



WHAT IS AN OVERPAYMENT & HOW DOES IT OCCUR?

An overpayment happens when Social Security pays you more in benefits than you are actually eligible for. Overpayments can happen under the Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) benefit programs and can happen for several reasons. Most often, overpayments of SSDI benefits occur due to failure to report wages in a timely manner. SSI benefits can be overpaid when a beneficiary fails to report earnings from work, changes in income and / or living arrangements, and can also occur when resources exceed the allowable limits (\$2000, for an individual or \$3,000 for an eligible couple). Sometimes, overpayments occur as a result of a Social Security administrative error or delay.



I've been overpaid Social Security benefits

WHAT ARE MY OPTIONS?

You will be notified by mail when SSA determines that an overpayment has occurred, and your notice will let you know the amount of money SSA expects you to pay back. If you are receiving SSDI payments, Social Security will withhold the full amount of your benefit each month towards the overpayment, unless you request a repayment plan of a lesser amount. If you are receiving SSI payments, Social Security will withhold 10% of the federal benefit rate towards repayment. Social Security will begin these collection efforts 30 days (for SSDI) or 60 days (for SSI) from the date of your overpayment notice. It is important to understand that you have a few of options when an overpayment has occurred...

APPEAL THE DECISION - If you do not agree that an overpayment occurred or you disagree with the overpayment amount, you can appeal the decision in writing by submitting form SSA-561 or filing an appeal through SSA's online appeals application available through the www.ssa.gov website. You must explain why you disagree with the decision and be able to provide evidence of why the decision is incorrect. You have 60 days from the date of the notice to file an appeal.

REQUEST A WAIVER - If you agree that the overpayment occurred but feel it would be unfair for you to pay it back, you can request that all or a portion of the overpayment be waived by submitting form SSA-632, Request for Waiver of Overpayment Recovery. You must be able to prove that you were not at fault for causing the overpayment and that paying it back would cause you financial hardship or would be unfair for a specific reason. There is no time limit for requesting a waiver of overpayment.

ADMINISTRATIVE WAIVER FOR SSI - If you receive SSI payments and your notice indicates an overpayment amount of less than \$1,000, Social Security policy allows you to receive an administrative waiver of the full amount of the overpayment as long as SSA doesn't have evidence to show you were at fault in causing it to occur. While there is no time limit for filing this request, you must request this waiver in writing! You can use a blank form SSA-795 to request this type of waiver.

COMPROMISED SETTLEMENT - You may be able to make a lump-sum payment of less than the total overpayment amount and still have the debt considered satisfied if Social Security agrees to a 'compromised settlement'. Local SSA offices are likely to accept compromised settlements of at least 80% of the total overpayment debt when the overpayment amount is \$20,000 or less. For overpayments greater than this amount, additional levels of approval are necessary. You should propose a compromised settlement in writing using form SSA-795.

REPAYMENT PLAN - If you are unable to pay back the overpayment in full or afford the standard withholding amounts, you can always arrange a repayment plan with Social Security. If you receive SSDI payments, Social Security will typically accept the monthly repayment amount you request as long as the overpayment would be paid in full within 36 months. If you receive SSI payments, you can request to have as little as \$10 per month withheld from monthly benefit payments. If you are no longer receiving benefit payments, you will need to submit payment directly to SSA via check, money order, debit or credit card and should contact your local office to make arrangements.

Tips for Preventing Overpayments

You can help avoid overpayments from happening by being proactive and reporting changes to Social Security in a timely manner. SSI recipients should report changes in income, living arrangements, and resources to their local office within 10 days of the change. Changes in employment status should be reported to SSA right away by both SSDI and SSI recipients and actual earnings should then be reported **every** month.

Earnings can be reported online through a mySocialSecurity account for SSDI and SSI recipients.

Visit www.ssa.gov/myaccount to learn more. SSI recipients may also choose to report using the SSI Wage Reporting mobile app or automated phone system. Report changes in writing whenever possible and always ask for a receipt or document the date you speak with an SSA representative and the representative's name.

If you have access to Benefits Counseling services, your certified Benefits Planner can assist you in exploring your overpayment options and determining which may be best for you. If you are interested in continuing to work and receiving on-going benefits counseling services call 1-855-384-2844 or visit www.ticket2workmd.org.



**Maryland Benefits
Counseling Network**

Achieving Greater Independence Through Work

PHONE 1.855.384.2844

FAX 1.410.921.7522

WEBSITE www.mdbenefitscounseling.org/