

# **Overview of Representative Payee Program and Reviews by Disability Rights Texas**

November 2018

# What is a Representative Payee?

Social Security's Representative Payee Program provides benefit payment management for beneficiaries who are incapable of managing their Social Security or Supplemental Security Income (SSI) payments.

SSA appoints a suitable representative payee to manage the payments and generally looks for family or friends to serve as payees. However, when friends or family members are not able to serve as payees, they look for qualified organizations.

# Responsibilities of a Representative Payee

It is the Rep Payee's responsibility to first meet the beneficiary's needs of food, shelter, and clothing.

After meeting the beneficiary's basic needs, the payee must conserve any remaining Social Security benefits for the beneficiary's future use.

The primary concern is the beneficiary's best interests.

# History and Numbers

There are approximately **5.7 million** payees managing **\$70 billion** in annual benefits for **8 million** beneficiaries.

**Individuals who need payees are among the most vulnerable beneficiaries SSA serves.**

**In the 1990s – 2000s** Congress updated protections for beneficiaries/recipients and guard against misuse.

- Administrative appeal rights added,
- Criminal background checks of rep payees were required,
- File accessible to local SSA offices of all individuals who had their rep payee certification revoked due, and
- SSA required to reimburse beneficiaries/recipients for misused funds when it fails to monitor or investigate a rep payee and required an annual report to Congress.

# Current Legislation

## Strengthening Protections for Social Security Beneficiaries Act of 2018

- **12/5/17** - was introduced in the House as HR 4547 and the House Ways and Means Committee held 2 Hearings
- **2/5/18** - Passed House 396 – 0
- **3/23/18** - Passes Senate By Unanimous Consent and sent to President
- **4/13/18** - Signed by President and became **Public Law No: 115-165**

# Overview of Law

## TITLE I--STRENGTHENING OVERSIGHT AND BENEFICIARY PROTECTION

- (Sec. 101) This bill requires the Social Security Administration (SSA) to make annual grants to each state's protection and advocacy system for the purpose of conducting reviews of representative payees under the Supplemental Security Income (SSI) program and the Old Age, Survivors, and Disability Insurance (OASDI) program. The SSA must also conduct periodic onsite reviews of individual and organizational payees.
- (Sec. 102) The bill lessens certain monitoring requirements with respect to specified family members who are serving as representative payees.
- (Sec. 103) The SSA must: (1) enter into agreements with each state for the purpose of sharing information to identify represented minor beneficiaries who are in foster care; and (2) determine the appropriate representative payee for any represented minor beneficiary who has entered foster care, exited foster care, or changed foster care placement in a given month.

# Overview of Law

## TITLE I--STRENGTHENING OVERSIGHT AND BENEFICIARY PROTECT

- The Government Accountability Office must report to specified congressional committees on certain issues related to represented minor beneficiaries in foster care.
- (Sec. 104) The bill modifies provisions related to overpayment liability with respect to a represented minor beneficiary in foster care.
- (Sec. 105) The SSA must report to specified congressional committees on certain issues related to representative payment with respect to SSI and OASDI benefits.

# Overview of Law

## TITLE II—IMPROVING PAYEE SELECTION AND QUALITY

- (Sec. 201) The bill provides for advance designation of representative payees.
- (Sec. 202) In general, an individual who has been convicted of a felony, or of an attempt or a conspiracy to commit a felony, may not serve as a representative payee.
- (Sec. 203) An individual who has a representative payee may not also serve as a representative payee.



# Other Provisions

- Formula Grant to All 57 P&A Agencies Based on Number of Beneficiaries in the State/Territory
- \$25 Million Annual Allotment
- \$60,000 Minimum State | \$30,000 Territory
- End Individual Accounting Forms (saving \$70-\$90 million annually)
- Net Saving to SSA \$25-\$30 Million

# P&A Scope of Work

- Individual Payees
- Organizational Payees
- Fee-for-Service Organizations
- Onsite State Mental Institutions
- Quick Response Check – Misuse Not Alleged
- Quick Response Check – Misuse Alleged
- P&A Initiated Reviews
- Plan of Correction
- Educational Visits

# What Does a Rep Payee review involve?

- Interviewing the Representative Payee on their knowledge of Payee service, bookkeeping process, and interaction with beneficiaries.
- Reviewing selected beneficiary financial records for an identified one year time frame to include bank statements, receipts, and all relevant documentation.
- Interviewing beneficiaries one on one regarding their view on receipt of payee services.
- Check on overall well being of the beneficiary and inspect housing.
- Report any abuse or neglect identified.
- Make referrals for assistance if requested to P&A or other community services.

# DRTx Staff Locations

- Austin
- Dallas
- Houston
- Lubbock

General contact information: 512-454-4816 or 800-252-9108

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