

Department of Behavioral Health  
**TRANSMITTAL LETTER**

<b>SUBJECT</b> Representative Payee		
<b>POLICY NUMBER</b> DBH Policy 532.1A	<b>DATE</b> NOV 17 2015	<b>TL#</b> 293

**Purpose.** To establish a policy that addresses the representative payee appointment process, collaboration between the representative payee organization and behavioral health providers, guidelines for the discontinuation of representative payee-ship, and closing accounts of discharged or deceased consumers.

This policy revision specifies what needs to be documented to justify the appointment of a representative payee without the consent of the consumer, when payment to a representative payee is in the consumer's best interest. See Section 7b (2) of this policy.


**Applicability.** Applies to all consumers who receive behavioral health services (hospital and community based) who are incapable of managing their own funds and need a representative payee; all Department of Behavioral Health (DBH) certified treatment providers with a human care agreement; organizations that act as representative payee under contract with DBH.


**Policy Clearance.** Reviewed by affected responsible staff and cleared through appropriate Behavioral Health Authority (BHA) offices.

**Effective Date.** This policy is effective immediately.

**Superseded Policy.** This policy replaces DBH Policy 532.1, same title, dated June 23, 2014.

**Distribution.** This policy will be posted on the DBH web site at [www.dbh.dc.gov](http://www.dbh.dc.gov) under Policies and Rules. Applicable entities are required to ensure that affected staff is familiar with the contents of this policy.

  
Tanya A. Royster, M.D.      Date 11/17/15  
Acting Director, DBH

GOVERNMENT OF THE DISTRICT OF COLUMBIA  DEPARTMENT OF BEHAVIORAL HEALTH	<b>Policy No.</b> 532.1A	<b>Date</b> NOV 17 2015	<b>Page 1</b>
	<b>Supersedes</b> DBH Policy 532.1, same subject, dated June 23, 2014		
<b>Subject: Representative Payee</b>			

1. **Purpose.** To establish a policy that addresses consumer choice of representative payee, the representative payee appointment process, collaboration between the representative payee organization and behavioral health providers, guidelines for the discontinuation of representative payee-ship, and closing accounts of discharged or deceased consumers.
2. **Applicability.** Applies to all consumers who receive behavioral health services (hospital and community based) who are incapable of managing their own funds and need a representative payee; all Department of Behavioral Health (DBH) certified treatment providers with a human care agreement; organizations that act as representative payee under contract with DBH.
3. **Authority.** Social Security Act of 1935 and Department of Behavioral Health Establishment Act of 2013.
4. **Policy.** It is the policy of DBH that:
  - 4a. Consumers' funds are handled in accordance with federal and local governing financial and accounting guidelines and practices, and consistent with Social Security Administration (SSA) guidelines for developing a representative payee accounting system;
  - 4b. Consumers have easy access to their available funds, account information, education to assist them in developing skills to become as independent as possible, and have the least restrictive Budget and Spending Plan;
  - 4c. All consumers who are determined by their treatment team (with acceptance from SSA) to be incapable of managing their own funds will be given choice of representative payee regardless of the funding source of their income. It is the position of DBH that all consumers are able to handle their own funds unless there is compelling evidence to the contrary (See Sections 6c and 7b (1)); and
  - 4d. SSA Guide for Organizational Representative Payees be used to govern SSI/SSDI accounts, and that it also be used as a guide, to the extent feasible, in managing other types of consumer accounts when no other governing guidelines exist. Updates are located in this web link:  
<http://www.ssa.gov/payee/>
5. **Background.** A representative payee is an individual or organization designated to receive disability benefits on a consumer's behalf. The representative payee helps the individual to budget their money and disburses funds for the person's current needs, including housing and utilities, food, medical expenses, personal care and clothing. DBH does not act as representative payee for consumers in the

hospital or in the community. The intent of DBH is to promote an efficient process and procedure that provides the consumer with more timely, efficient, and convenient access to his/her funds which have not been expended for the consumer's other necessary services.

DBH shall contract directly with an organization or organizations to serve as representative payee to manage accounts of consumers who need a representative payee; however, the consumer may choose an alternate payee. The contract representative payee organization will use commercial banks and automated banking systems (or other appropriate system approved by DBH) for the convenience of consumers who will have cash withdrawal limits set in accordance with the consumer's Budget and Spending Plan developed during individual recovery planning.

## 6. Definitions.

6a. Collective Accounts – This term is used when the representative payee places funds for more than one consumer in a single checking or savings account.

6b. Consumer - for the purposes of this policy, adults, children, or youth who seek or receive mental health and/or substance use disorder services or behavioral health supports funded or regulated by DBH.

6c. Incapable – means lacking the ability to manage one's own financial affairs; unable to provide regularly for his/her housing, food, and other necessities and cannot direct others to do so for himself/herself (e.g., does not pay rent regularly, gets evicted).

6d. Representative Payee – an individual or organization that receives payments from various funding sources for someone who is incapable of managing or directing someone else to manage his/her financial affairs. In this policy, the representative payee is referring to a DBH contracted organization.

6e. Social Security Administration (SSA) - the organization that administers financial benefits to persons of low to no income who meet criteria for disability; a distinction is made between consumers who have no work history (recipients of SSI benefits) and those who have a substantial work history (recipients of SSDI benefits).

6f. Social Security Disability Income (SSDI) – a federal income maintenance program administered by the SSA that protects workers and their families from loss of earnings because of retirement, death, or disability.

6g. Supplemental Security Income (SSI) – a federal income maintenance program administered by the SSA for aged, blind, and disabled persons with little or no income or resources.

## 7. Responsibilities and Procedures.

7a. DBH shall:

- (1) Contract directly with an organization(s) to serve as the representative payee for DBH consumers.

(2) Inform providers of the organization(s) that the DBH is contracting with as representative payee for DBH consumers; and the website location to find forms for documenting actions in this process (e.g., referral, budget/spending plan, etc.).<sup>1</sup>

(3) Monitor representative payee services to ensure consumer accounts are being managed in accordance with contract provisions and this policy.

7b. Appointment of a Representative Payee. Behavioral health providers shall:

(1) Consider a representative payee when there are signs that a consumer may be incapable of managing his or her own funds (also, see section 6c above). Considerations include whether representative payee is required for receipt of benefits, history of evictions, utility shut-off, family situation (e.g., children are involved), account alerts or letters from collection agencies, explanations from consumer, etc.

(2) If it is determined that a consumer needs a representative payee to manage his/her funds to meet his/her basic needs:

(a) Discuss with consumer, and provide general information on DBH contracted representative payee services. As an alternative, the consumer may select an individual or other organization to serve as his/her representative payee.

(b) If a DBH contracted representative payee organization is chosen by the consumer:

(i) Forward a written referral to the representative payee.

- Complete the referral form provided by the representative payee with specific details of the circumstances that demonstrate the need for the representative payee.
- If the consumer receives funds directly from Social Security Administration (SSA), include Form SSA-787, Physician's/Medical Officer's Statement of Patient's Capability to Manage Benefits<sup>2</sup>. The SSA-787 must be signed by the treating psychiatrist.

(ii) File a copy of the referral package in the consumer's clinical record.

(iii) Attend a start-up meeting with the consumer to enroll the consumer with the representative payee and discuss how the services work.

(iv) After the consumer is enrolled, the representative payee will apply to SSA to become the consumer's representative payee. The next step per SSA guideline is the notification of the representative payee and consumer of determination. The

<sup>1</sup> <http://www.socialsecurity.gov/payee/faqacct.htm>

<sup>2</sup> [http://www.ecpayee.org/uploads/8/8/7/4/8874367/doctor\\_statement\\_ssa\\_787.pdf](http://www.ecpayee.org/uploads/8/8/7/4/8874367/doctor_statement_ssa_787.pdf)

representative payee will contact the behavioral health provider and request that the treatment team forward the Budget and Spending Plan for the consumer.

(c) If a consumer does not consent to the appointment of a representative payee, the behavioral health provider shall continue the referral process to a DBH contracted representative payee as stated in 7b(2)(b), and include a statement by the community support worker on agency letterhead that provides specific details of circumstances that demonstrate the need for a representative payee, the consumer's explanation for not consenting, and the special circumstance(s) that justify the appointment of a representative payee over the objection of a consumer.

(i) The representative payee will obtain additional enrollment information from the behavioral health provider to complete the enrollment of the consumer.

(ii) The representative payee will apply to SSA to become the consumer's representative payee and include all supporting documentation provided by the behavioral health provider. Per SSA guideline, SSA will notify the consumer of the determination, and appeal rights if SSA approves the appointment of a representative payee.

(iii) Once the representative payee is informed of SSA approval, the representative payee will contact the behavioral health provider to request that the treatment team forward the Budget and Spending Plan for the consumer.

7c. After a DBH contracted Representative Payee is approved by SSA, the behavioral health provider will be notified by the representative payee and shall:

- (1) Collaborate with the representative payee and the funding source on a regular basis to expedite exchange of needed information to facilitate an efficient process and communicate changes that would impact benefit eligibility. Also see Section 10 below.
- (2) Assist the consumer in developing a Budget and Spending Plan, which considers such things as the consumer's clinical status, current financial needs (including spending allowance, rent, and other routine bills), and money management skills. Also, advise the consumer of the benefits of establishing a burial fund account.
- (3) Establish, with the consumer's input, predetermined, individualized cash/check withdrawal limits as appropriate.
- (4) Forward a copy within the timelines specified by the representative payee a copy of the Budget and Spending Plan to the representative payee organization after enrollment and upon SSA approval of the representative payee.
- (5) Review the spending plans during IRP planning; changes can be requested at other times, if needed. The Budget and Spending Plan shall be a component of the IRP.

(6) Ensure that the consumer is provided assistance as needed by the clinical team in all matters pertaining to representative payee-ship, including providing educational opportunities to develop skills for the least restrictive Budget and Spending Plan.

(7) Implement a corrective action plan within the timelines specified when alerted by the representative payee organization of a consumer account in jeopardy (e.g., cash amount over SSA limit which threatens loss of benefits).

(8) Re-evaluate and re-determine at least annually, whether each consumer still needs a representative payee, while working with the consumer towards his or her highest level of independence.

(9) Document the consumer's clinical record as appropriate on all matters regarding representative payee.

(10) Notify the representative payee, in writing, as soon as discharge procedures are initiated and keep the representative payee informed of the progression to final discharge, and within five (5) business days of a consumer's death (see Section 9 below).

7d. **Representative Payee** shall adhere with scope of services per contract and the following:

(1) Receive referrals made by the clinical team and arrange a face to face meeting with each consumer to explain the role and responsibilities of the representative payee, related rights and responsibilities of the consumer, and to discuss the Budget and Spending Plan, etc.

(2) Apply to SSA to be the representative payee if the consumer receives funds from SSA.

(3) If SSA approves appointment of a representative payee, notify the responsible DBH provider.

(4) Collaborate closely with the clinical team to provide education to consumers in developing money management skills that lead to independent money management and self-sufficiency.

(5) Provide representative payee training and general money management education to consumers, families, and behavioral health provider staff at least annually.

(6) Serve as liaison between the consumer and their funding source (e.g., SSA, Office of Personnel Management for civil service annuities, etc.).

(7) Establish an interest bearing, direct deposit, checking or savings bank account in accordance with SSA guidelines and serve as liaison between the consumer and the commercial banking institution that manages the consumer's funds.

(8) Title bank accounts to show the consumer as the owner in accordance with SSA guidelines.

- (9) Educate and advise the consumer about the account (e.g., what type, how to access information), use of ATMs, SSI, and other funding sources, etc.
- (10) Perform the functions required of a representative payee as outlined in the Social Security Representative Payment Program (e.g., determining continuing eligibility for benefits), and in accordance with this policy and DBH contract provisions.
- (11) Provide monthly statements to the consumer and to the behavioral health provider's clinical team of the consumer's account activity, account balance, and maintain a record of same for three (3) years. Also provide account balance statements to the consumer upon consumer request.
- (12) Notify the consumer and the clinical team when the consumer's account is in jeopardy (e.g., the balance in the consumer's account is either over the SSA cash allowance limit or too low to meet the consumer's support needs).
- (13) Provide an annual report of each consumer's account as required by SSA (or other funding sources if applicable). Consumers may get a copy of the report upon request and may request that a copy be given to the clinical team.
- (14) Ensure that each consumer's regularly scheduled bills are paid direct to the respective landlord/vendor unless the Budget and Spending Plan specify other arrangements.
- (15) Ensure that funds of DBH consumers are kept separate from agency accounts for other clients of the representative payee.
- (16) Maintain SSA funds in either an individual or "collective account," separate and exclusive from other funds, and not co-mingled with operating funds. The representative payee must meet SSA conditions for establishing and maintaining a collective account including having clear records showing the amount of each consumer's share in the account.
- (17) Record that all of the consumer's documented needs and wishes are met consistent with the constraints of their finances and their Budget and Spending Plan.
- (18) Provide a monthly summary report to the designated DBH official in the report format required by DBH.
- (19) Establish an irrevocable burial fund in a separate, exclusive account if the consumer makes a written request for a burial fund and if the consumer identifies money that he/she wishes to place in a burial fund (up to the cash amount allowed by SSA for those recipients).
- (20) Handle discharged or deceased consumer accounts in accordance with Section 9 below.

8. **Discontinuing Representative Payee-ship**. Representative payee-ship can end:

8a. When the clinical team and consumer agree (during service planning, during annual re-evaluation, or at other times when the consumer's situation changes) that the consumer can direct his/her financial matters, with or without assistance, and can end the representative payee-ship.

8b. When the consumer requests the representative payee to conduct a review to end representative payee-ship, and the representative payee organization (based on the consumer's progressive responsibility in handling expenditures and face-to-face interview with the consumer) recommends cessation of representative payee-ship to the clinical team. For consumers who demonstrate capability, the representative payee can also initiate the recommendation to the clinical team to end representative payee services.

(1) In each case above when there is agreement to end the services and SSA is the funding source, the clinical team shall complete a SSA-787 and inform the consumer that he/she must contact SSA for an appointment to present the SSA-787 for SSA acceptance of the determination that the consumer can manage his/her own funds.

(2) When SSA has accepted the determination, the clinical team will notify the representative payee of SSA acceptance. The clinical team shall collaborate with the representative payee, as needed, and implement a plan to begin the consumer's independent money management.

(3) The representative payee shall promptly send a formal cessation letter to SSA or other applicable funding source stating that based on the determination, they are no longer representing the consumer as representative payee.

8c. If the representative payee seeks to terminate the representative payee-ship for the consumer due to various reasons (e.g., benefit eligibility or consumer will not comply with Budget and Spending Plan), the representative payee must provide a sixty (60) day notice to the consumer before notifying SSA. The representative payee must continue services until a new representative payee is established and transfer all account history to any successor representative payee.

**9. Closing Accounts of Discharged or Deceased Consumers.** Accounts shall be handled consistent with applicable governing guidelines (SSA for SSI/SSDI accounts, etc.) and the procedures below. Where no specific governing guidelines exist from the funding source, the SSA guidelines shall be used as a guide for all types of accounts.

9a. Discharged Consumers.

(1) Provision of representative payee services through DBH shall be discontinued upon a consumer's discharge from the DBH system of care.

(2) During discharge planning, the behavioral health provider shall discuss how the consumer wants his/her account to be handled after discharge. The consumer shall be offered opportunity to:

(a) Manage the account personally, if determined capable by the clinical team, or direct someone else to do so; or



(b) Choose another representative payee;

(If a consumer chooses (b) above, this is a personal arrangement and is not paid by DBH. Approval from SSA must be obtained for any choice made as required/applicable.)

(3) The behavioral health provider shall inform the representative payee, in writing, of the consumer's choice and the representative payee shall inform SSA or other funding source. The behavioral health provider shall provide the consumer assistance as necessary by working with the representative payee to meet the consumer's wishes.

9b. Deceased Consumers.

(1) The behavioral health provider shall notify the representative payee in writing, of the date and time of the consumer's death, including whether next of kin has been notified and provide updated contact information for next of kin when available.

(2) The representative payee shall:

(a) Notify the consumer's account beneficiary, in writing, informing them of the existence of a burial fund, where applicable, and of any other financial assistance known to be available.

(b) Release the burial funds to the funeral home or other responsible party for payment of the funeral bill if the consumer has established a burial fund. If the consumer does not have a burial fund, refer the consumer's family to the D.C. Burial Assistance Program for assistance.

(c) Notify the SSA or other funding source of the consumer's death immediately.

(d) Upon request, generate a final report of the last sixty (60) days of account activity including balance at close out, and send a copy of the final report to the account beneficiary and to the behavioral health provider of record if the beneficiary so requests.

(e) Notify the banking institution to freeze the consumer's funds at the time of death in accordance with local law and SSA guidelines.

- Return any funds to which the consumer is not entitled to SSA or other funding source.
- Notify the beneficiary of any other funds of the deceased consumer that remain unclaimed. If the funds are still not claimed after three (3) years, and the beneficiary does not claim the remaining funds within sixty (60) days from notification, the representative payee shall report unclaimed funds in accordance with instructions issued by the D.C. Office of Finance and Treasury's Unclaimed Property Unit and forward a copy of the report to the responsible behavioral health provider and the designated official at the Behavioral Health Authority.

10. **DBH Provider Representative Payee Policies.** Behavioral health providers shall develop policies that address, but are not limited to, the following:

10a. requirement that the clinical team be trained and familiar with their roles and the role of the representative payee;

10b. interaction/collaboration between the behavioral health provider and the representative payee to accomplish the consumer’s choice and other required actions;

10c. clinical record documentation;

10d. notifications to representative payee on changes in consumer status that impact SSI or other benefits (including re-hospitalization, incarceration, family circumstances, living arrangements, consumer employment, missing person, other income sources, etc.);

10e. assistance that will be provided to the consumer, when needed, in completing certain required reporting documents (e.g., continuing disability reviews, work related reports);

10f. collaboration between the behavioral health provider and representative payee to expedite exchange of needed information such as copies of medical record material consistent with release of behavioral health information guidelines, including time frames for response; and

10g. specific actions and steps required by the clinical team to ensure that coordination with the representative payee is a seamless process, such as establishing the consumers’ Budget and Spending Plans and discharge planning.

11. **Compliance.**

11a. The contract administrator will monitor the representative payee vendor to ensure compliance with the scope of work.

11b. The Office of Accountability shall monitor and review a sample of consumers during the quality review and/or recertification for provider compliance of this policy.

12. **Inquiries.** Questions regarding this policy should be addressed to the DBH Representative Payee Contract Administrator, telephone number (202)673-7067.

13. **Related References.** DBH Policy 530.1, SSI/SSDI Expedited Benefits Policy

**Approved by:**

**Tanya A. Royster, M.D.  
Acting Director, DBH**

 (Signature)       (Date)