

Issues in the Representative Payee Program for Older Adults

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JUSTICE IN AGING

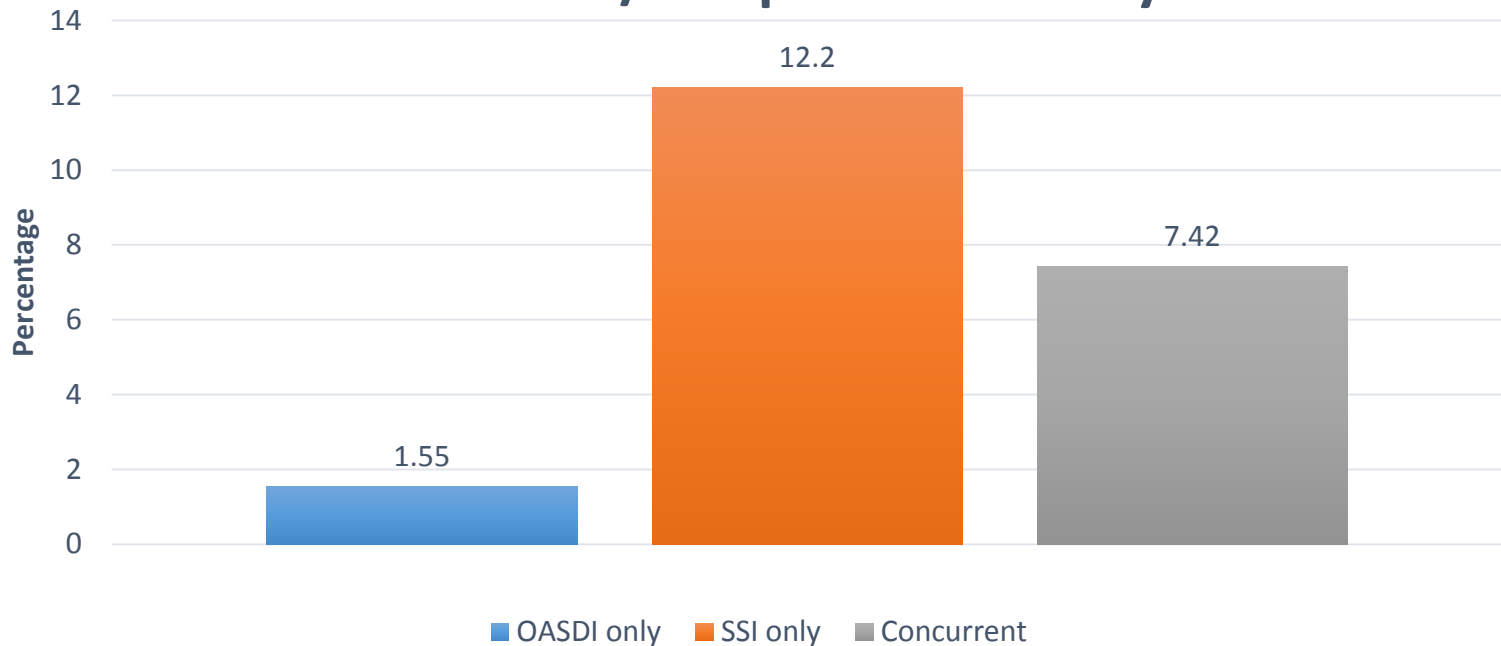
FIGHTING SENIOR POVERTY THROUGH LAW

Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we've focused our efforts primarily on populations that have traditionally lacked legal protection such as women, people of color, LGBT individuals, and people with limited English proficiency.

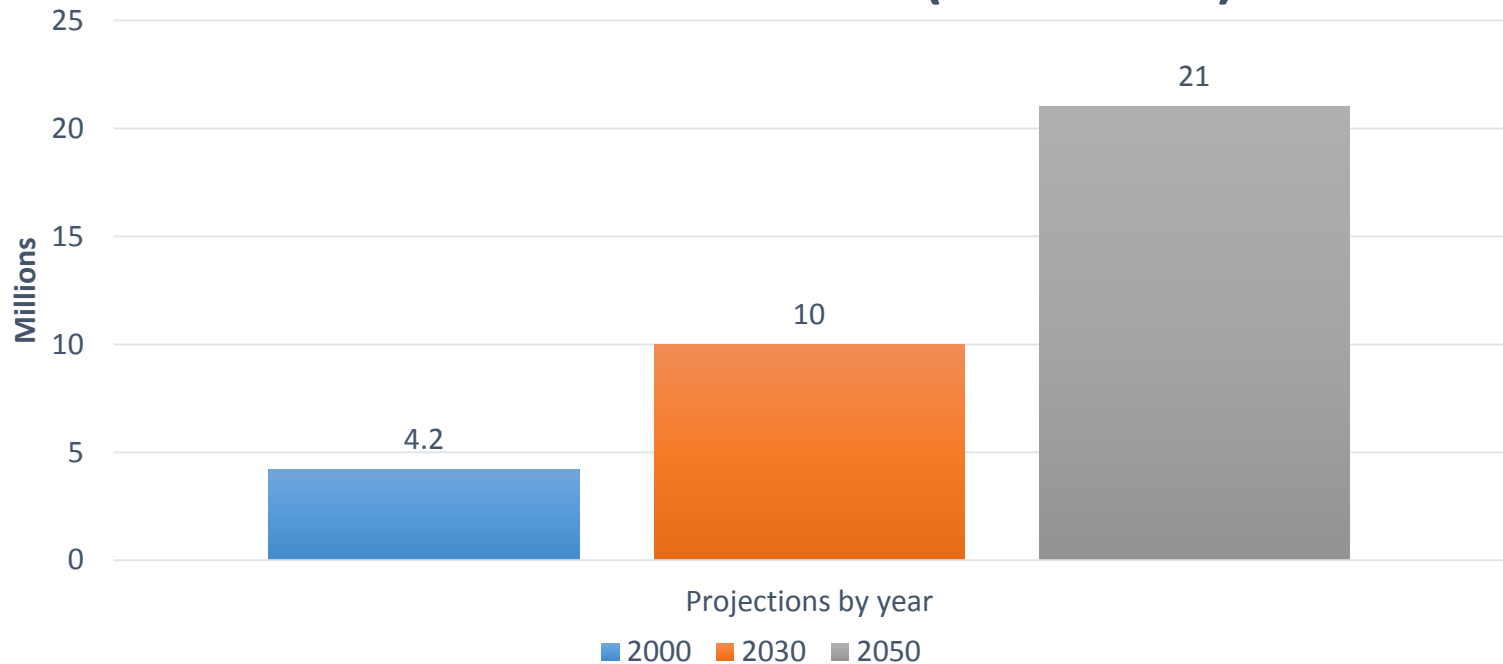
Older Adults (Age 65+) with a Payee (Dec 2016)

Beneficiaries/Recipients with Payee



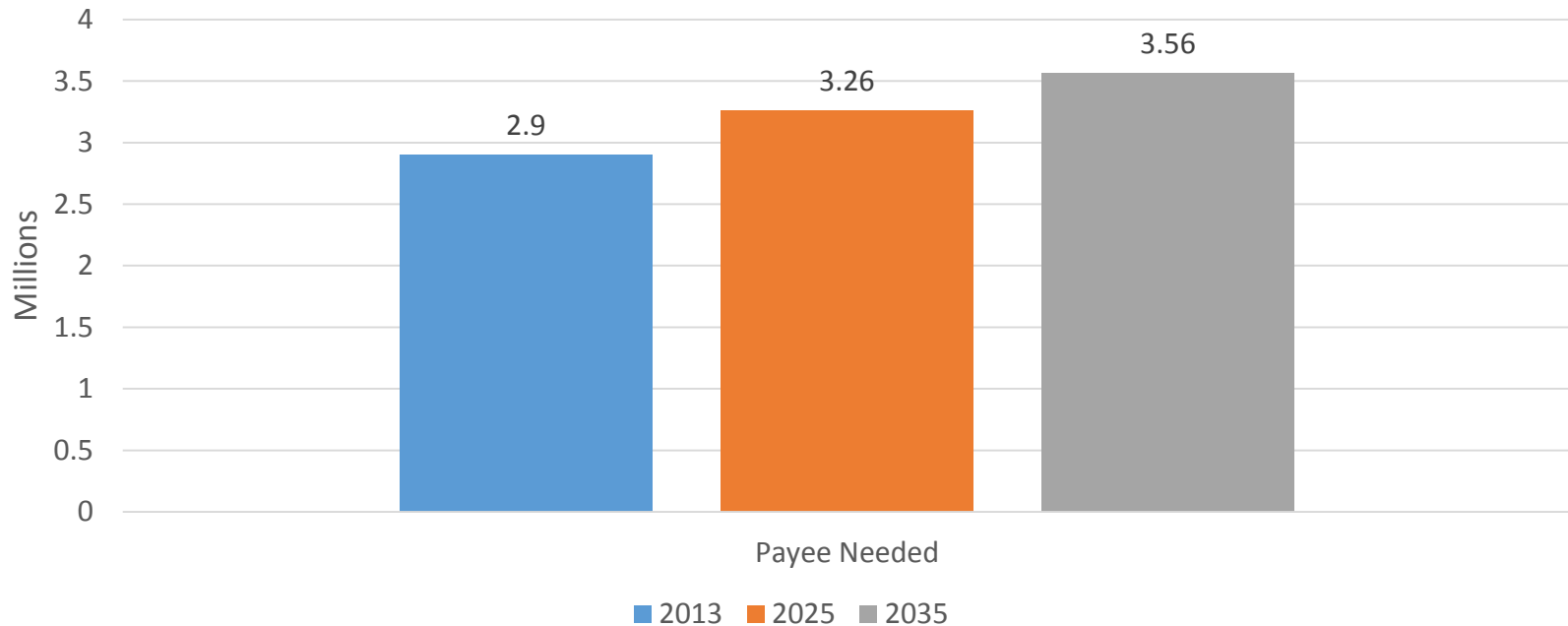
Social Security Demographics

Beneficiaries 85 & older (in millions)

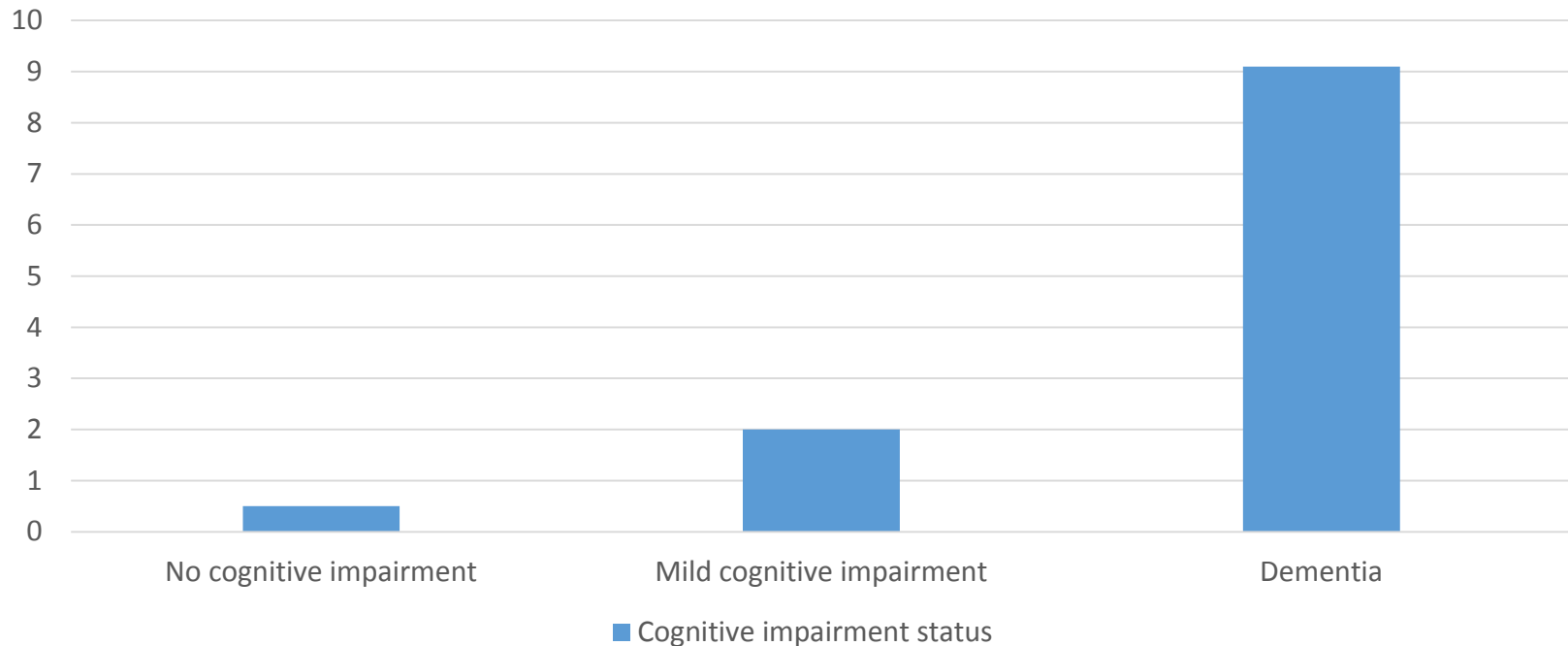


Social Security Demographics

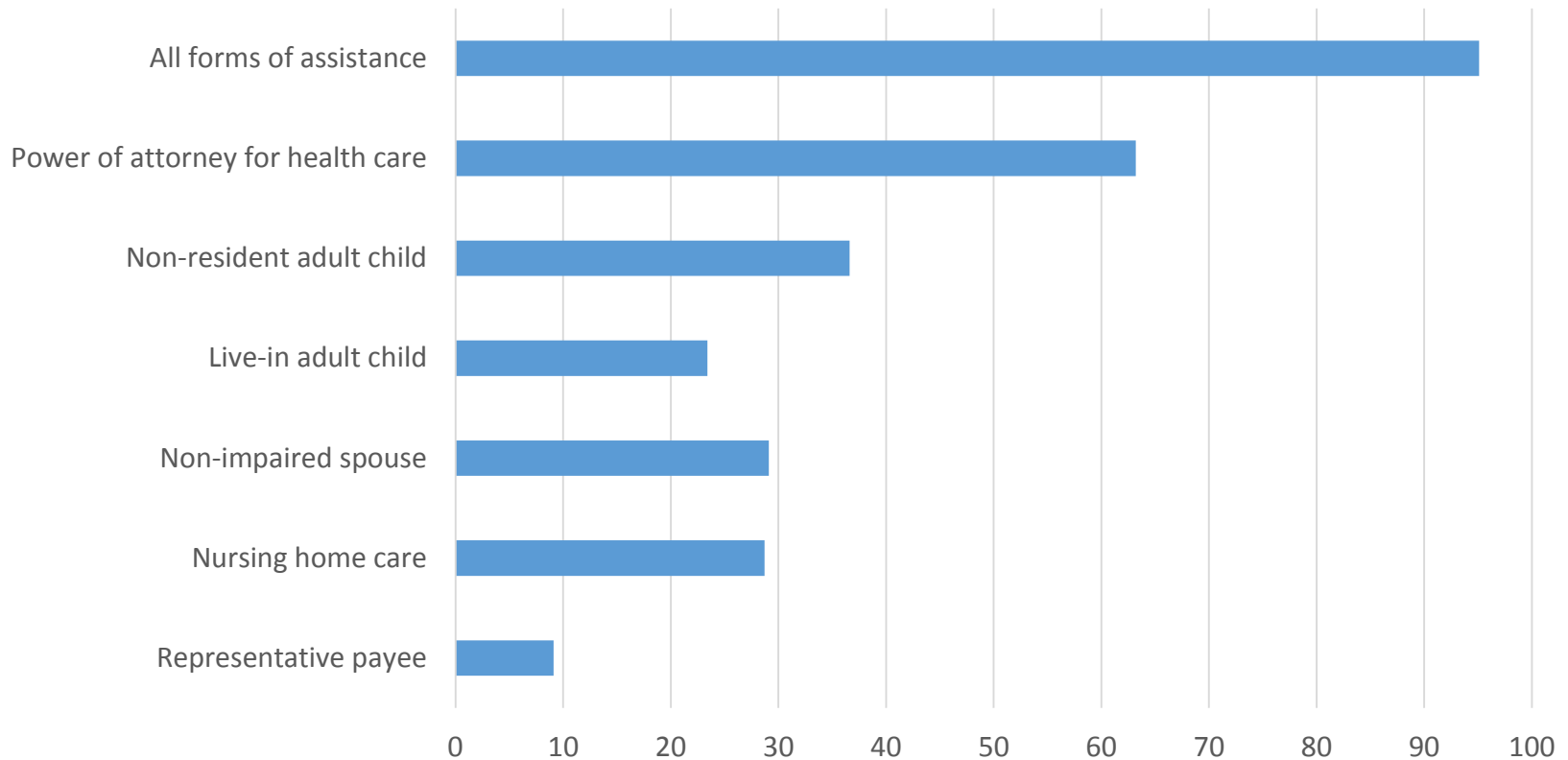
Payees for Older Adults (in millions)



Percentage of Households Ages 70+ with Payee

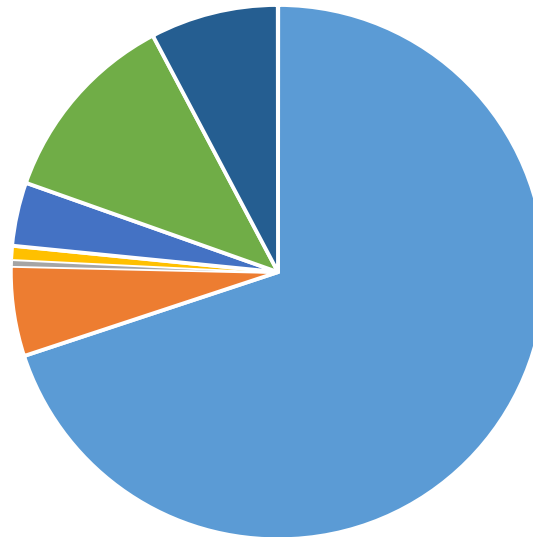


Sources of Financial Assistance for Individuals with Dementia



Relationship to Payee for All Adults

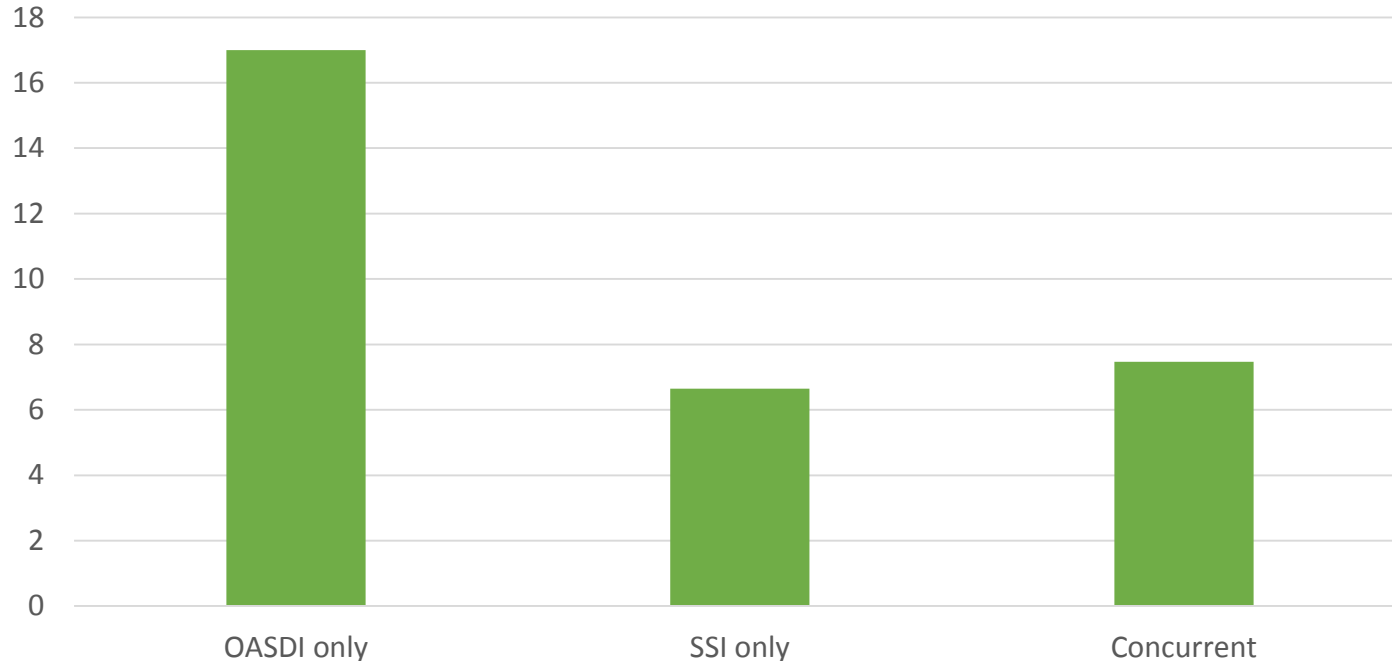
Relationship



- Family member
- Social agency
- Financial organization
- Public official
- Mental health institution
- Non-mental health institution
- Other

All Adults with Non-Mental Health Institution as Payee

Percentage of all adults with a representative payee



Institutional Payees

- Federal
 - State and Local
 - Private, For-Profit
 - Non-profit
-
- Mental
 - Non-mental

POMS GN 00501.013(A)(2)

Creditors as Payees

- Creditor provides the beneficiary with goods or services for monetary consideration.
- Some examples of a creditor payee may be:
 - Nursing Homes
 - Assisted Living Facilities
 - Group Homes
 - Legal Guardian

Creditors as Payees

“Do not select a creditor payee applicant unless the applicant is the most suitable *and* is . . . a facility that is licensed or certified as a care facility under the laws of the state or a political subdivision of a state.”

POMS GN 00502.135

20 C.F.R. § 404.2022

Special procedure SSA should be following when screening institution applying to be payee

POMS GN 00502.160

Creditors as Payees

- Conflicts of interest
- Representative payment should not be a convenience for the payee
- Resident's right to manage own financial affairs, as part of right to self-determination

42 C.F.R. § 483.10 (f)(10)

Trouble Transferring Facilities or Transitioning Home

- Difficulty transferring to new facility
- Difficulty moving back into the community
(*Olmstead*)

Requiring Residents to Have Creditor as Payee

- Provision in admissions contract
- Pressure on prospective resident
- Change from family member serving as payee to facility serving as payee

Confusion over Personal Needs Allowance

- Only released to beneficiary
- If beneficiary owes facility, money accrued in PNA account should be used to pay debt
- Difficulty accessing funds for out-of-pocket medical expenses

Creditors as Payees - Recommendations

- Need to be identified/tracked, with additional monitoring
- Prohibit requirements that institution be appointed payee for admission
- Require disclosures to beneficiaries and family members prior to appointment

Resources

- [Skilled Nursing Facilities and Other Creditors Acting as Representative Payees](#) (issue brief, January 2018)
- [Nursing Homes](#)

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