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**Discussion Fact Sheet**

**Social Security Administration POMS GN 00506.105 (Attached)**

- **POMS GN 00506.105 Jeopardizes Beneficiaries Food Shelter and Clothing**  
Enforcement of the Bonding provision will have an immediate and devastating effect on services provided to thousands of disabled people throughout the entire country.
- **POMS GN 00506.105 Requires insurance policies to name SSA loss party**  
The beneficiary is the loss party. A high quality comprehensive insurance policy insures that the beneficiary is made whole and there is no disruption of service. Once SSA issues the funds, they no longer can claim ownership, therefore they cannot be named as a loss party.
- **POMS GN 00506.105 Bonds are very different than insurance policies**  
A Surety Bond pays the SSA and not the beneficiary. The bonding company then seeks reimbursement directly from the payee. Insurance replaces the funds and has minimal affect on the beneficiary.
- **POMS GN 00506.105 Attempts to solve miniscule problem**  
June 5, 2013 testimony before Congress SSA administrator stated "misuse of benefits occurs in only 0.01 percent of cases. (i.e., 1 in every 10,000)  
(See attached)

**Government Accountability Office Testimony  
Before the Subcommittee on Ways and Means,  
House of Representatives  
June 5, 2013 (Attached)**

- **GAO Reports** since 2002, the number of beneficiaries needing a payee has increased by nearly 20 percent, and is likely to grow further as the population ages.
- **GAO Reports** that the SSA struggles to effectively administer its Representative Payee Program, despite steps the agency has taken to address its challenges in identifying, selecting and monitoring representative payees.
- **GAO Reports** that the SSA is also encountering increasing numbers of beneficiaries who may not have a suitable payee readily available.
- **GAO Reports** that the SSA has not developed a comprehensive plan for addressing the challenges this program faces over the long term.
- **GAO Report** recommends that the SSA develop a long-term strategy that includes developing and testing a range of alternatives that could streamline program processing.