



Stopping Payments to Dead People

Topline: In order to stop payments to dead people, this legislation will remove hurdles to reducing improper payments.

Background: The Social Security Administration (SSA) collects death information in order to accurately administer its programs. But to date, that information has only been shared with other federal agencies in certain circumstances. As a result of our legislation, the Treasury Department’s “Do Not Pay” (DNP) portal will also receive the full Death Master File (DMF). Federal agencies use the Do Not Pay portal to identify and reduce improper payments and this legislation will help stop payments to dead people.

Collection and Use of Death Information

- The SSA receives death reports from a variety of sources – including family members, funeral homes, State Bureaus of Vital Statistics, Federal agencies, postal authorities, and financial institutions.
 - States may use Electronic Death Registration (EDR) to share information with the SSA.
 - Currently, 70 percent of the death records the SSA receives are from States through EDR.
- The SSA compares death record information with beneficiary records for retirement, disability and Supplemental Security Income to determine if payments need to be terminated, or claims for surviving spouses and children pursued.
 - Death information from sources such as states, family members, and funeral homes is considered verified and is immediately used. If death information needs verification, the SSA first compares it with sources such as the beneficiary’s family, a representative payee, a nursing home, doctor, or hospital.
- All verified death information is entered into the Numident (a file that records information about all individuals that have been assigned a SSN since 1936) which is used to create the Death Master File (DMF) (contains all death information received and used by the agency).
- Under section 205(r) of the Social Security Act, the SSA provides the full DMF to agencies that provide federally funded benefits to individuals to ensure that they also are not making improper payments.
 - Because Treasury’s Do Not Pay portal is used for more than federal benefit payments, it has not received the full DMF containing state death records.

Preventing Payments to Dead People. Under our legislation:

- For the first time, Congress will authorize the SSA to share the full DMF with Treasury’s Do Not Pay portal, preventing improper payments to dead people.
- The states will be will appropriately reimbursed for this expanded use of state death records and the SSA will be fully reimbursed by federal agencies that use the death data.
- If an individual has been incorrectly identified as deceased and subsequently provides sufficient evidence to correct agency records, the SSA can notify the State that provided the record and share with the individual the source of the incorrect record.