and identified 7,597 death entries (representing 7,530 different numberholders) that were both added and subsequently removed from the DMF during this timeframe. We reviewed SSA payment records and determined 2,306 of the 7,530 numberholders were receiving benefit payments as of November 2008.

We performed our review in Dallas, Texas, during November and December 2008 in accordance with the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency.

## **OIG Contacts and Staff Acknowledgments**

### ***OIG Contacts***

Ron Gunia, Director, Dallas Audit Division (214) 767-6620

Jason Arrington, Audit Manager (214) 767-1321

### ***Acknowledgments***

In addition to those named above:

Clara Soto, Senior Auditor

For additional copies of this report, please visit our web site at [www.socialsecurity.gov/oig](http://www.socialsecurity.gov/oig) or contact the Office of the Inspector General's Public Affairs Staff Assistant at (410) 965-4518. Refer to Common Identification Number A-06-09-29095.

## **DISTRIBUTION SCHEDULE**

Commissioner of Social Security

Office of Management and Budget, Income Maintenance Branch

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Chief of Staff, Committee on Ways and Means

Chairman and Ranking Minority Member, Subcommittee on Social Security

Majority and Minority Staff Director, Subcommittee on Social Security

Chairman and Ranking Minority Member, Committee on the Budget, House of Representatives

Chairman and Ranking Minority Member, Committee on Oversight and Government Reform

Chairman and Ranking Minority Member, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, House of Representatives

Chairman and Ranking Minority Member, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Subcommittee on Labor, Health and Human Services, Education and Related Agencies, Committee on Appropriations, U.S. Senate

Chairman and Ranking Minority Member, Committee on Finance

Chairman and Ranking Minority Member, Subcommittee on Social Security Pensions and Family Policy

Chairman and Ranking Minority Member, Senate Special Committee on Aging

Social Security Advisory Board

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

The Office of the Inspector General (OIG) is comprised of an Office of Audit (OA), Office of Investigations (OI), Office of the Counsel to the Inspector General (OCIG), Office of External Relations (OER), and Office of Technology and Resource Management (OTRM). To ensure compliance with policies and procedures, internal controls, and professional standards, the OIG also has a comprehensive Professional Responsibility and Quality Assurance program.

### **Office of Audit**

OA conducts 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 reviews and program evaluations on issues of concern to SSA, Congress, and the general public.

### **Office of Investigations**

OI conducts investigations 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 liaison to the Department of Justice on all matters relating to the investigation of SSA programs and personnel. OI also conducts joint investigations with other Federal, State, and local law enforcement agencies.

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

OCIG provides independent legal advice and counsel to the IG on various matters, including statutes, regulations, legislation, and policy directives. OCIG 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. Also, OCIG administers the Civil Monetary Penalty program.

### **Office of External Relations**

OER manages OIG's external and public affairs programs, and serves as the principal advisor on news releases and in providing information to the various news reporting services. OER develops OIG's media and public information policies, directs OIG's external and public affairs programs, and serves as the primary contact for those seeking information about OIG. OER prepares OIG publications, speeches, and presentations to internal and external organizations, and responds to Congressional correspondence.

### **Office of Technology and Resource Management**

OTRM supports OIG by providing information management and systems security. OTRM also coordinates OIG's budget, procurement, telecommunications, facilities, and human resources. In addition, OTRM is the focal point for OIG's strategic planning function, and the development and monitoring of performance measures. In addition, OTRM receives and assigns for action allegations of criminal and administrative violations of Social Security laws, identifies fugitives receiving benefit payments from SSA, and provides technological assistance to investigations.