

GAO
 Accountability • Integrity • Reliability
Highlights

Highlights of [GAO-04-789T](#), a testimony before the Chairman, Subcommittee on Human Resources, Committee on Way and Means, House of Representatives

Why GAO Did This Study

The Supplemental Security Income (SSI) program paid about \$36 billion in benefits to about 6.9 million recipients in 2003. In recent years, the Social Security Administration (SSA) has identified a general increase in the amount of annual overpayments made to recipients who are not present in the U.S. as required by SSI program guidelines—a problem we refer as “residency violations”. This problem has caused concern among both program administrators and policy makers. As such, GAO was asked to determine what is known about the extent to which SSI benefits are improperly paid to individuals who are not present in the United States and to identify any weaknesses in SSA’s processes and policies that impede the agency’s ability to detect and deter residency violations.

What GAO Recommends

GAO has made recommendations to the Commissioner of Social Security that will allow the agency to make optimal use of existing tools and new data sources to better detect potential residency violators.

www.gao.gov/cgi-bin/getrpt?GAO-04-789T. To view the full report, including the scope and methodology, click on the link above. For more information, contact Robert E. Robertson (202) 512-7215 or RobertsonR@gao.gov.

SUPPLEMENTAL SECURITY INCOME

SUSTAINED MANAGEMENT ATTENTION NEEDED TO ADDRESS RESIDENCY VIOLATIONS

What GAO Found

Overpayments resulting from residency violations totaled about \$118 million between 1997 and 2001. However, this figure, which represents only violations detected by SSA, likely understates the true level of the problem. Additionally, the extent of violations appears to vary by geographic region, with overpayments being more prevalent in several large metropolitan areas. GAO found that 54 percent of all overpayments detected by SSA during this period occurred in just 15 counties. In addition, we found that recipients born outside the United States accounted for at least 87 percent of all residency overpayments.

SSA’s ability to detect and deter residency violations is impeded by three kinds of weaknesses. First, the agency relies heavily on self-reported information from recipients to determine domestic residency, often without independently verifying such information. Second, SSA makes insufficient use of existing tools to detect violations, such as its “risk analysis” system, redeterminations, and home visits. Finally, the agency has not adequately pursued independent sources of information from other federal agencies or private organizations to detect nonresidency of SSI recipients. GAO recognizes that the SSI program is complex to administer, and residency requirements are particularly difficult to enforce because they can necessitate time-consuming, labor-intensive verification checks, such as home visits. However, SSA has not employed a systematic, comprehensive approach to this problem that would allow the agency to use its available systems and procedures more efficiently and reduce the program’s exposure to additional violations.

Top 15 Counties for SSI Residency Overpayments (1997-2001)

