

114TH CONGRESS  
1ST SESSION

# H. R. 2003

To amend the Improper Payments Elimination and Recovery Improvement Act of 2012, including making changes to the Do Not Pay initiative, for improved detection, prevention, and recovery of improper payments to deceased individuals, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 23, 2015

Mrs. BUSTOS (for herself, Mr. RIBBLE, Mrs. BROOKS of Indiana, Mr. COOPER, Mr. COSTA, Mr. PETERS, Mr. SCHRADER, Ms. LORETTA SANCHEZ of California, Mr. BISHOP of Georgia, Mr. VELA, Miss RICE of New York, Ms. SINEMA, Mr. ASHFORD, Ms. GRAHAM, Ms. BROWNLEY of California, Mr. RODNEY DAVIS of Illinois, Mr. MURPHY of Florida, Mr. FITZPATRICK, Mr. CARNEY, Mr. KILMER, Mr. MOULTON, Mr. RUIZ, Mr. KIND, and Ms. DUCKWORTH) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To amend the Improper Payments Elimination and Recovery Improvement Act of 2012, including making changes to the Do Not Pay initiative, for improved detection, prevention, and recovery of improper payments to deceased individuals, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Stopping Improper  
3 Payments to Deceased People Act”.

4 **SEC. 2. DISTRIBUTION OF DEATH INFORMATION FUR-**  
5 **NISHED TO OR MAINTAINED BY THE SOCIAL**  
6 **SECURITY ADMINISTRATION.**

7 (a) IN GENERAL.—

8 (1) IN GENERAL.—Section 205(r) of the Social  
9 Security Act (42 U.S.C. 405(r)) is amended—

10 (A) in paragraph (2)—

11 (i) by striking “may” and inserting  
12 “shall”; and

13 (ii) by inserting “, and to ensure the  
14 completeness, timeliness, and accuracy of,”  
15 after “transmitting”;

16 (B) by striking paragraphs (3), (4), and  
17 (5) and inserting the following:

18 “(3)(A) The Commissioner of Social Security shall,  
19 to the extent feasible, provide for the use of information  
20 regarding all deceased individuals furnished to or main-  
21 tained by the Commissioner under this subsection in ac-  
22 cordance with subparagraph (B), subject to such safe-  
23 guards as the Commissioner of Social Security determines  
24 are necessary or appropriate to protect the information  
25 from unauthorized use or disclosure, by any Federal or  
26 State agency providing federally funded benefits or admin-

1 istering a Federal program for such benefits, including the  
2 agency operating the Do Not Pay working system for en-  
3 suring proper payment of those benefits, through a cooper-  
4 ative arrangement with the agency (that includes the  
5 agency's Inspector General) or with an agency's Inspector  
6 General, if—

7           “(i) under such arrangement the agency (in-  
8 cluding, if applicable, the agency's Inspector Gen-  
9 eral) provides reimbursement to the Commissioner of  
10 Social Security for the reasonable cost of carrying  
11 out such arrangement, including the reasonable  
12 costs associated with the collection and maintenance  
13 of information regarding deceased individuals fur-  
14 nished to the Commissioner pursuant to paragraph  
15 (1), and

16           “(ii) such arrangement does not conflict with  
17 the duties of the Commissioner of Social Security  
18 under paragraph (1).

19           “(B) The Commissioner of Social Security shall, to  
20 the extent feasible, provide for the use of information re-  
21 garding all deceased individuals furnished to or main-  
22 tained by the Commissioner under this subsection,  
23 through a cooperative arrangement in order for a Federal  
24 agency to carry out any of the following purposes, if the

1 requirements of clauses (i) and (ii) of subparagraph (A)  
2 are met:

3           “(i) Operating the Do Not Pay working system  
4           established by section 5 of the Improper Payments  
5           Elimination and Recovery Improvement Act of 2012.  
6           Under such arrangement, the agency operating the  
7           working system may compare death information dis-  
8           closed by the Commissioner with personally identifi-  
9           able information reviewed through the working sys-  
10          tem, and may redisclose such comparison of infor-  
11          mation, as appropriate, to any Federal or State  
12          agency authorized to use the working system.

13           “(ii) To ensure proper payments under a Fed-  
14          eral program or the proper payment of federally  
15          funded benefits, including for purposes of payment  
16          certification, payment disbursement, and the preven-  
17          tion, identification, or recoupment of improper pay-  
18          ments.

19           “(iii) To carry out tax administration or debt  
20          collection duties of the agency.

21           “(iv) For use by any policing agency of the  
22          Federal Government with the principle function of  
23          prevention, detection, or investigation of crime or  
24          the apprehension of alleged offenders.

1       “(4) The Commissioner of Social Security may enter  
2 into similar arrangements with States to provide informa-  
3 tion regarding all deceased individuals furnished to or  
4 maintained by the Commissioner under this subsection,  
5 for any of the purposes specified in paragraph (3)(B), for  
6 use by States in programs wholly funded by the States,  
7 or for use in the administration of a benefit pension plan  
8 or retirement system for employees of a State or a political  
9 subdivision thereof, if the requirements of clauses (i) and  
10 (ii) of paragraph (3)(A) are met. For purposes of this  
11 paragraph, the terms ‘retirement system’ and ‘political  
12 subdivision’ have the meanings given such terms in section  
13 218(b).

14       “(5) The Commissioner of Social Security may use  
15 or provide for the use of information regarding all de-  
16 ceased individuals furnished to or maintained by the Com-  
17 missioner under this subsection, subject to such safe-  
18 guards as the Commissioner of Social Security determines  
19 are necessary or appropriate to protect the information  
20 from unauthorized use or disclosure, for statistical pur-  
21 poses and research activities by Federal and State agen-  
22 cies if the requirements of clauses (i) and (ii) of paragraph  
23 (3)(A) are met. For purposes of this paragraph, the term  
24 ‘statistical purposes’ has the meaning given that term in

1 section 502 of the Confidential Information Protection  
2 and Statistical Efficiency Act of 2002.”; and

3 (C) in paragraph (8)(A)(i), by striking  
4 “subparagraphs (A) and (B) of paragraph (3)”  
5 and inserting “clauses (i) and (ii) of paragraph  
6 (3)(A)”.

7 (2) REPEAL.—Effective on the date that is 5  
8 years after the date of enactment of this Act, the  
9 amendments made by this subsection to paragraphs  
10 (3), (4), (5), and (8) of section 205(r) of the Social  
11 Security Act (42 U.S.C. 405(r)) are repealed, and  
12 the provisions of section 205(r) of the Social Secu-  
13 rity Act (42 U.S.C. 605(r)) so amended are restored  
14 and revived as if such amendments had not been en-  
15 acted.

16 (b) AMENDMENT TO INTERNAL REVENUE CODE.—  
17 Section 6103(d)(4) of the Internal Revenue Code of 1986  
18 is amended—

19 (1) in subparagraphs (A) and (B), by striking  
20 “Secretary of Health and Human Services” each  
21 place it appears and inserting “Commissioner of So-  
22 cial Security”; and

23 (2) in subparagraph (B)(ii), by striking “such  
24 Secretary” and all that follows through “deceased  
25 individuals.” and inserting “such Commissioner pur-

1 suant to such contract, except that such contract  
2 may provide that such information is only to be used  
3 by the Social Security Administration (or any other  
4 Federal agency) for purposes authorized in the So-  
5 cial Security Act or this title.”.

6 (c) REPORT TO CONGRESS ON ALTERNATIVE  
7 SOURCES OF DEATH DATA.—

8 (1) REQUIREMENTS.—The Director of the Of-  
9 fice of Management and Budget shall conduct a re-  
10 view of potential alternative sources of death data  
11 maintained by the non-Federal sources, including  
12 sources maintained by State agencies or associations  
13 of State agencies, for use by Federal agencies and  
14 programs. The review shall include analyses of—

15 (A) the accuracy and completeness of such  
16 data;

17 (B) interoperability of such data;

18 (C) the extent to which there is efficient  
19 accessibility of such data by Federal agencies;

20 (D) the cost to Federal agencies of access-  
21 ing and maintaining such data;

22 (E) the security of such data;

23 (F) the reliability of such data; and

1 (G) a comparison of the potential alternate  
2 sources of death data to the death data distrib-  
3 uted by the Commissioner of Social Security.

4 (2) REPORT.—Not later than 4 years after the  
5 date of enactment of this Act, the Director of the  
6 Office of Management and Budget shall submit a re-  
7 port to Congress on the results of the review and  
8 analyses required under paragraph (1). The report  
9 shall include a recommendation by the Director of  
10 the Office of Management and Budget regarding  
11 whether to extend the agency access to death data  
12 distributed by the Commissioner of Social Security  
13 provided under the amendments made by subsection  
14 (a)(1) beyond the date on which such amendments  
15 are to be repealed under subsection (a)(2).

16 **SEC. 3. IMPROVING THE USE OF DATA BY GOVERNMENT**  
17 **AGENCIES TO CURB IMPROPER PAYMENTS.**

18 The Improper Payments Elimination and Recovery  
19 Improvement Act of 2012 (31 U.S.C. 3321 note) is  
20 amended by adding at the end the following:

21 **“SEC. 7. IMPROVING THE USE OF DEATH DATA BY GOVERN-**  
22 **MENT AGENCIES.**

23 “(a) GUIDANCE BY THE OFFICE OF MANAGEMENT  
24 AND BUDGET.—



1           “(1) GUIDANCE TO AGENCIES.—Not later than  
2           6 months after the date of enactment of this section,  
3           and in consultation with the Council of Inspectors  
4           General on Integrity and Efficiency and the heads of  
5           other relevant Federal, State, and local agencies,  
6           and Indian tribes and tribal organizations, the Di-  
7           rector of the Office of Management and Budget  
8           shall issue guidance for each agency or component  
9           of an agency that operates or maintains a database  
10          of information relating to beneficiaries, annuity re-  
11          cipients, or any purpose described in section  
12          205(r)(3)(B) of the Social Security Act (42 U.S.C.  
13          405(r)(3)(B)) for which improved data matching  
14          with databases relating to the death of an individual  
15          (in this section referred to as ‘death databases’)  
16          would be relevant and necessary regarding imple-  
17          mentation of this section to provide such agencies or  
18          components access to the death databases no later  
19          than 6 months after such date of enactment.

20           “(2) PLAN TO ASSIST STATES AND LOCAL  
21          AGENCIES AND INDIAN TRIBES AND TRIBAL ORGANI-  
22          ZATIONS.—Not later than 1 year after the date of  
23          enactment of this section, the Director of the Office  
24          of Management and Budget shall develop a plan to  
25          assist States and local agencies, and Indian tribes

1 and tribal organizations, in providing electronically  
2 to the Federal Government records relating to the  
3 death of individuals, which may include rec-  
4 ommendations to Congress for any statutory  
5 changes or financial assistance to States and local  
6 agencies and Indian tribes and tribal organizations  
7 that are necessary to ensure States and local agen-  
8 cies and Indian tribes and tribal organizations can  
9 provide such records electronically. The plan may in-  
10 clude recommendations for the authorization of ap-  
11 propriations or other funding to carry out the plan.

12 “(b) REPORTS.—

13 “(1) REPORT TO CONGRESS ON IMPROVING  
14 DATA MATCHING REGARDING PAYMENTS TO DE-  
15 CEASED INDIVIDUALS.—Not later than 270 days  
16 after the date of enactment of this section, the Di-  
17 rector of the Office of Management and Budget, in  
18 consultation with the heads of other relevant Federal  
19 agencies, and in consultation with States and local  
20 agencies, Indian tribes and tribal organizations, shall  
21 submit to Congress a plan to improve how States  
22 and local agencies and Indian tribes and tribal orga-  
23 nizations that provide benefits under a federally  
24 funded program will improve data matching with the

1 Federal Government with respect to the death of in-  
2 dividuals who are recipients of such benefits.

3 “(2) ANNUAL REPORT.—Not later than 1 year  
4 after the date of enactment of this section, and for  
5 each of the 4 succeeding years, the Director of the  
6 Office of Management and Budget shall submit to  
7 Congress a report regarding the implementation of  
8 this section. The first report submitted under this  
9 paragraph shall include the recommendations of the  
10 Director required under subsection (a)(2).

11 “(c) DEFINITIONS.—In this section, the terms ‘In-  
12 dian tribe’ and ‘tribal organization’ have the meanings  
13 given those terms in section 4 of the Indian Self-Deter-  
14 mination and Education Assistance Act (25 U.S.C.  
15 450b).”.

16 **SEC. 4. PLAN FOR ENSURING THE ACCURACY AND COM-**  
17 **PLETENESS OF DEATH DATA MAINTAINED**  
18 **AND DISTRIBUTED BY THE SOCIAL SECURITY**  
19 **ADMINISTRATION.**

20 (a) IN GENERAL.—Not later than 90 days after the  
21 date of enactment of this Act, the Commissioner of Social  
22 Security, in consultation with the Secretary of Commerce,  
23 shall submit to Congress a plan, which shall include the  
24 elements described in subsection (b), to ensure the accu-  
25 racy and completeness of the death data (including data

1 regarding individuals who are not eligible for or receiving  
2 benefits under titles II or XVI of the Social Security Act)  
3 maintained and furnished by the Social Security Adminis-  
4 tration.

5 (b) CONTENT OF PLAN.—The plan required under  
6 subsection (a) shall include the following elements:

7 (1) A procedure for identifying extremely elder-  
8 ly individuals who are still alive according to the  
9 records of the Social Security Administration and  
10 verifying the accuracy of this information.

11 (2) Improved policies and procedures for identi-  
12 fying and correcting erroneous records, including  
13 policies and procedures for—

14 (A) identifying individuals listed as dead  
15 who are actually alive;

16 (B) identifying individuals listed as alive  
17 who are actually dead; and

18 (C) allowing individuals or survivors of de-  
19 ceased individuals to notify the Social Security  
20 Administration of potential errors.

21 (3) Improved policies and procedures to identify  
22 and correct errors in the records of the Numerical  
23 Identification System, and death data.

24 (4) A process for employing statistical analysis  
25 of the death data maintained and distributed by the

1 Social Security Administration to determine an esti-  
2 mate of the number of erroneous records.

3 (5) Recommendations for legislation.

4 (c) IMPLEMENTATION OF PLAN.—Not later than 2  
5 years after the date of enactment of this Act, the Commis-  
6 sioner of Social Security shall implement the plan required  
7 under subsection (a).

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