

Representative Payee

Quick Look: A representative payee, commonly known as a rep payee, is someone, usually a family member or friend, who will manage your Social Security benefits if you are unable to manage them on your own. Your representative payee will set up and maintain a bank account for the money you receive each month from Social Security, manage your deposits, and withdraw any money you need to pay bills or other expenses. With your permission, they can communicate with the bank or with Social Security on your behalf. They will also keep a monthly record of your deposits and expenses for Social Security, which may help maintain your eligibility for other supports.

Who Can Be a Representative Payee?

A representative payee can be a trusted individual, relative, friend, guardian, an unrelated volunteer, or an organization that has been certified by the Social Security Administration (SSA). If you do not have an individual that you feel comfortable appointing as your payee, a certified organization can also act as a payee for you. These organizations can include non-profit programs, community-based for-profit programs, social service agencies, financial agencies (such as a banks), or local, state, or federal programs.

Social Security does not allow an individual representative payee to charge you a fee for their service. Sometimes, however, an organization serving as a representative payee can charge a monthly fee if Social Security has certified the organization and says this fee-for-service arrangement is acceptable. These fees are typically capped at 10% of your total benefits but can vary on your individual situation.

What Are the Expectations of a Representative Payee?

Your representative payee receives SSDI, SSI, or other Social Security benefit payments on your behalf and protects your financial interests.

The payee responsibilities and duties are to:

- Meet regularly with you to understand your needs.
- Use and conserve funds in your interest.
- Keep detailed records of benefit usage and complete the online accounting form yearly.
- Cooperate with eligibility redeterminations and act on your behalf with Social Security.

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- Report address, custody, and any other changes or events that may impact entitlement.
- Return benefits that may have been overpaid to you.
- Report changes in circumstances that would impact their performance as your payee.
- Report if a payee is no longer needed and return unused benefits when service is terminated.

In general, a payee should use your Social Security funds for housing, food, and healthcare that isn't already covered by insurance. Once those needs are met, the representative payee can also use the money to help you pay for bills, clothing, and entertainment, or they can transfer extra funds to an appropriate savings account, like an ABLE account or a trust. A representative payee can also work with you to establish a budget, help you understand financial decisions, help you find other support services (food stamps, housing subsidies, medical treatment, etc.), or advocate for you financially when necessary.

How Can a Representative Payee Be Appointed?

Social Security always first assumes beneficiaries, like yourself, can manage their own benefits. However, if there is a question about your ability to manage your own benefits, either from yourself or another concerned party, a capability determination can be requested. In certain instances, such as an adult judged legally incompetent or an individual under the age of fifteen, Social Security requires a payee, and the presumption of capability does not apply. If possible, you should have the opportunity to select your representative payee since you can provide essential information on your expenses and your day-to-day living supports needs.

Once a representative payee is selected, they should:

- Discuss the payee process with you to be sure you understand and agree with it;
- Complete the payee application (SSA-11);
- Gather supporting legal, medical, or other documentation indicating why you would need a representative payee.

Once these items are submitted to SSA, you and the representative payee applicant and the beneficiary will be contacted for an interview. Social Security will review the submitted information and decide if you should have a representative payee and if the person or organization you've selected is appropriate.

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Note that individuals may not serve as a representative payee if:

- convicted of a violation under section 208, 811, or 1632 of the Social Security Act;
- convicted of an offense resulting in imprisonment for more than one year;
- they receive SSA benefits through a representative payee; or
- they have been convicted of misusing benefits.

Appeals for these restrictions can be submitted to Social Security if both you and the potential representative payee believe the chosen representative poses no risk to you and the exception is in your best interest.

How To Change Representative Payees

If you believe it is necessary to change your representative payee, you will need to notify the current payee first. Both you and the current representative payee must contact Social Security and explain why you are requesting a change. The new payee will need to complete the payee application (SSA-11) and submit it to Social Security. If you believe you are no longer in need of a representative payee, you'll need to show Social Security that you are now mentally and physically able to handle your own money. You can submit:

- a doctor's statement of a change to your condition and ability to care for yourself,
- an official copy of a court order stating that you can care for yourself, or
- other evidence that shows a change in your ability to care for yourself.

Note: If SSA believes your condition has improved to the point that you no longer need a payee, they may also reevaluate your eligibility for disability payments.

Source: www.ssa.gov. Reviewed by the Center on Community Living and Careers.

**For more information, contact the
Indiana Benefits Information Network
812-855-6508 | www.iidc.indiana.edu/cclc**

**Indiana's Work Incentive Planning and Assistance Program
North/Central: 855-641-8382 | Southern: 502-548-4492**