

U.S. GOVERNMENT ACCOUNTABILITY OFFICE

441 G St. N.W. Washington, DC 20548 Comptroller General of the United States

Accessible Version

May 22, 2025

Frank Bisignano Commissioner Social Security Administration 6401 Security Boulevard Baltimore, MD 21235

### Priority Open Recommendations: Social Security Administration

Dear Commissioner Bisignano:

Congratulations on your appointment. The purpose of this letter is to call your personal attention to three areas based on GAO's past work and three open priority recommendations, which are enclosed.<sup>1</sup> Additionally, there are 30 other GAO open recommendations that we will continue to work with your staff to address.

We are highlighting the following areas that warrant your timely and focused attention. Specifically:

**Preventing potential overpayments.** SSA should take steps to find a cost-effective way to address potential overpayments in the Disability Insurance (DI) program, the nation's largest cash assistance program for individuals with disabilities, as we recommended. SSA's current method of identifying DI beneficiaries who receive Federal Employees' Compensation Act (FECA) benefits is to rely on those beneficiaries to self-report their FECA benefits. SSA determined that establishing a data exchange with the Department of Labor for FECA program data would be a cost-effective approach to identifying DI beneficiaries who also receive FECA benefits. Implementing this data exchange could provide the data needed to better offset or reduce DI benefits when an individual is concurrently receiving FECA benefits. This would better position SSA to strengthen internal controls to prevent potential overpayments.

**Making service delivery more efficient.** SSA should take steps to improve access to Supplemental Security Income (SSI) benefits and services for underserved populations. Improving and modernizing federal disability programs at SSA is one of the areas on our High-Risk List. As SSA has expanded remote service delivery, it has launched new initiatives to reach certain vulnerable populations. However, it is not yet possible for most claimants to apply online. Only SSI applicants who also are filing concurrently for DI are able to file for SSI online. SSA does not yet have a plan with clear steps, goals, metrics, and timelines to help claimants

<sup>&</sup>lt;sup>1</sup>GAO considers a recommendation to be a priority if when implemented, it may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

apply for SSI benefits online, as we recommended. Establishing such a plan would help SSA enable more individuals to apply online so that SSA would not have to devote limited staff resources to help individuals who otherwise might apply independently online.

Related to our high-risk area, we have also identified challenges SSA has faced managing its workload and updating its eligibility criteria for disability benefits. SSA developed an action plan with 27 high-level goals and related corrective actions to address disability workload management challenges. However, this plan lacks timelines for completing these actions as well as metrics for monitoring progress on achieving its goals. SSA also developed an online tool showing the agency's progress on addressing some challenges, including some related to managing disability claims workloads. However, SSA lacks metrics for monitoring progress on all corrective actions within its action plan. For example, it does not know the impact of initiatives to improve employees' workload management and retention.

Regarding eligibility criteria, SSA continues to use outdated occupational data when determining what jobs are available in the national economy, potentially leading to inaccurate benefit decisions. SSA has a partnership with the Bureau of Labor Statistics to collect updated occupational data, but it lacks a comprehensive plan for making the rule, policy and information technology changes necessary to incorporate the updated data into its eligibility determination process. Taking action to address these challenges would better position SSA to better manage its workload and improve its disability benefit decisions.

**Managing software licenses cost-effectively.** Each year, the federal government spends more than \$100 billion on information technology (IT) and cyber-related investments, including the purchase of software licenses. The government's management of IT acquisitions and operations is an area on our High-Risk List. For example, federal agencies, such as SSA, buy thousands of software licenses annually. However, agencies often do not know whether they have the right number of licenses for their needs. SSA has not yet compared the inventories of software licenses that are currently in use with information on purchased licenses, as we recommended. This includes developing and implementing procedures for comparing the inventories of licenses to purchase records. Doing so would better position SSA to regularly identify opportunities to reduce costs and make more informed investment decisions about its widely used licenses.

Related to the IT acquisitions and operations high-risk area, we also have two ongoing studies examining SSA's management and oversight of IT investments, and IT acquisition workforce planning. Both reports are expected to be issued in Summer 2025. Improving IT management processes could better position SSA to support the timely delivery of services and benefits.

Please see Enclosure 1 for additional details about the status and actions needed to fully implement all three open priority recommendations out of the 33 total recommendations that remain open.

I would also like to draw your attention to several significant reports that we have issued on the Social Security system. We issued a three-part series of reports on Social Security to shed light on the serious financial challenges the program faces and a range of policy options for addressing these challenges.<sup>2</sup> We also issued a report examining the challenges of ensuring a

<sup>&</sup>lt;sup>2</sup>GAO, Social Security Series Part 1: The Dilemma, GAO-23-106667 (Washington, D.C.: May 18, 2023); Social Security Series Part 2: Criteria for Evaluating Reform Proposals, GAO-24-106778 (Washington, D.C.: Nov. 30. 2023); Social Security Series Part 3: Options for Reform, GAO-24-107240 (Washington, D.C.: July 31, 2024).

secure and adequate retirement, noting the importance of Social Security, a primary source of retirement income.<sup>3</sup>

We also provide in Enclosure 2 additional information on SSA's recommendation implementation rate and implemented priority recommendations since our May 2024 letter to Commissioner O'Malley, as well as relevant management challenges from our high-risk list that apply to SSA. In response to legislation enacted in December 2022, this enclosure also includes information on any additional congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.

Copies of this letter are being sent to the appropriate congressional committees. The letter will also be available on the GAO website at Priority Recommendations | U.S. GAO. We also plan to send a separate letter specifically focused on open recommendations and key issues related to information technology to your Chief Information Officer.

If you have any questions or would like to discuss any of the issues outlined in this letter, please do not hesitate to contact me or Cindy Brown Barnes, Managing Director, Education, Workforce, and Income Security, at brownbarnesc@gao.gov. Contact points for our offices of Congressional Relations and Public Affairs may be found on the last page of this letter. Our teams will continue to coordinate with your staff on addressing these priority recommendations and the remaining 30 open recommendations. I appreciate SSA's continued commitment and thank you for your personal attention to these important issues.

Sincerely,

//SIGNED//

Gene L. Dodaro Comptroller General of the United States

Enclosures - 2 cc: Scott Coulter, Chief Information Officer, Social Security Administration

<sup>&</sup>lt;sup>3</sup>GAO, *The Nation's Retirement System: A Comprehensive Re-evaluation Is Needed to Better Promote Future Retirement Security*, GAO-18-111SP (Washington, D.C.: Oct. 18, 2017).

# **Enclosure 1**

## Priority Open Recommendations to the Social Security Administration

#### **Preventing Potential Overpayments**

Disability Insurance: Actions Needed to Help Prevent Potential Overpayments to Individuals Receiving Concurrent Federal Workers' Compensation. GAO-15-531. Washington, D.C.: July 8, 2015.

Year Recommendation Made: 2015

**Recommendation**: To improve SSA's ability to detect, prevent, and recover potential DI benefit overpayments due to the concurrent receipt of FECA benefits, the Commissioner of Social Security should strengthen internal controls designed to prevent DI overpayments due to the concurrent receipt of FECA benefits by implementing the alternative that provides the greatest net benefits.

**Action Needed:** SSA agreed with this recommendation. As of February 2025, SSA is working to complete and execute the related Computer Matching Agreement with the Department of Labor. However, SSA stated that the Department of Labor has not prioritized establishing this agreement. SSA anticipates completing this work in late fiscal year 2025 or early fiscal year 2026. SSA plans to use FECA benefit data to improve efficiencies in its ability to offset or reduce DI benefits when an individual is concurrently receiving FECA benefits.

To fully implement this recommendation, SSA needs to complete these plans, which could help improve the financial status of the DI program and ensure that SSA does not continue overpaying beneficiaries who may have difficulty repaying debt incurred by overpayments. An estimate of these potential financial benefits is not available.

**Director:** Seto Bagdoyan, Forensic Audits and Investigative Service **Contact Information:** BagdoyanS@gao.gov

#### **Making Service Delivery More Efficient**

Social Security Administration: Remote Service Delivery Increased during COVID-19, but More Could Be Done to Assist Vulnerable Populations. GAO-23-104650. Washington, D.C.: November 17, 2022.

#### Year Recommendation Made: 2023

**Recommendation**: The Commissioner of SSA should develop a plan—with clear steps, goals, metrics, and timelines—for enabling claimants to apply for SSI benefits online.

Action Needed: SSA agreed with this recommendation. SSA reported that its multi-year SSI Simplification Initiative, which includes the SSI Online project, aims to simplify and reduce delays in the SSI application process. Agency officials expect the initiative to improve online service for claimants and employees, and produce a simple, secure on-line gateway to capture data; verify and determine eligibility; and notify claimants as their applications are being processed. As of February 2025, SSA reported progress, such as testing prototype applications, but has not estimated a completion date.

To fully implement this recommendation, SSA should develop a plan for the SSI Online Project that includes key details such as interim steps and timelines. Establishing a detailed plan to complete the SSI Online project would enable more individuals to apply online so that the agency would not have to devote staff resources to assist individuals who otherwise might apply independently online.

### High-Risk area: Improving and Modernizing Federal Disability Programs

**Director:** Elizabeth Curda, Education, Workforce, and Income Security **Contact Information:** CurdaE@gao.gov

### Managing Software Licenses Cost-effectively

*Federal Software Licenses: Agencies Need to Take Action to Achieve Additional Savings.* GAO-24-105717. Washington, D.C.: January 29, 2024.

### Year Recommendation Made: 2024

**Recommendation**: The Commissioner of SSA should ensure that the agency consistently compares the inventories of software licenses that are currently in use with information on purchased licenses to identify opportunities to reduce costs and better inform investment decision making for its widely used licenses on a regular basis. At a minimum, it should develop and implement procedures for comparing the inventories of licenses in use to purchase records.

Action Needed: SSA agreed with this recommendation. In February 2025, the agency reported that it is developing an application that will track software license usage and include a function to compare software licenses against purchase records. The agency anticipates the application to be available in fiscal year 2026. To fully implement this recommendation, SSA needs to consistently tracks its software licenses that are currently in use and compare their inventories of software licenses with known purchases. Establishing these procedures can help the agency identify opportunities to reduce costs on duplicative or unnecessary licenses.

# High-Risk area: Improving the Management of IT Acquisitions and Operations

**Director:** Carol Harris, Information Technology and Cybersecurity **Contact Information**: Harriscc@gao.gov

# Enclosure 2

# Key Information About the Status of GAO Recommendations and Improving Agency Operations

## SSA's Recommendation Implementation Rate

In November 2024, we reported that, on a government-wide basis, 70 percent of our recommendations made 4 years ago were implemented.<sup>4</sup> As of February 2025, SSA's implementation rate was 100 percent for recommendations made 4 years ago.<sup>5</sup> SSA had 33 open recommendations remaining, as of April 2025.

### **Implemented Priority Recommendations**

Our May 2024 letter to Commissioner O'Malley identified four priority recommendations.<sup>6</sup> Since then, one priority recommendation has been implemented.

**Implemented recommendation**: In February 2024, SSA documented the assignment of key privacy roles to specified officials in its privacy program that protects personally identifiable information (PII), as we recommended in September 2022.<sup>7</sup> Specifically, the senior agency official for privacy delegated categorization reviews, privacy control assessment oversight, and authorization package review to relevant officials with privacy duties. By taking these steps, SSA can better ensure that privacy protections are adequately incorporated into systems with PII.

<sup>7</sup>GAO, *Privacy: Dedicated Leadership Can Improve Programs and Address Challenges,* GAO-22-105065 (Washington, D.C.: Sept. 22, 2022).

<sup>&</sup>lt;sup>4</sup>GAO, *Performance and Accountability Report: Fiscal Year 2024*, GAO-25-900570 (Washington, D.C.: Nov. 15, 2024).

<sup>&</sup>lt;sup>5</sup>In the letters we issued in 2022, 2023, and 2024, we reported SSA's implementation rates were 86 percent, 85 percent, and 82 percent, respectively. GAO, *Priority Open Recommendations: Social Security Administration*, GAO-22-105623 (Washington, D.C.: June 6, 2022); GAO, *Priority Open Recommendations: Social Security Administration*, GAO-23-106466 (Washington, D.C.: May 9, 2023); GAO, *Priority Open Recommendations: Social Security Administration*, GAO-23-106466 (Washington, D.C.: May 9, 2023); GAO, *Priority Open Recommendations: Social Security Administration*, GAO-23-106466 (Washington, D.C.: May 9, 2023); GAO, *Priority Open Recommendations: Social Security Administration*, GAO-24-107312 (Washington, D.C.: May 28, 2024).

<sup>&</sup>lt;sup>6</sup>GAO, *Priority Open Recommendations: Social Security Administration*, GAO-24-107312 (Washington, D.C.: May 28, 2024).

## **High-Risk List**

In February 2025, we issued our biennial update to our High-Risk List.<sup>8</sup> This list identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement. It also identifies the need for transformation to address economy, efficiency, or effectiveness challenges. One of our high-risk areas, improving and modernizing federal disability programs, highlights workload challenges and outdated criteria associated with SSA's disability programs.

Several other government-wide high-risk areas also have direct implications for SSA and its operations. These include improving the management of IT acquisitions and operations, improving strategic human capital management and the personnel security clearance process, managing federal real property, and ensuring the cybersecurity of the nation.

In addition to SSA's high-risk area, we urge your attention to these other government-wide highrisk issues as they relate to SSA. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, the Office of Management and Budget (OMB), and the leadership and staff in agencies, including within SSA. In March 2022, we issued a report on key practices to successfully address high-risk areas, which can be a helpful resource as your agency continues to make progress to address high-risk issues.<sup>9</sup>

### **Congress's Role on GAO Recommendations**

We also recognize the key role Congress plays in providing oversight and maintaining focus on our recommendations to ensure they are implemented and produce their desired results. Legislation enacted in December 2022 includes a provision for GAO to identify any additional congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.<sup>10</sup>

Congress can use various strategies to address our recommendations, such as incorporating them into legislation. Congress can also use its budget, appropriations, and oversight processes to incentivize executive branch agencies to act on our recommendations and monitor their progress. For example, Congress can hold hearings focused on SSA's progress in implementing GAO's priority recommendations, withhold funds when appropriate, or take other actions to provide incentives for agencies to act. Moreover, Congress can follow up during the appropriations process and request periodic updates.

Congress also plays a key role in addressing any underlying issues related to the implementation of these recommendations. For example, Congress can pass legislation providing an agency explicit authority to implement a recommendation or requiring an agency to take certain actions to implement a recommendation.

<sup>&</sup>lt;sup>8</sup>GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Government Efficiency and Effectiveness*, GAO-25-107743 (Washington, D.C.: Feb. 25, 2025).

<sup>&</sup>lt;sup>9</sup>GAO, *High-Risk Series: Key Practices to Successfully Address High-Risk Areas and Remove Them from the List*, GAO-22-105184 (Washington, D.C.: Mar. 3, 2022).

<sup>&</sup>lt;sup>10</sup>James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2), 136 Stat. 2395, 3668 (2022); H.R. Rep. No. 117-389 (2022) (accompanying Legislative Branch Appropriations Act, H.R. 8237, 117th Cong. (2022)).