

GAO

Testimony

Before the Subcommittee on Social Security
Committee on Ways and Means
House of Representatives

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SOCIAL SECURITY
ADMINISTRATION

Many Letters Difficult to
Understand

Statement of Joseph F. Delfico, Director,
Income Security Issues
Health, Education, and Human Services Division



Summary

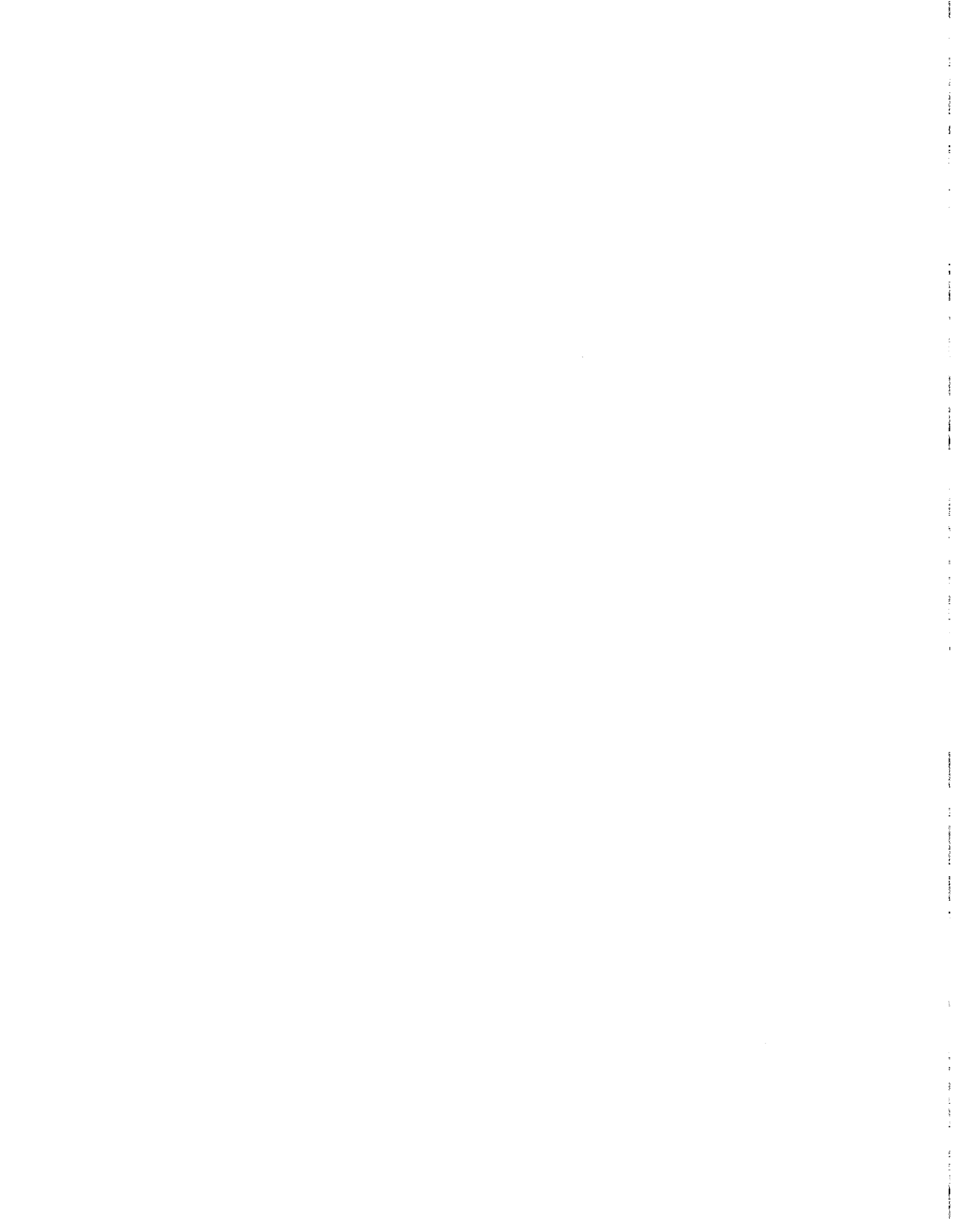
Annually, SSA sends letters to over 44 million people. Forty million people are sent letters for the retirement, survivors, and disability programs and over 4 million more letters are sent for the supplemental security income program. Because of this extremely high volume, virtually all of the process is automated. SSA relies on these letters as official notification of its decisions about individuals' eligibility for benefits or adjustments the agency is making to their benefits.

Most letters for the retirement, survivors, and disability insurance programs are generated by 1 of about 15 different computer systems; letters for the supplemental security income programs are generated by a single system. Each computer system houses its own database of from 10 to 350 stock paragraphs together with the software logic for selecting and sequencing paragraphs.

SSA has standards for written communications to improve the readability of letters. Specifically, the standards deal with such issues as vocabulary, sentence length, and design of letters. However, other problems--such as illogical order and a lack of details to support decisions--not associated with readability and design continue to make many letters difficult to understand.

GAO selected and read over 500 letters to get a sense of how easy or difficult they were to understand. GAO staff with an accounting background and years of social security program knowledge had difficulty determining or verifying specific points contained in letters. GAO's ability to understand SSA's letters was hampered by such problems as (1) the purpose of letters not being clearly stated, (2) no information on dollar amounts used by SSA to adjust payments, (3) apparent conflicts in information, and (4) the need to perform complex analyses to reconstruct adjustments to benefits. GAO also interviewed individuals who recently received letters from SSA. Some said that they didn't understand their letters but instead relied on what they had been told by an SSA employee at the time they reported changes in their eligibility status. Others said that they did not understand SSA's written communication and had to contact SSA for an explanation. Still others did not understand SSA's letters but were willing to accept the agency's decision on blind faith.

With millions of letters leaving SSA every month, the potential impact of SSA's problems with written communication is great--both on SSA's ever-increasing workloads and the public's already low confidence in the future of the social security program. While SSA has taken some actions to remedy the problem, early indications are that the results will prove less than satisfactory to SSA's customers. GAO believes SSA needs to develop and implement a comprehensive customer-focused strategy that will make SSA's letters clear and readable. At a minimum, it needs to determine customer preferences, establish communication objectives, including identifying customer preferences, and measure progress in achieving objectives.



Mr. Chairman and Members of the Subcommittee:

Thank you for inviting me to testify on the clarity of the Social Security Administration's (SSA) written correspondence. You specifically asked us if SSA's correspondence is generally understood by the public and if it adequately explains the basis for SSA's decisions.

While we are still collecting data for our work for the Subcommittee, we can make several early observations on the subject. As we have reported in the past, SSA has had long-standing problems communicating clearly in its letters.¹ Although SSA's recent actions to implement revised communication standards appear to be an improvement, many letters continue to be difficult to understand. Specifically, we found that the communication standards do not address problems such as illogically ordered information or missing details. In our view, SSA needs to establish overall communication objectives, including identifying its customers' preferences and measuring progress toward achieving such objectives.

Let me first describe SSA's current computer-driven process for generating letters, and then I will discuss our preliminary findings.

SSA'S LETTERS ARE
COMPUTER GENERATED

Annually, SSA sends letters to over 44 million people. Forty million people are sent letters for the retirement, survivors, and disability program and over 4 million more are sent letters for the supplemental security income program. Because of this extremely high volume, virtually all of the process is automated. SSA relies on these letters as official notification of its decisions about individuals' eligibility for benefits or adjustments the agency is making to their benefits.

After enrollment, changes in individuals' earned or unearned income or marital or eligibility status may lead SSA to write to individuals to tell them that it will adjust their benefits. In cases in which SSA has decided it overpaid individuals, the letters may describe the agency's plan to withhold part or all of future payments to recover overpaid amounts. If SSA's letters are not clear, individuals may miss important information or call SSA for explanations. This causes additional work for SSA's telephone service centers and field offices.

¹Social Security Administration: Stable Leadership and Better Management Needed to Improve Effectiveness (GAO/HRD-87-39, Mar. 1987).

Most letters for the retirement, survivors, and disability insurance programs are generated by 1 of about 15 different computer systems; letters for the supplemental security income programs are generated by a single system. Each computer system houses its own database of from 10 to 350 boilerplate paragraphs with the software logic for selecting and ordering paragraphs.

SSA staff receive and enter data for processing while receiving claims for benefits and reports of events that may affect benefit payments. While processing these event reports, computer systems select stock paragraphs and insert missing data from SSA's database or information supplied by SSA staff. Simply stated, SSA's letters are a compilation of computer-selected paragraphs inserted with personal data that the agency knows about individuals' accounts and SSA's decision on the information's effects on their benefits.

SSA'S STANDARDS UNLIKELY TO PROVIDE CURE-ALL

SSA has developed standards for written communications to improve the readability of letters, but the standards will not be fully implemented until the late 1990s. Specifically, the standards address issues such as vocabulary, sentence length, and physical layout of letters. Other problems not addressed by the standards--such as the ordering of information and a lack of necessary details to support a decision--will continue to make many letters difficult to understand.

In 1987, we reported that despite SSA's many efforts to improve letters, clarity problems continued. In 1989, SSA revised its standards for written communications to lower the reading level and improve the physical design of letters. SSA's writing standards specify that letters have conversational language as well as a sixth-grade reading level. In addition, the design standards facilitate reading by requiring (1) more white space on each page, (2) larger-than-normal type, and (3) sectional headings that readily identify the purpose and major points. All of these standards have been geared towards making SSA's written communications easier to read.

SSA plans to apply its writing and design standards to all letters. However, although SSA has applied some aspect of these standards to various computer systems databases, SSA estimates that the process for rewriting and implementing revised language for all databases will not be completed until September 1997 for the supplemental security income program and September 1999 for the retirement, survivors, and disability insurance program.

However, even with these planned improvements, communication problems will persist. For example, while SSA's letters communicate the main message in an understandable manner, they are

less effective in communicating the details supporting SSA's decision. Two Department of Health and Human Services' Office of Inspector General's reports² estimated that 72 percent of the recipients in the retirement, survivors, and disability insurance programs and 62 percent in the supplemental security income program would not be able to correctly answer such questions as how SSA planned to recover the overpaid amounts or which monthly payments would be affected by SSA's decision.

OUR WORK CORROBORATES CONTINUING PROBLEMS

So far, we read over 500 recently issued letters to get a sense of the clarity of the letters and how well they communicated SSA's decision. In general, we found a host of problems peculiar to the computer system that generated the letter and others, including (1) purpose of letters not being clearly stated; (2) dollar amounts used by SSA to adjust payments omitted from letters; (3) apparently conflicting information, and (4) the need, if beneficiaries were to fully understand letters, for them to perform complex analyses to reconstruct adjustments to benefits. For example,

- SSA L3926 is a multipurpose form letter used for a variety of situations. One such letter to a beneficiary lacked the necessary "fill-ins" to state the letter's purpose. The appropriate box had not been checked to indicate actions taken by SSA nor did it provide any payment information. (See app. I for a copy of this letter.)
- A letter awarding a spouse survivor's benefits informed her that she is entitled to \$645 each month and that her first payment will include a special death payment of \$255. However, the letter shows that \$50 is the first payment that SSA will make to her and accounts for the difference by stating, "Your first check has been adjusted for the difference between benefits already paid and those now payable on this account." (See app. II for a copy of this letter.)
- One letter makes contradictory statements about an individual's January payment. The letter first states that monthly payments of \$434 will begin January 1994. Later, the letter states, "Your regular monthly check of \$82 will be sent ... about the first day of January 1994." Nowhere in the letter did we find information that addressed the conflicting amounts for the January payment. (See app. III for a copy of this letter.)

²Clarity of Social Security Notices, May 1992.
Clarity of Supplemental Security Income Notices, September 1992.

- A letter about work-related earnings states that SSA underpaid the individual \$6,532 for 1991, incorrectly paid him \$196 for 1993, and referred him to an attached worksheet to learn how his future benefits would be affected. After performing a series of computations, we determined that in effect SSA planned to reduce the June 1993 payment by \$98. The worksheet does not explicitly identify \$98 as the amount by which benefits will be reduced. SSA's presumption that the reader can and will do this analysis gives no consideration to the reader's analytical abilities and appears to require abilities well above the sixth-grade level. (See app. IV for a copy of this letter.)

SSA HAS NOT ESTABLISHED OBJECTIVES FOR CLEAR COMMUNICATIONS

SSA's long-range plan states its service-delivery objective is to "ensure that information mailed to the public is understandable." However, SSA has not taken steps to set objectives for understandability and has not developed specific criteria to measure understandability as defined by customers and the agency. For example, the specific criteria could include identification of key elements in letters SSA believes customers must understand. As discussed earlier, the Inspector General's report showed that SSA customers can generally understand the basic thrust of the letters they receive but may not understand specific details such as the monthly payment affected by SSA's decisions.

Also, SSA needs to design correspondence to better serve customers based on customer input. SSA has not done any studies to determine the public's preferences for SSA communications. In some instances, it appears to us that SSA letters are not written from a customer's viewpoint. In many discussions with SSA personnel, we were told that SSA customers want information most important to them such as how and when SSA's decision will affect their payments addressed early in the letter. We were told that many customers do not read beyond the first page before contacting SSA for help. SSA customers want letters in language they can understand. For example, SSA officials told us that retirement, survivors, and disability programs beneficiaries mistakenly assume SSA's references to "effective month" is the actual month the payment is received rather than an earlier month for which payment changes are applicable. SSA customers want letters to show the dollar amounts of adjustments to benefits. SSA officials told us that individuals contact them and request their help in itemizing adjustments to benefits. They said that this is particularly true for overpayment notices, which may not show amounts paid and amounts due.

SSA customers want to know why their overpayment has occurred. Many SSA letters inform individuals only that they have been overpaid without detailing the cause of the overpayment. An SSA official said that it was her experience that people generally

wanted to know why they were overpaid before agreeing to make repayments.

We interviewed several dozen individuals who recently received letters from SSA exhibiting the kinds of problems I have discussed in my testimony. Some said that they didn't understand their letters but instead relied on what they had been told by SSA staff at the time they reported changes in their eligibility status. Others said that they did not understand SSA's written communication and had to contact SSA for an explanation. Still others did not understand SSA's letters but were willing to accept the agency's decision on blind faith. In these situations, it appears that letters did little to satisfy customers' needs, may have caused them anxiety, and increased work for SSA's already overburdened staff in telephone service centers and field offices.

In addition, SSA needs to evaluate customers' current levels of understanding of its letters. Without such evaluations, SSA lacks the management information it needs to determine the extent to which SSA letters are causing problems for the public and increasing the workload of its own staff. For example, SSA has not adequately quantified the number of telephone calls generated by unclear letters. An SSA study of calls to its 800 number stated that only 2 percent of the callers requested explanations of letters. In contrast, SSA personnel who received calls to the 800 number told us that over 50 percent of the calls they received were for explanations of letters. These differences need to be resolved. Until SSA takes these steps, it will have no way of knowing whether its goal of communicating clearly with the public is being met and whether implemented changes are having their intended effect.

We recognize that SSA's programs and the agency's decisions regarding benefits are complex. But it is SSA's responsibility to explain them as clearly and simply as possible to adequately serve the public and protect the public's interests. To the extent that SSA's communications are inadequate, they frustrate the public and generate telephone calls and office visits to SSA facilities. With millions of letters leaving SSA every month, the potential impact of SSA's problems with written communication is great--both on SSA's ever-increasing workloads and the public's already low confidence in the future of the social security program. While SSA has taken some actions to remedy the problem, early indications are that the results will prove less than satisfactory to SSA's customers. We believe SSA needs to develop and implement a comprehensive customer-focused strategy that will make SSA's letters clear and readable. At a minimum, it needs to determine customer preferences, establish communication objectives, including identifying customer preferences, and measure progress in the achieving objectives. SSA's customers deserve no less than that.

We intend to focus the remainder of our work for the Subcommittee on identifying elements that should be critical in this strategy.

Mr. Chairman, this concludes my statement, I will be glad to answer any questions you or Members of the Subcommittee may have.

(105131)

SOCIAL SECURITY BENEFIT INFORMATION

From: Mid Atlantic Program Service Center
Philadelphia, Pennsylvania 19123

Date APRIL 29, 1993

Your Claim Number

Reason for action
ATTAINMENT OF AGE 65. S
Type of action
DISAB TO RETIREMENT

- As a result of the action being taken, benefit payments have been refigured as shown below. The amount shown in column 4, represents all benefits due on this claim through the month shown in column 5. You will then receive the amount shown in column 3 regularly each month.
- Benefit payments have been discontinued with the month shown in column 2 for the reason shown above.
- We have determined that you are entitled to the benefits shown below.
- As shown below, the next payment will be sent to you shortly. You will then receive the amount shown in column 3 regularly each month.

1. Additional payment information	2. Effective month	3. Regular monthly payment	4. Net amount of next payment	5. Next payment will pay amt. due you through month of
	02/93			

Note to Terminated Beneficiary:

Earnings for the entire year both before and after your benefits were stopped must be considered in determining whether you earned more than the allowable yearly limit. Please read the rest of this notice for additional information on work and reporting.

Note to Terminated Mother/Father Beneficiary:

You are not entitled to widow(er)'s benefits because you are not age 60 or disabled and age 50.

Note to Terminated Wife Beneficiary:

You are not entitled to retirement benefits because you are not yet age 62.

Note to Student Beneficiary:

If your benefits are being stopped because we did not receive your student report and you filed a report with your school more than two weeks ago, please contact any Social Security office for assistance. **DO NOT CONTACT YOUR SCHOOL IF YOU HAVE ALREADY FILED A REPORT.**

If you have not completed your report you should do so **IMMEDIATELY** and take it to your school. If you need a report form, ask for one at any Social Security office. If you have taken the form to your school within the last two weeks, you needn't contact the Social Security office unless your next benefit check does not arrive on time.

1. If You Disagree With This Decision

If you disagree with this decision, you have the right to appeal. If you want this appeal you must request it not later than 60 days from the date you receive this notice. You may make your request through any Social Security office. If additional evidence is available, you should submit it with your request.

2. How Your Work And Earnings Affect Your Benefits

Your work will only affect your Social Security benefits if your total earnings are over the limits we show below.

<u>Annual Limit for 1993</u>	<u>Under age 65</u>	<u>Age 65-69</u>	<u>Age 70 or over</u>
	\$7680	\$10560	No Limit

If you earn over the annual limit, \$1 will be withheld from your benefits for each \$2 of earnings (under age 65) or for each \$3 of earnings (65-69) above the annual limit.

3. How Age Affects Your Benefits

As you can see from the chart above, people who are 65 to 69 have a higher earnings limit than people who are under 65. We use the higher earnings limit if you turn 65 on or before January 1, 1994. In figuring your total earnings, we do not count any amount earned beginning with the month you become 70. If you turn 70 on the first day of the month, we consider you to be 70 in the prior month. If you turn 70 on January 1, 1994, we do not count any amount earned beginning December 1993.

4. Report Any Significant Change in Your Work and Earnings to Any Social Security Office

Examples of important changes are if you:

- Go to work while under age 70 and expect to earn over the annual limit amounts.
- Have previously reported that you expect to earn over the annual limit amount from work, but
 - You stop work, or
 - You expect to earn substantially more or less in the year than you previously told us.

At the end of the year, you need to complete an annual report of earnings to help us make sure that we paid you the correct amount of benefits. After you return the report, we will make any necessary changes to your benefits because of the earnings. Prompt reports help us to adjust your benefits when you have income from work. Late reports cause us to withhold benefits during periods when you may not have income from work. Even when benefits stop during the year, you must file a report if you earn over the annual limits.

5. Information About Medical Insurance Premiums

- If monthly Social Security benefits are being paid to you now—Your next payment will be adjusted for any premiums you now owe or excess premiums you have paid in advance. After that, 1 month's premium will be withheld from your benefit payment each month.
- If monthly Social Security benefits are not being paid to you now—We will charge a monthly premium for medical insurance under Medicare. The first bill we send will be for all premiums now due. After that, each bill we send will be for a 3-month period, and will be sent to you shortly before payment is due.

6. Information About Overpayments

Any overpayment must be paid back unless the following statements are true:

- The overpayment wasn't your fault in any way, and either
- You couldn't meet your necessary living expenses if you had to pay back the overpayment or it would be unfair for some other reason.

If you believe you should not have to repay the money, you should contact any Social Security office. You may need to show proof of your monthly income, expenses and assets. If you cannot afford the proposed reduction of your benefits, you should contact us.

7. Special Reporting Events For People Receiving Disability Benefits

- Let us know if your medical condition improves, you return to work, or your work status changes.
- Contact us if you begin receiving workmen's compensation benefits, the amount you are already receiving changes, or you receive a lump sum payment.

8. If You Have Any Questions

If you have any questions, you may call us at 1-800-772-1213. We can answer most questions over the phone. You may also call or visit any Social Security office. The office that serves your area is located at:

BRANCH OFFICE
LUMBERTON PLAZA
1636-19 ROUTE 38
MT HOLLY NJ 08060

If you do call or visit an office, please have this letter with you. It will help answer your questions.

SOCIAL SECURITY AWARD CERTIFICATE

FROM: DEPARTMENT OF HEALTH AND HUMAN SERVICES
SOCIAL SECURITY ADMINISTRATION

DATE: 05/07/93
CLAIM NUMBER:

TYPE OF BENEFIT	DATE OF ENTITLEMENT	MONTHLY BENEFIT
WIDOW	04/93	\$645

AMOUNT OF FIRST PAYMENT: \$50.00

THE BENEFIT AMOUNT WAS CHANGED IN THE MONTH SHOWN ABOVE BECAUSE OF THE DEATH OF THE INSURED PERSON.

YOUR FIRST CHECK WILL HAVE BEEN ADJUSTED FOR THE DIFFERENCE BETWEEN BENEFITS ALREADY PAID AND THOSE NOW PAYABLE ON THIS ACCOUNT.

THE FIRST CHECK INCLUDES A LUMP SUM DEATH PAYMENT OF \$255.00.

YOUR NEXT CHECK HAS BEEN ADJUSTED FOR ANY MEDICAL INSURANCE PREMIUMS NOW DUE OR PAID IN ADVANCE. THEREAFTER, THE PREMIUM WILL BE DEDUCTED FROM YOUR REGULAR MONTHLY BENEFIT CHECK.

PLEASE READ THE ENCLOSED PAMPHLET, "WHEN YOU GET SOCIAL SECURITY RETIREMENT OR SURVIVORS BENEFITS...WHAT YOU NEED TO KNOW." IT TELLS YOU ABOUT CERTAIN EVENTS THAT YOU MUST REPORT TO US AND HOW TO REPORT.

THIS IS THE ONLY MONTHLY BENEFIT YOU CAN RECEIVE ON THIS SOCIAL SECURITY RECORD. IF YOU WERE MARRIED BEFORE, YOU MAY BE ABLE TO GET A HIGHER BENEFIT ON THE RECORD OF A PRIOR SPOUSE. IF YOU THINK YOU MAY QUALIFY, PLEASE CONTACT US.

IF YOU BELIEVE THAT THIS DETERMINATION IS NOT CORRECT, YOU MAY REQUEST THAT YOUR CASE BE REEXAMINED. IF YOU WANT THIS RECONSIDERATION, YOU MUST REQUEST IT NOT LATER THAN 60 DAYS FROM THE DATE YOU RECEIVE THIS NOTICE. YOU MAY MAKE ANY SUCH REQUEST THROUGH ANY SOCIAL SECURITY OFFICE. IF ADDITIONAL EVIDENCE IS AVAILABLE, YOU SHOULD SUBMIT IT WITH YOUR REQUEST.

IF YOU HAVE ANY QUESTIONS, YOU MAY CALL US AT 1-800-772-1213. WE CAN ANSWER MOST QUESTIONS OVER THE PHONE. YOU CAN ALSO WRITE OR VISIT ANY SOCIAL SECURITY OFFICE. THE OFFICE THAT SERVES YOUR AREA IS LOCATED AT:

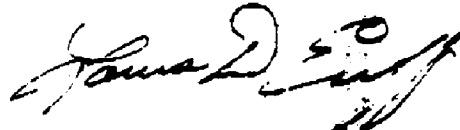
BR OFF HAWAII AVE NE
SUITE 3
333 HAWAII AVE NE
WASHINGTON DC 20011

ENCLOSURE:
PUB. OF 1988

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SEE NEXT PAGE

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IF YOU DO CALL OR VISIT AN OFFICE, PLEASE HAVE THIS LETTER WITH YOU. IT WILL HELP US ANSWER YOUR QUESTIONS. ALSO, IF YOU PLAN TO VISIT AN OFFICE YOU MAY CALL AHEAD TO MAKE AN APPOINTMENT. THIS WILL HELP US SERVE YOU MORE QUICKLY WHEN YOU ARRIVE AT THE OFFICE.



ACTING COMMISSIONER
OF SOCIAL SECURITY

Social Security Administration
Supplemental Security Income
 Notice of Planned Action

Date: November 26, 1993

Claim Number:

* Type of Payment *
 Individual--Disabled

We are writing to tell you about changes in your Supplemental Security Income payments. The following chart shows the SSI money due you for the months we changed. As you can see from the chart, we are changing your payments for both past and future months. The rest of this letter will tell you more about this change.

Your Payments Will Be Changed As Follows:

From	Through	Amount Due Each Month
November 01, 1993	November 30, 1993	\$.00
January 01, 1994	Continuing	\$434.00

We will reduce your payment as shown above beginning January 1994.

Why Your Payments Changed

Because of your income, you were not eligible to receive Supplemental Security Income payments for November 1993.

Information About Your Payments

Your regular monthly ~~check~~ of **\$82.00** will be sent to your representative payee about the first day of **January 1994**.

Your Payment Is Based On These Facts

You have monthly income which must be considered in figuring your eligibility as follows:

- Your Social Security benefits-- before deductions for Medicare premiums, if any-- of \$372.00 for December 1993 on.

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- Your special one-time payment of Social Security benefits-- before deductions for Medicare premiums, if any-- received November 1993 of \$3,431.29.

Information About Your Back Payments

We sent you a Social Security check for \$3,431.29 in November 1993. We will not count the part of this money which was due for back payments as your resource for 6 months. If the money is not spent before June 01, 1994, we will count any money left over as part of your resources. But things bought with this money may count as resources the month after they are bought. Your Social Security office can tell you which things count as resources. You cannot get SSI if the resources we count have a value of more than \$2000.00.

Things To Remember

- We may be in touch with you later about any payments we previously made.
- This decision refers only to your claim for Supplemental Security Income payments.
- This determination replaces all previous determinations for the above periods.
- This information is also being sent to your representative payee.

Do You Disagree With The Decision?

If you disagree with the decision, you have the right to appeal. We will review your case and consider any new facts you have.

- You have 60 days to ask for an appeal.
- The 60 days start the day after you get this letter. We assume you got this letter 5 days after the date on it unless you show us that you did not get it within the 5-day period.
- You must have a good reason for waiting more than 60 days to ask for an appeal.
- To appeal, you must fill out a form called "Request for Reconsideration." The form number is SSA-561. To get this form, contact one of our offices. We can help you fill out the form.

Appeal In 10 Days To Keep Getting Your Same Check

- We won't change your check if you appeal within 10 days.

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- The 10 days start the day after you get this letter.
- If you lose your appeal you might have to pay back some or all of this money.

How To Appeal

There are three ways to appeal. You can pick the one you want. If you meet with us in person, it may help us decide your case.

- Case Review. You have a right to review the facts in your file. You can give us more facts to add to your file. Then we'll decide your case again. You won't meet with the person who decides your case.
- Informal Conference. You'll meet with the person who decides your case. You can tell that person why you think you're right. You can give us more facts to help prove you're right. You can bring other people to help explain your case.
- Formal Conference. This is a meeting like an informal conference. The difference is we can make people come to help prove you're right. We can make them bring important papers about your case, even if they don't want to help you. You can question these people at your meeting.

If You Want Help With Your Appeal

You can have a friend, lawyer or someone else help you. There are groups that can help you find a lawyer or give you free legal services if you qualify. There are also lawyers who do not charge unless you win your appeal. Your local Social Security office has a list of groups that can help you with your appeal.

If you get someone to help you, you should let us know. If you hire someone, we must approve the fee before he or she can collect it.

If You Have Any Questions

If you have any questions, you may call us toll-free at 1-800-772-1213, or call your local Social Security office at 1-419-259-6250. We can answer most questions over the phone. You can also write or visit any Social Security office. The office that serves your area is located at:

DISTRICT OFFICE
2ND FLR FEDERAL BLDG
234 SUMMIT STREET

Social Security Administration
Retirement, Survivors, and Disability Insurance
Notice of Change in Benefits

MID-ATLANTIC PROGRAM SERVICE CENTER
300 SPRING GARDEN STREET
PHILADELPHIA, PENNSYLVANIA 19123-2992
DATE: MAY 15, 1993
CLAIM NUMBER:

Thank you for your work report showing you earned \$00,000 in 1991 and expect to earn less than \$10,560.00 in 1993.

Based on your work report, we have determined you have been underpaid \$6,532.00 for 1991.

Because of information on our records, you have been incorrectly paid \$196.00 for 1993.

Please see the attached for more information about how your benefits have been affected, the amount of your next check and the date you will receive it, and an explanation of any appeal rights.

If you have any questions, you may call us toll free at 1-800-772-1213, or call your local Social Security office at 1-703-274-0145. We can answer most questions over the phone. You can also write or visit any Social Security office. The office that serves your area is located at:

DISTRICT OFFICE
SUITE 220
6295 EDSALL ROAD
ALEXANDRIA, VA 22312

If you do call or visit an office, please have this letter with you. It will help us answer your questions. Also, if you plan to visit an office, you may call ahead to make an appointment. This will help us serve you more quickly when you arrive at the office.

Laurie Watkins

Laurie Watkins
Assistant Regional Commissioner,
Processing Center Operations

INFORMATION SHEET FOR

How 1991 Earnings Affect Benefits:

Benefits credited based on our record-----	\$ 3519.00
Reported earnings -----	\$0
Benefits credited based on report-----	\$10051.00
Underpayment-----	\$ 6532.00
Overpayment for 1992 -----	\$ 143.00

How 1993 Estimated Earnings Affect Benefits:

Benefits credited through April based on our record----	\$ 3762.40
Estimated earnings -----	\$0
Benefit credited through April based on estimate-----	\$ 3566.40
Incorrect payment-----	\$ 196.00
Remaining underpayment based on this report-----	\$ 6336.00

Previously Identified Overpayments:

Overpayment - recovery by full withholding of benefits

Amount of overpayment-----	\$ 6291.00
Amount of underpayment applied-----	\$ 6291.00
Balance of overpayment-----	\$.00

Payment Information:

Your May benefit has been reduced due to your previous overpayment. You will receive a payment of \$757.00 for May about June 03, 1993. Thereafter your monthly benefit will be \$855.00.

Your medical insurance premiums will be deducted from your monthly benefits beginning May 1993.

Earnings Test:

How your work and earnings affect your benefits depends upon the amount of your earnings. You can receive all your benefits if your earnings do not exceed the annual exempt amount. In 1993 this

See continuation sheet

INFORMATION SHEET FOR

- CONTINUATION

amount is \$10,560. If you earn over this amount, we will withhold your full monthly benefits until one-third of your earnings over \$10,560 have been withheld.

You should report changes in your earnings to any Social Security office. Based on the report, we can adjust your benefits to make sure you receive the correct amount each month. Any difference between the benefits we withhold based on your earnings estimate and the amount that must be withheld based on your actual earnings will be made up after you file your next annual report of earnings.

Appeal Rights:

If you disagree with our determination, you can request a reconsideration within 60 days of the date you receive this notice. If you have additional evidence to support your claim, you should submit it with your request for reconsideration.

Please call, write, or visit any Social Security office if you want to request reconsideration. The people there will be glad to help you complete the form for reconsideration (SSA-561 Request for Reconsideration).

You can have a friend, lawyer or someone else help you. There are groups that can help you find a lawyer or give you free legal services if you qualify. There are also lawyers who do not charge unless you win your appeal. Your local Social Security office has a list of groups that can help you with your appeal.

If you get someone to help you, you should let us know. If you hire someone, we must approve the fee before he or she can collect it. And if you hire a lawyer, we will withhold up to 25 percent of any past due benefits to pay toward the fee.

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

**U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015**

or visit:

**Room 1000
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