

Representative Payees Residing in Foreign Countries or U.S. Territories Who Represent Beneficiaries Residing in the United States

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Office of Audit Report Summary

Objectives

To determine whether (1) representative payees residing in foreign countries or U.S. Territories used payments for beneficiaries residing in the United States in the beneficiaries' best interests and (2) the Social Security Administration (SSA) effectively monitored beneficiaries whose representative payees resided in foreign countries or U.S. Territories.

Background

Some individuals cannot manage or direct the management of their finances because of their youth or mental and/or physical impairments. Congress granted SSA the authority to appoint representative payees to receive and manage these beneficiaries' benefit payments. Representative payees are responsible for managing benefits in the beneficiary's best interests.

SSA should consider all factors in selecting a representative payee, including the applicant's relationship to the beneficiary; the applicant's interest in the beneficiary's well-being; and whether the applicant has custody of, or lives in close proximity to, the beneficiary.

Our Findings

We were not fully able to determine whether representative payees residing in foreign countries or U.S. Territories used payments for beneficiaries residing in the United States in the beneficiaries' best interests. In addition, the address information in SSA's records for many of the beneficiaries we reviewed appeared to be inaccurate.

- We were unable to contact the representative payees for 16 of the 89 beneficiaries we reviewed. Therefore, we could not determine the beneficiaries' residences and the appropriateness of their representative payees' management of benefit payments.
- Sixty of the 89 representative payees reported that the beneficiaries they represented were residing with them in foreign countries, not the U.S. address in SSA's records.
- Six of the 89 representative payees reported that the beneficiaries they represented were residing in the United States while they were residing in foreign countries.
- As a result of changes reported by the representative payees after we began our audit, the remaining seven beneficiaries no longer appeared to reside at a U.S. address while their representative payees resided in foreign countries.

We also found that five of the representative payees did not complete required accounting reports, but SSA only took corrective action in three of the five cases. SSA also did not send accounting reports to five other representative payees.

Our Recommendations

We made five recommendations including that SSA confirm and update the address information for beneficiaries who reportedly reside in foreign countries with their representative payees, contact the representative payees we were unable to locate, and obtain the outstanding accounting reports.

SSA agreed with our recommendations.