



United States
General Accounting Office
Washington, D.C. 20548

Health, Education and Human Services Division

B-271255

March 5, 1996

The Honorable Blanche Lambert Lincoln
House of Representatives

Dear Mrs. Lambert Lincoln:

The number of children receiving Supplemental Security Income (SSI) benefits has more than tripled in the last 6 years, from 300,000 to more than 900,000, and benefit payments now exceed \$4 billion annually. The SSI program provides cash benefits to disabled children who live in families with low incomes and limited resources. As the number of children receiving SSI benefits has increased, particularly among children with mental impairments, the Social Security Administration (SSA) has received allegations that parents are coaching their children to fake mental impairments by misbehaving or doing poorly in school so that they can qualify for SSI. These benefits can amount to more than \$5,600 per year for each disabled child.

During a briefing with your staff on February 8, 1996, you asked us to provide you with information on two SSA initiatives to identify and process reports of parents coaching their children in order to qualify for SSI. We reviewed the documentation on all cases identified by these initiatives from their inception through July 1995.¹ For each initiative, we documented the total number of cases and how many of these had resulted in awards, as well as their geographic distribution, the nature of the allegation, and the action taken by SSA. We performed our work from August 1995 through February 1996 in accordance with generally accepted government auditing standards.

¹According to SSA, the number of allegations received has declined since July, and updating this information would not raise significantly different issues.

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B-271255

In the first initiative, begun in June 1994, SSA asked its state disability determination services (DDS)² to identify cases in which coaching was suspected or alleged. Before the DDS decision to award or deny benefits was implemented, SSA quality reviewers and medical staff, particularly psychologists or psychiatrists, reviewed each of these cases to determine whether the DDS' decision was appropriate. The quality reviewer returned to the DDS those cases for which he or she disagreed with the DDS' decision or found that additional evidence was needed. Enclosure 1 describes the results of the DDS initiative.

In the second initiative, begun in September 1994, SSA opened an existing 800 telephone number in each SSA region to teachers and other school personnel to report specific instances of coaching or other such abuses. This hotline initiative also reviewed allegations about children that had been received by SSA field offices and teleservice centers. The quality reviewer and medical staff only reviewed cases in which children had been awarded benefits. For these cases, the quality reviewer recommended whether benefits should continue or whether further action was needed. Further action could include performing a continuing disability review (CDR) to establish current eligibility for benefits or reopening the initial decision when the evidence indicated it should be reversed. Enclosure 2 describes the results of the hotline initiative.

Both of these initiatives identified few cases of suspected coaching and very few of the children involved received SSI benefits. Also, almost all the cases involved children living in states in SSA's Atlanta, Chicago, and Dallas regions. The DDS initiative identified 1,232 cases in which coaching was suspected or alleged.³ Only 77 of these cases resulted in awards. Most cases were included because the child's performance during psychological tests or on a comprehensive examination raised questions about the child's impairment. The quality reviewers returned very few cases to the DDSs for additional evidence or for reversal of a DDS' decision to award or deny benefits.

²DDSs are state agencies funded and overseen by SSA which determine applicants' medical eligibility for SSI disability benefits.

³According to SSA, approximately 460,000 childhood cases were processed during this time.

B-271255

The hotline initiative received allegations about 232 children.⁴ Of these, 119 were receiving benefits. Most cases involved allegations that the child had been coached on how to qualify for SSI benefits or that the child was not disabled. SSA recommended continuing disability reviews or reopening the initial award decision on 83 of the 119 children receiving benefits.

As you requested, we also obtained information from SSA's computerized records to document what percentage of coaching cases involved children with mental impairments and what percentage of the awards had been based on individualized functional assessments. We were able to identify this information for 1,202 of the 1,232 DDS cases and 200 of the 232 hotline cases. Of these, we found that 76 percent of the DDS and hotline cases involved children with mental impairments and 60 percent of the DDS awards and 43 percent of the hotline awards had been based on individualized functional assessments.

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We discussed a draft of this letter with SSA officials responsible for these initiatives. In general, they agreed with its content; they made some technical comments, which we have incorporated where appropriate.

If you have any questions about the information we have presented, please contact me on (202) 512-7215. Other major contributors are Cynthia Bascetta, Ellen Habenicht, Susan Higgins, Cynthia Scott, and Cheri White.

Sincerely yours,



Jane L. Ross
Director, Income Security Issues

Enclosures - 2

⁴By June 1995, more than 940,000 children were receiving SSI disability benefits.

DDS INITIATIVE

Table 1: Number of Coaching Cases Identified by SSA Region and State, June 1994 Through August 1995

SSA region (total cases)	State	No. of cases	SSA region (total cases)	State	No. of cases
Boston (4)	Connecticut	0	Dallas (526)	Arkansas	49
	Maine	0		Louisiana	405
	Massachusetts	4		New Mexico	3
	New Hampshire	0		Oklahoma	35
	Rhode Island	0		Texas	34
	Vermont	0		Kansas City (25)	Iowa
New York (11)	New Jersey	6	Kansas		9
	New York	5	Missouri		10
Philadelphia (52)	Delaware	3	Nebraska		2
	Washington, D.C.	0	Denver (4)	Colorado	1
	Maryland	0		Montana	1
	Pennsylvania	31		North Dakota	0
	Virginia	15		South Dakota	0
	West Virginia	3		Utah	1
Atlanta (295)	Alabama	13		Wyoming	1
	Florida	58	San Francisco (27)	Arizona	1
	Georgia	12		California	26
	Kentucky	8		Hawaii	0
	Mississippi	171		Nevada	0
	North Carolina	1		Seattle (5)	Alaska
	South Carolina	22	Idaho		1
	Tennessee	10	Oregon		1
Chicago (390)	Illinois	166	Washington	3	
	Indiana	8	National total	1,339 ^a	
	Michigan	60			
	Minnesota	17			
	Ohio	88			
	Wisconsin	51			

^aTotal reflects the number of DDS coaching cases through August 1995. Our review was limited to the 1,232 cases identified through July 1995.

Table 2: Number of Coaching Cases Identified by State DDSs, June 1994 Through July 1995

Benefit status^a	Number of cases
Awards	77
Denials	1,100
Unknown	55
Total	1,232

^aBenefit status reflects the result of SSA's quality reviewers' decision to award or deny benefits in cases in which coaching was suspected or alleged.

Table 3: Reason Coaching Was Suspected or Alleged in Cases Identified by State DDSs, June 1994 Through July 1995

Reason	Number of cases			
	Awards	Denials	Unknown	Total^a
Child's performance during standardized psychological test or on comprehensive exam raised questions	61	906	41	1,008
Inconsistency between standardized test results and either school achievement or reported behavior	13	356	18	387
Child's performance at home or school raised questions	8	127	10	145
Other	7	73	1	81

^aReasons do not equal the total number of coaching cases identified by the DDSs (1,232) because more than one reason was given on 373 cases.

Table 4: Action Taken by SSA Quality Reviewers on Coaching Cases Identified by State DDSs From June 1994 Through July 1995

Action taken	Number of cases
Upheld awards: No additional development by DDSs Additional development by DDSs	62 0
Reversed awards	18
Upheld denials: No additional development by DDSs Additional development by DDSs	1,055 27
Reversed denials	15
Total	1,177^a

^aFor 2 cases, the initial DDS decision was not identified; for 15 DDS award decisions and 38 DDS denial decisions, the quality reviewer's final decision was not identified.

HOTLINE INITIATIVETable 1: Number of Phone Calls From Each SSA Region and State to SSI Children's Hotline, September 1994 Through July 1995

SSA region (total cases)	State	No. of cases	SSA region (total cases)	State	No. of cases
Boston (7)	Connecticut	0	Dallas (18)	Arkansas	6
	Maine	2		Louisiana	8
	Massachusetts	4		New Mexico	1
	New Hampshire	1		Oklahoma	2
	Rhode Island	0		Texas	1
	Vermont	0	Kansas City (10)	Iowa	1
New York (4)	New Jersey	1		Kansas	1
	New York	3		Missouri	6
Philadelphia (13)	Delaware	0	Nebraska	2	
	Washington, D.C.	0	Denver (1)	Colorado	0
	Maryland	1		Montana	1
	Pennsylvania	7		North Dakota	0
	Virginia	3		South Dakota	0
	West Virginia	2		Utah	0
Atlanta (64)	Alabama	15	Wyoming	0	
	Florida	2	San Francisco (6)	Arizona	0
	Georgia	12		California	6
	Kentucky	5		Hawaii	0
	Mississippi	3		Nevada	0
	North Carolina	4		Seattle (2)	Alaska
	South Carolina	2	Idaho		0
	Tennessee	21	Oregon		0
Chicago (41)	Illinois	8	Washington	2	
	Indiana	1	National total	166 ^a	
	Michigan	7			
	Minnesota	3			
	Ohio	9			
	Wisconsin	13			

^aFor 2 additional calls, the SSA region and state are unknown.

Table 2: Number of Children Identified by SSA's Hotline Initiative From September 1994 Through July 1995

Benefit status at time of review	Number of children
Allowed	119
Denied	72
Initial decision or appeal pending	21
No claim or unknown social security number	20
Total	232

Table 3: Nature of Allegations Received About Children by SSA's Hotline Initiative From September 1994 Through July 1995

Nature of allegation	Number of cases				Total ^b
	Allowed	Denied	Initial decision or appeal pending	No claim/no SSN ^a	
Child was coached on how to qualify for SSI benefits	54	35	10	5	104
Child is not disabled	34	19	10	13	76
Child's medical condition improved	6	1	2	0	9
Parent not cooperating with school/child frequently absent	8	6	3	3	20
Teacher asked/threatened to make child appear disabled	0	6	2	0	8
Medication/treatment withheld from child	14	4	2	0	20
Unnecessary medicine given to child	4	1	1	0	6
False allegations/altered evidence/fraud	29	14	2	0	45
Child abuse	4	3	2	0	9
Misuse of SSI benefits	25	3	1	1	30
Other	7	7	4	2	20

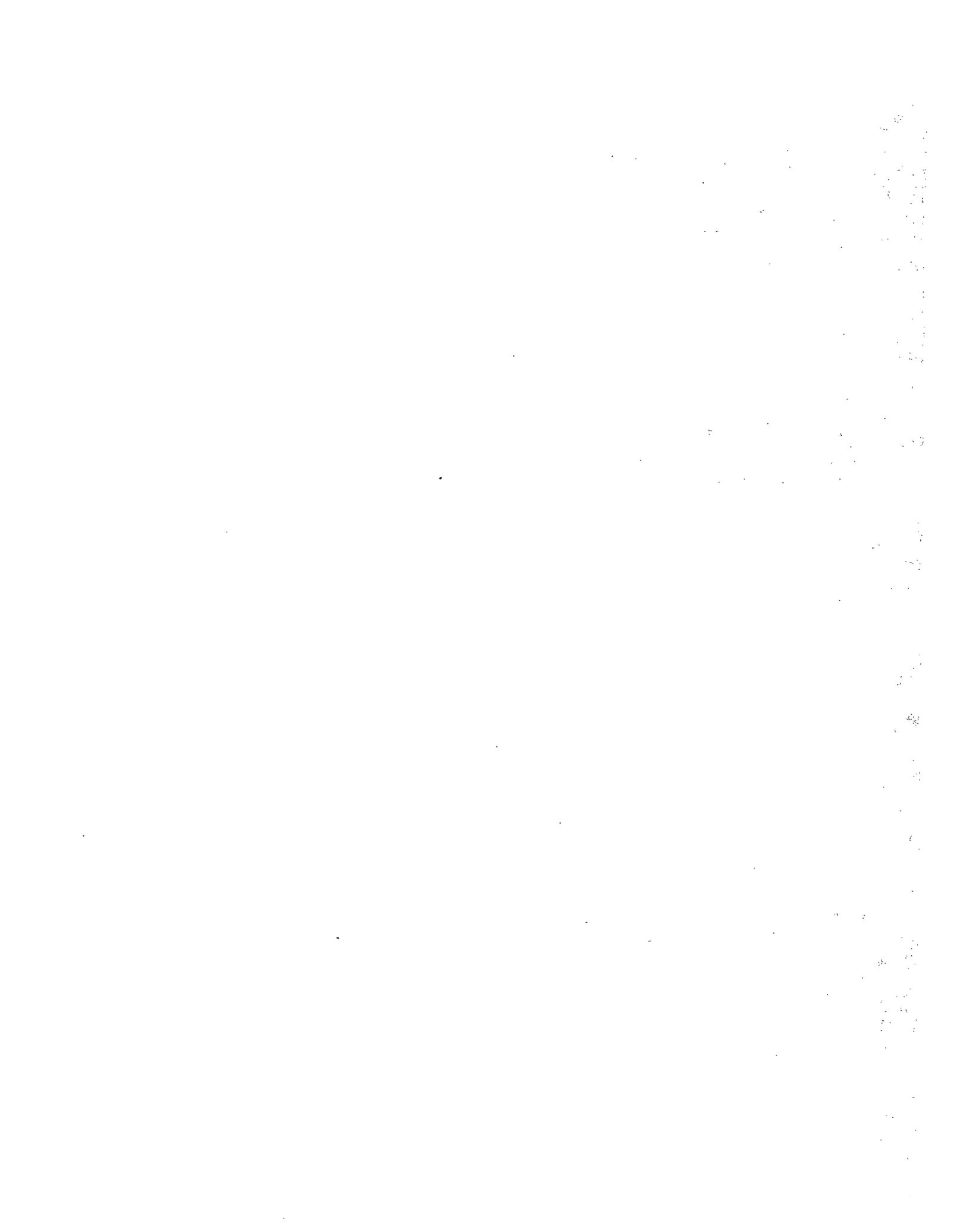
^aSocial security number.

^bAllegations do not equal the total number of children (232) because more than one allegation was received on 72 children.

Table 4: Recommended Action and Results as of July 1995 on Hotline Cases in Which Children Had Been Awarded Benefits

Recommended action/results	Number of cases
Reopen initial award decision or perform continuing disability review (CDR): Initial award reversed--6 Benefits terminated after CDR--13 Benefits continued after CDR--5 Status unknown--59	83
Continue benefits--no CDR	21
No recommendation--case still being reviewed	14
No recommendation--file could not be found	1
Total	119

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