

CHAPTER VI
**AGENCY SERVICES ISSUES--INCLUDING ADDITIONAL STAFFING TO
FULFILL THE PROMISE TO SERVE THE NEEDY**

A. PREAMBLE TO CHAPTER

The Social Security Administration role has expanded over the years to encompass: identifying individuals potentially eligible for benefits; ensuring their awareness of that potential eligibility; assisting the public by providing information and referral to other agencies for **social services**; helping the homeless, and recruiting representative payees when needed. This chapter addresses areas requiring additional resources **and** other necessary improvements to enable SSA to effectively and efficiently fulfill its service delivery role.

Members of the public have consistently stated that SSA's service to the SSI population is inadequate. Some said that this was due to SSA's downsizing over the past 10 years. Commenters said that processing initial applications, especially those based on disability, has taken too long. They also said that improvements are needed in the areas of information and referral, and outreach--including assistance to the homeless.

SSA's field office staff throughout the nation reported the effect downsizing has had on the agency since the early 1980's. Some staff stated that downsizing has hampered the agency's ability to provide consistent and adequate public service on a nationwide basis. Some also said that, while downsizing was taking place, the SSI population in need of services from SSA was constantly growing.

B. STAFFING

Background Information:

Between 1984 and 1990, SSA underwent a planned staff reduction in excess of 17,000 positions from approximately 80,000 to 63,000 positions. Although increased use of computers provided some basis for downsizing, in the judgment of the Chairman, the 21 percent cut was arrived at in, to use an expression often used by the courts, an arbitrary and capricious manner.

The downsizing ended in 1990 but current staffing levels remain approximately 21 percent below the pre-1984 levels. During **the** same period, SSA's ongoing workloads increased.

SSI claims based on disability, for example, increased by more than 20 percent.

Currently there is a backlog of approximately 762,000 disability cases. For 1993, the President's budget projects a backlog of 1.4 million SSI and social insurance disability cases. On average, a person currently filing a claim for the first time waits up to 4 months to receive benefits.

The Chairman of the House Ways and Means Subcommittee on Social Security asked the Commissioner of Social Security how a staff increase of 6,000 would improve SSA's services. The Commissioner responded that funds for additional staff would be devoted to priority workloads such as processing additional disability and appellate cases: processing additional workloads generated by provisions of recent legislation; reducing the busy rate on the 800 number service; and increasing time spent in field offices on new claims, postentitlement actions, and continuing eligibility reviews.

Public testimony. Many public commenters familiar with SSA's workload said there is a need for additional SSA staff in order to improve the agency's performance in meeting the public's expectation of service. For example:

"There is an urgent need for the hiring of additional staff at the district office level....we receive complaints from the elderly and disabled regarding the length of time they have had to wait...before they were able to meet with a representative. Often times, they were told to come back and were given an appointment for a later date...They rarely have sufficient monies to pay for transportation to and from the district office. If they were lucky enough to obtain transportation via a friend or family member, the latter may not be able to take another day off from work or child care duties so as to provide transportation...."

"Some seniors show up at the office at 6 a.m. so they won't have to wait half a day or more. When you are old or sick, or have arthritis or other disabilities, you can't wait like that. You just give up on applying for benefits you're entitled to."

"Many of the staff people who cared the most about helping the needy aged and disabled recipients have become frustrated and disillusioned and moved on to different jobs. The ones who have stayed are stressed out and overwhelmed. . . .We believe the single most important change that can be made to humanize the SSI program is to increase staffing levels."

". . .the SSI recipient is being deprived of his initial Medicaid card and his benefits because of the [processing] time delay that [is] taking place...."

Other areas identified by the public as needing improvement include such things as eliminating delays in processing reports of changes which affect benefit amounts; doing a better job of assisting claimants in pursuing their rights, providing information and referral, conducting outreach, and processing applications which result from effective outreach. They also described the need for more staff training--including sensitivity training--and bilingual staff.

Field office staff members also spoke and wrote to the experts. In addition to addressing specific issues, some addressed the staffing situation:

"**Not** having enough staff has created low morale and feelings of despair. A workload is consisted of human beings--disabled, blind and aged. Human beings who call the claims representative asking when benefits will start. Many die, become sicker, or become homeless waiting for our agency to make a decision and process the claim....The claims representatives in my office have worked long hours and half days on weekends to keep ahead of workloads. We have one claims representative that has nearly had a nervous breakdown, but **she's** trying to hang in there....I hope . . .she gets better, but in the meantime we all suffer with added workloads because her slot **can't** be filled."

"I beg to differ with the attitude that . . .'**SSA claims representatives no longer seem to want to help people.**'....In the 5 years I have worked in this district office I have:
(a) Given mouth to mouth resuscitation to a heart attack victim in the front end interview area. (b) Assisted a pregnant SR who had collapsed at the public service counter.
(c) Assisted a young man who was having an epileptic seizure on the floor of the reception area. I am not discussing these experiences because I want kudos. I wish to emphasize that, although there are '**burn out**' CRs who **don't** care, there are more of us who will take the extra **step**....I am responsible to interview, process claims, process a multitude of post-eligibility items, answer phones, etc. etc. But I must also, (a) Try to convince a young woman that life is worth living. (B) Talk to a representative payee about her retarded brother who wants to wander to Colorado. (C) Advocate to get emergency medical stickers for an elderly claimant. (D) Console a woman because her mother just died. (E) Phone the young woman to make sure she is alive, Discuss referrals to local agencies where she might find support/motivation. So, while there is dialogue about how

involved we should get as SSI CRs, we are getting involved because our claimants NEED US NOW.

"I have thought of quitting many times. I keep telling myself 'who needs it--let someone else do it.' But I see faces. The mother who brought her son in for his redetermination interview. He is dying of aids. As the interview ended she looked at me with tears in her eyes and said 'thank you for being so patient with my questions and showing respect to my son.' Or the young woman in a wheelchair. She is completely disabled and has two disabled children, one who walks and one who lays across her lap. At the end of the interview she looks at me and says, 'thank you for not treating me like I am stupid'. So, I am still an SSI CR. I do not know how long I will stay. I have my bad days when I get cranky and am rude to coworkers and claimants alike. But I do CARE. That is why I stay.....we need to remember that although this is a battleground--it is a war against poverty, illiteracy, disease, apathy, etc.--the SSI CR is WITH the CLAIMANT not against the CLAIMANT."

Experts' Discussion of Staffing Issues:

The experts view an improved staffing picture as integral to resolving a variety of the problems discussed in this report. Almost all agreed with the comments during the experts' public meetings that SSA needs more, better-trained staff in order to improve the timeliness and quality of its service to the public.

The subject of staffing arose during the experts' discussions of almost every issue. It was emphasized during every public hearing in connection with the need for more personalized service for many SSI claimants, and especially in connection with the mounting backlogs in the State agencies which make disability determinations for SSA.

The experts viewed the disability backlogs in the State agencies as unacceptable. The average waiting period is up to 4 months, and some claimants and their representatives described much longer delays. The 1993 budget will increase the backlogs.

An expert commented that with the projected backlog increases, the average delay may be expected to increase substantially. This expert recalled that when the Commissioner of Social Security was asked recently by the subcommittee on Social Security what she would need to clear up the backlog of disability cases, she replied that it would require 5,000 persons and \$500 million.

The experts recognized that behind all statistics regarding backlogs and processing times are hundreds, even thousands, of persons who are suffering. They also recognized that there are also thousands of career civil servants who are blamed for these delays. One expert said, "Now and then the public may have to deal with a callous civil servant. But the overwhelming majority of civil servants are eager to clear up the backlogs and are frustrated because of the shortage of **staff.**"

The experts recognized that the disability backlogs are not the sole problem. One expert said that in the Omnibus Reconciliation Act of 1990, Congress required extensive changes in SSA's operations with respect to representative payees. This included more extensive investigations of potential payees; a variety of studies with reports due by dates specified; and the development of an extensive master file of representative payees which must be in place by October 1, 1992. The expert pointed out that currently, 5 million beneficiaries of social insurance and SSI have representative payees, and while there are fewer than 5 million different payees, creating this system is an enormous task. The expert noted that Congress has never appropriated a single dollar for the design and implementation of this very extensive system.

This same expert described other staffing problems related to SSA's installation of large telephone service centers to handle an 800 number. The expert reported that the cost of doing this was absorbed by the budgets in the field offices; and when the large telephone service centers became operative, SSA directed phone calls to those centers. Recently the Congress has directed that the local SSA offices should once again publicize and use local phone numbers. The expert said that Congress has not provided resources to restore this service in local offices. The large telephone service centers with their attendant 800 numbers continue in place. The expert pointed out that the result is that local offices have been forced to absorb the costs of creating the telephone service centers and the costs of reestablishing telephone services in local offices.

For these, and other reasons, a majority of the experts also concluded that the restoration of 6,000 staff positions is not enough to do the job being asked of SSA. However, they viewed it as a reasonable and desirable first step.

A majority identified increased staffing as one of the top priorities for modernizing and improving the SSI program. Two experts viewed increased staffing as the single highest priority of all since they concluded it could eliminate, or greatly reduce, many of the other problems discussed.

The experts **specified that funds provided for additional** staffing must be used to improve staffing in the State disability determination services as well as in SSA. One expert, while agreeing that adding 6,000 positions was reasonable as an initial goal, urged that this number be doubled, at least, over a period of 2 to 3 years. Another urged placing emphasis on the need for near-future increases beyond the initial 6,000.

Nearly all the experts expressed the view that, with additional staff, SSA should place renewed emphasis on restoring more personal contact and individualized assistance to those it is intended to serve. One expert, while agreeing in principle, added that such emphasis should not be considered separately but viewed as an integral aspect of additional staffing.

Recapitulation of Experts' Opinions on Staffing Issues:

<u>Option</u>	<u>Experts Supporting</u>
1. Increase SSA's administrative budget, as quickly as possible, to provide for at least 6,000 additional positions as a first step toward adequate staffing.	19
2. With additional staffing, place renewed emphasis on personal contact and individualized service.	18

Comment: The one expert who did not favor this option said that the first priority of added staff should be the reduction of processing times in all areas.

C. FUNDING FOR OUTREACH ACTIVITIES

Background Information:

Historically--and especially following enactment of the SSI program--the Social Security Administration has assumed the obligation to provide people with information and other assistance in obtaining benefits for which they are eligible. At times the Agency has been admonished to do more in this regard, but rarely has there been any budgetary recognition that this type of work has an impact on agency resources.

Beginning in 1989, SSA made SSI outreach an ongoing agency priority. SSA has undertaken an outreach campaign through its field offices, working with community-based agencies.

For example, offices have used other agencies' lists to send letters to potentially eligible individuals; workers regularly visit homeless shelters, facilities for the elderly, and other sites where needy individuals might be found; and computer matches between SSA and other agencies identify potential recipients. Information and referral agreements with advocacy and service groups have been a key aspect of outreach. However, many groups within the population, including the homeless, the frail isolated elderly, children, and Native Americans, have been underserved. (For additional discussion on this issue, see Parts D and E below concerning "Information and Referral" and "Helping the Homeless.")

In fiscal year 1990, Congress appropriated \$3 million for SSI outreach demonstrations. SSA funded 33 outreach demonstration projects operating in 46 sites nationwide which tested or are testing methods of overcoming the barriers that prevent potentially eligible individuals from filing for SSI. In fiscal year 1991, Congress appropriated another \$6 million to continue this outreach program. SSA published a grant announcement which closed on November 19, 1991, and SSA will fund additional cooperative agreements based on what has been learned from the first group of projects. The most successful methods from all of the projects will be incorporated into future outreach initiatives.

The experts noted that, although Congress has awarded outreach monies for cooperative agreements to outside organizations, it has not provided additional funds for SSA staff support. Out of necessity, staff support for outreach activities is being absorbed by SSA's existing staff. The experts said that this detracts from other SSA activities, and processing backlogs increase as a result.

Experts' Discussion on Funding for Outreach Activities:

A majority of the experts agreed with the majority of public commenters that SSA should continue outreach activities. These experts concluded that many potentially eligible disabled and elderly individuals are not participating in the program.

Most experts agreed that the SSI administrative budget should be increased by some specific percentage and the additional amount should be dedicated to SSA staff outreach activities. Some of the experts were concerned that the option, as previously published, was not specific regarding the percentage of the budget which would be dedicated to outreach activities. They wanted to ensure that outreach activities would not be reduced. They reworded the option to **state** that the SSI administrative budget should be increased

by at least 5 percent, with the increased amount dedicated solely to outreach. One expert commented that 5 percent seemed too high and suggested that 2.5 percent would be preferable with the remaining 2.5 percent allocated to increase personnel, and service improvement.

Recapitulation of Experts' Opinions on Funding for Outreach Activities:

<u>Option</u>	<u>Experts Supporting</u>
1. Establish specific funding for outreach by increasing the SSI administrative budget by at least 5 percent.	16

Comment: Two of the experts indicated that SSA should not establish specific funding for outreach, but instead should use the 5 percent to invest in more staff and better service.

D. INFORMATION AND REFERRAL

Background Information:

When Congress established the SSI program, it separated responsibility for income maintenance from that for social services. The new program placed responsibility for cash assistance payments delivery in SSA, and social service assessment and delivery in the hands of State and local governments and private nonprofit agencies. This separation of payment delivery and social service delivery was consistent with the historic operation of most State programs prior to the 1974 implementation of SSI.

SSA initiated information and referral activities to help link SSI claimants and beneficiaries with other public and private agencies which could meet other needs. This had previously been done for claimants and beneficiaries of the social insurance programs.

The Social Security Act requires SSA to provide referral to vocational rehabilitation programs for certain categories of SSI and disability social insurance beneficiaries. Also, the food stamp law requires SSA offices to inform SSI claimants that they may be eligible for food stamps and that food stamp application forms can be obtained at SSA offices:

also, SSA staff is required to assist certain claimants in applying for food stamps.

SSA has committed to assisting the public in obtaining social services they need. By recognizing the importance of information and referral responsibilities, SSA acknowledges that people have needs beyond those met by SSA programs.

SSA field office staff reported during SSI Modernization Project meetings that, as a result of heavy workloads and inadequate staffing, information and referral is often shortchanged. They said that the public expects SSA to have the capacity to provide support to individuals in need of social services, but with the current level of staffing this is not realistic.

Models for expanded information and referral services which the experts considered are:

Expanded community liaison model. This model would broaden the scope of SSA's referrals to include more in-depth community liaison activities. This activity would provide linkage with community organizations and ensure that individuals receive assistance through other organizations; e.g. the mental health system, local charity or cultural groups and State agencies. SSA field offices would dedicate additional staff resources to contacting community agencies and institutions and to working with them on a continuing basis. The goal would be to use community organizations in concert with local SSA offices. Ongoing dialogue would keep SSA aware of changes in local service agencies. Feedback from the other organizations would help SSA improve its information and referral process.

Case manager model. Case management would further increase SSA's information and referral responsibilities. SSA would make referrals by contacting other organizations on behalf of the individual rather than providing the individual with information regarding whom to contact. SSA would follow up to ensure that referrals were effective and met the needs of the individual.

A still more comprehensive approach to the case manager model would have SSA work face-to-face with beneficiaries, their families and caregivers, taking responsibility for the progress of each person. Case management would provide for an active and ongoing link between people who want or need services and people who provide those services.

Experts' Discussion of Information and Referral:

Generally, the experts believed that SSA's information and referral services should be expanded. They said that information and referral services are especially important to SSI claimants, many of whom are vulnerable and require special assistance in order to obtain needed services.

The Chairman concluded, based on his visits to SSA field sites, that there is room for more effective relationships between the telephone service centers and field offices.

A majority of the experts favored the expanded community liaison model for providing information and referral services. This was also favored by a majority of the public commenters who addressed this issue. The experts believed that, even though its use might require increased staffing, this model represents an appropriate increase in the scope of SSA field office responsibility for in-depth community liaison activities.

The experts believed SSA field office staffs could develop referral lists and expertise in identifying the particular resources which would be helpful to individual claimants. They also felt adoption of this model would be rewarding to SSA employees. One expert stated that a background in social services would be helpful to staff engaged in such activity.

Some experts stated emphatically that SSA should not become involved in the case management model. They also noted that case management is very labor intensive and would require a major increase in staff. One expert expressed the view that there would be potential for conflicts of interest and abuse of confidentiality if entitlement agencies were to perform social service functions.

Recapitulation of Experts' Opinions on Information and Referral:

<u>Option</u>	<u>Experts Supporting</u>
1. Adopt the expanded community liaison model.	14
2. Adopt the case manager model.	1

Comment: An expert, who disagrees with this option, opposes SSA's getting into case management because it "violates the principle of

allocating appropriate duties to appropriate levels of government. Federal aid is available to the States for this function through...other programs."

E. HELPING THE HOMELESS

Background Information:

Provisions of law. Certain provisions of the SSI statute are intended to help prevent homelessness. They establish exceptions to provisions of the statute that prohibit SSI eligibility for people in public institutions and set a payment limit (currently \$30 per month) with respect to a person who is confined to a medical facility when Medicaid is paying a substantial portion of the cost of his/her care. These provisions address:

Eligibility while in an emergency shelter for the homeless. Although an individual generally is not eligible for SSI benefits for any month throughout which he or she is a resident of a public institution, there is a statutory exception for persons in public emergency shelters. In any 9-month period, a qualified person may be eligible for SSI for any 6 months throughout which s/he resides in a public emergency shelter for the homeless. There is no similar limit on eligibility with respect to a resident of a privately operated shelter.

Continued payments during a medical confinement. Under certain circumstances, full SSI payments can be continued temporarily for individuals who are institutionalized (where payments would otherwise be reduced or suspended). Under one provision, the person must have expenses for maintaining a home, and a physician must certify that his/her confinement will be for 90 days or less. Under a separate provision, the person need only to have been eligible for SSI under work incentive provisions prior to institutionalization.

Prerelease program. The prerelease program is designed to identify potentially eligible people who are about to be discharged from institutions and assist them in filing for SSI benefits before discharge. The goal is to expedite the processing of the application so that payments can begin as quickly as possible after the person is discharged.

certain action items designed specifically to help prevent homelessness.

Emergency payments. Nearly all of the experts stated (as did the majority of public commenters) that emergency SSI payments should be provided to individuals who are **homeless**, as defined by the Stewart B. McKinney Homeless Assistance Act, and who, in the judgment of a qualified mental health professional, exhibit symptoms of severe mental illness. The McKinney Act defines a homeless person as someone without a fixed, adequate nighttime residence or whose primary nighttime residence is a shelter, a temporary holding place for individuals intended to be institutionalized, or a place not intended as sleeping accommodation for human beings.

These experts believed that applications from such persons should be processed for a final decision within 30 days or benefits continued until a final decision is reached. They said that the payments should not be considered overpayments if it is decided that these individuals are not disabled or blind.

One expert commented that these provisions are needed because severely mentally ill and homeless persons are not likely to stay in one location and pursue their **claims** through the normal adjudication period.

Continued benefits for people in medical facilities. Almost all of the experts concluded that there is a need to modify the provision which permits continued SSI payments for certain hospitalized individuals. They concluded that restrictions regarding a physician's certification and the requirement to provide evidence that the eligible individual needs continued payments to maintain his or her living arrangement should be removed for those entering hospitals. They believed that the requirements could be retained for those entering other medical institutions. An expert noted that many individuals, especially those suffering from mental impairments, are not able to provide the information required. This modification would help all SSI recipients who are hospitalized to maintain living arrangements in the community to which they can return, reducing the likelihood of homelessness.

Benefits for people in public emergency shelters for the homeless. Nearly all of the experts stated that residents of public emergency shelters for the homeless should be eligible for SSI indefinitely, without the current restriction that eligibility is limited to any 6 months in any 9-month period. There was some discussion concerning the fact that residents of private shelters are not subject to this restriction on eligibility, and it was noted that the public shelter issue

is localized in that in some areas there are no public emergency shelters.

Barriers to benefits. Almost all of the experts favored the expansion nationwide of outreach services currently being tested by SSA. Almost all of the experts concluded that SSA should develop a "backup" mailing address for homeless or mentally ill individuals. There **was** some discussion explaining that this provision refers to establishing a secondary address at the time of application, and not merely a post office box.

Recapitulation of Experts' Opinions on Helping the Homeless:

<u>Option</u>	<u>Experts Supporting</u>
1. Provide emergency payments to homeless persons with severe mental illness.	16
<u>Comment:</u> One expert indicated that emergency payments should be left to State/local governments and private agencies.	
2. Provide continued payment protection for all hospitalized individuals.	18
3. Pay SSI benefits to individuals in public emergency shelters for the homeless without any time limit.	17
<u>Comment:</u> One expert favored a <u>90-day</u> eligibility rule for both public and private shelters. Another expert suggested that the current 6-out-of-9 month rule be extended to private shelters.	
4. Expand nationwide the outreach services now being tested.	15
5. Create backup mailing address locations for homeless and/or mentally ill persons.	17

F. REPRESENTATIVE PAYMENT

Background Information:

Most people entitled to social insurance or SSI benefits receive their payments directly. When a beneficiary cannot manage or direct the management of monthly payments because of severe mental or physical limitation, SSA appoints a representative payee to use the payment in the beneficiary's best interest.

Each month, SSA pays benefits to about 43 million SSI and social insurance beneficiaries. Of these, about 5 million **are** paid through representative payees who receive more than \$1.6 billion monthly. Representative payments are made for about 27 percent of the SSI population.

Representative payees are required for beneficiaries who are children under 18, legally incompetent adults, and disabled persons receiving SSI payments because of alcoholism or drug addiction. In other cases, SSA determines that a beneficiary is incapable of managing funds based on evidence from the beneficiary's doctor and/or reports of persons who **are** familiar with the beneficiary's day-to-day activities.

Payee responsibility. A representative payee is required to use benefits in the best interests of the beneficiary, and to act on behalf of the beneficiary in dealing with SSA. For example, a payee must report changes which may affect the person's entitlement or benefit amount, and s/he must decide whether to appeal SSA decisions. In addition, a payee must account, annually, to SSA for the benefits received.

Payee recruitment. Most beneficiaries who need representative payees are served by family members or close friends. If a beneficiary does not have family or close friends, SSA must look to the community for a suitable payee. A custodial institution such as a nursing home or State hospital may be appointed as payee. State and private social service agencies likewise may be appointed. However, in some States, social service agencies are precluded by law or policy from serving as payees. In others, budget constraints prevent agencies from serving. When other sources are not available, SSA has the often difficult task of finding a volunteer payee. Persons most often in need of volunteer payees include those who are severely mentally ill, substance abusers, and the homeless.

Payment for services. Beginning July 1, 1991, the law permits certain nonprofit community-based social service organizations to collect fees for expenses incurred in performing payee services. Such organizations may deduct

from a beneficiary's social insurance and/or SSI monthly payment the lesser of 10 percent of that payment or \$25. This is a first-time authority to collect fees of any kind for payee services. It is a temporary authority which expires on July 1, 1994.

Payee monitoring. Certain State institutions are subject to onsite reviews of their payee functions by SSA representatives. All other payees are required to submit an annual accountability report. There is no routine audit of these reports and there are questions about their effectiveness in preventing and detecting misuse. However, use of sampling techniques to audit use of funds by payees has shown little misuse.

When a payee misuses a beneficiary's funds, the payee is liable to the beneficiary for restitution. Restitution of misused benefits is always sought from the payee who caused the misuse. In these cases, SSA usually appoints a new payee and tries to recover the misused funds from the former one. Effective November 1990, Federal legislation provides that SSA is liable for restitution of benefits in cases of misuse where it is determined that there was negligent failure by SSA to investigate or monitor a representative payee and the payee misuser has not refunded the misused benefits. Misuse cases may be referred for prosecution but referral and conviction levels are low.

Study. SSA commissioned the Administrative Conference of the United States, an independent Federal agency, to study procedural aspects of the representative payee program. The study findings were published in the FEDERAL REGISTER on July 24, 1991. Congress had addressed some of the procedural issues reviewed by the study as part of the Omnibus Budget Reconciliation Act of 1990.

Several of the recommendations by the Administrative Conference address issues similar to those discussed by the experts:

1. SSA should develop and promulgate regulatory criteria on monitoring and evaluation of representative payee performance.
2. SSA should search for appropriate representative payees by identifying organizations that offer representative payee services on a volunteer basis. After gaining experience with these organizations as representative **payees**, SSA should evaluate their performances in comparison with other payees.

3. SSA should evaluate the need for further use of organizations that serve as representative payees on a reimbursed or compensated basis.
4. Congress should authorize SSA to require payees who have misused funds to pay restitution and to impose civil monetary penalties.

SSI Modernization Project public meetings. During the public hearings an expert noted that, over the years, Congress has increased SSA's responsibilities for representative payment but has never allocated specific resources for the activities. The Omnibus Budget Reconciliation Act of 1990 enhanced SSA's power to investigate prospective representative payees, but provided no additional funding for the activity.

The growth in the number of SSI beneficiaries with mental illness has led to an increased need for representative payment. Historically, representative payees have been found among beneficiaries' relatives and friends. However, for those disabled by substance abuse or severe mental illness, finding and retaining a suitable representative payee is difficult. During the public hearings, the experts heard from individuals and social service organizations concerning problems encountered representing this group of beneficiaries. Substance abusers and severely mentally ill persons often do not want a payee managing their money; this results in power struggles between the payee and the beneficiary over the benefits. When the payee is a family member, family strife often leads to frequent payee changes. Representative payees described being threatened or attacked by the eligible person in disputes over the use of SSA benefits. Because of these difficulties, the experts saw a continuing need for SSA to seek out social service agencies to act as payees when suitable payees are unavailable among family members or close friends.

As of July 1, 1991, the law permits certain nonprofit community-based social service organizations to collect a fee for expenses occurred in performing payee services. This fee is deducted from the beneficiary's check. During the public hearings, social service organizations and representative payees indicated that fees for representative payee services should come from the administrative budget rather than from the beneficiary's check.

Members of the public emphasized the importance of monitoring representative payees. Instances of abuse, both physical and financial, were described. When a representative payee misuses funds or fails to report changes to SSA, the beneficiary suffers and is responsible for

repaying any overpayments which may occur, even though s/he may never have received use of the funds. People said that when a change in payee occurs, overpayment notices are sent to the new payee and SSA makes little or no attempt to recover the overpaid monies from the previous payee. Public commenters urged that there be stricter monitoring of representative payees by SSA, and that payees provide documentation to support their accounting for the use of funds. It was stated that SSA should have the ability to recover misused funds from the responsible payee.

Experts' Discussion of Representative Payment Issues:

Some experts stressed in particular that payments for representative payee services should be made from SSA's administrative budget and should not be deducted from beneficiaries' checks. Most experts also agreed that there would need to be a special appropriation for the fees.

Also, most experts preferred that a fee should be paid only to a payee who is neither a relative of the beneficiary nor a custodial institution. One expert stated that if the benefit rate is raised to 120 percent of the poverty level, the \$25 fee should come from the beneficiary's payment

During the discussions one expert expressed the view that prosecution of a payee for misuse of funds should be left to the discretion of SSA.

Most experts supported the development of legislation which would mandate a specific program of recruitment, training, and monitoring of representative payees and authorize the appropriation of funds to implement the program. The legislative proposal would provide for: (a) payments of reasonable compensation by the Federal Government to nonrelative and noncustodial representative payees for their services out of administrative budget funds rather than from beneficiaries' checks; (b) contracting by SSA with agencies at Government expense when suitable volunteers are not available (alternatively, if an SSI beneficiary were required to pay some or all the cost of the fees of a representative payee, s/he would be reimbursed); (c) requiring payees, other than parents with custody of minor children, to provide periodic documentation to support their annual accountings; (d) recovery of misused funds by SSA from the monthly payment of any representative payee currently receiving benefits in his or her own right; and (e) prosecution of representative payees who have misused funds, regardless of the amount.

Recapitulation of Experts' Opinions on Representative Payment:

<u>Option</u>	<u>Experts Supporting</u>
1. Develop legislation which mandates recruitment, training and monitoring of representative payees and authorizes the appropriation of funds to implement the program. This legislation should provide reasonable compensation to nonrelative, noncustodial representative payees from administrative funds; contracting by SSA with agencies when suitable payees are not available; periodic documentation by payees to support annual accounting; recovery of misused funds from the monthly check of representative payees receiving benefits in their own right; and prosecution of representative payees who misuse funds.	19

Comment: An expert who did not support this option expressed the view that representative **payees'** fees should be paid from social insurance benefit checks. However, with respect to beneficiaries receiving only SSI, the fee should be paid from the administrative budget.

G. OPTIONS PREFERRED BY A MAJORITY OF EXPERTS
SUMMARY AND COST ESTIMATES

Staffing: adequacy. All of the experts who took a position on this issue stated that one of their top priorities is an increase in SSA's administrative budget to permit additional staff positions and related support (e.g., training and equipment). These experts view an immediate increase of 6,000 positions as a reasonable first step toward adequate staffing. The experts believe that an increase in staffing would help to alleviate backlogs and allow SSA to better serve the public.

Estimated Cost
(In millions)

<u>Fiscal Year</u>	<u>SSI Program</u>	<u>SSI Administrative</u>	<u>Medicaid Program</u>
1993	None	\$ 280	None
1994	None	297	None
1995	None	315	None
1996	None	335	None
1997	None	356	None

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Staffing: services. A majority of the experts believes that SSA should renew emphasis on personal contact and individualized service. These experts believe that this is badly needed by a large portion of the population which the SSI program is intended to serve. This would improve access to the program.

Estimated Cost
(In millions)

<u>Fiscal Year</u>	<u>SSI Program</u>	<u>SSI Administrative</u>	<u>Medicaid Program</u>
All	None	(a)	None

(a): Unable to estimate

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Funding for outreach activities. A majority of the experts expressing a view on this option favor establishing a specific funding stream to assure continuation of outreach activities. These experts believe that many potentially

eligible elderly or disabled persons are not receiving SSI benefits. Outreach activities can help to remove barriers to filing for SSI benefits, and appropriations should provide funds for outreach activities. The experts believe that outreach should have specific funding provided by an increase in the SSI administrative budget of at least 5 percent.

Estimated Cost
(In millions)

<u>Fiscal Year</u>	<u>SSI Program</u>	<u>SSI Administrative</u>	<u>Medicaid Program</u>
All	(a)	(a)	(a)

(a): Unable to estimate.

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Information and referral. Most of the experts expressing a view favor SSA's use of the expanded community liaison model. The experts believe that SSA has a responsibility to refer individuals for services available from other agencies and organizations.

Estimated Cost
(In millions)

<u>Fiscal Year</u>	<u>SSI Program</u>	<u>SSI Administrative</u>	<u>Medicaid Program</u>
1993	None	\$ 100	(a)
1994	None	110	(a)
1995	None	120	(a)
1996	None	130	(a)
1997	None	130	(a)

(a): Unable to estimate

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Helping the homeless--emergency payments. A majority of the experts support providing emergency payments to homeless persons who are severely mentally ill. Such payments are needed since these persons are not likely to stay in one place during the normal adjudication period.

Estimated Cost
(In millions)

<u>Fiscal Year</u>	<u>SSI Program</u>	<u>SSI Administrative</u>	<u>Medicaid Program</u>
1993	\$ 13	\$ 10	\$ 10
1994	45	10	35
1995	50	0	40
1996	55	0	50
1997	60	0	55

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Continued payment protection for hospitalized persons. All the experts expressing a view on providing continued payment protection for hospitalized individuals favor elimination of the statutory requirements for a physician's certification regarding the person's anticipated length of stay and the requirement that the individual have expenses for maintaining a home. The experts support continuation of full payment for 3 months for all SSI beneficiaries who become hospitalized. This would help such beneficiaries to maintain a home or to secure a place to live upon discharge.

Estimated Cost
(In millions)

<u>Fiscal Year</u>	<u>SSI Program</u>	<u>SSI Administrative</u>	<u>Medicaid Program</u>
1993	\$ 31	Negligible	Negligible
1994	43	Negligible	Negligible
1995	46	Negligible	Negligible
1996	48	Negligible	Negligible
1997	50	Negligible	Negligible

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Public emergency shelters for the homeless. All but one of the experts expressing a view favor paying SSI benefits to individuals in public emergency shelters for the homeless without a time limit. These experts believe that elimination of the time limit would allow beneficiaries to continue living in emergency shelters and eliminate the need for a beneficiary to choose whether to remain at a shelter or to continue receiving SSI.

Estimated Cost
(In millions)

<u>Fiscal</u> <u>Year</u>	<u>SSI</u> <u>Program</u>	<u>SSI</u> <u>Administrative</u>	<u>Medicaid</u> <u>Program</u>
All	Negligible	Negligible	Negligible

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Expand nationwide outreach services. Most of the experts expressing a view support expanding outreach services. The experts believe that outreach services for the homeless are needed as this population encounters numerous barriers to filing an application and obtaining documentation required to complete the application process and/or to provide necessary medical evidence.

Estimated Cost
(In millions)

<u>Fiscal</u> <u>Year</u>	<u>SSI</u> <u>Program</u>	<u>SSI</u> <u>Administrative</u>	<u>Medicaid</u> <u>Program</u>
All	(a)	(a)	(a)

(a): Unable to estimate.

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Create backup mailing address locations. All the experts expressing a view believe that when a homeless or mentally ill person files an application for SSI, SSA should ask for a backup mailing address. The experts believe that a backup mailing address would increase the likelihood that the beneficiary will receive his/her benefits.

Estimated Cost
(In millions)

<u>Fiscal</u> <u>Year</u>	<u>SSI</u> <u>Program</u>	<u>SSI</u> <u>Administrative</u>	<u>Medicaid</u> <u>Program</u>
All	None	Negligible	None

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Representative Payment. A majority of the experts **supports** development of legislation to strengthen the recruitment, monitoring and training of representative payees. A majority also stated that fees for representative payee services should be provided when the payee is neither a relative of the beneficiary nor a custodial institution. Such fees should be paid from the administrative budget--needy persons should not have to pay them from monthly benefit.

Estimated Cost
(In millions)

<u>Fiscal</u> <u>Year</u>	<u>SSI</u> <u>Program</u>	<u>SSI</u> <u>Administrative</u>	<u>Medicaid</u> <u>Program</u>
All	None	(a)	None

(a): Unable to estimate

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