

Office of the Inspector General

August 28, 2000

William A. Halter
Deputy Commissioner
of Social Security

Inspector General

Identification of Fugitives Receiving Supplemental Security Income Payments
(A-01-98-61013)

Attached is a copy of our final report. Our objective was to determine whether the Social Security Administration is identifying and preventing Supplemental Security Income benefit payments to fugitive felons.

Please comment within 60 days from the date of this memorandum on corrective action taken or planned on each recommendation. If you wish to discuss the final report, please call me or have your staff contact Steven L. Schaeffer, Assistant Inspector General for Audit, at (410) 965-9700.

James G. Huse, Jr.

Attachment

**OFFICE OF
THE INSPECTOR GENERAL**

SOCIAL SECURITY ADMINISTRATION

**IDENTIFICATION OF FUGITIVES
RECEIVING SUPPLEMENTAL
SECURITY INCOME PAYMENTS**

August 2000

A-01-98-61013

AUDIT REPORT



Executive Summary

OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) is identifying and preventing Supplemental Security Income (SSI) benefit payments to fugitive felons.

BACKGROUND

Title XVI of the Social Security Act was amended on August 22, 1996 by section 202 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193), prohibiting SSI payments to fugitive felons. Specifically, section 1611(e) of the Social Security Act was amended to make a person ineligible to receive SSI benefits during any month in which the person is:

- fleeing to avoid prosecution for a crime which is a felony (or in New Jersey, a high misdemeanor) under the laws of the place from which the person flees;
- fleeing to avoid custody or confinement after conviction for a crime which is a felony (or in New Jersey, a high misdemeanor) under the laws of the place from which the person flees; or
- violating a condition of probation or parole imposed under Federal or State law.

In July 1998, we issued the results of our survey of the 50 States and the District of Columbia regarding the availability of fugitive files that are not currently provided to SSA. In that report, we stated our intent to proceed with further audit work to: (1) secure computer matching agreements with 10 States, (2) obtain fugitive files from those 10 States, and (3) identify those fugitive felons receiving SSI payments who would not be identified through SSA's planned match with the National Crime Information Center (NCIC) Wanted Person's file. In this report, we present the results of our additional audit work.

A computer matching agreement detailing our initiative to match a sample of State fugitive files with SSA's records was approved by SSA on December 22, 1998; and notification of the matching program was posted in the Federal Register on January 8, 1999. On January 14, 1999, we provided the computer matching agreement to our 10 sample States for approval and requested the States' fugitive files.

RESULTS OF REVIEW

SSA and the Office of the Inspector General, Office of Investigations (OI) identified 3,948 fugitives receiving SSI benefits in Fiscal Year 1999 without the use of computer matching. However, we believe that computer matching is a more effective method of preventing SSI payments to fugitive felons. Based on the results of our statistical sample, we estimate that at least 24,700 fugitives were incorrectly paid at least \$76 million in SSI payments since Public Law 104-193 took effect in August 1996 prohibiting such payments. Further, we estimate that SSA will continue to pay fugitives at least \$30 million annually in SSI payments if State fugitive files are not used to prevent such payments.

Although SSA entered into a Memorandum of Understanding with NCIC and obtained its Wanted Person's file in March 2000, this will not identify all fugitive felons. Specifically, we determined that only about 28 percent of the States' fugitive felons are entered into NCIC. Therefore, computer matching with both NCIC and the States is necessary to identify all fugitive felons receiving SSI benefits. Since SSA has recently received the NCIC file and begun matching this file against SSA's records, that portion of the annual savings which represents fugitive felons who are entered into both NCIC and the State's fugitive records will now be realized.

Additionally, SSA should coordinate its fugitive efforts with the United States Department of Agriculture (USDA), which has a project underway in 23 States to disqualify food stamp recipients who are fugitive felons. As of February 2000, the USDA project had resulted in over 5,000 arrests of fugitive felons and these fugitives were removed from the Food Stamp program.

Our experience with the States in our sample shows that some States were able to accommodate our request for fugitive data quickly and were very cooperative, while other States were resistant to providing the data. However, the States do have incentives to provide this data to SSA. Specifically, States also pay benefits to SSI recipients.

RECOMMENDATIONS

To ensure that SSA suspends SSI payments to fugitive felons, we recommend that SSA:

- reach agreement with the USDA's OIG to share fugitive felon information, and
- reach agreement with State agencies, which either do not enter all fugitive felon data into NCIC or provide data to the USDA, to obtain their fugitive information in an electronic format on a routine basis.

AGENCY COMMENTS

In response to our draft report, SSA agreed with all of our recommendations. (See Appendix C for SSA's comments.)

Table of Contents

	Page
INTRODUCTION	1
RESULTS OF REVIEW	4
Fugitives Receiving SSI Benefits	5
NCIC Fugitive Data	6
Other Federal Fugitive Felon Projects.....	8
State Incentives To Provide Fugitive Data To SSA.....	9
▪ State Funds Paid To Fugitives	9
▪ Fugitive Arrests.....	10
RECOMMENDATIONS	12
APPENDICES	
Appendix A – Sampling Methodology and Results	
Appendix B – Fugitive Matching Program Issues	
Appendix C – Agency Comments	
Appendix D – OIG Contacts and Staff Acknowledgments	
Appendix E – SSA Organizational Chart	

Acronyms

EM	Emergency Message
EVS	Enumeration Verification System
NCIC	National Crime Information Center
OI	Office of Investigations
OIG	Office of the Inspector General
P.L.	Public Law
SSA	Social Security Administration
SSI	Supplemental Security Income
SSN	Social Security Number
SSR	Supplemental Security Record
USDA	United States Department of Agriculture

Introduction

OBJECTIVE

Our objective was to determine whether the Social Security Administration (SSA) is identifying and preventing Supplemental Security Income (SSI) benefit payments to fugitive felons.¹

BACKGROUND

Title XVI of the Social Security Act established the SSI program in 1972 to provide income to financially needy individuals who are aged, blind, or disabled. On August 22, 1996, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104-193) amended the Social Security Act to prohibit SSI payments to fugitive felons. Specifically, section 202 of Public Law (P.L.) 104-193 amended section 1611(e) of the Social Security Act to make a person ineligible to receive SSI payments during any month in which the person is:

- fleeing to avoid prosecution for a crime which is a felony² (or in New Jersey, a high misdemeanor) under the laws of the place from which the person flees;
- fleeing to avoid custody or confinement after conviction for a crime which is a felony (or in New Jersey, a high misdemeanor) under the laws of the place from which the person flees; or
- violating a condition of probation or parole imposed under Federal or State law.

With input from the Office of the Inspector General (OIG), Office of Investigations (OI), SSA issued initial policy guidelines concerning fugitive felon investigations in October 1996. Then, based on its experiences with early fugitive cases, SSA and OI developed comprehensive procedural guidelines for the conduct of fugitive felon investigations. These procedures were issued by SSA in February 1998³ and have been updated several times, most recently in February 2000.⁴ Specific issues addressed in these procedures include confirming the fugitive's identify, determining current SSI payment status, assisting in the apprehension of fugitives receiving SSI benefits, and suspending SSI benefit payments.

¹ Throughout the report when we use the term "fugitive felons," we are referring to those fugitives and parole/probation violators specifically prohibited from receiving SSI benefits under P.L. 104-193.

² A felony is a serious offense that is usually punishable by imprisonment for more than 1 year.

³ Program Operations Manual System Emergency Message (EM) 98-038 titled "SSI Procedure – Office of the Inspector General Fugitive Felon Projects" dated February 18, 1998.

⁴ EM 00010 - "SSI Procedures - Fugitive Felons and Parole or Probation Violators," February 17, 2000.

In July 1998, we issued the results of our survey of the 50 States and the District of Columbia regarding the availability of fugitive files that were not being provided to SSA.⁵ In that report, we stated our intent to proceed with further audit work to: (1) secure computer matching agreements with 10 States; (2) obtain fugitive files from those 10 States; and (3) identify those fugitive felons receiving SSI payments who would not be identified through SSA's planned match with the National Crime Information Center (NCIC) Wanted Person's file.⁶ This report presents the results of our additional audit work.

A computer matching agreement detailing our initiative to match a sample of State fugitive files with SSA's records was approved by SSA's Commissioner on December 22, 1998; and notification of the matching program was posted in the Federal Register on January 8, 1999. We provided the computer matching agreement to our 10 sample States⁷ for approval and requested the States' fugitive files.

SCOPE AND METHODOLOGY

To accomplish our objective, we:

- Prepared a computer matching agreement⁸ for the disclosure of fugitive felon information between State law enforcement agencies and SSA.
- Selected a random sample of 10 States in which to conduct computer matching.⁹
- Obtained fugitive files from the 10 States between February 1999 and April 2000.
- Verified each fugitives' name, Social Security number (SSN), sex, and date of birth using SSA's Enumeration Verification System (EVS) to ensure that the fugitives' identities agreed with SSA's records.

⁵ OIG, Office of Audit report titled "Survey Results for Identification of Fugitives Receiving Benefits" (A-01-98-63002).

⁶ The NCIC Wanted Person's file contains a portion of the felony warrants from the 50 States.

⁷ The 10 States selected were Alabama, Colorado, Idaho, Illinois, Iowa, Maine, Nebraska, New Mexico, Oregon, and Texas.

⁸ A computer matching agreement is necessary under the Computer Matching and Privacy Protection Act of 1988 in order to match State fugitive files with SSA's records when the primary purpose of such a match is SSI benefit suspension. The agreement also establishes the conditions, safeguards and procedures for the disclosure to SSA by other agencies of information on individuals who are fugitives from justice or parole or probation violators. While SSA estimated it would take 6 months to approve a computer matching agreement for our use in obtaining State fugitive files, SSA took approximately 1 year to approve the agreement. Our experience indicates a need to streamline the computer matching agreement process.

⁹ One of our initial 10 States (South Dakota) was unable to provide a fugitive file so we randomly selected an alternate State (Alabama).

- Matched the verified SSNs against a Supplemental Security Record (SSR) extract file of recipients eligible for payments since August 1996.
- Separated, when necessary, the fugitives wanted for felonies from those fugitives wanted for misdemeanor charges.¹⁰ This separation was conducted on the records that were verified through EVS and which matched a SSR in our file.
- Determined whether fugitives receiving SSI payments were listed on the NCIC Wanted Person's file.
- Using a multi-stage sampling design, confirmed a sample of 458 fugitive warrants with the responsible law enforcement agencies to ensure that the SSI recipients were fugitive felons. For the sample fugitives with confirmed warrants we calculated the amount of SSI benefits paid to each fugitive. Our calculation included payments from the date of the felony warrant through the date the case was reviewed by the OIG. If the warrant was issued prior to enactment of P.L. 104-193, we only included payments made after the effective date of this law (August 1996). (See Appendix A for details of our sampling methodology.)

We conducted our review between January 1999 and May 2000 in Boston, Massachusetts. We conducted our review in accordance with generally accepted government auditing standards.

¹⁰ Five States (Alabama, Colorado, Maine, Idaho, and Oregon) provided files containing fugitive felons only. Therefore, we did not have to separate the fugitives wanted for misdemeanor charges prior to selecting our sample of cases to review.

Results of Review

SSA and OI identified 3,948 fugitives receiving SSI benefits in FY 1999 without the use of computer matching.¹¹ However, we believe that computer matching is a more effective method of preventing SSI payments to fugitives. We estimate that at least 24,700 fugitives were incorrectly paid at least \$76 million in SSI payments from the date P.L. 104-193 took effect (August 1996)¹² through the date we reviewed the sample cases. Further, we estimate that SSA will continue to pay fugitives at least \$30 million in SSI payments each year that State fugitive files are not used to prevent such payments.

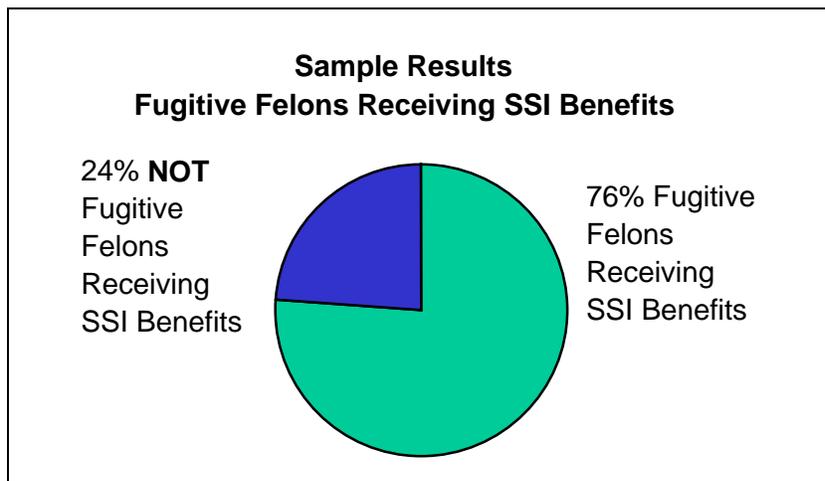
SSA's planned computer match with NCIC will not identify all fugitive felons. Specifically, we determined that only about 28 percent of the States' fugitive felons are entered into NCIC. Therefore, computer matching with both NCIC and the States is necessary to identify all fugitive felons receiving SSI benefits. Additionally, SSA should coordinate its fugitive efforts with the United States Department of Agriculture (USDA), which has a project underway in 23 States to disqualify food stamp recipients who are fugitive felons. As of February 2000, the USDA project had resulted in over 5,000 arrests of fugitive felons and these fugitives were removed from the Food Stamp program.

Our experience with the States in our sample shows that some States were able to accommodate our request for fugitive data quickly and were very cooperative, while other States were resistant to providing the data. However, the States do have incentives to provide this data to SSA. Specifically, States pay supplemental funds to SSI recipients and SSA's OI can assist the States in locating the fugitives.

¹¹ OI received paper referrals from local law enforcement contacts and manually queried SSA's data bases to determine whether the fugitives were receiving SSI payments.

¹² In a memorandum dated February 17, 2000, SSA issued instructions, which included the mandate that administrative finality be applied to overpayments made to fugitive felons. Administrative finality limits the overpayment period to 2 years.

FUGITIVES RECEIVING SSI BENEFITS



Our one-time computer match between 10 State fugitive files and SSA's records identified 7,716 fugitive felons potentially receiving SSI payments. We sampled and reviewed 458 of the 7,716 fugitives and found that 349 (76 percent) of the sampled fugitives were still wanted for felony charges and

received SSI benefit payments. These 349 fugitives received over \$2.46 million in SSI payments since P.L. 104-193 took effect.

For each of the 458 fugitives in our sample, we contacted the responsible law enforcement agency and confirmed that 349 fugitives were wanted for a felony or parole/probation violation after P.L. 104-193 was enacted. For the remaining 109 fugitives, 94 did not receive SSI payments while a fugitive felon¹³ and 15 warrants could not be confirmed with law enforcement officials. Our results by State are shown in the following table.

¹³ Ten were in H80 (hold) status because SSA had not completed processing of the SSI applications, 14 were misdemeanor warrants, 3 either had no record of the warrant or the warrant was cancelled, and 67 did not receive SSI payments after the date of their warrants.

State	Fugitive Felons				Not a Fugitive Felon Receiving SSI Payments
	Number Receiving SSI Benefits Based on Computer Match	Number in OIG Sample	Sample Cases with Confirmed Warrants Paid SSI Benefits	Amount of SSI Benefits Paid to Fugitives with Confirmed Warrants	
Alabama	244	50	35	\$155,781	15
Colorado	681	50	39	307,830	11
Idaho	51	51	43	343,070	8
Illinois	2,267	50	34	207,836	16
Iowa	244	50	40	247,260	10
Maine	70	70	49	353,103	21
Nebraska	14	14	13	68,949	1
New Mexico	23	23	19	135,844	4
Oregon	1,308	50	40	446,603	10
Texas	2,814	50	37	194,979	13
TOTAL	7,716	458	349	\$2,461,255	109

For the 349 fugitives with confirmed warrants who received SSI payments after P.L. 104-193 was enacted, 225 were still receiving payments at the time of our review. An example of a fugitive case in our review involves an individual who had a warrant issued for his arrest in November 1993 for a felony charge of burglary. This fugitive felon started receiving SSI benefits in July 1998. In May 1999, we confirmed that the recipient was still wanted on the felony charge and determined that about \$5,500 in SSI benefits were paid to him after P.L. 104-193 took effect in August 1996. We turned this case over to the responsible OI Special Agent, who worked the case in conjunction with SSA's regional Fugitive Felon Coordinator, and as a result, the SSI benefits were suspended and an overpayment was assessed.¹⁴

NCIC FUGITIVE DATA

SSA and OI have been working with officials from NCIC to match the NCIC Wanted Person's File (approximately 500,000 records) against SSA's files. SSA and OI have worked with NCIC to develop a format for obtaining its fugitive data, and SSA received test data from NCIC to assist SSA's computer systems development effort. On March 6, 2000, an agreement to share fugitive information was approved by SSA and NCIC. On March 14, 2000, SSA received the first file which contained 86,568 fugitive felon records. SSA expects to obtain the remaining fugitive records from NCIC in two

¹⁴ We referred all fugitive felon cases identified through our computer match to SSA and OI, with the exception of fugitive cases from Illinois, Idaho and Nebraska. Although these three States provided fugitive information, the States did not sign the required computer matching agreements that would allow SSA to suspend the SSI payments and allow OI to pursue apprehension of the fugitives.

additional phases – one covering parole and probation violators and the other covering the remaining fugitive felons. Thereafter, computer matching of the entire NCIC Wanted Person’s file is expected to occur on a monthly basis.

While SSA’s match with the NCIC Wanted Person’s file will assist SSA in identifying fugitives receiving SSI benefits, it will not identify all fugitive felons receiving SSI payments. The NCIC file contains warrant information, supplied from Federal and State law enforcement agencies, for individuals who have active felony and serious misdemeanor warrants. Prior to May 1998, NCIC only accepted extraditable¹⁵ warrants. NCIC made a policy change effective May 1998 to accept felony warrants without an extradition requirement. Non-felony warrants still require an indication that the originating agency will extradite.

Our analysis of 10 State fugitive files revealed that only a portion of the fugitive felon records were entered into the NCIC system. We found that approximately 28 percent of fugitive records were entered into NCIC, while the remaining 72 percent were only entered into the States’ local systems. Details are shown in the following table.

State	Fugitive Felons			
	Population Receiving SSI Payments	Number on NCIC	Number <u>Not</u> on NCIC	Portion <u>Not</u> on NCIC
Alabama	244	243	1	0%
Colorado	681	349	332	49%
Idaho	51	0	51	100%
Illinois	2,267	544	1,723	76%
Iowa	244	42	202	83%
Maine	70	70	0	0%
Nebraska	14	0	14	100%
New Mexico	23	0	23	100%
Oregon	1,308	667	641	49%
Texas ¹⁶	2,814	281	2,533	90%
TOTAL	7,716	2,196	5,520	72%

Although 1 of the 10 States in our sample (Maine) enters all its fugitive felon records into NCIC, the remaining 9 States do not. Three States’ (Idaho, Nebraska, and New Mexico) fugitive files exclude those fugitives entered into NCIC. The six remaining

¹⁵ An extraditable warrant is used when a State is willing to retrieve a fugitive located in another State, and a nonextraditable warrant is used when a State is not willing or able to retrieve a fugitive located in another State.

¹⁶ Not all Texas fugitive felon records are entered into NCIC. The Texas fugitive file did not contain a field that enabled us to determine whether the fugitive’s record was entered into NCIC. In February 1999, Texas provided a file of 362,069 felony and misdemeanor warrants. In February 1998, a year earlier, 39,007 fugitive felon warrants from Texas were entered into NCIC. This is approximately 10 percent of the entire Texas fugitive file from February 1999.

States (Alabama, Colorado, Illinois, Iowa, Oregon, and Texas) maintain fugitive files that include all State fugitive warrants, including those that are also entered in NCIC. For example, one State's fugitive file contains an NCIC indicator that shows whether the record is entered into NCIC in addition to being in the State's file. This State's file showed that 544 of its 2,267 fugitive felons receiving SSI payments were entered into both the State file and the NCIC Wanted Person's file. The remaining 1,723 fugitive felons were only entered in the State's file; and therefore, they would not be identified through a match with NCIC.

Since NCIC does not contain information on all fugitive felons, computer matching with State fugitive files, as well as NCIC, will be necessary to ensure that a comprehensive population of fugitives is identified and matched against SSA's records.

OTHER FEDERAL FUGITIVE FELON PROJECTS

In addition to amending the Social Security Act to prohibit SSI payments to fugitive felons, P.L. 104-193 also amended provisions of the Food Stamp program to disqualify fugitive felons from receiving food stamps. Specifically, section 821 of P.L. 104-193 states,

“No member of a household who is otherwise eligible to participate in the Food Stamp program shall be eligible ... during any period during which the individual is — (1) fleeing to avoid prosecution, or custody or confinement after conviction ... for a crime ... that is a felony ... or (2) violating a condition of probation or parole imposed under a Federal or State law.”

The Food Stamp program is administered by State public assistance offices, but is sponsored by the USDA, which pays 100 percent of the benefit costs of the program. This program helps low-income families purchase food.

In early 1997, the USDA OIG started a nationwide initiative designed to locate and apprehend fugitives who are food stamp recipients. Specifically, the USDA's OIG matches the food stamp recipient rolls with fugitive felon warrants. The USDA OIG's Semiannual Report to Congress, dated November 1999, reported that its fugitive felon project resulted in 4,801 arrests as of September 30, 1999. Furthermore, in February 2000, USDA OIG staff informed us that the agency's arrest total was now over 5,000 fugitive felons. In addition to the arrests, these fugitives were removed from the Food Stamp program. The USDA fugitive felon project is an on-going initiative and, as of September 1999, it encompassed 42 metropolitan areas in 23 States.¹⁷

We learned that our own work to identify fugitive felons receiving SSI payments overlapped USDA's efforts, and we believe that the two agencies should coordinate their efforts to obtain State fugitive information. Specifically, one State in our sample requested to provide its fugitive file in the same format that it provided it to the local

¹⁷ The 23 States are: Arizona, California, Colorado, Delaware, Georgia, Kansas, Kentucky, Illinois, Maryland, Massachusetts, Minnesota, Mississippi, Missouri, New Jersey, New York, Ohio, Oklahoma, Pennsylvania, South Dakota, Texas, Virginia, Washington, and Wisconsin.

USDA OIG office. Another State was hesitant to provide a fugitive file because it was having problems putting its file in the format requested by USDA's OIG. Once we informed this State that it did not have to put its fugitive file into a specified format, it sent us the data.¹⁸ Furthermore, during our survey of the 50 States in 1998 to identify fugitive information that was not being provided to SSA, several States expressed a willingness to provide data to us if it would only entail making a copy of the data it already provides to the Food Stamp program.

STATE INCENTIVES TO PROVIDE FUGITIVE DATA TO SSA

SSA needs State law enforcement agencies to provide fugitive felon information on a routine basis in order to prevent SSI benefit payments to fugitives under the provisions of P. L. 104-193. Our experience with the 10 sample States shows that some States were able to accommodate our request for fugitive data more quickly than other States. Due to workload preferences, staffing levels, budget restraints, and other issues vying for the State's attention, SSA's request for fugitive information on a routine basis and in a set format may not be a high priority for the States. However, the States do have incentives to provide this data to SSA. Specifically, States supplement the Federal SSI payment with State funds.

State Funds Paid To Fugitives

In addition to Federal SSI funds, State funds are at risk if the States do not provide SSA with fugitive felon information since most States provide supplementary payments to SSI recipients. Since the termination of SSI benefits to fugitive felons under P.L. 104-193 may also trigger the termination of the State supplement, the States may achieve financial savings as a result of sharing fugitive information with SSA. State supplements vary from State to State and provide additional income based on differences in regional living costs. State supplements may be issued directly by the State or may be combined with the SSI payment by mutual agreement of the State and SSA (i.e., SSA Federally administers the State supplement).

Our review of the 349 fugitive felons with confirmed warrants receiving SSI benefits showed that 134 of the fugitives were receiving SSI benefits in States for which SSA administered the supplementary payments. We found that 93 of these 134 fugitive felons (69 percent) received approximately \$157,000 in State supplements. An additional 215 fugitives with confirmed warrants received SSI payments in States in which the State supplements, if any, were issued directly by the States. As a result, we did not have a record of State supplements paid to these fugitive felons.

Also, savings to the States may result from the termination of the fugitive's Medicaid benefits. Specifically, many States provide Medicaid eligibility based on SSI eligibility without regard to whether the individual meets the State's definition of "medically needy." Medicaid is a jointly funded cooperative venture between the Federal and State governments that pays for medical assistance for certain individuals and families

¹⁸ For the purposes of our audit, we did not request that the States provide their data in a standard format.

with low income and resources. The Federal government pays for at least 50 percent of Medicaid costs and State governments pay the remainder. The average cost of Medicaid in 1996 was \$3,369 and the States' portion of its Medicaid cost ranged from 22 percent to 50 percent. Although we did not determine the number of fugitive felons in our sample who received Medicaid benefits, States may be able to achieve cost savings in this area through SSA's termination of SSI benefits to fugitive felons.

Fugitive Arrests

Under the provisions of P. L. 104-193, SSA "... shall furnish any Federal, State, or local law enforcement officer, upon the written request of the officer, with the current address, Social Security number, and photograph (if applicable) of any recipient of [SSI] benefits" who is a fugitive felon. During the course of OI investigations between August 1996 (the effective date of P.L. 104-193) and October 12, 1999, OI Special Agents assisted Federal, State, and local law enforcement officials in the arrest of 1,853 fugitive felons. These arrests resulted from the cooperation between SSA, OIG, and Federal, State, and local law enforcement officials. Specifically, law enforcement officials provided the OIG with fugitive information. OIG Special Agents queried the SSR to determine whether the fugitive was receiving SSI benefits. If the fugitive was receiving SSI benefits, the OIG opened an investigation, confirmed the warrant with the responsible law enforcement agency, and assisted law enforcement officials in locating and apprehending the fugitive.

We found that 128 of the 349 fugitives with confirmed warrants received SSI payments in the same State that had issued the felony warrants for the fugitives. The remaining 221 fugitives were paid SSI benefits while residing in other States. The following table shows the percentage of fugitives receiving SSI benefits while residing in a State other than the one that issued the felony warrant.

State that Issued the Felony Warrant	Number of Fugitives Paid SSI Benefits	Number of Fugitives Paid SSI Benefits in a State Other Than the State that Issued the Warrant	Portion of Fugitives Paid SSI Benefits in a State Other Than the State that Issued the Warrant
Alabama	35	15	43%
Colorado	39	33	85%
Idaho	43	36	84%
Illinois	34	12	35%
Iowa	40	22	55%
Maine	49	30	61%
Nebraska	13	12	92%
New Mexico	19	13	68%
Oregon	40	33	83%
Texas	37	15	41%
TOTAL	349	221	63%

According to SSA's address information (based on where the SSI benefits are paid), the 221 fugitive felons shown above are residing in 45 different States, even though the warrant information was obtained from only 10 States. For example, one of the fugitive felons wanted by the State of Maine was receiving SSI payments in Florida. After providing their file to us, OI investigated the case and was able to give Maine State Police the recipient's Florida address. The fugitive was then apprehended in Florida as a result of SSA's address information being provided to Maine law enforcement officials. Similarly, when additional States provide their fugitive information, SSA's address information could assist law enforcement agencies in locating and apprehending the fugitives.

Recommendations

To ensure that SSA suspends SSI payments to fugitive felons, we recommend that SSA:

1. Reach agreement with the USDA's OIG to share fugitive felon information.
2. Reach agreement with State agencies, which either do not enter all fugitive felon data into NCIC or provide data to the USDA, to obtain their fugitive information in an electronic format on a routine basis.

AGENCY COMMENTS

In response to our draft report, SSA agreed with our recommendations. Specifically, SSA will contact the USDA to determine the feasibility of coordinating fugitive efforts with them. Also, SSA expects to institute matching agreements and receive fugitive data on a regular basis from State and local law enforcement agencies in the months ahead.

Appendices

Sampling Methodology and Results

From the Social Security Administration (SSA), we obtained an extract from the Supplemental Security Record (SSR) of all individuals eligible for Supplemental Security Income (SSI) payments¹ between August 1996 and January 2000.² We also obtained fugitive files from a random sample of 10 States.³ For each State, we verified each fugitives' name, Social Security number (SSN), sex, and date of birth using SSA's Enumeration Verification System (EVS) to ensure the fugitives' identities agreed with SSA's records. We then matched the verified SSNs against our SSR extract. The table below shows the number and type of fugitive warrants provided by each State.

State	Date Fugitive File Received from State	Fugitives in Original State File	Type of Fugitive Warrants in State File
Alabama	January 2000	4,295	Felons
Colorado	April 2000	17,048	Felons
Idaho	August 1999	733	Felons
Illinois	February 1999	248,311	Felons and misdemeanors
Iowa	May 1999	38,702	Felons and misdemeanors
Maine	March 1999	1,158	Felons
Nebraska	March 1999	21,457	Felons and misdemeanors
New Mexico	February 1999	37,706	Felons and misdemeanors
Oregon	April 2000	117,775	Felons
Texas	February 1999	362,069 ⁴	Felons and misdemeanors

Five of our 10 State fugitive files consisted of both felonies and misdemeanors. Therefore, we had to separate the felons from the misdemeanors based on the warrant's four-digit offense code.⁵ The following table shows the offense codes and the number of fugitives receiving SSI payments based on our computer match.

¹ We included all SSR records with pay status codes C01 (current pay), E01 (eligible but no payment due), E02 (eligible for payments in that month but not due a payment), and H80 (hold for early input-allowance/denial pending).

² We obtained an SSR data extract for the period August 1996 to March 1999 and used it to match the fugitive files from seven States. In January 2000, we obtained an updated SSR extract. We used this updated file to match the remaining three State fugitive files instead of using the March 1999 extract.

³ The 10 States were randomly selected from a population of 46 States (including the District of Columbia). At the time of our review, the remaining five States were unable to provide electronic fugitive data to us. One of our 10 States (South Dakota) was unable to provide a fugitive file, so we randomly selected an alternate State (Alabama).

⁴ We were only able to use 184,672 of the 362,069 Texas fugitive records because of incomplete or duplicate (alias) information.

⁵ Some States had a miscellaneous field on their fugitive files, which described the fugitive's criminal charges in detail. We reviewed this field to refine our classification of felonies and misdemeanors.

Offense Code	Offense Description	Fugitives with Offense
Codes starting with 09	Homicide	26
Codes starting with 10	Kidnapping	9
Codes starting with 11	Sexual Assault	59
Codes starting with 12	Robbery	59
Codes starting with 13	Assault	552
Codes starting with 20	Arson	15
Codes starting with 21	Extortion	1
Codes starting with 22	Burglary	224
Codes starting with 23	Larceny	169
Codes starting with 24	Stolen Vehicles	139
Codes starting with 25	Forgery	66
Codes starting with 26	Fraud	123
Codes starting with 28	Receiving Stolen Property	15
Codes starting with 29	Damaged Property	4
Codes starting with 35	Dangerous Drugs	1,200
Codes starting with 36	Sex Offense	14
Codes starting with 37	Obscenity	1
Codes starting with 38	Family Offense	20
Codes starting with 48	Obstructing the Police	10
Codes starting with 49	Flight-Escape	92
5011	Parole Violation	1,318
5012	Probation Violation	2,945
All other codes starting with 50	Obstructing Judiciary, Congress, Legislature, or a Commission	517
Codes starting with 51	Bribery	1
Codes starting with 52	Weapon Offenses	15
Codes starting with 53	Public Peace	1
Codes starting with 54	Traffic Offenses	41
Codes starting with 55	Health-Safety	1
Codes starting with 57	Invasion of Privacy	1
Codes starting with 58	Smuggling	1
Codes starting with 70	Crimes Against Person	2
Codes starting with 71	Property Crimes	8
Codes starting with 81	Juvenile Offenders	2
No code provided	Other Felony Charges ⁶	65
TOTAL		7,716

⁶ Two States did not provide specific information on the fugitives' criminal charges. However, the 65 fugitives identified for these 2 States were wanted for felony charges.

Once we isolated the fugitive felons receiving SSI benefits, we selected a random sample of 50 fugitive felons from each State. If a State had fewer than 50 fugitive felons receiving SSI benefits, we reviewed all of the cases for that State. In one instance, we identified 51 fugitive felons receiving SSI benefits for a State and reviewed all 51 rather than select a random sample of 50. For one State (Maine), our initial computer match identified 58 fugitive felons receiving SSI benefits and we reviewed all 58 cases. After this initial match, Maine provided an updated fugitive file and we identified and reviewed an additional 12 cases for a total population of 70 fugitives.

For each sample case, we contacted the responsible law enforcement agency to confirm that the fugitive was wanted on a felony warrant or parole/probation violation. For fugitives confirmed to be wanted on felony or parole/probation violation charges, we calculated the amount of SSI benefits paid since Public Law 104-193 took effect, prohibiting such payments. Our sample results, projections and estimates are detailed in the tables below and on page A-4.

Sample Results and Attribute Projections for Fugitives Paid SSI Benefits Since August 1996				
State	Population Size	Sample Size	Number of Fugitives in Sample Paid SSI Benefits	Projection of Number of Fugitives Paid SSI Benefits
Alabama	244	50	35	171
Colorado	681	50	39	531
Idaho	51	51	43	43
Illinois	2,267	50	34	1,542
Iowa	244	50	40	195
Maine	70	70	49	49
Nebraska	14	14	13	13
New Mexico	23	23	19	19
Oregon	1,308	50	40	1,046
Texas	2,814 ⁷	50	37	2,082
10 State Total	7,716	458	349	5,691
Projection to 46 States in Population				26,180
Projection Lower Limit				24,767
Projection Upper Limit				27,593

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

⁷ Texas was the first fugitive file received and we did not remove the fugitives with multiple warrants prior to selecting our sample of 50 fugitives (i.e., if a fugitive was wanted on three different felony warrants, he appeared three times in our population). We refined our sampling technique as a result of this, and for the succeeding States in our sample, we removed the duplicate warrants prior to selecting our sample. Specifically, if a fugitive was wanted on three different felony warrants, this fugitive was only listed once in our population. For Texas, we selected our sample of 50 from the population of 2,896 (which included duplicate warrants). An unduplicated population would have included 2,814 fugitives. In reviewing our sampled Texas cases, if the fugitive had more than one warrant, we only included the warrant randomly selected in calculating the SSI funds overpaid.

Sample Results and Dollar Projections of SSI Payments Made Since August 1996				
State	Population Size	Sample Size	SSI Benefits Paid to Fugitives in Sample	Projection of SSI Benefits Paid to Fugitives
Alabama	244	50	\$155,781	\$760,214
Colorado	681	50	307,830	4,192,638
Idaho	51	51	343,070	343,070
Illinois	2,267	50	207,836	9,423,299
Iowa	244	50	247,260	1,206,628
Maine	70	70	353,103	353,103
Nebraska	14	14	68,949	68,949
New Mexico	23	23	135,844	135,844
Oregon	1,308	50	446,603	11,683,145
Texas	2,814	50	194,979	10,973,394
10 State Total	7,716	458	\$2,461,255	\$39,140,284
Projection to 46 States in Population				\$180,045,309
Projection Lower Limit				\$76,418,468
Projection Upper Limit				\$283,672,150

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

Sample Results, Projection and Estimate of SSI Benefits Expected to be Paid Annually					
State	Population Size	Sample Size	Number of Fugitives Paid SSI Benefits During April 1999	Monthly SSI Payment to Fugitives During April 1999	Projection of Monthly SSI Payments to Fugitives During April 1999
Alabama	244	50	16	\$4,993	\$24,366
Colorado	681	50	22	8,068	109,891
Idaho	51	51	30	11,834	11,834
Illinois	2,267	50	25	10,623	481,628
Iowa	244	50	30	11,063	53,987
Maine	70	70	34	14,001	14,001
Nebraska	14	14	7	2,158	2,158
New Mexico	23	23	14	5,925	5,925
Oregon	1,308	50	21	9,380	245,387
Texas	2,814	50	24	9,809	552,056
10 State Total	7,716	458	223	\$87,854	\$1,501,233
Projection to 46 States in Population					\$6,905,671
Projection Lower Limit					\$2,488,005
Projection Upper Limit					\$11,323,338
Annualized Estimate (Projection X 12 Months)⁸					\$82,868,052
Annualized Estimate - Lower Limit⁸					\$29,856,060
Annualized Estimate - Upper Limit⁸					\$135,880,056

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

⁸ This is a non-statistical estimate.

Fugitive Matching Program Issues

We believe that computer matching with both the States and National Crime Information Center (NCIC) is an effective method of identifying and preventing Supplemental Security Income (SSI) payments to fugitive felons. We estimate that the Social Security Administration (SSA) can save at least \$30 million in SSI payments annually through computer matching State fugitive files with SSA's records. However, a number of issues need to be addressed in order for SSA to fully implement an efficient fugitive felon matching program. Many of these issues have already been resolved with the NCIC fugitive match, but they still need to be overcome to ensure routine matching with the States is effective. These issues include the following:

1. Not all States can isolate felony warrants from misdemeanors.
2. Some States provided fugitive information, but would not sign the computer matching agreement.
3. The name field in all the State files had the first name, last name, and middle name in a single data field. This field must be separated before SSA can verify the fugitive's identity through its Enumeration Verification System.
4. The date of birth field was not always in SSA's format ("mmddyyyy" where "m" is the month, "d" is the day, and "y" is the year).
5. Each State's fugitive file had a different record layout.
6. The medium on which files were sent to us varied. One State e-mailed us a file, whereas other States sent the fugitive files on floppy disks or tape cartridges. Also, one State provided a paper listing of fugitives.
7. The time frame from our request for the information and receipt varied. Five States provided the information within 2 months of our request, while other States took more than a year to provide the data.

Agency Comments

**COMMENTS OF THE SOCIAL SECURITY ADMINISTRATION (SSA) ON THE
OFFICE OF THE INSPECTOR GENERAL (OIG) DRAFT REPORT,
“IDENTIFICATION OF FUGITIVES RECEIVING SUPPLEMENTAL SECURITY
INCOME PAYMENTS” (A-01-98-61013)**

We appreciate the opportunity to comment on the draft report. Following are our comments on the recommendations.

OIG Recommendation 1

SSA should reach agreement with the United States Department of Agriculture (USDA) to share fugitive information.

SSA Comment

We agree in principle with this recommendation. We will contact the USDA to determine the feasibility of coordinating our efforts. We do not have enough specific information regarding what information the USDA-OIG maintains and the format of its files to determine whether or not we can implement this recommendation at this time.

OIG Recommendation 2

SSA should reach agreement with State agencies, which either do not enter all fugitive data into National CIC or provide data to the USDA, to obtain their fugitive information in an electronic format on a routine basis.

SSA Comment

We agree. SSA has already established, in conjunction with OIG, a model matching agreement that will facilitate the process of obtaining agreements with State and local law enforcement agencies to share fugitive information with the agency. A letter from OIG has just been sent to a list of State law enforcement data administrators notifying them of SSA's intent to pursue matching agreements for identification of fugitives receiving SSI benefits. This letter will be followed up by additional written and personal contacts by SSA's Regional Fugitive Coordinators and local field office staff in the next few weeks and months. We expect to begin receiving matching agreements, followed by data on fugitives on a regular basis, from State and local law enforcement agencies in the months ahead.

OIG Contacts and Staff Acknowledgements

OIG Contacts

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Acknowledgments

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For additional copies of this report, please contact the Office of the Inspector General's Public Affairs Specialist at (410) 966-5998. Refer to Common Identification Number A-01-98-61013.

SSA Organizational Chart