



SOCIAL SECURITY

The Commissioner

January 14, 2025

The Honorable Jason Smith
Chair, Committee on Ways and Means
U.S. House of Representatives
Washington, DC 20515

Dear Committee Chair Smith:

Section 201 of the *Strengthening Protections for Social Security Beneficiaries Act of 2018* (Public Law 115-165) provides the authority for beneficiaries and individuals seeking benefits under Title II, Title VIII, or Title XVI to designate one or more individuals to serve as a representative payee, in advance of a determination that a representative payee is necessary. Pursuant to Section 105 of that law, enclosed is our report on the effect advance designation has had on beneficiaries and on Social Security Administration operations.

If you have any questions or need additional information, please contact me, or have your staff contact Tom Klouda, our Deputy Commissioner for Legislation and Congressional Affairs, at (202) 358-6030.

I am also sending this report to the Senate Committee on Finance.

Sincerely,

Carolyn W. Colvin
Acting Commissioner

Enclosure

cc: The Honorable Richard Neal



SOCIAL SECURITY

The Commissioner

January 14, 2025

The Honorable Mike Crapo
Chair, Committee on Finance
U. S. Senate
Washington, DC 20510

Dear Committee Chair Crapo:

Section 201 of the *Strengthening Protections for Social Security Beneficiaries Act of 2018* (Public Law 115-165) provides the authority for beneficiaries and individuals seeking benefits under Title II, Title VIII, or Title XVI to designate one or more individuals to serve as a representative payee, in advance of a determination that a representative payee is necessary. Pursuant to Section 105 of that law, enclosed is our report on the effect advance designation has had on beneficiaries and on Social Security Administration operations.

If you have any questions or need additional information, please contact me, or have your staff contact Tom Klouda, our Deputy Commissioner for Legislation and Congressional Affairs, at (202) 358-6030.

I am also sending this report to the House Committee on Ways and Means.

Sincerely,

Carolyn W. Colvin
Acting Commissioner

Enclosure

cc: The Honorable Ron Wyden

Advance Designation of Representative Payee Report to Congress



Social Security Administration

January 1, 2025

Introduction

On April 13, 2018, the President signed into law the *Strengthening Protections for Social Security Beneficiaries Act of 2018*, Public Law 115-165 (*SPSSBA*). This law made several changes to the Social Security Act to improve and strengthen the Social Security Administration's (SSA) Representative Payee Program (Payee Program) for Title II, Title VIII, and Title XVI beneficiaries.

Section 201 of the *SPSSBA* established the authority for SSA to allow individuals receiving benefits (beneficiaries) and individuals seeking benefits (claimants) under Title II, Title VIII, or Title XVI the option to voluntarily designate individuals that they believe have a genuine concern for their well-being and could manage their benefits to meet their needs, by serving as a representative payee (payee) should the need arise.

Section 105 of the *SPSSBA* requires us to:

- Conduct a study on the changes made by Section 201, which shall include the impact of such changes on beneficiaries and the operations of SSA; and
- Not later than January 1, 2025, submit a report on the results of such study to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

This report provides an overview of the changes made by Section 201 to the Payee Program and demonstrates the impact these changes have had on SSA beneficiaries, claimants, and SSA operations related to the Payee Program.

Background

Representative Payee Overview

The Payee Program provides benefit payment management for our beneficiaries who are incapable of managing or directing the management of benefit payments received under Title II, Title VIII, and Title XVI. Generally, legally competent adult beneficiaries have the right to receive their benefits directly and manage them independently. However, we may determine that a beneficiary is unable to manage or direct the management of their benefits because of the beneficiary's mental or physical condition, or because of the beneficiary's youth. When these situations occur, we must find a person or organization willing to receive and manage Title II, Title VIII, and Title XVI payments on behalf of a beneficiary. We refer to the individual or organization that receives and manages the benefits on behalf of a beneficiary as the “payee.”

As of Fiscal Year (FY) 2024, there are approximately 5.7 million payees serving 7.7 million beneficiaries, managing \$81.4 billion in annual benefits.¹ In FY 2024, SSA processed

¹ Electronic Representative Payee System (eRPS) – October 7, 2024.

approximately 1.3 million payee applications.² The payee program relies heavily on family relationships. Family members, primarily parents or spouses, serve 85.9 percent of the beneficiaries who have payees.³

With all payee selections, our primary concern is the beneficiary's best interests. Our policies reflect our commitment to ensuring that payees use benefits to promote the physical, mental, and emotional well-being of beneficiaries in a manner that preserves the dignity and protects the basic rights of our beneficiaries. The expectation of a payee is they manage the use of benefits to meet the beneficiary's needs. Most payees carefully and compassionately provide much needed help to beneficiaries on a volunteer basis.

When we determine a beneficiary needs a payee, we will contact them for assistance with locating a person who is willing to apply and serve as a payee. This process can be cumbersome, requiring multiple phone call attempts and call-in notices. We also find that there are times when the beneficiary is incapacitated and unable to respond. This can cause delayed payments, frustrations for our beneficiaries and claimants, and other hardships.

Advance Designation of Representative Payee

Section 201 of the SPSSBA allows adult and emancipated minor beneficiaries and claimants to proactively provide SSA with the names of up to three individuals, in order of priority, whom they would like to serve as their payee, should they need one in the future. We call this Advance Designation of Representative Payee (Advance Designation).

Advance Designation:

- Is voluntary.
- Can be waived.
- Is not a power of attorney.
- Can be requested by a beneficiary, at any time.
- Does not expire with time but can be changed or updated at any time.
- Can be requested during the initial or appeals level of the application process.
- Is not an indication of capability to manage or direct the management of SSA benefits.
- Is not connected to a claim for Title II, Title VIII, or Title XVI benefits, nor a claim's duration. (If SSA denies the claim or the beneficiary stops receiving benefits, the advance designation information remains in the database and can be accessible again once the claimant or beneficiary reapplies for benefits, becomes a beneficiary, or files an appeal.)

Individuals who are eligible to advance designate can make the following updates to their advance designation information at any time:

- Add a designee

² Electronic Representative Payee System (eRPS) – November 14, 2024.

³ Office of Research, Evaluation & Statistics (ORES) – December 2023.

- Delete a designee
- Withdraw entirely all designees
- Change the order of priority of the designees
- Edit designee information (name, telephone, relationship)
- Elect to advance designate if they previously waived advance designation or withdrew their advance designee(s)

We provide several methods for our beneficiaries and claimants to request or make changes to an existing advance designation. Requests and changes can be done by mail, in person, by telephone or via the internet.

Table 1: Methods and Collection Processes for Advance Designation

Method	Process
Mail	Beneficiary or claimant submits a request for advance designation by completing the Form SSA-4547 – Advance Designation of Representative Payee, which is available in fillable and printable PDF versions. ⁴ An SSA technician records the information.
In Person or Telephone	Beneficiary or claimant requests advance designation by visiting a local field office or calling our national 800#. An SSA technician records the information.
Self-help Internet	Beneficiary or claimant submits their request for advance designation via the internet using their mySocialSecurity Account ⁵ or while completing an iClaim Application. ⁶

We issue a receipt⁷ to beneficiaries and claimants who elect, waive, or update their advance designation. If the beneficiaries or claimants are utilizing the internet they can choose to print the screen to serve as their receipt. We also issue annual notices⁸ with designee information and a reminder of the ability to modify, update, or withdraw their advance designation at any time.

If SSA determines the need for a payee, we initially consider the advance designation information. Although an individual can designate up to three individuals, only one payee can serve the beneficiary at a time. A designee cannot be an organization or a beneficiary with a payee or who has a payee selection pending. Additionally, before payee selection, we must first determine if the designee is:

- willing to serve as payee; and
- willing to apply to be payee; and
- suitable⁹ to serve as payee.

⁴ Appendix A Form SSA-4547.

⁵ mySocialSecurity Advance Designation is available to a beneficiary that does not have a payee.

⁶ iClaim Application allows claimants to file for Title II and Title XVI benefits.

⁷ Appendix B shows an example of a receipt for advanced designation.

⁸ Appendix C shows an example of an annual notice for advanced designation.

⁹ [POMS GN 00502.132 Selecting a Qualified Representative Payee](#)

If SSA determines that a beneficiary needs a payee, and there is no designee to consider, the burden to identify a suitable payee falls on SSA.

Evaluation and Impact of Advance Designation

To evaluate the usefulness and success of advance designation and the impact, if any, on SSA operations, we obtained data from our SSA systems between FY 2020 and FY 2024.

Table 2 shows the number of beneficiaries and claimants who elected to advance designate using the various methods available. From the time we implemented advance designation in March 2020 to the end of FY 2024, we have seen an increase in the number of requests to advance designate. We anticipate that, as the public becomes more aware of this option, the numbers will continue to increase.

As reflected in the chart below, use of our online services is the preferred method to request advance designation. As a result of our beneficiaries and claimants electing to advance designate while conducting business using our online services, the need for SSA technician assistance is greatly reduced.

Table 2: Advance Designation by Method

Election Method	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Self-help Internet	557,184	1,038,357	1,147,726	1,189,107	1,241,068
Mail, In person/ telephone	269,769	447,880	570,142	699,430	756,233
Total Advance Designation Elections per FY	826,953	1,486,237	1,717,868	1,888,537	1,997,301

Table 3 shows the number of payee applications filed by a designee and whether the designee was selected. The table shows that, in cases where a designee ultimately applies to become a payee, we are able to select the designee as the payee approximately 90 percent of the time. This is an indicator of the quality of the designees provided via advance designation.

In instances where a designee files an application to serve as payee and we subsequently determine that the beneficiary is capable, deceased or no longer eligible for benefits, we will not select the designee and will record the non-selection in our records.

Table 3: Advance Designation Payee Applications and Selections

SSA Selection/Non-Selection of Designee as Payee	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Designee Selected	4,854	14,178	17,506	21,070	25,468	83,076 (90.5%)
Designee Not Selected	550	1,495	1,925	2,174	1,990	8,134 (9.5%)
Total Number of Payee Applications filed by a Designee	5,404	15,673	19,431	23,244	28,074	91,826 (100%)

Conclusion

With the implementation of Section 201 of the SPSSBA, our beneficiaries and claimants can provide us with information of up to three people they trust to potentially manage their benefits, in the event they are no longer able to do so for themselves. In our review of the data, we found that:

- beneficiaries and claimants are increasingly electing to advance designate;
- they overwhelmingly choose to do so online, which minimizes SSA employee involvement; and
- if an advance designee eventually applies to become a payee, we are generally able to select the designee to serve as the payee.

Furthermore, advance designation provides our technicians with helpful information in identifying potential payees for our beneficiaries when they are no longer capable of managing their benefits. Without advance designation, identifying a potential payee for beneficiaries can be time-consuming and cumbersome, sometimes, requiring additional beneficiary contact and delayed payment.

We continue to increase awareness of the advance designation process through various methods such as social media, SSA.gov website, blogs, and Dear Colleague Letters. Additionally, we have provided guidance to our technicians on their responsibilities to inform beneficiaries and claimants about advance designation. As our beneficiaries and claimants become more aware of the ability to advance designate, we anticipate a sustained increase in participation.

We appreciate the work Congress has done to improve the Payee Program. We look forward to collaborating further toward our shared goal of protecting our most vulnerable beneficiaries, and making the Payee Program as effective, efficient, and trustworthy as possible.

Appendices

Appendix A

Form SSA-4547 Advance Designation of Representative Payee

Appendix B

Example – Receipt for Advance Designation of Representative Payee

Appendix C

Example – Annual Notice Reminder for Advance Designation of Representative Payee

ADVANCE DESIGNATION OF REPRESENTATIVE PAYEE

IF YOU CURRENTLY HAVE A REPRESENTATIVE PAYEE, PLEASE DO NOT COMPLETE THIS FORM. CONTACT THE NUMBER BELOW IF YOU HAVE QUESTIONS RELATED TO THE REPRESENTATIVE PAYEE PROGRAM.

ADVANCE DESIGNATION

As a Social Security beneficiary or applicant for benefits, you have the option to designate individuals, in order of priority, to serve as your representative payee should you need one in the future. You must be at least 18 years of age or an emancipated minor to make an advance designation. You can make updates or change the order of priority of your advance designee(s) at any time. If you are a beneficiary, we will notify you annually of the individuals you have designated in advance as your potential representative payee. If the time comes that you are not able to manage or direct the management of your benefits, we will follow your order of priority to review and select your representative payee. If your advance designees are not able and willing to serve, or do not meet SSA selection requirements, we will consider another representative payee to serve in your best interest.

NOTE: You may not designate an organization to serve as a representative payee.

WAIVER OF ADVANCE DESIGNATION OF REPRESENTATIVE PAYEE

I choose not to make an advance designation of a representative payee at this time. I understand that I may do so later by notifying SSA. I can also use "my Social Security" account at <https://www.ssa.gov/myaccount/> to provide my advance designations, make necessary changes, or withdraw my advance designation.

PRINT YOUR NAME (First Name, Middle Initial, Last Name)	Social Security Number
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<input type="checkbox"/> I am 18 years of age or older	<input type="checkbox"/> I am below 18 years of age, but I am an emancipated minor
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Mailing Address (Number and Street, Apt. No., P.O. Box or Rural Route)

City	State/Country	ZIP Code
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Telephone (Area Code/Country Code and Number)	Date (Month, Day, Year)
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I am providing in priority order the name(s) and information of individuals below whom I want to designate in advance to be my representative payee, should I need one in the future.

Order of Priority	Full Name of Designee (ex: John A. Doe, Jr.)	Telephone Number (999) 999-9999 Ext-99999 (Domestic or Foreign)	Relationship (optional) (Spouse, parent, friend, etc.)
1			
2			
3			

WITHDRAWAL:
I am withdrawing all of my previously provided advance designations.

THIS REPLACES ANY PREVIOUS ADVANCE DESIGNATION(S) ON FILE.

SEND OR BRING THE COMPLETED FORM TO YOUR LOCAL SOCIAL SECURITY OFFICE.

Visit <https://www.ssa.gov/locator> to find SSA offices by zip code, and services outside the United States. SSA offices are also listed under U.S. Government agencies in your telephone directory or you may call Social Security at 1-800-772-1213. If you are deaf or hard of hearing, you may call our TTY Number, 1-800-325-0778.

EXPLANATION OF TERMS

WHAT IS A REPRESENTATIVE PAYEE

A representative payee is a third party who manages a beneficiary's SSA benefits to meet the beneficiary's current and foreseeable needs. The representative payee has a strong and continuing interest in the beneficiary's well-being and must be willing and able to serve.

WHO NEEDS A REPRESENTATIVE PAYEE

When SSA determines that a beneficiary is unable to manage or direct the management of his/her own benefits because of a mental or physical condition, we appoint a representative payee to receive and manage the benefits on the beneficiary's behalf.

PRIVACY ACT STATEMENT

Collection and Use of Personal Information

Section 205(j) of the Social Security Act, as amended, allows us to collect this information. Furnishing us this information is voluntary. However, failing to provide all or part of the information may prevent us from selecting the representative payee(s) you designate to act on your behalf.

We will use the information to maintain your advance designation of a representative payee(s). We may also share your information for the following purposes, called routine uses:

- We may disclose information to contractors and other Federal agencies, as necessary, for the purpose of assisting the Social Security Administration (SSA) in the efficient administration of its programs. We contemplate disclosing information under this routine use only in situations in which SSA may enter a contractual or similar agreement with a third party to assist in accomplishing an agency function relating to this system of records; and
- To third party contacts in situations where the party to be contacted has, or is expected to have, information relating to the individual's capability to manage his or her affairs or his or her eligibility for or entitlement to benefits under the Social Security program.

In addition, we may share this information in accordance with the Privacy Act and other Federal laws. For example, where authorized, we may use and disclose this information in computer matching programs, in which our records are compared with other records to establish or verify a person's eligibility for Federal benefit programs and for repayment of incorrect or delinquent debts under these programs.

A list of additional routine uses is available in our Privacy Act System of Records Notice (SORN) 60-0089, entitled Claims Folders System, as published in the Federal Register (FR) on April 1, 2003, at 68 FR 15784. Additional information, and a full listing of all of our SORNs, is available on our website at www.ssa.gov/privacy.

PAPERWORK REDUCTION ACT STATEMENT - This information collection meets the requirements of 44 U.S.C. § 3507, as amended by section 2 of the [Paperwork Reduction Act of 1995](#). You do not need to answer these questions unless we display a valid Office of Management and Budget control number. We estimate that it will take about 6 minutes to read the instructions, gather the facts, and answer the questions. **SEND OR BRING THE COMPLETED FORM TO YOUR LOCAL SOCIAL SECURITY OFFICE. You can find your local Social Security office through SSA's website at www.socialsecurity.gov. Offices are also listed under U. S. Government agencies in your telephone directory or you may call Social Security at 1-800-772-1213 (TTY 1_800-325-0778). You may send comments on our time estimate above to: SSA, 6401 Security Blvd, Baltimore, MD 21235-6401. Send only comments relating to our time estimate to this address, not the completed form.**

Social Security Administration
Receipt for Advance Designation of Representative Payee

SOCIAL SECURITY
ADDRESS
CITY, STATE ZIP
Date: December 13, 2023
BNC#: XXXXXXXXX

JANE DOE
ADDRESS
CITY, STATE ZIP

ADVANCE DESIGNATION OF REPRESENTATIVE PAYEE FOR JANE DOE

On December 6, 2023, you gave us your advance designation of representative payee information. This letter gives you more information about your designation.

If you become unable to manage or direct the management of your benefits, we will select a representative payee to receive and manage your benefits for you. Advance designation lets you provide names of people who could serve as your representative payee. If the time comes that you need someone to manage your benefits, we will select one of your advanced designees as your representative payee. We will use your order of priority with certain exceptions. Your advance designee must be able and willing to serve and meet our selection requirements.

Below is a list of the one or more designees you provided, in your order of priority, to serve as your representative payee. Please take some time to review the information for accuracy:

Order of Priority	Name of Designee	Telephone Number	Relationship
1	JOHN DOE	XXX-XXX-XXXX	SPOUSE
2	JOE DOE	XXX-XXX-XXXX	SON
3	JOE PUBLIC	XXX-XXX-XXXX	FRIEND

You can go online to your personal "my Social Security" account at www.ssa.gov/myaccount or contact us to make the following changes to your designees:

- Add or remove a designee,
- Update the designee's information,
- Change the order of priority, or
- Withdraw your advance designation of representative payee.

If You Have Questions

We invite you to visit our website at www.ssa.gov on the Internet to find general information about Social Security. If you have any specific questions, you may call us toll-free at **1-800-772-1213**, or call your local Social Security office at **1-866-681-1412**. We can answer most questions over the phone. If you are deaf or hard of hearing, you may call our TTY number, **1-800-325-0778**. You can also write or visit any Social Security office. The office that serves your area is located at:

SOCIAL SECURITY
ADDRESS
CITY, STATE ZIP

If you do call or visit an office, please have this letter with you. It will help us answer your questions. Also, if you plan to visit an office, you may call ahead to make an appointment. This will help us serve you more quickly when you arrive at the office.

Social Security Administration

PRIVACY ACT STATEMENT
Collection and Use of Personal Information

Section 205(j) of the Social Security Act, as amended, allows us to collect this information. Furnishing us this information is voluntary. However, failing to provide all or part of the information may prevent us from selecting the representative payee(s) you designate to act on your behalf.

We will use the information to maintain your advance designation of representative payee(s). We may also share your information for the following purposes, called routine uses:

- We may disclose information to contractors and other Federal agencies, as necessary, for the purpose of assisting the Social Security Administration (SSA) in the efficient administration of its programs. We contemplate disclosing information under this routine use only in situations in which SSA may enter a contractual or similar agreement with a third party to assist in accomplishing an agency function relating to this system of records; and
- To third party contacts in situations where the party to be contacted has, or is expected to have, information relating to the individual's capability to manage his or her affairs or his or her eligibility for or entitlement to benefits under the Social Security program.

In addition, we may share this information in accordance with the Privacy Act and other Federal laws. For example, where authorized, we may use and disclose this information in computer matching programs, in which our records are compared with other records to establish or verify a person's eligibility for Federal benefit programs and for repayment of incorrect or delinquent debts under these programs.

A list of additional routine uses is available in our Privacy Act System of Records Notice (SORN) 60-0089, entitled Claims Folders System, as published in the Federal Register (FR) on April 1, 2003, at 68 FR 15784. Additional information, and a full listing of all of our SORNs, is available on our website at www.ssa.gov/privacy.

Social Security Administration
Advance Designation of Representative Payee

SOCIAL SECURITY
ADDRESS
CITY, STATE ZIP
Date: March 1, 2024
BNC#: XXXXXXXX

JANE DOE
ADDRESS
CITY, STATE ZIP

We are writing to you because you provided us with your Advance Designation of Representative Payee. This letter is an annual reminder of your designation.

Advance Designation

If you become unable to manage or direct the management of your benefits, we will select a representative payee to receive and manage your benefits for you. Advance designation lets you provide names of people who could serve as your representative payee. If the time comes that you need someone to manage your benefits, we may select one of your advance designees as your representative payee. We will consider your advance designees in your order of priority with certain exceptions. To be appointed representative payee, an individual must be able and willing to serve, and must meet our selection requirements.

Your Advance Designation Information

Below is a list of the designees you provided, in your order of priority, to serve as your representative payee. Please take some time to review the information for accuracy:

Order of Priority	Name of Designee	Telephone Number	Relationship
1	JOHN DOE	XXX-XXX-XXXX	SPOUSE
2	JOE DOE	XXX-XXX-XXXX	SON
3	JOE PUBLIC	XXX-XXX-XXXX	FRIEND

You can go online to your personal “my Social Security” account at www.ssa.gov/myaccount or contact us to make the following changes to your designees:

- Add or remove a designee,
- Update the designee’s information,
- Change the order of priority, or
- Withdraw your advance designation of representative payee.

Suspect Social Security Fraud?

If you suspect Social Security fraud, please visit <http://oig.ssa.gov/report> or call the Inspector General's Fraud Hotline at **1-800-269-0271** (TTY **1-866-501-2101**).

Need more help?

1. Visit www.ssa.gov for fast, simple, and secure online service.
2. Call us at **1-800-772-1213**, weekdays from 8:00 am to 7:00 pm. If you are deaf or hard of hearing, call TTY **1-800-325-0778**. Please mention this letter when you call.
3. You may also call your local office at **1-XXX-XXX-XXXX**.

SOCIAL SECURITY
ADDRESS
CITY, STATE ZIP

How are we doing? Go to www.ssa.gov/feedback to tell us.

Social Security Administration