# WHO CONTROLS THE MONEY

UNDERSTANDING THE ROLE OF REPRESENTATIVE PAYEES AND ORGANIZATIONAL PAYEES

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## Who's here today?

## REPRESENTATIVE PAYES

HOW THEY ARE APPOINTED &
THEIR BASIC RESPONSIBILITIES

#### WHAT IS A REPRESENTATIVE PAYEE?

- A representative payee is a person, agency, organization or institution selected to receive and manage benefits on behalf of an incapable or legally incompetent beneficiary.
- An organizational representative payee is a business, company or the like, and includes a social service agency, state or local government agency, or a financial organization that manages benefits on behalf of an incapable beneficiary.

## HOW AND WHY IS A REP PAYEE APPOINTED?

- Social Security Administration (SSA) selects a payee when someone is not able to manage or direct the management of their finances because of their age, or a mental or physical impairment.
- Representative payees are not appointed as a convenience. SSA will never appoint a representative payee solely for a beneficiary's convenience or their personal preference.

### WHO SERVES AS THE REPRESENTATIVE PAYEE?

- SSA looks first to relatives or close friends when looking for a representative payee.
- If they are not available, SSA looks to other community sources and organizations.
- Some organizational payees offer their services voluntarily.
- In certain cases, SSA may allow organizational payees to charge a fee to provide payee services.
   SSA has special Fee for Service (FFS) rules that apply.



#### REPRESENTATIVE PAYEES MUST:

- Use his or her payments to meet the beneficiary's needs, including
  - Food
  - Clothing
  - Shelter
  - Medical expenses
  - Personal items







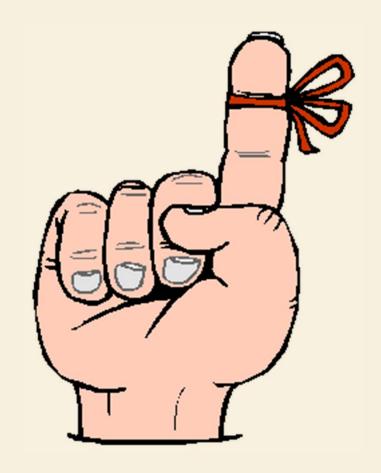




Once these needs have been met, payees may use the remaining funds for the beneficiary's personal comfort items, recreation and miscellaneous expenses.

## REPRESENTATIVE PAYEES MUST:

- Conserve any money left over after meeting the beneficiary's current needs
- Keep financial records for the beneficiary
- Report any event that may affect the beneficiary's entitlement to benefits or payment amount such as a return to work
- Notify SSA of changes in the person's condition or the payee's ability to perform their duties
- Submit reports to SSA, as requested, of how benefits were spent or conserved



### BEING A PAYEE DOES NOT GIVE THE AUTHORITY TO:

- Manage the beneficiary's non-social security income
- Use the beneficiary's Social Security or SSI benefits for anything other than the beneficiary's needs
- Spend the beneficiary's Social Security or SSI funds in a way that would leave him or her without necessary items or services (housing, food, clothing, medical care)
- Make medical decisions for the beneficiary
- Deposit the beneficiary's benefits into the payee's personal account
- And other limitations defined by SSA



## MYTHBUSTING

 If the person has a representative payee, the payee is legally responsible for managing benefits the person receives.

#### **MYTH:**

The ISP team has final say over what the person can spend their money on.



 If you observe any misuse of a person's benefits, report it to Social Security.

#### **MYTH:**

If the person's room and board doesn't get paid, nothing can be done about it.



- The representative payee must use good judgement and follow the spending priorities established by SSA.
- Once current needs are met, remaining money may be spent on the person's priorities.

#### **MYTH:**

It's okay for payees to make values-based decisions about how the person spends their **money**.



- The payee must report if the person starts or stops working.
- The beneficiary is responsible to report any wages or selfemployment income to SSA.
- A Financial Plan can help the team think through and record who is responsible to report income.

#### **MYTH:**

Reporting outside income is always done by the representative payee.



• SSA can re-determine the need for a payee if circumstances change in the person's life.

#### **MYTH:**

Once a representative payee is assigned, the person will always have one.



- SSA determines if a beneficiary needs a representative payee.
- A person making a bad decision about spending money doesn't automatically result in a payee being appointed.

#### **MYTH:**

Everyone who is eligible for I/DD services needs a representative payee.



# WHAT TO DO WHEN YOU SUSPECT PROBLEMS

**HOW TO REPORT SUSPECTED FRAUD** 

## TO REPORT SUSPECTED FRAUD

- Report online at <a href="https://oig.ssa.gov/report">https://oig.ssa.gov/report</a>
- Report by calling your local Social Security branch or I-800-269-027 I



## RESOURCES

#### **MORE RESOURCES**

www.OregonISP.org/financial-supports

Social Security Administration <a href="https://www.ssa.gov">www.ssa.gov</a>



PLEASE COMPLETE YOUR EVALUATION FORM