

ADVISORY

FROM THE COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON SOCIAL SECURITY

FOR IMMEDIATE RELEASE

CONTACT: (202) 225-9263

May 29, 2013

No. SS-06

Chairman Johnson Announces Hearing on How Social Security Protects the Benefits of Those Who Cannot Protect Themselves

U.S. Congressman Sam Johnson (R-TX), Chairman of the House Committee on Ways and Means Subcommittee on Social Security, today announced an oversight hearing on the Social Security Administration's (SSA) representative payee program. This hearing will focus on the management challenges of the representative payee program and the agency's plans for the future, given the aging of the baby boom generation. The hearing will take place on Wednesday, June 5, 2013, in B-318 Rayburn House Office Building beginning at 10 am.

In view of the limited time available to hear witnesses, oral testimony at this hearing will be from invited witnesses only. However, any individual or organization not scheduled for an oral appearance may submit a written statement for consideration by the Subcommittee and for inclusion in the printed record of the hearing.

BACKGROUND

The SSA appoints a representative payee when a Social Security or Supplemental Security Income beneficiary is either under the age of 15 or unable to manage or direct the management of his or her benefits. When appointing a representative payee, the SSA seeks wherever possible to identify an individual such as a family member, friend, legal guardian, conservator, or any person who shows strong concern for the beneficiary. Approximately 85 percent of representative payees are family members, primarily parents or spouses. In the event an individual payee is not available, the SSA looks for qualified organizations, such as social service agencies, residential homes or institutions, or State or local government agencies to serve as an organizational payee.

About 15 percent of Social Security beneficiaries currently have their benefits managed by a representative payee. In fiscal year 2012, there were approximately 5.9 million representative payees, managing about \$72 billion annually for approximately 8.4 million beneficiaries. Over half the beneficiaries with representative payees are minor children. Consistent with the growth in the overall number of Social Security beneficiaries, the need for representative payees has grown nearly 20 percent in the past decade and is expected to continue to grow as the population ages.

Representative payees are responsible for managing benefits to meet the beneficiary's current needs, maintaining accurate records of benefits received and spent, and notifying the SSA of any changes that would impact a beneficiary's eligibility. With the exception of State psychiatric institutions, the SSA requires all representative payees to keep records and file an annual accounting report showing how benefits were used. The SSA is responsible for monitoring payees' use of benefits; identifying and addressing misuse of benefits; and, if necessary, appointing a replacement payee.

Members of the Committee on Ways and Means requested a Government Accountability Office report on the effectiveness of the representative payee program after four mentally disabled beneficiaries were found locked in a basement in Philadelphia, as part of an alleged Social Security fraud scheme by their representative payee and others. The report will be released at the hearing.

In announcing the hearing, Subcommittee Chairman Sam Johnson (R-TX) stated, **“The unacceptable Philadelphia abuse case underscores the serious challenges facing the representative payee program. This hearing seeks to put a magnifying glass on Social Security’s management of this program and the critical need for Social Security to adequately protect those who cannot protect themselves.”**

FOCUS OF THE HEARING

The hearing will focus on the challenges facing the administration and oversight of Social Security's representative payee program and how Social Security is planning for the increasing demands facing the program as baby boomers age.

DETAILS FOR SUBMISSION OF WRITTEN COMMENTS:

Please Note: Any person(s) and/or organization(s) wishing to submit for the hearing record must follow the appropriate link on the hearing page of the Committee website and complete the informational forms. From the Committee homepage, <http://waysandmeans.house.gov>, select “Hearings.” Select the hearing for which you would like to submit, and click on the link entitled, “Click here to provide a submission for the record.” Once you have followed the online instructions, submit all requested information. ATTACH your submission as a Word or WordPerfect document, in compliance with the formatting requirements listed below, **by the close of business on Wednesday, June 19, 2013**. Finally, please note that due to the change in House mail policy, the U.S. Capitol Police will refuse sealed-package deliveries to all House Office Buildings. For questions, or if you encounter technical problems, please call (202) 225-1721 or (202) 225-3625.

FORMATTING REQUIREMENTS:

The Committee relies on electronic submissions for printing the official hearing record. As always, submissions will be included in the record according to the discretion of the Committee. The Committee will not alter the content of your submission, but we reserve the right to format it according to our guidelines. Any submission provided to the Committee by a witness, any supplementary materials submitted for the printed record, and any written comments in response to a request for written comments must conform to the guidelines listed

below. Any submission or supplementary item not in compliance with these guidelines will not be printed, but will be maintained in the Committee files for review and use by the Committee.

1. All submissions and supplementary materials must be provided in Word or WordPerfect format and MUST NOT exceed a total of 10 pages, including attachments. Witnesses and submitters are advised that the Committee relies on electronic submissions for printing the official hearing record.
2. Copies of whole documents submitted as exhibit material will not be accepted for printing. Instead, exhibit material should be referenced and quoted or paraphrased. All exhibit material not meeting these specifications will be maintained in the Committee files for review and use by the Committee.
3. All submissions must include a list of all clients, persons and/or organizations on whose behalf the witness appears. A supplemental sheet must accompany each submission listing the name, company, address, telephone, and fax numbers of each witness.

The Committee seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202-225-1721 or 202-226-3411 TTD/TTY in advance of the event (four business days' notice is requested). Questions with regard to special accommodation needs in general (including availability of Committee materials in alternative formats) may be directed to the Committee as noted above.

Note: All Committee advisories and news releases are available on the World Wide Web at <http://www.waysandmeans.house.gov/>.