REPORT BY THE U.S.

General Accounting Office

Flaws In Controls Over The Supplemental Security Income Computerized System Cause Millions In Erroneous Payments

The Social Security Administration uses a highly complex computerized system to compute benefit payments for more than 4 million needy aged, blind, and disabled persons currently on the Supplemental Security Income program.

Over $25 million has been paid out erroneously because of weaknesses in the system's internal controls.

This report discusses the adequacy and effectiveness of the system and contains recommendations to the Secretary of HEW to correct these weaknesses.

HRD-79-104
AUGUST 9, 1979

UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

B-164031(4)

The Honorable Patricia Roberts Harris
The Secretary of Health, Education, and Welfare

AGC00022

Dear Mrs. Harris:

This report discusses the adequacy and effectiveness of the computerized system of the Social Security Administration's Supplemental Security Income program. It contains recommendations to improve the automated internal controls and to ensure that correct benefit payments are made to recipients.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Chairmen of the four above-mentioned Committees; the Senate Committee on Finance; the House Committee on Ways and Means and its Subcommittee on Public Assistance and Unemployment Compensation; and the Senate Appropriations Subcommittee on Labor and Health, Education, and Welfare. Copies are also being sent to the Director, Office of Management and Budget.

We appreciate the cooperation and assistance given by Social Security personnel and would like to be periodically informed of the progress made to implement our recommendations.

Sincerely yours,

Gregory J. Ahart
Director

GENERAL ACCOUNTING OFFICE
REPORT TO THE SECRETARY OF
HEALTH, EDUCATION, AND WELFARE

FLAWS IN CONTROLS OVER THE SUPPLEMENTAL SECURITY INCOME COMPUTERIZED SYSTEM CAUSE MILLIONS IN ERRONEOUS PAYMENTS

D I G E S T

Internal control weaknesses over the Social Security Administration's computer system have resulted in over $25 million in erroneous benefit payments to Supplemental Security Income recipients.

Administration of the Supplemental Security Income program depends on a highly complex computerized system. This system is the mechanism by which the Social Security Administration personnel control and maintain the benefit payment process. Field office personnel use a vast telecommunications network to access the computer systems and computerized data bases maintained at Social Security headquarters in Baltimore, Maryland.

Currently, over 4 million persons receive Supplemental Security Income benefits that are automatically computed based on the information housed in the computerized system's automated records. Since recipient information can change monthly, it must be closely controlled to make sure that correct benefit payment amounts are made.

This report discusses the effectiveness of the computerized system's controls over the exception process (see p. 7), data exchange process (see p. 14), and forced payment process (see p. 24)--all of which can affect a recipient's benefit payment amount.

To help assure that all Supplemental Security Income claims and posteligibility events are accurately entered and correctly posted to the computerized system's automated data base, the Social Security Administration designed an automated exception control process. But the process does not always work, and inaccurate beneficiary data can be entered and

used to compute benefit payment amounts. (See p. 8.)

In addition, instructions are inconsistent concerning the appropriate actions needed to correct inaccurate beneficiary data, thus causing confusion at field offices. (See p. 10.)

In turn, field office personnel can override many of the computerized system's controls, thus allowing incorrect, incomplete, and erroneous data to be entered into and processed by the computer. (See p. 11.)

The Social Security Administration also developed an automated data exchange between the Supplemental Security Income and the Retirement, Survivors, and Disability Insurance computerized systems. This exchange is used to communicate awards and changes in Retirement, Survivors, and Disability Insurance benefits which can affect Supplemental Security Income benefit payment amounts.

Based on recipient records existing as of September 1978, GAO estimates that about $20 million in erroneous payments have occurred in the Supplemental Security Income program because of inadequate controls in the automated data exchange with the Retirement, Survivors, and Disability Insurance computerized system. (See p. 4 for a description of the erroneous payment calculation methodology.)

Specifically, these erroneous payments occur because:

--Verification of personal identifying information can be overridden by field office personnel or bypassed automatically by the computer system if not performed in a timely manner ($6.4 million erroneous payments). (See p. 17.)

--A complete history of Retirement, Survivors, and Disability Insurance benefit payments is not exchanged; thus, Supplemental Security Income benefit payment amount accuracy

depends on manual verification of previous Retirement, Survivors, and Disability Insurance payments by field office personnel ($6.3 million erroneous payments). (See p. 18.)

--Complete Retirement, Survivors, and Disability Insurance information is not always exchanged on claimants who concurrently file for both Supplemental Security Income and Retirement, Survivors, and Disability Insurance benefits ($7.2 million erroneous payments). (See p. 19.)

Because of certain limitations of the system, field office personnel must manually calculate benefit payment amounts when various types of transactions occur. While the computerized system is forced to pay these manually calculated benefit payment amounts, the system's automated interface and computational controls are bypassed.

Based on recipient records as of September 1978, GAO estimates that over $5.4 million of erroneous payments have occurred because this forced payment process has not been adequately controlled. (See p. 4 for a description of the erroneous payment calculation methodology.) (See p. 26.)

RECOMMENDATIONS

The Secretary of the Department of Health, Education, and Welfare should direct the Commissioner of the Social Security Administration to improve the controls over the Supplemental Security Income program's computerized system by:

--Correcting deficient exception controls in the system, especially for such items as income and resources, which directly affect program eligibility and benefit payment amounts.

--Improving the documentation of the system's exception control process at the field office level and maintaining up-to-date consistency between actual programed exceptions and support documentation.

--Restricting the system override capability to supervisory personnel who have the appropriate authority to make these override decisions and to enter them into the computer system.

--Removing the data exchange override capability and the "default on verification" provision from the computerized system.

--Modifying the Retirement, Survivors, and Disability Insurance computer system to provide a complete payment history to the Supplemental Security Income computerized system.

--Determining why field office personnel do not enter all eligibility decisions into the Retirement, Survivors, and Disability Insurance computer system and taking appropriate corrective action to ensure that these data are exchanged with the Supplemental Security Income computerized system.

--Modifying the Supplemental Security Income computerized system to properly post Retirement, Survivors, and Disability Insurance eligibility decisions to all appropriate data segments in the computerized master record.

--Exchanging additional data elements, such as recipient address and household composition, to reduce the potential for erroneous payments and program fraud and abuse.

--Removing, where applicable, the system limitations that necessitate the manual calculation and control of forced payment cases.

--Establishing more controls over forced payment cases, assuring that all post-eligibility events affecting these cases are processed in a timely manner, and that these cases are returned to regular payment status as soon as possible.

--Reviewing existing forced payment cases to (1) identify the reason(s) for the forced payment, (2) verify the accuracy of all payments made, and (3) return cases not required to be forced paid to regular payment status as soon as possible.

Contents

ABBREVIATIONS

CAN	Claimant Account Number
GAO	General Accounting Office
RSDI	Retirement, Survivors, and Disability Insurance
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security Number

CHAPTER 1

INTRODUCTION

The Supplemental Security Income (SSI) program was established by title III of the Social Security Amendments of 1972 (42 U.S.C. (Supp. V, 1975)) to provide cash assistance to needy aged, blind, and disabled persons. This program, effective January 1, 1974, replaced State-administered programs of Old-Age Assistance, Aid to the Blind, and Aid to the Permanently and Totally Disabled. It provides minimum income to persons based on nationally uniform eligibility requirements and benefit criteria.

The SSI program is administered at Social Security Administration (SSA) headquarters in Baltimore, Maryland; 10 regional offices; and over 1,300 field offices throughout the Nation. The program currently provides a basic monthly Federal benefit of $208.20 for an eligible individual and $312.30 for an eligible couple. States can supplement the Federal benefit, and they have the option of either administering supplementary payments themselves or contracting for Federal administration. Over $22.2 billion in Federal funds from general revenues and $6.9 billion of federally administered State supplemental funds have been paid to SSI beneficiaries in the first 5 years of the program. Currently, over 4 million persons receive SSI benefits.

Because SSI benefit payment amounts depend on information maintained in the computer system's automated records, automated controls are needed to assure the accuracy and completeness of data entered into the computerized system and of subsequent processing.

This report discusses the adequacy and effectiveness of the controls in the computerized system for assuring the accuracy of information entered into the system and the correctness of benefit payment amounts.

SSI PROGRAM COMPLEXITY AND DEPENDENCY ON THE COMPUTER

Implementing the SSI program required the conversion of manual and automated information for over 3 million needy aged, blind, and disabled individuals from 1,350 State and local jurisdictions having separate eligibility criteria, information networks, and accounting systems. This information was arranged in various formats, which SSA had to consolidate into a single automated record format and data base

within a relatively short period of time, before program implementation. In many cases, critical information such as eligibility data was incomplete or missing.

Additionally, within 6 months of the start of the program, legislation was passed requiring States to supplement the Federal benefit so that no recipient would receive less under SSI than under the State program in December 1973. Two significant legislative changes were made 1 day before the SSI program became effective. One change increased the amount of SSI benefits payable during the year. The other changed the "grandfathering" of State recipients of disability assistance so that individuals had to be on the State rolls in a month before July 1973. This provision was added to prevent placement of ineligible persons on the State rolls at the last minute. These legislative changes significantly affected the overall planning and implementation for the SSI computerized system before its implementation.

Several characteristics of this unique joint Federal-State program necessitated extensive computer systems support:

--Millions of recipients on existing State and local benefit rolls had to be transferred to a Federal program.

--The Federal system had to administer supplemental State payments for participating States.

--The program had to monitor and record frequent changes in the status of recipients, especially changes in the primary eligibility criteria of income and resources.

--A system had to be designed to process claims and provide a system of records.

--States had to use SSI data in establishing eligibility for other programs, such as Medicaid. (See app. III.)

SSA developed three computer processing functions that provided the major components for the SSI program:

1. A major computerized processing system was developed for field office personnel to use in controlling and maintaining benefit and payment information.

2. A telecommunications network was developed to give field offices access to the computerized system in order to reduce processing time of SSI claims and to provide an immediate response to record inquiries. (See app. I for a map of the telecommunications network.)

3. A State data exchange system was developed as a means of informing States of the eligibility and payment status of SSI recipients.

Even now, more than 5 years after its implementation, the SSI program is still very complex--providing a minimum income to eligible individuals, based on other income received, resources owned, and living arrangements maintained. These conditions can change monthly; they must be closely monitored, accurately entered into the SSI computerized system, and accurately processed to make sure that individual master records are properly updated and that correct eligibility determinations and benefit payments are made. The benefit computation is further complicated by the various State supplementation plans administered by SSA.

SCOPE OF REVIEW

Our review included a detailed examination of the SSI computerized system and its support to system users in SSA's field offices. We evaluated the flow of recipient and other information--both manual and automated--through the entire system, including the processes of initial application, changes to situations or benefit status, computation of benefit amounts, issuance of notices, and management reports to SSA's field offices.

To evaluate the adequacy and effectiveness of internal controls and the accuracy and performance of data processed through the SSI computerized system, we established, with the assistance of SSA personnel, an integrated test facility (see app. III) within the SSI computerized system. This test facility enabled us to process various eligibility, payment, and other test transactions simultaneously with transmissions being processed by the field offices, during normal production processing. In addition, we evaluated the effectiveness of the SSI system's interfaces with two other SSA automated systems--Retirement, Survivors, and Disability Insurance (RSDI) and Earnings. We were able to develop, enter, and analyze almost 5,000 test transactions processed through the computerized system.

We designed transactions to test the adequacy and effectiveness of established automated controls and to identify where automated controls were needed. In addition, we developed valid test transactions to make sure that the computerized system accurately processes valid data. Between April 1977 and September 1978, test transactions were entered through the telecommunications network from 28 SSA field office and State disability determination office (see app. III) locations, and processed at the central computer facility in Baltimore. Results were then compared to computer program specifications and the field office procedures manual to determine whether the expected results were achieved.

Test facility output, with the exception of online (see app. III) messages at the 28 field offices, was received and monitored at a telecommunications terminal, in Baltimore, for over a year. This terminal allowed us to monitor the system's normal operation and experience the everyday operational problems encountered by SSA field offices.

The statistical basis for our estimates of erroneous payments was a 1-percent random sample of 39,075 active records from the SSI master file of almost 4 million active SSI records. The estimates, which were calculated based on errors found in recipient records existing as of September 1978, have a statistical reliability at the 95-percent confidence level. Some of these erroneous payments go back to January 1974, when the SSI program began, and many will continue if corrective action is not taken. The estimates are not to be considered all inclusive, since cases with similar characteristics could have been corrected before our sample.

We did not verify the accuracy of the data obtained from the RSDI or Earnings systems because our review was limited to assessing the SSI computer system.

We made our review at the SSA headquarters in Baltimore, SSA field offices, and selected State disability determination offices. (See app. II.)

CHAPTER 2

MORE EFFECTIVE AUTOMATED CONTROLS ARE NEEDED TO ASSURE THE ACCURACY OF INFORMATION MAINTAINED ON SSI RECIPIENTS

Although SSA has designed automated controls to help assure that all SSI claims and posteligibility events are accurately entered and processed in the system, inaccurate beneficiary data can still be entered and used for SSI benefit payment calculations. Many system controls did not exist or did not function properly, and discrepancies were found between computer program exception control (see app. III) specifications and the field office procedures manual. Furthermore, field office personnel can override many of the system's controls, thereby diminishing their effectiveness and reducing the assurance that benefit payment amounts are accurately computed and paid only to eligible recipients. The accuracy of beneficiary information maintained in the SSI computerized system can be improved by having more effective automated controls that are properly implemented and documented and by controlling the number of system overrides available to field office personnel.

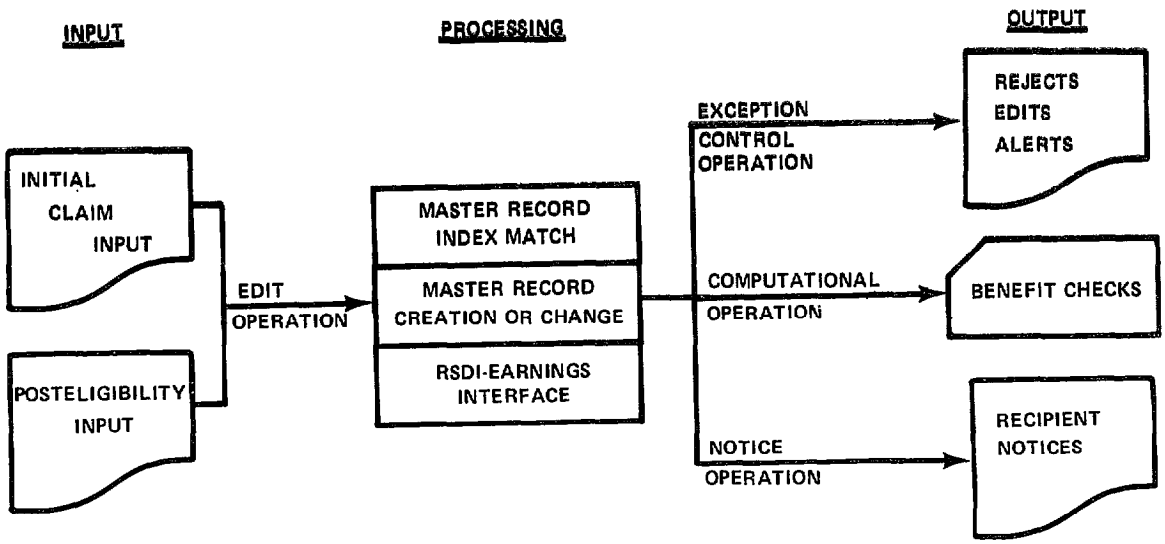
SSI SYSTEMS PROCESSING

The SSI computerized system is designed to help field office personnel administer the SSI program. The system performs the automated operations of recordkeeping, computation and payment of benefits, and claimant notification of denial, allowance, or changes in benefits.

Information is obtained from SSI claimants through an initial interview, followup interviews, and such other sources as SSA's RSDI and Earnings computer systems. The information obtained from the claimant is coded onto input documents and entered into the computerized system through the telecommunications network. (See app. III.) System output is transmitted through the same telecommunications network back to the field offices. Selected data from the RSDI and Earnings systems are automatically interfaced with the SSI system at the central computer facility in Baltimore.

The following diagram illustrates the general flow of SSI data from input to output and the basic control points and operations that we evaluated.

SSI SYSTEM FLOW



The data entry process

Primarily, two preformatted input documents are used to help provide consistent data entry. The SSI Data Input and Determination Form (SSA-450S) is used for initial benefit claim input transmitted by field offices for directly establishing an SSI computer master record. The SSI Posteligibility Data Input Form (SSA-1719B) is used to update an established record when changes are reported.

Data input is screened by the computerized system for incorrect, incomplete, or inconsistent entries. Any entry that fails these data editing routines will generate an exception message. Data entry editing can be accomplished through either online or offline routines. (See app. III.) Online editing provides an immediate data exception message response to field office personnel through their telecommunications terminal. Offline data entry is not edited immediately, but is held until a regular run of the system is made, usually every other day. Thus, at least 1 day passes after a transaction is entered into the system before an exception message can be sent to the originating field office. Data entered and passing the online routine will also be edited offline.

Data entry exception control process

Data entry editing is performed at four levels during initial claim exception control processing. Surface exceptions (see app. III) are created when data are not formatted properly, required data are not present, data are invalid, or extraneous data are entered. If the data fields pass the surface exception routine, the data are placed in master record format, and Social Security Numbers (SSNs) and Claimant Account Numbers (CANs) are checked to see if they already exist on the SSI file index. Once the duplicate number check has been done, the record is established on the SSI computer master file, and relationship editing (see app. III) is done. Relationship editing is done to compare the compatibility of data between two or more related data fields and to identify discrepancies, conflicts, or inconsistencies. The fourth level of exception control is interface exception editing, whereby data are screened against RSDI and Earnings computer master records. The information from these records is used to verify identifying information, such as SSN, name, and date of birth; to verify the presence or absence of income; and to establish future interface capability, such as communicating awards or changes of RSDI payment amounts or reporting earnings amounts for employed SSI recipients.

Posteligibility input goes through similar levels of editing during its processing; however, relationship editing matches data between data fields on the posteligibility transaction with that on the SSI computer master record, as well as between data fields on the transaction. SSNs and CANs are matched against the SSI master record index to be sure the record exists, and interfaces are conducted with the RSDI and Earnings systems when posteligibility changes affect personal identifying data or RSDI amounts.

The SSI system generates three types of exception messages:

--Rejects - the most serious of the exception messages; the entire transmission is rejected and must be resubmitted.

--Edits - serious enough to prevent payment, but not serious enough to prevent the establishment of a record on the SSI system.

--Alerts - not serious enough to prevent payment; corrective input is not required, but should be made to assure accuracy and completeness of information on the SSI system.

Initial claim exceptions can be rejects, edits, or alerts; posteligibility exceptions can be either rejects or alerts; and interface exceptions can be either edits or alerts.

System overrides are available to field office personnel for bypassing many exception and processing controls, such as initial claim edits, interface edits, and automated computation of benefit payments.

NEED FOR MORE EFFECTIVE EXCEPTION CONTROLS

To evaluate the adequacy and effectiveness of the SSI exception control process, 1,555 initial claim and 3,288 posteligibility test transactions, containing valid and invalid data, were processed through the integrated test facility. Based on these test transactions, over 25 percent of the SSI system exception controls did not function properly. Specifically:

--138 (27 percent) of the 511 initial claim exception conditions for 57 data fields tested did not work correctly; 45 (79 percent) of the 57 data fields had at least one error.

--152 (25 percent) of the 607 posteligibility exception conditions for 63 data fields tested did not work correctly; 50 (79 percent) of the 63 data fields had at least one error.

--17 (53 percent) of the 32 interface exception conditions, resulting from initial claim and posteligibilty transactions, tested did not work correctly.

The following table further categorizes the errors:

Error Categories of Exceptions

Error category	Percent total errors: Initial claim	Post-eligibility	Interface
No exception message received	29	40	12
Incorrect exception message received	38	35	59
Undocumented exception message received	0	12	0
Documentation discrepancies between field office procedures manual and computer program specifications	12	13	29
Same correct exception message not received online and offline	21	(a)	(b)
	100	100	100

a/Online posteligibility edit routines were not fully operational at the time of our testing.

b/Not applicable.

Because of the weaknesses in automated controls, inaccurate data can be entered into the SSI computerized system without being identified by an exception message and later used to calculate erroneous benefit payment amounts. Our test transactions enabled us to

--post invalid RSDI beneficiary identification codes;

--post invalid RSDI benefit payment amounts;

--post name changes without verification by the RSDI and Earnings systems;

--post RSDI benefit payment amounts for invalid time periods;

--post a resource that exceeded the resource limitation (see app. III), deny benefit payments for one quarter, and continue eligibility even though the resource still exceeded the limit;

--dispose of all resources on records without receiving an alert notification for development of potential income received due to disposal; and

--erase automated record audit trails, deleting income history, resource history, and payment status history.

Various discrepancies were found between the computer program exception control specifications and the procedures manual used by field office personnel to process SSI transactions. Upon examining this system documentation in detail, we found specific discrepancies, such as:

--A hold payment status category definition difference between computer program specifications and the field office procedures manual.

--Resource codes that were invalid in the field office procedures manual but valid in computer program specifications.

--Denial codes that were documented incorrectly in both the field office procedures manual and the computer program specifications.

--Some of the exceptions for initial claim data fields were documented as alerts or edits in the computer program specifications but as rejects in the field office procedures manual.

Many field office personnel interviewed during our review said that they had difficulty with the exception control documentation. Furthermore, they believed that the procedures manual was vague, was difficult to understand, and did not always reflect what was programed into the SSI computer system.

More automated controls should be placed over the exception control process to assure that only accurate, complete beneficiary data are entered into the SSI computerized system and used to calculate benefit payment amounts. In addition, documentation should accurately and consistently reflect the exception controls that have been programed into the computer system, and exception criteria, messages, and correction procedures should be designed so that their primary function is to assist field offices in their data entry responsibilities.

NEED FOR GREATER CONTROL OVER SYSTEM OVERRIDES

System overrides are available to field office personnel to bypass data entry exceptions, RSDI and Earnings interface exceptions, and the automated computation process. When these automated control processes are overridden, there is no assurance that the system contains accurate information and that correct benefit payment amounts are being made. This override capability is available to everyone accessing the computerized system. To test the ease and the potential impact of overriding the system controls, we entered test transactions and found that by overriding controls we could, for example:

--Resurrect a deceased case and compute a recurring Federal benefit payment amount of $189.40 per month.

--Change the time frame and unearned and earned income amounts and cause automated determinations of a $6,030.00 overpayment and a $2,959.50 underpayment.

--Change the date for living arrangements greater than 6 months old and cause an automated determination of a $1,894.42 underpayment.

--Change the time frame and amount of income reported by noneligible family members, so that this income is not used to reduce the SSI benefit payment amount, and cause an automated determination of a $1,356.00 underpayment.

--Backdate the SSI application for an aged individual to January 1974 and compute retroactive benefit payments totaling $12,423.70.

--Backdate the current pay status for periods of prior ineligibility and compute retroactive benefit payments totaling $5,502.20.

--Reverse a disability or blindness denial and compute a recurring Federal benefit payment amount of $189.40 per month.

--Clear every RSDI and Earnings interface exception message involving identifying criteria (name, SSN, date of birth, and RSDI benefit payment amounts) and cause the awarding of SSI benefits to a fictitious person, at a recurring Federal benefit payment amount of $189.40 per month.

--Bypass the automated computation process and compute a maximum continuing monthly benefit payment amount of $1,999.98 ($999.99 Federal and $999.99 State).

--Bypass the automated computation process and compute a retroactive benefit payment amount of $9,999.99 on a monthly basis.

Thus, by overriding the system's automated control processes, inaccurate data can be input into the system, causing incorrect payments to be made. More controls are needed over these override capabilities. Their use should be restricted to supervisory personnel with the appropriate authority to make these override decisions and to enter them into the computer system.

CONCLUSIONS

Inaccurate data can be entered into the SSI computer system and used to compute benefit payments. Twenty-five percent of the system's exception controls did not work properly, and 79 percent of all data fields (see app. III) had at least one exception control error. In addition, many discrepancies exist between exception control computer program specifications and the field office procedures manual; this causes confusion at the field office level as to the appropriate action needed to correct erroneous input. Furthermore, the field office personnel can override many of the system's exception controls, thereby allowing incorrect, incomplete, and erroneous data to be entered and processed by the computer, and affecting the accuracy of the benefit payment. We believe the accuracy of data processed in the SSI system can be improved by correcting ineffective exceptions, properly documenting the exception controls, and restricting the system override capability available to field office personnel.

RECOMMENDATIONS

We recommend that the Secretary of Health, Education, and Welfare direct the Commissioner of the Social Security Administration to:

--Correct deficient exception controls in the SSI system, especially for such items as income and resources, which directly affect program eligibility and benefit payment amounts.

--Improve the documentation of the system's exception control process at the field office level and maintain up-to-date consistency between actual programed exceptions and support documentation.

--Restrict the system override capability to supervisory personnel who have the appropriate authority to make these override decisions and to enter them into the computer system.

CHAPTER 3

IMPROVEMENTS NEEDED IN THE SSI/ RSDI AUTOMATED DATA EXCHANGE

Although SSA has established an automated data exchange (see app. III) between the SSI and RSDI computerized systems to communicate awards and changes in RSDI benefits that can affect SSI benefit payment amounts, inaccurate SSI benefit payment amounts can still occur. These erroneous payments occur because discrepancies between the two systems' identifying data can be overridden by field office personnel, a complete history of RSDI benefit payment amounts is not exchanged, and RSDI data are not always exchanged when concurrent SSI and RSDI claims are made. Furthermore, not all available RSDI information is used to prevent potential fraud and abuse of the SSI program. Based on recipient records existing as of September 1978, we estimate that about $20 million of erroneous payments were caused by the SSI/RSDI automated data exchange not being totally effective. These erroneous payments and the potential for fraudulent activities can be reduced if more control is established over system overrides and if certain changes are made to the SSI and RSDI computer systems.

THE AUTOMATED SSI/RSDI DATA EXCHANGE PROCESS

The amount of money that an SSI recipient receives from other sources, such as other Federal programs, is used to determine an individual's initial SSI eligibility and the monthly SSI benefit payment amount. Since over half of the SSI recipients also receive RSDI benefits, SSA established an automated data exchange between the two programs and their related computerized systems. This exchange is designed to

- --verify that the identifying information (name, SSN, date of birth, etc.) for each person on the SSI master record is correct;
- --verify the accuracy of reported RSDI amounts, if present, or verify that the person does not currently receive RSDI payments; and
- --establish an ongoing communication with the RSDI computer system so that changes in benefit amounts and/or entitlement information can be exchanged with the SSI computerized system.

A similar data exchange is also made with SSA's Earnings system, which contains a record for every SSN issued by SSA. This computer record contains personal identifying information as well as information on wages earned and amount of Social Security taxes paid. In addition to verifying identifying information on SSI claimants, this data exchange establishes an ongoing communication with the SSI computerized system so that information on earnings reported for SSI recipients is automatically exchanged and considered when computing SSI benefit payment amounts.

Verification of personal identifying data

After the data fields of an initial claim have passed the first three stages of the exception control process (see p. 7) certain data fields--CAN, name, date of birth, sex, and SSN--are screened against records on the RSDI computer system for every person on the SSI master record. Furthermore, if these data fields are changed by posteligibility events, the screening process is usually done again for the person whose data changed. Certain combinations of these data fields must match those on the RSDI computer master record before RSDI benefit amounts can be verified. If discrepancies exist, data exchange edits and/or alerts, depending on the severity of the discrepancy, will be sent to the originating field office.

Field office personnel can override discrepancies in the personal identifying data between the two computer systems. This override was designed to circumvent the verification process when known discrepancies existed on RSDI and/or Earnings master computer records. Similarly, if for some reason the verification process has not been accomplished within about 45 days and the SSI master record is otherwise error free, a provision was incorporated into the SSI computerized system to have the claim allowed or denied without verification. This "default on verification" (see app. III) can occur only if no reply of any kind has been received.

Verification of RSDI benefit payment amounts

Once a claimant's personal identifying data have been verified, the amount of RSDI benefits being paid, if any, is posted to the SSI computer master record. If the amount which the claimant receives is different from that originally reported, the RSDI computer system's amount will be used in

determining a claimant's eligibility and calculating monthly SSI benefit payment amounts. Field office personnel will also receive an alert stating that the amounts were different and that these differences should be resolved. If the claimant did not report receiving any RSDI benefit but the automated data exchange posted RSDI amounts to the SSI master record, an interface edit will be transmitted to the appropriate field office. This edit must be corrected or overridden before SSI benefit payments can be made.

As currently designed, the SSI/RSDI data exchange can verify only what a person is currently entitled to, not when and what was paid in previous periods. Any period of RSDI benefits before the time of verification reflect benefit amounts that were entered by field office personnel. Furthermore, if RSDI benefits were not reported by the claimant and yet the RSDI computer system acknowledges that they are being paid, the effective date of the RSDI benefits posted to the SSI master record will be the month after the current operating month of verification. For cases in which a claimant concurrently files for SSI and RSDI benefits, the RSDI benefit payment amount will be posted to the SSI master record effective with the current operating month in which RSDI benefits were awarded.

Establishment of ongoing communications between the RSDI and SSI computer systems

Along with verifying personal identifying data and benefit payment amounts, an annotation is made to the RSDI computer master record, instructing the RSDI system to exchange new awards and/or changes in RSDI benefits with the SSI computerized system. With this automatic feature, changes in SSI recipients' RSDI benefit payment amounts can be controlled and posted to the recipient's SSI master record without relying on the recipient to report these posteligibility events to SSA field office personnel.

For claimants not currently receiving RSDI benefits, a "mini" RSDI master record is added to the computer master file. If RSDI benefits are later awarded, this mini record instructs the RSDI system that the claimant is currently receiving SSI benefits and that the RSDI benefit payment should be exchanged with the SSI computerized system so that the recipient's SSI benefit payment amounts can be recalculated. Thus, the ongoing communication feature depends on the proper annotation of existing RSDI master records and/or the creation of a mini RSDI master record.

without verifying personal identifying information with the RSDI computer system. In 200 of these cases, a verification had been made with the Earnings system. For the other 97 cases, neither system--RSDI or Earnings--had verified the personal identifying information; however, we were able to determine the correct identifying data in all but 7 of these cases.

Of the 297 cases which had defaulted on verification, 116 did not have an annotation of SSI involvement placed in the RSDI computer master record. For the other 181 cases

--10 had accurate RSDI benefits posted to the SSI computer master record;

--17 were not referred to secondary RSDI records for the person being verified, and therefore, incomplete RSDI payment data were used for benefit payment amount computations;

--21 had incorrect RSDI payment amounts used for SSI benefit payment computations; and

--133 had a reply from the RSDI computerized system which was lost or not input into the SSI computerized system.

Of the 297 cases that had defaulted on verification of personal identifying data, 37 had erroneous payments. Based on recipient records existing as of September 1978, we project that about $5.2 million of erroneous payments were made because the SSI system allowed payments to be made without verifying personal identifying information and benefit amounts with the RSDI computer system. Also, future overpayments can occur if RSDI benefits are later awarded to the 116 cases that do not have an annotation or mini record established on the RSDI computer master files and if these recipients fail to report these benefits to SSA field office personnel. If personal identifying data and related RSDI benefits were verified before SSI payments were made, erroneous payments could be prevented.

A COMPLETE HISTORY OF RSDI BENEFIT PAYMENT AMOUNTS NEEDS TO BE EXCHANGED WITH THE SSI COMPUTERIZED SYSTEM

As the SSI/RSDI data exchange process is presently designed, only the current RSDI benefits received can be verified. Any periods of RSDI payments made to an SSI recipient

MORE CONTROLS ARE NEEDED OVER THE VERIFICATION OF PERSONAL IDENTIFYING INFORMATION

Based on recipient records existing as of September 1978, we estimate that about $6.4 million of erroneous payents have been made because personal identifying information in the SSI and RSDI systems was not properly verified. Discrepancies identified by the automatic data exchange were either overridden by field office personnel or the verification process was not performed in a timely manner, thus allowing the system to "default on verification" and make erroneous payments.

Uncontrolled system overrides of interface discrepancies cause erroneous payments

In our sample, there were 39 cases to which SSA field office personnel had overridden interface discrepancies. For all 39 cases, we were able to determine the recipient's correct personal identifying data by querying the RSDI system, verifying the number with the Earnings system, or comparing the recipient's SSN with SSA's microfilm records of original SSN applications. In 28 of these cases an annotation or a mini record for ongoing communication had not been made to the RSDI master file. For the other 11 cases, an annotation had been made, but 9 used incorrect RSDI data for SSI benefit payment amount computations, and 2 were not referred to secondary RSDI records for the person being verified. Therefore, incomplete and inaccurate RSDI information was used to calculate the SSI benefit payment amounts.

Of the 39 cases overridden, 10 had erroneous payments. Based on our sample, we project that about $1.2 million of erroneous payments were made because field office personnel used the system override to circumvent interface edit and alerts. Furthermore, in cases where an annotation of an existing record had not been made or a mini record had not been created, future erroneous payments could occur if these SSI recipients are later awarded RSDI benefits and fail to report them.

The SSI system's "default on verification" causes erroneous payments

In our sample, there were 297 cases in which the SSI system "defaulted on verification" and paid SSI benefits

before the month of the verification process must be entered and manually verified by field office personnel with the SSI claimant. Also, if an SSI claimant does not report receiving RSDI benefits at the initial claim interview, but the data exchange discloses that RSDI benefit are being paid, the effective date posted to the SSI computer master record and used for benefit calculation will be the month following the current month of verification. This results because RSDI benefits are paid in the month after the month they were earned.

Based on recipient records existing as of September 1978, we estimate that over $6.3 million of erroneous payments have occurred because a complete history of RSDI benefit payments was not exchanged with the SSI computer system and used to calculate SSI benefit payment amounts.

Erroneous payments occur because a complete history of RSDI payments is not exchanged

Field office personnel manually enter and verify RSDI benefits for cases in which the verification process is performed after the month an SSI computer master record is established. Therefore, we analyzed our sample to determine differences between the date used to post the first RSDI benefit and the date the SSI computer master record was established. In our sample, 413 cases had different dates. In 241 of these cases, RSDI benefits did not actually start until after an SSI computer master record was established and correct SSI benefits payment amounts were made. However, the wrong RSDI payment date and related benefit amounts had been used for calculating SSI benefits in the other 172 cases.

Of these 172 cases, 154 resulted in overpayments and 18 in underpayments. Based on our sample, we estimate that $6.1 million of overpayments and $.2 million of underpayments occurred because a complete history of RSDI benefit payments was not entered, verified, and used for calculating SSI eligibility and benefit payment amounts. If a complete history of RSDI benefits was exchanged, erroneous payments could be prevented.

ALL CONCURRENT RSDI AND SSI CLAIM DATA NEED TO BE EXCHANGED

Based on recipient records existing as of September 1978, we estimate that over $7.2 million of erroneous SSI

payments were made because claimants who file concurrent claims for both SSI and RSDI benefits did not have their RSDI benefit amounts exchanged with the SSI computerized system. Although new awards of RSDI benefits are supposed to be forwarded to the SSI computer system for every person receiving SSI benefits, this is not always done.

The concurrent claim process

Many claimants file for both RSDI and SSI benefits at the same time. In these cases, field office personnel take both claims, annotating in the SSI claim that the claimant has also recently filed for RSDI benefits. Since in most of these cases SSI benefits are awarded before RSDI benefits, a mini record will be established on the RSDI computer master file. When RSDI benefits are awarded or denied, a complete record should be established on the RSDI computer master file, and RSDI data should be exchanged with the SSI computer system. In cases in which RSDI benefits are awarded before SSI benefits, the normal interface process should communicate the decision on the RSDI claim to the SSI computerized system.

RSDI benefit data are not always communicated for concurrent filings

In our sample, 1,440 cases had an annotation of a concurrent SSI/RSDI filing that was over 12 months old. Upon reviewing 144 of these cases in detail, we found that

--20 cases had later been updated correctly;

--62 cases had been denied RSDI benefits, but this denial was never entered into the RSDI computer system and exchanged with the SSI computer system;

--28 cases had the denial exchanged with the SSI computer system, but the denial was not posted to all appropriate data segments of the SSI computer master record;

--13 cases had no record of any RSDI claim being filed;

--8 cases had secondary RSDI claims awarded and posted to the SSI computer master record, but the primary claim was not awarded or referred to the secondary claim;

--5 cases had no ongoing communication annotation;

--2 cases had inaccurate personal identifying data;

--2 cases were still being adjudicated; and

--4 cases had RSDI benefits awarded and paid, but they were not communicated with the SSI computerized system and therefore caused erroneous SSI benefit payment amounts.

Based on our sample of recipient records existing as of September 1978, we project that over $7.2 million of erroneous payments were made because RSDI benefits for concurrent claim cases are not always communicated to the SSI computerized system and used to calculate SSI benefit payment amounts. Furthermore, many cases have had an RSDI benefit denial decision made, but it either was not entered into the RSDI computer system or was not posted correctly to the SSI computer master record. Field office personnel should enter all decisions on RSDI claims, and the SSI computerized system should be modified to properly post these decisions to all data fields affected.

ALL AVAILABLE RSDI DATA SHOULD BE USED TO PREVENT PROGRAM FRAUD AND ABUSE

Although the automated SSI/RSDI data exchange verifies a claimant's personal identifying characteristics and benefit payment amounts, other critical data elements (such as the claimant's address and household composition) that affect both SSI eligibility and benefit payment amounts are not being exchanged. Not interfacing this data can not only result in erroneous payments, but also increase the potential for program fraud and abuse. In analyzing our sample, we identified three cases in which the recipient's SSI check was being sent to a particular State, yet their RSDI check was being sent to Puerto Rico. Title XVI of the Social Security Act states that

> "* * * no individual shall be considered an eligible individual for purposes of this title for any month during all of which such individual is outside the United States * * *"

Thus, erroneous or fraudulent benefits may be paid to these recipients if they are receiving benefits while residing outside the United States for more than 30 days.

The three cases in question have been referred to the Inspector General of the Department of Health, Education, and Welfare for further investigation. Furthermore, we have begun a review to determine the magnitude of SSI payments being made to recipients residing outside the United States. The results of this work will be reported later. The address data element and any other elements relevant to eligibility and payment amount should be used to reduce the potential for program fraud and abuse and to promote more accurate benefit payment amounts.

CONCLUSIONS

About $20 million of erroneous SSI payments have been made because the SSI/RSDI automated data exchange is not totally effective. Specifically, these erroneous payments occur because:

- --Verification of personal identifying information can be overridden by field office personnel or bypassed automatically by the computer system if not performed in a timely manner ($6.4 million erroneous payments).

- --A complete history of RSDI benefit payments is not exchanged; thus, SSI benefit payment amount accuracy depends on manual verification of previous RSDI payments by field office personnel ($6.3 million erroneous payments).

- --Complete RSDI information is not always exchanged on claimants who concurrently file for both SSI and RSDI benefits ($7.2 million erroneous payments).

Furthermore, all RSDI information (such as claimant's address and household composition) is not being used to reduce the potential for program fraud and abuse. Thus, erroneous payments and the potential for fraudulent activities can be reduced if more controls are established over system overrides and if certain changes are made to the SSI and RSDI computer systems.

RECOMMENDATIONS

We recommend that the Secretary of Health, Education, and Welfare direct the Commissioner of the Social Security Administration to:

--Remove the data exchange override capability and the "default on verification" provision from the SSI computerized system.

--Modify the RSDI computer system to provide a complete payment history to the SSI computerized system.

--Determine why field office personnel do not enter all eligibility decisions into the RSDI computer system and take appropriate corrective action to ensure that these data are exchanged with the SSI computerized system.

--Modify the SSI computerized system to properly post RSDI eligibility decisions to all appropriate data segments in the SSI computer master record.

--Exchange additional data elements, such as recipient address and household composition to reduce the potential for erroneous payments and program fraud and abuse.

CHAPTER 4

MORE CONTROLS ARE NEEDED OVER THE FORCED PAYMENT PROCESS

Because the SSI computerized system cannot automatically process certain types of transactions, the system must be forced to pay benefit amounts that have been manually calculated by field office personnel. Furthermore, while the system is being forced to pay these manually calculated amounts, the system's automated interface and computational controls--created to promote the accuracy of benefit payment amounts--are bypassed until the case is returned to regular payment status.

Based on recipient records existing as of September 1978, we estimate that over $5.4 million of erroneous payments have occurred because this forced payment process (see app. III) has not been adequately controlled. Furthermore, over 72 percent of these erroneous payments were made to recipients that did not need to be forced paid. These erroneous payments can be reduced by eliminating many of the SSI computerized system's limitations that necessitate the forced payment process and by exercising more control over cases that are being forced paid.

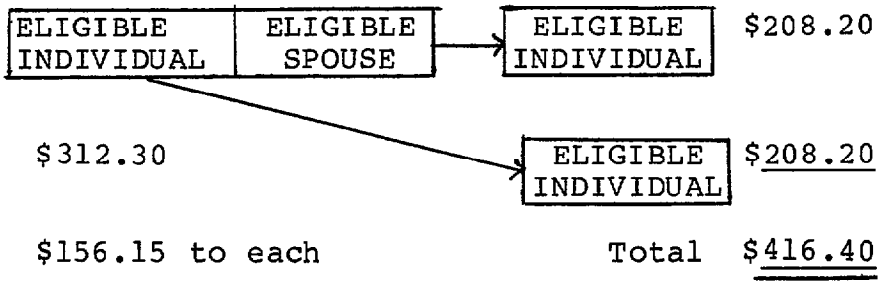
SSI SYSTEM LIMITATIONS

A system limitation is a situation in which the automated system cannot process certain initial claims or posteligibility events. Most of these limitations involve problems with changes in record composition. The record composition, by initial system design, dictated the computer master record structure. The following are the different types of record compositions and computer master record structures:

Record composition	Computer record structure
Eligible individual	EI
Eligible child without parents	EC
Eligible individual with an eligible spouse	EI ES
Eligible individual with an ineligible spouse	EI IS
Eligible individual with an essential person	EI EP
Eligible child with one parent	EC P1
Eligible child with an essential person	EC EP
Eligible individual with an eligible spouse and essential person	EI ES EP
Eligible individual with an ineligible spouse and essential person	EI IS EP
Eligible child with two parents	EC P1 P2

As shown above, the SSI computer master record can maintain information on a maximum of three people at any time. However, the computer system cannot automatically change the composition and record structure when a recipient's circumstances change. For example, if an eligible individual with an eligible spouse (an eligible couple) separate, the SSI computer system cannot automatically change the record composition to two eligible individuals. Instead, the existing couple's record must be forced to pay each recipient as an individual (a higher rate per person than as a member of an eligible couple) until the record can be terminated and two new eligible individual records established.

Example



The automated SSI system can, however, identify certain system limitations' actions as they occur and place a "force flag" on the related SSI master record. This is done when

--a report of death is processed for anyone on the record, and there is a surviving eligible person;

--one member of an eligible couple is in nonpayment status, the other is in regular payment status, and the system cannot automatically compute a benefit payment; or

--the automated system has computed a retroactive underpayment of $10,000 or more.

This force flag does not automatically place the SSI master record into forced payment status. Instead, an alert is issued to the field office in the recipient's geographic area. Field office personnel must then act immediately to manually calculate the correct benefit payment amount and force the automated system to pay it; otherwise, erroneous payments can occur.

Field office personnel must manually control forced payment cases and make sure that all posteligibility events are processed since the SSI automated system cannot automatically process interface and computational posteligibility changes once the record is in forced payment status. For cases in regular payment status, the automated system controls many posteligibility events, such as posting a change in the basic SSI payment amount due to cost-of-living increases or posting a change in RSDI amounts for recipients who are concurrently eligible for SSI and RSDI benefits. To remove a case from forced payment status, field office personnel must again manually terminate the forced payment record and establish a new automated record in regular payment status.

THE EFFECT OF THE FORCED PAYMENT PROCESS ON THE SSI PROGRAM

Based on recipient records existing as of September 1978, we estimate that $5.4 million of erroneous payments have been made because system limitations necessitated that automated controls be bypassed by the forced payment process and manual entries of posteligibility events were not made or not made in a timely manner by field office personnel. Furthermore, over 72 percent of these erroneous payments were made in cases that did not involve system limitations and therefore should not have been forced paid.

In our sample, 36 cases had a force payment flag and 245 cases were in forced payment status. We analyzed these 281 cases to determine

--why the case was in forced payment status,

--how long it had been in forced payment status, and

--whether the manual payments were being made correctly.

The force payment flag cases and the forced payment status cases will be discussed separately below.

Force payment flag cases

All of the 36 force payment flag cases in our sample involved a death transaction processed against a person housed on the SSI master record. Of these cases, 29 involved a death of one member of an eligible couple, 4 involved a death of an ineligible spouse, and 3 involved a death of an eligible child's parent. The average number of months a case had a force payment flag was 6 months, with a range of between 1 month and 16 months. After being alerted by the SSI computerized system that an event has occurred that placed a force payment flag in the case, field office personnel are supposed to act to place the case in forced payment status.

Of the 36 force flag cases, 14 (39 percent) had erroneous payments (4 had overpayments and 10 had underpayments). Based on our sample, we project that about $200,000 of erroneous payments ($44,000 of overpayments and $173,000 of underpayments) have occurred because a posteligibility event placed a force payment flag on the SSI computer master record, but field office personnel did not establish the case in forced payment status in a timely manner or accurately compute a new benefit payment amount.

Forced payment status cases

There were 245 cases in our sample in forced payment status. However, only 141 (58 percent) of these cases involved a specific system limitation requiring forced payment. The table below ranks these forced payment status cases by the number of occurrences of each limitation.

Forced Payment Status Cases Ranked by System Limitation

System limitation (note a)	Number of cases
One member of an eligible couple died	45
An eligible couple split to become two eligible individuals	15
An ineligible spouse becomes eligible	13
An ineligible spouse should be added to an eligible individual's record	13
An eligible spouse should be added to an eligible individual's record	12
One member of an eligible couple is in suspense or nonpay status	12
Record involves multiple essential persons	8
Members of an eligible couple have different living arrangements	6
Eligible child with both parents deeming income	5
Eligible child should be changed to an eligible individual	4
Eligible couples record, one member should be an ineligible spouse	3
Ineligible spouse should be removed from the record	2
Essential person should be changed to an ineligible spouse	2
A parent should be added to an eligible child's record	1
Total	141

a/This list of system limitations represents the types found in our sample; it is not meant to be all inclusive--SSA in fact has identified a number of additional system limitations in the SSI computerized system.

For the other 104 cases, we could not identify a specific system limitation causing the forced payment; however, for many of them, we were able to identify a possible reason for field office personnel placing these cases in forced payment status.

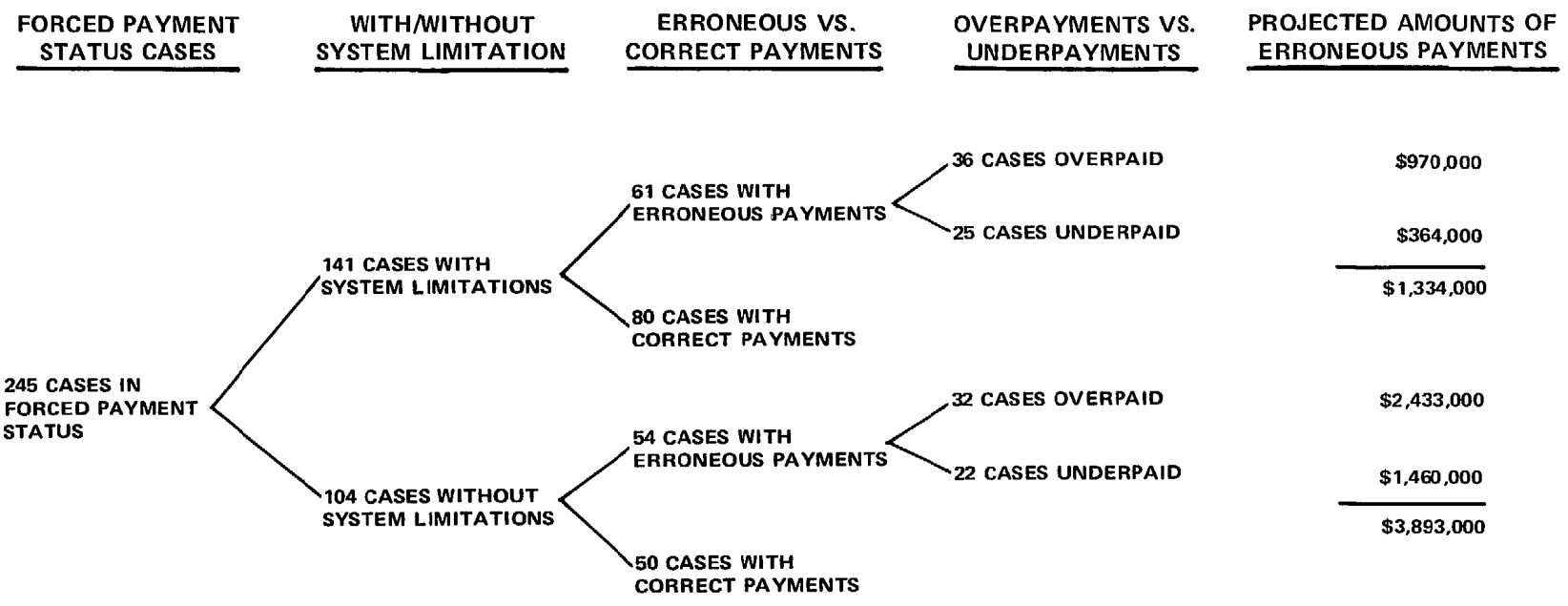
Forced Payment Status Cases Without an Apparent System Limitation

Possible reason	Number of cases
Change in income	28
Change in living arrangements	17
Returned check	13
Deeming of an ineligible person's income	9
Unable to determine	37
Total	104

The average length of time the 245 cases were in forced payment status was 11 months, with a range of between 1 month and 57 months. Except for those cases in which the initial claim must be entered and maintained in forced payment status (such as a case with more than one essential person (see app. III)), under normal SSA procedures most cases should be in forced payment status no longer than 3 months--the beginning of the next benefit computation quarter.

Of the 245 cases in forced payment status, 115 cases (47 percent) had erroneous payments totaling $5.2 million. The diagram on the following page illustrates the breakdown of erroneous payments. These erroneous payments occurred because field office personnel did not process, or did not process in a timely manner, posteligibility events to cases in forced payment status.

ERRONEOUS PAYMENTS DUE TO FORCED PAYMENT



TOTAL CASES WITH ERRONEOUS PAYMENTS	115	TOTAL OVERPAYMENT CASES	68	TOTAL PROJECTED OVERPAYMENTS	$3,403,000
		TOTAL UNDERPAYMENT CASES	47	TOTAL PROJECTED UNDERPAYMENTS	$1,824,000
				TOTAL PROJECTED ERRONEOUS PAYMENTS	$5,227,000

CONCLUSIONS

Because of system limitations that prevent certain initial claim and posteligibility events from being processed automatically by the SSI computer system, field office personnel must manually calculate benefit payment amounts and force the computer system to pay them. Furthermore, placing a case in forced payment status bypasses the automated interface and computational controls that promote accurate benefit payment amounts, and unless field office personnel and management provide effective compensating manual controls over these forced payment cases, erroneous payments can occur.

Based on our sample of recipient records existing as of September 1978, we project that over $5.4 million ($5.2 million from forced payment status cases and $.2 million from force payment flag cases) of erroneous payments have been made because posteligibility events were not processed or not processed in a timely manner while cases were being forced paid. Furthermore, 72 percent ($3.9 million of the $5.4 million) of these erroneous payments were made to cases that did not involve a system limitation and therefore did not need to be manually calculated and force paid.

RECOMMENDATIONS

We recommend that the Secretary of Health, Education, and Welfare direct the Commissioner of the Social Security Administration to:

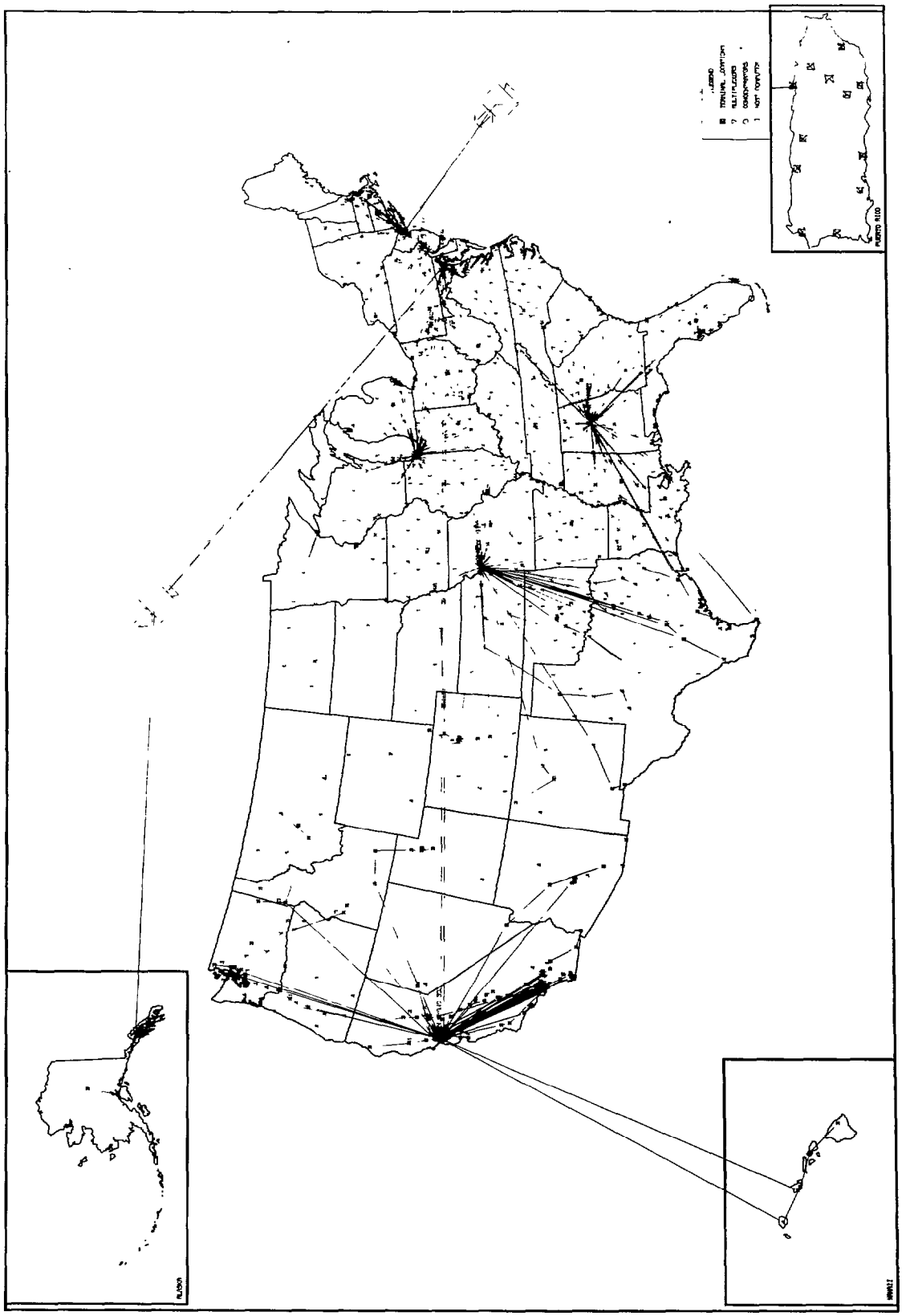
--Remove, where applicable, the system limitations that necessitate the manual calculation and control of forced payment cases.

--Establish more controls over forced payment cases, assuring that all posteligibility events affecting these cases are processed in a timely manner and that these cases are returned to regular payment status as soon as possible.

--Review existing forced payment cases to (1) identify the reason(s) for the forced payment, (2) verify the accuracy of all payments made, and (3) return cases not required to be forced paid to regular payment status as soon as possible.

APPENDIX I

MAP OF THE TELECOMMUNICATIONS NETWORK



SOCIAL SECURITY FIELD OFFICES VISITED

Philadelphia, Pa., Regional Office

Philadelphia, Pa., Mid Atlantic Payment Center

Downtown Philadelphia, Pa., District Office

Broad Street, Philadelphia, Pa., Branch Office

Upper Darby, Pa., Teleservice Center

Great Falls, Mont., District Office

Inner Mission, San Francisco, Calif., Branch Office

Berkeley, Calif., Teleservice Center

Oakland, Calif., State Disability Determination Office

Downtown Los Angeles, Calif., District Office

Los Angeles, Calif., Teleservice Center

Mid-town New York, N.Y., District Office

Jamaica, N.Y., Teleservice Center

Boston, Mass., Teleservice Center

New Bedford, Mass., District Office

Atlanta, Ga., Downtown District Office

Atlanta, Ga., Teleservice Center

Fort Lauderdale, Fla., Teleservice Center

Hollywood, Fla., District Office

Chicago West, Ill., District Office

Chicago, Ill., Teleservice Center

Lawndale, Ill., Branch Office

Denver, Colo., State Disability Determination Office

Denver, Colo., Reconciliation and Analysis Unit

Denver, Colo., Teleservice Center

Denver, Colo., Downtown District Office

Colorado Springs, Colo., District Office

Pittsburgh East, Pa., District Office

Downtown Baltimore, Md., District Office

Laurel, Md., Teleservice Center

Baltimore, Md., State Disability Determination Office

APPENDIX III

GLOSSARY

Data exchange process	The process used by the computerized system to verify data on the SSI system by automatically cross-checking other automated files, such as the RSDI and Earnings files--also referred to as interface.
Data fields	A single piece of information on a form or a record, such as an address, income amount, social security number, name, or date of birth.
Default on verification	The automated mechanism designed into the SSI computerized system which permits the SSI claim to be allowed or denied, after a prescribed time (about 45 days), without having personal identifying data on the SSI master record verified with similar data on the RSDI and Earnings systems master records--provided the SSI record is otherwise error free.
Essential person	Any person who, for the month of December 1973, was a person whose needs were taken into account in determining the need of a qualified individual for aid and assistance. In addition, the essential person must live in the home of the qualified individual and may not be eligible for SSI benefits in his or her own right.
Exception control process	The method by which a notification is sent by the computerized system to the originating office that a reject, edit, or alert, affecting final determination, was detected.

APPENDIX III

Forced payment	Manually calculated, but computer system generated payment of benefit; or computer system carryover of old benefit rate when events prevent current computation of benefit amount.
Integrated test facility	The modification to the SSI computerized system which allowed the entry of test transactions into the system together with regular, live transactions so that test output could be verified for accuracy and completeness and the system's performance could be measured for responsiveness.
Medicaid	A grant-in-aid program under which the Federal Government shares with the States the costs of providing medical assistance to individuals--regardless of age--whose incomes and resources are insufficient to pay for health care.
Offline editing	The mechanism designed into the SSI computerized system which verifies data entered into the system and returns exception messages to the originating office. This form of editing bypasses the online editing mechanism and thus does not immediately return an exception message to the originating office; instead it takes at least 1 day after a transaction is entered into the system before an exception message can be returned to the originating office.

APPENDIX III

Online editing	The mechanism designed into the SSI computerized system which immediately verifies data entered into the system and returns exception messages to the originating office, thereby allowing immediate correction and reentry of data.
Relationship exception editing	The process used to compare the compatibility of data between two or more related data fields and to identify discrepancies, conflicts, or inconsistencies; also used to compare the data fields on a posteligibility transaction with the data fields on the computer master record.
Resource limitation	The requirement that the countable resources--assets other than income, but including both real and personal property--that an individual or family possesses be no greater than $1,500 for an eligible individual or $2,250 for an eligible couple.
State Disability Determination Service	Offices within States that make final disability decisions on SSI program disability claims.
Surface exception editing	The process used to check the data fields on a transaction for proper format, required data, and valid data and to assure that extraneous data are not entered into the system.

APPENDIX III

Telecommunications network	SSA's Data Acquisition and Response System, which establishes a method whereby messages are exchanged between SSA field offices and the central computer facility in Baltimore, Maryland; between terminals in the field offices; and between terminals and stations within other networks, such as the Advanced Record System and the Public Message Service.

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