

# **Advance Designation: *Supporting Autonomy and Personal Choice in Representative Payment***

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# Advance Designation: Policy Basics

- ▶ Social Security and SSI
  - ▶ Not just retirees - adults with disabilities, too
- ▶ A designation can be made at any time, not just at time of application
- ▶ Only individuals may be designated, not organizations (e.g. law firm, nursing home). Can be multiple individuals.
- ▶ SSA must annually notify all beneficiaries who have made a designation, reminding them of their designation

# Policy Basics, continued

- ▶ Appointment would be made only after a capability determination is made, and after SSA evaluates the suitability of the designated individual.
  - ▶ Appointment of the designated individual is not automatic - SSA must assess suitability
- ▶ Regulations must be published October 2019
- ▶ Advance Designation option available April 2020

# Implementation Issue: Education

- ▶ Most beneficiaries will not be aware of “representative payment,” or the potential for needing a payee in the future (and may not want to think about it!)
- ▶ “Self-service” environment at SSA
  - ▶ Most retirement applications are filed on-line
  - ▶ SSA’s ability to provide individualized service is constrained
- ▶ Education at time of application as well later on (as individual approaches time when a payee might be needed)
  - ▶ Should SSA do a special outreach to beneficiaries who attain a particular age?

# Implementation Issue: Information about Designees

- ▶ What information should SSA obtain about the designee?
  - ▶ What kind of identifying information and contact information is most useful?
  - ▶ How to find designees when contact information is out of date?
  - ▶ Should it include the relationship between the beneficiary and the designee?

# Implementation Issue: Time Lag

- ▶ SSA must store information about designee and be able to update it
  - ▶ SSA track record: maintaining earnings histories, advance Medicare sign-ups
- ▶ Beneficiary's preferences and relationships can change over time (e.g. age 62 to age 92) - how to ensure that the advance designation continues to reflect beneficiary preference?
  - ▶ Should SSA do special outreach if a designation does not change for more than a certain number of years? If contact information has never been updated?

# Implementation Issue: Suitability Evaluation of the Designee

- ▶ SSA must always conduct suitability evaluation - even when the beneficiary has made an advance designation
  - ▶ Should the beneficiary be asked to explain why they chose this individual?
    - ▶ At time of designation? At time of capability evaluation (is that too late?)
    - ▶ Are there concerns about coercion, and if so, how to mitigate this risk?
- ▶ How to ensure suitability evaluation is meaningful, not perfunctory?

# Key Input from Panelists and Attendees

- ▶ How do you see this working in practice?
  - ▶ Older persons?
  - ▶ Individuals with disabilities?
  - ▶ Give us real-life examples
- ▶ Effective strategies for explaining and communicating about this new option
- ▶ Is SSA IT modernization an opportunity to implement advance designation in creative ways? What would these be?
- ▶ How can SSA take advantage of existing infrastructure - e.g. annual COLA notice?
- ▶ Would advance designation option be incorporated into other (non-SSA) aspects of retirement planning?