

Summary of Benefit Payments Managed by Representative Payees of Children in Pennsylvania State Foster Care Programs

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Social Security Administration Office of the Inspector General

Objective

To identify children in Pennsylvania's State foster care programs who were served by representative payees who may not have been suitable.

Background

Some beneficiaries are not able to manage or direct the management of their finances because of their youth or mental or physical impairment. For such beneficiaries, Congress provided for payment to be made through a representative payee who receives and manages payments on the beneficiary's behalf.

According to Social Security Administration (SSA) policy, cases involving foster care are among the most sensitive. It is essential that SSA protect the rights of children who may not be able to rely on their parents to do so. Therefore, it is important that SSA follow its policy including completely investigating representative payees to ensure children in foster care have the appropriate payee.

Our Findings

Our review of Pennsylvania foster care records for 6 counties identified 130 children whose representative payees were neither the foster care parent nor a county-based foster care program and therefore may not have been suitable. We believe these children's benefits were at risk of misuse since these payees may not have been using the funds for the children's current and foreseeable needs.

Our Recommendations

We recommend the Agency conduct assessments for the 130 representative payees identified to determine whether the payees are suitable, and if necessary, refer suspected misuse to our Office of Investigations. SSA disagreed with our recommendation. The Agency indicated the report did not contain sufficient analysis to support the recommendation. However, results of similar computer comparisons using foster care data from four other States are included in the report. Based on SSA's assessments of certain representative payees that served 189 children, the Agency determined about 28.6 percent misused benefit payments. SSA's assessments were conducted of payees who were not foster care programs or foster care parents. We conclude this information is sufficient to warrant our recommendation.