

How to Change, Remove or Report a Representative Payee



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About This Booklet

The Social Security Administration (SSA) pays benefits to certain eligible people, called beneficiaries. If someone receiving disability benefits cannot manage, or direct the management of, their SSA benefits, then SSA appoints a representative payee (rep payee) to receive and manage benefits for them. A rep payee can be a person or an organization. This publication is for adult beneficiaries and explains how a beneficiary can ask SSA to change or remove a rep payee and how a beneficiary can report a rep payee for misuse of funds.

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Understanding Representative Payees

What is a rep payee?

A rep payee (short for “representative payee”) is someone chosen by the Social Security Administration (SSA) to help a person who receives Social Security benefits. Rep payees help to budget and spend the person’s Social Security money. How do you know if you have a rep. payee? You are getting monthly benefits called SSI or SSDI, and SSA has chosen someone to handle your benefits payments for you. A rep payee can be a person or an agency. All payees have certain responsibilities and duties.

What is a beneficiary?

A beneficiary is the person who receives Social Security benefits. You are a beneficiary if you receive monthly benefits (money) from Social Security based on a disability.

Why do I have a payee?

You have a payee because Social Security believes you need help managing your money. You should get a written notice from Social Security when they decide to appoint a payee for you. If you disagree about needing a payee, see p. 6.

What does a rep payee do?

Your rep payee must use your SSDI and/or SSI benefits for your needs. Your benefits are paid to the rep payee to be used for you. Your payee is in charge of making sure that your money is used to pay for your most important needs, like rent, water and power, food, clothes, medical and dental costs, and things you use to take care of yourself (like a toothbrush, hairbrush, and soap).

If there is money left after your basic needs are paid for, the payee can use the rest of the money to pay off your bills, pay for fun things you like to do, or give you spending money. Your payee must keep a detailed record of what they do with your benefits and report it to the SSA.

Your payee only manages your money from Social Security. Your payee may only make other decisions for you if they have been appointed by a court to be your legal guardian.

Changing a Rep Payee

Why might I want to change my rep payee?

A person may want to change their rep payee if they find a person or organization that better fits their needs. Or, a person may want to change their payee if they think their payee is misusing their benefits, is not doing a good job, or is not following SSA rep payee rules.

Who may not serve as a rep payee?

A rep payee must meet SSA's qualifications. Generally, a person is not qualified to be a rep payee if the person:

1. has been convicted of a violation of the Social Security Act;
2. has been convicted of an offense resulting in imprisonment for more than one year;
3. receives SSA benefits through a rep payee;
4. previously served as a rep payee and was found by SSA or a court to have misused benefits; or
5. is a 'creditor,' which means the person provides the beneficiary with goods or services in exchange for something, like money.

In certain situations, SSA may allow a creditor to be a rep payee if the person poses no risk to the beneficiary and SSA believes there is no major conflict of interest. And, if the person is:

- a relative living in the same household as the beneficiary;
- the beneficiary's legal guardian or legal representative;
- a facility licensed or certified as a care facility under State or local law;
- a qualified organization authorized to collect a fee for performing rep payee services for the beneficiary;
- an administrator, owner, or employee of the facility where the beneficiary lives, if SSA cannot locate an alternative rep payee; or
- any other individual SSA deems appropriate based on a written determination.

What is the process if I want to request to change my rep payee?

Contact the local SSA office and explain the reasons for wanting to change a rep payee. The SSA office should then make a determination and notify everyone involved. If the beneficiary knows who they want to be their rep payee, the beneficiary should also ask that person to complete the appropriate SSA form.

How does SSA decide whether to change a rep payee?

SSA tries to select the person, agency, organization, or institution that will best serve someone. SSA has provided its employees with guidance about the order of preference for selection of a rep payee. SSA can choose not to strictly follow its order of preference if SSA decides it is in the beneficiary's overall best interest to choose someone lower on the preference list. However, if a beneficiary wants to change their rep payee to an individual higher on the preference list, that may be enough for SSA to approve the change if the individual is otherwise qualified. The following SSA preference list for adults may provide guidance on the likelihood that SSA will grant a request to change a beneficiary's rep payee:

Payee Preference List For Adults

1. A spouse, parent or other relative with custody or who shows strong concern;
2. A legal guardian/conservator with custody or who shows strong concern;
3. A friend with custody;
4. A public or nonprofit agency or institution;
5. A Federal or State institution;
6. A statutory guardian...;
7. A voluntary conservator...;
8. A private, for-profit institution with custody and is licensed under State law;
9. A friend without custody, but who shows strong concern for the beneficiary's well-being, including persons with power of attorney;
10. Anyone not listed above who is qualified and able to act as payee, and who is willing to do so;
11. An organization that charges a fee for its service.

If a beneficiary believes there is a rep payee who is a better fit for their circumstances, the beneficiary should contact the local SSA office regardless of whether the proposed rep payee meets the standards above or is lower on the preference list than the current rep payee is. SSA determines whether to change a rep payee on a case-by-case basis to ensure the beneficiary's best interest is served.

Removing a Rep Payee

This section defines SSA's standard for removal of a rep payee, describes the removal request process, gives tips for making a request and preparing for an interview with SSA, and lays out what evidence SSA considers when determining whether to remove a rep payee.

What is the standard for SSA's removal of a rep payee?

Generally, SSA will remove a rep payee and make direct payment to a beneficiary when the beneficiary demonstrates they are mentally and physically able to manage, or direct the management, of benefit payments.

What is the process for a beneficiary to request removal of a rep payee?

To request removal of a rep payee, a beneficiary should contact their local office and explain their goal. They will need to complete the appropriate SSA form, which will ask the beneficiary to explain why they can handle their own benefits. SSA must consider reviewing a beneficiary's capability of managing funds whenever there is an allegation or indication that they are now capable of managing their SSA benefits. If SSA determines a full review is needed, SSA may interview the beneficiary, interview other knowledgeable people, and review documents to determine whether the beneficiary is capable of managing their own funds.

How can a beneficiary prepare for completing SSA's form requesting removal of a rep payee and for an SSA interview?

If possible, a beneficiary may want to gather the following documents prior to filling out the SSA form requesting removal of a rep payee and prior to any interview:

- A medical professional's signed statement of the beneficiary's capability to manage benefits. If it is not possible to get a statement, a beneficiary may wish to provide the name and contact information for the beneficiary's treating doctor. Signed statements from people who know the beneficiary, like relatives, close friends, and landlords, describing the beneficiary's ability to manage funds and meet daily needs.

A beneficiary may want to be prepared to answer questions or offer information about:

- The beneficiary's finances, such as how much money the beneficiary receives, the source of the money, and the amounts of the beneficiary's other living expenses;
- Information about the beneficiary's bank account;
- Any bills the beneficiary pays on their own;
- Where the beneficiary has lived for the past few years;

- The beneficiary's diet, nutrition, and grocery buying habits;
- The beneficiary's ability to meet their medical needs;
- Any friends, relatives, or community organizations that help the beneficiary; and
- Whether people borrow money from the beneficiary without repaying it or whether people have lived with the beneficiary without paying rent. (If the beneficiary allows people to take advantage of their income, it will likely reflect poorly on the beneficiary's capability to receive direct payment.)

How does SSA decide whether to remove a rep payee?

SSA should review any evidence that can help SSA understand a beneficiary's ability to manage or direct the management of their funds. This is called a capability determination. SSA looks at legal, medical, and lay evidence to determine capability. These types of evidence are described below.

Legal Evidence

In terms of legal evidence, if a court has declared a beneficiary legally incompetent to manage their own finances, the beneficiary must have a rep payee. If a beneficiary who has been found legally incompetent requests direct payment of benefits, SSA must get evidence showing the beneficiary is now competent. If SSA cannot get this evidence, the beneficiary must continue to have a rep payee.

Medical Evidence

Medical evidence is evidence from a doctor, psychologist, or other qualified medical practitioner that helps SSA determine whether a beneficiary is able to manage or direct the management of their funds. Medical evidence is usually a signed opinion by a qualified medical practitioner who conducted an examination of a beneficiary. Medical evidence used in determining capability must be up to date; generally, this means it is based on an examination within the last year. Medical evidence is very important to SSA, but is not the only factor considered.

Lay Evidence

Unless there is evidence of legal incompetence, SSA must obtain and consider lay evidence to determine capability. This is true even if there is medical evidence of incapability in the file. Some examples of lay evidence are:

- SSA's observations during a face-to-face interview of the beneficiary's behavior, reasoning ability, and how the beneficiary functions with others;

- Signed statements from, or contact with, knowledgeable sources (such as relatives, close friends, neighbors, or landlords) describing the beneficiary's ability to manage funds and meet daily needs;
- The beneficiary's ability to explain how they are able to manage their own money. If a beneficiary can state the amount of money received monthly, the source of the money, the amount of their rent or mortgage payment, the amount spent on groceries and other similar costs, SSA guidelines presume capability of the beneficiary to manage their benefits. The beneficiary is also capable if they direct someone else to manage their benefits.

There is no set formula for determining if a beneficiary is capable of receiving direct payment of their SSA benefits. SSA will look at the evidence described above to make a determination on a case-by-case basis.

Reporting a Rep Payee's Misuse of Funds

This section provides guidance on how to recognize a rep payee's misuse of SSA funds and how to report a rep payee for misuse of funds.

How can a beneficiary recognize a rep payee's misuse of funds?

Rep payees may not:

- Use a beneficiary's funds for the rep payee's own personal expenses or spend funds in a way that would leave the beneficiary without necessary items or services (housing, food, and medical care);
- Put a beneficiary's SSA funds in the rep payee's or another person's account;
- Keep conserved funds once they are no longer a rep payee for the beneficiary;
- Charge the beneficiary for services unless authorized by SSA to do so.

If a beneficiary believes that their rep payee has acted in any of these ways, the beneficiary can report an allegation of misuse.

How does a beneficiary report a rep payee's misuse of funds?

Anyone can report a rep payee's misuse of funds by filing a report with the SSA Office of the Inspector General:

- Online: https://www.ssa.gov/fraudreport/oig/public_fraud_reporting/form.htm
- U.S. Mail: Social Security Fraud Hotline
PO Box 17785
Baltimore, MD 21235
- Telephone: 800.269.0271 from 10:00 AM to 4:00 PM Eastern Time
- TTY: 866.501.2101
- FAX: 410.597.0118

When reporting a violation, provide as much information as possible about the rep payee's suspected misuse, including:

- Name of rep payee and the beneficiary;
- Social Security Number of the rep payee and the beneficiary;
- Date of birth of the rep payee and the beneficiary; and
- Details regarding the allegation such as when, how, and where the misuse happened.

Where can a person get more information about this process?

For more information about reporting misuse, contact your local SSA office or visit the SSA Office of the Inspector General's website: <https://oig.ssa.gov/what-abuse-fraud-and-waste/misuse-benefits-representative-payee>.