Other Information

SSA.gov

The *Other Information* section provides information to satisfy additional statutory and Office of Management and Budget reporting requirements.

First, we provide a summary of our financial statement audit and management assurances, and other financial information.

Next, in accordance with the *Reports Consolidation Act of 2000*, *The Social Security Administration's Major Management and Performance Challenges During Fiscal Year 2023* provides a summary and assessment of the most serious management and performance challenges we face as determined by the Office of the Inspector General (OIG). This section also describes the steps we have taken to address each of these challenges.

Finally, in *Other Reporting Requirements*, we provide information on our payment integrity, entitlement reviews and OIG anti-fraud activities, civil monetary penalties, biennial review of user fee charges, grants programs, climate-related financial risk, and debt collection and management activities.

SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES

Summary of Financial Statement Audit

Financial Statement Audit					
Audit Opinion	Unmodified				
Restatement	No				
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Ending Balance**
Total Material Weaknesses	0	0	0	0	0

Summary of Management Assurances

Effectiveness of Internal Control over Financial Reporting (FMFIA Section 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Total Material Weaknesses	0	0	0	0	0	0
Effectiveness of Internal Control over Operations (FMFIA Section 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Total Material Weaknesses	0	0	0	0	0	0
Conformance with Federal Financial Management System Requirements (FMFIA Section 4)						
Statement of Assurance	Federal Systems conform to financial management system requirements					
Non-Conformances	**Beginning Balance**	**New**	**Resolved**	**Consolidated**	**Reassessed**	**Ending Balance**
Total Non-Conformances	0	0	0	0	0	0

Compliance with Section 803(a) of the Federal Financial Management Improvement Act		
	Agency	**Auditor**
1. Federal Financial Management System Requirements	No lack of substantial compliance noted	No lack of substantial compliance noted
2. Applicable Federal Accounting Standards	No lack of substantial compliance noted	No lack of substantial compliance noted
3. United States Standard General Ledger at Transaction Level	No lack of substantial compliance noted	No lack of substantial compliance noted

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OTHER FINANCIAL INFORMATION

Other Financial Information: Balance Sheet by Major Program as of September 30, 2023
(Dollars in Millions)

Assets	OASI	DI	SSI	Other	LAE	Intra-Agency Eliminations	Consolidated
Intragovernmental Assets:							
Fund Balance with Treasury	$ 37	$ 11	$ 7,387	$ 102	$ 88	$ 0	$ 7,625
Investments	2,688,456	143,866	0	0	0	0	2,832,322
Accounts Receivable, Net	1,083	1	0	0	4,000	(3,129)	1,955
Advances and Prepayments	0	0	53	0	63	0	116
Total Intragovernmental Assets	2,689,576	143,878	7,440	102	4,151	(3,129)	2,842,018
Assets with the Public:							
Accounts Receivable, Net	2,304	2,815	4,738	0	38	(553)	9,342
Property, Plant, and Equipment, Net	0	0	0	0	4,996	0	4,996
Total Assets with the Public	2,304	2,815	4,738	0	5,034	(553)	14,338
Total Assets	$2,691,880	$ 146,693	$ 12,178	$ 102	$ 9,185	$ (3,682)	$ 2,856,356
Liabilities							
Intragovernmental Liabilities:							
Accounts Payable	$ 6,569	$ 777	$ 1,370	$ 35	$ 21	$ (3,129)	$ 5,643
Advances from Others and Deferred Revenue	0	0	0	0	1	0	1
Other Liabilities	86	0	4,499	3	89	0	4,677
Total Intragovernmental Liabilities	6,655	777	5,869	38	111	(3,129)	10,321
Liabilities with the Public:							
Accounts Payable	1	5	241	0	88	0	335
Federal Employee and Veteran Benefits Payable	0	0	0	0	673	0	673
Benefits Due and Payable	111,018	29,841	5,214	0	0	(553)	145,520
Advances from Others and Deferred Revenue	0	0	6	0	4	0	10
Other Liabilities	0	0	18	1	113	0	132
Total Liabilities with the Public	111,019	29,846	5,479	1	878	(553)	146,670
Total Liabilities	$ 117,674	$ 30,623	$ 11,348	$ 39	$ 989	$ (3,682)	$ 156,991
Commitments and Contingencies (Note 9)							
Net Position							
Unexpended Appropriations - Funds from other than Dedicated Collections	$ 0	$ 0	$ 3,944	$ 63	$ 5	$ 0	$ 4,012
Cumulative Results of Operations - Funds from Dedicated Collections	2,574,206	116,070	21	0	0	0	2,690,297
Cumulative Results of Operations - Funds from other than Dedicated Collections	0	0	(3,135)	0	8,191	0	5,056
Total Cumulative Results of Operations	2,574,206	116,070	(3,114)	0	8,191	0	2,695,353
Total Net Position	$2,574,206	$ 116,070	$ 830	$ 63	$ 8,196	$ 0	$ 2,699,365
Total Liabilities and Net Position	$2,691,880	$ 146,693	$ 12,178	$ 102	$ 9,185	$ (3,682)	$ 2,856,356

Other Financial Information: Schedule of Net Cost for the Year Ended September 30, 2023
(Dollars in Millions)

	Program	LAE	Total
OASI Program			
Benefit Payment Expense	$ 1,204,269	$ 0	$ 1,204,269
Operating Expenses	674	3,783	4,457
Total Cost of OASI Program	1,204,943	3,783	1,208,726
Less: Exchange Revenues	(1)	(16)	(17)
Net Cost of OASI Program	$ 1,204,942	$ 3,767	$ 1,208,709
DI Program			
Benefit Payment Expense	$ 155,148	$ 0	$ 155,148
Operating Expenses	336	2,623	2,959
Total Cost of DI Program	155,484	2,623	158,107
Less: Exchange Revenues	(21)	(11)	(32)
Net Cost of DI Program	$ 155,463	$ 2,612	$ 158,075
SSI Program			
Benefit Payment Expense	$ 58,374	$ 0	$ 58,374
Operating Expenses	246	4,769	5,015
Total Cost of SSI Program	58,620	4,769	63,389
Less: Exchange Revenues	(239)	(21)	(260)
Net Cost of SSI Program	$ 58,381	$ 4,748	$ 63,129
Other			
Operating Expenses	$ 0	$ 3,441	$ 3,441
Less: Exchange Revenues	0	(15)	(15)
Net Cost of Other Program	$ 0	$ 3,426	$ 3,426
Total Net Cost			
Benefit Payment Expense	$ 1,417,791	$ 0	$ 1,417,791
Operating Expenses	1,256	14,616	15,872
Total Cost	1,419,047	14,616	1,433,663
Less: Exchange Revenues	(261)	(63)	(324)
Total Net Cost	$ 1,418,786	$ 14,553	$ 1,433,339

Other Financial Information: Schedule of Changes in Net Position for the Year Ended September 30, 2023

(Dollars in Millions)

	OASI	DI	SSI		Other	
	Funds from Dedicated Collections	Funds from Dedicated Collections	Funds from Dedicated Collections	Funds from other than Dedicated Collections	Funds from Dedicated Collections	Funds from other than Dedicated Collections
Unexpended Appropriations:						
Beginning Balances	$ 0	$ 0	$ 0	$ 4,791	$ 0	$ 66
Appropriations Received	0	0	0	64,209	50,786	21
Other Adjustments	0	0	0	(3)	0	(8)
Appropriations Used	0	0	0	(65,053)	(50,786)	(16)
Net Change in Unexpended Appropriations	0	0	0	(847)	0	(3)
Total Unexpended Appropriations - Ending	0	0	0	3,944	0	63
Cumulative Results of Operations:						
Beginning Balances	$ 2,636,348	$ 93,293	$ 9	$ (2,176)	$ 0	$ 0
Appropriations Used	0	0	0	65,053	50,786	16
Non-Exchange Revenue						
Tax Revenues	1,039,005	176,465	0	0	0	0
Interest Revenues	62,745	3,512	0	0	0	0
Other	2	0	0	0	0	0
Total Non-Exchange Revenue	1,101,752	179,977	0	0	0	0
Transfers In/Out - Without Reimbursement	41,134	(1,737)	(140)	(6,895)	(50,786)	2,489
Imputed Financing Sources	0	0	0	17	0	0
Other	(86)	0	0	(601)	0	(2,505)
Net Cost of Operations	1,204,942	155,463	(152)	58,533	0	0
Net Change	(62,142)	22,777	12	(959)	0	0
Cumulative Results of Operations - Ending	$ 2,574,206	$ 116,070	$ 21	$ (3,135)	$ 0	$ 0
Net Position	$ 2,574,206	$ 116,070	$ 21	$ 809	$ 0	$ 63

Other Financial Information: Schedule of Changes in Net Position for the Year Ended September 30, 2023 (Continued)

(Dollars in Millions)

	LAE	Consolidated		Consolidated
	Funds from other than Dedicated Collections	Funds from Dedicated Collections	Funds from other than Dedicated Collections	Total
Unexpended Appropriations:				
Beginning Balances	$ 5	$ 0	$ 4,862	$ 4,862
Appropriations Received	32	50,786	64,262	115,048
Other Adjustments	0	0	(11)	(11)
Appropriations Used	(32)	(50,786)	(65,101)	(115,887)
Net Change in Unexpended Appropriations	0	0	(850)	(850)
Total Unexpended Appropriations - Ending	5	0	4,012	4,012
Cumulative Results of Operations:				
Beginning Balances	$ 7,827	$ 2,729,650	$ 5,651	$ 2,735,301
Appropriations Used	32	50,786	65,101	115,887
Non-Exchange Revenue				
Tax Revenues	0	1,215,470	0	1,215,470
Interest Revenues	0	66,257	0	66,257
Other	0	2	0	2
Total Non-Exchange Revenue	0	1,281,729	0	1,281,729
Transfers In/Out Without Reimbursement	14,108	(11,529)	9,702	(1,827)
Imputed Financing Sources	777	0	794	794
Other	0	(86)	(3,106)	(3,192)
Net Cost of Operations	14,553	1,360,253	73,086	1,433,339
Net Change	364	(39,353)	(595)	(39,948)
Cumulative Results of Operations - Ending	$ 8,191	$ 2,690,297	$ 5,056	$ 2,695,353
Net Position	$ 8,196	$ 2,690,297	$ 9,068	$ 2,699,365

THE SOCIAL SECURITY ADMINISTRATION'S MAJOR MANAGEMENT AND PERFORMANCE CHALLENGES DURING FISCAL YEAR 2023

Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

November 3, 2023

Kilolo Kijakazi
Acting Commissioner

Dear Ms. Kijakazi:

The *Reports Consolidation Act of 2000* (Pub. L. No. 106-531) requires that Federal Inspectors General summarize and assess the most serious management and performance challenges facing Federal agencies and the agencies' progress in addressing them. The *Reports Consolidation Act* also requires that the Social Security Administration (SSA) place the final version of this Statement in its annual *Agency Financial Report*.

Management and Performance Challenges

For Fiscal Year 2023, we identified the following challenges:

- Manage Human Capital
- Improve Service Delivery
- Protect the Confidentiality, Integrity, and Availability of SSA's Information Systems and Data
- Modernize Information Technology
- Improve the Administration of the Disability Programs
- Improve the Prevention, Detection, and Recovery of Improper Payments

In the attached document, we define each challenge, outline steps SSA has taken to address each challenge, and detail the actions SSA needs to take to fully mitigate each challenge. As some of the challenges are inter-related, progress made in one area could lead to progress in another. For example, improved human capital resource management and further modernization of SSA's information technology would both affect service delivery.

In Fiscal Year 2024, the Office of Audit will continue focusing on these issues and assessing the environment in which SSA operates. I look forward to working with you to continue improving SSA's ability to address these challenges and meet its mission efficiently and effectively.

Sincerely,

Gail S. Ennis

Gail S. Ennis
Inspector General

Enclosure

The Social Security Administration's Major Management and Performance Challenges During Fiscal Year 2023

November 2023

Manage Human Capital

The Social Security Administration (SSA) must design and implement adequate plans to hire, develop, and retain the employees it needs to meet its mission, address its workloads, and provide the high level of customer service the public expects and deserves.

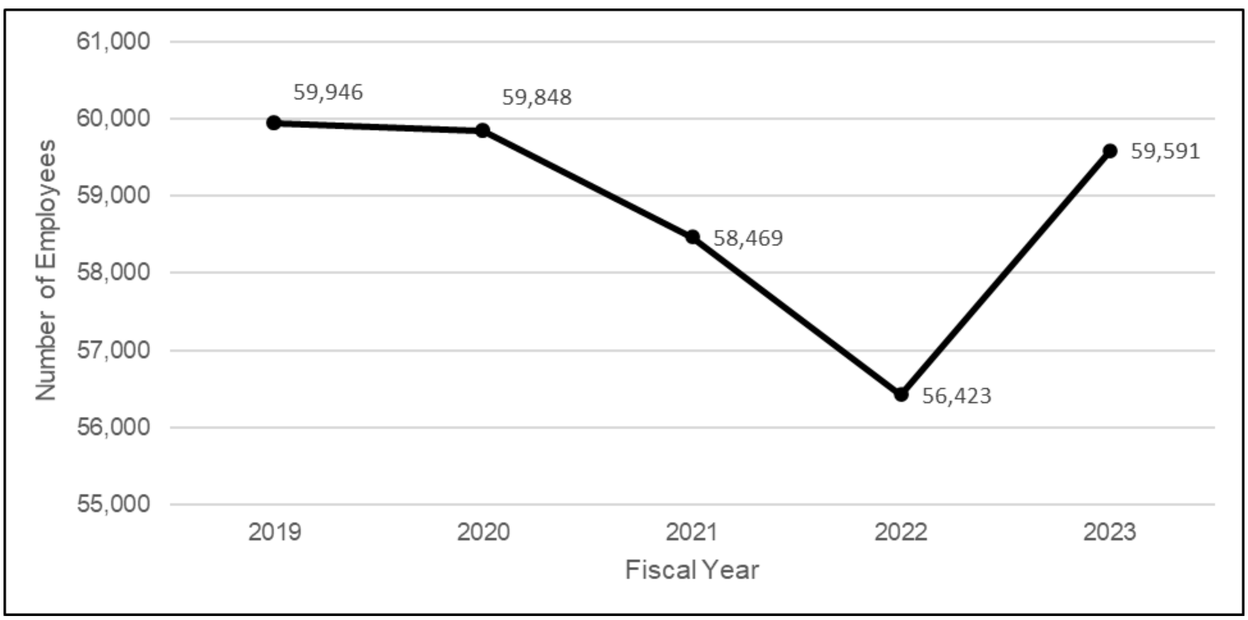
Why This is a Challenge

While SSA has been able to hire more employees in Fiscal Year (FY) 2023 than in previous years, it still has a number of human capital-related risks including having sufficient funding for future hiring; successfully developing and retaining new employees; and a large, expected retirement wave. However, SSA does not have a clear human capital plan in place that addresses these human capital risks and ensures it has the workforce its needs to eliminate backlogged workloads and continue meeting the needs of its many customers.

Hiring and Retention

As of September 23, 2023, SSA had increased its staff size from 56,423 full-time permanent staff in FY 2022 to 59,591 in FY 2023. FY 2023 hiring helped SSA reverse the recent trend of declining employees in more recent years (see Figure 1).

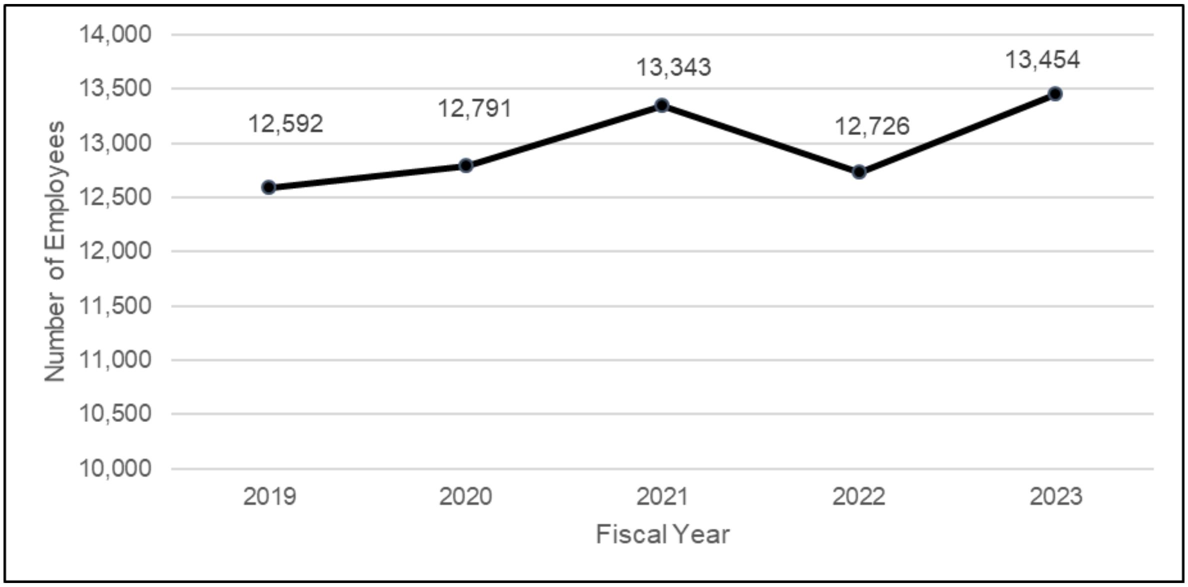
Figure 1: SSA Staffing



Note: Number of employees as reported by SSA. Staffing numbers include Office of the Inspector General employees, but do not include disability determination services (DDS) employees. FY 2023 employee numbers are as of September 23, 2023. We requested final FY 2023 employee numbers from SSA; it responded that the numbers would not be available until after the release of this report.

Similarly, State DDSs hired many new employees in FY 2023, closing FY 2023 with more employees than it had the year before (see Figure 2).

Figure 2: DDS Staffing



Note: Number of employees as reported by SSA.

SSA curtailed additional anticipated hiring in June 2023 in response to the passing of the *Fiscal Responsibility Act of 2023* (Pub. L. No. 118-5). SSA lowered each of its component's allocation of employees because it did not want to hire employees whose salaries future budgets may not support given that the Act limits non-Defense funding in FY 2024. Multiple senior regional managers reported they were hiring additional employees, they indicated were needed to meet workloads, when SSA paused hiring in June 2023 by reducing their component's employee allocation.

While it hired many new employees, SSA reported it still had challenges recruiting and retaining employees because its positions are complex and require more training compared to similar positions in private industry. SSA's Office of Operations acknowledged its self-online-training model is less engaging than in-person training and does not work well with all new hires. Also, SSA cannot offer its frontline employees some workplace flexibilities other agencies can, such as full-time remote work. Employees who separate from SSA reported they were leaving to take higher-paying jobs or because they felt overworked at SSA.

SSA needs to continue hiring, training, and retaining employees, in part, to ensure it has employees to replace those who leave the Agency. Per SSA, many SSA employees are eligible to retire; 13 percent are currently eligible to voluntarily retire and 12 percent are eligible for early retirement. In 3 years, 20 percent of SSA's employees will be eligible to voluntarily retire, and 15 percent will be eligible for early retirement. SSA recognizes the loss of technical and institutional knowledge through employee attrition is one of its greatest challenges and may impair succession management and knowledge transfer.

Human Capital Planning

Federal regulation (5 C.F.R. § 250.203) requires that Federal agencies ensure their human capital management strategies, plans, and practices are integrated with their strategic plans, performance plans, and goals in those plans. Our 2022 report on *SSA's Human Capital Planning* stated the SSA's *Agency Strategic Plan* and *Annual Performance Plans* include limited discussions of the human-capital strategies needed to ensure it successfully meets its strategic goals and initiatives.

Our 2022 report also stated the human capital management strategies in SSA's FY 2018-2022 *Human Capital Operating Plan* (HCOP) align with some *Agency Strategic Plan* strategic objectives but not others. For example, the HCOP does not include human capital management strategies for key *Agency Strategic Plan* strategic objectives, including SSA's initiatives to improve service delivery and accelerate information technology (IT) modernization.

More critical, while SSA has multiple human capital risks, it did not release its HCOP for FY 2023 and beyond until the end of FY 2023. This left SSA without a defined human capital management strategy throughout FY 2023, a year with increased hiring and employee onboarding.

Progress the Social Security Administration Has Made

Hiring and Retention

In FY 2023, SSA received direct-hiring authority from the Office of Personnel Management for its frontline, direct-service positions. This authority allows SSA to hire, after public notice, any qualified applicant without regard to multiple-hiring rules and procedures. SSA increased its outreach to colleges and universities to identify candidates. It also expanded its participation in job fairs and continued partnering with such sources as the Military Spouse Employment Partnership. To assist in state DDS hiring, SSA created a DDS recruitment and retention workgroup. The workgroup collaborated with state DDS administrators nationwide to implement recruitment and retention strategies, including increasing competitiveness of DDS pay, streamlining training, and reducing the time it took to onboard new hires.

SSA reported the direct-hiring authority allowed it to double its hiring pace in FY 2023, hiring more than 600 employees per month compared to about 300 per month in FY 2022, with some peak hiring months in FY 2023 of over 900 hires. In total, SSA hired over 7,800 employees through September 2023, even with SSA effectively pausing hiring in June 2023 over concerns with FY 2024 budget projections. SSA also reported its attrition had slowed, from 500 employees per month in FY 2022 to about 390.5 employees per month in FY 2023. Per SSA, hiring more employees and better distributing employee workloads helped address overwork as a cause of attrition.

SSA has taken steps to supplement its self-online training through more inclusive virtual and in-person training opportunities, bringing new employees together through virtual classrooms and in-person gatherings. Senior regional managers have reported that these sessions have led to higher levels of engagement and a better sense of inclusion amongst the new employees.

Human Capital Planning

SSA's released its FYs 2023-2026 HCOP on September 29, 2023. The Plan contains three goals: (1) transform the Agency into an employer of choice; (2) improve workplace conditions to drive engagement; and (3) invest in learning and development. The Plan also notes SSA is creating a new strategic workforce planning business process to establish a more mature Agency-wide workforce planning process.

What the Social Security Administration Needs to Do

- Strategically review its new-employee training program to ensure (1) it provides a cohesive learning opportunity that builds technical knowledge and promotes employee engagement and (2) any local or regional variations in training method or technique are in line with an overall strategic approach.

- Ensure each HCOP is released timely to prevent future instances of SSA not having a HCOP in place throughout an entire FY. Also, SSA should look to further improve future versions of the HCOP to ensure they more clearly align with all of SSA's strategic objectives and outline its human-capital risks and the strategies it will use to mitigate them, including the steps SSA will take to address known hiring and retention challenges.

Key Related Links

- Office of Personnel Management Website – FY 2022 Federal Workforce Priorities Report

- SSA, Office of Inspector General (OIG) Website – Reports related to managing human capital

- SSA Website – FYs 2022-2026 Agency Strategic Plan

- SSA Website – FYs 2022-2024 Annual Performance Plan and Report

Improve Service Delivery

SSA needs to address and improve in-office visits and other service methods, such as telephone and online services.

Why This is a Challenge

Following the Coronavirus Disease 2019 (COVID-19) pandemic, SSA reopened its field offices to walk-in and in-person service in April 2022. However, SSA is working to return its performance and services to pre-pandemic levels. SSA will need to continue increasing, improving, and ensuring the continuity of its other services, including its national 800-number and online services, to meet its customers' demand for them. Online services that lessen the need for staff are particularly important as SSA faces staffing challenges, and many of its employees are becoming eligible to retire.

Telephone Service

At the start of the pandemic, SSA had separate telephone systems for its national 800-number, field offices, and Headquarters operations. To accommodate remote operations in response to the pandemic, SSA augmented its legacy telephone systems, which modified functionality and capacity. In May 2021, SSA began implementing a unified telephone system to replace the three legacy systems via its Next Generation Telephony Project (NGTP). When fully implemented, NGTP is expected to improve telephone customer service by merging the three legacy systems into a single platform that will be more efficient, stable, and functional.

As of end of FY 2023, SSA had not implemented the NGTP. SSA stated it has worked steadily to improve the stability of its temporary solution and plans to implement the NGTP platform for the national 800-number by the end of November 2023. Until NGTP is implemented, SSA is relying on its augmented legacy telephone systems, which has resulted in reduced stability and functionality. Heavy call volumes overwhelmed the platform on numerous occasions and caused service disruptions that included dropped call queues, dead-air calls, misdirected calls, and disconnections.

Online Service

SSA acknowledges advancements in technology provide opportunities to do business differently and often more efficiently and conveniently. SSA continues exploring ways to enhance the customer service experience by providing online self-service options, many of which individuals access through their *my* Social Security accounts. In FY 2023, SSA registered over 9.8 million users for *my* Social Security accounts. To date, SSA has registered over 80 million users.

Online services provide a valuable resource for individuals to conduct business with SSA by saving time and by not having to visit a local field office or call the national 800-number. As SSA adds more services behind the *my* Social Security portal, it will become even more important that SSA safeguard the information and ensure only the correct individual can access the information. While SSA provides the public additional digital services, such as online, remote, and self-service options, it must do so in a way that maintains a strong commitment to protect its customers from current and emerging threats including identity theft and scams to steal money or personal information. SSA must continue strengthening the identity-verification process for new *my* Social Security account registrations to protect the public's personal information and improve customers' experiences.

SSA also needs to ensure its online services do not lead to additional staff processing. For example, while SSA created an electronic Supplemental Security Income (SSI) protective filing tool in March 2022 to allow individuals to submit a request, individuals applying for SSI still cannot do so online. SSA senior staff also noted the online tool did not effectively screen out individuals who were likely not eligible for the SSI program and did not prevent some individuals from using the tool to create multiple appointments to file for SSI. As such, the tool created more work for field office staff to screen out the duplicate appointments. Also, the duplicate appointments decreased available appointment slots, resulting in other people having to wait longer for appointments.

Progress the Social Security Administration Has Made

Telephone Service

In FY 2022, SSA recognized unstable telephone services as one if its enterprise risks. In response, it has worked to implement the NGTP, now anticipating implementation in November 2023. In FY 2024, SSA plans to increase production among newly hired agents, continue evaluating the stability of NGTP, and explore options for testing new NGTP features. SSA also plans to implement Call Back Assist in FY 2024, which will provide 800-number callers the option to be called back rather than wait on hold. Further, SSA plans to increase the concurrent call maximum to 18,000 sessions to minimize or eliminate bottlenecks and increase the maximum queue limit to provide the ability to handle higher call demand periods and spikes. The average 800-number wait time in FY 2023 was 36 minutes, 1 minute longer than SSA's FY 2023 goal and greater than the 33 minutes in FY 2022 and 14 minutes in FY 2021.

Online Service

In FY 2023, SSA expanded online options for replacement Social Security number (SSN) cards, adding the name change due to marriage data exchanges to nine states. SSA also plans to integrate the Electronic Verification of Vital Events data exchange into the Internet SSN Replacement Card application to verify birth information, and is exploring additional avenues to increase access and enhance security. As of September 2023, the Internet SSN Replacement Card was available in 48 jurisdictions, including Washington, DC.

SSA allows applicants to submit online SSN card requests and identify the evidence needed for in-office transactions via its Online Social Security Number Application Process. As of September 2023, over 2.9 million applications had been submitted via the Online Social Security Number Application Process. Of these, approximately 1.6 million customers visited a field office to complete their enumeration application.

SSA also plans to enhance online appeals by creating a single-entry point for medical, non-medical, and Office of Appellate Operations online appeal applications to make it easier for customers to file appeal requests. Specifically, SSA is improving the iAppeals online application process for people who appeal an Agency decision for such non-medical issues as overpayments or Medicare premium rates. The enhancements will integrate the Medical and Non-medical iAppeals via an authenticated claimant and appointed representative portal.

SSA is exploring ways to improve the experience for claimants, their representatives, and its technicians by developing the Appeals and Appointed Representative Processing Services (AARPS). AARPS will be an online portal with self-service options for customers and appointed representatives to electronically accept appointments as well as complete fee agreements, appeals, registration, and other related workloads. While SSA planned to develop and implement online services under AARPS initially in FY 2023, it now reports planning to do so in the FYs 2024 through 2025 timeframe.

SSA updated the electronic SSI protective filing tool on October 1, 2022 to prevent ineligible individuals from making appointments to apply for SSI. Although SSA made some additional updates to the tool in FY 2023, if the tool determines individuals are ineligible, they receive the following message: "We cannot process your request at this time. Please try again later, or if you need immediate help to schedule an appointment, please contact us." While the update prevents ineligible individuals from making appointments, the message may be misinterpreted by ineligible individuals, giving them the false impression they may be eligible, and therefore should pursue the matter further. This could cause the individuals to make unnecessary calls to, and increase customer traffic to, SSA's 800-number or make unnecessary visits to field offices, which take up employee resources.

What the Social Security Administration Needs to Do

- Continue developing and implementing strategies that will provide quality services to the public that can be implemented now and in the future.
- Ensure a successful transition to a stable telephone service that meets its customers' needs.
- Ensure the continuity of in-person services via online methods offered through *my* Social Security.
- Safeguard the information available through *my* Social Security and ensure only the correct individual can access the information.

Key Related Links

- SSA, OIG Website – Reports related to improving service delivery
- SSA Website – Agency Strategic Plan FYs 2022-2026
- SSA Website – Annual Performance Plan and Report for FYs 2022-2024
- SSA Website – SSA's FY 2024 President's Budget

Protect the Confidentiality, Integrity, and Availability of Information Systems and Data

SSA must ensure its information systems are secure and sensitive data are protected.

Why This is a Challenge

IT supports every aspect of SSA's mission, whether it is serving the public during in-person interviews or online, routing millions of telephone calls to its 800-number, or posting millions of earner wage reports annually. Disruptions to the integrity or availability of SSA's information systems would dramatically affect its ability to serve the public and meet its mission. Also, SSA's systems contain personally identifiable information, such as SSNs, which, if not protected, could be misused by identity thieves.

Information Security

SSA continues expanding its online services and developing systems to improve customer service. SSA must have a robust information security program. In the most recent report on the *Federal Information Security Modernization Act of 2014* (Pub. L. No. 113-283), our contractor determined SSA's overall security program was "Not Effective." The contractor identified a number of deficiencies that could limit SSA's ability to protect its information systems and data.

To address the weaknesses, the contractor recommended SSA continue refining its enterprise architecture system inventory, software, and hardware asset inventories; implementing its cyber-security risk management strategy; and improving its process for integrating and formalizing risk-based decisions into cyber-security program monitoring activities.

Social Security Number Protection and Earnings Accuracy

The SSN was created to accomplish SSA's primary mission to uniquely identify and accurately track numberholders' earnings over their lifetime in order to administer benefits under SSA programs. The SSN is also valuable as an illegal commodity. Accordingly, the information SSA houses on every numberholder is desirable to would-be hackers and identity thieves. Protecting the SSN and properly posting the wages reported under it are critical to ensuring SSN integrity and eligible individuals receive the full benefits due them.

Accuracy in recording numberholder information is critical because SSA and other agencies rely on that information to verify employment eligibility, ensure wage reports are processed, and terminate payments to deceased beneficiaries. Accuracy in recording workers' earnings is critical because SSA calculates benefit payments based on an individual's earnings over their lifetime. As such, properly assigning SSNs only to those individuals authorized to obtain them, protecting SSN information once SSA assigns the numbers, ensuring numberholder information is complete in its systems, and accurately posting earnings reported under SSNs are critical.

A specific challenge to ensuring earnings are posted accurately is employers that report earnings information incorrectly so SSA cannot match the reported earnings to individuals in its records. The Earnings Suspense File contains wage reports on which wage earners' names and SSNs fail to match SSA's records. The Earnings Suspense File has accumulated $2.15 trillion in wages and over 405.4 million wage items for Tax Years 1937 through 2022 (as of July 2023).

SSA does not use wage items in the Earnings Suspense File to determine numberholders' eligibility for, or the amount of, Social Security benefits. A wage item remains in the Earnings Suspense File until SSA can identify a valid name/SSN combination and post it to a worker's earning record. In a 2023 report on *Edit Routines Used to Reinstate Wage Items from the Earnings Suspense File*, we stated that, while the Earnings Suspense File continues to grow over time, SSA has generally not added, updated, or modified the edit routines it uses to reinstate wage items posted to the Earnings Suspense File since 2013.

Progress the Social Security Administration Has Made

Information Security

SSA stated that protecting its network and the information it uses to administer its programs remains a critical priority, demonstrated by its response to multiple critical threats. SSA's *Cybersecurity Strategic Plan 2022-2024* focuses on how it will safeguard and protect against IT and cyber-security threats by continuing to mature its cyber-security program. The Plan defines strategic goals and priorities and includes strategies and initiatives to address IT and cyber-security challenges.

In FY 2023, SSA continued its efforts to improve and mature its information security program and practices to protect it from cyber-security threats. In addition, SSA continued implementing several plans, strategies, and initiatives to protect the confidentiality, integrity, and availability of the Agency's information systems and data.

Social Security Number Protection and Earnings Accuracy

SSA has taken steps to reduce the Earnings Suspense File's size and growth. The Agency allows employers to verify the names and SSNs of their employees using the Agency's SSN Verification Service, an online verification program, before reporting wages to SSA. In FY 2023, SSN Verification Service was used to verify over 226 million SSNs through its batch and online options.

What the Social Security Administration Needs to Do

- Address the deficiencies our contractor identified to improve SSA's ability to protect confidentiality, integrity, and availability of SSA's information systems and data.
- Continue to be vigilant in protecting SSNs.
- Improve wage reporting by informing employers about potential SSN misuse cases, identifying and resolving reporting problems, re-examining the validity and integrity checks used to prevent suspicious W-2s from being posted, encouraging greater use of SSA's employee verification programs, and reviewing how best to remove more wage items from the Earnings Suspense File.

Key Related Links

- SSA, OIG Website – Reports related to protecting the confidentiality, integrity, and availability of SSA's information systems and data
- SSA, OIG Website – Summary of the Audit of the Social Security Administration's Information Technology Security Program and Practices for Fiscal Year 2023

Modernize Information Technology

SSA must continue modernizing its IT to accomplish its mission despite budget and resource constraints.

Why This is a Challenge

SSA relies on its IT to serve the public and safeguard SSA programs. Rapid, continuous technology advancements and the recent national shift to increased virtual services and communications reinforce the pressing need to modernize SSA's programs and service delivery. SSA must fundamentally rethink how it delivers services, the processes and infrastructure that support that delivery, and the policies that enable delivery. SSA continues relying on outdated applications and technologies to process its core workloads (for example, retirement and disability claims) and knowledge of its dated applications and legacy infrastructure will diminish as developers retire. Without complete and timely modernization of its legacy systems, SSA runs the risk of increased maintenance costs and decreased capacity to support business and processing needs.

Information Technology Modernization

IT modernization is a multi-faceted and continuing challenge. SSA must maintain its legacy systems while, in parallel, developing modern replacements to keep pace with increasing workloads. SSA had taken an incremental approach to IT modernization by replacing systems' components rather than whole systems. In 2020, SSA updated its *IT Modernization Plan* by expanding the scope to include additional investments in direct service delivery.

In support of its IT modernization, SSA used Agile development, which took an iterative approach to incrementally deliver software. While it implemented some appropriate controls and practices to manage its Agile projects, SSA's Agile guidance was incomplete, and projects did not always follow Agile best practices or enforce key controls. In addition, SSA did not ensure data from its Agile project management tool were reliable. Finally, SSA needed to improve Agile training and decision making. Improvements in these areas could provide SSA and taxpayers greater benefits from the Agile development method, including higher quality software developed faster and at a lower cost.

Artificial Intelligence

Artificial Intelligence (AI) is recognized as a pivotal technology that can benefit nearly every Federal agency. SSA already uses AI to support several of its core workloads, resulting in millions of dollars in administrative savings and billions of dollars in program savings. However, using AI also carries the potential for harm. SSA should establish proper oversight and identify primary areas where AI can help the Agency, such as program administration and fraud prevention and detection.

Progress the Social Security Administration Has Made

Information Technology Modernization

SSA developed its *Digital Modernization Strategy* to build on previous modernization efforts and guide it from FYs 2023 through 2026; it became the guiding principle for meeting the Agency's strategic goals. Digital modernization is a "whole of agency" effort to upgrade or replace current processes, policies, and technologies to improve the customer and employee experience as well as the organization overall. This effort intersects business priorities with technology needs to provide the public tangible benefits. Objectives include eliminating investments in outdated and legacy technology as well as eliminating silos in the technology used to support core Agency functions by building end-to-end processing systems.

In addition, SSA reported adopting an Agile scaling framework that defines roles and establishes recommended practices. The Agency further reported plans to provide additional training; develop, document, and enforce standards for its Agile project management tool; and leverage more of the tool's capabilities.

Artificial Intelligence

SSA has instituted a temporary block of third-party generative AI tools on Agency devices. This was done to ensure no personally identifiable information, personal health information, or other sensitive or non-public information is released using these tools. Additionally, SSA has assigned its Chief Architect to be the Responsible AI Official.

What the Social Security Administration Needs to Do

- Expand digital modernization to eliminate investments in outdated and legacy technology and provide electronic and automated customer service options to reduce the burden on customers and optimize internal business processes for employees.
- Expand the use of AI to improve operations and public service, while protecting its sensitive information.

Key Related Links

- SSA, OIG Website – Reports related to modernizing IT
- SSA Website – SSA's IT Modernization Plan, 2020 Update

Improve the Administration of the Disability Programs

SSA needs to address concerns related to the timely and accurate processing of disability-related workloads, particularly initial disability claims, reconsiderations, hearings, and continuing disability reviews (CDR). Additionally, SSA must work to ensure state DDSs have the necessary resources, including sufficient staff, to provide timely and accurate disability determinations.

Why This is a Challenge

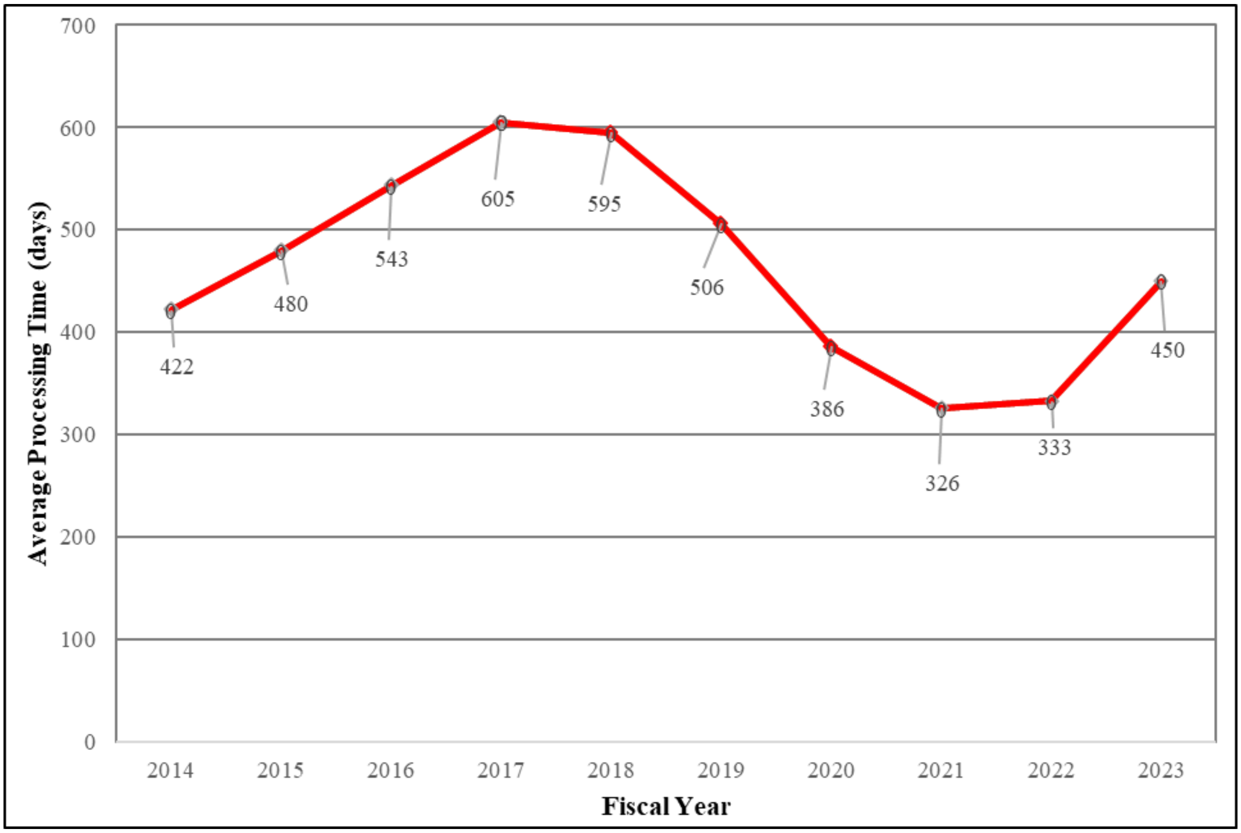
Disabled claimants rely on SSA to quickly and accurately process initial disability claims, reconsideration and hearing requests, and reviews to determine whether beneficiaries still meet all eligibility factors to receive benefits. Processing times and the pending levels for these workloads have generally increased, resulting in disability claimants waiting longer for determinations and decisions. Additionally, our recent audit work identified concerns with SSA's review process for disability beneficiaries who work. Further, the growing backlog of disability cases and the lengthening wait times are exacerbated because of issues at state DDSs, which have faced significant challenges attracting, hiring, training, and retaining staff. These issues have intensified in the wake of the COVID-19 pandemic.

Disability Workloads

Before the COVID-19 pandemic began, SSA had reduced pending levels to approximately 594,000 initial disability claims, almost 134,000 reconsiderations, and approximately 575,000 hearings (as of the end of FY 2019). In 2020, SSA actions and DDS closures in response to the pandemic negatively affected initial disability claims and reconsideration processing, and the number of pending cases increased. As of the end of FY 2023, pending initial disability claims had increased to approximately 1.13 million, and pending reconsiderations had increased to almost 290,000, 90 and 117 percent increases, respectively, since the end of FY 2019. Average processing time for both workloads also increased over the same period, from 120 to 218 days for initial claims and from 109 to 213 days for reconsiderations.

From FYs 2019 to 2023, SSA reduced the number of pending hearings from more than 575,000 to under 322,000, a 44-percent decrease. While the average processing time for hearings decreased over the same period as well, from 506 to 450 days, SSA saw an increase in processing time from FY 2022 to FY 2023 and it still has not achieved its processing time goal of 270 days (see Figure 3).

Figure 3: Average Hearings Processing Time



When a disabled beneficiary works, SSA may conduct a work CDR to determine whether the beneficiary has engaged in substantial gainful activity and remains entitled to benefits. If SSA determines the beneficiary's work activity is substantial gainful activity, it may suspend or terminate benefits. However, the Old-Age, Survivors and Disability Insurance (OASDI) program provides for certain work incentives to allow disabled beneficiaries to return to work and still receive benefits. SSA identifies and applies work incentives during work CDRs, which require additional documentation and a more complex work review determination.

In a September 2022 report on *Work Review Determinations for Disabled Beneficiaries*, we stated SSA's system controls did not ensure SSA's work-review determinations were accurate and supportable. We estimated SSA made errors on work-review determinations for more than 31,000 beneficiaries, which resulted in over $553 million in questionable benefit payments. The errors we identified occurred because SSA's system controls did not provide adequate guidance for SSA employees when they considered work incentives. Additionally, we found SSA's system had limited functionality, and certain work-incentive policies and forms were unclear. SSA stated it plans to develop a new system for work CDR processing but did not provide a clear timeline for its implementation.

Disability Determination Services' Operations

When a claimant files an application for disability benefits, an SSA field office determines whether the claimant meets the non-disability criteria, such as age and work credits. The field office then typically forwards the claim to a DDS for a disability determination. DDSs are located in each of the 50 states, the District of Columbia, and Puerto Rico. Each DDS is responsible for obtaining medical evidence and determining whether a claimant is disabled or blind under the law.

On March 17, 2020, SSA closed its offices to the public and suspended or canceled all non-virtual medical examinations. Throughout 2020, DDSs also experienced periodic closures related to the pandemic, which varied from state to state. DDS claims' processing times increased because DDSs had to adapt to many challenges, including difficulty obtaining medical evidence when SSA suspended in-person medical examinations during the pandemic.

DDSs faced other challenges, including staff losses and training challenges for new employees, transitioning to telework, difficulties communicating with claimants, and multiple policy changes. SSA's Deputy Commissioner for Operations highlighted the issue of attrition as a primary concern in May 2022 congressional testimony, stating, "In our State DDSs, where medical decisions are adjudicated, attrition is . . . unprecedented . . . . These complex jobs require about two years of training. The loss of experienced examiners significantly affects the ability to train new employees and complete program integrity workloads, such as [CDRs]."

In a June 2023 report on the *COVID-19 Pandemic's Effect on Disability Determination Services' Processing of Disability Claims*, we stated these disruptions led to increased processing times for initial claims, even though DDSs received fewer claims during the pandemic than they had the year prior. The average processing time for claims processed from April 2019 through March 2020 was 95.5 days. This increased to 139.4 days for April 2020 through March 2021 and 135.5 days for April 2021 through March 2022.

Progress the Social Security Administration Has Made

Disability Workloads

In its *FY 2022-2024 Annual Performance Plan and Report*, SSA included "Improve Initial Disability Claims" as an Agency Priority Goal, with FY 2023 targets to reduce average processing time for initial disability claims to 164 days and to decide 85 percent of pending initial disability claims that began the year 180-days-old or older by September 30, 2023. While it did not meet its processing time goal—initial claims were processed on average in 218 days in FY 2023—SSA did process 97 percent of the claims that began the year 180-days old or older. To help meet these goals, SSA stated it is reviewing its policies, workloads, and processes to identify opportunities to improve and enable efficient and effective operations. As part of these efforts, in February 2023, SSA released an online form that beneficiaries can use to complete and submit medical CDR forms electronically. As of September 2023, SSA had received more than 35,000 successful submissions through the new process.

SSA stated it works with external parties, particularly beneficiary advocates, to improve its ability to administer its disability programs. SSA leverages relationships with advocates and other external parties to gain perspective and help inform its decisionmaking. To this end, in FY 2023, SSA started a new series of quarterly meetings it calls *Roundtable Discussions with SSA and the Advocacy Community*. These meetings focus on important issues and Agency priorities, such as access to services, the customer experience, and initiatives to support Presidential Executive Orders.

Additionally, SSA continues to host national disability forums, which allow interested stakeholders to share their unique insights on disability-related topics with SSA. SSA stated this inclusive, collaborative approach helps it develop responsive, effective, and efficient policies to empower individuals with a disability, minimize financial hardship, and ensure proper use of the disability trust fund. From October 2022 through September 2023, SSA reported it hosted 46 advocate meetings to gather feedback and suggestions for improving services, including disability programs and 3 national disability forums about improving access to benefits for homeless individuals and issues related to childhood disability and SSI payments.

Disability Determination Services' Operations

SSA is working with DDSs to understand the underlying reasons for attrition, which is causing a loss of institutional knowledge and complicating knowledge transfer. To address hiring challenges, SSA developed a national workgroup, which made recommendations to improve hiring practices, including using different platforms, such as social media.

SSA and DDS leadership identified some best practices used during the pandemic that will remain in place. In addition to telehealth medical examinations and telework best practices, DDSs will continue to hold video meetings that SSA deployed in October 2020. One DDS stated, "Our use of [software for video meetings] has given us tools and flexibility to hold meetings and trainings with little advance notice required - a great way to get information out very quickly. In general, staff become more skilled with the technology available to us and I believe we will continue to use these tools - especially if we continue to work a hybrid schedule that includes some teleworking."

In its FY 2024 budget request, SSA is seeking additional funding for DDSs to address the large backlog of initial claims and additional claims expected in the future. The requested funding, if received, should allow DDSs to recruit and retain employees and process more claims.

What the Social Security Administration Needs to Do

- Maintain its focus on reducing and eliminating the initial disability claims, reconsideration, and medical CDR backlogs.
- Complete development and implementation of the planned new system for processing work CDRs and ensure it includes enhanced automation and controls to increase accuracy and reduce the need for manual actions.

- Continue developing relationships with advocacy groups and other external stakeholders to obtain feedback it can use to inform decisions to improve its administration of disability programs.
- Continue partnering with DDSs to address staffing shortages caused by attrition and hiring challenges.
- Encourage all DDSs to share the best practices identified during the pandemic to improve disability operations nationwide.

Key Related Links

- SSA, OIG Website – Reports related to improving the administration of the disability programs
- SSA, OIG Website – The COVID-19 Pandemic's Effect on Disability Determination Services' Processing of Disability Claims
- SSA, OIG Website – Work Review Determinations for Disabled Beneficiaries
- SSA Website – Incentives to Help You Return to Work
- SSA Website – SSA's Agency Strategic Plan, FYs 2022-2026
- SSA Website – SSA's FYs 2022-2024 Annual Performance Plan and Report
- SSA Website – Testimony of SSA's Deputy Commissioner for Operations before the Ways and Means Committee, Subcommittee on Social Security
- SSA Website – Working While Disabled: How We Can Help

Improve the Prevention, Detection, and Recovery of Improper Payments

SSA must be a responsible steward of the funds entrusted to its care by minimizing the risk of making improper payments and recovering overpayments when they occur.

Why This is a Challenge

SSA is responsible for issuing over $1 trillion in benefit payments, annually. Even the slightest error in the overall payment process can result in millions of dollars in improper payments. Improper payments can be overpayments, when SSA pays someone more than they are due, or underpayments, when SSA pays someone less than they are due. Per the most recent estimates available, SSA estimates it made approximately $13.6 billion in improper payments in FY 2022: $11.1 billion in overpayments and $2.5 billion in underpayments.

Although SSA's systems automatically compute most benefit-payment amounts, some require manual employee actions. In these cases, employees must accurately input information and use correct benefit formulas to produce accurate results. In a FY 2022 report, we concluded SSA could have avoided approximately 73,000 overpayments totaling more than $368 million had it provided employees a comprehensive tool when they had to manually calculate benefits. Without adequate automation tools, employees can make errors.

In a July 2023 report on *Manual Processes for Resource-intensive* Workloads, we noted SSA's automation enhancements reduced the need for manual processing for some workloads from FYs 2019 to 2021. However, these initiatives, which aimed to improve the efficiency and effectiveness of SSA's operations, were not always immediately cost-effective.

Preventing Improper Payments

Preventing improper payments is more advantageous than recovering them after they are made because SSA does not have to expend additional resources to recover the overpayments or process additional payments to rectify underpayments. Wages and income, resources, and living arrangements are a few of the factors that may affect OASDI and/or SSI eligibility and payment amounts. Beneficiaries and recipients are required to report to SSA any change in circumstances that may affect their benefits; however, they do not always comply. Obtaining data that assist with making eligibility and payment determinations from external sources, such as other Federal agencies, state agencies, and financial institutions, is critical to preventing and detecting improper payments.

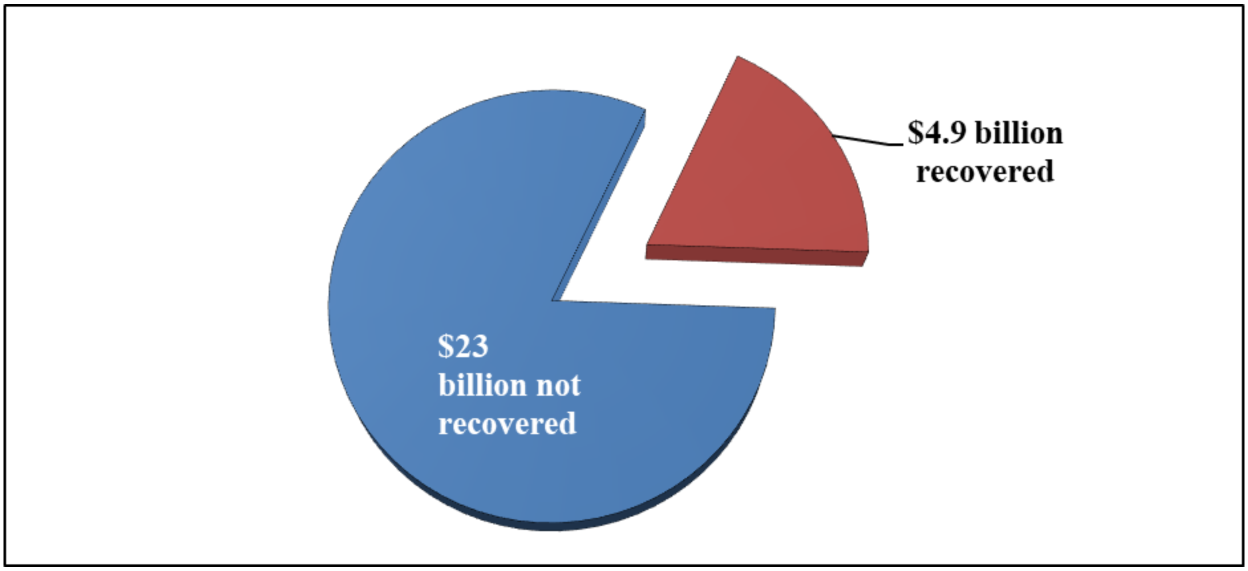
Recovery

When SSA determines it has underpaid a beneficiary, it will pay the beneficiary the amount owed. Once SSA determines it has overpaid an individual, it attempts to recover the overpayment. However, because of a systems design limitation, SSA does not capture and track OASDI overpayments owed by beneficiaries that are scheduled for collection beyond the year 2049. The design limitation results in the record deleting the balance SSA must recover after

2049 and retains no record of the post-2049 remaining balance. If SSA does not resolve the issue by the end of 2029, it estimates more than 203,000 beneficiaries will have nearly $2.5 billion in untracked overpayments.

According to SSA, in FY 2023, it recovered over $4.9 billion in overpayments at an average administrative cost of $0.08 for every dollar collected. Still, at the end of the FY, SSA had a $23 billion uncollected overpayment balance (see Figure 4).

Figure 4: FY 2023 Overpayment Recovery



Progress the Social Security Administration Has Made

Preventing Improper Payments

In FY 2019, SSA established the Improper Payment Prevention Team to address improper payments; and it has developed strategies to determine the underlying causes of payment errors, developed corrective action plans, and determined cost-effective actions. In FY 2023, SSA continued monitoring the progress of mitigation strategies and corrective actions.

As noted in our May 2023 report on SSA's compliance with the *Payment Integrity Information Act of 2019*, financial accounts are a leading cause of overpayments in the SSI program. To address this, in June 2011, SSA implemented the Access to Financial Institutions (AFI) program. AFI verifies alleged bank account balances with financial institutions and searches for undisclosed accounts at geographically relevant locations based on the individual's address. SSA uses AFI when it processes initial SSI applications and periodic eligibility redeterminations. Between FYs 2011 and 2021, overpayments related to financial accounts averaged approximately $1.2 billion. Since overpayments related to financial accounts were still occurring despite the AFI program, we recommended, and SSA agreed, to conduct a study to expand AFI searches between the initial SSI application and subsequent eligibility redeterminations.

Wage discrepancies and substantial gainful activity were a leading cause of SSI and OASDI improper payments, respectively. In FY 2019, SSA awarded a contract to build an information exchange to obtain monthly earnings data from third-party payroll data providers. In FY 2023, SSA continued working toward implementing the payroll exchange, but it was not implemented as of the end of year. SSA is several years from determining whether the commercial payroll exchange effectively reduces improper payments that are caused by wage and substantial gainful activity reporting discrepancies.

Recovery

The Agency needs to use available data to better identify changes that affect beneficiaries' benefit payments and expand efforts to collect data from reliable third-party sources that would aid SSA in mitigating discrepancies that can occur when beneficiaries self-report information.

What the Social Security Administration Needs to Do

- Identify and prevent improper payments through automation and data analytics. SSA needs to use available data to better identify changes that affect beneficiaries' and recipients' benefit payments.
- Expand efforts to collect data from reliable third-party sources that would aid SSA in mitigating discrepancies that can occur when beneficiaries or recipients' self-report information.
- Address the root causes of improper payments to prevent their occurrence.

Key Related Links

- SSA, OIG Website – Reports related to improving the prevention, detection, and recovery of improper payments
- Federal Payment Accuracy Website – PaymentAccuracy.gov
- SSA Website – Pay an Overpayment

OTHER REPORTING REQUIREMENTS

Payment Integrity

Background

We take seriously our responsibility to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve our customers. Our employees work hard to pay the right person the right amount at the right time. Ensuring program stewardship is one of our three agency strategic goals.

Our program integrity workloads are critical to ensuring efficient programs and accurate payments in our Old-Age and Survivors Insurance (OASI), Disability Insurance (DI) (referred to as OASDI when discussing them in combination), Supplemental Security Income (SSI), and Administrative Payments programs. As good stewards of our resources and taxpayer funds, these workloads help ensure eligible individuals timely receive the benefits to which they are entitled and safeguard the integrity of benefit programs by confirming eligibility and preventing fraud. We remain focused on the integrity of our programs, including minimizing improper payments (IP). "Ensure Stewardship of SSA Programs" is a Strategic Goal in our *Agency Strategic Plan for Fiscal Years* (FY) *2022–2026*. Each year, we report IP findings, both overpayments (OP) and underpayments (UP), from our stewardship reviews of the nonmedical aspects of the OASDI and SSI programs. We conduct continuing disability reviews (CDR) to determine whether disability beneficiaries meet the programs' medical criteria. Terminating disability benefits after a CDR does not necessarily mean that the original determination was incorrect; it means the beneficiary's medical condition has improved and the beneficiary no longer meets our definition of disability. Therefore, we consider the benefits received before improvement to be proper.

On March 2, 2020, S. 375, the *Payment Integrity Information Act of 2019* (PIIA) was signed into law. This law changed government-wide IP reporting requirements by repealing and replacing the *Improper Payments Information Act of 2002*, the *Improper Payments Elimination and Recovery Act of 2010*, the *Improper Payments Elimination and Recovery Improvement Act of 2012*, and the *Fraud Reduction and Data Analytics Act of 2015*. On March 5, 2021, the Office of Management and Budget (OMB) published a revised version of OMB Circular No. A-123, Appendix C, *Requirements for Payment Integrity Improvement*, to implement the provisions of PIIA. The goal of the revised version of OMB Circular A-123, Appendix C is to transform the payment integrity compliance framework and create a more comprehensive and meaningful set of requirements to allow agencies to spend less time complying with low-value activities and more time researching the underlying causes of IPs, balancing payment integrity risks and controls, and building the capacity to help prevent IPs.

In accordance with OMB guidelines, we report as improper those payments that resulted from:

- Our mistake in computing the payment;
- Our failure to obtain or act on available information affecting the payment;
- A beneficiary's failure to report an event; or
- A beneficiary's incorrect report.

Our Inspector General concluded that the agency was compliant with PIIA in the FY 2022 compliance audit. PIIA requires agencies to review and assess all programs with annual outlays greater than $10,000,000 for IP risk at least once every three years to identify those susceptible to significant IPs. Programs that are not likely to have an annual amount of IPs plus annual unknown payments above the statutory threshold (which is either (a) both 1.5 percent of program outlays and $10,000,000 of all program payments made during the fiscal year, or (b) $100,000,000) are referred to as being in Phase 1. Per this definition, our Administrative Payments program is in Phase 1 for OMB reporting purposes. Our assessment of IP risk in our Administrative Payments program in FY 2021 determined that the program is not susceptible to significant IPs. We will conduct another IP risk assessment of our Administrative Payments program in FY 2024. If a program in Phase 1 determines that it is likely to annually make IPs plus unknown payments above the statutory threshold then the program will move into Phase 2 the following year. Once in Phase 2 a program will have additional requirements such as reporting an annual IP and unknown payment estimate. Our OASDI and SSI programs are in Phase 2 for OMB reporting purposes. Additional information about the IPs, root causes, and corrective actions in our programs can be found on PaymentAccuracy.gov.

A Phase 2 program that reports IPs resulting in monetary loss in excess of $100,000,000 annually is considered a High-Priority program. Our OASDI and SSI programs meet the definition of High-Priority programs. This report provides a summary of our payment integrity activities and results for our High-Priority programs. There were no changes in payment integrity methodology for the reporting period. The information presented in this report complies with the guidance provided in OMB Circular No. A-123, Appendix C, *Requirements for Payment Integrity Improvement*, and OMB Circular No. A-136, *Financial Reporting Requirements*.

Overview

We are committed to ensuring we issue accurate payments to eligible individuals at the right time. We take seriously our responsibilities to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve recipients. Our internal quality reviews, which are validated by a third-party auditor, indicate that our FY 2022 OASDI benefit payments were 99.49 percent free of OP, and 99.86 percent were free of UP. For the same year, 91.98 percent of all SSI payments were free of OP, and 98.82 percent were free of UP. FY 2023 data will be available in the summer of FY 2024.

While our payment accuracy rates, including both OPs and UPs, are high, even small error rates add up to substantial IP amounts given the magnitude of the benefits we pay each year. For instance, based on our FY 2022 stewardship reviews, we estimate that we paid over $1.3 trillion in benefit payments. Our combined OPs and UPs for OASDI totaled approximately $8.3 billion.

The combined OPs and UPs for SSI totaled approximately $5.3 billion. With each tenth of a percentage point in payment accuracy representing about $1.3 billion in OASDI and $57.6 million in SSI program outlays, we are focused on combatting the leading causes of IPs and improving program integrity to protect taxpayer dollars.

As good stewards, we seek ways to do business better by addressing the root causes of IPs and improving payment accuracy. We are committed to continually improving the administration of our programs and working to identify and address potential inequities.

OASDI Improper Payments

OASDI Improper Payment Experience

Based on our stewardship reviews, we estimate that we paid approximately $1.3 trillion to OASDI beneficiaries in FY 2022. Of that total, we estimate $6.5 billion were OPs, representing approximately 0.51 percent of outlays. We estimate that UPs during this same period were $1.8 billion, the equivalent of approximately 0.14 percent of outlays. The following table shows our estimated IPs in the OASDI program broken out by OMB's IP cause categories.

OASDI Improper Payments
FY 2022
(Dollars in Millions)

	Dollars	Percent of Outlays
Outlays	$1,269,615.41	
Proper Payments	$1,261,270.79	99.34%
Improper Payments	$8,344.62	0.66%
Overpayments	$6,521.66	0.51%
Within the Agency's Control	$1,619.78	0.13%
Data or Information Needed Does Not Exist	$0.00	0.00%
Inability to Access Data or Information Needed	$0.00	0.00%
Failure to Access Data or Information Needed	$1,619.78	0.13%
Outside the Agency's Control	$4,901.88	0.38%
Data or Information Needed Does Not Exist	$0.00	0.00%
Inability to Access Data or Information Needed	$4,901.88	0.38%
Failure to Access Data or Information Needed	$0.00	0.00%
Non-Monetary Loss Improper Payments	$1,822.96	0.14%
Underpayments	$1,822.96	0.14%
Data or Information Needed Does Not Exist	$0.00	0.00%
Inability to Access Data or Information Needed	$85.27	0.00%
Failure to Access Data or Information Needed	$1,737.69	0.14%
Technically Improper Payments	$0.00	0.00%
Unknown Payments	$0.00	0.00%
Improper Payments + Unknown Payments	$8,344.62	0.66%

Notes:

1. Outlay and IP amounts are for FY 2022. They represent estimated amounts from the annual stewardship reviews and may vary from actual amounts. FY 2023 data will be available in the summer of FY 2024.
2. There may be slight variances in the dollar amounts and percentages reported on PaymentAccuracy.gov due to rounding of source data. We derive percentages from unrounded source data.
3. Totals may not equal the sum of amounts due to rounding.
4. OMB Circular No. A-123, Appendix C, *Requirements for Payment Integrity Improvement,* defines IP cause categories.

OASDI Improper Payment Causes and Corrective Actions

Our stewardship review findings over the last five years show the major causes of OPs in the OASDI program are relationship and dependency, beneficiaries' employment activity (referred to as substantial gainful activity (SGA)), and errors in computations, accounting for 37, 16, and 11 percent of OASDI OPs, respectively. The major cause of UPs is errors in computations, which accounts for 60 percent of OASDI UPs. OASDI IPs occur due to beneficiaries' failure to report or our failure to update benefits in a timely manner. Below, we discuss corrective actions for these major causes. Additional information about the IPs, root causes, and corrective actions in the OASDI program can be found on PaymentAccuracy.gov.

Relationship and Dependency

Description:

Over the last five years, relationship and dependency errors account for 29 percent of OASDI IPs. Marital standing and child relationship factors are material when determining entitlement to certain auxiliary and survivor benefits. Technicians must establish the existence, duration, and validity of a marriage when the present or former marriage to the insured worker is a factor of entitlement. These errors occur when a beneficiary does not report a marriage, divorce, or remarriage timely.

Payment errors based on relationship and dependency correspond to the following OMB IP cause categories in the FY 2022 OASDI Improper Payments table: Overpayments/Within the Agency's Control/Failure to Access Data or Information Needed; and Overpayments/Outside the Agency's Control/Inability to Access Data or Information Needed.

Total projected OP deficiency dollars for FY 2018 through FY 2022: $5.4 billion

Annual average: $1.1 billion

Corrective Actions:

We base corrective actions on stewardship findings.[1] Prior to FY 2022, marital status and relationship deficiencies were not the leading cause of OASDI overpayments. We are currently looking for opportunities to remind the public to report changes that could affect their eligibility, specifically changes in their marital status and relationship.

Computations

Description:

Over the last five years, errors in our computations account for 21 percent of OASDI IPs. We determine a person's benefit amount based on several factors, including age, earnings history, and the type of benefit awarded. Windfall Elimination Provision (WEP) computations also result

[1] Our stewardship reviews assess the accuracy of benefit payments. The findings inform the agency's corrective action plans to reduce IPs.

in IPs. Inaccurate information and administrative mistakes can cause errors in calculating benefits.

Payment errors based on computations correspond to the following OMB IP cause categories in the FY 2022 OASDI Improper Payments table: Overpayments/Within the Agency's Control/Failure to Access Data or Information Needed; Overpayments/Outside the Agency's Control/Inability to Access Data or Information Needed; and Underpayments/Failure to Access Data or Information Needed.

Total projected OP and UP deficiency dollars for FY 2018 through FY 2022: $4.0 billion

Annual average: $0.8 billion

Corrective Actions:

We are taking the following actions to address IPs related to computations:

- **Robotic Processing Automation - BOTs**: In FY 2021, we pursued a contract with UIPath software, to create automated "robotic" programs that will perform routine or repetitive tasks. Robotic Processing Automation (RPA), or "BOTs," are available to Processing Center technicians to assist with processing manual awards or post-entitlement actions. Since January 2021, six BOTs have been created and placed into production. Use of the BOTs reduces keystrokes and manual coding and detects exceptions and alerts before they occur. In FY 2024, we plan to enhance the existing RPA scripts and begin development and implementation of a series of BOTs that will automate computations and input of complex and error prone windfall offset payments. We are making a long-term investment in robotics technology and using the software to improve business processes and eliminate manual actions.
- **Comprehensive Corrective Action Plan for Windfall Elimination Provision and Government Pension Offset**: WEP applies when the wage earner receives Social Security retirement or disability benefits, and is entitled to a pension based on non-covered work. Non-covered pensions are paid by employers that do not withhold Social Security taxes and may be based on earnings from employment in the United States or another country.

  The Government Pension Offset (GPO) provision adjusts Social Security spouses or widow(er)'s benefits for those who receive a non-covered pension from a Federal, State, or local government in the United States. When GPO applies, the Social Security monthly benefit amount is reduced by two-thirds of the amount of the non-covered government pension.

  We developed a comprehensive corrective action plan to address multiple underlying causes of WEP and GPO IPs. We formed a cross-agency work group to review all Office of the Inspector General (OIG) and internal studies to compile a comprehensive list of recommended changes in WEP and GPO implementation. We assessed the root causes of IPs based on these changes and developed policy, data, systems, and training solutions in line with each of the root causes of IPs. We developed a logic model framework to measure the effectiveness of completed corrective action that includes establishing benchmarks to evaluate the corrective actions, assessing the impact, if possible, and determining whether additional mitigation activities are necessary. Since FY 2017, there has been a significant reduction in IPs related to WEP and GPO. In July 2023, we added the WEP/GPO calculator to the SSA.gov website. However, we continue to assert that the complexity of our program makes it extremely challenging to isolate the effects of a particular corrective action.

Substantial Gainful Activity

Description:

SGA is continuously a leading cause of OPs in the OASDI program, accounting for 13 percent of OASDI IPs over the last five years. When disability beneficiaries work, several factors determine whether they remain eligible for monthly benefits. Beneficiaries' failure to report earnings in a timely manner accounts for 82 percent of SGA-related IPs and our failure to take the proper actions to process work reports accounts for the remainder.

Payment errors based on SGA correspond to the following OMB IP cause categories in the FY 2022 OASDI Improper Payments table: Overpayments/Within the Agency's Control/Failure to Access Data or Information Needed; and Overpayments/Outside the Agency's Control/Inability to Access Data or Information Needed.

Total projected OP deficiency dollars for FY 2018 through FY 2022: $2.4 billion

Annual average: $0.5 billion

Corrective Actions:

We are exploring administrative actions that will make it easier for beneficiaries and employers to report wages, as well as ways we can obtain real time wage data to reduce IPs. We are taking the following actions to address IPs related to SGA:

- **Payroll Information Exchange**: To reduce the reliance on self-reporting of wages, we are developing new wage reporting tools, such as an information exchange with commercial payroll data providers authorized by section 824 of the *Bipartisan Budget Act of 2015*, now referred to as the Payroll Information Exchange (PIE). We have completed several phases of pre-implementation development and are drafting a Notice of Proposed Rulemaking with our regulations for the PIE process. We will conduct the exchange and automate PIE data after the final rule (regulation) is established. We will perform ongoing assessments while working towards full implementation.
- **Continuing Disability Review Product**: The CDR Product is a project to streamline the CDR process, increase efficiencies, and reduce IPs for work CDRs. The multifaceted product is comprised of four separate workstreams, across several component business and systems sponsors. In addition to work CDRs, the Product aims to modernize the medical CDR process with the addition of online service options and reduce paper case processing by automating current Electronic Disability Collect System exclusions. In February 2023, CDR product released the *i454* which allows adult beneficiaries with an online option to file the SSA-454 or a Medical CDR Report. When the customer uses

this online version, the technician's process is streamlined and allows for quicker processing. In FY 2024, we plan to release Multiple Pending Claim functionality to the Electronic Disability Collect System, reducing the reliance on paper processing and plan to make the eWork system Multi-Factor Authentication compliant. We are currently beginning development of a modernized version of eWork, which will eventually be integrated into the existing EDCS application and make EDCS available for Field Office technicians.

- **Reporting Responsibilities**: Section 826 of the *Bipartisan Budget Act of 2015* required the Commissioner to establish and implement a system permitting DI beneficiaries to report their earnings electronically. Our myWageReport (myWR) online application allows DI beneficiaries, SSI recipients, concurrent beneficiaries, and representative payees to report wages, and view, print, or save a receipt. DI self-reporters and their representative payees can report wages that occurred within a two-year timeframe from the reporting date. We promote use of myWR on social media with training videos depicting three reporting options: *my* Social Security, SSA Mobile Wage Reporting, and SSI Telephone Wage Reporting.
- **WorkSmart**: WorkSmart is a tool that identifies DI beneficiaries whose earnings put them at risk for being overpaid. We created the Work Smart project to reduce and prevent IPs and complete work CDRs more efficiently by identifying earnings earlier, identifying cases that have earnings above SGA and are still receiving benefits, and prioritizing cases that are most likely to end in an SGA cessation. This helps prevent beneficiaries from building OP debts.

SSI Improper Payments

SSI Improper Payment Experience

Based on our stewardship reviews, we estimate that we paid approximately $57.6 billion to SSI recipients in FY 2022. Of that total, we estimate $4.6 billion were OPs, representing approximately 8.02 percent of outlays. We estimate that UPs during this same period were $0.7 billion, the equivalent of approximately 1.18 percent of outlays. The following table shows our estimated IPs in the SSI program broken out by OMB's IP cause categories.

SSI Improper Payments
FY 2022
(Dollars in Millions)

	Dollars	Percent of Outlays
Outlays	$57,565.84	
Proper Payments	$52,267.10	90.80%
Improper Payments	$5,298.74	9.20%
Overpayments	$4,617.94	8.02%
Within the Agency's Control	$286.57	0.50%
Data or Information Needed Does Not Exist	$0.00	0.00%
Inability to Access Data or Information Needed	$0.00	0.00%
Failure to Access Data or Information Needed	$286.57	0.50%
Outside the Agency's Control	$4,331.38	7.52%
Data or Information Needed Does Not Exist	$344.48	0.60%
Inability to Access Data or Information Needed	$3,986.89	6.93%
Failure to Access Data or Information Needed	$0.00	0.00%
Non-Monetary Loss Improper Payments	$680.80	1.18%
Underpayments	$680.80	1.18%
Data or Information Needed Does Not Exist	$321.77	0.56%
Inability to Access Data or Information Needed	$259.45	0.45%
Failure to Access Data or Information Needed	$99.57	0.17%
Technically Improper Payments	$0.00	0.00%
Unknown Payments	$0.00	0.00%
Improper Payments + Unknown Payments	$5,298.74	9.20%

Notes:

1. Outlay and IP amounts are for FY 2022. They represent estimated amounts from the annual stewardship reviews and may vary from actual amounts. FY 2023 data will be available in the summer of FY 2024.
2. There may be slight variances in the dollar amounts and percentages reported on PaymentAccuracy.gov due to rounding of source data. We derive percentages from unrounded source data.
3. Totals may not equal the sum of amounts due to rounding.
4. OMB Circular No. A-123, Appendix C, *Requirements for Payment Integrity Improvement*, defines IP cause categories.

SSI Improper Payment Causes and Corrective Actions

Our stewardship review findings over the last five years show the major causes of OPs in the SSI program are changes in financial accounts, wages, and in-kind support and maintenance (ISM), which account for 29, 23, and 6 percent of SSI OPs, respectively. The major cause of UPs is changes to ISM, which accounts for 28 percent of SSI UPs. SSI IPs occur due to recipients' failure to report or our failure to update payments in a timely manner. Below, we discuss corrective actions for these major causes. Additional information about the IPs, root causes, and corrective actions in the SSI program can be found on PaymentAccuracy.gov.

Financial Accounts

Description:

The leading cause of SSI IPs is financial accounts with countable resources over the allowable resource limits, accounting for 25 percent of SSI IPs over the last five years. When an applicant, recipient, or deemor has financial accounts with values exceeding the allowable resource limits, these accounts may result in periods of SSI ineligibility.

Payment errors based on financial accounts correspond to the following OMB IP cause category in the FY 2022 SSI Improper Payments table: Overpayments/Outside the Agency's Control/ Inability to Access Data or Information Needed.

Total projected OP deficiency dollars for FY 2018 through FY 2022: $7.5 billion

Annual average: $1.5 billion

Corrective Actions:

We are taking the following actions to address IPs related to financial accounts:

- **Non-medical Redeterminations/Limited Issues**: A non-medical SSI redetermination (RZ) is a complete review of a recipient's or couple's non-medical eligibility factors (resources, income, and living arrangements) to determine whether the recipient or couple has remained eligible since the time of the previous decision, is still eligible for SSI, and has been receiving and will continue to receive the correct SSI payment amount. To ensure the most cost-effective investment of agency resources, we use a predictive model to estimate the likelihood and magnitude of overpayments to select cases for discretionary RZs. Other cases are selected for RZs outside our modeling process based on selected case characteristics, such as manual deeming of income. The RZ process also selects limited issue (LI) reviews, which are reviews of a specific issue or event related to a recipient's or couple's non-medical eligibility factors to determine whether the recipient or couple is still eligible for and receiving the correct SSI payment. In December 2022, we issued guidance on achieving FY 2023 RZ and LI workload goals, with reminders to field offices about best practices and following the order of priority when scheduling RZs and LIs. In FY 2023, we completed more than 2.5 million SSI non-medical RZs and LIs. We plan to process about 2.5 million SSI RZs and LIs in FY 2024.

- **Access to Financial Institutions**: The purpose of Access to Financial Institutions (AFI) is to identify excess resources in financial accounts, which are a leading cause of SSI payment errors. The AFI program uses an electronic process with participating financial institutions to verify bank account balances and detect undisclosed accounts in up to 10 nearby banks. We will be evaluating the benefit to running AFI between the SSI initial application and subsequent eligibility RZs, based on an OIG recommendation.[2] In March 2023, we released Policy in Focus training and issued a frontline broadcast to remind technicians of AFI and SSI financial accounts policy. In August 2023, we published *AM-23048 - SSI Financial Account Verification Reminders* and issued a frontline broadcast to ensure that technicians are reviewing the financial account pages in the SSI claims path for accuracy before adjudicating an event.

- **Logic Model Framework**: We developed a logic model framework to measure the effectiveness of completed corrective actions that includes establishing benchmarks to evaluate the corrective actions, assessing the impact, if possible, and determining whether additional mitigation activities are necessary. We monitor the progress of corrective actions for financial accounts, wages, ISM, death, absence from the United States, and non-home real property (NHRP), which are the leading causes of SSI IPs. In FY 2022, we completed the evaluation for wages and NHRP. In FY 2023, we completed the evaluation of medical CDR cessations and Improving Death Data Processing.

- **Consolidated Claims Experience**: The Consolidated Claims Experience (CCE) is a single-entry point for employees to process all agency benefits. CCE includes eligibility screening, initial claims intake processing and post-entitlement activities. CCE will automate computations, reduce manual actions, assist in the identification of potential or missed entitlements, and include dynamic pathing and policy references within the application. Currently, only SSI is available in CCE with additional claim types (i.e., OASDI and Title 18) to be added in future releases. In FY 2023, there were several CCE releases in the SSI program to improve CCE software performance, correct software problems, and respond to employee feedback.

Wages

Description:

For more than a decade, wage discrepancies have been one of the leading causes of SSI IPs, accounting for 23 percent of SSI IPs over the last 5 years. Wage discrepancies occur when the recipient or their deemor has actual wages that differ from the wage amount we used to calculate the SSI payment, either because the recipient failed to report a change, or we failed to make changes to payments in a timely manner.

Payment errors based on wages correspond to the following OMB IP cause categories in the FY 2022 SSI Improper Payments table: Overpayments/Within the Agency's Control/Failure to Access Data or Information Needed; Overpayments/Outside the Agency's Control/Inability to

[2] OIG report "Compliance with the Payment Integrity Information Act of 2019 in Fiscal Year 2022."

Access Data or Information Needed; Underpayments/Inability to Access Data or Information Needed; and Underpayments/Failure to Access Data or Information Needed.

Total projected OP and UP deficiency dollars for FY 2018 through FY 2022: $6.8 billion

Annual average: $1.4 billion

Corrective Actions:

We are taking the following actions to address IPs related to wages:

- **PIE**: Please see our discussion of PIE under Corrective Actions for Substantial Gainful Activity in the OASDI Improper Payment Causes and Corrective Actions section.
- **Non-medical RZs/LIs**: Please see our discussion of non-medical RZs/LIs under Corrective Actions for Financial Accounts in the SSI Improper Payment Causes and Corrective Actions section.
- **SSA Mobile Wage Reporting App**: SSI recipients, deemors, and representative payees may use the SSA Mobile Wage Reporting App (available for download at no cost from Google Play and Apple App) to report wages and ensure payment accuracy. We enhanced the application to offer a more secure method of authentication for application users. We implemented multi-factor authentication in September 2023.
- **Reporting Responsibilities**: We inform SSI recipients and representative payees about their reporting responsibilities through various methods: during interviews, with application and RZ forms, in some award and post-eligibility notices, in check envelope enclosures, and in a booklet that accompanies award notices. Our annual Cost of Living Adjustment notices include reminders about reporting changes that could affect payments and eligibility. In September 2013, we implemented an automated SSI wage reporting reminder for individuals who sign up to receive a monthly email or text message to report wages for the prior month. We promote use of our online wage reporting application, myWR, on social media with training videos including information about the importance of creating a *my* Social Security account; how to submit wages using myWR, SSA Mobile Wage Reporting, or SSI Telephone Wage Reporting; who can report; and reminders on reporting responsibilities. In November 2022, we issued reporting responsibilities reminders to SSI recipients with *my* Social Security accounts. Finally, we engage the advocate community and other third-party groups and organizations to help the us reach more people who depend on our services by emailing Dear Colleague letters. In August 2023, we sent a Dear Colleague letter asking for their assistance in reminding SSI clients on reporting changes in circumstances that may affect their payments.
- **Logic Model Framework**: Please see our discussion of Logic Model Framework under Corrective Actions for Financial Accounts in the SSI Improper Payment Causes and Corrective Actions section.

In-Kind Support and Maintenance

Description:

ISM has been the third-leading cause of OPs and the leading cause of UPs, accounting for 9 percent of SSI IPs over the last five years. When processing initial claims and post-entitlement reviews, we ask questions to help us determine if recipients are paying their share of household expenses. If recipients are not paying their *pro rata* share, we generally count the difference between the *pro rata* share amount and the actual contribution as income to the recipient in the form of ISM. SSI recipients and their representative payees are required to notify the agency when a change occurs in household expenses, contributions, or composition. Failure to report or delays in reporting household changes are the primary causes of OPs and UPs related to ISM. Recipients and representative payees must report ISM changes (e.g., living arrangements) by phone, mail, or in person within ten days after the end of the month when the event happened. Self-reporting is the primary tool we use to obtain information on changes that affect ISM.

Payment errors based on ISM correspond to the following OMB IP cause categories in the FY 2022 SSI Improper Payments table: Overpayments/Within the Agency's Control/Failure to Access Data or Information Needed; Overpayments/Outside the Agency's Control/Data or Information Needed Does Not Exist; Underpayments/Data or Information Needed Does Not Exist; and Underpayments/Failure to Access Data or Information Needed.

Total projected OP and UP deficiency dollars for FY 2018 through FY 2022: $2.7 billion

Annual average: $0.5 billion

Corrective Actions:

We are taking the following actions to address IPs related to ISM:

- **Policy Changes**: The process and policies as well as statutory and regulatory requirements to administer ISM are complicated and pose challenges to the administration of our programs. We are working on three regulatory changes to help simplify ISM policies, including:
    - Omitting food from ISM (Notice of Proposed Rule Making (NPRM) published February 2023). The proposed rule would remove food as a source of ISM, so that food assistance received from others does not impact claimants' benefit eligibility and amounts. We also proposed to add conforming language to our definition of income, excluding food from the ISM calculation.
    - Expanding the definition of a Public Assistance Household (NPRM published October 2023). The proposed rule would add the Supplemental Nutrition Assistance Program to the definition of Public Income Maintenance Payments considered for treatment of a public assistance household; if every household member receives one of the specified types of assistance, we assume that other household members need their income to support their own needs and do not subject the SSI claimant to ISM or deeming.

- Expanding the Rental Subsidy Policy for SSI Applicants and Recipients (NPRM published August 2023). The proposed rule would expand a rental subsidy exception in effect in seven States to the whole nation, exempting claimants from ISM if they pay at least one third of their SSI benefit on rent.

- **Logic Model Framework**: Please see our discussion of Logic Model Framework under Corrective Actions for Financial Accounts in the SSI Improper Payment Causes and Corrective Actions section.

Entitlement Reviews and Office of the Inspector General Anti-Fraud Activities

We are committed to improving financial management by preventing fraudulent and IPs (see the Payment Integrity section for more information). Section 206 (g) of the *Social Security Independence and Program Improvements Act*, Public Law 103-296, requires us to report annually on the extent to which we reviewed cases of entitlement to monthly OASI and DI benefits (referred to as OASDI when discussing them in combination) and SSI payments; and the extent to which the cases we reviewed were those that involved a high likelihood or probability of fraud.

Entitlement Reviews

Entitlement reviews help ensure that continued monthly payments are correct. We select cases and undertake reviews, both prior to and after effectuation of payment, to ensure that development procedures and benefit awards are correct.

Due to the Coronavirus Disease 2019 (COVID-19) pandemic, we discontinued all quality assurance samples for the third quarter of FY 2020. For CDRs, we discontinued the sample for the third and fourth quarters of FY 2020. As a result, the initial and reconsideration data include only cases reviewed during the first, second, and fourth quarters of FY 2020. The FY 2020 CDR data include only reviews completed during the first and second quarters of FY 2020. We resumed regular CDR sampling in the first quarter of FY 2021.

We conduct the following major entitlement reviews:

Disability Quality Assurance Reviews

We perform quality assurance reviews of random samples of disability determination services (DDS) determinations to measure our level of accuracy against standards mandated by the regulations. We review initial claims, requests for reconsideration, and determinations of continuing eligibility prior to the effectuation of the DDS determinations. The following table shows the quality assurance accuracy rates for FY 2019 through FY 2023.

Quality Assurance Reviews

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Percent of State DDS decisions to allow or continue not returned to the DDS offices for correction	97.41%	96.87%	96.62%	96.62%	97.23%
Number of cases reviewed	35,076	40,251	40,295	29,588	34,915
Number of cases returned to the DDS offices due to error or inadequate documentation	909	1,259	1,360	1,001	967

DI Pre-Effectuation Reviews

We perform pre-effectuation reviews of favorable DI and concurrent DI/SSI initial and reconsideration determinations using a risk-profiling system to select cases for review. This profiling system helps ensure the cost-effectiveness of pre-effectuation reviews, and it satisfies the legislative requirement that the cases we review are those that are most likely to be incorrect. We also review a sufficient number of CDR continuance determinations to ensure a high level of accuracy in those cases. The following table shows the DI pre-effectuation accuracy rates for FY 2019 through FY 2023.

DI Pre-Effectuation Reviews

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Percent of State DDS decisions to allow or continue not returned to the DDS offices for correction	95.56%	95.03%	94.65%	95.23%	95.26%
Number of cases reviewed	246,318	252,245	238,616	268,569	266,474
Number of cases returned to the DDS offices due to error or inadequate documentation	10,927	12,538	12,761	12,810	12,641

SSI Pre-Effectuation Reviews

We conduct pre-effectuation reviews of favorable SSI initial and reconsideration adult determinations. As in DI cases, we use a profiling system to select cases for review. The following table shows the SSI pre-effectuation accuracy rates for FY 2019 through FY 2023.

SSI Pre-Effectuation Reviews

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Percent of State DDS decisions to allow not returned to the DDS offices for correction	96.66%	96.52%	96.27%	96.07%	96.47%
Number of cases reviewed	84,352	81,333	86,779	94,105	105,729
Number of cases returned to the DDS offices due to error or inadequate documentation	2,820	2,834	3,239	3,696	3,734

Continuing Disability Reviews

We use periodic CDRs to determine whether beneficiaries continue to meet our medical standards for disability. We also conduct a quality review of those decisions. The following table shows the CDR accuracy rates for FY 2019 through FY 2023.

CDR Accuracy

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Overall accuracy	97.2%	96.9%	96.5%	96.8%	96.7%
Continuance accuracy	98.3%	98.1%	97.7%	97.6%	97.9%
Cessation accuracy	93.6%	92.3%	92.3%	93.2%	92.0%

OASDI and SSI Quality Assurance Reviews

Quality assurance reviews assess the accuracy of benefit payments. The following tables show the OASDI and SSI accuracy rates for FY 2019 through FY 2022. Data for FY 2023 are not yet available. We will report the FY 2023 data in our FY 2024 *Agency Financial Report* (AFR).

OASDI Accuracy[1]

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Overpayment accuracy	Data not yet available	99.49%	99.83%	99.83%	99.80%
Underpayment accuracy	Data not yet available	99.86%	99.95%	99.94%	99.95%

SSI Accuracy[1]

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Overpayment accuracy	Data not yet available	91.98%	92.83%	91.24%[2]	91.87%
Underpayment accuracy	Data not yet available	98.82%	98.45%	98.67%	98.72%

Notes:

1. There may be slight variances in the percentages reported on PaymentAccuracy.gov due to rounding of source data. We derive percentages from unrounded source data.
2. The FY 2021 AFR incorrectly stated the FY 2020 SSI overpayment accuracy rate was 91.25% due to a minor issue in the dollar error tabulation formula that was discovered in April 2022. The rate was corrected in the FY 2022 AFR.

SSI Redeterminations

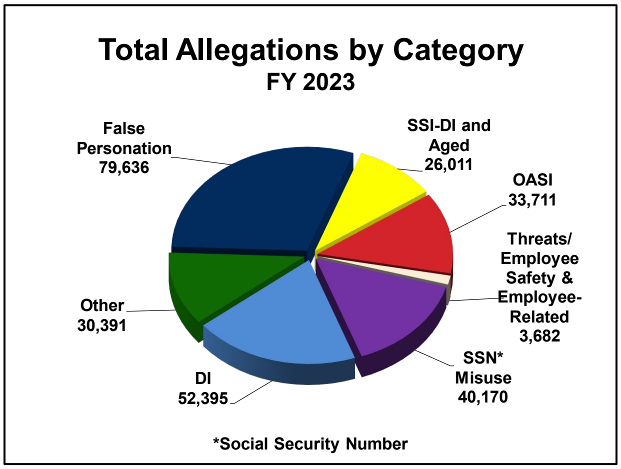
SSI redeterminations are periodic reviews of non-medical factors to ensure that a recipient remains eligible for SSI payments and that we have paid and will continue to pay the recipient the correct amount. The following table shows the number of SSI redeterminations we completed for FY 2019 through FY 2023.

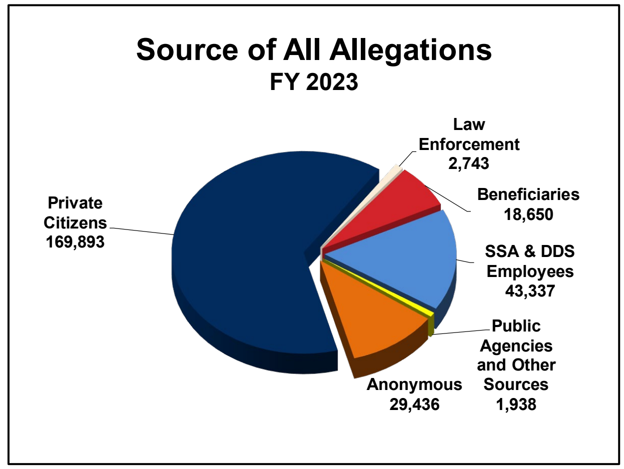
SSI Redeterminations
(In Millions)

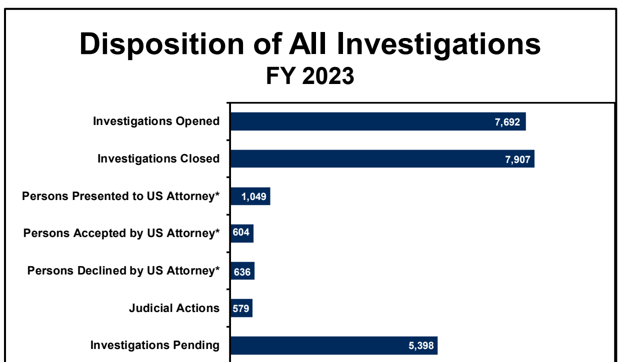
	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Number of redeterminations completed	2.52	2.20	2.37	2.15	2.67

The Office of the Inspector General's Anti-Fraud Activities

In FY 2023, we worked with our OIG, the U.S. Department of Justice, and other government agencies on cases involving fraud, waste, and abuse as part of our fraud detection and prevention program for safeguarding our assets. In FY 2023, as in prior years, OIG received a significant number of imposter scam allegations. The following charts provide information from our OIG concerning fraud and other allegations and cases in FY 2023.[3]







*These metrics include the total number of individual subjects or entities referred, accepted, and declined for prosecution by the DOJ where the investigative findings were not subject to pre-established prosecution declination guidelines. Additionally, these metrics are independent. Therefore, persons recorded as declined or accepted during the reporting year may have been presented during a prior year. Similarly, persons presented during the reporting year may not yet have been recorded as declined or accepted.

[3] The category of an allegation may change in limited cases during an investigation. Therefore, the numbers reported in the charts may vary slightly from other Agency reporting such as Semiannual Reports to Congress.

Civil Monetary Penalty Adjustment for Inflation

The *Social Security Act* authorizes the Commissioner to impose a civil monetary penalty (CMP) for certain specific violations. Section 1129 of the *Social Security Act* authorizes a CMP against anyone who makes any material false statements or representations to the agency or knowingly withholds a material fact from the agency, to obtain or retain benefits or payments under Titles II, VIII, or XVI of the *Social Security Act*. A CMP may also be imposed against representative payees for the wrongful conversion of Social Security payments entrusted to their care.

Section 1140 of the *Social Security Act* (Section 1140) authorizes a CMP to protect the public from advertisements, solicitations, and other communications (including Internet websites, social media activities, and scam telephone calls) that may convey the false impression that we approved, endorsed, or authorized the communication. Section 1140 also prohibits the reproduction and sale of Social Security publications and forms without our authorization and places restrictions on the charging for services that we provide to the public without charge. The Commissioner delegated authority to enforce our CMP program to the Inspector General.

The *Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015* expanded the categories of penalties that require adjustment for inflation to include CMPs under the *Social Security Act* and requires agencies to: (1) use an interim final rulemaking to adjust the level of CMPs in 2016 with an initial "catch-up" adjustment; (2) continue to make annual adjustments in future years; and (3) report on these adjustments annually. As required, we are providing information on our current CMPs; these amounts include the initial "catch-up" and annual adjustments. We will continue to make annual adjustments in future years and report on these adjustments annually.

Civil Monetary Penalty Adjustments

Statutory Authority	Penalty	Year Enacted	Latest Year of Adjustment (via statute or regulation)	Current Penalty Date of Adjustment	Current Penalty Level	Sub-Agency/ Bureau/Unit	Location for Penalty Update Details
Section 206 (b), *Social Security Independence and Program Improvements Act of 1994*, P. L. 103-296, 108 Stat. 1509	Flagrant Violation (Section 1129 of the *Social Security Act*, 42 U.S.C. 1320a-8(a)(1))	1994	2023	01/15/2023	$0-$9,966	SSA/OIG	87 Federal Register 80245 (Dec. 2022)
Section 813 (c), *Bipartisan Budget Act of 2015*, P. L. 114-74, 129 Stat. 603	Flagrant Violation (Section 1129 of the *Social Security Act*, 42 U.S.C. 1320a-8(a)(1))	2015	2023	01/15/2023	$0-$9,399	SSA/OIG	87 Federal Register 80245 (Dec. 2022)
Section 428 (a), *Medicare Catastrophic Coverage Act of 1988*, P. L. 100-360, 102 Stat. 815	Flagrant Violation (Section 1140 of the *Social Security Act*, 42 U.S.C. 1320b-10(b)(1))	1988	2023	01/15/2023	$0-$12,397	SSA/OIG	87 Federal Register 80245 (Dec. 2022)
Section 428 (a), *Medicare Catastrophic Coverage Act of 1988*, P. L. 100-360, 102 Stat. 815	Flagrant Violation (Section 1140 of the *Social Security Act*, 42 U.S.C. 1320b-10(b)(2))	1988	2023	01/15/2023	$0-$61,982	SSA/OIG	87 Federal Register 80245 (Dec. 2022)

Biennial Review of User Fee Charges

Summary of Fees

In FY 2022 and FY 2023, we earned $320 million and $324 million in user fees, respectively. This revenue accounted for less than 1 percent of our total financing sources. We derive over 71 percent of user fee revenues from agreements with 20 States and the District of Columbia to administer some or all of the States' supplemental SSI benefits. During FY 2023, we charged a fee of $14.35 per payment for the cost of administering State supplemental SSI payments. This fee will increase to $14.78 for FY 2024. We adjust the user fee annually based on the Consumer Price Index, unless the Commissioner of Social Security determines a different rate is appropriate. We charge full cost for other reimbursable activity, such as earnings record requests from pension funds and individuals.

Biennial Review

The *Chief Financial Officers Act of 1990* requires biennial reviews by Federal agencies of agency fees and other charges imposed for services rendered to individuals as opposed to the American public in general. The objective of these reviews is to identify such activities, charge fees as permitted by law, and periodically adjust these fees to reflect current costs or market value. Based on our FY 2022 review, we identified updates to the uniform standard fee structure for non-programmatic workloads previously implemented in FY 2020. We are planning to perform another review of these fees during FY 2024.

Grants Programs

OMB Circular No. A-136, *Financial Reporting Requirements,* requires agencies to report on Federal grant and cooperative agreement awards that have not yet been closed out and for which the period of performance, including any extensions, elapsed for more than two years. As noted in the following table, we have no such grants or cooperative agreements to report.

The agency has six grant programs monitored by Grants Management Officers (GMO). Each GMO is responsible for monitoring a workload to ensure timely grant closeouts. Although we currently do not have any expired grants that have exceeded the two-year timeframe for closeout, there are occasions when a GMO cannot immediately close a grant. In certain instances, closeout could be delayed by one year.

Grants and Cooperative Agreements Summary

Category	2-3 Years	3-5 Years	More than 5 Years
Number of Grants/Cooperative Agreements with Zero Dollar Balances	Not Applicable	Not Applicable	Not Applicable
Number of Grants/Cooperative Agreements with Undisbursed Balances	Not Applicable	Not Applicable	Not Applicable
Total Amount of Undisbursed Balances	Not Applicable	Not Applicable	Not Applicable

Climate-Related Financial Risk

We are committed to climate adaptation and resilience planning to reduce climate change risks and develop new opportunities that climate change may bring, where we can. Our Climate Action Plan (CAP) and FY 2022 CAP Progress Report reaffirms our vision to improve our capacity to assess and build resilience to climate change risks. During our FY 2023 CAP Verbal Progress Report, we identified future priority areas to build resilience to climate change risks. Our CAPs, Sustainability Reports, Scorecards, and other climate and sustainability related reports are available on our Sustainability website.

Budget, Governance, Strategy, Risk Management, and Metrics

The Office of the Chief Financial Officer (OCFO) leads our efforts to strategically plan actions that mitigate climate vulnerabilities and lessen climate-related financial risks at the agency. OCFO works closely with our Chief Sustainability Officer and other internal offices primarily involved in executing our sustainability and climate action programs.

In our CAP, we identified 5 priority adaptation areas of climate change at our delegated facilities, located in 4 of the 10 climate regions identified in the *National Climate Assessment Report*. These priority adaptation areas prepare us for power disruptions, increased flooding in coastal and non-coastal locations, changes in outside air usage, and disruptions and damage to transportation infrastructure. We collaborate with the General Services Administration on climate-related risk decision making for field office relocations (e.g., in the event of a flood), and to assist in monitoring flood plain areas, which may affect our delegated facilities and field offices.

Our financial risk exposure related to climate change mainly concerns the impact of energy usage to cool and heat our delegated sites. We budget for energy use and utilize previous energy usage data to adjust for the upcoming year for our delegated sites. Within each of the five priority areas mentioned above, we potentially face funding challenges if these events take place and affect our operations. These funding challenges include the loss or replacement of facilities, fleet, and information technology equipment, as well as health and safety costs to keep operations active during severe climate-related events.

Debt Collection and Management

Debt Collection

We have a robust debt collection program to recover all types of OPs, which helps ensure eligible individuals receive the benefits to which they are entitled, and it safeguards the integrity of benefit programs to better serve recipients. We use internal debt collection techniques (i.e., payment withholding and billing/follow-up), as well as external collection techniques authorized by the *Debt Collection Improvement Act of 1996* for OASDI debts and the *Foster Care Independence Act of 1999* for SSI debts.

The balance of delinquent debt for all programs is $6.586 billion as of September 30, 2023. In FY 2023, we recovered $4.643 billion using both our internal and external collection tools. Over the last 5 years (FY 2019 through FY 2023), we have collected a total of $20.874 billion. The following tables provide a description of each of our internal and external debt collection techniques for OASDI and SSI OPs, and a summary of the results.

We recognize how critical it is for the public to understand the information we share, including the improper payment notices they receive from us. We are working to simplify our overpayment notices so they are more user-friendly and easier to understand.

Internal Collections

We utilize internal collection tools to recover payments of delinquent debt for individuals currently receiving payments. In FY 2023, we recovered $4.638 billion using our internal collection tools, which accounted for about 99.9 percent of our total collections amount. Over the last 5 years (FY 2019 through FY 2023), we have collected a total of $20.222 billion using our internal collection tools.

We offer individuals opportunities to ask us questions about their debts, request waivers in certain instances, and request alternative payment plans as needed. We continue working on technological improvements to make it easier for recipients to repay debts.

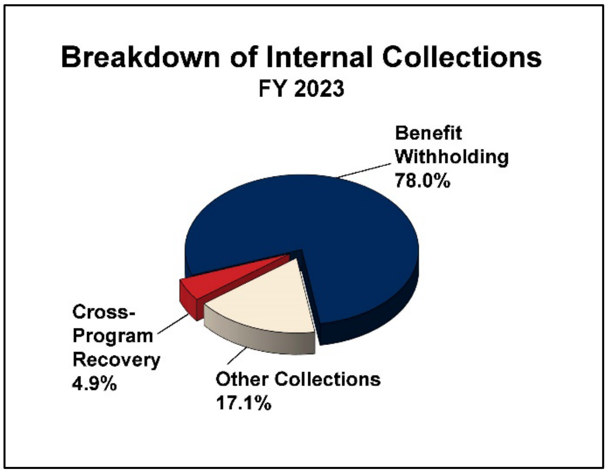
The following table provides a description of each of our internal debt collection techniques for OASDI and SSI OPs, and a summary of the results.

FY 2023 Internal Collections
(Dollars in Billions)

Recovery Method	Description	OASDI	SSI	Total
Benefit Withholding	We withhold some or all benefit payments for OASI and DI beneficiaries and SSI recipients currently receiving payments. Benefit withholding typically accounts for the largest recovery of our total collections amount.	$2.595	$1.025	$3.620
Cross-Program Recovery (CPR)	CPR collects OASDI OPs from monthly SSI payments and UPs, and SSI OPs from monthly OASDI benefit payments and UPs.	$0.025	$0.201	$0.226
Other Collections	These are mostly voluntary payments received because of a notice requesting a refund of an overpayment.	$0.461	$0.331	$0.792
Total Internal Collections	The total amount recovered by utilizing our internal collection tools.	$3.081	$1.557	$4.638

Note: Totals do not necessarily equal the sum of rounded components.

The following chart highlights the allocation of OPs collected in FY 2023 through our various internal collection tools as a proportion of the total $4.638 billion internal collections amount.



External Collections

We utilize external collection tools to recover payments of delinquent debt for beneficiaries and recipients no longer receiving payments. In FY 2023, we recovered $4 million using our external collection tools, which accounted for less than 1 percent of our total collections amount. Over the last 5 years (FY 2019 through FY 2023), we have collected a total of $642 million using our external collection tools.

Due to the COVID-19 pandemic, in March 2020, we suspended using the Treasury Offset Program (TOP). This suspension continued through FY 2023 and resulted in fewer collections through our external recovery methods.

The following table provides a description of each of our external debt collection techniques for OASDI and SSI OPs, and a summary of the results.

FY 2023 External Collections
(Dollars in Billions)

Recovery Method	Description	OASDI	SSI	Total
TOP	TOP allows us to collect delinquent debt by tax refund offset, administrative offset, and Federal salary offset.	$0.000	$0.000	$0.000
Administrative Wage Garnishment (AWG)	AWG allows us to recover delinquent OASDI and SSI OPs by ordering a debtor's employer to garnish up to 15 percent of the debtor's private-sector disposable pay (i.e., that part of a worker's total compensation after deduction of health insurance premiums and required deductions).	$0.004	$0.001	$0.004
Total External Collections	The total amount recovered by utilizing our external collection tools.	$0.004	$0.001	$0.004

Notes:

1. Totals do not necessarily equal the sum of rounded components.
2. We use credit bureau reporting, non-entitled debtors, and automatic netting SSI as external collection tools. Collections derived from these recovery methods are subsets of the main recovery methods displayed in the table above. However, we track these collections for informational and decision-making purposes.

Debt Management

The following two tables provide information on our debt management activities. We calculated the data shown in the tables by using accounts receivable amounts taken directly from the financial statements. We provide notes on activity that affected the change in accounts receivable activity between FY 2022 and FY 2023. We provide definitions of certain line items immediately following the Debt Management Activities Program and Administrative Table. For more information on our effort to curb overpayments, please refer to the Payment Integrity section.

A Title II system design limitation prevents us from capturing and tracking long-term withholding agreements for debts owed by the public scheduled for collection beyond the year 2049. Policy allows for repayment periods based on the ability of beneficiaries to repay on a periodic basis, which allows for the establishment of payment terms that may exceed the expected life span of the beneficiary as we often withhold minimal amounts to avoid imposing undue hardships. We recognize that a portion of this debt owed by the public will prove uncollectible because some plans exceed beneficiaries' expected lifetimes. We estimate that approximately 62,800 debts owed by the public are affected by payment plans extending beyond December 31, 2049. We estimate the total gross value of the post-year 2049 receivable amounts is approximately $761 million as of September 30, 2023. This amount is not material to the consolidated financial statements.

The following tables do not include the amounts related to post-year 2049 debt. Therefore, the Total New Receivables and Total Write-offs are understated. We are working to address the system limitation; however, the accounts receivable balance reported on the financial statements are presented fairly in all material respects.

FY 2023 Quarterly Debt Management Activities
Program and Administrative
(Dollars in Millions)

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Total receivables	$23,154	$23,349	$21,873	$21,486
New receivables	10,049	7,762	4,203	1,906
Total collections	(4,922)	(3,452)	(2,264)	(1,170)
Adjustments	(189)	(69)	(17)	(35)
Total write-offs	(3,355)	(2,462)	(1,620)	(786)
- Waivers	(267)	(198)	(131)	(63)
- Terminations	(3,088)	(2,264)	(1,489)	(723)
Aging schedule of debts:				
- Non delinquent debt	16,567	16,920	15,465	14,896
- Delinquent debt				
- 120 days or less	1,160	1,072	1,063	1,067
- 121 days to 10 years	4,143	4,107	4,129	4,316
- Over 10 years	1,284	1,250	1,216	1,207
- Total delinquent debt	$6,587	$6,429	$6,408	$6,590

Note: The values in this chart represent the cumulative activity as of the end of each quarter.

Debt Management Activities
Program and Administrative
(Dollars in Millions)

	FY 2023	FY 2022	FY 2021	FY 2020	FY 2019
Total receivables	$23,154	$21,571	$20,884	$24,398	$25,834
New receivables	10,049	8,582	9,061	6,332	7,899
Total collections	(4,922)	(4,665)	(4,517)	(4,100)	(4,215)
Adjustments	(189)	56	(617)	(1,129)	(1,431)
Total write-offs[1]	(3,355)	(3,286)	(7,441)	(2,539)	(903)
- Waivers	(267)	(278)	(281)	(260)	(390)
- Terminations	(3,088)	(3,008)	(7,160)	(2,279)	(513)
Non delinquent debt	16,567	15,232	14,833	14,263	14,445
Total delinquent debt	$6,587	$6,339	$6,051	$10,135	$11,389
Percentage Analysis					
% of outstanding debt:					
- Non delinquent	71.6%	70.6%	71.0%	58.5%	55.9%
- Delinquent	28.4%	29.4%	29.0%	41.5%	44.1%
% of debt estimated to be uncollectible[2]	57.3%	57.3%	56.3%	59.2%	45.7%
% of debt collected	21.3%	21.6%	21.6%	16.8%	16.3%
% change in collections from prior fiscal year	5.5%	3.3%	10.2%	-2.7%	5.6%
% change in delinquencies from prior fiscal year	3.9%	4.8%	-40.3%	-11.0%	11.5%
Clearances as a % of total receivables	35.7%	36.9%	57.3%	27.2%	19.8%
- Collections as a % of clearances	59.5%	58.7%	37.8%	61.8%	82.4%
- Write-offs as a % of clearances	40.5%	41.3%	62.2%	38.2%	17.6%
Other Analysis					
Cost to collect $1	$0.08	$0.06	$0.07	$0.06	$0.06
Average number of months to clear receivables:					
- OASI	13	12	13	16	16
- DI	28	30	27	68	45
- SSI	36	45	48	66	49

Notes:

1. Total Write-offs/Terminations – We re-evaluated delinquent and uncollectible debt that we were pursuing, finding them to be largely uncollectible, thereby inefficiently using our processing centers' limited resources. As a result, we wrote-off a portion of our OASI and DI debt during FY 2020 and FY 2021 and wrote-off a portion of our SSI program debt in FY 2021. We developed an automated process to evaluate debt for potential write-offs, which contributed to the write-off values in FY 2021 through FY 2023. The difference between FY 2021 and FY 2020 is primarily the targeted OASI, DI, and SSI write-offs in FY 2021, as both years have incurred write-offs as part of the automated process. By terminating collection activity on uncollectible debt, we are better reflecting current receivables on our financial statements as well as reducing the number of actions from the processing center pending backlog. While this debt is being written-off, it remains available for future collection. We can pursue collection efforts if the debtor becomes entitled to OASDI or SSI benefits.
2. Percentage of Debt Estimated to be Uncollected – Our allowance for doubtful accounts methodology allows for all delinquent debt two years or older at 100 percent. For remaining debt that is not delinquent two years or more, we apply our uncollectible ratios, consistent with previous years. We add the fully allowed delinquent debt two years and

older value to the calculated uncollectible value on the remaining debt to calculate the total allowance for doubtful accounts.

3. Refer to Note 1, Summary of Signification Accounting Policies, and Note 6, Accounts Receivable, Net, in the *Financial Statements and Additional Information* section for more information.
4. Cost to Collect $1 – The increase in administrative cost this year is due to a change in methodology to include full costing (direct and supporting component costs) versus direct-only costing.

Definitions:

1. Adjustments – Program debt adjustments represent: (a) written-off debts, by way of terminations, that we reinstate for collections; (b) changes in debts when we update debtor accounts with new information; and (c) minor differences between reports containing debt information that we use to maintain an ending accounts receivable balance.
2. Waivers – Waivers represent the amount of overpayments forgiven because the overpaid person: (a) is without fault in causing the debt; and (b) recovery would either defeat the purpose of the *Social Security Act* or be against equity and good conscience. Waivers permanently remove debts from our accounts receivable balance, which precludes any further collection efforts.
3. Terminations – Terminations represent our decision to cease our own efforts to collect a debt because: (a) the debtor will not repay the debt or alleges they cannot pay the debt; (b) we cannot locate the debtor after diligent search; or (c) the debt is at least two years delinquent. Even though we terminate internal active collection, we may still use external collection efforts. If the debtor becomes entitled to OASDI benefits or eligible for SSI payments, we reinstate the debt and resume recovery through benefit/payment withholding.
4. Delinquent Debt – A debt is delinquent when no voluntary payment has been made 30 days after the latest of the following: (a) the date we establish an OASDI debt; (b) the date of the initial overpayment notice for an SSI debt; (c) the date of the last voluntary payment; (d) the date of an installment or periodic payment arrangement (if we do not receive a payment); and (e) the date we decide a debtor remains responsible for a debt, in response to a due process action by the debtor.

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