

## FOLLOW-UP ON THE MANAGEMENT OF SOCIAL SECURITY BENEFITS

**O**n March 23, 2020, service on offices of the National Social Security Institute (INSS) needed to be suspended due to social distancing measures imposed by the government, as a response to the COVID-19 pandemic.

As a result, the government established on March 22, 2020, through Executive Order (MP) 927, the anticipation of the payment of the annual bonus (the 13th month's salary), in order to increase the income of social security beneficiaries during this serious economic moment. Other measures were adopted by Act 13.982, of April 2, 2020, which established the anticipation of US\$110 per month to the applicant for the Continued Payment Benefit (BPC) and the payment of a monthly minimum wage to applicants for the sickness benefit, until the medical report is carried out. In addition, several normative secondary legislations have been established, modifying INSS work routines regarding the update and maintenance of benefits, with the purpose of reducing the risk of being cancelled due to the suspension of in-person service.

As for the anticipation of payment of the annual bonus, the General Social Security Regime (RGPS) paid US\$8.69 billion in April and May 2020, equivalent to the two planned installments. Regarding the BPC and sickness benefits, from April to June 2020, there were 167.2 thousand and 392.8 thousand advance payments, costing US\$52.52 million and US\$81.11 million respectively.

### • WHAT HAS BEEN DONE

Due to the closure of the offices, payments made in advance, and the changes in control routines, the Federal Court of Accounts decided to monitor the management of social security benefits during the pandemic in order to oversee the risk of delay in payments, irregular exclusion of eligible people, and undue payments. To do so, measures taken before the pandemic and related to the number and duration of processing requests and concessions were compared to those observed during the pandemic.

### • WHAT HAS BEEN FOUND

Based on the analysis carried out, the conclusion was that: there was a decrease of 26% on the requests withheld regarding benefits not related to disability and the BPC; there was an increase of 137% on the requests for disability benefits, after the interruption of medical examinations; a large part of requests was on hold for the applicant to take necessary measures, which were to be carried out during the pandemic; there was an increase in the risk of improper payments, since at least 269,200 benefits were no longer withheld after February 2020, due to changes in control routines; and the indicators currently adopted by the INSS do not allow verification of compliance with the 45-day time limit, as defined by law, for making the first payment of the benefit.

### • WHAT HAS BEEN DECIDED

TCU recommended the INSS to adopt measures that enable the monitoring of compliance with Act 8.213/1991 (paragraph 5 of article 41-A), which states that the first payment of the benefit must be made within 45 days after the applicant presents the necessary documentation for its concession.

#### Additional information:

**Decision:** 1.968/2020-TCU-Full Court

**Rapporteur:** Minister Bruno Dantas

**Case:** TC 016.830/2020-2

**Technical department in charge:** Department of External Control - Social Security, Labor and Welfare (SecexPrevidência)