

United States Senate

WASHINGTON, DC 20510

November 28, 2023

Dr. Kilolo Kijakazi
Acting Commissioner
Social Security Administration
6401 Security Blvd.
Baltimore, Maryland 21235

Dear Acting Commissioner Kijakazi,

We write to you today urging the Social Security Administration (SSA) to take additional action to reduce overpayments and prevent undue harm on the most vulnerable Social Security recipients when recovering overpayments. With more than \$20 billion in outstanding overpayments,¹ it is more important than ever that the SSA develop a plan to mitigate the impact overpayment collections have on beneficiaries and put in place better quality controls to ensure that improper payments do not occur in the future.

As you know, Social Security benefits are a lifeline for millions of Americans, from retirees and older adults to individuals experiencing disabilities, delivering \$1.4 trillion in essential benefits to more than 71 million people each year.² That is why we have been deeply concerned by stories from our constituents and recent reports³ of the extreme financial hardship placed upon beneficiaries who are asked to quickly repay in full or whose payments are halted, reduced, or reclaimed as the agency attempts to correct improper payments, many of which occurred due to agency error.

Improper payments – including both over- and underpayments – are the result of a number of issues, some of which the SSA can start addressing now and others that require Congressional action or more in-depth reforms. For example, the agency's Fiscal Year 2022 financial statement audit revealed that the Supplemental Security Insurance program (SSI) – the program with the largest rate of overpayments – needs internal control improvements to limit the risk of improper payments and improve the financial integrity of the program.⁴ And SSA faces constraints such as low staffing levels and high staff turnover, which can contribute to improper payments. We recognize improvements will not happen overnight but will take time, resources, and committed

¹ Social Security Administration Office of the Inspector General, *The Social Security Administration's Major Management and Performance Challenges During Fiscal Year 2022*, November 2022, <https://oig.ssa.gov/assets/uploads/a-02-21-51120.pdf>

² Social Security Administration, *Social Security Acting Commissioner Kilolo Kijakazi Directs Review of Overpayment Procedures and Policies*, October 4, 2023, <https://www.ssa.gov/news/press/releases/2023/#10-2023-1>

³ David Hilzenrath and Jodie Fleischer, *Social Security Overpays Billions to People, Many on Disability. Then it Demands the Money Back*, September 15, 2023, <https://kffhealthnews.org/news/article/social-security-overpayments-investigation/>

⁴ Social Security Administration, *Agency Financial Report Fiscal Year 2022*, November 10, 2022, <https://ssa.gov/finance/2022/Full%20FY%202022%20AFR.pdf>

leadership by the agency to rectify long-time system deficits and fortify the program for the future – but you must prioritize these efforts.

As you work to prevent improper payments, we request that you limit harm to vulnerable beneficiaries and work collaboratively with beneficiaries to develop reasonable repayment plans in instances where overpayment has occurred. While we were encouraged to see SSA's announcement last month that you will launch a renewed effort⁵ to prevent overpayments, including the creation of a team to review overpayment policies and procedures, more work needs to be done to address the challenges of overpayments.

In light of your efforts and these ongoing challenges we request timely answers to the following:

1. What efforts is SSA undertaking to reduce the occurrence of overpayments? For years, SSA has worked – at Congressional direction – to streamline the benefit determination process to cut back on improper payments. Can you describe what efforts have been most successful and where there is still room for improvement? How can Congress continue to help support these efforts to improve payment accuracy?
2. What manual services and processes can be automated in order to reduce the likelihood of human error in making improper payments? How can Congress work with SSA to make it easier to automate its processes?
3. When overpayments do occur, how are you working to prevent harm to program beneficiaries when you work to recoup the overpayment?
 - a. When SSA is at fault for an overpayment, how are you working to reduce the administrative burden for beneficiaries to appeal or waive recoupment?
4. How does the team that you announced earlier this month to review overpayment policies and procedures differ from the existing Improper Payment Prevention Team established at SSA in FY2019? Will you commit to reporting the findings of the recently established review team to Congress? When do you expect the review team's work to be complete?

Thank you in advance for your consideration. We look forward to partnering with you to reduce overpayments and the harmful impact they have on beneficiaries.

Sincerely,



Margaret Wood Hassan
United States Senator



Bill Cassidy, M.D.
United States Senator

⁵ Social Security Administration, October 4, 2023, see footnote 2