



# Semiannual Report to Congress

---

OCTOBER 1, 2022 – MARCH 31, 2023

Social Security Administration  
Office of the Inspector General





It is my privilege to present this Semiannual Report to Congress, which highlights the most significant activities and accomplishments of the Social Security Administration (SSA or Agency) Office of the Inspector General (OIG) from October 1, 2022, through March 31, 2023. During this reporting period, we continued to focus our independent audits and investigations on the greatest challenges facing SSA. We also continued to protect consumers from Social Security-related scams by engaging in public outreach campaigns and seeking administrative penalties through our Counsel's Office against 36 U.S. telecommunications companies that allow scam calls to enter the country.

We took concrete, innovative steps to maximize resources and increase our impact throughout our organization. Our Office of Investigations (OI) and Office of Information Technology integrated natural language processing (NLP) into our investigative case management system. NLP analyzes and extracts meaningful information from text, increasing accuracy and efficiency in processing allegations.

We continue to focus on the safety of our employees and the public. OI upgraded its special agents' body armor and is deploying body-worn cameras to ensure transparency of our law-enforcement operations. Due to the high-risk nature of investigative field work and the ongoing opioid epidemic, OI acquired Narcan (Naloxone) to treat people who are experiencing an opioid overdose.

We increased transparency and agility in our audit work by transitioning to continuous **audit work planning**. Previously, we planned audits annually for each fiscal year (FY). Beginning this reporting period, we issue audit work plans quarterly, allowing OIG to strategically address emerging risks and challenges facing SSA programs and operations. Our Office of Audit (OA) also issued a **report** on unimplemented audit recommendations. The report highlights recommendations that the Agency continues to implement and recommendations that the Agency closed but OA believes require additional corrective action.

OIG continued to make progress in its partnership with SSA to combat fraud. OIG's Chief Strategy Officer and SSA's Deputy Commissioner for the Office of Analytics, Review, and Oversight co-lead the National Anti Fraud Committee (NAFC), a partnership between OIG and SSA that supports strategies for combatting fraud, waste, and abuse in SSA programs and operations.

We prioritized workforce initiatives to strengthen employee training and increase employee morale. We established the Office of Workforce Performance and Development (OWPD) to further support our workforce. OWPD delivers training, professional development, performance management and awards assistance, and leads employee engagement activities.

We also advanced employee engagement and morale through a multitude of programs and initiatives, including continuing to give our employees a voice in OIG's direction, connecting our hybrid workforce, and creating increased opportunities for development and professional growth. For example, our leaders support an employee-led Federal Employee Viewpoint Survey (FEVS) workgroup, which identifies focus areas for improvement based on our FEVS results, creates action items and recommendations, and collaborates with senior staff to effectuate change. OIG continued to host semi-annual OIG-wide Town Hall meetings where leadership describes strategic priorities and ongoing and planned initiatives, and staff have the opportunity to pose questions to leadership. We also hold bi-monthly Component Highlights Meetings, which permit staff to present to leadership and their colleagues on accomplishments and innovations in their work. These meetings help to strengthen connections across our components and create opportunities for learning and collaboration.

I look forward to continuing to work with SSA and Congress on our shared goals of improving Social Security programs and operations for the millions of people who count on SSA.



**Gail S. Ennis**  
*Inspector General*

<b>Message from the Inspector General</b> .....	<b>1</b>	<b>Appendix H: Open Recommendations and Reports with Unimplemented Recommendations</b> .....	<b>48</b>
<b>Glossary of Acronyms</b> .....	<b>4</b>	<b>Appendix I: Audit Reports Issued Prior to the Reporting Period for Which No Management Decision Had Been Made by the End of This Reporting Period</b> .....	<b>54</b>
<b>Statistical Achievements</b> .....	<b>5</b>	<b>Appendix J: Management Decisions Made Regarding Reports Issued in a Previous Reporting Period</b> .....	<b>55</b>
<b>Investigations Overview</b> .....	<b>8</b>	<b>Appendix K: Closed Audits and Investigations Not Available to the Public</b> .....	<b>56</b>
<b>Audit Overview</b> .....	<b>17</b>	<b>Appendix L: <i>Federal Financial Management Improvement Act of 1996</i> Compliance</b> .....	<b>57</b>
<b>Legal Overview</b> .....	<b>21</b>	<b>Appendix M: Instances of Social Security Administration Interference or Refusal to Provide Information</b> .....	<b>58</b>
<b>Social Security-Related Imposter Scams</b> .....	<b>24</b>	<b>Appendix N: Peer Reviews</b> .....	<b>59</b>
<b>National Anti-Fraud Committee</b> .....	<b>29</b>	<b>Appendix O: Investigations Involving Senior Government Employees Where Allegations of Misconduct Were Substantiated</b> .....	<b>60</b>
<b>Appendix A: Reporting Requirements</b> .	<b>32</b>		
<b>Appendix B: Reports with Questioned Costs</b> .....	<b>35</b>		
<b>Appendix C: Reports with Funds Put to Better Use</b> .....	<b>36</b>		
<b>Appendix D: Office of Audit Reports Issued</b> .....	<b>37</b>		
<b>Appendix E: Office of Audit Ongoing Audits and Reviews</b> .....	<b>38</b>		
<b>Appendix F: Significant Monetary Recommendations from Prior Fiscal Years for Which Corrective Actions Have Not Been Completed</b> .....	<b>41</b>		
<b>Appendix G: Significant Non-Monetary Recommendations from Prior Fiscal Years for Which Corrective Actions Have Not Been Completed</b> .....	<b>45</b>		



<b>AG</b>	Attorney General
<b>CDI</b>	Cooperative Disability Investigations
<b>CI</b>	Child Insurance
<b>CMP</b>	civil monetary penalty
<b>COVID-19</b>	novel coronavirus SARS-CoV2
<b>DDS</b>	Disability Determination Services
<b>DEIA</b>	Diversity, Equity, Inclusion, and Accessibility
<b>DI</b>	Disability Insurance
<b>DoJ</b>	U.S. Department of Justice
<b>EIDL</b>	Economic Injury Disaster Loans
<b>FBI</b>	Federal Bureau of Investigation
<b>FEVS</b>	Federal Employee Viewpoint Survey
<b>FY</b>	fiscal year
<b>Grant Thornton</b>	Grant Thornton LLP
<b>HHS</b>	U.S. Department of Health and Human Services
<b>IG</b>	Inspector General
<b>IG Act</b>	<i>Inspector General Act of 1978, as amended</i>
<b>IT</b>	information technology
<b>NAFC</b>	National Anti-Fraud Committee
<b>NDAA</b>	<i>The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023</i>
<b>NLP</b>	natural language processing
<b>OARO</b>	Office of Analytics, Review, and Oversight
<b>OA</b>	Office of Audit
<b>OASDI</b>	Old-Age, Survivors and Disability Insurance
<b>OCREO</b>	Office of Civil Rights and Equal Opportunity
<b>OI</b>	Office of Investigations
<b>OIG</b>	Office of the Inspector General or Office of Inspector General
<b>OMB</b>	U.S. Office of Management and Budget
<b>OPE</b>	Office of Personnel
<b>OWPD</b>	Office of Workforce Performance and Development
<b>PPP</b>	Paycheck Protection Program
<b>PII</b>	personally identifiable information
<b>RSI</b>	Retirement and Survivors Insurance
<b>SBA</b>	U.S. Small Business Administration
<b>SSA or Agency</b>	U.S. Social Security Administration
<b>SSI</b>	Supplemental Security Income
<b>SSN</b>	Social Security number
<b>UI</b>	Unemployment Insurance
<b>VA</b>	U.S. Department of Veterans Affairs
<b>WPC</b>	Whistleblower Protection Coordinator

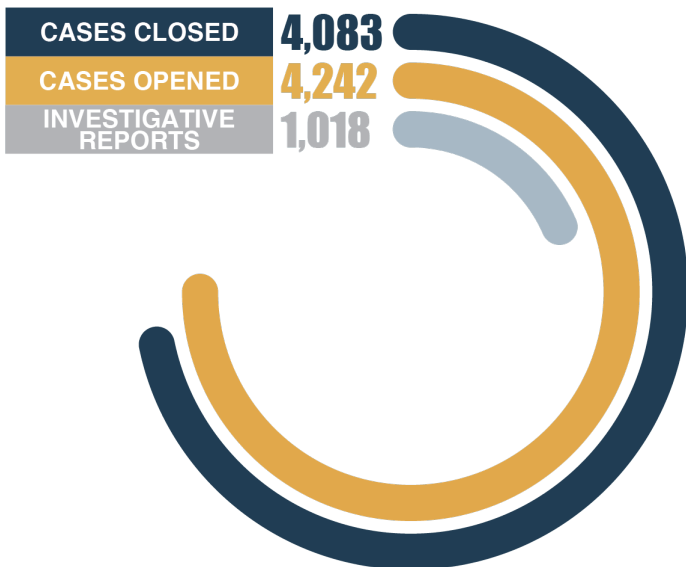


**\$76,541,938**



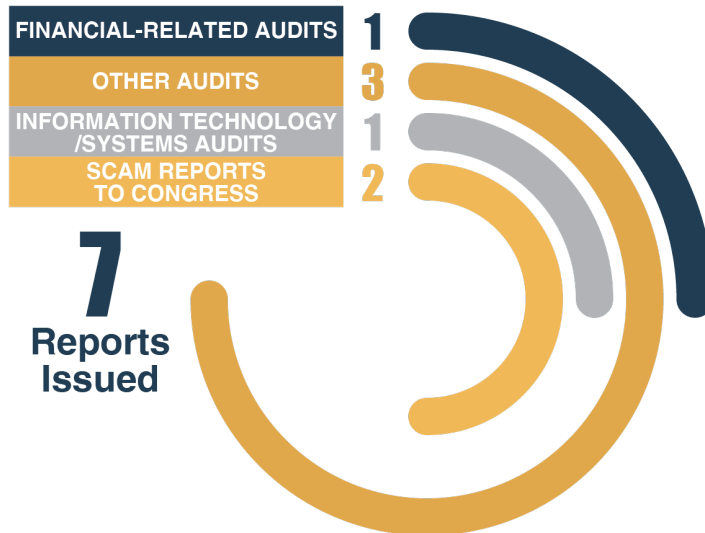
**Monetary Accomplishments**

This number includes court-ordered restitution, recoveries, settlements, judgments, fines, and estimated savings resulting from our investigations.



The number of investigative reports includes summary reports of investigative findings issued externally by OI, including prosecution referrals, reports of employee investigations, reports of special investigations, and reports of findings by a Cooperative Disability Investigations (CDI) unit.

This includes Audit Reports, Audit Memorandum Reports, Informational Reports, Management Advisory Reports, and Congressional Status Updates on Social Security-related Scams.





**512**

## Persons Referred to the U.S. Department of Justice for Criminal Prosecution

This number includes individual subjects or entities referred to the U.S. Department of Justice (DoJ) where the investigative findings were not subject to pre-established prosecution declination guidelines.



**103**

## Persons Referred to State and Local Prosecutors for Criminal Prosecution

This number reflects the total number of individual subjects or entities referred to state and local prosecuting authorities where the investigative findings were not subject to pre-established prosecution declination guidelines. These persons may also have been referred to DoJ.

**284**



## Indictments/ Criminal Informations

This number includes indictment or criminal information filings per subject. It does not include subsequent or superseding indictments and/or criminal informations for the same subject.



**122,180**

## Total Allegations Received

This number includes **87,002** regular allegations and **35,178** imposter-scam related allegations.



**35,178**

## Imposter-Scam Allegations Received

This figure represents the number of imposter-scam allegations OIG received. The allegations may include scammers impersonating government employees or alleging Social Security-related problems to steal money or personal information. OIG receives imposter-scam allegations from multiple sources, including a dedicated, online, scam-reporting **form** that requests detailed characteristics about the reported scams.



**268**

## Criminal Convictions

This number reflects the outcome of a criminal prosecution, which concludes in a judgment that the defendant is guilty of a crime charged.



**167**

## Task Forces/Working Groups

During the reporting period we were members of **167** task forces/working groups. This includes **25** related to COVID-19 fraud.



**1,314**

## Total Subpoenas Issued

This number is the total number of OIG subpoenas issued during this reporting period.

**430**

**Safety and Threats**

OIG received **430** allegations related to employee safety issues, of which **202** involved alleged assault or harassment, **173** were associated with threats against SSA employees or buildings, and **55** involved other safety threats. During the reporting period, these allegations provided sufficient information to substantiate opening **80** investigations and closing **80** investigations related to employee safety.



**886**

**Administrative Actions**

Administrative actions include benefits terminated, claims denied, administrative recoveries, reduction in benefits, removal of representative payee, benefits suspended, and personnel actions.



**748**

**Subjects with Administrative Actions**

**181**

**Unimplemented Recommendations**

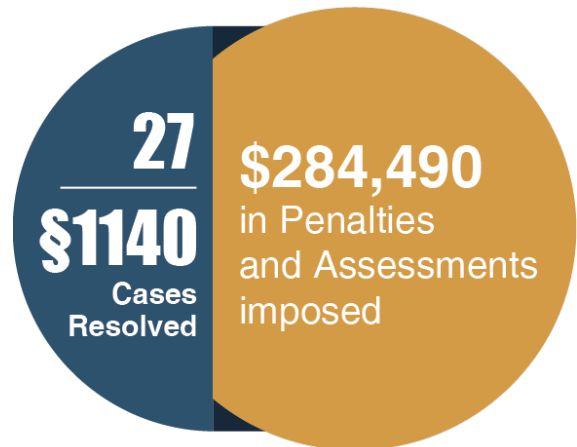
To provide SSA with adequate time to implement our recommendations, we only report unimplemented recommendations 6 months after providing them to the Agency.



**\$6,295,831,329**

**Potential Cost Savings from Unimplemented Recommendations**

This figure reflects the dollar value of aggregate potential cost savings for all reports with unimplemented monetary recommendations.





# Investigations Overview

---

- Allegations Received by Category
- Disability Insurance Fraud and Cooperative Disability Investigations
- Supplemental Security Income Fraud
- Retirement and Survivors Insurance Fraud
- Social Security Number Misuse
- COVID-19 Relief Fraud
- Whistleblower Retaliation

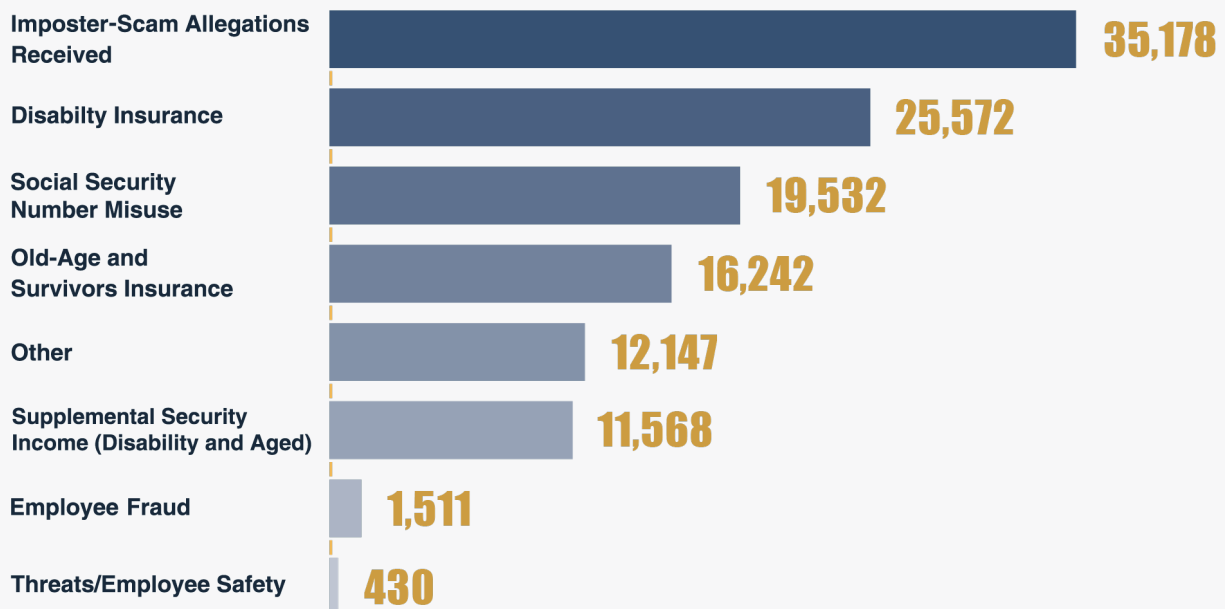


OI receives and evaluates allegations of fraud, waste, abuse, and mismanagement in SSA’s programs and operations, and takes appropriate action in coordination with federal, state, and local prosecutors. OI also investigates allegations of retaliation against whistleblowers who have made protected disclosures. Our investigations may result in criminal or civil prosecutions, civil monetary penalties (CMPs), or Agency administrative actions. We received **122,180** allegations during this reporting period, shown by category in the chart below.

OI works closely with federal, state, and local law enforcement partners and participates on national task forces, including those related to COVID-19 fraud. Subject matter experts provide support in areas such as digital forensics, policy, training, and analytics. OI also oversees the **CDI** program and manages OIG’s fraud hotline.

## Allegations Received by Category

October 1, 2022 – March 31, 2023



## Disability Insurance Fraud and Cooperative Disability Investigations

Disability Insurance (DI) fraud comprises a significant part of our investigative workload. DI fraud includes, among other activities, concealing work activity or medical improvement while receiving disability benefits, representative payee misuse, and deceased payee fraud. Although OIG broadly investigates DI fraud, we have a dedicated CDI Program that specifically focuses on SSA's disability programs.

A CDI unit consists of an OIG special agent who leads the unit and personnel from SSA, Disability Determination Services (DDS) state agencies, and state or local law enforcement partners. CDI units routinely investigate allegations of fraud before benefits are paid and support continuing disability reviews by providing evidence for determinations. Stopping an improper payment before it occurs, or as soon as it is suspected, is in the interests of SSA, OIG, and taxpayers. By combining federal and state resources and expertise, CDI units benefit not only Social Security programs, but also other federal and state programs, such as food and nutrition assistance, housing assistance, Medicare, and Medicaid. Since 1997, CDI units have improved disability program integrity by resolving questions of fraud in Social Security disability claims.

CDI units have contributed to a projected savings to taxpayers of approximately \$7.9 billion since inception of the CDI program. During this reporting period, the work of CDI units led to 540 disability claims being denied or ceased, \$35,755,880 in projected savings for SSA programs, and \$44,120,926 in projected savings for non-SSA programs. SSA and OIG worked with state and local partners to successfully expand CDI coverage by the end of FY 2022, in accordance with the *Bipartisan Budget Act of 2015*. Fifty CDI units now cover fifty states, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Northern Mariana Islands, the U.S. Virgin Islands, and American Samoa.

Below, we highlight 2 CDI cases and 1 DI case that included Children Insurance (CI) benefits.

### CDI Investigation of a Kentucky Woman Who Exaggerated Disabilities and Hid Employment Is Projected to Save \$113,000

During this reporting period, our Lexington, Kentucky CDI unit's investigation of a woman who filed for disability benefits resulted in over \$113,000 in projected savings. The unit investigated a woman who filed for concurrent DI benefits and Supplemental Security Income (SSI) in September 2021, based on health issues, including back problems, neck and shoulder pain, upper and lower extremity pain, declining mental function, fatigue, poor sleep, and daily headaches. The Kentucky

DDS initially denied her applications in October 2021 with the DI claim receiving a technical denial due to lack of insured status. The woman requested reconsideration for "worsening pain" and reported that she required a cane to walk and needed assistance to use a toilet and get dressed.

Our investigation found the woman's social media contained photos of her hiking, dancing, and riding all-terrain vehicles. We also found she ran a business with a website that featured her jogging without the aid of a walking cane. DDS denied her reconsideration after considering our evidence of the woman

exaggerating her symptoms and failing to report her self-employment. This resulted in a total projected cost savings of \$113,204, of which \$40,484 was in savings to SSA and \$72,270 was in savings to the U.S. Department of Health and Human Services' (HHS) Medicaid program.

- **CDI Investigation of an Idaho Man Who Exaggerated Disabilities Is Projected to Save \$138,000**

During this reporting period, our Boise, Idaho CDI unit's investigation of a man who filed for DI benefits resulted in over \$138,000 in projected savings. The man alleged several mental health and physical disorders and claimed to have been advised to use a wheelchair by his doctor. He also claimed that due to his mobility issues, he had to rely on his girlfriend to take care of him and his child. The case was referred to us by the Idaho DDS for investigation after multiple consultative examiners advised they could not appropriately complete examinations due to the man's exaggerated symptoms of moaning and writhing in pain during the exams.

Our investigators observed the man performing physical and mental activities inconsistent with his alleged impairments. For example, he was observed holding his child in the front yard of his home, walking with his child through town without use of a mobility device or wheelchair, and standing for over an hour talking with neighbors during which he was observed bending over and picking up objects with no noticeable impairments.

The Idaho DDS considered our observations and denied the man's application for DI benefits. This resulted in a total projected cost savings of \$138,221, with \$47,814 in savings to SSA and \$90,407 in savings to the HHS Medicare and Medicaid programs.

- **Former Owner and Operator of an Insurance Company Sentenced to 12 Months of Prison and Ordered to Pay \$380,000 for Stealing Government Benefits**

In a DI and CI case during this reporting period, a Massachusetts resident who received \$380,379 in fraudulent government benefits was sentenced after a jury returned a guilty verdict to theft of public funds and false statements. The jury found that the man, a veteran, deceived SSA and the U.S. Department of Veterans Affairs (VA) by reporting that he was disabled and unable to work, when he owned and operated an insurance business.

From 2005 to 2006, while running a prosperous insurance agency, the man applied for and began receiving DI and additional CI benefits on behalf of his minor child as well as VA benefits, based on misrepresentations in his benefit applications. To continue to receive fraudulent benefits, the man represented several times over the years that his service-connected disability, based on post-traumatic stress disorder, precluded him from engaging in employment.

In November 2022, the U.S. District Court judge sentenced him to 12 months and 1 day of prison, followed by 12 months of supervised release. The judge also ordered him to pay restitution of \$98,940 to VA, which he paid in November 2022. At the time of sentencing, the man had already paid restitution in the amount of \$281,439 to SSA. We investigated this case with the VA OIG.

## Supplemental Security Income Fraud

SSI is a means-tested benefit program, and we work to ensure that only those who are eligible for these critical benefits receive them. Eligibility for SSI primarily relies on self-reporting many factors including earnings, assets, resources, marital status, residency, and living arrangements, among others. We investigate allegations of many types of SSI fraud, including when someone conceals a marriage, real estate or other assets, or their true country of residence from SSA while receiving SSI payments. Below, we highlight two SSI cases.

### Woman Sentenced to 36 Months of Probation and Ordered to Pay \$164,000 for Social Security Fraud

During this reporting period, a woman was sentenced in a case involving SSI. From 1984 through 2019, the woman used a Social Security number (SSN) not assigned to her. This allowed her to conceal income she began earning in 1986 as a domestic worker. In 1997, the woman applied for SSI benefits. In her application, and in four later SSA reviews, the woman certified she had not worked nor earned other income. SSA began paying the woman benefits in 1998, based on her 1997 application, and continued paying them through 2019 when she admitted to a claims representative that she had been working since 1986 and was using an SSN that did not belong to her.

Our investigation led to her March 2021 indictment for theft of government funds and her February 2022 guilty plea. A U.S. District Court judge sentenced her in November 2022 to 36 months of probation, of which she is

to serve 6 months in home detention. The judge also ordered her to pay approximately \$164,271 in restitution to SSA.

### “John Doe” Sentenced to 57 Months of Prison and Ordered to Pay \$838,000 for Aggravated Identity Theft and Social Security Number Misuse

During this reporting period, a man was sentenced in an identity theft and misuse of SSN case involving SSI and state benefits. “John Doe,” an individual whose true identity remains unknown, stole the identity of a homeless veteran, and used his name, SSN, and date of birth to fraudulently obtain \$838,458 in government benefits.

After a four-day trial in May 2022, a jury found the man guilty of aggravated identity theft and SSN misuse. Evidence showed that the man used the identity of a U.S. Army veteran in North Carolina from 1999 to 2021. During that time, he applied for and was awarded \$249,812 in SSI and \$588,646 in state benefits using the veteran’s identity.

Once the scheme was discovered, federal agents used DNA analysis and fingerprints to prove the man was not the veteran he claimed to be. In December 2022, a U.S. District Court judge sentenced the man to 57 months of prison, followed by 3 years of supervised release, and ordered him to pay \$838,458 in restitution to SSA and state agencies. We investigated this case with the Tioga County Sheriff’s Office, the Tioga County Department of Social Services, and the New York State Police, and received assistance from the U.S. Marshals Service.

## Retirement and Survivors Insurance Fraud

These investigations involve Retirement and Survivors Insurance (RSI) benefits, including deceased payee fraud, representative payee misuse, false statements about marital or parental status in applying for survivors' benefits, and other related types of fraud. Below, we highlight two RSI fraud cases.

- ### Woman Sentenced to 16 Months in Prison and Ordered to Pay \$69,000 for Stealing Government Property after Throwing Her Dead Mother's Body in a River and Collecting Her Mother's Social Security Benefits

During this reporting period, a U.S. District Court judge sentenced a South Carolina woman who used her deceased mother's identity to steal \$68,909 in RSI benefits. The woman's mother had been receiving RSI benefits in an account the woman had access to. A local news outlet **reported** that the woman admitted that, after her mother died in 2017, she took her mother's corpse from their home and threw it down a roadside embankment into a river.

In May 2020, SSA suspended the woman's mother's benefit payments, requesting a new address before resuming payments. In December 2020, SSA reinstated the benefits after the woman called SSA impersonating her mother and providing an updated address.

Our investigators examined bank records and determined that the daughter had spent her deceased mother's benefits on herself.

In May 2021, the daughter was arrested in North Carolina on state charges, including neglect of a vulnerable adult, exploitation

of a vulnerable adult, obstruction of an investigation, abuse or neglect resulting in death, and unauthorized removal of a dead body. She pleaded guilty to the state charges of obstruction of investigation, unauthorized removal of a dead body, and neglect of a vulnerable adult and was sentenced to time served of 545 days, according to the news report.

In February 2022, she was indicted for aggravated identity theft and theft of government funds. In June 2022, she pleaded guilty to theft of government property. In November 2022, a U.S. District Court judge sentenced her to 16 months of prison, to be followed by 36 months of supervised release, and ordered her to pay \$68,909 in restitution to SSA. We investigated this case with the Greenville County, South Carolina, Sheriff's Office; Lincoln County, North Carolina, Sheriff's Office; and the North Carolina State Bureau of Investigation.

- ### Man Sentenced to 6 Months of Prison and Ordered to Pay \$57,000 for Government Benefit Fraud

During this reporting period, a man was sentenced for government benefit fraud involving RSI benefits. In a case involving SSA funds and VA benefits, a man serving as a representative payee for his relative failed to use the funds for the beneficiary's care. From December 2019 to March 2021, the man converted approximately \$57,330 of the beneficiary's funds from SSA and VA to his own use.

When appointed as the representative payee, the man agreed to use SSA funds only for the beneficiary's needs. However, he misappropriated the benefits by spending the money on a travel trailer, a 2019 Jeep Wrangler, groceries, restaurant meals, internet service, Amazon purchases, and overdraft fees, none of which was for the beneficiary's needs.

He pleaded guilty to Social Security fraud in June 2022. In October 2022, a U.S. District Court judge sentenced him to 6 months of prison followed by 36 months of supervised release. The judge also ordered him to pay restitution of \$57,330, with \$37,732 payable to the VA and \$19,598 to SSA. We investigated this case with the VA, Bozeman Police Department, and Montana Adult Protective Services.

## Social Security Number Misuse

We work to ensure the integrity of SSNs, as SSA depends on them to accurately post earnings to individuals' records and calculate earned benefits. SSNs are used by not only SSA but also other agencies and entities, so we often pursue joint investigations into SSN misuse. We are authorized to investigate any situation in which a person misuses an SSN, whether for unauthorized work, obtaining a loan, applying for a government benefit, or any other purpose. Below, we highlight one case of SSN misuse. We highlighted two SSI cases above and highlight three COVID-19 cases below that also involved SSN misuse.

residences, and obtain loans and credit. The husband even impersonated victims in state court eviction proceedings to prolong the couples' stay in residences they fraudulently leased.

From 2018 to 2020, the couple opened accounts at financial institutions using the names and SSNs of real persons, and often used the addresses of vacant properties to retrieve mail, such as checkbooks, debit cards, and credit cards associated with the fraudulent accounts. In furtherance of their scheme, they also used fictitious earnings statements and other fake documents.

The couple pleaded guilty to conspiracy to commit wire fraud and bank fraud. In October 2022, a U.S. District Court judge sentenced the wife to 80 months of prison and the husband to 58 months, each with 36 months of supervised release. The judge ordered the wife to pay restitution of \$283,709 and the husband to pay \$348,808 to the victims of their crimes. We investigated this case with the Federal Bureau of Investigation (FBI), U.S. Postal Inspection Service, U.S. Department of Housing and Urban Development OIG, and the Fairfax County, Virginia, Police Department.

### Man and Woman Sentenced to a Combined 11 and ½ Years of Prison and Ordered to Pay \$633,000 for Using Stolen Personally Identifiable Information to Commit Wire and Bank Fraud

In an SSN misuse case this reporting period, a married couple was sentenced for committing wire and bank fraud and stealing \$632,517. The couple used stolen personally identifiable information (PII), including SSNs, obtained primarily through the wife's work as a real estate agent and timeshare salesperson, to buy a luxury vehicle and lease high-end

## COVID-19 Relief Fraud

OIG plays an important role in addressing COVID-19-related fraud throughout the Federal Government. SSN misuse, including identity theft, is a common thread running through a substantial number of pandemic investigative cases. During this reporting period, we participated in 25 COVID-19 fraud-related workgroups and collaborated with other federal law enforcement entities on joint investigations related to COVID-19 pandemic relief, including Unemployment Insurance (UI) fraud and Paycheck Protection Program (PPP) fraud. We participated in the National COVID-19 Fraud Enforcement Taskforce, led by the Deputy Attorney General (AG) of the United States. We also worked with other federal, state, and local agencies to pursue SSN misuse and other crimes committed in relation to PPP fraud. Below, we highlight three COVID-19 relief cases.

### St. Louis County Man Sentenced to More than 5 Years for \$777,000 Pandemic Fraud

During this reporting period, a U.S. District Court judge sentenced a Missouri man to more than 5 years in prison for his role in a case involving COVID-19 relief funds. According to court documents, the man admitted to submitting 10 fraudulent applications for Economic Injury Disaster Loans (EIDL) to the U.S. Small Business Administration (SBA).

The man's EIDL applications used personal identifications, including SSNs of other individuals as well as a fictitious individual he created. These applications were for businesses, some of which he owned and operated, while some were registered to other individuals, and others were non-existent or

inactive. He submitted applications for nearly \$980,000 and obtained more than \$777,400 fraudulently.

The man pleaded guilty in November 2022 to multiple counts of wire fraud, aggravated identity theft, unlawful transfer of an identification document, and theft of government money. More than \$200,000 of the illegally obtained funds were recovered. In March 2023, the judge sentenced the man to 5 years and 5 months of incarceration, 5 years of supervised release, and restitution of the remaining \$511,600. We investigated this case with SBA OIG and the FBI.

### Woman Sentenced to 9 Years of Prison and Ordered to Pay \$205,000 for Bank Fraud, Aggravated Identity Theft, and COVID-19 Unemployment Insurance Fraud

During this reporting period, a woman was sentenced for bank fraud and aggravated identity theft, as well as wire fraud and a COVID-19 offense while on release. We initiated this investigation based on an allegation that the woman, a hospital employee, had stolen PII from one of the hospital's medical providers.

The woman used stolen PII, including SSNs, to apply for several bank loans, credit lines for vehicle and store purchases, and for vacation. Although some of her loan applications were denied, others were not, and she illegally obtained cash, and a car and car insurance in her victims' names. She was indicted for these crimes in November 2019 and pleaded guilty in March 2021.

While the woman was on pretrial release, she fraudulently applied for COVID-19 UI benefits in Mississippi and Georgia. The woman was then charged for wire fraud and an offense while on release related to her application for pandemic program assistance. She entered a guilty plea to wire fraud in August 2022. In December 2022, a U.S. District Court judge sentenced her to 9 years of prison, followed by



60 months of supervised release, and ordered her to pay \$205,263 in restitution to the victims in the case.

• **Man Sentenced to 46 Months of Prison for a \$1.6 Million COVID-19 Fraud Scheme**

In this COVID-19-related fraud case, a New Jersey man engaged in a scheme to fraudulently obtain COVID-19 assistance through PPP and EIDL. According to court records, the man applied for at least 14 different loans and obtained \$1,641,470 in combined PPP and EIDL funds. In his loan applications, the man fabricated bank statements, the identities, including SSNs of certain individuals listed on the applications, and driver's licenses of purported applicants. After his funding was approved, he sent funds to bank accounts he controlled and used them for non-business-related expenses. He also made cash withdrawals and transferred some funds into a foreign bank account.

Following the investigation, he pleaded guilty to wire fraud, bank fraud, and money laundering in March 2022. During this reporting period, in November 2022, a U.S. District Court judge sentenced him to 46 months of prison, 36 months of supervised release, and ordered him to pay \$1,641,470 in restitution to the SBA and lending institutions. We investigated this case with the U.S. Postal Inspection Service and the Internal Revenue Service.

## Whistleblower Retaliation

Section 5(a)(20) of the *Inspector General Act of 1978*, as amended (*IG Act*), requires OIG to provide a detailed description of any instance of whistleblower retaliation, including information about the official found to have engaged in retaliation and what, if any, consequences the establishment imposed to hold that official accountable. There are no known instances of retaliation to report for this reporting period.

# Audit Overview

---

- Improper Payments
- Potential Cost Savings from Unimplemented Recommendations
- Significant Problems, Abuses, and Deficiencies



Our audit work helps SSA serve the American people by identifying opportunities for savings, better use of funds, and improvements in SSA’s program management and results. We continue to deploy audit resources to address **SSA’s top management and performance challenges**.

During this reporting period, these challenges included: (1) **managing human capital**; (2) **improving service delivery**; (3) **protecting the confidentiality, integrity, and availability of SSA’s information systems and data**; (4) **modernizing information technology**; (5) **improving administration of the disability programs**; (6) **improving the prevention, detection, and recovery of improper payments**; and (7) **responding to the COVID-19 pandemic**. We also conduct reviews at the request of Congress.

This reporting period, we issued five audit reports.<sup>1</sup> See **Appendix B** and **Appendix C** for statistical tables showing potential cost savings, including those for which no management decision had been made by the commencement of the reporting period, and **Appendix D** for the full list of reports issued during this reporting period. We describe three of those reports below. To increase transparency and further highlight our important audit work, we recently began publishing a list of our ongoing audits and reviews. The list includes audit titles, start dates, and estimated completion dates, and is available on our website at **this link**. A list of these 52 ongoing audits, 40 of which are currently scheduled to be completed in the second half of FY 2023, is located at **Appendix E**.<sup>2</sup>

## Improper Payments

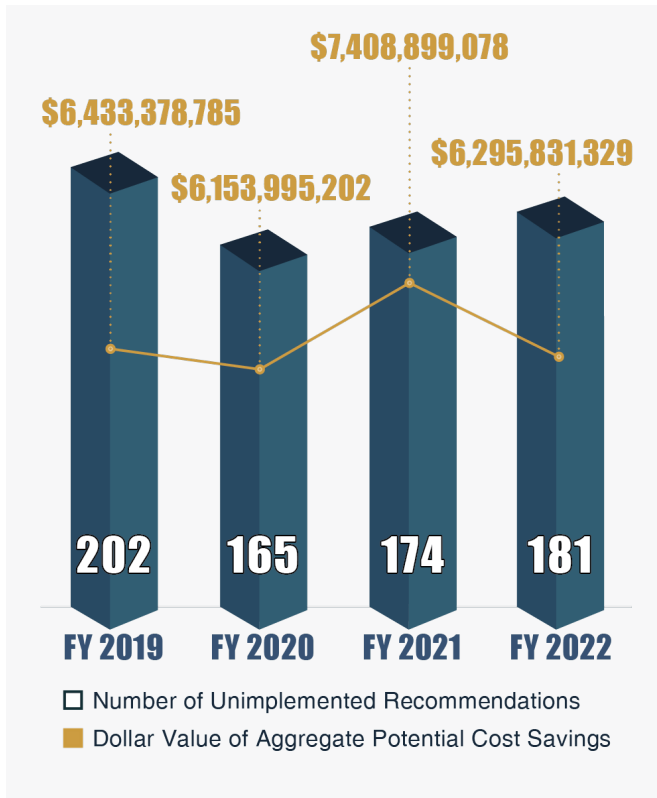
According to a **Social Security Fact Sheet**, in 2023, an average of 67 million Americans per month will receive a Social Security benefit, totaling over \$1 trillion in benefits paid during the year. Given the magnitude of SSA payments, even the slightest error in the payment process can result in millions of dollars in over or underpayments. SSA’s Office of Analytics, Review, and Oversight (OARO) estimated that, in FY 2021, SSA made approximately \$7.4 billion in improper payments. Of those, \$6 billion were overpayments and \$1.4 billion were underpayments.<sup>3</sup>

As of March 31, 2023, we had 10 reports related to the management challenge, “Improve the Prevention, Detection, and Recovery of Improper Payments,” for which we had issued our preliminary findings to SSA.

We continuously engage SSA to ensure timely resolution of all recommendations. As shown in detail in **Appendix F**, SSA had not implemented 20 significant monetary recommendations from FYs 2017 through 2022, offering potential savings of about \$3 billion. As shown on the following chart, potential cost savings from all unimplemented recommendations decreased from \$7.4 billion to about \$6.3 billion from FY 2021 through FY 2022. The number of unimplemented recommendations increased from 174 to 181 over the same period.<sup>4</sup>

1. This includes two Audit Reports, one Audit Memorandum Report, one Informational Report, and one Management Advisory Report.  
 2. This list is updated regularly on our website. These numbers reflect the list as of April 26, 2023.  
 3. SSA’s OARO, Title II and Title XVI Payment Accuracy Reports for FY 2021.  
 4. To provide SSA adequate time to implement our recommendations, we only report unimplemented recommendations 6 months after providing them to the Agency. The FY 2022 figure includes audits issued through September 30, 2022. Numbers are comparative to prior years’ spring semiannual reports. We will report figures for FY 2023 (October 1, 2022, through March 31, 2023) in the Fall 2023 Semiannual Report.

## Potential Cost Savings from Unimplemented Recommendations



## Significant Problems, Abuses, and Deficiencies

### • The Social Security Administration’s Financial Reporting for Fiscal Year 2022

OIG engaged Grant Thornton LLP (Grant Thornton) to conduct SSA’s FY 2022 financial statement audit. Under the *Chief Financial Officers Act of 1990* and other related legislation, OIG’s responsibility is to monitor Grant Thornton’s audit of SSA’s consolidated and sustainability financial statements. Our monitoring review disclosed no instances where Grant Thornton did not comply, in all material respects, with applicable auditing standards.

Grant Thornton found SSA’s financial statements were presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States. The auditors also found no instances in which SSA’s financial management system did not comply substantially with the requirements of *Federal Financial Management Improvement Act of 1996* and no reportable instances of noncompliance with provisions of applicable laws, regulations, contracts, grant agreements, and other matters tested. While internal controls could be improved, SSA management maintained, in all material respects, effective internal controls over financial reporting.

Grant Thornton identified significant internal control deficiencies over financial reporting in a few main areas: (1) certain financial information systems controls; (2) information systems risk management; and (3) accounts receivable with the public (benefit overpayments), resulting in a total of 13 recommendations.

Regarding financial information systems controls, “[Grant Thornton] noted deficiencies in access controls, network security controls, and configuration management that contributed to an aggregated significant deficiency in information system controls.” While SSA continued strengthening controls over its information systems and information technology (IT), many of the control deficiencies from past audits persisted. Grant Thornton made two recommendations to mitigate the risks of these issues.

Regarding information systems risk management, Grant Thornton noted improvement in SSA’s communication of IT risks and control requirements across its offices and its commitment to integrity and oversight of internal controls. However, they also identified recurring issues regarding processes, people, and technology in place to support SSA’s IT risk management function

that persisted from prior audits. Grant Thornton made three recommendations to address these findings.

Finally, with respect to benefit overpayments, Grant Thornton found problems regarding SSA's reconciliation of the SSI accounts receivable ledger, deficiencies in benefit overpayment documentation and calculations, and deficiencies in overpayment records and tracking for long-term installment payments. The auditors made eight recommendations to address risks in these three areas.

- **Status of the Social Security Administration's Charge Card Programs Recommendations for Fiscal Year 2022**

*The Government Charge Card Abuse Prevention Act of 2012* requires that Inspectors General for executive agencies with more than \$10 million in annual purchase and/or travel card spending periodically assess agency purchase card, convenience check, and travel card programs to identify and analyze risks of illegal, improper, or erroneous purchases and payments. The Act also requires that Offices of Inspectors General submit to the Office of Management and Budget (OMB): (1) a status report on the implementation of recommendations made to address findings of any analysis or audit of purchase or travel card transactions or programs; and (2) semiannual reports, in coordination with the executive agency, of employee purchase or integrated card violations and the resulting actions taken.

For FY 2022, SSA reported approximately \$49 million in purchase card spending and approximately \$2.4 million in travel card spending. The results of our annual periodic assessments from FY 2013 through 2020 had continually shown that the risk of illegal, improper, or erroneous purchases in SSA's charge card programs was low. For FYs 2021 and 2022, we reviewed SSA's most recent purchase and travel charge card management plans, policies, and procedures and did not

identify any new or significant changes that would affect SSA's management of its charge card programs. Further, SSA had no open or closed recommendations related to travel and purchase cards for FY 2022. Lastly, SSA reported to OMB that they had no known and completed reviews and investigations of use or abuse of purchase cards that resulted in fraud, loss to the government, or misappropriation of funds or assets in April 2022 and October 2022.

- **Office of the Inspector General Audit Recommendations that had not been implemented as of March 1, 2023**

This informational report increases transparency for U.S. taxpayers by highlighting open recommendations and recommendations SSA has closed but we believe require additional corrective action. Although we list reports with open recommendations in our Semiannual Reports to Congress, we issued this report to provide the current status of unimplemented recommendations SSA is still working on, and to explain why we felt it was important for SSA to implement recommendations it has closed, but we still consider unimplemented. The report highlights 183 unimplemented audit recommendations with more than \$6.3 billion in total cost savings as of March 1, 2023.<sup>5</sup> There were more than \$3.2 billion in cumulative total Questioned Costs associated with these unimplemented recommendations and more than \$3.1 billion in cumulative total Funds Put to Better Use. Of the 183 recommendations, SSA concurred with the 136 open recommendations but had not implemented them. SSA had closed the remaining 47 recommendations, but we did not believe SSA should have closed them. Of the closed recommendations, SSA agreed with 27 and disagreed with 20.

5. This report reflects the number of unimplemented recommendations as March 1, 2023. As of the end of this reporting period, March 31, 2023, there were 181 unimplemented recommendations.

# Legal Overview

---

- Civil Monetary Penalty Program
- Review of Legislation and Regulations
- Whistleblower Protection Coordinator Education



## Civil Monetary Penalty Program

Section 1140 of the *Social Security Act*, as amended, authorizes CMPs to protect the public from advertisements, solicitations, and other communications (including Internet websites and scam telephone calls) that may convey the false impression that SSA approved, endorsed, or authorized the communication. It also prohibits the reproduction and sale of SSA publications and forms without authorization and places restrictions on the charging for services that SSA provides to the public without charge. SSA's CMP program to enforce Section 1140 has been delegated to the Inspector General (IG) and has been an effective administrative enforcement alternative when criminal or civil prosecution is declined or not feasible.

During the reporting period, we resolved 27 Section 1140 cases and imposed \$284,490 in penalties resulting from Section 1140 violations.

We continued efforts to protect consumers from Social Security-related scam calls by seeking penalties against U.S. telecommunications companies, acting as gateway carriers, who profit by accepting these scam calls into the U.S. telecommunications system and passing them to unsuspecting consumers. To date, OIG has initiated 36 cases against gateway telecommunications companies. During the reporting period, we imposed penalties against 16 gateway carriers. As a result, many of these companies have begun to take more proactive steps to prohibit scam calls from entering the U.S. or have decided to discontinue operations and/or the gateway carrier segment of their operations.

One of the 16 telecommunications cases in which penalties were imposed this reporting period was a case where OIG coordinated with the Office of the Vermont AG regarding a California-based telecommunications company. Both OIG and the Vermont AG initiated legal actions against the company for its involvement with Social Security-related scam calls. Through our coordinated efforts, OIG and the Vermont AG resolved the

matter via settlement agreements that required payment of penalties to both SSA and the State of Vermont.

Our Section 1140 enforcement efforts this period also included taking down Social Security-related imposter social media accounts, as well as imposing a \$15,006 penalty against a retirement planning services company for directing the mailing of misleading Social Security-related marketing solicitations. This was the final case in an OIG multi-case operation whereby OIG imposed penalties against a direct marketing company along with five of its customers for disseminating misleading Social Security-related direct mail solicitations. Misleading Social Security-related direct mail solicitations were a significant factor in Congress enacting Section 1140 in the 1990s. Although a majority of Section 1140 violations are now electronic communications-related, OIG remains vigilant in its efforts to combat direct mail solicitation violations.

## Review of Legislation and Regulations

Section 4(a)(2), codified at 5 U.S.C. § 404(a)(2), of the *IG Act*, requires OIG to review existing and proposed legislation and regulations, and make recommendations concerning the impact of such legislation or regulations on the economy and efficiency of, or the prevention and detection of fraud in SSA programs and operations. In addition to communicating directly with congressional staff as needed to discuss legislative issues, below are examples of the way we accomplished this statutory requirement during this reporting period.

### Reviewed proposed legislation and regulations, including the following:

Provisions enacted in the *The James M. Inhofe National Defense Authorization Act for Fiscal Year 2023* (NDAA), including:

- Reforms to requirements for OIG semiannual reports;
- Changes to the process for filling IG vacancies; and

- A new requirement that OIGs notify certain third parties identified in non-investigative reports.

Proposals identified as priorities or recommendations by the Council of the Inspectors General on Integrity and Efficiency Legislation Committee, including:

- A proposal to create a new data analytics entity to collaborate with OIGs and to conduct audits, investigations, inspections, evaluations, and reviews;
- A proposal to prohibit the use of appropriated funds to deny IG access to information; and
- A proposal to allow OIGs to continue operating in the event of a lapse of appropriations if the agency they oversee continues to operate.

Enacted legislation to recodify the *IG Act*, as amended, in Title 5, Chapter 4 of the U.S. Code.

## Whistleblower Protection Coordinator Education

Section 3(d) of the *IG Act* requires that the IG designate a Whistleblower Protection Coordinator (WPC) to carry out certain key functions, including educating SSA employees and managers about prohibitions on retaliation for protected disclosures. Additionally, the WPC is responsible for educating employees who have made or are contemplating making a protected disclosure about the rights and remedies against retaliation for protected disclosures. The IG has designated the Chief Counsel to the IG as the WPC.

During the reporting period, OIG’s WPC team continued to expand educational efforts and initiatives, in continued collaboration with SSA and the IG community. The WPC team designed posters and continues to rebrand other educational media in preparation for the launch of a new FY 2024 educational campaign, “You’ve Got Rights!” In addition, the WPC team collaborated with SSA’s Office of Civil Rights and Equal Opportunity (OCREO) and SSA’s Office of Personnel (OPE) to further the overall education of Whistleblower rights by increasing the presence of whistleblower education on SSA’s internal electronic platforms. The WPC team will continue to collaborate with OCREO throughout FY 2024 in the planning and development of a joint video-on-demand which will become mandatory training next FY, and with OPE in continuing to develop materials for new employee orientation.

Finally, the WPC team is spearheading the creation of an OIG community-wide, whistleblower day of training. The WPC team is working with other OIGs, the Office of Special Counsel, and the U.S. House of Representatives Office of the Whistleblower Ombuds, to plan this exciting training event rolling out in September 2023.



# Social Security-Related Imposter Scams

---

- Public Outreach and Education
- Scam-Related Criminal Investigations and Prosecutions
- Civil Enforcement
- Status Updates on Social Security-Related Imposter Scams



In a Social Security-related imposter scam, a scammer claims to be an SSA or other government employee. Scammers may threaten arrest or other legal action unless one immediately pays a fine or fee; promise a benefit increase or other assistance in exchange for payment; or demand personal information. Scammers often require payment by retail gift card, cash, wire transfer, internet currency, or prepaid debit card. These scams primarily use the telephone, but some scams also use email, text messages, social media, or U.S. mail. Many of the scams originate overseas.

OIG has established a multidisciplinary team of professionals that develops and implements innovative approaches to combat these scams through public outreach and education, criminal investigations and prosecution, and civil enforcement.

## Public Outreach and Education

OIG, in coordination with SSA, collaborates with all levels of government, leverages anti-fraud interests of private companies, and engages with special interest groups who focus on combatting fraud, protecting vulnerable populations, and reaching underserved communities. We regularly engage with the media to reach new audiences, including through television and podcast interviews, social media, and print media. We continue to expand our reach by fostering strategic relationships and identifying new alliances.

March 9, 2023, marked our fourth annual National Slam the Scam Day. Slam the Scam Day, which is part of the Federal Trade Commission's Consumer Protection Week, is an initiative to raise public

awareness of the pervasive Social Security-related and other government imposter scams that continue to plague the nation. Our goal is to educate the public about the tactics scammers use and encourage the public to hang up on scammers. We continue to increase the reach and impact of our efforts with each successive Slam the Scam Day.

This year, in coordination with SSA, we engaged in outreach with media, participated in English and Spanish language Twitter chats, developed and disseminated video clips, and spread our message on social media. Highlights of this year's Slam the Scam Day included:

- ▶ The U.S. Senate passed a **resolution** by Unanimous Consent designating March 9, 2023, as National Slam the Scam Day;
- ▶ Elected federal, state, and local representatives shared messages on social media and through press releases;
- ▶ Federal, state, and local government agencies, private companies, and nonprofit organizations shared the Slam the Scam message through social media, blog posts, press releases, email messages, and print material;
- ▶ Media coverage garnered an approximate audience of over 86 million people, including television, radio, and online and print audiences; and
- ▶ **Easy Prey Podcast, Episode 158, "The 4 P's of Scams"** aired on March 8, 2023.

# National Slam the Scam Day March 9, 2023



## Twitter

- **144,000** impressions on Slam the Scam posts
- **1.1 million** #SlamtheScam followers



## Facebook

- **135,000** reach from Slam the Scam posts
- **2.4 million** #SlamtheScam followers

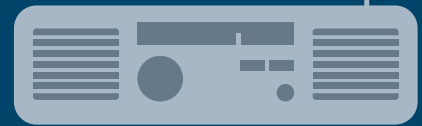


## Instagram

- **56,000** reach from Slam the Scam posts



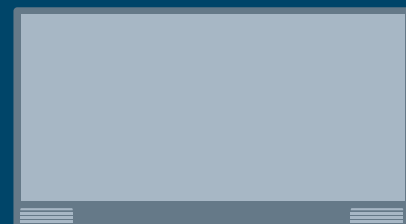
**Radio Audience:  
1,637,000**



**Total Online + Print  
Audience: 82,721,839**



**Television Audience:  
1,681,300**



## Senate Resolution

Senate passed by Unanimous Consent  
**S.Res 101** designating March 9, 2023  
as National Slam the Scam Day

Note: All figures in this graphic are estimates.

Produced at U.S. taxpayer expense.

## Scam-Related Criminal Investigations and Prosecutions

OIG criminal investigators and investigative counsel work diligently to develop leads, prosecute criminals, and disrupt the scams. Below, we highlight a Social Security-related scam case.

- **Indian National Sentenced to 60 Months of Prison and Ordered to Pay \$1.5 Million for Government Impersonation Scam**

During this reporting period, an Indian national was sentenced for his role in a government impersonation scam, in which he stole nearly \$1.5 million from victims. The conspiracy involved scammers making telephone calls posing as government officials falsely stating that the victims were under investigation because the victims' SSNs had been involved in criminal activity. Generally, the imposters convinced victims to send cash in packages to resolve the fictitious issues. The Indian national, one of the runners in this network, handled at least 70 packages containing cash, retained a portion of the funds as a fee, and hand-delivered the balance to other members of the network.

The man was indicted and subsequently pleaded guilty in September 2021 to conspiracy to commit mail fraud. In November 2022, the U.S. District Court judge sentenced him to 60 months of prison, followed by 24 months of supervised release. He was also ordered to pay \$1,465,802 in restitution to scam victims. He also faces deportation proceedings following imprisonment. We investigated this case with the FBI, Department of Homeland Security OIG, Treasury Inspector General for Tax Administration, and the Houston Police Department.

## Civil Enforcement

As discussed in the Legal Overview section, **OIG enforces Section 1140 of the *Social Security Act***, a consumer protection law that prohibits misleading consumers by giving a false impression of association with, or authorization or endorsement by, SSA through any type of communication.

To reduce the volume of Social Security-related scam calls, we used Section 1140 to hold gateway providers – the on-ramps for international call traffic – accountable for accepting scam calls into the United States and then further facilitating the scam calls to reach their intended victims. Gateway providers are a critical chokepoint, as they pass through millions of calls daily.

OIG continues to notify gateway providers of their potential civil liability, encourage proactive techniques to block transmission of scam calls, and where appropriate, impose fines. Working together with federal and state law enforcement partners, the team shares knowledge, strategizes on industry trends, and appropriately coordinates parallel enforcement actions for maximum national consumer protection impact.

## Status Updates on Social Security-Related Imposter Scams

Since October 2019, we have provided updates on our efforts to combat Social Security-related imposter scams to the House Committee on Ways and Means, Social Security Subcommittee; Senate Committee on Finance; and Senate Special Committee on Aging. OIG began publicly releasing those updates in FY 2021. The reports share information about Social Security-related and government imposter scam allegation trends and address our ongoing efforts to raise public awareness of, and disrupt them. The reports also provide a brief analysis of scam allegation data and highlight scam-related investigations and outreach.

This reporting period, we published two **Quarterly Scam Updates** covering the fourth quarter of FY 2022 (July 1, 2022, to September 30, 2022) and the first quarter of FY 2023 (October 1, 2022, to December 31, 2022).

# National Anti-Fraud Committee

---



The National Anti-Fraud Committee (NAFC) is a partnership between SSA and OIG that supports strategies for combatting fraud, waste, and abuse in SSA programs and operations. NAFC meets quarterly to share information and create concrete steps for addressing fraud issues facing SSA. NAFC also holds an annual multi-day summit on pressing issues and emerging trends, and tracks action items and outcomes from the summit throughout the year. For example, this reporting period, OIG and SSA implemented initiatives to improve collaboration and the sharing of information, to examine the need for additional agency controls in cases that led to the prosecution of two SSA employees for diverting benefits for their own use, and to explore ways to assist the public in identifying and not falling victim to Social Security-related scams, among many other initiatives.

The Deputy Commissioner for OARO and OIG's Chief Strategy Officer are NAFC co-chairs. Other voting members include all Deputy Commissioners, the Chief Actuary, and SSA's General Counsel. Non-voting members include the Associate Commissioner for the Office of Program Integrity, Lead Regional Commissioner for Fraud, Chief Information Security Officer, and all Assistant Inspectors General and the Chief Counsel to the IG. The NAFC may establish subcommittees and bring in other individuals as resources to join the team for consultation, information, or staff assistance, as needed. Continued participation by subject matter experts is critical to the planning of the summit and development of any anti-fraud initiatives.

# Appendix A-O

---

- **Appendix A:** Reporting Requirements
- **Appendix B:** Reports with Questioned Costs
- **Appendix C:** Reports with Funds Put to Better Use
- **Appendix D:** Office of Audit Reports Issued
- **Appendix E:** Office of Audit Ongoing Audits and Reviews
- **Appendix F:** Significant Monetary Recommendations from Prior Fiscal Years for Which Corrective Actions Have Not Been Completed
- **Appendix G:** Significant Non-Monetary Recommendations from Prior Fiscal Years for Which Corrective Actions Have Not Been Completed
- **Appendix H:** Open Recommendations and Reports with Unimplemented Recommendations
- **Appendix I:** Audit Reports Issued Prior to the Reporting Period for Which No Management Decision Had Been Made by the End of This Reporting Period
- **Appendix J:** Management Decisions Made Regarding Reports Issued in a Previous Reporting Period
- **Appendix K:** Closed Audits and Investigations Not Available to the Public
- **Appendix L:** *Federal Financial Management Improvement Act of 1996* Compliance
- **Appendix M:** Instances of Social Security Administration Interference or Refusal to Provide Information
- **Appendix N:** Peer Reviews
- **Appendix O:** Investigations Involving Senior Government Employees Where Allegations of Misconduct Were Substantiated





## Reporting Requirements

The *James M. Inhofe National Defense Authorization Act for Fiscal Year 2023*, Pub. L. No. 117-263, § 5273, 136 Stat. 2395 (2022) (NDAA) amended the requirements for OIG semiannual reporting to Congress. The amendments were intended to streamline the semiannual reporting requirements in Section 5 of the *Inspector General Act of 1978*, as amended (*IG Act*). The NDAA reorganized Section 5(a) of the *IG Act* and condensed the requirements from 22 to 16. Although the NDAA became law on December 23, 2022, the *IG Act* was recodified on December 27, 2022, and the recodification did not include the amendments from the NDAA. The *IG Act* was recodified pursuant to Public Law No. 117-286, 136 Stat. 4,196 (2022). Accordingly, the new reporting requirements are located at 5 U.S.C. § 405, Amendments Not Shown in Text.

This report meets the requirements of the *IG Act* and includes information as mandated by Congress.

<b>IG Act Section</b>	<b>Requirement</b>	<b>Page(s)</b>
<b>5(a)(1)</b>	A description of significant problems, abuses, and deficiencies relating to the administration of programs and operations of the establishment and associated reports and recommendations for corrective action made by the Office	<b>18-20</b>
<b>5(a)(2)</b>	An identification of each recommendation made before the reporting period, for which corrective action has not been completed, including the potential cost savings associated with the recommendation	<b>41-47</b>
<b>5(a)(3)</b>	A summary of significant investigations closed during the reporting period	<b>5; 10-16; 27</b>
<b>5(a)(4)</b>	An identification of the total number of convictions during the reporting period resulting from investigations	<b>6</b>
<b>5(a)(5)</b>	Information regarding each audit, inspection, or evaluation report issued during the reporting period, including— A. a listing of each audit, inspection, or evaluation; B. if applicable, the total dollar value of questioned costs (including a separate category for the dollar value of questioned or unsupported costs) and the dollar value of recommendations that funds be put to better use, including whether a management decision had been made by the end of the reporting period	<b>35-37</b>
<b>5(a)(6)</b>	Information regarding any management decision made during the reporting period with respect to any audit, inspection, or evaluation issued during a previous reporting period	<b>55</b>
<b>5(a)(7)</b>	The information described under section 804(b) of the <i>Federal Financial Management Improvement Act of 1996</i> (Public Law 104–208, §101(f) [title VIII], 31 U.S.C. 3512 note)	<b>57</b>
<b>5(a)(8)</b>	A. An appendix containing the results of any peer review conducted by another Office of Inspector General during the reporting period; or B. If no peer review has been conducted within that reporting period, a statement identifying the date of the last peer review conducted by another Office of Inspector General	<b>59</b>

<b>IG Act Section</b>	<b>Requirement</b>	<b>Page(s)</b>
<b>5(a)(9)</b>	A list of any outstanding recommendations from any peer review conducted by another Office of Inspector General that have not been fully implemented, including a statement describing the status of the implementation and why implementation is not complete	<b>59</b>
<b>5(a)(10)</b>	A list of any peer reviews conducted by the Inspector General of another Office of the Inspector General during the reporting period, including a list of any outstanding recommendations made from any previous peer review (including any peer review conducted before the reporting period) that remain outstanding or have not been fully implemented	<b>59</b>
<b>5(a)(11)</b>	Statistical tables showing— A. the total number of investigative reports issued during the reporting period; B. the total number of persons referred to the Department of Justice for criminal prosecution during the reporting period; C. the total number of persons referred to State and local prosecuting authorities during the reporting period; and D. the total number of indictments and criminal informations during the reporting period that resulted from any prior referral to prosecuting authorities	<b>5-6</b>
<b>5(a)(12)</b>	A description of the metrics used for developing the data for the statistical tables under paragraph 5(a)(11)	<b>5-6</b>
<b>5(a)(13)</b>	A report on each investigation conducted by the Office where allegations of misconduct were substantiated involving a senior Government employee or senior official (as defined by the Office) if the establishment does not have senior government employees, which shall include— A. the name of the senior government employee, if already made public by the Office; and B. a detailed description of— i. the facts and circumstances of the investigation; and ii. the status and disposition of the matter, including— I. if the matter was referred to the Department of Justice, the date of the referral; and II. if the Department of Justice declined the referral, the date of the declination	<b>60</b>
<b>5(a)(14)</b>	A. A detailed description of any instance of whistleblower retaliation, including information about the official found to have engaged in retaliation; and B. What, if any, consequences the establishment actually imposed to hold the official described in subparagraph (A) accountable	<b>16</b>

<b>IG Act Section</b>	<b>Requirement</b>	<b>Page(s)</b>
<b>5(a)(15)</b>	<p>Information related to interference by the establishment, including—</p> <p>A. a detailed description of any attempt by the establishment to interfere with the independence of the Office, including—</p> <p>i. with budget constraints designed to limit the capabilities of the Office; and</p> <p>ii. incidents where the establishment has resisted or objected to oversight activities of the Office or restricted or significantly delayed access to information, including the justification of the establishment for such action; and</p> <p>B. a summary of each report made to the head of the establishment under section 6(c)(2) during the reporting period</p>	<b>58</b>
<b>5(a)(16)</b>	<p>Detailed descriptions of the particular circumstances of each—</p> <p>A. inspection, evaluation, and audit conducted by the Office that is closed and was not disclosed to the public; and</p> <p>B. investigation conducted by the Office involving a senior Government employee that is closed and was not disclosed to the public</p>	<b>56</b>

## Reports with Questioned Costs

Questioned costs include expenditures that we determined, based on our audits: (1) violated a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; (2) were not supported by adequate documentation; or (3) were unnecessary or unreasonable. Disallowed costs are those questioned costs identified through our audits that the Social Security Administration management has sustained or agreed should not be charged to the government. Section 5(a)(5)(B) of the *Inspector General Act of 1978*, as amended, requires that we report the total dollar value of questioned costs (including a separate category for the dollar value of unsupported costs), including whether a management decision had been made by the end of the reporting period.

<b>Reports with Questioned Costs for October 1, 2022 through March 31, 2023</b>			
	<b>Number of Reports</b>	<b>Dollar Value Supported</b>	<b>Dollar Value Unsupported</b>
A. For which no management decision had been made by the commencement of the reporting period.	25	\$2,433,237,737	\$98,792,243
B. Which were issued during the reporting period.	0	\$0	\$0
<b>Subtotal (A + B)</b>	<b>25</b>	<b>\$2,433,237,737</b>	<b>\$98,792,243</b>
<b>Less:</b>			
C. For which a management decision was made during the reporting period.			
i. Dollar value of disallowed costs. <sup>1</sup>	7	\$160,100,838	\$135,641
ii. Dollar value of costs not disallowed. <sup>1</sup>	1	\$0	\$115,201
<b>Subtotal (i + ii)</b>	<b>8</b>	<b>\$160,100,838</b>	<b>\$250,842</b>
D. For which no management decision had been made by the end of the reporting period. <sup>1</sup>	20	\$2,273,136,899	\$98,541,401

1. Some reports have multiple monetary recommendations with different decisions on the dollar values and are accounted for as follows: (1) one report has one recommendation recorded in C.i. and C.ii and one recommendation recorded in D.; (2) one report has one recommendation recorded in C.i. and two recommendations recorded in D.

## Reports with Funds Put to Better Use

Funds may be put to better use when SSA could avoid expenditures by implementing our recommendations. Section 5(a)(5)(B) of the *Inspector General Act of 1978*, as amended, also requires that we report the dollar value of recommendations that funds be put to better use, including whether a management decision had been made by the end of the reporting period.

<b>Reports with Funds Put to Better Use for October 1, 2022 through March 31, 2023</b>		
	<b>Number of Reports</b>	<b>Dollar Value</b>
A. For which no management decision had been made by the commencement of the reporting period.	18	\$2,108,383,219
B. Which were issued during the reporting period.	0	\$0
<b>Subtotal (A + B)</b>	<b>18</b>	<b>\$2,108,383,219</b>
<b>Less:</b>		
C. For which a management decision was made during the reporting period.		
i. Dollar value of costs agreed to by management. <sup>1</sup>	3	\$76,143,611
ii. Dollar value of costs not agreed to by management.	0	\$0
<b>Subtotal (i + ii)</b>	<b>3</b>	<b>\$76,143,611</b>
D. For which no management decision had been made by the end of the reporting period. <sup>1</sup>	16	\$2,032,239,608

1. Some reports have multiple monetary recommendations with different decisions on the dollar values and are accounted for as follows: (1) one report has one recommendation recorded in C.i. and one recommendation recorded in D.

## Office of Audit Reports Issued

We issued five reports during this reporting period. The *Inspector General Act of 1978*, as amended, requires that we identify reports with non-monetary findings, questioned costs, and funds put to better use. We did not issue any reports with questioned costs or funds put to better use during this period. All reports are available on our website at [this link](#) with the exception of the report, *The Social Security Administration's Information Security Program and Practices for Fiscal Year 2022* (see [Appendix K](#) for more information). Unless otherwise noted, the Social Security Administration made management decisions by the end of the reporting period for each issued report.

October 1, 2022 through March 31, 2023

### Reports with Non-Monetary Findings, by Category

Report Title	Report Number	Issue Date
<b>Mandatory/No Management Challenge</b>		
The Social Security Administration's Major Management and Performance Challenges During Fiscal Year 2022	A-02-21-51120	11/4/2022
The Social Security Administration's Financial Reporting for Fiscal Year 2022	A-15-21-51122	11/10/2022
Status of the Social Security Administration's Charge Card Programs Recommendations for Fiscal Year 2022	032312	1/31/2023
Office of the Inspector General Audit Recommendations that had not been implemented as of March 1, 2023	002304	3/30/2023
<b>Modernize Information Technology</b>		
The Social Security Administration's Information Security Program and Practices for Fiscal Year 2022	A-14-21-51119	10/28/2022

## Office of Audit Ongoing Audits and Reviews

A list of audit titles, start dates, and estimated completion dates are listed below and available on our website at [this link](#). The list is updated regularly. This information was current as of April 26, 2023.

Audit/Review Title	Start Date	Estimated Completion
Compliance with the <i>Payment Integrity Information Act of 2019</i> in Fiscal Year 2022 (A-15-22-51183)	10/21/2022	FY 2023, 3rd Quarter
Controls over the Social Security Administration's National 800-Number Service During the COVID-19 Pandemic (A-02-21-51079)	8/27/2021	FY 2023, 3rd Quarter
Follow-up: Numberholders Age 100 or Older Who Do Not Have Death Information on the Numident (A-06-21-51022)	9/8/2021	FY 2023, 3rd Quarter
Manual Processes for Resource-Intensive Workloads (A-07-19-50882)	8/26/2021	FY 2023, 3rd Quarter
Processing New Waiver Requests After a Previous Request Was Denied (A-08-21-51100)	7/28/2022	FY 2023, 3rd Quarter
The Social Security Administration's Controls to Reduce the Size of the Earnings Suspense File (A-03-21-51013)	7/15/2021	FY 2023, 3rd Quarter
The Social Security Administration's Oversight of Beneficiaries Who Receive Benefits Under the Direct Express Debit Card Program (A-04-20-50977)	5/10/2021	FY 2023, 3rd Quarter
Accuracy of Manually Processed Old-Age, Survivors and Disability Insurance Termination Actions (A-07-21-51043)	9/2/2022	FY 2023, 4th Quarter
Auxiliary Beneficiaries Who Do Not Have Their Own, or Have an Incorrect, Social Security Number (012312)	11/16/2022	FY 2023, 4th Quarter
Challenges in Recovering Supplemental Security Income Overpayments (A-07-21-51018)	6/9/2022	FY 2023, 4th Quarter
Controls Over Cross-Referenced Social Security Numbers (062308)	2/28/2023	FY 2023, 4th Quarter
Dedicated Accounts for Supplemental Security Income Recipients (A-04-21-51031)	3/11/2022	FY 2023, 4th Quarter
Disability Determination Services Processing of Disability Claims During the COVID-19 Pandemic (A-01-20-50963)	6/15/2022	FY 2023, 4th Quarter
Disability Payments to Beneficiaries and Recipients Receiving Workers' Compensation Benefits (A-06-20-50922)	9/17/2021	FY 2023, 4th Quarter
Follow-up Review of Numident Death Information Not Included on the Death Master File (062301)	3/17/2023	FY 2023, 4th Quarter
Follow-up: Self-employment Earnings Removed from the Master Earnings File (A-06-21-51020)	9/16/2021	FY 2023, 4th Quarter
Funds Dedicated to Address Program Integrity and Hearings Backlog Workloads (A-15-19-50885)	4/14/2020	FY 2023, 4th Quarter

Audit/Review Title	Start Date	Estimated Completion
Government Pension Data for the Windfall Elimination Provision and Government Pension Offset (A-13-20-50970)	6/4/2021	FY 2023, 4th Quarter
Match of Department of State Death Information Against Social Security Administration Records (062313)	2/28/2023	FY 2023, 4th Quarter
Mobile Device Security at the Social Security Administration (A-14-19-50811)	6/17/2020	FY 2023, 4th Quarter
Modernized Development Worksheet Processing (A-02-22-51157)	12/5/2022	FY 2023, 4th Quarter
Processing Non-citizens' Original Social Security Numbers Electronically Through Enumeration Programs (A-08-22-51136)	9/2/2022	FY 2023, 4th Quarter
Ransomware Prevention and Response (142309)	1/4/2023	FY 2023, 4th Quarter
Recipients with Limited Funds in Bank Accounts When Applying for SSI Payments (A-02-21-51028)	10/27/2022	FY 2023, 4th Quarter
Review of Social Security Administration's Controls Over Employee Overtime and Leave (A-15-21-51016)	4/6/2021	FY 2024, 1st Quarter
Security of the Earnings Record Maintenance Cloud System (142310)	1/4/2023	FY 2023, 4th Quarter
Security of the Web Identification, Authentication, and Access Control Systems (142311)	1/4/2023	FY 2023, 4th Quarter
The Social Security Administration's Processing of Supplemental Security Income Ineligibility Determinations and Post-Entitlement Suspensions Due to Insufficient Information (A-02-22-51135)	4/13/2022	FY 2023, 4th Quarter
The Social Security Administration's Processing of Windfall Offset Determinations (A-09-18-50697)	4/6/2021	FY 2023, 4th Quarter
Statutory Benefit Continuation Payments for Disability Beneficiaries (A-07-21-51105)	5/26/2022	FY 2023, 4th Quarter
The Impact of Workers' Compensation and Public Disability Benefits' Reverse Offset Plans on the Disability Insurance Program (A-02-19-50867)	8/26/2021	FY 2023, 4th Quarter
The Social Security Administration's Determinations of Supplemental Security Income Recipients' Trusts (A-02-21-51026)	8/27/2021	FY 2023, 4th Quarter
The Social Security Administration's Enforcement of the Earnings Test (A-08-21-51049)	5/27/2022	FY 2024, 1st Quarter
The Social Security Administration's Hearings Backlog and Average Processing Time (A-05-22-51159)	7/12/2022	FY 2023, 4th Quarter
The Social Security Administration's Implementation of Digital Identity Enhancements (A-14-18-50486)	8/31/2020	FY 2023, 4th Quarter
The Social Security Administration's Controls over Allegations of Misuse by Representative Payees (A-09-19-50797)	3/30/2021	FY 2023, 4th Quarter



Audit/Review Title	Start Date	Estimated Completion
The Social Security Administration's Information Security Program and Practices for Fiscal Year 2023 (142306)	11/16/2022	FY 2023, 4th Quarter
The Social Security Administration's Review of Representative Payees (A-13-17-50195)	12/7/2021	FY 2023, 4th Quarter
The Social Security Administration's Security Assessment and Authorization Process (A-14-21-51093)	3/4/2022	FY 2023, 4th Quarter
The Social Security Administration's Telephone Service Disruptions (A-05-22-51149)	6/8/2022	FY 2023, 4th Quarter
Whistleblower Protection for Contractors (152306)	11/17/2022	FY 2023, 4th Quarter
Workers' Compensation Lump Sum Settlements (012308)	1/13/2023	FY 2023, 4th Quarter
Follow-up: The Social Security Administration's Implementation of Mail Procedures (042312)	12/30/2022	FY 2024, 1st Quarter
Processing Center Pending Workloads (022313)	12/8/2022	FY 2024, 1st Quarter
SSA's Electronic Representative Payee System (A-09-20-51009)	9/30/2021	FY 2024, 1st Quarter
The Social Security Administration's Enterprise Risk Management Program (022323)	1/20/2023	FY 2024, 1st Quarter
The Social Security Administration's Financial Reporting for Fiscal Year 2023 (152308)	12/13/2022	FY 2024, 1st Quarter
Customer Wait Times in the Social Security's Field Offices and Card Centers (152307)	12/30/2022	FY 2024, 2nd Quarter
Information Technology Investments (A-14-22-51155)	9/22/2022	FY 2024, 2nd Quarter
Social Security Administration's Policies Related to Outside Employment (022314)	3/22/2023	FY 2024, 2nd Quarter
The Social Security Administration's Processing of Priority Cases (A-04-21-51033)	8/5/2022	FY 2024, 2nd Quarter
Earnings Evaluations for Disability Claimants (A-07-21-51017)	11/30/2022	FY 2024, 3rd Quarter

# Significant Monetary Recommendations from Prior Fiscal Years for Which Corrective Actions Have Not Been Completed

**20**

Unimplemented Significant Monetary Recommendations  
Fiscal Years 2017 – 2022 (through March 31)  
**TOTALING \$2,993,924,916**

Report Title, Report Number, Issue Date  
Unimplemented Recommendation(s), Dollar Value(s)

## ■ Fiscal Year 2022

### Deceased Beneficiaries in Suspended Payment Status

(A-08-19-50800 – 11/22/21)

**\$48,423,411 Questioned Costs**  
**\$7,983,516 Funds Put to Better Use**

**Recommendation 3:** Verify and post death information, where appropriate, for the remaining beneficiaries in the State Death population.

**\$14,130,460 Questioned Costs**  
**\$7,993,948 Funds Put to Better Use**

**Recommendation 4:** Instruct technicians to take appropriate actions on the remaining beneficiaries in the Death Suspense population.

**\$149,718,615 Questioned Costs**  
**\$16,709,589 Funds Put to Better Use**

**Recommendation 5:** Establish systems criteria to identify Old-age, Survivors and Disability Insurance (OASDI) beneficiaries in Address Suspense who are likely deceased, such as identifying beneficiaries suspended for prolonged periods who do not have activity on any Social Security Administration (SSA or Agency) records since their suspension. Once established, SSA should update policy to instruct technicians to search for death information.

## ■ Fiscal Year 2021

### Overpayments with Recovery Agreements that Will Extend Beyond 2049

(A-07-19-50775 – issued 9/28/21)

**\$1,240,312,343 Funds Put to Better Use**

**Recommendation 1:** Establish consistent criteria to ensure it identifies existing overpayments for which the Recovery of Overpayments, Accounting and Reporting system deleted a portion of the overpayment balance as part of a plan to address the untracked debt amount when it implements a solution to the Recovery of Overpayments, Accounting and Reporting system limitation.

### The Social Security Administration's Application of the Retirement Insurance Benefits Limitation and Reduced Widow(er)'s Benefit Policy

(A-01-13-23095 – issued 6/4/21)

**\$28,651,232 Questioned Costs**  
**\$2,673,456 Funds Put to Better Use**

**Recommendation:** Review the cases in our population and take the appropriate corrective action to assess and recover the overpayments.

### Follow-up on Underpayments Payable to Terminated Old-age, Survivors and Disability Insurance Beneficiaries

(A-09-19-50848 – issued 12/11/20)

**\$142,298,569 Questioned Costs**  
**\$6,706,311 Funds Put to Better Use**

**Recommendation 3:** Identify and take action on the population of terminated beneficiaries with underpayments payable to eligible beneficiaries and individuals.

### Follow-up on Disabled Supplemental Security Income Recipients Potentially Eligible for Childhood Disability Benefits

(A-13-18-50714 – issued 12/10/20)

**\$18,537,060 Questioned Costs**  
**\$3,578,220 Funds Put to Better Use**

**Recommendation 1:** Review the 37 Supplemental Security Income (SSI) recipients we identified in this audit and the remaining 967 recipients in our audit population to determine whether the recipients are eligible for, or technically entitled to childhood disability benefits; and if appropriate, pay the underpayments and/or OASDI benefits.

### Old-age, Survivors and Disability Insurance Child Beneficiaries Receiving Benefits Under Multiple Records

(A-08-19-50814 – issued 12/7/20)<sup>1</sup>

**\$14,822,593 Questioned Costs**  
**\$2,540,017 Funds Put to Better Use**

**Recommendation 2:** Review and correct the payments, where needed, for the remaining population of 2,676 child beneficiaries receiving benefits on multiple records.

1. SSA considers this recommendation implemented; however, it has not provided sufficient information to enable our audit team to verify that it has fully implemented it.

## ■ Fiscal Year 2020

**The Social Security Administration's Rejection of State Electronic Death Registration Reports**  
(A-08-18-50499 – 9/21/20)<sup>2</sup>

**\$84,615 Questioned Costs**  
**\$62,943 Funds Put to Better Use**

**Recommendation 3:** Include a Numident match in the Death Information Processing System, or similar process, to assess Online Verification System discrepancies before rejecting an Electronic Death Registration report.

**Manual Actions on Old-Age, Survivors and Disability Insurance Post-entitlement Alerts**  
(A-07-18-50621 – issued 3/9/20)

**\$616,427,374 Questioned Costs**

**Recommendation 5:** Monitor Title II Redesign alerts employees cleared without taking corrective actions.

## ■ Fiscal Year 2019

**Old-Age, Survivors and Disability Insurance Beneficiaries with Overpayments on Suspended and Terminated Records**  
(A-07-18-50317 – issued 9/25/19)

**\$17,976,178 Questioned Costs**

**Recommendation 2:** Establish a process to identify overpayments that exist on suspended or terminated Social Security numbers that the Re-entitled Beneficiaries process does not detect, so the Agency can transfer and recover them via benefit withholding.

**The Social Security Administration's Accounting for, and Monitoring of, Court-ordered Restitutions**  
(A-04-18-50633 – issued 9/24/19)

**\$6,734,317 Funds Put to Better Use**

**Recommendation 2:** Use the reconciled list, mentioned in recommendation 1, to ensure the U.S. Department of Justice (DoJ) is collecting the court-ordered restitutions, and if not being collected, use all methods of recovery and/or contact DoJ, as required by policy, to determine whether civil actions should be taken.

**Dedicated Account Underpayments Payable to Children Receiving Supplemental Security Income**  
(A-04-18-50607 – issued 9/17/19)

**\$65,223,112 Questioned Costs**

**Recommendation 2:** Identify and take corrective action on the remaining population of SSI recipients with unpaid dedicated account underpayments.

**Recovery of Old-Age, Survivors and Disability Insurance Overpayments When a Contingently Liable Beneficiary Stops Receiving Benefits**  
(A-04-18-50651 – issued 5/15/19)<sup>3</sup>

**\$15,101,940 Questioned Costs**

**Recommendation 2:** Review and take action to remove the overpayment balance from the 4,690 terminated contingently liable beneficiaries and transfer the debt balance to the original debtor for an immediate payment of the overpayment or seek recovery through additional debt collection tools.

2. SSA considers this recommendation implemented; however, OIG disagrees.

3. *Id.*

### Processing of Deferred Old-Age, Survivors and Disability Insurance Cases with a High Risk of Benefit Payment Error

(A-05-18-50620 – issued 3/15/19)

**\$39,514,050 Questioned Costs**

**Recommendation 3:** Review the population of deferred OASDI cases we identified to assess whether additional cases need correction.

## ■ Fiscal Year 2018

### The Social Security Administration's Use of Administrative Tolerance Waivers

(A-04-16-50145 – issued 8/1/18)

**\$12,568,202 Questioned Costs**

**Recommendation:** Establish controls in the new Debt Management Product, as part of its Debt Management modernization initiative, that ensure technicians can only use the administrative tolerance waiver for overpayments allowable under the provision.

### Old-Age, Survivors and Disability Insurance Debtors Who Were Not Current on an Installment Agreement

(A-04-18-50265 – issued 5/25/18)<sup>4</sup>

**\$88,295,888 Questioned Costs**

**Recommendation 1:** Review the 12,269 delinquent debtor records and take action, where appropriate, to begin benefit adjustment or recovery using its external collection tools.

### Higher Benefits for Dually Entitled Widow(er)s Had They Delayed Applying for Retirement Benefits

(A-09-18-50559 – issued 2/14/18)<sup>5</sup>

**\$485,911 Questioned Costs  
\$36,300 Funds Put to Better Use**

**Recommendation 1:** Take action, as appropriate, for the 41 beneficiaries identified by our audit.

**\$131,332,025 Questioned Costs  
\$9,811,164 Funds Put to Better Use**

**Recommendation 2:** Evaluate the results for the 41 beneficiaries in our sample and determine whether SSA should review the remaining population of 13,514 beneficiaries.

## ■ Fiscal Year 2017

### Widow(er)s Eligible for an Earlier Initial Month of Entitlement

(A-09-17-50187 – issued 8/7/17)<sup>6</sup>

**\$285,191,557 Questioned Costs**

**Recommendation 2:** Determine the feasibility of reviewing the remaining population of widow(er)s who may be eligible for additional months of benefits before their application filing date and could have chosen an earlier initial month of entitlement.

4. SSA considers this recommendation implemented; however, it has not provided sufficient information to enable our audit team to verify that it has fully implemented it.

5. SSA considers these recommendations implemented; however, OIG disagrees.

6. SSA considers this recommendation implemented; however, OIG disagrees.

# Significant Non-Monetary Recommendations from Prior Fiscal Years for Which Corrective Actions Have Not Been Completed



Unimplemented Significant  
Non-monetary Recommendations  
Fiscal Years 2017 – 2022 (through March 31)<sup>1</sup>

Report Title, Report Number, Issue Date  
Unimplemented Recommendation(s), Dollar Value(s)

## ■ Fiscal Year 2021

### The Social Security Administration's Processing of Misuse Allegations of Individual Payees (A-13-18-50712 – issue 6/14/21)

**Recommendation 7:** Improve controls related to (a) establishing debts and collection of misused funds and (b) reimbursing misused funds the Agency collects.

### The Social Security Administration's Administrative Finality Policy (A-01-19-50859 – issue 5/28/21)

**Recommendation:** Finalize its decision on updating its administrative finality policy and execute an action plan with specific milestones to ensure any updates are implemented timely.

### Follow-up on Disabled Supplemental Security Income Recipients Potentially Eligible for Childhood Disability Benefits (A-13-18-50714 – issue 12/10/20)

**Recommendation 2:** Continue reviewing from the prior audit the 6 recipients we identified and the remaining 519 recipients to determine whether they are technically entitled to or eligible for childhood disability benefits and pay applicable underpayments and/or Old-Age, Survivors and Disability Insurance benefits, as appropriate.

### Old-Age, Survivors and Disability Insurance Child Beneficiaries Receiving Benefits Under Multiple Records (A-08-19-50814 – issued 12/7/20)

**Recommendation 3:** Perform periodic reviews, until the Social Security Administration implements system improvements that prevent duplicate payments to child beneficiaries, to ensure technicians timely and appropriately take action to correct records and stop improper payments on child beneficiaries receiving benefits under multiple records.

1. We did not have any significant items to add for Fiscal Year 2022, so that year is not presented.

## ■ Fiscal Year 2020

### Miscellaneous Benefit Suspensions for Old-Age, Survivors and Disability Insurance Beneficiaries (A-07-19-50799 – issued 9/21/20)

**Recommendation 3:** Implement controls, such as systems alerts and management reports, to identify beneficiaries in miscellaneous suspense status and ensure employees take corrective actions timely.

### Manual Actions on Old-Age, Survivors and Disability Insurance Post-entitlement Alerts (A-07-18-50621 – issued 3/9/20)

**Recommendation 6:** Implement a quality review focused specifically on manually processed Title II Redesign alerts to ensure the accuracy of this workload improves.

### Beneficiaries with Representative Payees and Earnings (A-02-17-50143 – issued 3/5/20)

**Recommendation 4:** Revise notices sent to beneficiaries and their representative payees informing them of benefit increases due to additional earnings to include the employer(s) name, earnings amounts, a reminder to report errors to the SSA, and instructions on reporting errors.

## ■ Fiscal Year 2019

### Dedicated Account Underpayments Payable to Children Receiving Supplemental Security Income (A-04-18-50607 – issued 9/17/19)<sup>1</sup>

**Recommendation 3:** Improve controls to ensure it timely pays dedicated account underpayments for children receiving Supplemental Security Income, such as establishing management reports, retaining diaries, and/or adding automation as discussed in the report.

### Recovery of Old-Age, Survivors and Disability Insurance Overpayments When a Contingently Liable Beneficiary Stops Receiving Benefits

(A-04-18-50651 – issued 5/15/19)

**Recommendation 3:** Establish controls to remove the outstanding debt from terminated contingently liable beneficiaries and transfer the balance to the original debtor for an immediate payment of the overpayment or seek recovery through additional debt collection tools when available.

## ■ Fiscal Year 2018

### Higher Benefits for Dually Entitled Widow(er)s Had They Delayed Applying for Retirement Benefits (A-09-18-50559 – issued 2/14/18)<sup>2</sup>

**Recommendation 4:** Determine whether it should develop additional controls to ensure it informs widow(er) beneficiaries of their option to delay their application for retirement benefits.

1. SSA considers this recommendation implemented; however, it has not provided sufficient information to enable our audit team to verify that it has fully implemented it.
2. SSA considers this recommendation implemented; however, OIG disagrees.

## ■ Fiscal Year 2017

### The Social Security Administration's Telework Program and Its Effect on Customer Service (Congressional Response Report)

(A-04-17-50267 – issued 7/12/17)<sup>3</sup>

**Recommendation 1:** Determine whether additional customer service or production metrics would assist in measuring how telework affects field offices' ability to provide customer service and employee productivity.

**Recommendation 3:** Determine the effect telework has on customer wait times when a field office experiences an unusually high number of visitors.

3. SSA considers these recommendations implemented; however, OIG disagrees.



## Open Recommendations and Reports with Unimplemented Recommendations

The Social Security Administration Office of the Inspector General has open recommendations dating from fiscal year (FY) 2012. All recommendations from FYs prior to FY 2012 are closed. The chart below identifies the number of reports with unimplemented recommendations by FY and the aggregate potential cost savings of those recommendations.

Reports Issued through September 30, 2022			
Reports with Open Recommendations			
Fiscal Year	Number of Reports with Unimplemented Recommendations	Number of Unimplemented Recommendations	Dollar Value of Aggregate Potential Cost Savings
2022	19	88	\$1,565,405,028
2021	15	23	\$1,674,972,998
2020	6	9	\$713,819,876
2019	12	25	\$1,262,299,697
2018	9	12	\$260,113,081
2017	3	6	\$657,415,697
2016	3	7	\$27,974,234
2015	2	2	0
2014	5	5	\$136,153
2013	2	2	0
2012	2	2	\$133,694,565
<b>TOTAL</b>	<b>78</b>	<b>181</b>	<b>\$6,295,831,329</b>

Below is additional detail for each report included in the Number of Reports column above. All audit reports are available on our website at [this link](#).

Report Title	Report Number	Issue Date	Dollar Value
Numident Death Alerts	A-06-21-51086	9/30/22	\$20,023,511
The Social Security Administration's Enumeration Services During the COVID-19 Pandemic	A-15-21-51015	9/30/22	N/A
Work Review Determinations for Disabled Beneficiaries	A-07-21-51012	9/29/22	\$553,284,181
Follow-up on Controls over Special Payment Amount Overpayments for Social Security Beneficiaries	A-09-19-50794	9/29/22	\$87,251,186
The Social Security Administration's Human Capital Planning	A-02-19-50866	9/26/22	N/A
The Social Security Administration's Challenges and Successes in Obtaining Data to Determine Eligibility and Payment Amounts	A-01-21-51029	9/23/22	N/A
Follow-up on Processing Internal Revenue Service Alerts for Supplemental Security Income Recipients	A-03-18-50277	9/20/22	\$63,095,555
The Social Security Administration's Oversight of Disability Determination Services' Financial Management	A-15-21-51117	9/20/22	N/A
The Social Security Administration's Information Technology Investment Process	A-14-18-50437	9/12/22	N/A
Agile Software Development at the Social Security Administration	A-14-20-50947	8/24/22	N/A
Spouses and Widow(er)s Who Have Unverified Pensions	A-13-17-50161	8/4/22	\$31,836,714
Social Security Beneficiaries Who Have Direct Payment While Receiving Veterans Affairs' Benefits Through a Representative Payee	A-01-18-50380	7/8/22	\$137,464,944
Incorrect Old-Age, Survivors, and Disability Insurance Benefit Payment Computations that Resulted in Overpayments	A-07-18-50674	5/26/22	\$368,326,080
The Social Security Administration's Mailing Process During the COVID-19 Pandemic	A-08-21-51115	5/13/22	N/A
The Social Security Administration's Compliance with the <i>Payment Integrity Information Act of 2019</i> in Fiscal Year 2021	A-15-21-51121	5/11/22	N/A
Follow-up on Deceased Beneficiaries and Recipients with No Death Information on the Numident	A-09-20-50936	5/4/22	N/A
Students Whose Benefits Were Erroneously Terminated When They Reached Age 18	A-09-19-50823	4/22/22	\$59,163,318
Deceased Beneficiaries in Suspended Payment Status*	A-08-19-50800	11/22/21	\$244,959,539

Report Title	Report Number	Issue Date	Dollar Value
The Social Security Administration's Compliance with the <i>Digital Accountability and Transparency Act of 2014</i>	A-15-20-50917	11/5/21	N/A
The Social Security Administration's Controls over High-priority Modernized Development Worksheets	A-07-18-50363	9/28/21	N/A
Overpayments with Recovery Agreements that Will Extend Beyond 2049*	A-07-19-50775	9/28/21	<b>\$1,240,312,343</b>
Match of Centers for Medicare & Medicaid Services Death Information Against Social Security Administration Records	A-06-18-50653	8/13/21	N/A
The Social Security Administration's Processing of Misuse Allegations of Individual Representative Payees*	A-13-18-50712	6/14/21	<b>\$2,145,404</b>
System Alerts for Beneficiaries Identified by the Delinquent Debt Trigger File	A-07-18-50743	6/9/21	<b>\$36,806,243</b>
The Social Security Administration's Application of the Retirement Insurance Benefits Limitation and Reduced Widow(er)'s Benefit Policy*	A-01-13-23095	6/4/21	<b>\$31,324,688</b>
Follow-up on Transferring Supplemental Security Income Overpayments from Prior Records to the Current Record for Recovery	A-01-17-50226	6/3/21	<b>\$14,845,298</b>
The Social Security Administration's Administrative Finality Policy*	A-01-19-50859	5/28/21	N/A
Follow-up on Underpayments Payable to Terminated Old-Age, Survivors and Disability Insurance Beneficiaries*	A-09-19-50848	12/11/20	<b>\$149,004,880</b>
Follow-up on Disabled Supplemental Security Income Recipients Potentially Eligible for Childhood Disability Benefits*	A-13-18-50714	12/10/20	<b>\$22,115,280</b>
Old-Age, Survivors and Disability Insurance Benefits to Individuals Who Are Recorded as Deceased on the Supplemental Security Record	A-13-17-50176	12/9/20	<b>\$292,787</b>
Old-Age, Survivors and Disability Insurance Child Beneficiaries Receiving Benefits Under Multiple Records*	A-08-19-50814	12/7/20	<b>\$17,362,610</b>
Supplemental Security Income Recipients Denied Old-Age, Survivors and Disability Insurance Benefits Based on Lack of Technical Evidence	A-05-18-50654	11/30/20	<b>\$134,830,079</b>
Security of the Social Security Administration's Disability Case Processing System	A-14-20-50896	11/20/20	N/A

Report Title	Report Number	Issue Date	Dollar Value
Social Security Administration Beneficiaries Eligible for Total and Permanent Disability Federal Student Loan Discharge	A-06-17-50281	11/9/20	<b>\$25,933,386</b>
The Social Security Administration's Rejection of State Electronic Death Registration Reports*	A-08-18-50499	9/21/20	<b>\$147,558</b>
Miscellaneous Benefit Suspensions for Old-Age, Survivors and Disability Insurance Beneficiaries*	A-07-19-50799	9/21/20	<b>N/A</b>
Retirement Beneficiaries Potentially Eligible for Widow(er)'s Benefits	A-13-13-23109	6/9/20	<b>N/A</b>
Manual Actions on Old-Age, Survivors and Disability Insurance Post-entitlement Alerts*	A-07-18-50621	3/9/20	<b>\$616,427,374</b>
Beneficiaries with Representative Payees and Earnings*	A-02-17-50143	3/5/20	<b>N/A</b>
Follow-up: Beneficiaries Who Had Not Cashed Their Checks Within 1 Year	A-09-18-50562	12/23/19	<b>\$97,244,944</b>
Old-Age, Survivors and Disability Insurance Beneficiaries with Overpayments on Suspended and Terminated Records*	A-07-18-50317	9/25/19	<b>\$17,976,178</b>
The Social Security Administration's Accounting for, and Monitoring of, Court-ordered Restitutions*	A-04-18-50633	9/24/19	<b>\$9,541,711</b>
Overpayments Pending Collection for Miscellaneous Reasons	A-04-18-50546	9/24/19	<b>N/A</b>
Dedicated Account Underpayments Payable to Children Receiving Supplemental Security Income*	A-04-18-50607	9/17/19	<b>\$65,223,112</b>
The Social Security Administration's Controls for Identifying Potentially Fraudulent Internet Claims	A-09-18-50655	9/13/19	<b>N/A</b>
The Social Security Administration's Processing of Returned Old-Age, Survivors and Disability Insurance Payments	A-07-18-50570	9/12/19	<b>\$18,964,672</b>
Supplemental Security Income Underpayments Due Deceased Recipients	A-06-18-50608	9/10/19	<b>\$467,994,323</b>
Follow-up: Aged Beneficiaries Whose Benefits Have Been Suspended for Address, Whereabouts Unknown, or Foreign Enforcement	A-09-16-50077	8/6/19	<b>\$497,883,609</b>
Follow-up: Underpayments on Prior Supplemental Security Income Records	A-07-18-50676	6/6/19	<b>\$127,431,265</b>
Recovery of Old-Age, Survivors and Disability Insurance Overpayments When a Contingently Liable Beneficiary Stops Receiving Benefits*	A-04-18-50651	5/15/19	<b>\$17,770,777</b>

Report Title	Report Number	Issue Date	Dollar Value
Processing of Deferred Old-Age, Survivors and Disability Insurance Cases with a High Risk of Benefit Payment Error*	A-05-18-50620	3/15/19	\$39,514,050
Supplemental Security Income Underpayments	A-15-18-50612	12/28/18	N/A
Effectiveness of the Social Security Administration's Medicare Non-utilization Project	A-08-17-50261	9/19/18	\$17,583,591
Institutionalized Beneficiaries Who Have Earnings	A-02-17-50140	8/20/18	N/A
The Social Security Administration's Use of Administrative Tolerance Waivers*	A-04-16-50145	8/1/18	\$12,568,202
Beneficiaries in Suspended Payment Status Pending the Selection of a Representative Payee	A-09-17-50202	6/1/18	N/A
Old-Age, Survivors and Disability Insurance Debtors Who Were Not Current on an Installment Agreement*	A-04-18-50265	5/25/18	\$88,295,888
Manual Adjustments to Old-Age, Survivors and Disability Insurance Overpayments	A-07-18-50294	4/9/18	N/A
Undeliverable Social Security Number Cards	A-15-17-50279	4/2/18	N/A
Higher Benefits for Dually Entitled Widow(er)s Had They Delayed Applying for Retirement Benefits*	A-09-18-50559	2/14/18	\$141,665,400
Customer Wait Times in the Social Security Administration's Field Offices	A-04-18-50260	2/6/18	N/A
Widow(er)s Eligible for an Earlier Initial Month of Entitlement*	A-09-17-50187	8/7/17	\$285,453,378
The Social Security Administration's Telework Program and Its Effect on Customer Service*	A-04-17-50267	7/12/17	N/A
Individual Representative Payees Who Do Not Have a Social Security Number in the Social Security Administration's Payment Records	A-09-16-50159	2/17/17	\$371,962,319
The Social Security Administration's Plan to Achieve Self-Support Program	A-08-16-50030	9/27/16	N/A
Households with Multiple Children Receiving Supplemental Security Income Payments Because of Mental Impairments	A-08-14-14098	3/2/16	N/A
Higher Retirement Benefits Payable to Families of Disabled Beneficiaries	A-09-14-34080	2/2/16	\$27,974,234
Supplemental Security Income Overpayments Pending a Collection Determination by the Social Security Administration	A-07-15-15030	9/22/15	N/A

Report Title	Report Number	Issue Date	Dollar Value
Fraud Risk Performance Audit of the Social Security Administration's Disability Programs	A-15-15-25002	4/29/15	N/A
Auxiliary Beneficiaries Who Do Not Have Their Own Social Security Number	A-01-14-14036	9/29/14	\$136,153
Payments to Individuals with Deaths Reported in California from 1980 to 1987	A-06-14-21416	8/14/14	N/A
Supplemental Security Income Recipients Who Had Not Cashed Their Checks Within 1 Year	A-09-13-23023	4/7/14	N/A
Improper Use of Children's Social Security Numbers	A-03-12-21269	3/31/14	N/A
Supplemental Security Income Telephone Wage Reporting	A-15-12-11233	2/6/14	N/A
Direct Deposit Changes Initiated Through Financial Institutions and the Social Security Administration's Internet and Automated 800-Number Applications	A-14-12-21271	12/20/12	N/A
Benefit Payments Managed by Representative Payees of Children in Pennsylvania's State Foster Care Programs	A-13-12-11245	12/4/12	N/A
Beneficiaries Who Had Not Cashed their Social Security Checks Within 1 Year	A-09-10-20133	7/19/12	\$133,694,565
Title II Deceased Beneficiaries Who Do Not Have Death Information on the Numident	A-09-11-21171	7/9/12	N/A

\*Denotes that report contains significant unimplemented recommendation as reported in **Appendix F** or **Appendix G**.

## Audit Reports Issued Prior to the Reporting Period for Which No Management Decision Had Been Made by the End of This Reporting Period

We do not have any audit reports with recommendations issued by September 30, 2022, for which no management decision had been made by the end of this reporting period.

## Management Decisions Made Regarding Reports Issued in a Previous Reporting Period

There were no reports issued in previous reporting periods where the Social Security Administration had not made a decision on the included recommendations. Therefore, we have nothing to report.



## Closed Audits and Investigations Not Available to the Public

### ■ *Office of Audit*

We had one product that was not made available to the public. The report, *The Social Security Administration's Information Security Program and Practices for Fiscal Year 2022*, contains information that, if not protected, could result in adverse effects to the Social Security Administration's information systems. To maintain transparency, we issued a **Summary of the Audit** on September 30, 2022, that discusses findings and recommendations at a high-level and is appropriate for public distribution.

### ■ *Office of Investigations*

During this reporting period, we did not have any investigations involving a senior Government employee that were closed and not disclosed to the public.

## *Federal Financial Management Improvement Act of 1996 Compliance*

Section 804(b) of the *Federal Financial Management Improvement Act of 1996* requires the Office of the Inspector General to report whether the Social Security Administration (SSA) has met the milestones in a remediation plan. Because SSA is in compliance with the *Federal Financial Management Integrity Act of 1996*, it does not have a remediation plan. Therefore, we have no information to report.

## Instances of Social Security Administration Interference or Refusal to Provide Information

During this reporting period, we have no instances of Social Security Administration (SSA) interference with Office of the Inspector General (OIG) independence to report, and no instances to report in which SSA employees refused to provide information or assistance to the OIG.

## Peer Reviews

### ■ **Office of Audit**

*Generally Accepted Government Auditing Standards* require that our Office of Audit (OA) undergo a peer review every 3 years to determine whether we suitably designed our system of quality control, and whether we are complying with that system, to provide us with reasonable assurance of conforming with applicable professional standards.

We did not complete a peer review of any other Office of the Inspector General (OIG), nor did any other OIG complete a peer review of OA, during this reporting period. There are no outstanding recommendations from prior peer reviews we completed of other OIGs, nor from prior peer reviews other OIGs completed of OA. Department of Defense OIG performed OA's last peer review and issued its peer review report in September 2021.

### ■ **Office of Investigations**

Federal OIG investigative offices must undergo a peer review every 3 years to ensure that the Council of the Inspectors General on Integrity and Efficiency *Quality Standards for Investigations and Quality Standards for Digital Forensics* are followed, and that law enforcement powers conferred by Section 6(e) of the *Inspector General Act of 1978*, as amended, or other authorities, are properly exercised. Each OIG is required to implement and maintain a system of quality control for its investigative operations that ensures compliance with required standards.

We did not complete a peer review of any other OIG, nor did any other OIG complete a peer review of our Office of Investigations (OI), during this reporting period. There are no outstanding recommendations from prior peer reviews we completed of other OIGs, nor from prior peer reviews other OIGs completed of OI. Department of Homeland Security OIG performed OI's last peer review and issued its peer review report in February 2020.

## Investigations Involving Senior Government Employees Where Allegations of Misconduct Were Substantiated

We did not have any cases involving senior Government employees where allegations of misconduct were substantiated during the reporting period.



# Semiannual Report to Congress

October 1, 2022 – March 31, 2023

---

Office of the Inspector General | OIG 85-007

Produced and published at U.S. taxpayer expense