



## Other Information



## OTHER INFORMATION SUMMARY

The *Other Information* section provides information to satisfy additional statutory and Office of Management and Budget reporting requirements.

First, we provide a summary of our financial statement audit and management assurances, and other financial information.

Next, in accordance with the *Reports Consolidation Act of 2000*, *The Social Security Administration's Major Management and Performance Challenges During Fiscal Year 2025* provides a summary and assessment of the most serious management and performance challenges we face as determined by the Office of the Inspector General (OIG). This section also describes the steps we have taken to address each of these challenges.

Finally, in *Other Reporting Requirements*, we provide information on our payment integrity, entitlement reviews and OIG anti-fraud activities, civil monetary penalties, biennial review of user fee charges, grants programs, federal entity trading partners, and debt collection and management activities.



# SUMMARY OF FINANCIAL STATEMENT AUDIT AND MANAGEMENT ASSURANCES

## Summary of Financial Statement Audit

Financial Statement Audit					
Audit Opinion	Unmodified				
Restatement	No				
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Ending Balance
Total Material Weaknesses	0	0	0	0	0

## Summary of Management Assurances

Effectiveness of Internal Control over Financial Reporting (FMFIA Section 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	0	0	0	0	0	0
Effectiveness of Internal Control over Operations (FMFIA Section 2)						
Statement of Assurance	Unmodified					
Material Weaknesses	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Material Weaknesses	0	0	0	0	0	0
Conformance with Federal Financial Management System Requirements (FMFIA Section 4)						
Statement of Assurance	Federal Systems conform to financial management system requirements					
Non-Conformances	Beginning Balance	New	Resolved	Consolidated	Reassessed	Ending Balance
Total Non-Conformances	0	0	0	0	0	0
Compliance with Section 803(a) of the Federal Financial Management Improvement Act						
			Agency		Auditor	
1. Federal Financial Management System Requirements			No lack of substantial compliance noted		No lack of substantial compliance noted	
2. Applicable Federal Accounting Standards			No lack of substantial compliance noted		No lack of substantial compliance noted	
3. United States Standard General Ledger at Transaction Level			No lack of substantial compliance noted		No lack of substantial compliance noted	



# OTHER FINANCIAL INFORMATION

## Other Financial Information: Balance Sheet by Major Program as of September 30, 2025 (Dollars in Millions)

Assets	OASI	DI	SSI	Other	LAE	Intra-Agency Elimination	s	Consolidated
<b>Intragovernmental Assets:</b>								
Fund Balance with Treasury	\$ 341	\$ 86	\$ 4,647	\$ 94	\$ 877	\$ 0	\$ 6,045	
Investments	2,415,122	217,213	0	0	0	0	0	2,632,335
Accounts Receivable, Net	174	74	0	0	3,071	(2,351)	968	
Advances and Prepayments	0	0	10	0	49	0	0	59
Other Assets	0	0	0	0	113	0	0	113
<b>Total Intragovernmental Assets</b>	<b>2,415,637</b>	<b>217,373</b>	<b>4,657</b>	<b>94</b>	<b>4,110</b>	<b>(2,351)</b>		<b>2,639,520</b>
<b>Assets with the Public:</b>								
Accounts Receivable, Net	3,151	3,264	5,397	0	20	(820)	11,012	
Property, Plant, and Equipment, Net	0	0	0	0	5,172	0	0	5,172
<b>Total Assets with the Public</b>	<b>3,151</b>	<b>3,264</b>	<b>5,397</b>	<b>0</b>	<b>5,192</b>	<b>(820)</b>		<b>16,184</b>
<b>Total Assets</b>	<b>\$2,418,788</b>	<b>\$220,637</b>	<b>\$10,054</b>	<b>\$ 94</b>	<b>\$ 9,302</b>	<b>\$ (3,171)</b>		<b>\$ 2,655,704</b>
<b>Liabilities</b>								
<b>Intragovernmental Liabilities:</b>								
Accounts Payable	\$ 6,582	\$ 538	\$ 1,035	\$ 35	\$ 6	\$ (2,351)	\$ 5,845	
Other Liabilities	0	0	5,102	3	116	0	0	5,221
<b>Total Intragovernmental Liabilities</b>	<b>6,582</b>	<b>538</b>	<b>6,137</b>	<b>38</b>	<b>122</b>	<b>(2,351)</b>		<b>11,066</b>
<b>Liabilities with the Public:</b>								
Accounts Payable	0	1	295	0	90	0	0	386
Federal Employee Salary, Leave, and Benefits Payable	0	0	0	0	547	0	0	547
Post-Employment Benefits Payable	0	0	0	0	243	0	0	243
Benefits Due and Payable	131,383	32,543	6,512	0	0	(820)	169,618	
Advances from Others and Deferred Revenue	0	0	286	0	4	0	0	290
Other Liabilities	0	0	38	1	0	0	0	39
<b>Total Liabilities with the Public</b>	<b>131,383</b>	<b>32,544</b>	<b>7,131</b>	<b>1</b>	<b>884</b>	<b>(820)</b>		<b>171,123</b>
<b>Total Liabilities</b>	<b>\$ 137,965</b>	<b>\$ 33,082</b>	<b>\$13,268</b>	<b>\$ 39</b>	<b>\$ 1,006</b>	<b>\$ (3,171)</b>		<b>\$ 182,189</b>
Commitments and Contingencies (Note 9)								
<b>Net Position</b>								
Unexpended Appropriations - Funds from other than Dedicated Collections	\$ 0	\$ 0	\$ 551	\$ 55	\$ 6	\$ 0	\$ 612	
Cumulative Results of Operations - Funds from Dedicated Collections	2,280,823	187,555	9	0	0	0	0	2,468,387
Cumulative Results of Operations - Funds from other than Dedicated Collections	0	0	(3,774)	0	8,290	0	0	4,516
<b>Total Cumulative Results of Operations</b>	<b>2,280,823</b>	<b>187,555</b>	<b>(3,765)</b>	<b>0</b>	<b>8,290</b>	<b>0</b>		<b>2,472,903</b>
<b>Total Net Position</b>	<b>\$2,280,823</b>	<b>\$187,555</b>	<b>\$(3,214)</b>	<b>\$ 55</b>	<b>\$ 8,296</b>	<b>\$ 0</b>		<b>\$ 2,473,515</b>
<b>Total Liabilities and Net Position</b>	<b>\$2,418,788</b>	<b>\$220,637</b>	<b>\$10,054</b>	<b>\$ 94</b>	<b>\$ 9,302</b>	<b>\$ (3,171)</b>		<b>\$ 2,655,704</b>



**Other Financial Information: Schedule of Net Cost  
for the Year Ended September 30, 2025  
(Dollars in Millions)**

	<b>Program</b>	<b>LAE</b>	<b>Total</b>
<b>OASI Program</b>			
Benefit Payment Expense	\$ 1,423,041	\$ 0	\$ 1,423,041
Operating Expenses	738	3,670	4,408
Total Cost of OASI Program	<u>1,423,779</u>	<u>3,670</u>	<u>1,427,449</u>
Less: Exchange Revenues	(1)	(22)	(23)
<b>Net Cost of OASI Program</b>	<b>\$ 1,423,778</b>	<b>\$ 3,648</b>	<b>\$ 1,427,426</b>
<b>DI Program</b>			
Benefit Payment Expense	\$ 156,332	\$ 0	\$ 156,332
Operating Expenses	283	2,885	3,168
Total Cost of DI Program	<u>156,615</u>	<u>2,885</u>	<u>159,500</u>
Less: Exchange Revenues	(27)	(17)	(44)
<b>Net Cost of DI Program</b>	<b>\$ 156,588</b>	<b>\$ 2,868</b>	<b>\$ 159,456</b>
<b>SSI Program</b>			
Benefit Payment Expense	\$ 60,268	\$ 0	\$ 60,268
Operating Expenses	194	4,959	5,153
Total Cost of SSI Program	<u>60,462</u>	<u>4,959</u>	<u>65,421</u>
Less: Exchange Revenues	(253)	(30)	(283)
<b>Net Cost of SSI Program</b>	<b>\$ 60,209</b>	<b>\$ 4,929</b>	<b>\$ 65,138</b>
<b>Other</b>			
Operating Expenses	\$ 0	\$ 3,820	\$ 3,820
Less: Exchange Revenues	0	(23)	(23)
<b>Net Cost of Other Program</b>	<b>\$ 0</b>	<b>\$ 3,797</b>	<b>\$ 3,797</b>
<b>Total Net Cost</b>			
Benefit Payment Expense	\$ 1,639,641	\$ 0	\$ 1,639,641
Operating Expenses	1,215	15,334	16,549
Total Cost	<u>1,640,856</u>	<u>15,334</u>	<u>1,656,190</u>
Less: Exchange Revenues	(281)	(92)	(373)
<b>Total Net Cost</b>	<b>\$ 1,640,575</b>	<b>\$ 15,242</b>	<b>\$ 1,655,817</b>



**Other Financial Information: Schedule of Changes in Net Position  
for the Year Ended September 30, 2025**  
(Dollars in Millions)

	OASI		DI		SSI		Other		
	Funds from Dedicated Collections	Funds from other than Dedicated Collections	Funds from Dedicated Collections	Funds from other than Dedicated Collections	Funds from other than Dedicated Collections				
<b>Unexpended Appropriations:</b>									
Beginning Balances	\$ 0	\$ 0	\$ 0	\$ 1,803	\$ 0	\$ 59,748	\$ 0	\$ 57	
Appropriations Received	0	0	0	68,815	0	25	0	0	
Other Adjustments	0	0	0	(1,297)	0	0	0	(8)	
Appropriations Used	0	0	0	(68,770)	0	(59,748)	0	(19)	
<b>Net Change in Unexpended Appropriations</b>	0	0	0	(1,252)	0	0	0	(2)	
<b>Total Unexpended Appropriations - Ending</b>	0	0	0	551	0	0	0	55	
<b>Cumulative Results of Operations:</b>									
Beginning Balances	\$ 2,475,706	\$ 148,374	\$ 15	\$ (3,667)	\$ 0	\$ 0	\$ 0	\$ 0	
Adjustments	0	0	0	0	0	0	0	0	
Changes in Accounting Principle	0	0	0	0	0	0	0	0	
<b>Beginning Balances, As Adjusted</b>	<b>\$ 2,475,706</b>	<b>\$ 148,374</b>	<b>\$ 15</b>	<b>\$ (3,667)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	
Appropriations Used	0	0	0	68,770	0	59,748	0	19	
Non-Exchange Revenue									
Tax Revenues	1,118,242	189,897	0	0	0	0	0	0	
Interest Revenues	62,530	6,777	0	0	0	0	0	0	
Other	6	31	0	0	0	0	0	0	
Total Non-Exchange Revenue	1,180,778	196,705	0	0	0	0	0	0	
Transfers In/Out - Without Reimbursement	48,117	(936)	(170)	(8,183)	(59,748)	0	0	3,587	
Imputed Financing Sources	0	0	0	22	0	0	0	0	
Other	0	0	0	(343)	0	0	0	(3,606)	
<b>Net Cost of Operations</b>	<b>1,423,778</b>	<b>156,588</b>	<b>(164)</b>	<b>60,373</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Net Change in Cumulative Results of Operations</b>	<b>(194,883)</b>	<b>39,181</b>	<b>(6)</b>	<b>(107)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Cumulative Results of Operations - Ending</b>	<b>\$ 2,280,823</b>	<b>\$ 187,555</b>	<b>\$ 9</b>	<b>\$ (3,774)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	
<b>Net Position</b>	<b>\$ 2,280,823</b>	<b>\$ 187,555</b>	<b>\$ 9</b>	<b>\$ (3,223)</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 55</b>	



**Other Financial Information: Schedule of Changes in Net Position  
for the Year Ended September 30, 2025 (Continued)**  
(Dollars in Millions)

	LAE	Consolidated		Consolidated	
	Funds from other than Dedicated Collections	Funds from Dedicated Collections	Funds from other than Dedicated Collections		Total
<b>Unexpended Appropriations:</b>					
Beginning Balances	\$ 5	\$ 0	\$ 1,865	\$	1,865
Appropriations Received	32	59,748	68,872		128,620
Other Adjustments	0	0	(1,305)		(1,305)
Appropriations Used	(31)	(59,748)	(68,820)		(128,568)
<b>Net Change in Unexpended Appropriations</b>	1	0	(1,253)		(1,253)
<b>Total Unexpended Appropriations - Ending</b>	6	0	612		612
<b>Cumulative Results of Operations:</b>					
Beginning Balances	\$ 8,000	\$ 2,624,095	\$ 4,333	\$	2,628,428
Adjustments					
Changes in Accounting Principle	126	0	126		126
<b>Beginning Balances, As Adjusted</b>	\$ 8,126	\$ 2,624,095	\$ 4,459	\$	2,628,554
Appropriations Used	31	59,748	68,820		128,568
Non-Exchange Revenue					
Tax Revenues	0	1,308,139	0		1,308,139
Interest Revenues	0	69,307	0		69,307
Other	0	37	0		37
Total Non-Exchange Revenue	0	1,377,483	0		1,377,483
Transfers In/Out Without Reimbursement	14,363	(12,737)	9,767		(2,970)
Imputed Financing Sources	1,012	0	1,034		1,034
Other	0	0	(3,949)		(3,949)
<b>Net Cost of Operations</b>	15,242	1,580,202	75,615		1,655,817
<b>Net Change in Cumulative Results of Operations</b>	164	(155,708)	57		(155,651)
<b>Total Cumulative Results of Operations - Ending</b>	\$ 8,290	\$ 2,468,387	\$ 4,516	\$	2,472,903
<b>Net Position</b>	\$ 8,296	\$ 2,468,387	\$ 5,128	\$	2,473,515



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## THE SOCIAL SECURITY ADMINISTRATION'S MAJOR MANAGEMENT AND PERFORMANCE CHALLENGES DURING FISCAL YEAR 2025



### Office of the Inspector General SOCIAL SECURITY ADMINISTRATION

January 6, 2026

Frank Bisignano  
Commissioner

Dear Mr. Bisignano:

The *Reports Consolidation Act of 2000* (Pub. L. No. 106-531) requires that Federal Inspectors General summarize and assess the most serious management and performance challenges facing Federal agencies and the agencies' progress in addressing them. The *Reports Consolidation Act* also requires that the Social Security Administration (SSA) place the final version of this Statement in its annual *Agency Financial Report*.

## Management and Performance Challenges

In our report on *The Social Security Administration's Major Management and Performance Challenges During Fiscal Year 2024*, we identified the following challenges.

- Manage Human Capital
- Improve Service Delivery
- Protect the Confidentiality, Integrity, and Availability of SSA's Information Systems and Data
- Modernize Information Technology
- Improve the Administration of Disability Programs
- Improve the Prevention, Detection, and Recovery of Improper Payments

In Fiscal Year 2025, SSA restructured its workforce and increased its focus on technology advancements. Given its impact on customer service and technology innovation, we removed Manage Human Capital as a stand-alone challenge. Instead, we discuss Human Capital-related issues in each.



In the enclosed document, we define each challenge, outline steps SSA has taken to address each challenge, and detail the actions SSA needs to take to fully mitigate each challenge. As some of the challenges are interrelated, progress made in one area could lead to progress in another. For example, further modernization of SSA's information technology would likely affect both service delivery and prevention of improper payments.

In Fiscal Year 2026, we will continue focusing on these issues and assessing the environment in which SSA operates. I look forward to working with you to continue improving SSA's ability to address these challenges and meet its mission efficiently and effectively.

Sincerely,

Michelle L. Anderson  
Assistant Inspector General for Audit  
as First Assistant

Enclosure



*The Social Security Administration's  
Major Management and Performance Challenges  
During Fiscal Year 2025*



*January 2026*



## Improve Service Delivery

The Social Security Administration (SSA) needs to enhance telephone, online, and frontline office services to improve the customer experience and deliver quality service. To do so, SSA must optimize staffing and address attrition to ensure it can provide the high level of customer service the public expects and deserves and support its efforts to become a digital-first organization.

### Why This is a Challenge

SSA needs to continue improving, expanding, and ensuring the continuity of its telephone and online service methods to meet its customers' demand. SSA also needs to manage the flow of in-person traffic, minimize in-person wait times, promote online and automated services, and ensure employees deliver quality service to its customers.

In his June 25, 2025 testimony before the House Committee on Ways and Means and Subcommittee on Work and Welfare, the Commissioner of Social Security recognized employee morale and engagement as well as “having the right staffing” presented challenges as SSA restructured its workforce to increase staffing for frontline operations. While this restructuring may help with immediate needs, SSA should update its human capital and strategic plans to ensure it has a clear vision on how it will balance staffing and technology to address service delays and backlogged workloads.

### Telephone Service

Millions of customers contact SSA through its National 800-Number. Average wait times on SSA's National 800-Number decreased by approximately 25 percent from 20 minutes in Fiscal Year (FY) 2019 to 15 minutes in FY 2025. On November 9, 2023, SSA's contractor completed transitioning SSA's National 800-Number Network to the Next Generation Telephony Project platform. In our April 2025 audit of *The Social Security Administration's Administration of the Next Generation Telephony Project Contract*, we found SSA's contract did not have robust quality performance standards or incentives tied to performance. Without adequate performance standards tied to incentives and disincentives, SSA could not enforce contract requirements and hold the contractor accountable for performance deficiencies. According to SSA, unmet system requirements hindered its ability to serve the public, which resulted in increased call wait times and disconnected or unanswered calls. In the fourth quarter of FY 2024, the Agency transitioned the National 800-Number to a new service provider. By the end of FY 2024, SSA's average answering time had dropped from about 36.7 minutes to 11.5 minutes.

In June 2025 testimony before the House Committee on Ways and Means and the Subcommittee on Work and Welfare, the Commissioner acknowledged SSA's customers were waiting too long for services. In FY 2025, SSA handled about 35 million calls to its National 800-Number. According to SSA, as of September 2025, customers were waiting an average of 7 minutes to be connected to an agent—approximately 4.5 minutes shorter than at the end of FY 2024. This does not include the time customers wait for a callback.



## Online Services

In support of the Commissioner's commitment to making SSA a digital-first organization, SSA acknowledges it needs to expand its digital landscape to deliver better service to its customers. SSA is evaluating its online services, fixing the issues that persist, and offering its customers new online services. Many customers access SSA services through their [my Social Security](#) accounts; however, before July 2025, hours of access were limited. Through September 2025, SSA had registered approximately 97.2 million [my Social Security](#) users.

SSA's online services allow applicants to submit Social Security number (SSN) card requests via its Internet Social Security Number Replacement Card (iSSNRC). This saves individuals time and effort because they do not have to visit a local field office or call the National 800-Number.

According to SSA, in FY 2025, it issued customers in 21 states approximately 70,000 iSSNRC name-changes due to marriage. SSA is working with its vendors to identify states that are interested in iSSNRC and have the technological capabilities and available resources to support the service. SSA should continue expanding iSSNRC to non-participating states and continue incorporating the name-change due to marriage initiative in iSSNRC, allowing eligible customers to request a replacement SSN card.

## Frontline Office Services

Despite the focus on digital services, some customers prefer to visit an SSA field office for in-person support. Our May 2024 audit of *Customer Wait Times in the Social Security Administration's Field Offices and Card Centers* found SSA did not set wait-time goals for field office customers or the time customers must wait for scheduled appointments. Additionally, our September 2025 audit of *Staffing Public-facing Offices*, found SSA's process for allocating staff to public-facing offices may not account for individual offices' unique service demands, which could result in staffing levels that do not reflect the specific needs. This, in turn, could affect customer wait times.

In addition, our September 2025 audit of *Workload Management for Field Offices* found, though SSA management generally provided consistent oversight of field office workloads, it should strive to improve the support it provides field office managers to ensure they have the necessary knowledge and tools to continuously improve Agency performance. SSA provided managers standardized, Agency-wide training on workload management via video-on-demand, but it included broken links to reports, systems, and tools and some outdated information. Not all regions offered the same training so not all managers received recurring training. The managers also stated the training materials did not always explain how to manage the workloads. Additionally, SSA had over 60 reports, systems, and tools to help managers oversee their field offices' workloads, but they were not centrally located, and many were redundant or outdated. As a result, managers we interviewed and surveyed indicated they did not have time to access all reports, systems, and tools that were available to them.



SSA could also improve services its processing centers deliver. In our March 2025 review of *The Social Security Administration's International Workloads in Processing Center 8*, we found SSA could reduce improper payments and enhance customer service if Processing Center 8, which processes claims from all claimants who reside outside the United States, improved case processing accuracy. For 130 (66.3 percent) of the 196 sample cases we reviewed, Processing Center 8 staff did not always comply with SSA policies and screening guide. At least 12 of these cases had approximately \$211,418 in improper payments. Inaccurate case processing caused hardship to international beneficiaries because of the burden of improper payments and delays in processing cases.

Challenges with coordination between field offices and processing centers, or teleservice centers also affect SSA's ability to effectively serve beneficiaries. When a field office, processing center, or teleservice center employee identifies a critical issue for a beneficiary that requires another office's action (such as a beneficiary who has a terminal illness or is in a dire-need situation), managers can expedite action for the beneficiary by initiating a Manager-to-Manager request. In our March 2025 audit of SSA's *Manager-to-Manager Application for Critical Case Processing*, we found field office and processing center employees did not process 57 of 100 sampled requests according to policy. Of the 57 requests, employees did not process 48 within 10 business days. This resulted in delays in employees addressing critical issues and beneficiaries waiting weeks or months to receive the benefits they were due. Processing center employees placed the remaining nine requests in a "resolved" status in the Manager-to-Manager application before they completed all necessary actions to address the requests. The errors demonstrate SSA did not have adequate controls to address complex cases, ensure communications regarding critical issues, and prevent premature request closings. As a result, the Agency had limited assurance that employees properly processed the majority of the nearly 105,000 requests in our population. This resulted in delays in employees addressing critical issues and beneficiaries having an unnecessary wait to receive the benefits they were due—potentially thousands of beneficiaries waiting weeks or months.

## Staffing

To the extent offices have staff shortages, it can affect their ability to meet customer demand. Our May 2024 audit of *Customer Wait Times in the Social Security Administration's Field Offices and Card Centers* found 70 percent of SSA managers interviewed reported staffing levels were insufficient to meet the volume of customers visiting field offices. During the audit, SSA acknowledged that staff attrition resulted in a significant loss of institutional knowledge, particularly in mission-critical roles. The Agency also noted the absence of a formal knowledge transfer process limits its ability to retain technical expertise when experienced staff leave. This lack of continuity may result in increased staff turnover and loss of institutional knowledge.

As of September 30, 2025, SSA was employing 52,100 staff. This reflects a decrease of approximately 6,500 employees compared to FY 2024. This included about 196 employees who accepted deferred retirements and, although not working, will remain counted until their final separation, which SSA stated would be no later than the end of Calendar Year 2025. The staffing reduction was primarily driven by attrition that resulted from the Agency's restructuring initiative that offered voluntary separation incentives to all employees. Although front-line positions critical to operating SSA programs are exempt from the Government-wide hiring freeze



(in effect since January 20, 2025 and extended through October 15, 2025), regional executives reported they have been unable to hire. As a result, the Agency has not backfilled for employees who separated.

SSA has not updated its *Agency Strategic Plan for FYs 2022-2026*, *Human Capital Operating Plan for FYs 2024-2026*, or *SSA's Long-Term Human Capital Management Improvement Plan for FYs 2024-2034* to align with the Commissioner's priorities or recent Executive Orders or to address how it will adequately provide services to the public with reduced staffing levels.

## Progress the Social Security Administration Has Made

### Telephone Service

On August 22, 2024, SSA transitioned its National 800-Number to a new service provider that allows for scheduled callbacks, provides estimated wait times, and increases self-service. As of September 2025, SSA had approximately 3,900 staff for the National 800-Number. In FY 2025, SSA began expanding the use of the new telecommunication platform to their field offices and completed a proof-of-concept implementation in two state disability determination services (DDS) offices. In FY 2026, SSA began to roll out the platform to the remaining DDS offices and plans to introduce the platform to processing centers and hearing offices.

SSA also reassigned field office staff to call centers to help manage rising call volumes and improve response times. Although this reassignment alleviated pressure on call centers, according to SSA regional executives, it also affected service levels in the originating field offices. For example, one regional executive stated average wait times in some field offices increased from 30 minutes to several hours.

### Online Service

In FY 2024, SSA introduced Upload Documents to all field offices and workload support units. This functionality connects to *my Social Security* and gives customers another way to upload forms and evidence. SSA also added text messaging as an additional option for customers to receive a notification and link to upload forms. In April 2025, SSA implemented a new functionality in *my Social Security* for customers to view an unmasked SSN, full name, and date of birth on a simple page view, which allows customers to review or display the information on mobile devices or desktop computers. In July 2025, the Agency upgraded *my Social Security* to provide customers with 24/7 access.

In FY 2025, SSA released the no-change replacement card functionality online to Oklahoma and New Hampshire. This service is offered in 49 states and the District of Columbia—Alaska is the only state that is not participating because of legislative issues. While most states provide no-change replacement SSN cards, not all provide replacement SSN cards for last-name change because of marriage. In FY 2025, SSA issued 2.9 million no-change replacement cards.

### Frontline Office Services

In November 2024, SSA began transitioning to an Appointment Focused Service (AFS) in field offices. The Agency expects AFS will enhance its service delivery, improve the



customer service experience, and expand appointments for in-person field office and Social Security Card Center services thereby reducing customer wait times and increasing satisfaction. Scheduled appointments allow field office managers to effectively allocate resources and better anticipate workload demands. SSA uses AFS for office workloads, including initial claims, post-entitlement, and enumeration services. AFS encourages customers to use online, self-service options first and allows customers to schedule appointments. As of January 2025, SSA had fully implemented AFS. SSA also updated its policy to ensure employees are aware of their responsibility when customers use AFS to schedule appointments and visit field offices without a scheduled appointment.

According to SSA, overall AFS wait times had decreased from an average of 29.6 minutes in October 2024 to an average of 22.0 minutes in September 2025. Additionally, AFS had increased the number of appointments for in-person field office visits from an average of 9.6 percent in October 2024 to an average of 38.6 percent in September 2025. SSA's customer satisfaction score at local Social Security Offices and Card Centers has improved—increasing from 84 and 89 in December 2024 to 89 and 90 as of September 2025.

In September 2025, SSA stated it requested feedback from managers and employees on the Manager-to Manager application. It plans to use the feedback to identify potential updates to the business process and enhancements to the application.

## Staffing

The Agency reshaped its organization and restructured its workforce to increase staffing for frontline operations, consolidate functions across offices, and streamline its Headquarters and regional organization. As part of this restructure, SSA reduced the number of regions from 10 to 4 to streamline management layers and allocate resources to frontline operations. The Agency also transitioned approximately 2,000 employees into direct-service positions and planned to provide them the necessary training and tools to serve customers effectively. According to regional executives, while this shift strengthened frontline capacity, it reduced regional support for policy, facilities management, and budget oversight for field offices.

To address ongoing challenges related to employee morale and engagement, the Commissioner identified key priorities for the Agency, including upgrading aging systems, modernizing field offices, reducing administrative burdens, and enhancing staff training. To optimize staffing and address attrition, SSA plans to focus its hiring efforts on highly skilled information technology (IT) staff and field offices with staffing gaps that affect service delivery.

## What the Social Security Administration Needs to Do

- Continue developing and implementing strategies that will provide quality services to the public now and in the future.
- Monitor National 800-Number wait times and determine whether the Agency has sufficient staff to meet its customer-service goals.
- Expand the online services available through *my Social Security*, where appropriate.



- Continue automating workflows and updating policies to better connect employees with customers and their evidence via digital services.
- Ensure employees have the right training and tools to help them provide quality service.
- Create updated plans to address both immediate and future workforce needs.
  - Align workforce skills with future technology needs.
  - Ensure staffing models support a high level of customer service for each field office.

## Key Related Links

### Office of Audit Publications

- [Informing Applicants Who Would Be Subject to Government Pension Offset of Their Options to Delay Filing Benefit Applications](#) (052404), September 2025.
- [Workload Management for Field Offices](#) (042316), September 2025.
- [Staffing Public-facing Offices](#) (022327), September 2025.
- [Individuals Who Elect to Receive Retirement Benefits After Age 70](#) (012306), June 2025.
- [The Social Security Administration's Agreement with the Department of Agriculture on Supplemental Nutrition Assistance Program-related Services](#) (012316), June 2025.
- [The Social Security Administration's Administration of the Next Generation Telephony Project Contract](#) (022324), April 2025.
- [Manager-to-Manager Application for Critical Case Processing](#) (072305), March 2025.
- [The Social Security Administration's International Workloads in Processing Center 8](#) (012305), March 2025.
- [Customer Wait times in the Social Security Administration's Field Offices and Card Centers](#) (152307), May 2024.

### Social Security Administration Publications

- [Agency Strategic Plan, FYs 2022-2026](#)
- [Annual Performance Plan for Fiscal Year 2026 and Revised Performance Plan for Fiscal Year 2025](#)
- [FY 2026 President's Budget for the Social Security Administration](#)
- [Social Security Administration Human Capital Operating Plan, Fiscal Years 2024-2026](#)



# Protect the Confidentiality, Integrity, and Availability of Information Systems and Data

SSA must ensure it secures its information systems and protects its sensitive data.

## Why This is a Challenge

IT supports every aspect of SSA's mission, whether it is serving the public in-person or online, routing millions of telephone calls to its National 800-Number, or posting millions of wage reports to individuals' records. Disruptions to the integrity or availability of SSA's information systems would potentially impact its ability to serve the public and meet its mission. SSA's systems contain personally identifiable information, such as SSNs. If this information is not protected, identity thieves could misuse it. Since 2023, SSA has had nine Chief Information Officers, which has created challenges in guiding the Agency through changing cyber-security requirements. In addition, in FY 2025, SSA reduced and re-organized its IT workforce.

In July 2025, the Chief Information Officer noted SSA had lost some skilled employees whose positions the Agency was filling with contractors until it could replace with the right hires.

## Information and Cyber-security

To improve customer service and ensure the confidentiality and integrity of personal and Agency data, SSA must have a robust information security program. However, in our September 2025 audit of *The Social Security Administration's Information Security Program and Practices for Fiscal Year 2025*, the contract auditor assessed SSA's Information Security program as "not effective" based on the FY 2025 metric results for the *Federal Information Security Modernization Act of 2014* (Pub. L. No. 113-283). The contractor continued to assess SSA's cyber-security framework functions for identification, protection, detection, and recovery as "not effective." In addition, the contractor rated metrics for security training and contingency planning lower than the previous year and found SSA was not effective in new metrics regarding cyber-security governance and data inventory. The contractor recommended SSA continue refining its enterprise architecture system inventory, software, and hardware asset inventories; implementing its cyber-security risk management strategy; and improving its process for integrating and formalizing risk-based decisions into cyber-security program monitoring activities.

To correct information security weaknesses identified by audits or vulnerability assessments done by, for, or on behalf of, the Agency, SSA uses plans of action and milestones. Plans of action and milestones identify the tasks required to address a security weakness. However, our September 2025 review of SSA's *Plans of Action and Milestones* found, although SSA had some policies, procedures, and practices to manage its plans of action and milestones, it did not manage them in compliance with Federal and Agency requirements. Adherence to these requirements could help ensure SSA takes appropriate and timely action to resolve the security issue.

SSA also faces the challenges of implementing new cyber-security requirements and is still implementing the newest security domain—cyber-security governance. Office of Management



and Budget (OMB) Memorandum M-25-04, *Fiscal Year 2025 Guidance on Federal Information Security and Privacy Management Requirements*, built on previous guidance to advance cyber-security. For example, the Memorandum requires that Federal agencies continue maturing their zero-trust posture, which moves defenses from network-based boundaries to more granular levels like data, users, and devices. OMB's guidance also discusses improving such additional cyber-security areas as secure cloud adoption, the software supply chain, incident response, and Internet-of-Things security (which includes sensors, controllers, and smart devices). However, SSA is tasked with improving its information security posture while addressing the attrition of skilled employees in SSA's Office of the Chief Information Officer.

## Social Security Number Protection and Earnings Accuracy

The SSN was created to identify and accurately track numberholders' earnings over their lifetimes to administer benefits under SSA programs. However, the SSN is also valuable as an illegal commodity. Accordingly, the information SSA houses on every numberholder is desirable to would-be hackers and identity thieves. Protecting SSNs and properly posting the earnings reported under them are critical to ensuring SSN integrity and eligible individuals receive the full benefits due them.

Personally identifiable information is any information SSA maintains about an individual that can be used to distinguish or trace their identity, such as name, SSN, date and place of birth, mother's maiden name, or biometric records. Federal laws and regulations require that SSA protect this information and report when it is stored, how it is protected, and when it is breached. Our September 2025 audit of *Personally Identifiable Information Loss Reporting* found SSA employees reported 23,954 of the personally identifiable information losses from Calendar Years 2019 to 2023 in the legacy loss reporting tool with an assessed risk level, as required. However, employees did not properly record 658 personally identifiable information losses in the legacy loss reporting tool or assign a risk level to another 2,568 open loss reports. On average, these open loss reports remained pending for 657 days. Additionally, of the 120 open loss reports we reviewed, SSA did not refer 32 (27 percent) to the Office of the Inspector General, as required. Until SSA updates its guidance and evaluates the effectiveness of its updated processes and controls, employees may continue responding to personally identifiable information losses improperly.

Accuracy in recording numberholder information is critical because SSA and other agencies rely on that information to verify employment eligibility, ensure wage reports are processed, and terminate payments to deceased beneficiaries. Accuracy in recording workers' earnings is critical because SSA calculates benefit payments based on an individual's earnings over their lifetime. As such, properly assigning SSNs to only those individuals authorized to obtain them, protecting SSN information once the SSNs are assigned, ensuring numberholder information is complete in its systems, and accurately posting earnings reported under SSNs are critical. In FY 2024, potential suspicious activity cases increased from approximately 300 to over 12,000. As of July 2025, SSA had investigated more than 6,000 suspicious activity items. SSA's nine-member Employer Reporting Specialist team manages this workload. The substantial and sustained increase in cases is creating considerable challenges for the team in terms of capacity and resource allocation.



SSA maintains suspended earnings (earnings that do not match the numberholder's information) in the Earnings Suspense File because missing earnings can affect an individual's eligibility for, and/or the amount of, retirement, disability, or survivor's benefits. Retaining suspended earnings allows numberholders whose legitimate earnings are missing from their earnings record to obtain proper credit when they provide SSA additional information that substantiates their earnings. SSA also employs software routines that match earnings to the correct individuals' records. As of FY 2025, the Earnings Suspense File had accumulated over \$2.4 trillion in wages and over 424 million wage items for Tax Years 1937 through 2024.

## Progress the Social Security Administration Has Made Information Security

In FY 2025, SSA continued its efforts to document and communicate cyber-security objectives. For example, the Agency continued developing cyber-risk taxonomy, risk appetite, and risk tolerance statements. SSA also continued implementing its enterprise architecture inventory tool and worked to expand its use of the tool to improve risk management and system security. The Agency also continued maturing its software inventory process. In FY 2025, SSA was developing policies and procedures for IT governance as well as data and metadata inventories.

## Social Security Number Protection and Earnings Accuracy

In response to the *Economic Growth, Regulatory Relief, and Consumer Protection Act* (Pub. L. No. 115-174 sec. 215), SSA developed a fee-based electronic SSN verification service known as Consent Based SSN Verification Service. The Service seeks to reduce synthetic identity fraud, which combines fictitious and real information to fabricate an identity. This Service allows permitted entities to verify an individual's SSN, name, and date of birth combination matches Social Security records. Typical electronic Consent Based SSN Verification Service users are companies that provide banking and mortgage services, process credit checks, provide background checks, or satisfy licensing requirements. SSA requires that the numberholder provide written consent with a wet or electronic signature to disclose the SSN verification. As of FY 2025, the electronic Consent Based SSN Verification Service had processed approximately 87.4 million verifications.

SSA has taken steps to reduce the Earnings Suspense File's size and growth. The Agency allows employers to use its SSN Verification Service to verify their employees' names and SSNs before they report wages to SSA. Of the 407,129 registered SSN Verification Service users, 104,171 had been active in the past 2 years, and 80,429 had been active in the past year. As of FY 2025, these employers used the SSN Verification Service to verify SSNs almost 240 million times.

## What the Social Security Administration Needs to Do

- Address the deficiencies the contractor identified and ensure adherence to Federal guidelines to improve SSA's ability to protect the confidentiality, integrity, and availability of SSA's information systems and data.



- Continue to be vigilant in protecting SSNs and personally identifiable information, including ensuring employees properly respond to losses of information.
- Continue efforts to improve wage reporting by informing employers about potential SSN misuse cases, identifying and resolving reporting problems; re-examining the validity and integrity checks used to prevent suspicious Forms W-2, *Wage and Tax Statement*, from being posted; encouraging greater use of SSA's verification programs; and reviewing how best to remove more wage items from the Earnings Suspense File.

## Key Related Links

### Office of Audit Publications

- [The Social Security Administration's Information Security Program and Practices for Fiscal Year 2025](#) (142501), September 2025.
- [Plans of Action and Milestones](#) (142320), September 2025.
- [Contractor Labor Qualifications and Government Furnished Equipment](#) (152411), September 2025.
- [Personally Identifiable Information Loss Reporting](#) (042401), September 2025.
- [Direct Deposit Changes by Social Security Administration 800-number Staff](#) (012401), September 2025.
- [Firewall Administration](#) (142315), August 2025.
- [Role-based Training](#) (142317), August 2025.
- [The Social Security Administration's Information Security Program and Practices for Fiscal Year 2024](#) (142401), September 2024.
- [Security Assessment and Authorization Process](#) (A-14-21-51093), September 2024.
- [Security of Common Control Providers](#) (142319), August 2024.
- [Security of the Business Services Online](#) (022329), August 2024.

### Other Related Links

- National Institute of Standards and Technology - [Zero Trust Architecture](#)
- OMB - [M-25-04 - Fiscal Year 2025 Guidance on Federal Information Security and Privacy Management Requirements](#)



## Modernize Information Technology

SSA must continue modernizing its IT to accomplish its mission as efficiently and effectively as possible.

### Why This is a Challenge

SSA relies on its IT to serve the public and safeguard SSA programs. Rapid, continuous technology advancements and the continuing shift to virtual services and communications reinforce the pressing need to modernize SSA's programs and service delivery. SSA must fundamentally rethink how it delivers services, the processes and infrastructure that support that delivery, and the policies that enable delivery. If SSA does not complete and timely modernize its legacy systems, it runs the risk of increased maintenance costs and decreased capacity to support business and processing needs.

SSA continues relying on outdated applications and technologies to process its core workloads, including retirement and disability claims, and knowledge of its dated applications and legacy infrastructure will diminish as developers retire. The Agency's 2025 workforce optimization resulted in a smaller workforce, and SSA faces the challenges of using new technology, such as Artificial Intelligence (AI) tools, to bridge the gap to creating customer experience improvements.

Finally, since 2023, SSA has had six Commissioners and nine Chief Information Officers, including those serving in an acting role. As contractors found in the September 2024 audit *Legacy Systems Modernization and Movement to Cloud Services*, changes in leadership can result in changes in modernization priorities, which can lead to discontinued and incomplete IT projects.

### Information Technology Modernization and Investment Management

IT modernization is a multi-faceted and ongoing challenge. SSA must maintain its legacy systems while developing modern systems to keep pace with increasing workloads and increased demand for additional service delivery options, such as online appointments and self-service. To support its IT modernization, SSA used Agile development, which took an iterative approach to incrementally deliver new software solutions. While SSA took steps to address findings and observations in our August 2022 review of *Agile Software Development at the Social Security Administration*, our September 2024 review of SSA's *Development and Implementation of the Debt Management Product* found SSA did not apply the key Agile practice of incrementally delivering usable segments to users. In our September 2025 review of SSA's *Consolidated Claims Experience for Supplemental Security Income*, we found SSA used an Agile approach and released the claims-taking system in increments but did not request feedback from target users, as the Agile methodology recommends. Specifically, SSA neither (1) consistently obtained direct, ongoing feedback from frontline employees during the development of the system nor (2) conducted baseline testing with frontline employees to evaluate how releases impacted Supplemental Security Income (SSI) processing. Without feedback and insights from



frontline employees, SSA limited its ability to fully understand user needs and implement productivity-enhancing improvements for SSI claims processing.

Further, in 2024, our contract auditor found SSA did not have a comprehensive plan to modernize its legacy systems. It neither assessed the risk imposed by these legacy systems nor maintained sufficient inventory and cost information for its legacy systems. Finally, SSA is still developing its enterprise architecture that should guide its modernization strategy.

Federal laws and guidance require that agencies properly manage IT Investments and facilitate the rapid adoption of changing technologies in a way that enhances the security, privacy, and management of information resources. However, our September 2024 audit of *Legacy Systems Modernization and Movement to Cloud Services* identified various issues. SSA did not maintain an *Information Resources Management Strategic Plan* and review that Plan annually with the *Agency Performance Plan*. In addition, the Agency did not maintain cost documents for modernization projects and lacked critical management information for its legacy systems for making strategic and investment decisions. Finally, SSA did not review its investments according to its policy to confirm delivery of planned benefits in estimated costs and provide valuable feedback for continuously improve its capital planning and investment control process.

As detailed in our September 2024 review of SSA's *Development and Implementation of the Debt Management Product*, at the end of FY 2023, the Agency paused the major IT investment without delivering the debt management software to production for users, stating the investment was no longer considered a priority. Although the Agency had invested \$69 million in the project over 6 years, SSA is no longer pursuing the Debt Management Product. As of August 2025, SSA had paused all system modernization efforts due to higher priorities and resource limitations. However, SSA is working with the Department of the Treasury's Bureau of the Fiscal Service to implement the Centralized Receivables Service for debtors in non-pay status. This government-wide shared service for debt collection will take on billing and collection services and systems currently managed by SSA's Chief Information Officer and Operations technicians.

## Artificial Intelligence

AI is pivotal technology that can benefit nearly every Federal agency. In April 2025, OMB rescinded and replaced prior AI guidance and directed agencies to prioritize the use of AI that is safe, secure, and resilient. The new guidance established several timelines for agencies to meet key milestones, including developing agency strategy for removing barriers to the use of AI; developing a generative AI policy; implementing the minimum risk management practices for high-impact uses of AI; and annually and publicly releasing an AI use case inventory. SSA has been expanding its use of AI technologies to bridge the gap to creating customer experience improvements with a smaller workforce and budget uncertainty. However, using AI carries the potential for harm and must be monitored for adverse impacts.



## Progress the Social Security Administration Has Made Information Technology Modernization

SSA has committed to becoming a digital-first, technology-driven organization. The Agency plans to work quickly to create an actionable IT modernization plan to improve systems for employees and the public. In April 2025, SSA expanded its online disability application to include a streamlined version of the initial SSI application. The Agency also upgraded its [my Social Security](#) online portal to eliminate maintenance windows and provide customers with uninterrupted, 24/7 access. However, SSA has no immediate plan to replace its legacy systems.

### Artificial Intelligence

SSA established AI policy and guidance and revised its guidance earlier this year. For example, SSA updated its AI Implementation Framework and risk assessment guidance. The Agency conducts AI Impact Assessments every time AI is used and is updating its investment process.

The Agency plans to use AI to help staff work more efficiently and effectively. SSA has already developed over 30 use cases to implement AI for various purposes, including increased productivity, program integrity, and security. For example, the Agency released its Agency Support Companion, an AI assistant designed to help employees with business-related tasks and inquiries. Further, SSA has AI tools for disability decision support and identification of high-risk claims. The Agency also plans to use AI to help the public apply for benefits, understand the Agency's programs, and answer their questions. As SSA seeks to expand its AI capabilities, it has committed to ensuring strong guardrails are in place.

## What the Social Security Administration Needs to Do

- Expand digital modernization to eliminate outdated technology and provide electronic and automated customer service options to reduce the burden on customers and optimize internal business processes for employees based on user needs.
- Expand the use of AI to improve operations and public service while protecting the Agency's sensitive information.
- Establish proper oversight and identify primary areas where AI can help the Agency, such as program administration and fraud prevention and detection.

## Key Related Links

### Office of Audit Publication

- [Consolidated Claims Experience for Supplemental Security Income](#) (062324), September 2025.
- [Legacy Systems Modernization and Movement to Cloud Services](#) (142312), September 2024.
- [Development and Implementation of the Debt Management Product](#) (142313), September 2024.



## Improve the Administration of Disability Programs

SSA needs to improve how timely and accurately its processes disability-related workloads and improve its support for state DDSs. Additionally, to prevent improper payments, SSA needs to ensure beneficiaries continue meeting disability eligibility factors.

### Why This is a Challenge

SSA's *FY 2024 Agency Financial Report* stated SSA disability programs consumed over 50 percent of its administration resources for FY 2024 and comprised only 14 percent of the total benefit payments made. To ensure proper stewardship of public financial resources, it is imperative that SSA stay proactive to improve its administration of the disability programs.

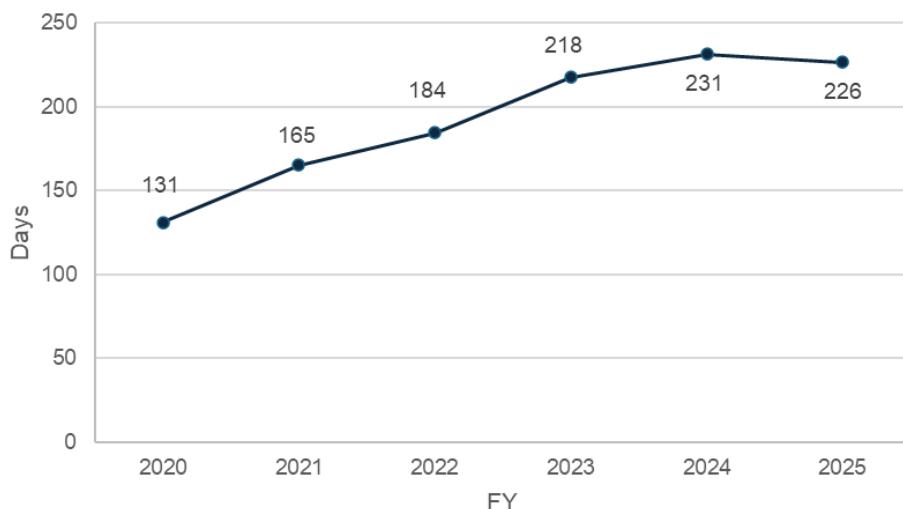
Disability claimants rely on SSA to process initial disability claims and appeals quickly and accurately for vital income support and access to essential healthcare. Processing times for initial disability claims and pending levels for reconsiderations continue to increase. As a result, disability claimants are waiting longer for determinations and decisions. Additionally, state DDSs continue to face significant challenges in attracting, hiring, training, and retaining staff, which contributes to increased wait times for claimants' disability claims to be processed.

### Disability Claims Processing

SSA's *FY 2025 Operating Plan* focuses on completing 2.39 million initial disability claims and achieving an average processing time of 215 days. In May 2025, after SSA implemented an Agency-wide organizational restructuring that included significant workforce reductions, SSA released a revised performance plan for FY 2025. In the revised plan, SSA adjusted its performance goals to complete 2.35 million initial disability claims and achieve an average processing time of 225 days. As of September 2025, SSA had processed 2.34 million initial disability claims and achieved an average processing time of 226 days (see Figure 1), which was a decrease from FY 2024 but an increase over FY 2023 and not at SSA's goal. Thus, SSA should prioritize reducing processing times.



**Figure 1: Initial Overall Average Processing Time**



SSA could improve its controls over disability claims processing. Our August 2025 review of *Denied Disability Claims that Required Manual Notifications to Claimants* found SSA did not consistently close out denied disability claims that required manually generated notifications be issued to claimants. For 21 of 175 sampled claimants who refiled for disability benefits after an initial denial, SSA did not properly close out their original denied claims. In these instances, SSA did not correctly notify the claimants of its original denial decision or properly develop their original claims before it denied them. When the claimants later refiled for disability benefits, SSA owed them additional months of retroactive payments (underpayments). We estimate SSA owed 9,532 claimants approximately \$56 million in additional benefits. These issues occurred because SSA employees did not follow established policies and procedures for processing disability claims. In these instances, employees did not properly issue manually generated notifications or fully develop the claims. Proper development requires that key elements of documentation, such as obtaining evidence, evaluating work activity, and assessing other eligibility factors necessary to make an informed determination, be completed.

Claimants who disagree with the initial disability determination may appeal. Reconsiderations are generally the first step of the appeals process and involve a re-examination of evidence. From the end of FY 2024 to September 2025, SSA's pending reconsiderations increased approximately 12 percent, from 331,574 to 370,278, respectively.

Hearings before an administrative law judge are generally the next level of appeal if a claimant is dissatisfied with a reconsideration determination. Effective May 2025, SSA revised its FY 2025 hearings processing time goal from 270 to 280 days. While SSA successfully reduced the average processing time for hearings from 342 days in FY 2024 to 284 days in FY 2025, it still has not achieved its revised goal. Additionally, the number of pending hearings as of September 2025 was down 33 percent from 418,313 in FY 2020 but exceeded the number pending for FY 2024 (see Table 1).

**Table 1: Hearing Counts**

FY	Receipts	Dispositions	Pending	Average Processing Time
2020	429,357	585,918	418,313	386
2021	383,650	451,046	350,137	326
2022	349,892	352,899	346,567	333
2023	356,114	377,685	321,819	450
2024	363,191	422,797	261,574	342
2025	377,915	359,081	279,857	284
<b>Change FY 2020 Through August 2025</b>	<b>-12%</b>	<b>-39%</b>	<b>-33%</b>	<b>-26%</b>

Throughout the hearings process, SSA reviews administrative law judge decisions and uses a variety of reports and data to monitor administrative law judges and hearing office workloads. In our September 2025 review of *Administrative Law Judges with the Highest and Lowest Allowance Rates*, we reported the FY 2023 allowance rates for 24 administrative law judges in our review were outliers because they were significantly higher or lower than the FY 2023 average. Despite being outliers, SSA's Appeals Council concluded the administrative law judges' decisions were generally accurate. As such, high or low allowance rates—in and of themselves—do not indicate erroneous decisions, as many factors can contribute to wide variances in allowance rates. Consistent with observations from prior reviews, and based on our interviews with employees, we attributed the variances in allowance rates to many factors, most notably the administrative law judges' interpretation of evidence, claimants' accessibility to healthcare, the volume of medical evidence, and the service area's demographics. Oversight mechanisms, such as Appeals Council reviews and ongoing monitoring, can help ensure decisions remain accurate and policy-compliant, regardless of individual allowance rates.

## Disability Determination Services' Operations

State DDSs play a significant role in SSA's disability claim process. Once an SSA field office employee determines a claimant meets the non-disability criteria for benefits, they typically forward the claim to the DDS with jurisdiction. DDS employees develop medical evidence and determine whether a claimant is disabled or blind under the law. There are DDSs in each of the 50 states, the District of Columbia, and Puerto Rico.

Our July 2025 review of *Staffing, Productivity, and Processing Times at State Disability Determination Services* stated that, during FYs 2019 through 2023, DDSs lost key technical staff, including disability examiners, who developed medical evidence and made disability determinations. The attrition rate for DDS full-time disability examiners each FY ranged from 13 to 25 percent (an average of 19 percent). The overall average attrition rate for total DDS staff during this time was 13 percent. DDS staff losses coincided with a 15-percent reduction in disability determinations, from 2.2 to 1.9 million, and an 81-percent increase in processing times, from 121 to 219 days. Though there are unique challenges for each region and DDS, SSA and DDS management we interviewed identified two common issues they attribute to the loss of key



technical staff: (1) outdated classification for disability examiners and (2) increased job complexity. Furthermore, inconsistent hiring authority resulted in DDS' inability to replace staff who separated.

SSA's ability to address DDS staffing levels and productivity issues is limited by the complexities of the Federal-state relationship and historical budget constraints. SSA and DDS management have attempted to work within these limitations to develop such initiatives as offering workload assistance, streamlining procedures, and creating a recruitment and retention workgroup to share best practices across all DDSs. However, despite these efforts, DDSs struggled with achieving staffing levels needed to prevent reduced productivity and increased processing times.

## Ensuring Individuals' Continued Eligibility for Benefits

Our February 2025 audit of *Overpayments Assessed in Fiscal Years 2020 Through 2023* found SSA attributed 51 percent of SSI overpayments to beneficiaries who did not timely report wages, self-employment, or other income and 36 percent of Old-Age, Survivors, and Disability Insurance (OASDI) overpayments related to cessation of beneficiaries' disabilities or performance of substantial gainful activity. SSI recipients are required to promptly report to SSA such events as changes in income, resources and living arrangements, and marital status as this information can affect their eligibility or payment amount. Similarly, OASDI beneficiaries must inform SSA of changes in their work status, income, or medical condition for the same reasons.

To determine whether beneficiaries continue to be eligible for benefits, SSA periodically conducts continuing disability reviews (CDR) to evaluate any changes in medical condition or work activity. SSA conducts medical CDRs based on the likelihood of medical improvement—categorized as expected, possible, or not expected each with a different timeline for review. For FY 2025, SSA set a stewardship goal to complete 100 percent of targeted full medical CDRs, totaling 375,000. As of September 2025, SSA had completed 449,078 full medical CDRs and exceeded its goal before the end of the FY. This accomplishment is an improvement from the 423,126 CDRs SSA cleared in FY 2024; however, SSA's full medical CDRs cleared were still down from the 600,879 cleared in FY 2023.

## Progress the Social Security Administration Has Made Disability Processing

SSA has made policy and procedural changes to help streamline the disability process. In June 2024, SSA reduced the past relevant work period a claimant must document from 15 to 5 years, which in turn reduces the number of past work years the employee must consider during review. This change lessens the claimant and employee's burden while providing enough information to make appropriate disability decisions.



Additionally, in January 2025, the Agency implemented the Disability Examiner Decisional Authority Initiative, which allowed experienced disability examiners to independently make medical assessments for fully favorable disability determinations in specific cases.

This authority applies to initial adult claims with physical impairments and is granted once a state has made every reasonable effort to recruit qualified and sufficient medical consultants. This initiative was designed to reduce the claims backlog and improve processing times.

In July 2020, SSA contracted with a research center to identify opportunities for policy improvement and increase efficiency and accuracy in administering the disability programs. Our April 2025 audit of the *Contract with Johns Hopkins University Applied Physics Laboratory for Analysis of the Social Security Administration's Disability Process* found only 2 of the 10 contracted deliverables were implemented: improving SSA's front-end processes and implementing a peer review program. SSA agreed to establish a plan of when and how it will implement the remaining deliverables provided under the contract as well as how SSA will track the implementation's progress to determine whether the analyses, prototypes, and recommendations provided in those deliverables improve SSA's disability programs.

In response to the Agency-wide organizational restructuring that included significant workforce reductions from February through April 2025, SSA stated, "Improving the national average processing time for initial disability claims and reducing the number of older cases remains a priority for the [A]gency." According to SSA, the new structure positions it to better manage workloads to improve public service, enhance quality, and ensure timely and consistent adjudication of disability claims.

## Disability Determination Services' Operations

SSA has worked with DDSs to understand the underlying reasons for attrition. For example, in 2022, SSA started a recruitment and retention workgroup that comprised a representative from each DDS region and other SSA subject-matter experts in relevant components. The workgroup shared best practices for pay, bonus, recruitment, and retention and provided other helpful resources for DDSs to use related to attrition prevention. However, the workgroup paused its efforts in June 2024 because of a hiring freeze. As of April 2025, the workgroup was still inactive. SSA has neither control over congressional budget decisions nor a direct role in DDS' workforce planning or retention. Therefore, to support DDSs, SSA plans to explore alternate ways to transfer cases to disability processing sites, continue to develop workload assistance partnerships between the state DDSs, and enhance Federal capacity of claims processing.

## Ensuring Eligibility

Effective April 7, 2025, SSA initiated a nation-wide phased roll out of the Payroll Information Exchange (PIE). PIE is an automated system that obtains wage and employment information directly from payroll data providers to improve program administration and prevent improper payments in SSA's disability programs. By implementing this system, SSA aims to reduce the wage reporting burden on the public and decrease manual wage-related workloads for its employees. SSA completed the roll out in September 2025. Additionally, SSA plans to process approximately 200,000 more full medical CDRs by the end of FY 2026 than in FY 2024.



Achieving both goals will help ensure beneficiaries receive the benefits to which they are entitled while safeguarding the integrity of SSA's benefit programs.

## What the Social Security Administration Needs to Do

- Continue identifying process improvements that will improve processing times and accuracy for initial disability claims.
- Continue partnering with DDSs to address staff shortages caused by attrition and hiring challenges.
- Continue identifying process improvements that ensure disability eligibility factors are met to prevent improper payments.

## Key Related Links

### Office of Audit Publications

- [Administrative Law Judges with the Highest and Lowest Allowance Rates](#) (032404), September 2025.
- [Denied Disability Claims that Required Manual Notifications to Claimants](#) (062317), August 2025.
- [Staffing, Productivity, and Processing Times at State Disability Determination Services](#) (072309), July 2025.
- [Contract with Johns Hopkins University Applied Physics Laboratory for Analysis of the Social Security Administration's Disability Process](#) (062325), April 2025.
- [Overpayments Assessed in Fiscal Years 2020 Through 2023](#) (062405), February 2025.
- [State Workers' Compensation Offset \(Colorado and Minnesota\)](#) (022403), January 2025.

### Social Security Administration Publications

- [The Social Security Administration's Agency Financial Report for Fiscal Year 2024](#)
- [Agency Strategic Plan, FYs 2022-2026](#)
- [Annual Performance Plan for Fiscal Year 2025, Revised Performance Plan for Fiscal Year 2024, and Annual Performance Report for Fiscal Year 2023](#)
- [Annual Performance Plan for Fiscal Year 2026 and Revised Performance Plan for Fiscal Year 2025](#)
- [FY 2025 President's Budget Overview](#)



# Improve the Prevention, Detection, and Recovery of Improper Payments

SSA must be a responsible steward of the funds entrusted to its care by minimizing the risk of making improper payments and recovering overpayments when they occur.

## Why This is a Challenge

SSA issues over \$1.5 trillion in benefit payments, annually. Even the slightest error in the overall payment process can result in millions of dollars in improper payments. Improper payments can be overpayments, when SSA pays someone more than they are due, or underpayments, when SSA pays someone less than they are due. SSA estimates, as of FY 2024, it made almost \$11.3 billion in improper payments in FY 2025: approximately \$9.3 billion in overpayments and almost \$2 billion in underpayments.

Our February 2025 review of *Overpayments Assessed in Fiscal Years 2020 Through 2023* found SSA had limited access to automated real-time information required to determine beneficiaries' eligibility and payment amounts. Instead, SSA depended on beneficiaries, representative payees, and family members to timely provide this information or to receive this information, after the fact, from other sources. On March 3, 2025, SSA's final rule, *Use of Electronic Payroll Data to Improve Program Administration*, became effective. This rule supports the use of information exchanges with payroll data providers to prevent wage-related improper payments that can otherwise occur when SSA does not receive accurate wage and employment information timely. Without more automated data feeds like PIE, SSA will continue requiring resources for assessing and pursuing the recovery of billions of dollars in overpayments. This places a burden on SSA by requiring that SSA employees spend valuable time on these processes versus focusing on other workloads as well as on beneficiaries who must determine how to pay back the overpayments. Obtaining data that assist with making eligibility and payment determinations from external sources, such as other Federal and state agencies, is critical to preventing and detecting improper payments.

## Causes of Improper Payments

Unreported disability cessation, performance of substantial gainful activity, and the application of early retirement annual earnings tests were the leading causes of OASDI overpayments whereas unreported earnings or income and other information affecting eligibility—including beneficiaries' disability cessation, unreported excess resources, incarceration, and residence outside the United States—were leading causes of SSI improper payments. SSI recipients are required to report to SSA (within 10 calendar days after the end of the month in which the event or change occurred) such events as changes in work status, medical condition, income, resources and living arrangements, or marital status. Beneficiaries' "failure to report" this information can affect their eligibility or payment amount and may also include a penalty deduction. In its *Fiscal Year 2024 Title XVI Payment Accuracy Report*, SSA noted its reliance on individuals' self-reporting information to SSA underscores the need for the Agency to develop alternate sources of the information to administer the SSI program. This included automated solutions where feasible.



Additionally, although SSA's systems automatically process many transactions, there are still workloads that require employees' manual actions. These workloads could contain errors that could lead to improper payments. For example, our March 2025 report on the *Rejection of State Death Reports* estimated SSA rejected approximately 702,000 state reports with valid death information, which resulted in over \$327 million in improper payments issued to approximately 16,000 beneficiaries after they died. SSA's Death Information Processing System rejected most of these state reports because it did not allow processing of death reports with Online Verification system discrepancies. The Death Information Processing System rejected other reports that had valid death information because the reports contained minor SSN discrepancies. The rejection of state death reports with valid death information also created additional work for SSA employees as they had to manually add some individuals' death information to the Death Information Processing System because it did not automatically process their death reports. We worked with SSA to determine that employees spent, or will spend, approximately 199,000 hours manually processing actions to correct records for the individuals we identified. This cost SSA approximately \$12 million in administrative expenses.

In another example, our September 2025 review of *Denied Child's Insurance Benefit Claims* estimated SSA employees incorrectly denied 24,555 claims for child's insurance benefits for reasons unrelated to disability. As a result of employee errors, SSA did not pay these beneficiaries approximately \$92.2 million in benefits and delayed paying these beneficiaries approximately \$87.7 million in benefits to which they were entitled. SSA employees denied an additional estimated 28,661 claims before they appropriately completed all required actions; therefore, there was not enough information in SSA's records to determine whether Agency employees appropriately denied the claims. To prevent future errors, SSA should establish controls to ensure employees request all relevant evidence and document all required actions in its systems before denying a claim for child's insurance benefits, when required. Without improvements, employees will continue incorrectly denying claims, and the Agency will not pay thousands of child beneficiaries the benefits to which they are entitled.

## Recovering Overpayments

Preventing overpayments is more advantageous than recovering them since SSA must expend additional resources to recover the overpayments or process additional payments to rectify underpayments. In our September 2025 review of *Processing Old-Age, Survivors, and Disability Insurance Overpayments*, based on our sample results, we estimated SSA generally followed policy and used available tools when it processed 806,580 overpayments (81.5 percent). However, we estimated SSA incorrectly processed, or could have processed sooner, approximately 183,100 overpayments (18.5 percent) totaling almost \$612 million. Erroneously established and incorrectly calculated overpayments result in an undue burden on both the Agency and the public. Individuals assessed an overpayment incorrectly or for an incorrect amount may either (1) pay more than they owe or (2) have to request a reconsideration or use additional methods of overpayment relief that may be available, such as a waiver. In fact, overpaid individuals who request a waiver or reconsideration may prompt SSA to correct errors Agency systems or employees make in establishing or calculating overpayments. However, SSA employees must then process these requests, and the Agency does not have timeliness standards for processing them. Prolonged decisions on these requests or under-calculated overpayments can delay or prevent recovery, resulting in a negative effect on SSA's trust funds.



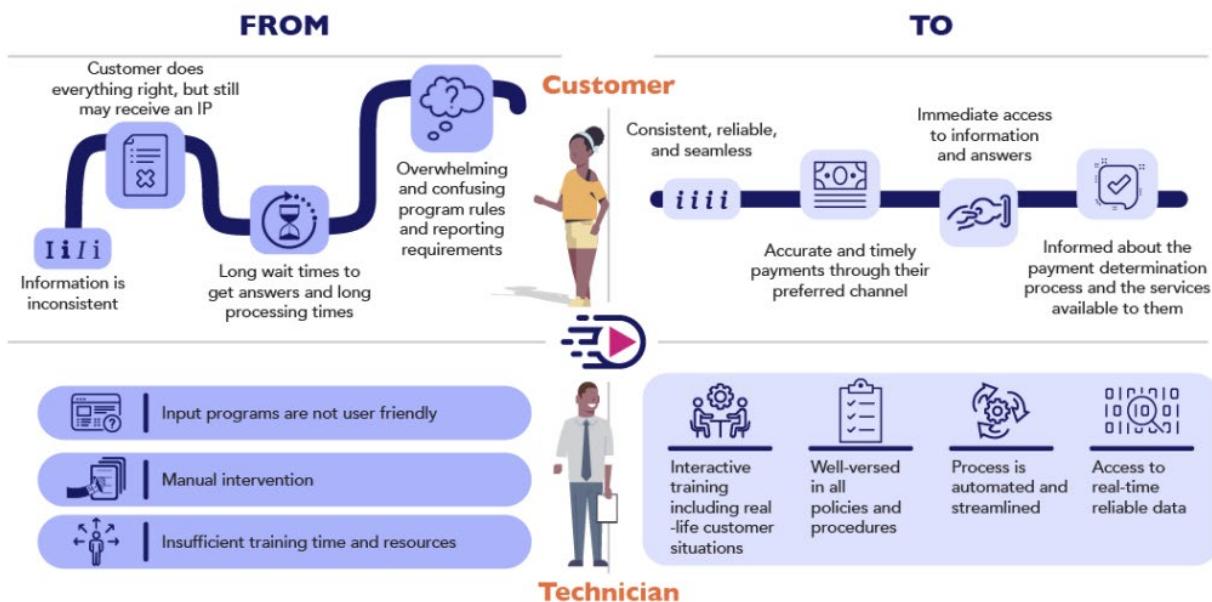
In addition, we estimate SSA overstated by approximately \$904 million the overpayments the Agency recovered during FYs 2022 and 2023 because the Agency's systems reflected overpayments as recovered by benefit withholding when they were not. SSA's overstatement of recovered overpayment amounts may lead to misunderstandings about the Agency's performance. If SSA does not address the issues that contribute to this misreporting, it risks continuing to provide inaccurate information to the Administration, Congress, and public. It is important that SSA calculate and process overpayments effectively and accurately reports overpayment information to stakeholders.

## Progress the Social Security Administration Has Made

### Causes of Improper Payments

In its *Agency Strategic Plan for FYs 2022-2026*, SSA noted it continued addressing the root causes of improper payments and improve payment accuracy (including over- and underpayments). Additionally, SSA has developed a vision for addressing improper payments (see Figure 2).

**Figure 2: SSA's Vision of the Future State of the Payment Experience**



**Note:** IP = improper payment. Source: SSA, *Improper Payment, Package of Reduction Initiatives*, FY 2025, 2<sup>nd</sup> Quarter, last updated April 30, 2025.

In FY 2025, SSA continued monitoring the progress of mitigation strategies and corrective actions to address improper payments. For example, since FY 2019, SSA's Improper Payments Team has developed Improper Payment Alignment Strategies to determine and document the underlying causes of payment errors and track corrective action plans. As of FY 2025, the Team has published 11 Improper Payment Alignment Strategies, the latest being on OASDI Computations and OASDI Relationship and Dependency.



Our May 2025 audit of *The Social Security Administration's Compliance with the Payment Integrity Information Act of 2019 in Fiscal Year 2024* concluded SSA did not comply with two reporting requirements for the SSI program because it did not (1) demonstrate improvements in payment integrity or reach a tolerable improper payment and unknown payment rate and (2) did not report an improper payment and unknown payment estimate of less than 10 percent. Our February 2025 audit of *Overpayments Assessed in Fiscal Years 2020 Through 2023* found SSA attributed 51 percent of SSI overpayments to recipients who did not timely report earnings or income. However, SSA noted in its *FYs 2025-2026 Annual Performance Plan* that it was implementing PIE to automate the timely receipt of wages so SSA can make more accurate benefit payments, which will reduce improper payments. PIE reduces the public's burden to report wages and manual work for employees who process reported wages. SSA completed the roll out of PIE in September 2025 and plans to continue raising public awareness of the exchange.

## Recovering Overpayments

To address the inherent challenges to recovery of overpayments and other funds owed to the Agency, SSA initiated several projects in FY 2025 to increase collections.

- In March 2025, SSA resumed collections via the Treasury Offset Program for those debtors who received a notice of referral before March 2020. As of FY 2025, SSA had collected about \$61 million. In August 2025, SSA began the notice process for those not yet referred.
- Effective with overpayments established on or after April 25, 2025, SSA increased the overpayment withholding rate from 10 to 50 percent for OASDI overpayments. This included updates to overpayment benefit withholding notices to inform the public about the increased default withholding rate applied to monthly benefit payments for new overpayments.
- Began a pilot a program that will explore the feasibility of using the Department of the Treasury's Centralized Receivables Services for collections. Centralized Receivables Services is a shared service provider that could perform the Agency's collection work. SSA plans to refer a small set of simple OASDI overpayments to Centralized Receivables Services for collection in December 2025. If this proves successful, SSA will expand the pilot to include other debt categories.
- Started a project to modernize all payment stubs to include the option to repay a debt by electronic options, including using a bank's Online Bill Pay service or Treasury's pay.gov portal. SSA expects these electronic options will make it easier for debtors to repay and increase recoveries. This project will also help support the Administration's efforts to increase electronic payments to the Government, as required by Executive Orders 14247 and 14249.

## What the Social Security Administration Needs to Do

- Identify and prevent improper payments through automation and data analytics. SSA needs to use available data to better identify changes that affect beneficiaries' and recipients' benefit payments.



- Continue expanding efforts to collect data from reliable third-party sources that would aid SSA in mitigating discrepancies that can occur when beneficiaries or recipients' self-report information.
- Continue addressing the root causes of improper payments to prevent their occurrence.

## Key Related Links

### Office of Audit Publications

- [Benefits Withheld Pending the Selection of a Representative Payee](#) (052405), September 2025.
- [Processing Old-Age, Survivors, and Disability Insurance Overpayments](#) (072301), September 2025.
- [Denied Child's Insurance Benefit Claims](#) (032317), September 2025.
- [Follow-up on Dually Entitled Beneficiaries and Family Maximum Provisions](#) (052301), September 2025.
- [Match of New York State Death Information Against Social Security Administration Records](#) (022402), September 2025.
- [The Social Security Administration's Methodology for Estimating Improper Payments](#) (152507), September 2025.
- [Remittance Processing](#) (072311), July 2025.
- [Individuals Who Elect to Receive Retirement Benefits After Age 70](#) (012306), June 2025.
- [The Social Security Administration's Compliance with the Payment Integrity Information Act of 2019 in Fiscal Year 2024](#) (152415), May 2025.
- [Rejection of State Death Reports](#) (042304), March 2025.
- [Match of Idaho Death Information Against Social Security Administration Records](#) (062410), March 2025.
- [Overpayments Assessed in Fiscal Years 2020 through 2023](#) (062405), February 2025.
- [State Workers' Compensation Offset \(Colorado and Minnesota\)](#) (022403), January 2025.
- [Match of New York City Death Information Against Social Security Administration Records](#) (022333), December 2024.

### Social Security Administration Publications

- [Repay overpaid benefits](#)
- [Overpayments Fact Sheet](#)

### Other Sources

- [PaymentAccuracy.gov](#)



## OTHER REPORTING REQUIREMENTS

### Payment Integrity

#### Background

We take seriously our responsibility to ensure eligible individuals receive the benefits to which they are entitled, and to safeguard the integrity of benefit programs to better serve our customers. Our employees work hard to pay the right person the right amount at the right time. For fiscal year (FY) 2025, in alignment with Presidential Executive Orders and Office of Management and Budget (OMB) guidance, we identified “Stewardship” as a strategic area of focus.

Our program integrity workloads are critical to ensuring efficient programs and accurate payments in our Old-Age and Survivors Insurance (OASI), Disability Insurance (DI) (referred to as OASDI when discussing them in combination), Supplemental Security Income (SSI), and Administrative Payments programs. As good stewards of our resources and taxpayer funds, these workloads help ensure eligible individuals timely receive the benefits to which they are entitled and safeguard the integrity of benefit programs by confirming eligibility and preventing fraud. We remain focused on the integrity of our programs, including minimizing improper payments. Each year, we report improper payment findings, both overpayments and underpayments, from our stewardship reviews of the nonmedical aspects of the OASDI and SSI programs. We conduct Medical Continuing Disability Reviews (CDR) to determine whether disability beneficiaries meet the programs’ medical criteria. Terminating disability benefits after a CDR does not necessarily mean that the original determination was incorrect; it means the beneficiary’s medical condition has improved and the beneficiary no longer meets our definition of disability. Therefore, we consider the benefits received before medical improvement to be proper.

On March 2, 2020, S. 375, the *Payment Integrity Information Act of 2019* (PIIA) was signed into law. This law changed government-wide improper payment reporting requirements by repealing and replacing the *Improper Payments Information Act of 2002*, the *Improper Payments Elimination and Recovery Act of 2010*, the *Improper Payments Elimination and Recovery Improvement Act of 2012*, and the *Fraud Reduction and Data Analytics Act of 2015*. On March 5, 2021, OMB published a revised version of OMB Circular No. A-123, Appendix C, *Requirements for Payment Integrity Improvement*, to implement the provisions of PIIA. The goal of the revised version of OMB Circular A-123, Appendix C is to transform the payment integrity compliance framework and create a more comprehensive and meaningful set of requirements to allow agencies to spend less time complying with low-value activities and more time researching the underlying causes of improper payments, balancing payment integrity risks and controls, and building the capacity to help prevent improper payments.



In accordance with OMB guidelines, we report as improper those payments that resulted from:

- Our mistake in computing the payment;
- Our failure to obtain or act on available information affecting the payment;
- A beneficiary's failure to report an event; or
- A beneficiary's incorrect report.

PIIA requires agencies to review and assess all programs with annual outlays greater than \$10,000,000 for improper payment risk at least once every three years to identify those susceptible to significant improper payments. Programs that are not likely to have an annual amount of improper payments plus annual unknown payments above the statutory threshold (which is either (a) both 1.5 percent of program outlays and \$10,000,000 of all program payments made during the fiscal year, or (b) \$100,000,000) are in Phase 1. If a program in Phase 1 determines that it is likely to annually make improper payments plus unknown payments above the statutory threshold then the program will move into Phase 2 the following year. Once in Phase 2 a program will have a different set of requirements such as reporting an annual improper payment and unknown payment estimate. Our OASI, DI, and SSI programs are in Phase 2.

A Phase 2 program that reports improper payments resulting in monetary loss in excess of \$100,000,000 annually is considered a High-Priority program. Our OASI, DI, and SSI programs meet the definition of High-Priority programs.

Beginning in FY 2025, OMB instructed agencies to align improper payment reporting under PIIA one-to-one with programs listed in the [Federal Program Inventory](#). Therefore, we are reporting improper payments for OASI and DI separately. We are unable to report OASI improper payments separately by retirement and survivors. Other than this change, there were no changes in payment integrity methodology for the reporting period.

The information presented in this report complies with the guidance provided in OMB Circular No. A-123, Appendix C, *Requirements for Payment Integrity Improvement*, and OMB Circular No. A-136, *Financial Reporting Requirements*.

Additional information about the improper payments in our programs, root causes, and corrective actions can be found on [PaymentAccuracy.gov](#).

## Overview

We are committed to ensuring we issue accurate payments to eligible individuals at the right time. Based on our FY 2024 stewardship reviews (FY 2025 data will be available in the summer of FY 2026), we estimate that we paid about:

- \$1.29 trillion to OASI beneficiaries;
- \$143.44 billion to DI beneficiaries; and
- \$63.29 billion to SSI recipients.



Our FY 2024 stewardship reviews indicate that:

- 99.91 percent of OASI benefit payments were free of overpayments and 99.96 percent were free of underpayments;
- 98.72 percent of DI benefit payments were free of overpayments and 99.65 percent were free of underpayments; and
- 89.97 percent of all SSI payments were free of overpayments and 98.45 percent were free of underpayments.

Our improper payments (combined overpayments and underpayments) totaled approximately:

- \$1.62 billion for OASI;
- \$2.34 billion for DI; and
- \$7.33 billion for SSI.

As good stewards, we seek ways to do business better by addressing the root causes of improper payments and improving payment accuracy. We are focused on combatting the leading causes of improper payments and improving program integrity to protect taxpayer dollars.

The most recent Office of the Inspector General (OIG) PIIA annual compliance audit was for FY 2024. In FY 2024, we had two programs reporting estimates above the statutory threshold, our OASDI and SSI programs. In the FY 2024 compliance audit, OIG concluded the agency was compliant with 8 of 10 PIIA reporting requirements, but did not comply with 2 PIIA reporting requirements for the SSI program because it did not (1) demonstrate improvements to payment integrity or reach a tolerable improper payment and unknown payment rate and (2) did not report an improper payment and unknown payment estimate of less than 10 percent. The FY 2024 compliance audit report stated, “While SSA has made progress implementing corrective actions for both programs, it still has work to do to address improper payments.” Our plans to come into compliance with PIIA are available on [PaymentAccuracy.gov](https://PaymentAccuracy.gov).



## OASDI Improper Payments

### OASDI Improper Payment Experience

Based on our stewardship reviews, we estimate that we paid approximately \$1.43 trillion to OASDI beneficiaries in FY 2024. Of that total, we estimate \$2.98 billion were overpayments, representing approximately 0.21 percent of outlays. We estimate that underpayments during this same period were \$975.46 million, the equivalent of approximately 0.07 percent of outlays.

We estimate that we paid approximately \$1.29 trillion to OASI beneficiaries in FY 2024. Of that total, we estimate \$1.15 billion were overpayments, representing approximately 0.09 percent of outlays. We estimate that underpayments during this same period were \$470.18 million, the equivalent of approximately 0.04 percent of outlays.

We estimate that we paid approximately \$143.44 billion to DI beneficiaries in FY 2024. Of that total, we estimate \$1.83 billion were overpayments, representing approximately 1.28 percent of outlays. We estimate that underpayments during this same period were \$505.29 million, the equivalent of approximately 0.35 percent of outlays.

The following table shows our estimated improper payments in the OASI, DI, and combined OASDI programs.

**OASDI Improper Payments<sup>1, 2, 3</sup>**  
**FY 2024**  
**(Dollars in Millions)**

	OASI		DI		Combined OASDI	
	Dollars	Percent of Outlays	Dollars	Percent of Outlays	Dollars	Percent of Outlays
<b>Outlays</b>	\$1,287,478.75		\$143,442.52		\$1,430,921.27	
<b>Proper Payments</b>	\$1,285,861.65	99.87%	\$141,104.77	98.37%	\$1,426,966.42	99.72%
<b>Improper Payments</b>	\$1,617.10	0.13%	\$2,337.75	1.63%	\$3,954.85	0.28%
<b>Overpayments</b>	\$1,146.92	0.09%	\$1,832.47	1.28%	\$2,979.38	0.21%
<b>Within the Agency's Control</b>	\$1,079.75	0.08%	\$927.25	0.65%	\$2,007.00	0.14%
<b>Outside the Agency's Control</b>	\$67.17	0.01%	\$905.22	0.63%	\$972.39	0.07%
<b>Non-Monetary Loss Improper Payments</b>	\$470.18	0.04%	\$505.29	0.35%	\$975.46	0.07%
<b>Underpayments</b>	\$470.18	0.04%	\$505.29	0.35%	\$975.46	0.07%
<b>Technically Improper Payments</b>	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
<b>Unknown Payments</b>	\$0.00	0.00%	\$0.00	0.00%	\$0.00	0.00%
<b>Improper Payments + Unknown Payments</b>	\$1,617.10	0.13%	\$2,337.75	1.63%	\$3,954.85	0.28%

Notes:

1. Amounts are estimated amounts from the FY 2024 annual stewardship reviews and may vary from actual amounts. FY 2025 data will be available in the summer of FY 2026.
2. There may be slight variances in the dollar amounts and percentages reported on [PaymentAccuracy.gov](https://PaymentAccuracy.gov) due to rounding of source data. We derive percentages from unrounded source data.
3. Totals may not equal the sum of amounts due to rounding.



## OASDI Improper Payment Causes and Corrective Actions

Our stewardship review findings over the last 5 years show the major causes of improper payments in the OASDI program are errors in computations, relationship and dependency, and beneficiaries' employment activity (referred to as substantial gainful activity (SGA)).

The major causes of improper payments in the OASI program are errors in computations, relationship and dependency, and errors in earnings history.

The major causes of improper payments in the DI program are SGA, workers' compensation (WC) and public disability benefit (PDB), and errors in computations.

These improper payments occur due to beneficiaries' failure to report changes that may affect benefits, or our failure to update benefit amounts in a timely manner.

The following table shows the major causes of improper payments in the OASI, DI, and combined OASDI programs over the last 5 years.

**OASDI Improper Payment Causes**  
**FY 2020-2024**  
**(Dollars in Millions)**

	OASI		DI		Combined OASDI		
	Over payments	Under payments	Over payments	Under payments	Total Improper Payments	Annual Average	Percent of OASDI Improper Payments
<b>Computations</b>	\$2,113.61	\$2,966.74	\$532.15	\$347.28	\$5,959.77	\$1,191.96	27.36%
<b>Relationship and Dependency</b>	\$4,992.22	\$0.00	\$52.24	\$0.00	\$5,044.46	\$1,008.89	23.16%
<b>SGA</b>	\$204.14	\$0.00	\$4,582.96	\$0.00	\$4,787.09	\$957.42	21.98%
<b>Earnings History</b>	\$654.64	\$333.69	\$457.86	\$82.84	\$1,529.03	\$305.81	7.02%
<b>WC and PDB</b>	\$0.00	\$116.72	\$303.19	\$661.78	\$1,081.69	\$216.34	4.97%

Next, we discuss corrective actions for OASDI improper payments.

### Computations

#### Description:

Over the last 5 years, computation errors account for 27.36 percent of OASDI improper payments. We determine a person's benefit amount based on several factors, including age, earnings history, and the type of benefit awarded. Inaccurate information and administrative mistakes can cause errors in calculating benefits. Windfall Elimination Provision (WEP) computations also resulted in improper payments.

#### Corrective Actions:

The findings from our stewardship reviews inform the agency's corrective action plans to reduce improper payments. Through the Improper Payment Alignment Strategy (IPAS) process, we



determine the most cost-effective strategies to remediate the underlying causes of the improper payment, and we monitor, measure, and revise the strategies, as needed. In FY 2025, we completed an IPAS on Computations. Additionally, we are taking the following actions to address improper payments related to computations:

- **Windfall Elimination Provision and Government Pension Offset Repeal:**

WEP applied when the wage earner receives Social Security retirement or disability benefits and is entitled to a pension based on non-covered work. Non-covered pensions are paid by employers that do not withhold Social Security taxes and may be based on earnings from employment in the United States or another country. The Government Pension Offset (GPO) adjusts Social Security spouse's or widow(er)'s benefits for those who receive a non-covered pension from a Federal, State, or local government in the United States. When GPO applies, the Social Security monthly benefit amount is reduced by two-thirds of the amount of the non-covered pension.

On January 5, 2025, the *Social Security Fairness Act of 2023* was signed into law, thereby repealing WEP and GPO. December 2023 is the last month that WEP and GPO applied. This means that those rules no longer apply to benefits payable for January 2024 and later. The agency worked quickly and successfully to implement these changes. We began releasing higher monthly benefit payments in April 2025. As of July 7, 2025, we completed sending over 3.1 million payments, totaling \$17 billion, to eligible beneficiaries. The average retroactive payment was \$7,208. As of September 30, 2025, we have taken over 387,000 new initial claims. We anticipate the WEP and GPO repeal will significantly reduce and eventually eliminate WEP and GPO improper payments in future years.

- **Robotic Processing Automation:** We developed processes using UiPath software to create automated “robotic” programs that perform routine or repetitive tasks and increase the speed and accuracy of manual processing. Robotic Processing Automation (RPA), or “BOTs,” are available to Processing Center (PC) technicians to assist with processing manual awards or post-entitlement actions. Since January 2021, several BOTs have been created and placed into production. In FY 2025, we provided general reminders and guidance for PC technicians on BOT usage. We completed the final testing stages of the UiPath Assistant software and rolled out the new platform to PC users in August 2025. We are making a long-term investment in robotics technology via UiPath software to improve business processes and eliminate manual actions.

- **Computation Tools:** When automated systems cannot compute benefit amounts in certain situations, there are a variety of computations tools that technicians should use to ensure accuracy. We released a reminder to frontline technicians on the various computation tools available for their use. We also relayed that some programs rely on manual inputs that must be keyed correctly. If the information is keyed incorrectly, the program will provide incorrect computations.



## Relationship and Dependency

### Description:

Over the last 5 years, relationship and dependency errors account for 23.16 percent of OASDI improper payments. Marital standing and child relationship factors are material when determining entitlement to certain auxiliary and survivor benefits. Technicians must establish the existence, duration, and validity of a marriage when the present or former marriage to the insured worker is a factor of entitlement. These errors occur when a beneficiary does not report a marriage, divorce, or remarriage timely.

### Corrective Actions:

Since marital status and relationship became a leading cause of OASDI overpayments, we developed an IPAS on this subject matter in FY 2025. To address the lack of self-reporting of marital and dependency changes impacting benefit payments, we displayed Social Security TV slides in field office waiting areas on the importance of reporting relationship changes to us. We also released a reminder to frontline technicians on checking for program entitlement when an individual changes their name due to marriage or divorce and verifying that all child-in-care information is entered in the system correctly. In FY 2026, we will explore options to expand the Internet Social Security Number Replacement Card's current process and incorporate downstream application alerts to reduce instances of improper payments.

## Substantial Gainful Activity

### Description:

SGA is continuously a leading cause of overpayments in the OASDI program, accounting for 21.98 percent of OASDI improper payments over the last 5 years. When disability beneficiaries work, several factors determine whether they remain eligible for monthly benefits.

### Corrective Actions:

We are exploring ways that will make it easier for beneficiaries and employers to report wages, as well as ways to we can obtain real time wages to reduce improper payments. We are taking the following actions to address IPs related to SGA:

- **Payroll Information Exchange:** To reduce our reliance on beneficiary and representative payee reporting of employment and wage information, we published the Use of Electronic Payroll Data To Improve Program Administration final rule in December 2024. Through the process known as the payroll information exchange (PIE), we obtain wage and employment information from a commercial payroll data provider for individuals who have provided authorization. On April 7, 2025, we began the phased implementation of PIE with an initial exchange of 1 million Social Security numbers (SSN). We gradually increased the exchanges each month until reaching full implementation of 10.7 million SSNs in September 2025. We continued monthly exchanges with the full authorized population after September. PIE will improve payment accuracy, reduce improper payments, and reduce the reporting burden on individuals when they authorize us to obtain this information through an information



exchange, and we receive it. We also anticipate that implementation will result in more efficient use of our limited administrative resources because our technicians would reduce the amount of time they spend manually requesting this information from payroll data providers and employers, manually entering data into our systems from an individual's pay records, contacting individuals, and assisting individuals with the results of incomplete or untimely reporting. In FY 2026 and beyond, we will explore multiple enhancements to the PIE process.

- **Reporting Responsibilities:** Section 826 of the Bipartisan Budget Act of 2015 required the Commissioner to establish and implement a system permitting DI beneficiaries to report their earnings electronically. Our myWageReport (myWR) online application allows DI beneficiaries, SSI recipients, concurrent beneficiaries, and representative payees to report wages, and view, print, or save a receipt. From April-May 2025, we released social media posts on Facebook and X sharing a link to our YouTube video to help beneficiaries learn why it is important to report wages and the automated electronic options for wage reporting. This included instructional videos with step-by-step instructions on how to use the agency's self-reporting wage applications. In FY 2026, we will continue to use our social media channels to post reminders for our beneficiaries about the importance of promptly reporting changes that impact their eligibility and payment amounts. These posts will inform beneficiaries how we are required by law to adjust payments or recover debts when people receive payments they are not entitled to.
- **Targeted Work Review Process:** In July 2025, we started a national Targeted Work Review Process (TWRP) that leverages the expertise of a cadre of technicians to use readily available earnings data to formulate a proposed work CDR decision prior to requesting work activity report. Technicians will send both the work activity report and due process notice simultaneously. The TWRP aims to reduce work CDR processing time by allowing one technician to process the case from start to finish and reducing delays in sending/receiving evidence. TWRP continued into early FY 2026, and we plan to evaluate its outcomes later in FY 2026.
- **Electronic Work Continuing Disability Review:** We are developing a new Electronic Work CDR application to replace and modernize the system technicians use to process CDRs based on work activity. The new system will enforce policy and best practices with an intuitive user interface and will eliminate current system limitations that lead to large improper payments through delays and processing errors. The application will streamline the disability review process and will have a positive impact in reducing SGA improper payments. We plan to release the minimum viable product to technicians by the end of FY 2026.
- **WorkSmart:** WorkSmart is a tool that identifies DI beneficiaries whose earnings may place them at risk of being overpaid. We created WorkSmart to reduce improper payments by alerting cases quickly after the beneficiary starts to work. In FY 2025, WorkSmart continued to alert cases for work CDRs based on available earnings data. In addition, with the appropriate authorization, WorkSmart will utilize PIE data to identify and alert cases that may require a work CDR.



- **Simplify Forms:** To improve understanding and reduce the burden on our customers and their employers, we are updating several disability-related forms. In February 2025, we published a revised SSA-3033, Employee Work Questionnaire, and clarified policy and procedures for technicians developing subsidy for DI and SSI initial claims, and DI work continuing disability reviews. We published a revised SSA-821 Work Activity Report in September 2025. A revised SSA-820 Self-Employment Work Activity Report is currently pending OMB approval.

## Earnings History

### Description:

Over the last 5 years, errors in earnings history account for 7.02 percent of OASDI improper payments. We compute benefits using up to 35 years of the worker's "average indexed monthly earnings." The agency applies a formula to this average to compute the primary insurance amount (PIA). The PIA is the basis for the benefits paid to the beneficiary. Inaccurate information can cause errors in calculating benefits.

### Corrective Actions:

In FY 2025, we released instructions to field office technicians to review earning records for identified pending retirement and disability claims. Validating earnings records associated with pending claims ensures accurate eligibility and payment amounts. We also updated policy instructions associated with temporary and ongoing earnings inaccuracies and coding used to trigger an alert for technicians to review and ensure the accuracy of earnings records and PIA before automatic benefit increases.

## Workers' Compensation and Public Disability Benefit

### Description:

Over the last 5 years, WC and PDB errors accounted for 4.97 percent of OASDI improper payments. States administer these programs and provide widely different coverage based on state-specific rules, and because of these complexities, this workload is particularly error prone.

### Corrective Actions:

The *Federal Employee Compensation Act (FECA)* WC program, which is administered by the Department of Labor (DOL), provides coverage to three million Federal and Postal workers. Receipt of FECA benefits can offset OASDI benefits. In December 2023, we established a Memorandum of Understanding with DOL for use of an employee compensation portal. Technicians can submit individual real-time queries in the portal to obtain FECA data and complete computations. We are working to complete the computer matching agreement.



## SSI Improper Payments

### SSI Improper Payment Experience

Based on our stewardship reviews, we estimate that we paid approximately \$63.29 billion to SSI recipients in FY 2024. Of that total, we estimate \$6.35 billion were overpayments, representing approximately 10.03 percent of outlays. We estimate that underpayments during this same period were \$0.982 billion, the equivalent of approximately 1.55 percent of outlays.

The following table shows our estimated improper payments in the SSI program.

**SSI Improper Payments<sup>1, 2, 3</sup>**  
**FY 2024**  
**(Dollars in Millions)**

	<b>Dollars</b>	<b>Percent of Outlays</b>
<b>Outlays</b>	\$63,290.88	
<b>Proper Payments</b>	\$55,961.87	88.42%
<b>Improper Payments</b>	\$7,329.01	11.58%
<b>Overpayments</b>	\$6,346.61	10.03%
<b>Within the Agency's Control</b>	\$599.11	0.95%
<b>Outside the Agency's Control</b>	\$5,747.50	9.08%
<b>Non-Monetary Loss Improper Payments</b>	\$982.41	1.55%
<b>Underpayments</b>	\$982.41	1.55%
<b>Technically Improper Payments</b>	\$0.00	0.00%
<b>Unknown Payments</b>	\$0.00	0.00%
<b>Improper Payments + Unknown Payments</b>	\$7,329.01	11.58%

Notes:

1. Amounts are estimated amounts from the FY 2024 annual stewardship reviews and may vary from actual amounts. FY 2025 data will be available in the summer of FY 2026.
2. There may be slight variances in the dollar amounts and percentages reported on [PaymentAccuracy.gov](#) due to rounding of source data. We derive percentages from unrounded source data.
3. Totals may not equal the sum of amounts due to rounding.



## SSI Improper Payment Causes and Corrective Actions

Our stewardship review findings over the last 5 years show the major causes of improper payments in the SSI program are changes in financial accounts, wages, and in-kind support and maintenance (ISM).

These improper payments occur due to recipients' failure to report or our failure to update payments in a timely manner.

The following table shows the major causes of improper payments in the SSI program over the last 5 years.

**SSI Improper Payment Causes**  
**FY 2020-2024**  
**(Dollars in Millions)**

	Overpayments	Underpayments	Total Improper Payments	Annual Average	Percent of SSI Improper Payments
<b>Financial Accounts</b>	\$9,797.15	\$0.00	\$9,797.15	\$1,959.43	29.60%
<b>Wages</b>	\$6,724.88	\$1,096.20	\$7,821.07	\$1,564.21	23.63%
<b>ISM</b>	\$1,527.29	\$1,315.12	\$2,842.41	\$568.48	8.59%

Next, we discuss corrective actions for SSI improper payments.

### Financial Accounts

#### Description:

The leading cause of SSI improper payments is financial accounts with countable resources over the allowable resource limits, accounting for 29.60 percent of SSI improper payments over the last five years. When an applicant, recipient, or deemor has financial accounts with values exceeding the allowable resource limits, these accounts may result in periods of SSI ineligibility.

#### Corrective Actions:

We are taking the following actions to address improper payments related to financial accounts:

- **Non-Medical Redeterminations/Limited Issues:** A non-medical SSI redetermination (RZ) is a complete review of a recipient's or couple's non-medical eligibility factors (resources, income, and living arrangements) to determine whether the recipient or couple has remained eligible since the time of the previous decision, is still eligible for SSI, and has been receiving or will continue to receive the correct SSI payment amount. To ensure the most effective investment of agency resources, we use a predictive model to estimate the likelihood and magnitude of overpayments to select cases for discretionary RZs. Other cases are selected for RZs outside of our modeling process based on selected case characteristics, such as manual deeming of income. The RZ process also selects limited issues (LI) reviews, which are reviews of a specific issue or event related to a recipient's or couple's non-medical eligibility factors to determine



whether the recipient or couple is still eligible for and receiving the correct SSI payment. In FY 2025, we completed more than 2.4 million SSI RZs and LIs. We issued guidance and reminders to technicians to assist with RZ/LI processing throughout the fiscal year. We plan to process about 2.6 million SSI RZs and LIs in FY 2026.

- **Access to Financial Institutions:** The purpose of Access to Financial Institutions (AFI) is to identify resources in financial accounts; excess resources are a leading cause of SSI payment errors. The AFI program uses an electronic process with participating financial institutions to verify bank accounts and detect undisclosed accounts in up to 10 nearby banks based on the residential address. In August 2025, we implemented a zero-dollar AFI tolerance for SSI 65+ aged claim allowances before adjudicating to payment. In FY 2026, we intend to implement a zero-dollar AFI tolerance to all SSI initial claim allowances contingent upon updating the AFI contract and funding the additional volume of AFI requests. This strategy mandates that AFI verification is fully completed prior to adjudication and before payments are issued, thereby eliminating improper payments at the source rather than pursuing recovery after the fact. We will continue to explore expanding AFI usage in post entitlement situations and develop a systems enhancement to ensure that technicians run AFI in all instances required by policy.
- **ABLE Accounts:** An ABLE account is a special tax-advantaged savings account used by eligible individuals to pay for qualified disability expenses. The account is owned by the person with the disability, and they must have become disabled before age 26. Effective January 1, 2026, eligibility for ABLE accounts will expand to include individuals with a disability that began before age 46. Proper reporting and accounting of ABLE accounts are essential to ensure exclusions are applied correctly and that SSI payments are accurate. In March 2025, we also issued a reminder to technicians to avoid multiple postings of the same ABLE account and to ensure proper accounting of resources in ABLE accounts owned by recipients.
- **Reporting Responsibilities:** To influence understanding of ABLE accounts and encourage reporting of financial account information, in FY 2025, we aired educational content on televisions in field office reception areas. We also inform recipients and representative payees about their reporting responsibilities through various methods: during interviews, with application and RZ forms, in some award and post-eligibility notices, in check envelope enclosures, and in a booklet that accompanies award notices. Our annual Cost of Living Adjustment notices include reminders about reporting changes that could affect payments and eligibility.

## Wages

### Description:

For more than a decade, wage discrepancies have been one of the leading causes of SSI improper payments, accounting for 23.63 percent of SSI improper payments over the last 5 years. Wage discrepancies occur when the recipient or their deemor has actual wages that differ from the wage amount we used to calculate the SSI payment, either because the recipient failed to report a change, or we failed to make changes to payments in a timely manner.



## Corrective Actions:

We are taking the following actions to address improper payments related to wages:

- **Wage Reporting Tools:** For individuals or employers not participating in PIE, we continue to offer multiple reporting options such as the myWR online tool, SSA Mobile Wage Reporting, SSI Telephone Wage Reporting, by mail or in-office visit. We also offer automated SSI wage reporting reminders for individuals who sign up to receive a monthly email or text message to report wages for the prior month.
- **Reporting Responsibilities:** In FY 2025, we released social media posts on Facebook and X sharing a link to our YouTube video to help recipients learn why it is important to report wages and the automated electronic options for wage reporting. This included instructional videos with step-by-step instructions on how to use the agency's self-reporting wage applications. In FY 2026, we will continue to use our social media channels to post reminders for our recipients about the importance of promptly reporting changes that impact their eligibility and payment amounts. These posts will inform recipients how we are required by law to adjust payments or recover debts when people receive payments they are not entitled to.
- **Payroll Information Exchange:** Please see our discussion of PIE under Corrective Actions for Substantial Gainful Activity in the OASDI Improper Payments Causes and Corrective Actions section.
- **Simplify Forms:** Please see our discussion of Simplify Forms under Corrective Actions for Substantial Gainful Activity in the OASDI Improper Payments Causes and Corrective Actions section.
- **Non-medical Redeterminations/Limited Issues:** Please see our discussion of Non-Medical RZs/LIs under Corrective Actions for Financial Accounts in the SSI Improper Payments Causes and Corrective Actions section.

## In-Kind Support and Maintenance

### Description:

ISM has been the third-leading cause of overpayments and one of the leading cause of underpayments, accounting for 8.59 percent of SSI improper payments over the last 5 years. When processing initial claims and post-entitlement reviews, we ask questions to help us determine if recipients are paying their share of household expenses. If recipients are not paying their *pro rata* share, we generally count the difference between the *pro rata* share amount and the actual contribution as income to the recipient in the form of ISM. SSI recipients and their representative payees are required to notify the agency when a change occurs in household expenses, contributions, or composition. Failure to report or delays in reporting household changes are the primary causes of overpayments and underpayments related to ISM. Recipients and representative payees must report ISM changes (e.g., living arrangements) by phone, mail, or in person within ten days after the end of the month when the event happened. Self-reporting is the primary tool we use to obtain information on changes that affect ISM.



## Corrective Actions:

We are taking the following actions to address improper payments related to ISM:

- **Regulation Simplification:** In FY 2025, we fully implemented three updates as part of SSI regulation simplification related to ISM. These changes include: (1) eliminating the requirement to provide detailed information about the value of food assistance received; (2) expanding the definition of a “public assistance household” by adding SNAP benefits to the list of public income-maintenance (PIM) programs and by requiring the receipt of a PIM payment for only one additional household member (other than the SSI applicant or recipient) instead of requiring the receipt of a PIM payment for every other member of the household; and (3) expanding the rental subsidy exception nationwide to simplify our ISM rules and ensure uniform application of the policy.
- **National Change of Address:** We have a National Change of Address (NCOA) contract and data exchange agreement with the U.S. Postal Service (USPS) for the OASDI program. We are electronically notified when an OASDI beneficiary reports an address change to the USPS and in most cases, the new address information automatically posts to our records. In November 2024, we updated a notice to add a reminder informing concurrent OASDI and SSI recipients to contact us because we need additional information regarding living arrangement changes that may have occurred with the address change received through the NCOA process.
- **Living Arrangement Change Processing:** In August 2025, we transitioned field office phone systems to the same telephone platform used by the teleservice centers. By using the same telephone platform, field office representatives are able to update the SSI recipients’ record with the change of address and develop living arrangement or ISM updates that could impact their payment amounts. Previously, teleservice center representatives had to refer these reports to a field office for development at a later date and in some instances, the field office would have to recontact the claimant. This prior business process could result in delays in processing the report and potentially create an improper payment.

## Entitlement Reviews and Office of the Inspector General Anti-Fraud Activities

We are committed to improving financial management by preventing fraudulent and IPs (see the Payment Integrity section for more information). Section 206 (g) of the *Social Security Independence and Program Improvements Act*, Public Law 103-296, requires us to report annually on the extent to which we reviewed cases of entitlement to monthly OASI and DI benefits (referred to as OASDI when discussing them in combination) and SSI payments; and the extent to which the cases we reviewed were those that involved a high likelihood or probability of fraud.



## Entitlement Reviews

Entitlement reviews help ensure that continued monthly payments are correct. We select cases and undertake reviews, both prior to and after effectuation of payment, to ensure that development procedures and benefit awards are correct.

We conduct the following major entitlement reviews:

### Disability Quality Assurance Reviews

We perform quality assurance reviews of random samples of Disability Determination Services (DDS) determinations to measure our level of accuracy against standards mandated by the regulations. We review initial claims, requests for reconsideration, and determinations of continuing eligibility prior to the effectuation of the DDS determinations. The following table shows the quality assurance accuracy rates for FY 2025.

**Quality Assurance Reviews**

	FY 2025
<b>Percent of State DDS decisions to allow or continue not returned to the DDS offices for correction</b>	97.51%
<b>Number of cases reviewed</b>	31,013
<b>Number of cases returned to the DDS offices due to error or inadequate documentation</b>	771

### DI Pre-Effectuation Reviews

We perform pre-effectuation reviews of favorable DI and concurrent DI/SSI initial and reconsideration determinations using a risk-profiling system to select cases for review. This profiling system helps ensure the cost-effectiveness of pre-effectuation reviews, and it satisfies the legislative requirement that the cases we review are those that are most likely to be incorrect. We also review a sufficient number of CDR continuance determinations to ensure a high level of accuracy in those cases. The following table shows the DI pre-effectuation accuracy rates for FY 2025.

**DI Pre-Effectuation Reviews**

	FY 2025
<b>Percent of State DDS decisions to allow or continue not returned to the DDS offices for correction</b>	95.78%
<b>Number of cases reviewed</b>	278,520
<b>Number of cases returned to the DDS offices due to error or inadequate documentation</b>	11,752



## SSI Pre-Effectuation Reviews

We conduct pre-effectuation reviews of favorable SSI initial and reconsideration adult determinations. As in DI cases, we use a profiling system to select cases for review. The following table shows the SSI pre-effectuation accuracy rates for FY 2025.

### SSI Pre-Effectuation Reviews

	FY 2025
Percent of State DDS decisions to allow not returned to the DDS offices for correction	96.74%
Number of cases reviewed	101,528
Number of cases returned to the DDS offices due to error or inadequate documentation	3,314

## Continuing Disability Reviews

We use periodic CDRs to determine whether beneficiaries continue to meet our medical standards for disability. We also conduct a quality review of those decisions. The following table shows the CDR accuracy rates for FY 2025.

### CDR Accuracy

	FY 2025
Overall accuracy	96.8%
Continuance accuracy	98.3%
Cessation accuracy	92.1%

## OASDI and SSI Stewardship Reviews

Stewardship reviews assess the accuracy of benefit payments. Data for FY 2025 are not yet available. See the Payment Integrity section of this report or [PaymentAccuracy.gov](https://PaymentAccuracy.gov) for additional information on the accuracy of benefit payments.

## SSI Redeterminations

SSI redeterminations are periodic reviews of non-medical factors to ensure that a recipient remains eligible for SSI payments and that we have paid and will continue to pay the recipient the correct amount. The following table shows the number of SSI redeterminations we completed for FY 2025.

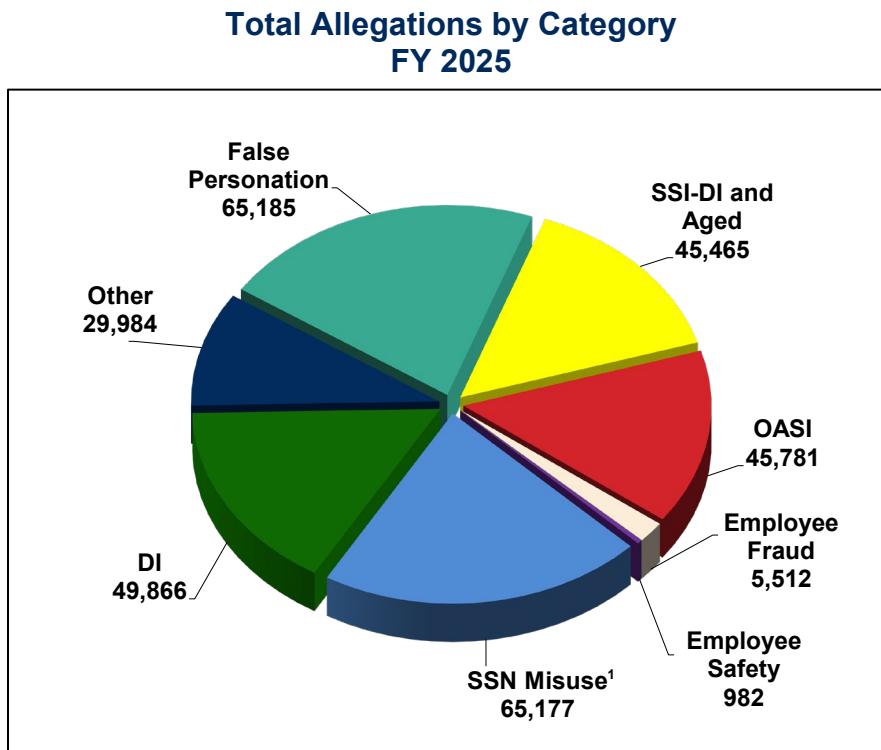
### SSI Redeterminations (In Millions)

	FY 2025
Number of redeterminations completed	2.48



## The Office of the Inspector General's Anti-Fraud Activities

In FY 2025, we worked with our OIG, the U.S. Department of Justice, and other government agencies on cases involving fraud, waste, and abuse as part of our fraud detection and prevention program for safeguarding our assets. In FY 2025, as in prior years, OIG received a significant number of imposter scam allegations. The following chart provides information from our OIG concerning fraud and other allegations by category in FY 2025.<sup>2</sup>



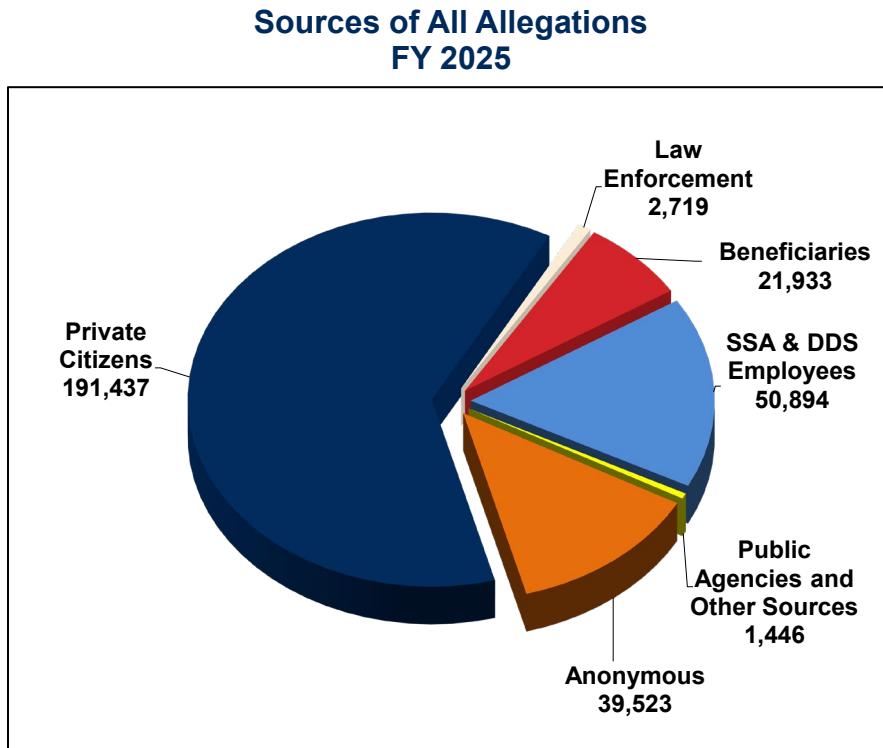
Note:

1. Social Security Number

<sup>2</sup> The category of an allegation may change in limited cases during an investigation. Therefore, the numbers reported in the charts may vary slightly from other Agency reporting such as Semiannual Reports to Congress.



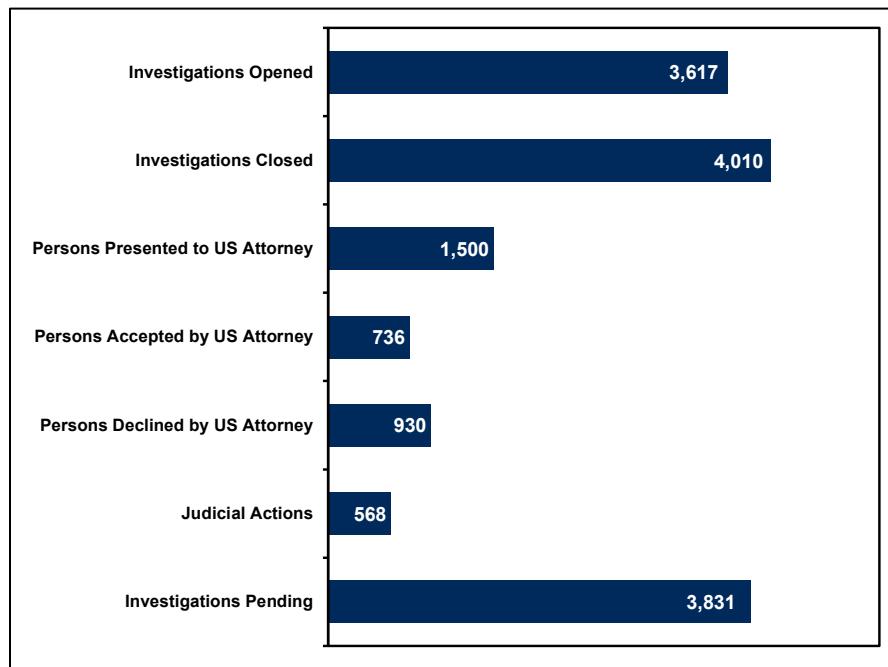
The following chart provides information from our OIG concerning sources of all fraud and other allegations in FY 2025.



The metrics in the following chart include the total number of individual subjects or entities referred, accepted, and declined for prosecution by the DOJ where the investigative findings were not subject to pre-established prosecution declination guidelines. Additionally, these metrics are independent. Therefore, persons recorded as declined or accepted during the reporting year may have been presented during a prior year. Similarly, persons presented during the reporting year may not yet have been recorded as declined or accepted.



## Disposition of All Investigations FY 2025



## Civil Monetary Penalty Adjustment for Inflation

The *Social Security Act* authorizes the Commissioner of Social Security (COSS) to impose a civil monetary penalty (CMP) for certain specific violations. Section 1129 of the *Social Security Act* authorizes a CMP against anyone who makes any material false statements or representations to the agency or knowingly withholds a material fact from the agency, to obtain or retain benefits or payments under Titles II, VIII, or XVI of the *Social Security Act*. A CMP may also be imposed against representative payees for the wrongful conversion of Social Security payments entrusted to their care.

Section 1140 of the *Social Security Act* (Section 1140) authorizes a CMP to protect the public from advertisements, solicitations, and other communications (including Internet websites, social media activities, and scam telephone calls) that may convey the false impression that we approved, endorsed, or authorized the communication. Section 1140 also prohibits the reproduction and sale of Social Security publications and forms without our authorization and places restrictions on the charging for services that we provide to the public without charge.

The COSS delegated authority to enforce the agency's CMP programs to the Inspector General.

The *Federal Civil Penalties Inflation Adjustment Act Improvements Act of 2015* expanded the categories of penalties that require adjustment for inflation to include CMPs under the *Social Security Act* and requires agencies to: (1) use an interim final rulemaking to adjust the level of CMPs in 2016 with an initial "catch-up" adjustment; (2) continue to make annual adjustments in future years; and (3) report on these adjustments annually. As required, we are providing information on our current CMPs; these amounts include the initial "catch-up" and annual



adjustments. We will continue to make annual adjustments in future years and report on these adjustments annually.

### Civil Monetary Penalty Adjustments

Statutory Authority	Penalty	Year Enacted	Latest Year of Adjustment (via statute or regulation)	Current Penalty Date of Adjustment	Current Penalty Level	Sub Agency/Bureau/Unit	Location for Penalty Update Details
Section 206 (b), <i>Social Security Independence and Program Improvements Act of 1994</i> , P. L. 103-296, 108 Stat. 1509	Flagrant Violation (Section 1129 of the <i>Social Security Act</i> , 42 U.S.C. 1320a-8(a)(1))	1994	2025	01/15/2025	\$0-\$10,556	SSA/OIG	<a href="#">89 Federal Register 105674 (Dec. 2024)</a>
Section 813 (c), <i>Bipartisan Budget Act of 2015</i> , P. L. 114-74, 129 Stat. 603	Flagrant Violation (Section 1129 of the <i>Social Security Act</i> , 42 U.S.C. 1320a-8(a)(1))	2015	2025	01/15/2025	\$0-\$9,956	SSA/OIG	<a href="#">89 Federal Register 105674 (Dec. 2024)</a>
Section 428 (a), <i>Medicare Catastrophic Coverage Act of 1988</i> , P. L. 100-360, 102 Stat. 815	Flagrant Violation (Section 1140 of the <i>Social Security Act</i> , 42 U.S.C. 1320b-10(b)(1))	1988	2025	01/15/2025	\$0-\$13,132	SSA/OIG	<a href="#">89 Federal Register 105674 (Dec. 2024)</a>
Section 428 (a), <i>Medicare Catastrophic Coverage Act of 1988</i> , P. L. 100-360, 102 Stat. 815	Flagrant Violation (Section 1140 of the <i>Social Security Act</i> , 42 U.S.C. 1320b-10(b)(2))	1988	2025	01/15/2025	\$0-\$65,653	SSA/OIG	<a href="#">89 Federal Register 105674 (Dec. 2024)</a>



# Biennial Review of User Fee Charges

## Summary of Fees

In FY 2025, we earned \$373 million in user fees. This revenue accounted for less than one percent of our total financing sources. We derived over 66 percent of user fee revenues from agreements with 20 States and the District of Columbia to administer some or all of the States' supplemental SSI benefits in FY 2025. During FY 2025, we charged a fee of \$15.22 per payment for the cost of administering State supplemental SSI payments. This fee will increase to \$15.63 per payment for FY 2026. We also charge the full cost for other reimbursable activities, such as processing earnings record requests from pension funds and individuals.

## Biennial Review

The *Chief Financial Officers Act of 1990* requires federal agencies to conduct biennial reviews of agency fees and other charges imposed for services rendered to individuals, as opposed to the general public. The objective of these reviews is to identify such activities, charge fees as permitted by law, and periodically adjust these fees to reflect current costs or market value.

For our review of fees, we annually evaluate the following: 1) States' supplemental SSI benefit payment processing; 2) Consent Based Social Security Number (SSN) Verification (CBSV); 3) electronic Consent Based SSN Verification (eCBSV); and 4) Direct payment to representatives' fees. In addition, we review and evaluate our uniform standard fee structure for non-programmatic work every two years.

- **States' Supplemental SSI Benefit Payment Processing:** States are required to pay a fee for federal administration of State Supplementary Payments (supplemental to Federal SSI payments). In accordance with Section 5102 of the *Balanced Budget Act of 1997*, we adjust the fee annually based on the percentage increase, if any, in the Consumer Price Index (CPI), unless the COSS determines a different rate is appropriate. As noted above, we updated the State SSI administrative fee from \$15.22 to \$15.63 for FY 2026 based on the change in the CPI. This information was communicated to the applicable States.
- **Consent Based Social Security Number Verification:** The CBSV program provides the business community and other government entities with a consent-based SSN verification. Based on our evaluation this year of CBSV projected costs, revenues, and other relevant information, we decided to continue using the current rate of \$2.25 per transaction for FY 2026.
- **Electronic Consent Based Social Security Number Verification:** The eCBSV program allows permitted entities to submit, with the number holder's consent, the SSN, name, and date of birth of the number holder in connection with a credit transaction or a circumstance described in Section 604 of the *Fair Credit Reporting Act*. This information is submitted to the agency for SSN verification via an application programming interface. During FY 2025, we analyzed our fee structure and other relevant data, including customer requests, ongoing costs, prior unrecovered cost, and current fee pricing. Based on this analysis, we determined that the user fee tier pricing



structure could be reduced. The basis for this was to attract additional transaction volume for the program, while still meeting our collection and breakeven goals. In addition, we have continued to see a decrease in ongoing operating expenses from prior years, which helped support the ability to reduce the fees. While we still have unrecovered costs, we believed that the reduced fees would increase volume and support the long-term viability of the program. We are still on track to breakeven in FY 2027. For the status of our unrecovered costs, refer to Note 6, Accounts Receivable, Net, in the *Audited Financial Statements and Additional Information* section for more information.

Throughout FY 2025, we engaged with eCBSV customers regarding the eCBSV program. Based on user feedback, we evaluated and updated the user fee tier structure to reduce the fee per tier on two separate occasions. In addition, the agency worked to offer additional services to allow for no-match data for entities, to meet customer demands. We are continuing to evaluate ongoing costs, fee revenue, and customer feedback as we prepare to analyze the user fee pricing structure in FY 2026. The latest Federal Register Notice, with more information on the eCBSV user fee is 2025-05905 ([90 FR 15030](#)). The other Federal Register Notice issued in FY 2025 is 2025-01155 ([90 FR 6043](#)).

- **Direct Payments to Representatives:** If a claimant is entitled to past-due benefits from the agency and was represented either by an attorney or by a non-attorney representative who has met certain prerequisites, the *Social Security Act* provides that we may withhold up to 25 percent of the past-due benefits and use that money to pay the representative's approved fee directly to the representative. When we pay the representative's fee directly to the representative, we must collect from that fee payment an assessment to recover the costs we incur in determining and paying representatives' fees. The *Social Security Act* provides that the assessment we collect will be the lesser of two amounts: a specified dollar limit; or the amount determined by multiplying the fee we are paying by the assessment percentage rate. During FY 2025, we set the maximum dollar limit at \$120 and kept the assessment percentage consistent at 6.3 percent based on our review of relevant cost data. The latest Federal Register Notice, with more information on the Direct Payment of Fees for Representatives is 2024-30543 ([89 FR 104601](#)).
- **Uniform Standard Fees for Non-Programmatic Workloads:** Every two years, we evaluate and publish standard fees for non-programmatic workloads. The next review will be performed during FY 2026. Every two years, we conduct our biennial review for new fees. Our next review for new fees is scheduled for FY 2026.

## Grants Programs

OMB Circular No. A-136, *Financial Reporting Requirements*, requires agencies to report on Federal grant and cooperative agreement awards that have not yet been closed out and for which the period of performance, including any extensions, elapsed for more than two years. As noted in the following table, we have no such grants or cooperative agreements to report.

The agency has six grant programs monitored by Grants Management Officers (GMO). Each GMO is responsible for monitoring a workload to ensure timely grant closeouts. Although we currently do not have any expired grants that have exceeded the two-year timeframe for closeout,



there are occasions when a GMO cannot immediately close a grant. In certain instances, closeout could be delayed by one year.

### Grants and Cooperative Agreements Summary

Category	2 3 Years	3 5 Years	More than 5 Years
<b>Number of Grants/Cooperative Agreements with Zero Dollar Balances</b>	Not Applicable	Not Applicable	Not Applicable
<b>Number of Grants/Cooperative Agreements with Undisbursed Balances</b>	Not Applicable	Not Applicable	Not Applicable
<b>Total Amount of Undisbursed Balances</b>	Not Applicable	Not Applicable	Not Applicable

## Federal Entity Trading Partner Information

G-Invoicing requirements necessitate all Federal entities use G-Invoicing for Intragovernmental buy/sell transactions. All new agreements starting October 1, 2022, were required to be processed through the G-Invoicing system to assist in the elimination of intragovernmental differences. We went live with G-Invoicing starting October 1, 2022, with a variety of agencies for some of our buy/sell agreements. We were unable meet the October 1, 2022, deadline for certain lines of buy-sell activity, including rent, printing, security, postage, etc. However, we continue to work towards fully implementing G-Invoicing. In FY 2025, we implemented printing and rent buy/sell agreements within G-Invoicing. During FY 2026, we plan to implement postage and security agreements in G-Invoicing and will continue to work on other agreement types prior to the updated October 1, 2025, deadline for G-Invoicing. For agreements in G-Invoicing, we have a robust set of controls for approving, tracking, and reconciling agreements to ensure that agreements are accurate and complete in G-Invoicing and our accounting system, which has reduced intragovernmental differences with trading partners. For agreements that are not in G-Invoicing, we have processes in place to identify, reconcile, and resolve intragovernmental balance differences with its trading partners. This includes the daily processing and reconciliation of intragovernmental transactions, as well as continual efforts with partner agencies to communicate balances for quarterly accruals and review, reconcile, and resolve differences during the intragovernmental reporting process. We will continue to utilize G-Invoicing and work with our partner agencies to try and get all new agreements in the system during FY 2026, which will assist in our overall intragovernmental reporting process.

## Debt Collection and Management

### Debt Collection

We have a robust debt collection program to recover all types of overpayments, which helps ensure eligible individuals receive the benefits to which they are entitled, and it safeguards the integrity of benefit programs to better serve recipients. We use internal debt collection techniques (i.e., payment withholding and billing/follow-up), as well as external collection techniques authorized by the *Debt Collection Improvement Act of 1996* for OASDI debts and the *Foster Care Independence Act of 1999* for SSI debts.



The balance of delinquent debt for all programs is \$7.273 billion as of September 30, 2025. In FY 2025, we recovered \$4.508 billion using both our internal and external collection tools. This collection value reflects specific programmatic collections tracked in our internal systems, which account for 92 percent of our total collections. It does not include collections processed by Treasury systems related to non-entitlement and non-receipt cases, or collections from representative payees. These excluded collections are recorded directly in our financial accounting system and are not categorized by collection type. They represent 8 percent of our total collections. The following tables provide a description of each of our internal and external debt collection techniques for OASDI and SSI overpayments, and a summary of the results.

We recognize how critical it is for the public to understand the information we share, including the IP notices they receive from us. We are working to simplify our overpayment notices so they are more user-friendly and easier to understand.

Effective with overpayments established on April 25, 2025, the default withholding rate for recovering OASDI overpayments is 50 percent of the monthly benefit. There are exceptions to this change, such as when an overpayment resulted from fraud, where 100 percent withholding applies.

## Internal Collections

We utilize internal collection tools to recover payments of delinquent debt for individuals currently receiving payments. In FY 2025, we recovered \$4.447 billion using our internal collection tools, which accounted for about 98.6 percent of our total collections amount.

We offer individuals opportunities to ask us questions about their debts, request waivers in certain instances, and request alternative payment plans as needed. We continue working on technological improvements to make it easier for recipients to repay debts.

The following table provides a description of each of our internal debt collection techniques for OASDI and SSI overpayments, and a summary of the results.



**FY 2025 Internal Collections**  
(Dollars in Billions)

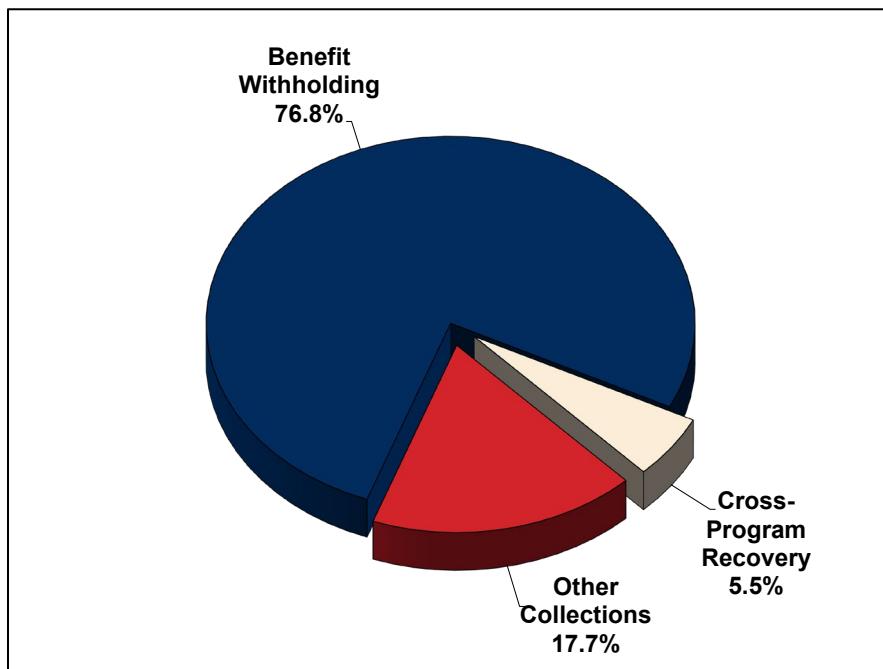
Recovery Method	Description	OASDI	SSI	Total <sup>1</sup>
<b>Benefit Withholding</b>	We withhold some or all benefit payments for OASI and DI beneficiaries and SSI recipients currently receiving payments. Benefit withholding typically accounts for the largest recovery of our total collections amount.	\$2.483	\$0.932	\$3.415
<b>Cross-Program Recovery (CPR)</b>	CPR collects OASDI overpayments from monthly SSI payments and underpayments, and SSI overpayments from monthly OASDI benefit payments and underpayments.	\$0.037	\$0.206	\$0.244
<b>Other Collections</b>	These are mostly voluntary payments received because of a notice requesting a refund of an overpayment.	\$0.460	\$0.329	\$0.788
<b>Total Internal Collections<sup>1</sup></b>	The total amount recovered by utilizing our internal collection tools.	\$2.980	\$1.466	\$4.447

Note:

1. Totals do not necessarily equal the sum of rounded components.

The following chart highlights the allocation of overpayments collected in FY 2025 through our various internal collection tools as a proportion of the total \$4.447 billion internal collections amount.

**Breakdown of Internal Collections**  
**FY 2025**





## External Collections

We utilize external collection tools to recover payments of delinquent debt for beneficiaries and recipients no longer receiving payments. In FY 2025, we recovered \$61 million using our external collection tools, which accounted for around 1 percent of our total collections amount.

The following table provides a description of each of our external debt collection techniques for OASDI and SSI overpayments, and a summary of the results.

**FY 2025 External Collections<sup>2</sup>**  
**(Dollars in Billions)**

Recovery Method	Description	OASDI	SSI	Total <sup>1</sup>
<b>Treasury Offset Program (TOP)</b>	TOP allows us to collect delinquent debt by tax refund offset, administrative offset, and Federal salary offset.	\$0.037	\$0.023	\$0.060
<b>Administrative Wage Garnishment (AWG)</b>	AWG allows us to recover delinquent OASDI and SSI overpayments by ordering a debtor's employer to garnish up to 15 percent of the debtor's private-sector disposable pay (i.e., that part of a worker's total compensation after deduction of health insurance premiums and required deductions).	\$0.001	\$0.000	\$0.001
<b>Total External Collections<sup>1</sup></b>	The total amount recovered by utilizing our external collection tools.	\$0.038	\$0.023	\$0.061

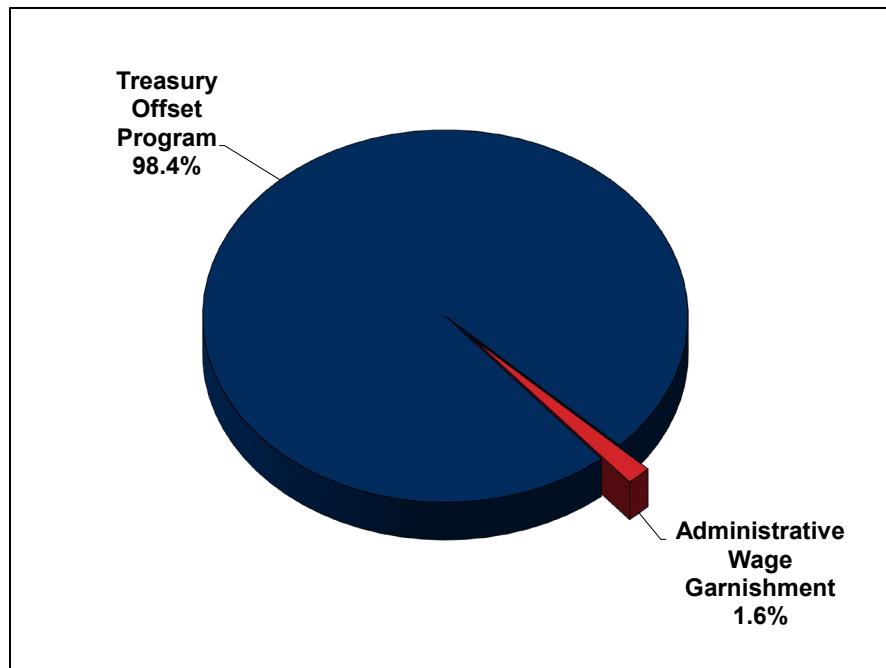
Notes:

1. Totals do not necessarily equal the sum of rounded components.
2. We use credit bureau reporting, non-entitled debtors, and automatic netting SSI as external collection tools. Collections derived from these recovery methods are subsets of the main recovery methods displayed in the table above. However, we track these collections for informational and decision-making purposes.



The following chart highlights the allocation of overpayments collected in FY 2025 through our various external collection tools as a proportion of the total \$0.061 billion external collections amount.

**Breakdown of External Collections  
FY 2025**





## Debt Management

The following tables provide information on our debt management activities. The first table provides current and historical data on our consolidated program and administrative debt management activity. The additional tables provide a breakdown of our debt for the current and most recent prior year by program and administrative activity. We calculated the data shown in the tables by using accounts receivable amounts taken directly from the financial statements. For the consolidated data table, we provide notes on activity that affected the change in accounts receivable balances between years and other relevant information. We provide definitions of certain line items immediately following the Debt Management Activities Consolidated Program and Administrative Table. For more information on our effort to curb overpayments, please refer to the Payment Integrity section.

A design limitation in our Title II system, which is used to support debt management and the reporting of accounts receivable, prevents us from capturing and tracking long-term withholding agreements for debts owed by the public scheduled for collection beyond certain dates. Refer to Note 6, Accounts Receivable, Net, in the Audited Financial Statements and Additional Information section for more information.

We estimate that approximately 58,200 debts owed by the public are affected by payment plans extending beyond December 31, 2049. We estimate the total gross value of the post-year 2049 receivable amounts is approximately \$710 million as of September 30, 2025. Additionally, we estimate that approximately 5,500 debts owed by the public are affected by payment plans extending beyond October 14, 2073. We estimate the total gross value of the post-year 2073 receivable amounts is approximately \$84 million as of September 30, 2025. These amounts are not material to the consolidated financial statements.

The following tables do not include the amounts related to post-year 2049 or 2073 debt. Therefore, the Total New Receivables and Total Write-offs are understated. We are working to address the system limitation; however, the accounts receivable balance reported on the financial statements are presented fairly in all material respects.



**Debt Management Activities**  
**Consolidated Program and Administrative<sup>1</sup>**  
(Dollars in Millions)

	<b>FY 2025</b>
<b>Total receivables<sup>2</sup></b>	\$26,874
<b>New receivables</b>	\$10,860
<b>Total collections</b>	(4,925)
<b>Adjustments</b>	631
<b>Total write-offs<sup>3</sup></b>	(4,074)
- <b>Waivers</b>	(1,554)
- <b>Terminations</b>	(2,520)
<b>Non delinquent debt</b>	19,599
<b>Total delinquent debt</b>	\$7,275
<b><u>Percentage Analysis</u></b>	
<b>% of outstanding debt:</b>	
- <b>Non delinquent</b>	72.9%
- <b>Delinquent</b>	27.1%
<b>% of debt estimated to be uncollectible<sup>4</sup></b>	56.0%
<b>% of debt collected</b>	18.3%
<b>% change in collections from prior fiscal year</b>	-0.3%
<b>% change in delinquencies from prior fiscal year</b>	5.2%
<b>Clearances as a % of total receivables</b>	33.5%
- <b>Collections as a % of clearances</b>	54.7%
- <b>Write-offs as a % of clearances</b>	45.3%
<b><u>Other Analysis</u></b>	
<b>Cost to collect \$1</b>	\$0.07
<b>Average number of months to clear receivables:</b>	
- <b>OASI</b>	15
- <b>DI</b>	27
- <b>SSI</b>	41

Notes:

1. The consolidated values in the Debt Management activity table above do not necessarily equal the sum of the rounded program/administrative values broken out in the tables below.
2. Refer to Note 1, Reporting Entity and Summary of Significant Accounting Policies, and Note 6, Accounts Receivable, Net, in the *Audited Financial Statements and Additional Information* section for more information.
3. Total Write-offs/Terminations – SSA has an automated process to evaluate programmatic debt and write-off certain delinquent debts deemed uncollectible. By terminating collection activity on uncollectible debt, we are better reflecting current receivables on our financial statements as well as reducing the number of actions from the processing center pending backlog. While this debt is being written-off, it remains available for future collection. We can pursue collection efforts if the debtor becomes entitled to OASDI or SSI benefits. The Campos settlement, which resulted in SSA waiving certain SSI overpayments incurred March 2020 through September 2020 (with some exceptions), is reflected in the overall Waivers balance.
4. Percentage of Debt Estimated to be Uncollected – Our allowance for doubtful accounts methodology allows for all delinquent debt two years or older at 100 percent. For remaining debt that is not delinquent two years or more, we apply our



uncollectible ratios, consistent with previous years. We add the fully allowed delinquent debt two years and older value to the calculated uncollectible value on the remaining debt to calculate the total allowance for doubtful accounts.

**Debt Management Activities**  
**Program and Administrative Breakout**  
(Dollars in Millions)

	FY 2025				
	OASI	DI	SSI Federal	SSI State	Other
<b>Total receivables</b>	\$4,954	\$7,417	\$13,919	\$564	\$20
<b>New receivables</b>	3,601	3,080	3,997	172	9
<b>Total collections</b>	(2,277)	(1,140)	(1,409)	(80)	(18)
<b>Adjustments</b>	(156)	780	27	(19)	(1)
<b>Total write-offs</b>	(476)	(1,654)	(1,896)	(48)	(1)
- Waivers	(92)	(155)	(1,271)	(36)	(1)
- Terminations	(384)	(1,499)	(625)	(12)	-
<b>Non delinquent debt</b>	4,246	6,275	8,721	339	18
<b>Total delinquent debt</b>	\$708	\$1,142	\$5,198	\$225	\$2

Definitions:

1. **Adjustments** – Program debt adjustments represent: (a) written-off debts, by way of terminations, that we reinstate for collections; (b) changes in debts when we update debtor accounts with new information; and (c) minor differences between reports containing debt information that we use to maintain an ending accounts receivable balance.
2. **Waivers** – Waivers represent the amount of overpayments forgiven because the overpaid person: (a) is without fault in causing the debt; and (b) recovery would either defeat the purpose of the *Social Security Act* or be against equity and good conscience. Waivers permanently remove debts from our accounts receivable balance, which precludes any further collection efforts.
3. **Terminations** – Terminations represent our decision to cease our own efforts to collect a debt because: (a) the debtor will not repay the debt or alleges they cannot pay the debt; (b) we cannot locate the debtor after diligent search; or (c) the debt is at least two years delinquent. Even though we terminate internal active collection, we may still use external collection efforts. If the debtor becomes entitled to OASDI benefits or eligible for SSI payments, we reinstate the debt and resume recovery through benefit/payment withholding.
4. **Delinquent Debt** – A debt is delinquent when no voluntary payment has been made 30 days after the latest of the following: (a) the date we establish an OASDI debt; (b) the date of the initial overpayment notice for an SSI debt; (c) the date of the last voluntary payment; (d) the date of an installment or periodic payment arrangement (if we do not receive a payment); and (e) the date we decide a debtor remains responsible for a debt, in response to a due process action by the debtor.



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