

Report Summary

Social Security Administration Office of the Inspector General

June 2009



Objective

To provide information related to the Social Security Administration's (SSA) oversight of its representative payees. Specifically, our objective was to provide the information requested by Senator Charles E. Grassley.

Background

In a March 2009 letter, Senator Grassley wrote "As evidenced by recent media reports on SSA beneficiaries with representative payees, individuals with mental impairments can fall prey to mistreatment from others." The Senator cited an article highlighting a situation where a Texas-based business "...paid mentally disabled men a pittance to work for an Iowa meat processing plant." After learning of this situation, Senator Grassley indicated the need to ensure SSA exerts adequate oversight of, and has the commitment to continuously improve its management of, representative payees.

To view the full report, visit <http://www.ssa.gov/oig/ADO/BEPDF/A-13-09-29141.pdf>

Congressional Response Report: The Social Security Administration's Oversight of Representative Payees (A-13-09-29141)

Our Findings

Senator Grassley requested and we provided the following information regarding SSA's oversight of its representative payees.

- Unimplemented recommendations from prior Office of the Inspector General representative payee audits and evaluations.
- Unimplemented recommendations made by the National Academies in its 2007 report on representative payees.
- Representative payees serving as a job placement or job referral service.
- Representative payees serving as employers to the beneficiaries they represent.

Conclusions

We believe representative payees that also serve as job placement services, job referral services, or employers to the beneficiaries they represent should be adequately monitored. Based on our analysis of information recorded in SSA's information systems, there may be a significant number of payees providing job placement or job referral services to the beneficiaries they represent. In addition, the Agency reported it has 2,500 payees serving as employers to 30,000 beneficiaries.

Our analysis of SSA's electronic data identified 3,565 organizations and 113 individual payees who may serve as job placement/referral services or employers for the beneficiaries in their care. To determine whether these payee-beneficiary relationships place beneficiaries at added risk, we will randomly select 50 of these payees for site visits to the beneficiaries' homes and places of work. We will disclose the results of our review in a separate report once our site visits are completed.