

Representative Payee Training

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The Role of the Representative Payee

A representative payee is an individual or organization that receives Old-Age, Survivors and Disability Insurance (OASDI) or Supplemental Security Income (SSI) benefits for another person (called the beneficiary) who cannot manage, or direct someone else, to manage, his or her money.

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Who are Representative Payees?

Social Security Administration (SSA) usually selects someone living with the beneficiary to be the representative payee. In most cases, someone who knows the beneficiary asks SSA if she or he can be the payee.

Organizations, institutions, or agencies also serve as Representative Payees.

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Appointing a Representative Payee

Never made as a convenience or from a desire to protect a beneficiary, but rather it is a decision based on the beneficiary's capability to manage their SS/SSI benefits.

Narrow inquiry! Disability itself is not criteria for appointing rep payee.

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Who Must Have a Representative Payee (Direct Payment Prohibited)

The following individuals are prohibited from receiving payments directly:

- Legally incompetent beneficiaries; and
- Individuals under age 18.

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Determining Capability – Adult Beneficiaries

Unless direct payment is prohibited, an adult beneficiary is **presumed to be capable** of managing or directing the management of benefits.

The burden is on the SSA to rebut the presumption.

Beneficiary does not need to consent to payee assignment but can challenge

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3 Types of Evidence for Determining Capability

- Court Order
- Medical assessment by a qualified practitioner
- Lay Evidence (input from family and friends about how beneficiary manages personal finances). This is the preferred type of evidence

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Is a Beneficiary's Capability Ever Reevaluated?

Although SSA may have already determined a beneficiary's capability at some point in the past, capability can always be reevaluated.
Includes changing to another rep payee such as family member.

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Process for Reevaluation

Contact Social Security Administration Field Office

Possible Evidence:

- Signed statement by physician or medical officer treating beneficiary
- Any other evidence demonstrating ability to manage own money
- Certified court order showing restoration of competency

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Situations in Which SSA Must Consider Reviewing Capability

If there is an indication that the beneficiary cannot manage or direct the management of his/her benefits.

Pattern of poor spending

Utilities/rent not paid on time etc.

What about leisure spending?

Competency/Capacity

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Duties of the Payee

(20 C.F.R. §§ 404.2035 and 416.635, POMs GN 00502.113)

- Only limited to OASDI/SSI benefits management;
No conservator powers. Payee cannot:
 - Decide where beneficiary lives
 - Consent to medications or medical decisions
- Meeting with the beneficiary on a regular basis to ascertain his/her current and foreseeable needs;
- Using funds to meet the beneficiary's "current needs";

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Duties of the Payee (Cont.)

Conserving and investing benefits not needed for the beneficiary's current needs;

* Can clients request all saved funds? What if client states it's for them to pay the bills themselves?

Keeping detailed and accurate records of how benefits are used in order to provide an accurate report to SSA when requested

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Duties of the Payee (Cont.)

Reporting changes of address and custody;

Acting for the beneficiary on matters relating to the beneficiary's claim;

Example: Reconsideration, waiver, redetermination etc.

Example: Debt recovery/garnishments.

Notifying SSA if the beneficiary no longer needs a payee;

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Duties of the Payee (Cont.)

Report events to the Social Security Administration (SSA) that may affect the individual's entitlement or benefit payment amount;

Report any changes in circumstances that would affect their performance as a representative payee;

Provide SSA an annual Representative Payee Accounting Report to account for benefits spent and invested;

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Duties of the Payee (Cont.)

Return any payments to SSA to which the beneficiary is not entitled;

Return conserved funds to SSA when no longer serving as the representative payee for the beneficiary; and

Be aware of any other income Supplemental Security Income recipients may have and monitor their conserved funds to ensure they do not exceed resource limits.

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Additional Ways The Organizational Payee Can Help The Beneficiary

- Establishing a budget and involving the beneficiary as much as possible by meeting with him/her regularly;
 - Figure out appropriate P&I to meet needs of client.
 - Once funds are designated P&I, Rep Payee cannot control its use or demand provision of receipts... That's why it's important to discuss P&I allocation at the onset.

- What if client asks for all saved funds as P&I disbursements?
- Explaining Social Security and/or SSI payments and the beneficiary's expenses to the beneficiary;
- Ensuring that the beneficiary is aware of current and large retroactive payments;

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The Organizational Payee Can Help The Beneficiary (Cont.)

Helping the beneficiary complete applications for other needed services and cooperating with caseworkers;

Helping the beneficiary file income tax returns;

Recommending an alternate person or agency if they can no longer serve as payee for the beneficiary;

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The Organizational Payee Can Help The Beneficiary (Cont.)

Determine the beneficiary's current needs for day-to-day living and use his/her payments to meet those needs;

Conserve and invest benefits not needed to meet the beneficiary's current needs; and

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Special Purchases Allowed

Improve daily living conditions

- Furniture

- A car (or car payments)

- Home improvements

Major health-related expenses

- Dental care

- Wheelchair

- Rehabilitation expenses

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Special Purchases Allowed (Cont.)

Use the money to arrange for the beneficiary to go to school or get special training; and

Spend some of the money on the beneficiary's recreational activities, such as movies, concerts or magazine subscriptions.

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Personal Needs

- Clothing

- Convenience items

- Health and hygiene items

- Snacks and treats

- Hobby and Craft Items

- Living Area Furnishings

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Fee-for-Service Organizational Payees

- Must be a community based non-profit social service organization (501(c))
- Must be bonded, insured and licensed
- Must serve at least 5 beneficiaries
- Can collect the lesser of either 10% of monthly benefit or \$42/month or \$80/month of drug and alcohol addiction is an issue

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Resources for Advocates

Consult the Program Operations Systems Manuals (POMS), available online at: <https://secure.ssa.gov/apps10/poms.nsf/Home?readform>

POMS is the official manual that Social Security Administration employees use to process claims and make determinations

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Resources for Advocates

Social Security Administration Handbook.

A basic guide to Social Security programs.

https://www.ssa.gov/OP_Home/handbook/handbook.16/handbook-1615.html

Representative Payee Program Information

<https://www.ssa.gov/payee/>