

# Envoy, a Representative Payee for the Social Security Administration

## A-13-18-50292



July 2018

Office of Audit Report Summary

### Objectives

To determine whether Envoy of Staunton, LLC (Envoy), a representative payee for the Social Security Administration (SSA), (1) had effective safeguards over the receipt and disbursement of Social Security benefits, (2) used and accounted for Social Security benefits in accordance with the Agency's policies and procedures, and (3) adequately protected beneficiaries' personally identifiable information.

### Background

Some individuals cannot manage or direct the management of their finances because of their youth and/or mental and/or physical condition. Congress granted SSA the authority to appoint a representative payee to receive and manage these beneficiaries' payments.

Representative payees are responsible for managing benefits in the beneficiary's best interests.

Envoy is an organizational representative payee in Staunton, Virginia, that provides 24-hour, skilled nursing care for individuals whose needs range from short-term rehabilitation to long-term care services.

### Findings

Envoy had effective controls over its disbursement of Social Security payments and adequately protected personally identifiable information. However, Envoy needs to improve its controls over its receipt and accounting for Social Security payments.

Specifically, Envoy

1. received Social Security payments for 1 beneficiary who was not eligible for Supplemental Security Income payments;
2. did not complete the representative payee reports for 9 beneficiaries and did not complete the reports accurately for four beneficiaries;
3. received Social Security payments for 2 beneficiaries who had other representative payees;
4. received Social Security payments for 45 beneficiaries who did not have a representative payee;
5. potentially assigned itself the Social Security payments for beneficiaries in its care; and
6. had a bank account that was not approved and titled in accordance with SSA's policy.

In addition, SSA was not monitoring Envoy's resident fund trust account.

### Recommendations

We made five recommendations to SSA regarding Envoy's receipt and accounting of Social Security payments. In addition, we recommended SSA determine whether to take appropriate action concerning the potential assignment of benefits and review Envoy's resident fund trust account to determine whether it complies with SSA's policy.

The Agency agreed with all but one of our recommendations. For the remaining recommendation, the Agency reported it would obtain additional guidance from the policy staff on applicable titling of the petty cash account.