

**Addendum to the Supporting Statement for SSA-637 and SSA-639  
Site Review Questionnaire for Volume and Fee-for-Service Payees,  
and Beneficiary Interview Form  
20 CFR 404.2035, 404.2065, 416.665, 416.701, 416.708  
OMB No. 0960-0633**

The decision to pay benefits through a representative payee is one of the most critical decisions SSA makes because it takes away a beneficiary's right to manage his/her benefits. SSA will only appoint a volume or fee-for-service (FFS) payee when no concerned family member or concerned friend is willing and qualified to serve. Often with no family or friends to help look out for their interests, beneficiaries served by volume and FFS payees are especially vulnerable to mismanagement or theft of their benefits. For these reasons, SSA has an obligation to conduct thorough reviews of these payees' performance.

When SSA first began to monitor volume and FFS payees in 2000, we had little experience reviewing the records these payees kept to document how they managed benefits. Without this experience and without accounting backgrounds, SSA policy staff lacked the expertise to design a comprehensive interview form to use during these reviews. As we gained experience reviewing payee records and found common weaknesses and errors in payee performance, specific issues were identified that needed to be addressed during the review.

As SSA has gained experience in interviewing payees about their operation and how they carry out their representative payee responsibilities and in examining their financial records, we have uncovered a number of recurring problem areas (e.g., incorrect and improper fees collected from beneficiaries, not setting aside money for beneficiaries for personal needs or discretionary spending, failure of the payee to make required reports, and poor recordkeeping and money management practices) that it must ensure are always covered in the course of a site review. To ensure SSA reviewers always interview a representative payee thoroughly, it was necessary to add specific questions to the SSA-637 to ensure payee performance problems are uncovered. While SSA reviewers do uncover problems using the unrevised version of the SSA-637 or SSA-638 and current procedures, we do not know how many problems are undetected for lack of a specific question on the form.

Site reviews are a comparatively small workload for SSA so many SSA reviewers do not conduct site reviews very often. SSA reviewers also do not have accounting knowledge which would facilitate this specialized work. The small number of reviews and the work's specialized nature make it difficult for SSA reviewers to become proficient reviewers. Working in an automated environment, SSA reviewers are accustomed to following a computer program when conducting an interview. Because reviewers now rely on technology for interview content, they find it difficult to recognize when the information they gather on the current SSA-637 is incomplete.

The new comprehensive SSA-637 remedies the weaknesses in the current SSA-637 and will facilitate the job of SSA reviewers. Since the form will ensure all important issues are addressed during SSA's visit, it will help SSA fulfill its duties to monitor volume and FFS payees and protect vulnerable beneficiaries (see a detailed list of the revisions below).

The new SSA-637 has a separate pre-visit section to prepare reviewers for the visit. Pre-visit preparation should help keep interviewing time in check. A comprehensive interview tool will ensure that post-interview recontacts with payees are minimal. The new form was also designed so that reviewers do not collect irrelevant information.

Three new questions were added to the SSA-639 that will help SSA corroborate a payee's statements to SSA reviewers. These questions should not impact the SSA-639 completion time because it is still a very brief questionnaire.

To simplify current monitoring procedures, the SSA-638 will become obsolete and the SSA-624 will be eliminated for random reviews. Using one form will eliminate the need for reviewers to choose among three different but similar forms. Once the new SSA-637 and the new SSA-639 are approved, the current SSA-637, SSA-638 and SSA-639 will all become obsolete and any existing stock destroyed.

### **Revisions to Form SSA-637**

- Added check box at the top of the form "Check if random review."
- Separated the form into twenty sections with headings explaining the type of information collected in each section. SSA feels that the reformatting of the form in this manner will make it easier for SSA's reviewers to read and understand, and will expedite the process of filling it out.
- Renumbered the questions.
- Added the instructions that Parts 1 and 2 should be completed prior to a site visit, while Parts 3-20 should be completed during the site visit.

#### **Part 1:**

- Added question # 4 requesting an alternate contact.
- Added question #5 requesting the names of those responsible for various workloads pertaining to the management of beneficiary funds.
- Added question #6 querying the availability of the staff members listed in #5 to ensure recontacts will not be needed.
- Added question #7 requesting a list of the beneficiaries served by that representative payee organization to help SSA prepare for the visit in advance and reduce interviewing time.

#### **Part 2:**

- Added questions #8-#11, #15-#18 querying the availability of information on the Representative Payee System and other SSA records.

- Added questions #12 to identify SSI beneficiaries who may exceed the SSI countable resource limit & #13 to identify any payees who are not submitting required reports.
- Added question #14 to ensure SSA reviewers record the list of beneficiaries selected for the review sample.
- Added #15 to make sure SSA knows where the beneficiaries are and is ready to correct any problems resulting from wrong addresses.
- Added questions #19 & #20 to ensure SSA reviewers are aware of problems/complaints noted during or since the last review and check that these were acted on.

**Part 3:**

- Both questions in this section are new and are for recording the meeting participants.

**Part 4:**

- Questions #23 & #24 are the same as question #4 from the current version of the form.
- Added question #25 regarding the audit results so SSA reviewers do not forget to note any pertinent information.

**Parts 5 & 6:**

- These sections have been added to verify that fee for service representative payees meet licensing requirements and bonding requirements.
- On the current form, #5 requests similar information. This question has been eliminated for payees that are not fee for service since these payees have no bonding requirements. These questions replace # 2 on the old SSA-639.

**Part 7:**

- This section has been added to collect information regarding fee collection. This information must be collected to insure that payees have not violated any of SSA's rules concerning fee charging.

**Part 8:**

- Question #37 corresponds to question #6 on the current form.
- Added question #38 as an extension of #37 to insure the payee has a process in place for beneficiaries to contact the payee in an emergency. .
- Question #39 corresponds to questions #8 & #9 on the current form.
- Added questions #40-#43 to find out if the payee sets aside funds for a beneficiary's personal needs or discretionary spending; or saves for a foster care child's future; or if any beneficiaries currently have unmet needs.

**Part 9:**

- Added questions #44-#46 regarding how the payee uses the benefits it receives.
- Questions #47 & #48 correspond to #7 & #15 on the current form.

- Added questions #49 & #50 to insure reviewers evaluate the information gathered and determine whether or not the payee is managing funds in the best interests of the beneficiaries.

**Part 10:**

- Added question #51 to find out how the payee complies with reporting responsibilities.
- Added question #52 to address specific reporting problems.
- Added question #53 to address specific reporting problems.
- Added question #54 to insure certain required report forms are completed.
- Added question #55 to detect payees who negotiate checks and manage funds of beneficiaries for whom they have not applied to be payee.
- Added questions #56 & 57 to insure SSA reviewers evaluate the information gathered and determine whether the payee submits annual accounting reports and makes other required reports.

**Part 11:**

- Questions #58 & #59 correspond to questions #10 & #11 on the current form.

**Part 12:**

- This section has been added to collect information regarding collective bank accounts and fees and ensure that SSA reviewers determine whether the account meets SSA's requirements.

**Part 13:**

- Added question #70 to collect information regarding bank accounts.
- Question #71 corresponds to question #12 on the current form.
- Added questions #72-#74 to collect more information regarding the checking and savings accounts for the beneficiaries.

**Part 14:**

- Questions #75-#77 correspond to question #14 (a & b) on the current form.
- Added question #78 to ensure SSA reviewers determine if the accounts earn interest, minimize any bank fees, and were managed properly.

**Part 15:**

- Question #79 corresponds to question #13 on the current form.

**Part 16:**

- Question #80 corresponds to question #16 on the current form.
- Added question #81 to collect information regarding any insurance claims filed to help detect the unreported theft of beneficiary funds.
- Question #82 corresponds to question #17 on the current form.
- Added question #83 to insure SSA reviewers verify that ledgers are maintained properly.
- Question #84 corresponds to question #18 on the current form.

- Added question #85 to insure that reviewers have tracked some income receipts and expenditures to help determine that funds have been managed correctly.
- Added questions #86 so SSA reviewers can check the propriety of some purchases.
- Added question #87 so SSA reviewers do not forget to make sure the conserved funds of SSI beneficiaries do not exceed the allowable limit.
- Added question #88 to insure SSA reviewers determine whether the representative payee is saving money not currently needed to meet expenses in the best interests of the beneficiaries.

**Part 17:**

- Question #89 corresponds to question #20 on the current form.
- Added questions #90 & #91 to better help the representative payees with issues they may have-and insure they are still complying with any instructions SSA gave at a prior review.

**Part 18:**

- This section was added for two reasons:
  - To inform the representative payee of the beneficiaries SSA will be interviewing.
  - To verify that these beneficiaries will be able to answer SSA's questions.

**Part 19:**

- This section appears as a free space at the end of the current form.

**Part 20:**

- This section was added to give SSA reviewers one place to list the actions that SSA or the payee will need to take as a result of the review. It also has space for SSA reviewers to list any recommendations made to the payee to help improve performance.

**Revisions to Form SSA-639**

- Revised question #3 to add the following follow-up question: "If Yes, what was it that you needed and why did the payee tell you that you could not have it?"
- Added questions #4 & #5 regarding the disbursement of funds from the representative payee and whether or not the payee charges for any services to help corroborate payee's statements to SSA reviewers.
- Question #6 corresponds to question #4 on the current form.
- Question #7 corresponds to question #5 on the current form.
  - We have rephrased this question in order to clarify the question for the beneficiaries and make sure the beneficiary can reach the payee in an emergency.
- Added question #8 as a follow-up question to #7.
- Question #9 corresponds to question #6 on the current form.