

**§ 408.611 What happens to your monthly benefits while we are finding a suitable representative payee for you?**

For an explanation of the policy we use to determine what happens to your monthly benefits while we are finding a suitable representative payee for you, see § 404.2011 of this chapter.

**§ 408.615 What information do we consider in determining whether we will pay your benefits to a representative payee?**

We determine whether to pay your benefits to a representative payee after considering the information listed in § 404.2015 of this chapter.

**§ 408.620 What information do we consider in selecting the proper representative payee for you?**

To select a proper representative payee for you, we consider the information listed in § 404.2020 of this chapter.

**§ 408.621 What is our order of preference in selecting a representative payee for you?**

We use the preference list in § 404.2021(a) of this chapter as a guide in selecting the proper representative payee for you.

**§ 408.622 Who may not serve as a representative payee?**

For a list of individuals who may not serve as a representative payee, see § 404.2022 of this chapter.

**§ 408.624 How do we investigate a representative payee applicant?**

Before selecting an individual or organization as your representative payee, we investigate him or her following the rules in § 404.2024 of this chapter.

**§ 408.625 What information must a representative payee report to us?**

Your representative payee must report to us information as described in § 404.2025 of this chapter.

**§ 408.630 How will we notify you when we decide you need a representative payee?**

(a) We notify you in writing of our determination to make representative payment. The notice explains that we have determined that representative payment is in your interest, and it provides the name of the representative payee we have selected. The notice:

- (1) Contains language that is easily understandable to the reader.
- (2) Identifies the person designated as your representative payee.
- (3) Explains that you, your legal guardian, or your legal representative can appeal our determination that you need a representative payee.
- (4) Explains that you, your legal guardian, or your legal representative

can appeal our designation of a particular person to serve as representative payee.

(b) If you, your legal guardian, or your legal representative objects to representative payment or to the designated payee, you can file a formal appeal.

**§ 408.635 What are the responsibilities of your representative payee?**

For a list of your representative payee's responsibilities, see § 404.2035 of this chapter.

**§ 408.640 How must your representative payee use your benefits?**

Your representative payee must use your benefits in accordance with the rules in § 404.2040 of this chapter.

**§ 408.641 Who is liable if your representative payee misuses your benefits?**

For the rules we follow to determine who is liable for repayment of misused benefits, see § 404.2041 of this chapter.

**§ 408.645 What must your representative payee do with unused benefits?**

If your representative payee has accumulated benefits for you, he or she must conserve or invest them as provided in § 404.2045 of this chapter.

**§ 408.650 When will we select a new representative payee for you?**

We follow the rules in § 404.2050 of this chapter to determine when we will select a new representative payee for you.

**§ 408.655 When will we stop making your payments to a representative payee?**

To determine when we will stop representative payment for you, we follow the rules in § 404.2055 of this chapter.

**§ 408.660 What happens to your accumulated funds when your representative payee changes?**

For a description of what happens to your accumulated funds (including the interest earned on the funds) when we change your representative payee or when you begin receiving benefits directly, see § 404.2060 of this chapter.

**§ 408.665 How does your representative payee account for the use of your SVB payments?**

Your representative payee must account for the use of your benefits as specified in § 404.2065 of this chapter.

**PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND AND DISABLED**

15. The authority citation for subpart F continues to read as follows:

**Authority:** Secs. 702(a)(5), 1631(a)(2) and (d)(1) of the Social Security Act (42 U.S.C. 902(a)(5) and 1383(a)(2) and (d)(1)).

16. Add § 416.611 to read as follows:

**§ 416.611 What happens to your monthly benefits while we are finding a suitable representative payee for you?**

(a) *We may pay you directly.* We will pay current monthly benefits directly to you while finding a suitable representative payee unless we determine that paying you directly would cause substantial harm to you. We determine substantial harm as follows:

(1) If you are receiving disability payments and we have determined that you have a drug addiction or alcoholism condition, or you are legally incompetent, or you are under age 15, we will presume that substantial harm exists. However, we will allow you to dispute this presumption by presenting evidence that direct payment would not cause you substantial harm.

(2) If you do not fit any of these categories, we make findings of substantial harm on a case-by-case basis. We consider all matters that may affect your ability to manage your benefits in your own best interest. We decide that substantial harm exists if both of the following conditions exist:

(i) Directly receiving benefits can be expected to cause you serious physical or mental injury.

(ii) The possible effect of the injury would outweigh the effect of having no income to meet your basic needs.

(b) *We may delay or suspend your payments.* If we find that direct payment will cause substantial harm to you, we may delay (in the case of initial eligibility for benefits) or suspend (in the case of existing eligibility for benefits) payments for as long as 1 month while we try to find a suitable representative payee. If we do not find a payee within one month, we will pay you directly. If you are receiving disability payments and we have determined that you have a drug addiction or alcoholism condition, or you are legally incompetent, or you are under age 15, we will withhold payment until a representative payee is appointed even if it takes longer than one month. We will, however, as noted in paragraph (a)(1) of this section, allow you to present evidence to dispute the presumption that direct payment would cause you substantial harm. See § 416.601(b)(3) for our policy on suspending the benefits if you are currently receiving benefits directly.

*Example 1: Substantial Harm Exists.* We are unable to find a representative payee for Mr. X, a 67 year old retirement beneficiary