



HOUSE COMMITTEE ON WAYS & MEANS

CHAIRMAN RICHARD E. NEAL

Fairness for Seniors and People with Disabilities During COVID-19 Act

The *Fairness for Seniors and People with Disabilities During COVID-19 Act* protects seniors, surviving spouses, children, and people with severe disabilities from being forced to repay extra Social Security and Supplemental Security Income (SSI) benefits they received because of the COVID-19 pandemic. These beneficiaries did not know they were being overpaid, could do nothing to prevent these extra payments, and most have little ability to pay them back. Action is urgently needed because the Social Security Administration (SSA) may soon begin issuing letters demanding beneficiaries repay hundreds or even thousands of dollars they no longer have, in the middle of a pandemic.

The Issue:

Social Security and SSI overpayments. When a Social Security or SSI beneficiary's circumstances change, SSA reduces or cuts off benefits if required by program rules. If SSA does not adjust benefits promptly, the individual will be overpaid. Many situations can lead to overpayments. For example:

- A low-income senior or disabled adult receiving SSI moves in with family.
- A Social Security retiree is called for extra shifts because of the pandemic and earns more than they had expected.
- A disabled beneficiary with a part-time job earns an extra \$100 one month.

Due to the COVID-19 pandemic, SSA suspended overpayment notification and collection. Beginning in March 2020, due to the COVID-19 crisis SSA prioritized making sure that eligible retirees, survivors, and people with disabilities received their benefits, including Economic Impact Payments – and temporarily stopped most work related to reducing or cutting off benefits. As a result, some beneficiaries have been receiving extra benefits. SSA's action has provided much-needed financial relief to Social Security and SSI beneficiaries who, like all Americans, have had their lives thrown into crisis by the COVID-19 pandemic.

Beneficiaries are not at fault and SSA should not demand repayment of COVID-19 overpayments. SSA has signaled it will start collecting COVID-19 overpayments in August. If this happens, affected Social Security and SSI beneficiaries will receive letters demanding that they immediately repay hundreds or even thousands of dollars. Although the law allows SSA to waive repayment of overpaid benefits if the individual is without

fault and cannot afford to pay it back, this happens on a case-by-case basis. The process is byzantine and can be extremely difficult, if not impossible, for beneficiaries to navigate and SSA grants very few requests for relief.

Collecting COVID-19 overpayments would harm vulnerable Social Security and SSI beneficiaries. SSA beneficiaries often live in or near poverty and rely on their benefits to survive. SSA has not told beneficiaries that they are being overpaid. Most will have spent their checks immediately and cannot afford to repay benefits. In the case of SSI recipients, they will have thought they *had* to spend their benefits to avoid reaching the \$2,000 asset limit and losing SSI eligibility.

Collecting COVID-19 overpayments would disproportionately harm people of color, who have been particularly hard hit by the pandemic and economic crisis. People of color receive, on average, lower Social Security benefits, and if they receive SSI they have extremely low incomes and are paid no more than \$783 per month in SSI benefits. These and other vulnerable beneficiaries will not be able to afford repayments and will struggle to navigate SSA's process for appeals or relief, in the middle of a pandemic.

The Bill:

The *Fairness for Seniors and People with Disabilities During COVID-19* Act protects vulnerable seniors, survivors, and people with severe disabilities who receive Social Security or SSI from having to repay benefits that SSA has overpaid during the COVID-19 pandemic (extra benefits paid from March 1, 2020 through December 31, 2020). The bill also protects individuals who would have had their SSI benefits cut off from retroactive loss of Medicaid.

Endorsed by:

AARP, Alliance for Retired Americans, American Council of the Blind, American Association on Health and Disability, Autism Society of America, Community Legal Services of Philadelphia, Easterseals, Epilepsy Foundation, Justice in Aging, Lakeshore Foundation, Latinos for a Secure Retirement, NAACP, National Alliance on Mental Illness, National Association of Disability Representatives, National Committee to Preserve Social Security and Medicare, National Employment Law Project, National Organization of Social Security Claimants' Representatives, Social Security Works, The Arc of the United States.