WAYS AND MEANS

Strengthening Protections for Social Security Beneficiaries Act of 2017 (H.R. 4547)

Section-by-Section Summary

Section 1: Short Title – Strengthening Protections for Social Security Beneficiaries Act of 2017

Title I – Strengthening Oversight and Beneficiary Protection

Section 101: Stronger Monitoring of Representative Payees
The Social Security Administration (SSA) would be required to make annual grants to the Protection and Advocacy system (P&A) of each state, which would conduct all performance and monitoring reviews of representative payees for Social Security beneficiaries or Supplemental Security Income (SSI) recipients on behalf of the SSA. Such reviews of organizational and individual payees would include statutorily-required onsite reviews (including a new requirement to ensure that every fee-for-service payee is statutorily subject to review), payees selected for review on the basis of risk factors for misuse, and payees identified by either the SSA or the P&As as raising concerns about suitability or performance. In addition, the P&As would conduct educational visits for new fee-for-service payee organizations, issue corrective action plans for payees not in compliance with the SSA's requirements, and refer beneficiaries to other programs and services as warranted. The SSA would retain responsibility for determining misuse of benefits by a payee. The provision establishes a minimum total amount for the grants of $25,000,000 (indexed for inflation), which will support a higher number of reviews. Grant funds would be distributed according to how many beneficiaries with representative payees reside in the state, with a minimum for smaller states, to ensure a viable review program. The SSA would also issue an annual grant to a highly-qualified national disability association to provide training and other support for the review program to the SSA and the P&As. The grants to P&As would begin August 1, 2018; the national training and support grant would begin May 1, 2018.

Section 102: Reducing the Burden on Families
Representative payees who are parents or legal guardians living with their child, parents living with an adult child who has a disability, or spouses, would no longer be required to file an annual report accounting for how they spend the Social Security or SSI benefits. Family payees would still be legally required to use the benefits on behalf of the beneficiary and would continue to be part of the overall monitoring review program in Section 101. The provision would take effect upon enactment.

Section 103: Protecting Beneficiaries through Information Sharing
The SSA would be required to enter into monthly data exchanges with state foster care programs to identify when a child receiving Social Security benefits has entered or exited foster care, or changed foster care placement, and the SSA would be required to redetermine the appropriate representative payee when a change in placement occurred. Additionally, the Government Accountability Office would be required to produce a report on minor beneficiaries in foster care and their representative payees. The provision would

be effective 1 year after the date of enactment, and the report would be due 3 years after enactment.

The SSA would also study and test the administrative feasibility of improving information-sharing with Adult Protective Services agencies, in order to identify changes in the capability of beneficiaries and to improve the SSA's monitoring of payees. The study must be completed and a report submitted by June 30, 2022.

In addition, the SSA would enter into an agreement with the Administrative Conference of the United States to study potential information-sharing between the SSA and state courts, who appoint guardians, and related agencies, including a review of statutory barriers, implementation challenges, and risk factors related to information sharing. The study would be due June 30, 2020.

Section 104: Clarifying Overpayment Liability for Child in Child Welfare System
When a Social Security beneficiary or SSI recipient is overpaid while in foster care, and the state foster care agency is the payee, the beneficiary or recipient would not be liable for the overpayment; instead, the state foster care agency would be required to repay the SSA for the overpayment it received. This provision would apply to overpayments made on or after the date of enactment, as well as any overpayments that have not been recovered as of the date of enactment.

Section 105: Reports
The SSA's annual report on representative payee reviews and misuse of benefits would be broadened to include additional information about the disposition of misuse cases, along with the amount of misused benefits, the amount of benefits repaid by the SSA, and the recovery of misused benefit by the SSA. The SSA would also be required to prepare two one-time reports: on the provision to eliminate the annual accounting form for certain family members (Section 102), and on the advance designation provision (Section 201). The two reports would be due January 1, 2021 and January 1, 2025, respectively.

Title II – Improving Payee Selection and Quality

Section 201: Advance Designation of Representative Payees
Individuals who apply for or are receiving Social Security or SSI benefits would be permitted to designate one or more other individuals to serve as a representative payee, in the event it becomes necessary to appoint one. Should the SSA later determine that the beneficiary has become incapable of managing their benefits, the SSA would then evaluate and appoint the designated individual as representative payee, unless there was good cause not to select this individual. The provision would become effective 2 years after the date of enactment.

Section 202: Prohibition on Individuals Convicted of Certain Crimes Serving as Representative Payees
Individuals convicted of committing, attempting, or conspiring to commit any of twelve felonies under either Federal or State law would be barred from serving as a representative payee. However, the SSA would be authorized to grant an exemption from the criminal bar for certain family members if it is determined such an exemption is in the best interest of the beneficiary. The barred felonies are:

- Human trafficking
- False imprisonment
- Kidnapping
- Rape and sexual assault

- First-degree homicide
- Robbery
- Fraud to obtain government assistance
- Fraud by scheme
- Theft of government funds or property
- Abuse or neglect
- Forgery
- Identify theft or identity fraud

The SSA would also be required to recheck all payees for felony convictions at least once every five years. The provision would be effective for representative payees appointed on or after January 1, 2019. In addition, the SSA would be required to remove existing representative payees who are prohibited from serving due to a listed felony not later than January 1, 2024.

Section 203: Prohibition on Individuals with Representative Payees Serving as Representative Payees

An individual with a representative payee would be prohibited from serving as a representative payee for another Social Security beneficiary or SSI recipient. The provision would be effective for payees appointed on or after January 1, 2019; and as soon as possible but no later than January 1, 2024 for existing payees.

Section 204: Reassessment of Payee Selection and Replacement Policies

The SSA would be required to conduct a review and reassessment, with an opportunity for public comment, of the appropriateness of the order of preference it uses for selecting representative payees. The review would also extend to the SSA's practices for determining when to change a representative payee, especially in cases where the change is from a payee that is higher on the preference list (such as a family member), to a payee that is lower on the preference list (such as a creditor of a beneficiary); or where a request to change a payee originates from someone other than the beneficiary. The report would be due 18 months after enactment.