4191-02U

SOCIAL SECURITY ADMINISTRATION

Docket No. SSA- 2018-0067

Rate for Assessment on Direct Payment of Fees to Representatives in 2019

AGENCY: Social Security Administration.

ACTION: Notice.

SUMMARY: We are announcing that the assessment percentage rate under the Social Security Act (Act) is 6.3 percent for 2019.

FOR FURTHER INFORMATION CONTACT: Jeffrey C. Blair, Associate General Counsel for Program Law, Office of the General Counsel, Social Security Administration, 6401 Security Boulevard, Baltimore, MD 21235-6401.

Phone: (410) 965-3157, email Jeff.Blair@ssa.gov.

SUPPLEMENTARY INFORMATION: A claimant may appoint a qualified individual as a representative to act on his or her behalf in matters before the Social Security Administration (SSA). If the claimant is entitled to past-due benefits and was represented either by an attorney or by a non-attorney representative who has met certain prerequisites, the Act provides that we may withhold up to 25 percent of the past-due benefits and use that money to pay the representative’s approved fee directly to the representative.

When we pay the representative's fee directly to the representative, we must collect from that fee payment an assessment to recover the costs we incur in determining and paying representatives' fees. The Act provides that the assessment we collect will be the lesser of two amounts: a specified dollar limit; or the amount determined by multiplying the fee we are paying by the assessment percentage rate.[1]

The Act initially set the dollar limit at $75 in 2004 and provides that the limit will be adjusted annually based on changes in the cost-of-living.[2] The maximum dollar limit for the assessment currently is $95, as we announced in the Federal Register on October 24, 2018 (83 FR 53702).

The Act requires us each year to set the assessment percentage rate at the lesser of 6.3 percent or the percentage rate necessary to achieve full recovery of the costs we incur to determine and pay representatives' fees.[3]

[1] 42 U.S.C. 406(d), 406(e), and 1383(d)(2).
[2] 42 U.S.C. 406(d)(2)(A) and 1383(d)(2)(C)(ii)(I).
[3] 42 U.S.C. 406(d)(2)(B)(ii) and 1383(d)(2)(C)(ii)(II).

Based on the best available data, we have determined that the current rate of 6.3 percent will continue for 2019. We will continue to review our costs for these services on a yearly basis.

Dated: December 11, 2018.

Michelle King,

Deputy Commissioner

for Budget, Finance, and Management.

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