

Introduction to Decease Data

The Social Security Administration (SSA) acquires and maintains death data to administer the Social Security and Supplemental Security Income (SSI) programs, including preventing the improper payment of benefits to deceased individuals and identifying individuals who are potentially eligible for survivor benefits. SSA collects death data from sources such as state vital statistics bureaus, funeral home directors, family members, and financial institutions and adds about 2.9 million new death reports to its records each year. These records prevent over \$50 million in Social Security and SSI improper payments each month.

SSA, under authority granted and limitations imposed by the Social Security Act, shares its death information with qualifying federal and state agencies for specific programmatic purposes and with certain external parties for research and statistical purposes. SSA also provides a limited extract of its death data, referred to as the Death Master File (DMF), to the Department of Commerce's National Technical Information Service (NTIS), which in turn distributes it to authorized users. The DMF contains only death records obtained from non-state sources. Until the enactment of the Consolidated Appropriations Act, 2021 (P.L. 116-260), on December 27, 2020, SSA did not have legal authority to share its full file of death information (which includes state-reported deaths) with the Treasury Department's Do Not Pay (DNP) portal, a centralized hub that would permit access by numerous federal agencies. However, the Consolidated Appropriations Act, 2021, includes a requirement for SSA to share its full file of death information (including state-reported death data) with DNP for a period of three years beginning three years after enactment and also provides for recipient agencies (including DNP) to fully reimburse SSA for the cost of both obtaining and sharing death data.

Recently, the Treasury Department's Internal Revenue Service (IRS) and Bureau of the Fiscal Service (BFS) used SSA's death data to prevent payment of economic impact payments (EIPs, also known as "recovery rebates" or "stimulus payments") to deceased individuals under the Coronavirus Aid, Relief, and Economic Security Act (CARES Act, P.L. 116-136). IRS had initially determined that the payment of EIPs to deceased individuals was not prohibited, because the CARES Act was silent on the issue. After consulting with counsel, the Treasury Department and the IRS determined that individuals who were deceased as of the date the payment was made were not entitled to EIPs. Subsequently, the BFS stopped issuing EIPs to deceased individuals and cancelled outstanding checks issued to deceased individuals, and the IRS posted instructions for the repayment of EIPs that were issued to deceased individuals. The Consolidated Appropriations Act, 2021 (P.L. 116-260), includes a second round of payments for which individuals who died before January 1, 2020, are ineligible. The IRS indicates that, for eligible individuals who died in 2020, the second-round payment may be claimed as the Recovery Rebate Credit on line 30 of their 2020 tax returns.

Debate continues around the appropriate role of SSA within the federal government in collecting and sharing death data. The Consolidated Appropriations Act, 2021 (P.L. 116-260), includes additional requirements, one of which is for SSA to procure a study of the strengths and limitations of options for distributing state-reported death data to federal agencies.

This report describes SSA's death data, outlines SSA's authority to share death data and limitations on that authority, describes the use of SSA's death data with respect to EIPs, and

highlights recent bills around access to and sharing of death data within the federal government, including the provisions of the Consolidated Appropriations Act, 2021 (P.L. 116-260). The report closes with a discussion of different approaches for enhancing the collection, maintenance, and sharing of death data among federal government agencies and outlines benefits, challenges, and issues for consideration.

Overview of SSA's Death Data

SSA acquires death data from a variety of sources, including state vital statistics bureaus, funeral home directors, family members, financial institutions, and other federal agencies.

State-Reported Data

Working through the National Association for Public Health Statistics and Information Systems (NAPHSIS), SSA negotiates and maintains contracts with all states to obtain death data. The central feature of these contracts is the Electronic Death Registration (EDR) system, which has been adopted by vital records agencies in all but four states. (Connecticut, North Carolina, Rhode Island, and West Virginia submit death reports to SSA outside the EDR system. SSA's contracts with the states stipulate a sliding payment scale to incentivize faster reporting. In 2018, SSA paid \$3.49 for EDR death reports received within six business days of the death. In 2016, SSA's total outlay for state-reported death data was nearly \$5.7 million.

Using EDR, state vital records agencies first verify the decedent's name and Social Security number (SSN) against SSA's records and then submit a verified electronic death record that is automatically posted to SSA's Master Files of SSN Holders and SSN Applications, also known as the Numident. Of the approximately 2.9 million death reports added to the Numident in 2019, just over 78% came from states through EDR. Death reports through EDR are timely and highly accurate and are used across SSA's systems to automatically stop Social Security and SSI benefit payments to deceased individuals. SSA receives over 70% of EDR death reports within six days of the individual's death, with over 95% of such reports reaching SSA within 30 days. According to NAPHSIS and a 2017 audit report by SSA's Office of the Inspector General

Effective use of an EDR system means that death certificates can be issued more quickly for insurance claims and other benefit or property issues. It also helps ensure the accuracy of the death record. The system checks automatically for many types of errors and prevents unauthorized access or alterations to the information. Electronic systems also help public health professionals analyze data to track outbreaks and trends that affect health.⁹

In a March 2015 hearing before the Senate Committee on Homeland Security and Governmental Affairs, an SSA official stated, "Universal implementation of EDR has the potential to virtually eliminate death reporting errors and would ensure that our death records—whether pertaining to current beneficiaries or other persons—include the most accurate and most current information.

Other Sources of Death Data

SSA also receives so-called first-party and third-party death reports from non-EDR and non-state sources. First-party reports come from close relatives and representative payees. Third-party reports come from other federal agencies (e.g., Department of Veterans Affairs, Centers for Medicare and Medicaid Services); state agencies other than vital records agencies (such as state welfare offices); and other data exchanges, as well as friends and neighbors. SSA may take action to terminate Social Security and SSI benefits based on first-party reports without further verification, whereas third-party reports must be verified before SSA terminates

benefits. While SSA records death information for nonbeneficiaries, it does not verify death information for nonbeneficiaries, and it notes that SSA's records are not a comprehensive record of all deaths in the United States.

Sharing Death Data by SSA

SSA shares its full file of death information with qualifying federal and state agencies for particular programmatic purposes as permitted under Section 205(r) of the Social Security Act. SSA also produces an extract of its death data, the DMF, which is distributed to qualifying, authorized users through the Department of Commerce's NTIS.

Full File of Death Information

Section 205(r) of the Social Security Act requires SSA to compensate states for furnishing death records and provides limited legal authority for SSA to share state-reported death data. With the enactment of the Consolidated Appropriations Act, 2021 (P.L. 116-260), on December 27, 2020, SSA is required to pay states a fee for the use of state death data plus a share of the costs to the state for collecting, maintaining and transmitting death data and ensuring its completeness, timeliness, and accuracy. To implement the new payment requirements, it appears that SSA will need to renegotiate the EDR contracts with the states.

Section 205(r) authorizes SSA to share state-reported death data (received from state vital records agencies via EDR or outside the EDR system) for program administration purposes only with federal-benefits-paying agencies and certain state agencies administering specified federally funded benefit programs, including state-funded state supplementary payment programs under the SSI program. SSA may also share state-reported death data with federal and state agencies for research and statistical purposes. Notably, until the enactment of the Consolidated Appropriations Act, 2021 (P.L. 116-260), Section 205(r) did not authorize SSA to share its state-reported death data with the Treasury Department's DNP portal. The Consolidated Appropriations Act, 2021, includes a requirement for SSA to do so for a period of three years beginning three years after enactment. SSA is authorized to use state-reported death data for certain verification purposes for outside entities, including verification systems for employers and state driver's license agencies. Section 205(r) protects SSA's state-reported death data from disclosure under the Freedom of Information Act (FOIA).

SSA developed a formal request process for agencies wishing to gain access to death data. Agencies obtaining death data from SSA must reimburse SSA for the reasonable cost of providing such information, which has been interpreted by SSA to cover only the cost of sharing the data, not the cost of purchasing the data from the states. The enactment of the Consolidated Appropriations Act, 2021 (P.L. 116-260), requires recipient agencies (including DNP) to fully reimburse SSA for the cost of both obtaining and sharing death data. The act requires reimbursements to SSA to include the recipient agency's share of SSA's payments to the states to obtain the data, the cost to SSA of establishing death data contracts with the states, and the cost to SSA of carrying out a new study on options for obtaining and distributing death data (described below). The act also requires the recipient agency to reimburse SSA for the full cost to SSA of transmitting death data to the recipient agency.

SSA has data sharing agreements to provide its full file of death information (including state-reported deaths) to the U.S. Government Accountability Office (GAO) and the following federal-benefit-paying agencies:

- Railroad Retirement Board,
- Pension Benefit Guaranty Corporation,
- Department of Defense,
- Department of Veterans Affairs,
- Department of Agriculture,
- Department of Housing and Urban Development,
- Office of Personnel Management,
- Federal Retirement Thrift Investment Board,
- Centers for Medicare and Medicaid Services, and
- Internal Revenue Service.

In addition, SSA announced that, beginning in FY2020, it would share its full file of death information with the National Institutes of Health for research and statistical purposes as authorized under Section 205(r)(5) of the Social Security Act. Given the new reimbursement requirements in the Consolidated Appropriations Act, 2021 (P.L. 116-260), it appears that SSA will need to renegotiate the reimbursement structure of these data sharing agreements.

In its data exchange agreements, SSA informs recipients that the death data file is not a comprehensive record of every death in the country, that SSA cannot confirm the veracity of the death records in the file, and that recipients will verify the death information before they use it for business purposes (such as suspending or terminating benefits).

Death Master File (DMF)

SSA created a version of its death data, the DMF, which contains only those death records obtained from non-state sources (i.e., obtained from close relatives, representative payees, other federal agencies, other state agencies such as state welfare offices, friends, and neighbors). This information is not covered by the provisions of Section 205(r) of the Social Security Act and is disclosable under FOIA, as deceased individuals generally do not have privacy rights.

SSA contracts with NTIS to make the DMF available to the public. NTIS sells a public version of the DMF, which, in addition to excluding death data from state vital statistics bureaus, also *excludes* records for individuals who died within the last three years. NTIS developed a certification program to sell a limited-access version of the DMF. The limited-access DMF *includes* the records of those who died within the last three years and is available only to entities that have demonstrated a legitimate business need for the information. The limited-access DMF is thus somewhat larger than the public DMF but still considerably smaller than SSA's full file of death information. The limited-access DMF was created in response to concerns

about fraud and identity theft, which prompted Congress to exempt from FOIA information about individuals who died in the last three calendar years.

In June 2019, the Congressional Budget Office (CBO) noted that SSA's full file of death information (*including* state-reported deaths and aggregated over time) contained more than 124 million death records and that the limited-access DMF (*excluding* state-reported deaths and aggregated over time) contained about 101 million death records. Over time, the utility of the DMF will decline as growing use of EDR will increase the gap in the number of records between SSA's full file of death information and the DMF.

Recent Recommendations

In 2016, GAO recommended amending the Social Security Act to permit SSA to share its full file of death information with the DNP portal. In 2019, the Social Security Advisory Board (SSAB) explicitly recommended that Congress shift responsibility for the collection of death data within the federal government from SSA to the Treasury Department's DNP portal. The SSAB further recommended that during the transition from SSA to the Treasury Department, Congress expressly authorize SSA to share its full file of death information (including state-reported death data) with DNP and be appropriately reimbursed for its data collection costs. A FY2021 Trump Administration legislative proposal would require SSA to share its full file of death information (including state-reported deaths) with DNP for use in preventing improper payments. The Consolidated Appropriations Act, 2021 ([P.L. 116-260](#)), includes a requirement for SSA to do so for a period of three years beginning three years after enactment and also provides for recipient agencies (including DNP) to fully reimburse SSA for the cost of both obtaining and sharing death data.