

S. 1333, Stopping Improper Payments to Deceased People Act

As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on May 15, 2019

By Fiscal Year, Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	*	*
Revenues	0	0	0
Deficit Effect	0	*	*
Spending Subject to Appropriation (Outlays)	0	*	*
Pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between -\$500,000 and \$500,000.			

S. 1333 would expand the use of data on deaths by federal and state agencies for the purpose of limiting improper federal payments. The bill would require the Social Security Administration (SSA) to share all such information with more agencies and for a broader range of purposes.

Under current law, SSA collects information on deaths and maintains a record of all deaths reported to the agency dating to 1936. SSA has more than 124 million death records that contain the deceased person's name, Social Security number, date of birth, and date of death. SSA uses those data to administer its programs and shares the information with other agencies that administer federal benefit programs.

SSA provides the entire death file to some federal agencies, such as the Internal Revenue Service. SSA also has agreements with other agencies, such as state agencies that administer the Supplemental Nutrition Assistance Program, so that those agencies can periodically verify that program applicants and recipients are not listed on SSA's death records. The Department of Commerce makes the Death Master File (DMF), a subset of those data, available to nongovernmental organizations after the department certifies a legitimate purpose for using the data—for example, to prevent fraud. The DMF, which has information on about 101 million deceased people, excludes death data reported by states, because SSA may share data on deaths reported by states only in certain circumstances, such as to agencies that pay federal benefits. (A subset of the DMF, which



is available to the general public through the Department of Commerce, excludes both death data reported by states and data on deaths within the past three years.)

S. 1333 would require SSA to share its complete death records with more agencies and for a broader range of purposes. It also would make the complete death file, rather than only the DMF, available to the Do Not Pay program—a program administered by the Department of the Treasury that allows agencies to identify ineligible recipients by checking various databases before payments are made. Hence, there would probably be more frequent checks against the more complete file than occur under current law. Those provisions would expire five years after the bill’s enactment. The bill would require the Director of the Office of Management and Budget (OMB) to recommend, within four years of enactment, whether to extend the broader data access.

The expanded availability of information on deaths would probably reduce the amount of mistaken payments. However, the agencies making the largest benefit payments already use the complete death file, so CBO expects that enacting the bill would not significantly reduce the number of payments to deceased people. In addition, the Department of the Treasury has mechanisms to recover improper payments that are identified after the fact, so many such payments are already recovered. For those reasons, CBO estimates that enacting S. 1333 would reduce direct spending by an insignificant amount.

The bill also would require OMB to review alternative sources of death data and to report those findings to the Congress, to provide guidance to relevant agencies on how to access death data, and to develop a plan to assist state and local governments in providing death data to the federal government. However, under current law and OMB guidance, agencies already are required to assess their programs for risk and to initiate improvements to reduce and eliminate payment errors. In addition, CBO expects that many options to eliminate improper payments have been reviewed and analyzed by OMB and other agencies. Thus, CBO estimates that implementing those provisions would increase agency administrative costs by an insignificant amount.

The CBO staff contacts for this estimate are Noah Meyerson and Matthew Pickford. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.