

GAO Highlights

Highlights of [GAO-15-632T](#), a testimony before the Subcommittee on Human Resources, Committee on Ways and Means, House of Representatives

Why GAO Did This Study

The SSI program, administered by SSA, provides cash assistance to eligible aged, blind, and disabled individuals with limited financial means. In fiscal year 2014, the program paid nearly \$56 billion in federally funded benefits to about 8.2 million individuals. The program has grown substantially in recent years, and is expected to grow more in the near future. SSA has a stewardship responsibility to guard against improper payments and to address program integrity issues that if left unchecked could increase the potential for waste, fraud, and abuse. SSA estimated that it made \$5.1 billion in improper payments in fiscal year 2014. In addition, SSA's management concerns are wide ranging and include ensuring its workforce is able to meet service delivery needs.

In this statement, GAO describes SSA's challenges with 1) ensuring SSI program integrity and 2) managing the program. This testimony is primarily based on GAO products issued from 2002 to 2015, which used multiple methodologies, including analyses of SSI administrative data from fiscal years 2000 to 2011; reviews of relevant federal laws, regulations, and guidance; and interviews of SSA officials. In May 2015, GAO obtained current data on improper payments and updates from SSA reports and guidance on actions taken to address GAO's past recommendations.

What GAO Recommends

GAO has previously made recommendations to help SSA strengthen its program oversight and address management challenges. In response, the agency has taken some steps and plans to do more.

View [GAO-15-632T](#). For more information, contact Daniel Bertoni at (202) 512-7215 or bertonid@gao.gov.

June 2015

SUPPLEMENTAL SECURITY INCOME

An Overview of Program Integrity and Management Challenges

What GAO Found

The Social Security Administration (SSA) faces challenges with ensuring the integrity of the Supplemental Security Income (SSI) program's processes for preventing, detecting, and recovering overpayments. For example, SSA is required in certain circumstances to periodically review SSI recipients' medical and financial eligibility, yet the lack of timely reviews and difficulty getting complete financial information hinder SSA's ability to prevent and detect overpayments to recipients. SSA estimated that \$4.2 billion of the payments it administered to SSI recipients in fiscal year 2013 were overpayments. In June 2012, GAO found that SSA had accumulated a substantial backlog of recipients' medical eligibility reviews, including for over 23,000 children with mental impairments who were deemed likely to medically improve when initially determined eligible for benefits. GAO recommended that SSA eliminate its backlog for these children and conduct timely reviews going forward, estimating based on fiscal year 2011 data that these actions could save more than \$3.1 billion over 5 years by preventing related overpayments. SSA recently reported that it has increased the number of medical eligibility reviews conducted for SSI children in each year since 2012, completing nearly 90,000 reviews in fiscal year 2014—in contrast to the 25,000 reviews completed in fiscal year 2011—and plans to continue these efforts. In December 2012, GAO also reported that a lack of comprehensive, timely information on SSI recipients' financial accounts and wages led to overpayments. GAO noted that SSA had recently developed electronic tools to address these issues, and SSA reported that the agency is gaining experience using them. However, despite these efforts, in May 2015, the SSA Office of the Inspector General found that overpayments associated with financial account information have increased in recent years and recommended SSA continue researching initiatives that will help to reduce improper payments in the SSI program. SSA agreed to this recommendation.

SSA faces several management challenges in administering SSI related to workload, service delivery, and program complexity. In 2013, GAO reported that as a result of an ongoing retirement wave, SSA faced a loss of institutional knowledge and expertise, which may result in increased review backlogs and improper payments. GAO recommended that SSA update its succession plan, in line with federal internal controls guidance that states that management should plan for succession and ensure continuity of needed skills and abilities. In response, SSA published a human capital document detailing its succession plans. Federal internal controls guidance also states that agencies should comprehensively identify and manage risks, and GAO also recommended SSA develop a long-term service delivery plan to determine, among other things, how SSA will address both program integrity and other workloads. In response, SSA published an April 2015 description of its vision for future service delivery and indicated it plans to develop a strategy for achieving this vision moving forward. SSA also noted the importance of simplifying its policies and procedures to meet its service delivery goals and SSA has plans to do so. Program complexity is a long-standing challenge that contributes to administrative expenses and potential overpayments. GAO is beginning work for this subcommittee related to how benefit amounts are calculated for multiple SSI recipient households, an area that SSA has considered for program simplification.