

# “I SEE DEAD PEOPLE.”

## QUICK STATS

- X **CONFERENCE:** Spending
- X **TEAM:** Social Security Administration
- O **FUMBLE:** Failure to maintain accurate death records means billions in fraud
- O **HOW TO RECOVER THE BALL:** Pass legislation that requires agencies to ensure all number-holder data is accurate and regularly updated

In what would be a boon for the birthday candle industry, an analysis of SSA files showed that approximately 6.5 million people who are 112 years old or older are still alive.<sup>277</sup> In reality fewer than 40 individuals in the world ever reach that age.

A February 2015 report from SSA’s IG found SSA does “not have controls in place to annotate death information on the Numerical Identification System (Numident) records of number holders who exceeded maximum reasonable life expectancies and were likely deceased.”<sup>278</sup>

SSA maintains a list of the deceased. Known as the Death Master File (DMF), the list is used as a reference source for many public and private institutions to access accurate data of the American population. SSA gathers death data from funeral homes, state agencies, surviving families, and federal agencies. The IG report found SSA recorded death dates for nearly 1.4 million number-holders in payment records but neglected to transfer this information to the master database.<sup>279</sup> Because other agencies rely on the DMF to prevent payments to the deceased, any slight oversight creates considerable potential for improper payments. Inaccuracies in death data recordings also leave the door wide open for identity theft and fraud, where an individual could access these numbers to “report wages, open bank accounts, obtain credit cards or claim fraudulent tax refunds.”<sup>280</sup>

In a ghost story that could only be concocted in Washington, DC, the SSA IG found bank accounts were opened using active Social Security numbers (SSNs) belonging to individuals born in 1886 and 1893. In 2008 an employer reported wages for an individual who actually died in 1962.<sup>281</sup> Overall, the SSA IG analysis found more than 66,000 people were still reporting wages and roughly 4,000 e-verify checks were run on SSNs that belonged to people born before June 16, 1901. Despite being hard-working people, even Americans slow down after reaching 100 years of age. Interestingly enough, some of these hard-working citizens over 112 even registered to vote.

As of now, the scope of waste and fraud resulting from this shoddy documentation remains to be entirely realized. And the problem remains unresolved due to SSA’s insistence that it is not in the business of collecting and distributing death records, despite its long history of doing so. Unfortunately deflecting blame does nothing to change the sizable and troublesome gap in death records and fraud.

## **RECOVERY**

The Stopping Improper Payments to Deceased People Act, introduced by Senator Tom Carper (DE), may provide a good step forward in correcting death data discrepancies. The Act would direct SSA to furnish complete data on deceased individuals to all appropriate federal agencies for program integrity purposes. It

would also establish procedures to ensure more accurate collection of death data by the possible integration of state and local data.

Moreover, SSA should be able to flag a newly opened bank account, e-verify request, or other

activity for an SSN that belongs to a person 112 years of age or older. While the federal government should not prevent anyone from gaining employment, it seems that more often than not, a 115-year-old SSN will be used by a fraudster rather than its rightful owner.

***For more information, please visit:***

[SSA OIG: Audit Report: Numberholders Age 112 or Older Who Did Not Have a Death Entry on the Numident](#)

[PBS Newshour: Report: Social Security numbers active for 6.5 million people aged 112](#)

[S.1073 – Stopping Improper Payments to Deceased People Act](#)