Changes to Social Security and other Federal Benefit Payments: Issues for Assisted Living Facilities

On March 1, 2013, the U.S. Department of the Treasury will begin requiring beneficiaries to receive Social Security and other federal benefit payments electronically. As this deadline approaches, assisted living and other long term care providers are encouraged to educate residents, families, and residents' authorized representatives receiving paper checks to make the switch to electronic payment.

The December 2010 Treasury rule mandating the payment transition affects:

– *Current check recipients.* People already receiving Social Security and other federal benefits by check are required to switch to direct deposit by __March 1, 2013__.
– *People newly applying for benefits.* Anyone applying for federal benefits thereafter will receive their payments electronically from day one.

There are exceptions:

– *People born before May 1, 1921* can continue to receive their payments by check if they choose.
– *Limited hardship waivers* are available for people in unique circumstances.

Federal agencies and benefits impacted include:

- Social Security Administration (Social Security and SSI)
- Veterans Affairs (VA benefits)
- Railroad Retirement Board
- Office of Personnel Management
- Department of Labor (Black Lung)

Current Assisted Living Facility Practices and Payment Options

Many assisted living residents, their families, and other persons authorized to handle resident funds already receive federal benefit payments electronically in bank accounts from which they make payments to assisted living providers. Some still receive paper checks. Assisted living facilities also can receive federal benefit payments on behalf of residents as representative payees.

Treasury officials suggest that assisted living facilities and other long term care providers encourage and/or assist federal benefit recipients receiving benefits through paper checks to convert by March 1, 2013. It's recommended that all current residents convert by early January, if possible, to allow for processing time. Facility residents that newly apply for federal benefits will receive payments electronically from day one after the March deadline.

What Providers Can Do

Providers can review the payment status of current residents and determine who receives a paper federal benefit check. The Treasury also encourages providers to:

- Create a plan to convert current residents by early January 2013, so payments are electronic by March 1, 2013.
- Ensure forms are current.
- Call **Go Direct** to convert up to 10 residents per call or go to an SSA office to do so.
- Review and adjust admissions policies and procedures as needed.

How To Convert to Direct Deposit or Electronic Fund Transfer

- *PHONE* — Call 1-800-333-1795, or
- *ON-LINE* — Go to www.GoDirect.org, or
- *PAPER* — Fill out and mail in paper form (FMS 1200), found on www.GoDirect.org
  NOTE: Forms SSA-1199A, SSA-11-BK, SSA-787 are available from SSA

How to Convert to Electronic Fund Transfer

www.GoDirect.org

Call 1 (800) 333-1795

Social Security, Supplemental Security Income, Veterans, Railroad Retirement or Civil Service (OPM) Benefits

Download, print, and complete the FMS Form 1200 to enroll in direct deposit. Mail the completed form to:
U.S. Treasury
Electronic Payment Solution Center
PO Box 650527
Dallas, TX 75265-0527

Military Benefits

These are not processed by the U.S. Treasury Electronic Payment Solution Center. Contact DFAS/Military Customer Service at **1-888-332-7411** or visit www.dfas.mil.

Black Lung

These are not processed by U.S. Treasury Electronic Payment Solution Center. Contact the Department of Labor. A toll-free number has been designated for each of the nine Division of Coal Mine Workers' Compensation district offices. Visit the Department of Labor web site for a list of district offices and their phone numbers.

Delivery of Payments to a Prepaid Debit Card

For beneficiaries who do not have a bank or credit union account, Treasury offers the option of receiving payments through a Direct Express® Debit MasterCard® account.

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For further information, contact Matt Helfrich, U.S. Department of the Treasury, at 215-516-8022.