



## **CREATING THE BRIDGE BETWEEN A BENEFICIARY AND HOMEFULLNESS**

Elatus Essential Support Services, Inc. (Elatus) is a nonprofit 501(c)3 social service agency providing an array of key financial management and literacy services to the homeless, addicted and disabled populations in the Massachusetts region. We execute Representative Payee and VA Fiduciary duties as well as Durable Limited Power of Attorney (POA) responsibilities that operate within existing federal and state guidelines.

The term Representative Payee is unique to the Social Security Administration (SSA); however, the role of Representative Payee is simply one of agency, meaning that the Representative Payee is the designated agent for a recipient of Social Security benefits whom the SSA has determined to be incapable of managing his or her SSDI or SSI benefits. A similar designation and responsibility is incumbent in the role of Fiduciary, a designated person or agency managing a beneficiary's Veterans benefits.

As the designated agent of a financially incapable SSDI or SSI recipient, the Representative Payee plays a role similar to that of an agent or attorney-in-fact under a power of attorney. The role of Representative Payee differs in one significant respect from that of agent or attorney-in-fact under a power of attorney: any beneficiary under a power of attorney chooses his or her agent; that is not the case with appointment of a Representative Payee. The Social Security Administration (SSA) chooses and designates the Representative Payee for a financially incapable recipient of SS or SSI benefits. The recipient of SSDI or SSI benefits is known as a beneficiary. It is at this point that many do not voluntarily relinquish their benefits and entitlements. When SSA or the VA make the decision that a beneficiary is unable (incompetent) to handle their own funds, a doctor must certify that their capacity to manage money has returned. This creates a conflict in which the beneficiary must choose to give up access to their funds for an indeterminate amount of time in which the real possibility exists that control may never be returned.

Under federal law, an attorney-in-fact under a power of attorney (POA) has lawful authority to receive, manage, or administer the SSDI or SSI benefits paid to a beneficiary. Social Security is a matter of federal, not state law, and state courts lack jurisdiction over the federal government, and its agencies and programs.

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Similarly, individuals lack authority over the any government and so may not control or direct SSDI or SSI benefits.

How does Elatus resolve this conflict?

An existing attorney-in-fact may apply for and may be appointed as the Representative Payee for a SSDI or SSI beneficiary. Though, this designation creates the loss of control that a beneficiary in recovery or restarting their lives fears the most. Elatus has developed a durable yet limited Power of Attorney that does not control or direct SSA benefits and entitlements. The Elatus program works with the beneficiary to:

- Develop a meaningful and viable budget that is voluntarily adhered to
- Pay rent/utilities/phone bills
- Provide for food/clothing/incidentals/recreation
- Ensure that there is a savings component to any plan

Elatus begins by working with the beneficiary to complete a comprehensive and understandable Informed Consent agreement that places obligations on both parties to the agreement. A significantly limited and restricted POA is signed by the beneficiary to allow Elatus and its appointees to act as their agent for very specific and limited financial tasks:

1. Authorizes the opening of only 1 checking account and 1 interest bearing savings account at a local bank
2. Authorizes the account to be used to collect SSA and VA funds and work funds, if requested
3. The account is in the beneficiary's name with Elatus Essential Support Services, Inc. as POA
4. The agent is designated to only pay bills in accordance with the beneficiary's instructions through a mutually established budget form with primary emphasis on rent, utilities, phone and any other required expenses and a savings component
5. A fixed amount of money is designated for weekly transfer to the beneficiary to a bank of their choice for use for food and incidentals
6. The beneficiary is required to have a separate bank account with a bank debit card to access their funds. This account is used for any money earned through employment or otherwise exclusive of the funds outlined in the POA
7. The POA is reviewed and agreed to every year. At the end of the year, the beneficiary can choose to have funds returned or authorize the agent to continue paying bills.

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8. There is a fee of 4.5% of the check or \$75 maximum. Special accommodations are made for those who have lower benefits.
9. There is a 90 day notice requirement if the beneficiary opts to rescind the agreement during the term. Typically, EFT deposits cannot be rerouted quickly.
10. Elatus and its Board of Directors believes that this approach will end shelter recidivism in the Rapid Rehousing Initiative. Our effort also facilitates regular community contact with the Veteran to ease community reintegration.

Respectfully,

David S. Rapaport  
President

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