



Office of the Inspector General  
SOCIAL SECURITY ADMINISTRATION

*Evaluation Report*

Retroactive Benefits Paid to  
Child Beneficiaries

052406 June 2026



# Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

## MEMORANDUM

**Date:** June 24, 2026

**Refer to:** 052406

**To:** Frank Bisignano  
Commissioner

**From:** Michelle L. Anderson *Michelle L. Anderson*  
Assistant Inspector General for Audit as First Assistant

**Subject:** Retroactive Benefits Paid to Child Beneficiaries

The attached final report presents the results of the Office of Audit's review. The objective was to determine whether the Social Security Administration properly paid retroactive payments to child beneficiaries receiving Old-Age, Survivors, and Disability Insurance benefits.

Please provide within 60 days a corrective action plan that addresses each recommendation. If you wish to discuss the final report, please call me or have your staff contact Jeffrey Brown, Deputy Assistant Inspector General for Audit.

Attachment

# Retroactive Benefits Paid to Child Beneficiaries

## 052406



June 2026

Office of Audit Report Summary

### Objective

To determine whether the Social Security Administration (SSA) properly paid retroactive payments to child beneficiaries receiving Old-Age, Survivors, and Disability Insurance benefits.

### Background

To be eligible for benefits, a child must have a parent who (1) is retired or has a disability and is entitled to Social Security benefits or (2) has died after having worked long enough under Social Security to be insured. The child must be younger than 18, a full-time student age 18 or 19, or any age with a disability that began before the child turned age 22.

A child may receive retroactive benefits up to 6 months before the application filing date on the record of a retired or deceased number holder, or 12 months before the application filing date on the record of a number holder receiving disability benefits.

From 1 of 20 segments of the Master Beneficiary Record, we identified 31,836 child beneficiaries who may have been eligible for retroactive payments; whose initial benefit entitlements began after January 2005; and whose benefits were not terminated as of May 2024. From this population, we selected a random sample of 150 individuals for review.

### Results

Of the 150 beneficiaries in our sample, SSA employees

- properly paid retroactive benefits to 104 beneficiaries (69 percent) and
- improperly paid retroactive benefits to 46 beneficiaries (31 percent).

We estimate SSA improperly under- or overpaid about 195,260 beneficiaries a total of approximately \$760 million because SSA employees improperly determined beneficiaries' retroactive benefit amount or benefit periods. We were unable to determine why employees incorrectly performed these functions.

### Conclusion

SSA can improve the accuracy in determining retroactive benefits to child beneficiaries. Without improvements, the Agency will likely continue to incorrectly determine the retroactive benefits these beneficiaries are entitled to and, consequently, under- or overpay them.

When SSA underpays beneficiaries, the beneficiaries' financial well-being may be impacted. Conversely, when the Agency overpays beneficiaries, they are generally required to repay the overpayments, which can cause additional financial burdens on the beneficiaries and their families. When SSA underpays or overpays beneficiaries, the Agency must use resources to pay or recover the funds. Moreover, when beneficiaries are overpaid, the Agency may not be able to fully recover the funds. In addition, improper determinations may cause delays in the child beneficiaries' entitlements to Medicare benefits, which may result in their families incurring medical expenses that should have been covered by the child's Medicare benefits.

### Recommendations

We recommended SSA pay any retroactive benefits to the beneficiaries as appropriate, and identify the factors that contribute to employee errors and implement appropriate corrective actions.

SSA agreed with our recommendations.

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## **ABBREVIATIONS**

MBR	Master Beneficiary Record
OASDI	Old-Age, Survivors, and Disability Insurance
OIG	Office of the Inspector General
POMS	Program Operations Manual System
SSA	Social Security Administration
SSI	Supplemental Security Income
U.S.C.	United States Code

## OBJECTIVE

The objective was to determine whether SSA properly paid retroactive payments to child beneficiaries receiving Old-Age, Survivors, and Disability Insurance (OASDI) benefits.

## BACKGROUND

SSA administers the OASDI program under Title II of the *Social Security Act*.<sup>1</sup> OASDI provides benefits to wage earners and their eligible family members, including children, in the event a wage earner retires, becomes disabled, or dies.

To be eligible for benefits,<sup>2</sup> a child must be unmarried and have a parent who (1) is retired or has a disability and is entitled to Social Security benefits or (2) died after having worked long enough under Social Security to be insured.<sup>3</sup> The child must be younger than age 18, a full-time student age 18 or 19 in grade 12 or below, or age 18 or older with a disability that began before age 22.

An application may be filed on a child's behalf using the date SSA is notified of an individual's intent to file for benefits—which is known as the protective filing date—or the date SSA receives an application, whichever is earlier.<sup>4</sup> Employees must follow SSA's procedures to determine the appropriate application filing date.

When a number holder—the individual under whose earnings record the child is eligible for benefits—files for benefits and includes a child on the benefit application, they establish a protective filing date for the child.<sup>5</sup> After SSA approves the number holder's OASDI benefits, it should send a notice to inform the proper applicant—usually a parent or the adult responsible for the child's care—they must file an application within 6 months for each child the number holder named on the benefit application.<sup>6</sup> If the applicant files an application for child's benefits within 6 months, the application retains the number holder's protective filing date as the application filing date for the child beneficiary. If the applicant does not file an application for the child's benefit within 6 months, the protective filing date expires. If SSA does not send the notice informing the applicant of the 6-month timeframe, the protective filing date remains open indefinitely.<sup>7</sup>

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<sup>1</sup> *Social Security Act*, 42 U.S.C. § 401.

<sup>2</sup> We limited our testing to determining whether SSA properly determined the retroactive period for the sampled beneficiaries. We did not determine whether SSA had properly established the beneficiaries met such entitlement requirements as relationship, age, dependency, and marriage.

<sup>3</sup> SSA, *POMS*, RS 00203.001 (September 5, 2023).

<sup>4</sup> SSA, *POMS*, GN 00204.007 (July 28, 2023).

<sup>5</sup> SSA, *POMS*, GN 00204.030 (July 14, 2023).

<sup>6</sup> SSA, *POMS*, GN 00204.003 (July 26, 2023). In this report, we use “applicant” to refer to a “proper applicant.”

<sup>7</sup> SSA, *POMS*, GN 00204.012 (April 24, 2026).

SSA also administers the Supplemental Security Income (SSI) program under Title XVI of the *Social Security Act*.<sup>8</sup> SSI is a means-tested program that provides a minimum level of income to individuals who are aged, blind, or disabled and meet certain income and resource limits.<sup>9</sup> When a child or the applicant files an application for SSI payments, the SSI application is also considered an application for OASDI benefits.<sup>10</sup> SSI recipients are mandated to apply for all other benefits for which they may be eligible to qualify for SSI payments. When a child receives SSI payments, SSA must determine whether the child is entitled to OASDI benefits on the number holder's record and the records of others.<sup>11</sup>

SSA periodically conducts redeterminations—reviews of recipients' non-medical eligibility factors, such as income, resources, and living arrangements—to determine whether they are still eligible for SSI payments and receiving the correct amount. If the child was not eligible for OASDI benefits when they filed for SSI and SSA later determines the child is eligible for OASDI benefits during the redetermination process, the redetermination date can serve as the protective filing date for the child's OASDI benefits.

Generally, the initial month of entitlement to OASDI benefits begins with the month in which an individual files an application. However, when a child or their applicant files an application after they become eligible for OASDI benefits, the initial month of entitlement could be earlier than the month of application. The retroactive benefit period depends on the type of benefit the number holder is receiving.<sup>12</sup> (The retroactive benefit period includes all months before the month of filing in which the child was eligible to receive benefits.) A child, including those entitled to Childhood Disability Benefits, may receive retroactive benefits up to 6 months before the application filing date on the record of a retired or deceased number holder, or 1 year before the application filing date on the record of a number holder who is receiving disability benefits.<sup>13</sup>

## SCOPE AND METHODOLOGY

The Master Beneficiary Record (MBR) contains all current and previously entitled OASDI beneficiaries. It is divided into 20 equal segments based on the last 2 digits of the Social Security number. One segment of the MBR represents 5 percent of the total population of OASDI beneficiaries. Because each segment contains similar characteristics, the characteristics of 1 segment represent all 20 segments.

From 1 segment of the MBR, we identified 31,836 child beneficiaries who may have been eligible for retroactive payments; whose initial entitlement to benefits began after January 2005; and whose benefits were in current payment, adjustment, deferred, suspense, or delayed payment status as of May 2024. Across all 20 segments, we estimate about 636,720 child beneficiaries met these criteria.

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<sup>8</sup> *Social Security Act*, 42 U.S.C. § 1381.

<sup>9</sup> *Social Security Act*, 42 U.S.C. § 1381a and 42 U.S.C. § 1382.

<sup>10</sup> SSA, *POMS*, GN 00204.027 (September 11, 2025).

<sup>11</sup> SSA, *POMS*, SI 00510.001 (January 3, 2024).

<sup>12</sup> SSA, *POMS*, GN 00204.030 (July 14, 2023).

<sup>13</sup> SSA, *POMS*, DI 10115.030 (August 19, 2014).

From the population of 31,836 child beneficiaries, we selected a random sample of 150 individuals for review. See Appendix A for more information on our scope and methodology.

## **RESULTS OF REVIEW**

Of the 150 beneficiaries in our sample, SSA employees

- properly paid retroactive benefits to 104 beneficiaries (69 percent) and
- improperly paid retroactive benefits to 46 beneficiaries (31percent).

Based on our sample, we estimate SSA under- and overpaid about 195,260 beneficiaries a total of approximately \$760 million.

We could not determine why employees improperly determined beneficiaries' retroactive benefit amounts or benefit periods.

### **Establishing Retroactive Entitlement to Child's Benefits**

A child may be entitled to benefits (1) on the record of a living number holder beginning the first month in which the child meets all the eligibility requirements for the entire month or (2) on the record of a deceased number holder the first month in which they meet all the requirements in any part of that month.<sup>14</sup> SSA employees should determine the proper date of entitlement based on the established protective filing date and retroactivity rules.<sup>15</sup>

SSA employees incorrectly determined the dates 43 beneficiaries became entitled to benefits. As a result, SSA underpaid 17 of these child beneficiaries \$44,995. Although SSA employees incorrectly determined the dates the remaining 26 beneficiaries became entitled to benefits, the Agency did not improperly pay them (for example, the family was already receiving the maximum benefit). However, if benefits become payable in the future, SSA could underpay the beneficiaries.

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<sup>14</sup> SSA, *POMS*, RS 00203.010 (September 7, 2023) and RS 00203.005 (September 9, 2011).

<sup>15</sup> SSA, *POMS*, GN 00204.030 (July 14, 2023).

**Example 1.** A child's father died in September 2019. In June 2020, an application was filed for the child. The child met all eligibility requirements and was retroactively eligible for benefits beginning December 2019, which was 6 months before the date of application (the maximum period for which a surviving child beneficiary may be retroactively eligible for benefits). However, an SSA employee incorrectly awarded the child beneficiary's benefits effective June 2020. As a result, SSA underpaid the child beneficiary \$3,078 for December 2019 through May 2020.

**Example 2.** In December 2021, a claim was filed for a child beneficiary whose mother had been receiving disability benefits since November 2019. The child beneficiary met all other eligibility requirements and was retroactively eligible for benefits beginning December 2020, which was 12 months before the date of application (the maximum period for which a child of a disabled beneficiary may be retroactively eligible for benefits). However, an SSA employee incorrectly awarded the child beneficiary's benefits effective June 2021. As a result, SSA paid 6 months of retroactive benefits instead of the 12 months to which they were entitled. SSA underpaid the child beneficiary \$2,676 for December 2020 through May 2021.

There was no information in SSA's records to indicate why employees made these errors.

## Adjusting Benefit Amounts

The *Social Security Act* limits the total amount a family on a number holder's earnings record may receive.<sup>16</sup> This is referred to as the family maximum. If the total benefits exceed the family maximum, the benefit amounts on the record must be adjusted. If a child beneficiary is entitled to benefits on more than one parent's record, the family maximums from all records on which the child is entitled may be combined to allow higher total payments to the family.<sup>17</sup> If a new child beneficiary, referred to as a late filer, files for benefits on a record that has existing beneficiaries, SSA should adjust the benefits of the late filer to account for the family maximum and not reduce the benefits for the existing beneficiaries on the record.

SSA employees did not accurately compute benefits or apply the family maximum provisions to adjust benefits to six child beneficiaries in our sample. As a result, SSA improperly paid these six beneficiaries \$14,875 (\$9,107 were underpayments and \$5,768 were overpayments). We were unable to determine why employees incorrectly computed the benefits.

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<sup>16</sup> SSA, POMS, RS 00615.730 (September 16, 2002).

<sup>17</sup> SSA, POMS, RS 00615.770 (November 21, 2025).

**Example 3.** An SSA employee awarded a child beneficiary benefits, including 12 months of retroactive benefits, on his disabled father's record. The child filed late because there was another child beneficiary already entitled to benefits on the father's record. An employee did not properly apply the family maximum provisions and adjust the benefit amounts for the late-filing child beneficiary to account for the benefits the Agency paid the already-entitled child beneficiary. As a result, SSA overpaid the late filing child beneficiary \$3,891. There was no information in SSA's records to indicate why employee(s) made the error.

## Establishing Filing Dates

A beneficiary's file may contain multiple potential filing dates, such as the date the application was received, dates of follow-up discussions between the applicant and SSA, or an earlier protective filing date that remained open. For SSI recipients, the Agency may conduct multiple redeterminations. The earliest date SSA completes an SSI redetermination for a recipient who is eligible for child's benefits serves as the protective filing date. When employees conduct an SSI redetermination, they are required to notify SSI recipients that they must apply for all benefits for which they are potentially entitled—including OASDI benefits.

For 29 beneficiaries, SSA employees did not determine the proper OASDI benefit protective filing dates.

- Eleven beneficiaries had multiple potential filing dates for child's benefits in their file, and employees did not accurately apply policy to identify the correct filing dates.
- Five SSI applicants were eligible for child's benefits when they applied for SSI payments. However, SSA employees did not determine the beneficiaries' eligibility for child's benefits when they processed the SSI applications.
- Thirteen SSI recipients were deemed eligible for OASDI benefits during SSI redeterminations or when the applicants filed applications for SSI payments, but employees did not use the initial dates the child beneficiaries were eligible for OASDI benefits as the protective filing dates.

As a result, SSA underpaid 22 beneficiaries a total of \$197,813 and overpaid 1 beneficiary \$5,614. There were no improper payments for six beneficiaries because no additional benefits were payable because of the family maximum. However, the delays in OASDI benefit entitlement caused delays in their entitlement to Medicare benefits.

We are unable to determine why employees did not follow policy to identify the correct protective filing dates.

**Example 4.** A child beneficiary's mother died in March 2020. In August 2020, an applicant informed SSA of their intent to file for benefits on behalf of the child. SSA received the application in October 2020. An SSA employee determined October 2020, when the Agency received the application, to be the filing date when it should have been August 2020—the date SSA was informed of the applicant's intent to file for benefits. The child beneficiary's retroactive benefits should have begun in March 2020 (the month their mother died, which is within the 6-month window allowed by policy). However, the employee incorrectly determined the beneficiary became retroactively entitled to benefits effective in April 2020 instead of March 2020. SSA underpaid the child beneficiary \$507.

**Example 5.** A child beneficiary had been receiving SSI payments since 1994. His father became entitled to retirement benefits in January 2006 but did not name this child on his application. An application was later filed for the child and SSA awarded benefits beginning October 2007. However, SSA conducted a redetermination in May 2006, which should have been the protective filing date for child's benefits. As a result, SSA underpaid the child \$10,276 from January 2006 through September 2007.

## CONCLUSION

SSA can improve its accuracy in determining the retroactive benefits due child beneficiaries. Without improvements, the Agency will likely continue to incorrectly determine the retroactive benefits these beneficiaries are entitled to receive and, consequently, under- or overpay them.

When SSA underpays a beneficiary, the beneficiary's financial well-being may be affected. Conversely, when the Agency overpays a beneficiary, they are generally required to repay the overpayments, which can cause additional financial burdens on the beneficiaries and their families. When SSA under- or overpays a beneficiary, the Agency must use resources to pay or recover the funds. Moreover, when beneficiaries are overpaid, the Agency may not be able to fully recover the funds. In addition, improper determinations may cause delays in the child beneficiaries' entitlements to Medicare benefits, which may result in their families incurring medical expenses that should have been covered by the child's Medicare benefits.

## RECOMMENDATIONS

We recommend SSA:

1. Take action to correct the records and pay any retroactive benefits, as appropriate, for the 78 beneficiaries we identified.
2. Identify the factors that contribute to employee errors and implement appropriate corrective actions.

## AGENCY COMMENTS

SSA agreed with our recommendations, see Appendix B. SSA also provided technical comments in response to our draft report, which we incorporated into this final report as appropriate.

# ***APPENDICES***

## Appendix A – SCOPE, METHODOLOGY, AND SAMPLING RESULTS

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To accomplish our objective, we:

- Reviewed the applicable sections of the *Social Security Act*, the United States Code, and the Social Security Administration’s (SSA) *Program Operations Manual System*.
- Interviewed SSA subject-matter experts to obtain an understanding of the process of determining the retroactive benefits to the child beneficiaries.
- From 1 of the 20 segments of SSA’s Master Beneficiary Record (MBR), we identified 31,836 child beneficiaries who may have been eligible for retroactive payments; whose initial entitlements began after January 2005; and who were in current payment, adjustment, deferred, suspense, or delayed payment status as of May 2024.
- Selected a random sample of 150 beneficiaries from the population for review to determine whether SSA employees (1) correctly identified the filing date, (2) made a correct determination for the date of entitlement, (3) correctly paid retroactive benefits.
- Reviewed queries from the MBR, Payment History Update System, Evidence Portal, Online Retrieval System to determine the actions SSA had taken.
- Provided SSA the potential error cases for its review and updated our analysis based on their feedback.

We assessed the significance of internal controls necessary to satisfy the evaluation objective. This included an assessment of the five internal control components, including control environment, risk assessment, control activities, information and communication, and monitoring. In addition, we reviewed the principles of internal controls associated with the evaluation objective. We identified the following component and principles as significant to the evaluation objective.

- Component 3: Control Activities
  - Principle 10: Design control activities
  - Principle 12: Implement control activities

We assessed the reliability of the data extract provided by conducting electronic testing and reviewing existing information about the data and the system that produced them. We also traced a statistically random sample of data to source documents. We determined the data were sufficiently reliable for the purposes of this report.

We conducted our review from November 2024 to May 2026. The principal entities evaluated were SSA’s Office of Field Operations and Office of Central Processing. This evaluation was conducted in accordance with the Council of Inspectors General on Integrity and Efficiency’s Quality Standards for Inspection and Evaluation. We planned and performed the evaluation to obtain sufficient, appropriate evidence, and we believe the evidence we obtained provides a reasonable basis for our findings and conclusion based on our objective.

## Sampling Results

To conduct this review, we used a simple random sample statistical approach. This is a standard statistical approach used to create a sample from a population completely at random. As a result, each sample item had an equal chance of being selected throughout the sampling process, and the selection of one item had no impact on the selection of other items. Therefore, we were guaranteed to choose a sample that represented the population, absent human biases, and ensured statistically valid conclusions of, and projections to, the entire population under review. Our sampling approach for this review ensures our reported projections are statistically sound and defensible.

To determine whether SSA properly paid retroactive payments to child beneficiaries, we obtained a data extract from 1 of the 20 segments of SSA's MBR and identified 31,836 child beneficiaries who may have been eligible for retroactive payments; whose initial entitlement to benefits began after January 2005; and whose benefits were in current payment, adjustment, deferred, suspense, or delayed payment status as of May 2024. From this population, we selected a random sample of 150 individuals for review.

**Table B-1: Population and Sample Size**

Description	Beneficiaries
Population Size	31,836
Sample Size	150

SSA did not pay \$263,297 in retroactive benefits for 46 of the 150 child beneficiaries in our sample. Projecting these results to the population and applying to all 20 segments of the MBR, we estimate SSA employees did not take appropriate actions to pay approximately 195,260 beneficiaries \$760.4 million in withheld benefits.

**Table B-2: Withheld Benefits Payable**

Description	Beneficiaries	Improper Payments
Sample Results	46	\$179,137 <sup>1</sup>
Point Estimate	9,763	\$38,020,037
Projection - Lower Limit	7,795	\$23,618,636
Projection - Upper Limit	11,916	\$52,421,438
All 20 Segments	195,260	\$760,400,740

**Note:** All statistical projections are at the 90-percent confidence level.

<sup>1</sup> Our sample identified 46 records with incorrect retroactive benefits; however, 2 (totaling \$84,160) were identified as outliers and removed from the projections.

# Appendix B – AGENCY COMMENTS

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**SOCIAL SECURITY**  
Office of the Commissioner

MEMORANDUM

Date: June 12, 2026

Refer To: TQA-1

To: Michelle L. Anderson  
Acting Inspector General

From: Chad Poist  
Chief Risk Officer

Subject: Office of the Inspector General Draft Memorandum "Retroactive Benefits Paid to Child Beneficiaries" (052406) -- INFORMATION

Thank you for the opportunity to review the draft report. We agree with the recommendations.

Please let me know if I can be of further assistance. You may direct staff inquiries to Amy Gao, Director of the Audit Liaison Staff.

SOCIAL SECURITY ADMINISTRATION BALTIMORE, MD 21235-0001



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