



Office of the Inspector General
SOCIAL SECURITY ADMINISTRATION

Audit Report

Follow-up on Deceased
Beneficiaries and Recipients with
No Death Information on the
Numident

A-09-20-50936 | May 2022



Office of the Inspector General

SOCIAL SECURITY ADMINISTRATION

MEMORANDUM

Date: May 4, 2022

Refer to: A-09-20-50936

To: Kilolo Kijakazi
Acting Commissioner

From: Gail S. Ennis, 
Inspector General

Subject: Follow-up on Deceased Beneficiaries and Recipients with No Death Information on the Numident

The attached final report presents the results of the Office of Audit's review. The objective was to evaluate the effectiveness of the Social Security Administration's controls over the recording of death information on the Numident database for deceased beneficiaries.

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 Michelle L. Anderson, Assistant Inspector General for Audit.

Attachment

Follow-up on Deceased Beneficiaries and Recipients with No Death Information on the Numident

A-09-20-50936



May 2022

Office of Audit Report Summary

Objective

To evaluate the effectiveness of the Social Security Administration's (SSA) controls over the recording of death information on the Numident database for deceased beneficiaries.

Background

When SSA receives a death report, it terminates the decedent's benefits and records the date of death on the Numident as well as the Master Beneficiary and Supplemental Security Records.

Before December 2015, SSA used the Death Alert, Control and Update System (DACUS) to receive, process, and record death information on the Numident. In December 2015, SSA replaced DACUS with the Death Information Processing System (DIPS).

In February 2016, SSA initiated a multi-year Continuing Death Data Improvements (CDDI) clean-up project to resolve deceased beneficiaries' missing death information on the Numident.

For our current review, we identified 15,764 deceased beneficiaries for whom SSA had death information on the payment records but not on the Numident.

Results

SSA's improved controls over recording death information were not always effective to ensure SSA recorded deceased beneficiaries' deaths on the Numident. In addition, SSA did not record death information on the Numident for 47 of the 50 deceased beneficiaries in our random sample. As of March 2021, SSA had taken action to correct seven records but had not taken corrective action for the remaining 40 records.

Based on our sample, we estimate SSA recorded deaths on the payment records of approximately 14,818 deceased beneficiaries but did not record the deaths on the Numident. This occurred because:

1. DACUS did not generate alerts when the payment records and Numident had name and/or date of birth discrepancies that did not meet the DACUS matching criteria;
2. SSA employees did not use DIPS to record death information they received, as required;
3. SSA employees did not properly resolve death alerts; or
4. the beneficiaries were not included in SSA's CDDI clean-up project.

Finally, SSA's corrective actions to address our prior audit recommendations did not ensure it resolved missing death information on the Numident for all deceased beneficiaries with death information on the payment records.

Recommendations

We made four recommendations for SSA to ensure deceased beneficiaries' death information is recorded on the Numident. SSA agreed with three recommendations and disagreed with one.

TABLE OF CONTENTS

Objective.....	1
Background.....	1
Results of Review	2
Improvements the Agency Made	2
Death Information Processing System Implementation.....	3
Claims System Enhancements.....	3
Continuing Death Data Improvements Clean-up Operations	4
Deceased Beneficiaries with No Death Information on the Numident	4
Death Information Processed Before the Agency Implemented the Death Information Processing System.....	5
Death Information Processed After the Agency Implemented the Death Information Processing System.....	5
Continuing Death Data Improvements Clean-up Project.....	6
Effects When Death Information Is Missing from the Numident	6
Agency Actions Resulting from the Audit.....	7
Recommendations	7
Agency Comments.....	7
Office of the Inspector General Response.....	8
Appendix A – Scope and Methodology	A-1
Appendix B – Sampling Methodology and Results.....	B-1
Appendix C – Agency Comments.....	C-1

ABBREVIATIONS

CDDI	Continuing Death Data Improvements
DACUS	Death Alert, Control and Update System
DHS	Department of Homeland Security
DIPS	Death Information Processing System
DMF	Death Master File
MBR	Master Beneficiary Record
MSSICS	Modernized Supplemental Security Income Claims System
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
SSN	Social Security Number
SSR	Supplemental Security Record
U.S.C.	United States Code

OBJECTIVE

Our objective was to evaluate the effectiveness of the Social Security Administration's (SSA) controls over the recording of death information on the Numident database for deceased beneficiaries.¹

BACKGROUND

Title II of the *Social Security Act* provides monthly benefits to retired and disabled workers, including their dependents and survivors.² Title XVI of the Act provides Supplemental Security Income (SSI) payments to individuals who have low income and resources and are aged, blind, or disabled.³ SSA maintains the Master Beneficiary Record (MBR) for Old-Age, Survivors and Disability Insurance (OASDI) beneficiaries and the Supplemental Security Record (SSR) for SSI recipients. The Numident is a database that stores personally identifiable information for all individuals assigned a Social Security number (SSN).

When SSA receives a death report, it terminates the decedent's benefits and records the date of death on the Numident and payment records.⁴ Before December 2015, SSA used the Death Alert, Control and Update System (DACUS) to receive, process, and record death information on the Numident.⁵ DACUS used a set of criteria that confirmed the decedent's name, date of birth, and gender matched SSA's payment records and the Numident. For example, a last name will meet the matching criteria if two adjacent letters were transposed or there is a missing or extra letter (for example, Johnson matches Jonhson and Jonson). When the beneficiary's name, date of birth, or gender on the payment records and Numident do not match, the death is not updated on the Numident.

In December 2015, SSA replaced DACUS with the Death Information Processing System (DIPS). Additionally, SSA conducts a Continuing Death Data Improvements (CDDI) clean-up project to identify and resolve deceased beneficiaries' missing death information on the Numident. SSA uses the death information from the Numident to create a record of death information called the Death Master File (DMF). SSA shares the full DMF with certain Federal or State agencies and provides the public DMF, which excludes State death records, to members of the public and public entities for a fee.⁶

¹ We use the term "beneficiary" to refer to an OASDI beneficiary and an SSI recipient.

² 42 U.S.C. § 401.

³ SSA *POMS*, SI 00501.001, A and B.1 (January 18, 2005).

⁴ We use the term "payment record" to refer to MBRs and SSRs.

⁵ SSA *POMS*, GN 02602.060, B (August 4, 2014 through December 3, 2015).

⁶ SSA *POMS*, GN 03315.015, A and B (January 6, 2017).

In prior audits,⁷ we found SSA did not always ensure it recorded deceased beneficiaries' deaths on the Numident. In response to our audits, SSA said it would determine whether there was a cost-effective method to correct death information on the Numident for the approximately 1.4 million deceased beneficiaries we identified. SSA also stated it would develop a plan to analyze a redesign of the death processing system and incorporate into the redesign an efficient way of correcting discrepant death information between the payment records and Numident.

For our current review, we identified 15,764 deceased beneficiaries who had dates of death on the payment records from July 1, 2013 through December 31, 2019 but did not have dates of death on the Numident as of May 2020. From this population, we selected a random sample of 50 beneficiaries for review (see Appendix A).

RESULTS OF REVIEW

Although SSA has improved controls over recording of deceased beneficiaries' information on the Numident, those controls were not always effective to ensure the Agency recorded beneficiaries' deaths on the Numident. Based on our sample results, we estimate SSA recorded the deaths of approximately 14,818 deceased beneficiaries on the payment records but did not record the deaths on the Numident (see Appendix B). In addition, SSA did not record death information on the Numident for 595,514 deceased beneficiaries identified in our prior audits.⁸

This occurred because (1) DACUS did not generate alerts when the payment records and Numident had name and/or date of birth discrepancies that did not meet the DACUS matching criteria; (2) SSA employees did not use DIPS to record the death information they received, as required; (3) employees did not properly resolve death alerts; or (4) these beneficiaries were not included in SSA's CDDI clean-up project.

Improvements the Agency Made

Since our 2015 audit, SSA has made several improvements in how it records death information on the Numident. The improvements include the implementation of DIPS to centralize death information processing, enhancement of the Modernized Supplemental Security Income Claims System (MSSICS), and the CDDI clean-up project to resolve missing death information on the Numident. However, SSA's corrective actions to address our prior audit recommendations did not ensure it resolved missing death information on the Numident for all deceased beneficiaries with death information on the payment records. SSA did not record death information on the Numident for 595,514 of the approximately 1.4 million deceased beneficiaries identified in our prior audits. SSA's CDDI clean-up project did not select these cases for review because they did not meet the screening criteria.

⁷ SSA, OIG, *Deceased Beneficiaries and Recipients Who Do Not Have Death Information on the Numident*, A-09-14-14068, (July 2015); *Title II Deceased Beneficiaries Who Do Not Have Death Information on the Numident*, A-09-11-21171, (July 2012); and *Title XVI Deceased Recipients Who Do Not Have Death Information on the Numident*, A-09-12-22132, (May 2013).

⁸ The deceased beneficiaries identified in our prior audits have date of deaths between January 1980 and June 2013 (see Appendix A).

Death Information Processing System Implementation

In December 2015, SSA implemented DIPS and began requiring that employees use DIPS to record death information. DIPS receives and processes death information, records that information in the Numident, and improves the consistency of death data across SSA's records. SSA employees must use DIPS to add, revise, or remove death information on the Numident. In most cases, a DIPS entry will automatically record the death information in an individual's payment records if payment records exist. SSA employees must control and monitor the individual's record to ensure correct information is posted to the Numident and payment records.⁹ This process reduces manual input of death data to SSA payment records and the amount of missing death information on the Numident.

While SSA policy requires that employees use DIPS to add death information to the payment records and Numident, SSA has not implemented restrictions in all systems to ensure employees do so. As a result, SSA employees can still update death information directly to the payment records for some cases, such as OASDI cases. However, this update will not automatically record the death on the Numident. SSA established death alerts to notify employees to record death information in DIPS when they use other systems to update death information to the payment records.¹⁰ These death alerts help ensure employees input death information through DIPS to update the Numident.

Claims System Enhancements

Employees use MSSICS to process SSI applications and perform subsequent updates to the SSI records.¹¹ In April 2017, SSA enhanced MSSICS by removing the capability to directly input death information on the SSR. This enhancement made DIPS the only system employees can use to input death information, which ensures death information is automatically updated to the Numident and the SSR. However, for SSI recipients whose applications are not in MSSICS, SSA employees must manually record death information on both the SSR and in DIPS, which will update the death information on the Numident.

SSA has not implemented system restrictions to prevent employees from recording death information directly to the payment record for OASDI beneficiaries. However, SSA plans to address this in FY 2022 as part of its Information Technology Modernization Plan.

⁹ SSA POMS, GN 02602.051, A (February 22, 2017).

¹⁰ SSA, POMS, GN 02602.065, B (January 15, 2016).

¹¹ SSA employees cannot process all SSI applications in MSSICS. When this happens, the employee processes the application using a paper application. Since that individual will not have an application in MSSICS, no subsequent updates to the SSI record can be made in MSSICS.

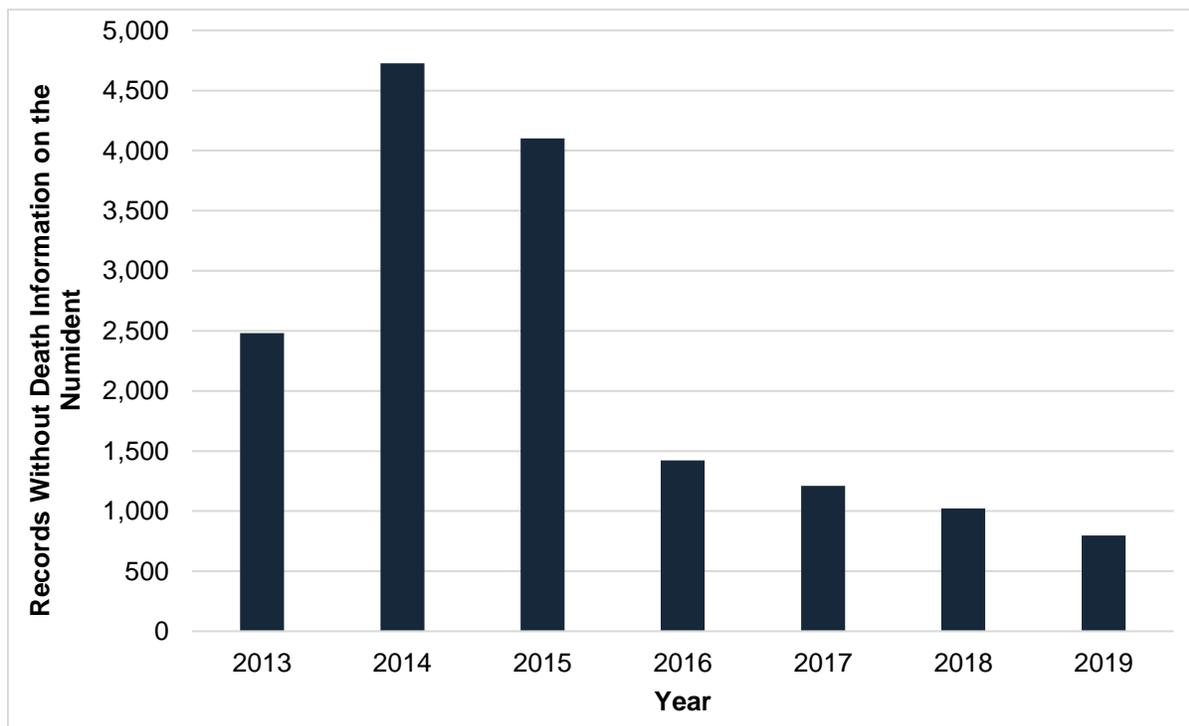
Continuing Death Data Improvements Clean-up Operations

From February 2016 through February 2021, SSA conducted nine¹² CDDI clean-up operations to identify and resolve death information recorded on the payment records but were not on the Numident. Through these operations, SSA resolved approximately 2.7 million records in which the Agency had death information on the payment records but not on Numident.

Deceased Beneficiaries with No Death Information on the Numident

The number of deceased beneficiaries for whom SSA did not have death information on the Numident decreased after the Agency implemented DIPS in December 2015. Figure 1 represents the number of records without death information on the Numident from our population of 15,764 deceased beneficiaries, summarized by year of death.

Figure 1: Number of Deceased Beneficiaries Whose Death Information SSA Did Not Record on the Numident¹³



¹² SSA conducted CDDI clean-up project operations in 2016, 2018, 2019, 2020, and 2021. If the beneficiaries did not meet SSA's screening criteria, death information would not be recorded on the Numident.

¹³ The data for 2013 only included records of deceased beneficiaries who died between July and December 2013.

Of the 50 deceased beneficiaries in our sample, SSA properly terminated benefits for 47 but did not record death information on the Numident. Since the death information was not on the Numident, these records were not in the DMF. Federal and State benefit-paying agencies and public entities that rely on the DMF to detect deaths would not know these individuals were deceased, which could result in erroneous payments or identity fraud. Of the remaining three beneficiaries, SSA properly recorded death information on the Numident for two¹⁴ and incorrectly recorded death information on the payment record for one beneficiary who was not deceased. Of the 47 deceased beneficiaries, 39 were processed before DIPS was implemented, and 8 were processed after DIPS was implemented.

Death Information Processed Before the Agency Implemented the Death Information Processing System

Of the 39 deceased beneficiaries processed before SSA implemented DIPS, 33 had name and/or date of birth discrepancies between the Numident and their payment records that did not meet the DACUS matching criteria. This prevented the deaths from being recorded on the Numident. For these 33 cases, alerts were not generated to notify employees to review records that did not meet the matching criteria and record the missing death information on the Numident. The remaining six beneficiaries met the matching criteria. However, their deaths were not recorded on the Numident. SSA could not determine why death information was not recorded on the Numident for these 39 beneficiaries because files recorded before the implementation of DIPS expired in December 2016, and the files are no longer available for review.

Death Information Processed After the Agency Implemented the Death Information Processing System

SSA employees should have recorded death information in DIPS for the eight deceased beneficiaries¹⁵ whose deaths SSA processed after DIPS was implemented. However, SSA employees manually recorded death information on the payment records but did not record the deaths in DIPS, which would have automatically updated the Numident. This occurred because SSA's systems did not require that employees input death information into DIPS.

DIPS should have alerted employees to record the missing death information on the Numident for five beneficiaries. SSA could not provide evidence of alerts because it retained records of the alerts for only 1 year. For the remaining three beneficiaries, DIPS generated alerts, but SSA employees did not resolve the alerts and did not record the death information on the Numident.

¹⁴ SSA recorded incorrect SSNs on the MBR for these two beneficiaries. SSA recorded their deaths to the Numident under their correct SSNs.

¹⁵ The eight beneficiaries comprise three SSI MSSICS, one SSI non-MSSICS, and four OASDI cases. SSA employees processed the three SSI MSSICS cases before MSSICS was enhanced in April 2017. SSA employees should manually input death information on the payment record and in DIPS for the SSI non-MSSICS case, as required.

Continuing Death Data Improvements Clean-up Project

None of the 47 deceased beneficiaries was included in the CDDI clean-up project because they did not meet the Agency's screening criteria¹⁶ or the deaths occurred after the Agency performed the last clean-up project.

Effects When Death Information Is Missing from the Numident

SSA maintains workers' earnings records to determine workers' eligibility and benefit amount. Each year, employers report wages to SSA on their employees' behalf.¹⁷ During the Annual Wage Reporting process, SSA checks the Numident for death reports. When SSA detects a date of death on the Numident and the death is before the year of reported earnings, the Agency notifies the beneficiary and/or the employer. Therefore, if death information is missing on the Numident, other individuals could report earnings under the deceased beneficiaries' SSNs without SSA's detection.

E-Verify, a Department of Homeland Security program (DHS), allows employers to verify whether newly hired employees are authorized to work in the United States. Employers must register with DHS to access E-Verify. SSA supports DHS in operating and administering this program by allowing verification against its records. E-Verify checks the new hire's information against the Numident and notifies the employer if there is a discrepancy with the new hire's information. As noted in our prior reviews,¹⁸ employers made E-Verify inquiries about deceased beneficiaries but did not receive any indication from SSA the individuals were deceased.

In addition, missing death information on the Numident could allow an individual to vote using a deceased beneficiary's identity. SSA's Help America Vote Verification (HAVV) system helps States verify the information of new voters who do not present a valid driver's license when registering to vote. States submit a voter registrant's name and date of birth as well as the last four digits of their SSN for verification. HAVV verifies the information against the Numident and reports whether the records indicate the registrant is deceased.¹⁹ As noted in our prior review,²⁰ HAVV's verification did not indicate the registrants were deceased, because death information was missing on the Numident.

¹⁶ These beneficiaries did not meet SSA's screening criteria because they had (1) name or date of birth discrepancies between the payment records and the Numident, (2) multiple SSNs on the Numident, (3) prior deaths recorded on the Numident that were subsequently deleted, (4) date of filing after the date of death, or (5) date of death that was excluded from the selection criteria.

¹⁷ SSA, POMS, RM 01101.001, A (May 5, 2016).

¹⁸ SSA, OIG, *Title II Deceased Beneficiaries Who Do Not Have Death Information on the Numident*, A-09-11-21171, p. 6 (July 2012) and *Title XVI Deceased Recipients Who Do Not Have Death Information on the Numident*, A-09-12-22132, p. 6 (May 2013).

¹⁹ 42 U.S.C. § 405 (r)(9).

²⁰ *Title XVI Deceased Recipients Who Do Not Have Death Information on the Numident*, A-09-12-22132, p. 6 (May 2013).

Finally, SSA provides the public DMF to the Department of Commerce's National Technical Information Service, which sells the death records to members of the public and public entities.²¹ The public DMF does not include death information provided by States because the information is restricted from disclosure. SSA may provide the full DMF, including State death records, to Federal and State agencies that pay federally funded benefits. Missing death information on the DMF impairs Federal benefit-paying agencies' ability to detect erroneous payments. Missing death information on the DMF also hinders private entities as well as State and local governments' ability to identify and prevent identity fraud.

AGENCY ACTIONS RESULTING FROM THE AUDIT

In September 2020, we provided SSA 47 of our sampled beneficiaries whose records required corrective action. As of March 2021, SSA had taken action to correct 7 records, but it had not taken corrective action for the remaining 40 records.

RECOMMENDATIONS

We recommend SSA:

1. Record death information on the Numident, as appropriate, for the 40 deceased beneficiaries in our sample.
2. Take action, as appropriate, to record death information in the Numident for the 15,714 beneficiaries identified by our current audit.
3. Take appropriate action to record death information to the Numident for the 595,514 beneficiaries identified by our prior audits.
4. Enhance systems to ensure employees can only record beneficiary/recipient death information using DIPS.

AGENCY COMMENTS

SSA agreed with Recommendations 1, 2, and 4 but disagreed with Recommendation 3. SSA stated it established stringent screening criteria to select records for the CDDI project to reduce the risk of recording incorrect death information on the Numident, and the 595,514 beneficiaries identified by our prior audits did not meet that criteria. The Agency's comments are included in Appendix C.

²¹ SSA, *POMS*, GN 03315.015 (January 6, 2017).

OFFICE OF THE INSPECTOR GENERAL RESPONSE

We acknowledge the CDDI clean-up operation has improved the recording of death information on the Numident. However, as discussed in our report, there are implications when deaths are not recorded on the Numident. We continue to believe SSA should resolve missing death information on the Numident for the 595,514 beneficiaries we identified in our prior audits.



Michelle L. Anderson
Assistant Inspector General for Audit

APPENDICES

Appendix A – SCOPE AND METHODOLOGY

From the Social Security Administration's (SSA) Master Beneficiary (MBR) and Supplemental Security Records (SSR), we obtained a data extract of beneficiaries whose benefits SSA terminated for death and whose MBR/SSR had dates of death. Using this extract, we identified a population of 15,764 deceased beneficiaries who had dates of death on the payment records from July 1, 2013 through December 31, 2019 but did not have deaths recorded on the Numident as of May 2020. From this population, we selected a random sample of 50 beneficiaries for review.

To accomplish our objective, we:

- reviewed the applicable sections of the *Social Security Act*, the United States Code, and SSA's *Program Operations Manual System*;
- corresponded with SSA employees from the Offices of Operations and Systems;
- reviewed information from SSA's MBR, SSR, Numident, Modernized Supplemental Security Income Claims System, Death Alert Tracking System;
- determined whether SSA recorded death information on the Numident for the deceased beneficiaries in our sample; and
- determined 595,514 deceased beneficiaries from our prior audit period, with date of deaths between January 1980 and June 2013, did not have a death information on the Numident.

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

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

We determined the computer-processed data from the MBR/SSR were sufficiently reliable for our intended use. We conducted tests to determine the completeness and accuracy of the data. These tests allowed us to assess the reliability of the data and achieve our audit objective.

We performed the audit work in Richmond, California, and Baltimore, Maryland, between September 2020 and May 2021. The entities audited were the Offices of Operations and Systems under the Office of the Deputy Commissioners for Operations and Systems.

We conducted our performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix B – SAMPLING METHODOLOGY AND RESULTS

To conduct this review, we used a simple random sample statistical approach. This is a standard statistical approach used for creating 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.

We obtained a data extract of beneficiaries whose benefits Social Security Administration (SSA) terminated for death and whose Master Beneficiary/Supplemental Security Record had a date of death. Using this extract, we identified a population of 15,764 deceased beneficiaries who had dates of death on the payment records from July 1, 2013 through December 31, 2019 but did not have deaths recorded on the Numident as of May 2020. From this population, we selected a random sample of 50 beneficiaries for review.

Table B–1: Population and Sample Size

Description	Beneficiaries
Population Size	15,764
Sample Size	50

For 47 of the 50 deceased beneficiaries in our sample, SSA recorded death information on the payment records but did not record the deaths on the Numident. Projecting our sample results to the population of 15,764 beneficiaries, we estimate SSA recorded deaths for approximately 14,818 deceased beneficiaries on the payment records but did not record the deaths on the Numident.

Table B–2: Deceased Beneficiaries with No Death Information on the Numident

Description	Beneficiaries
Sample Results	47
Point Estimate	14,818
Projection – Lower Limit	13,436
Projection – Upper Limit	15,502

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

Appendix C – AGENCY COMMENTS



SOCIAL SECURITY

MEMORANDUM

Date: April 7, 2022

Refer To: TQA-1

To: Gail S. Ennis
Inspector General

A handwritten signature in blue ink, appearing to read "Scott Frey".

From: Scott Frey
Chief of Staff

Subject: Office of the Inspector General Draft Report "**Follow-up on Deceased Beneficiaries and Recipients with No Death Information on the Numident**" (A-09-20-50936) —
INFORMATION

Thank you for the opportunity to review the draft report. We agree with recommendations 1, 2, and 4. However, we disagree with recommendation 3, which is to "Take appropriate action to record death information to the Numident for the ... beneficiaries identified by our prior audits."

Following OIG's prior audits, we added death information to over 2.7 million Numident records through the Continuing Death Data Improvement (CDDI) project. To reduce the risk of recording incorrect death information on the Numident, we established stringent screening criteria to select records for inclusion in the CDDI project. After an extensive data analytics review, we determined that the cases noted in recommendation 3 do not meet our criteria. While we remain focused on preventing improper payments and improving our death information, we must balance our limited resources and ensure the integrity of our records.

Please let me know if I can be of further assistance. You may direct staff inquiries to Trae Sommer at (410) 965-9102.



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