

Social Security Column

WHAT TO DO IF SOCIAL SECURITY PAYS YOU TOO MUCH

By Steve McClaskey
Social Security Manager in Accomac, Va

What should you do if Social Security pays you too much? That may seem like a strange idea at first, as most people worry about not having enough money. If you receive monthly Social Security or Supplemental Security Income (SSI) benefits, an overpayment can occur for many reasons, including work or another benefit that requires a reduction in your Social Security or SSI payment.

If Social Security does pay you too much, you will receive an overpayment notice in the mail. If you have a representative payee who helps you manage your money, a copy of the letter will go to your payee. The notice will explain why you were overpaid, your repayment options, and your appeal and waiver rights. You should read the notice carefully.

If you agree with the overpayment decision, you have options for repaying it. We can withhold your overpayment from your monthly benefit payments or withhold a portion of your payment until the money is paid back. If you no longer receive benefits, you can send a check to Social Security for the entire amount or set up a plan to pay back the amount in monthly installments.

If you are not receiving benefits, and you do not pay the amount back, we can recover the overpayment from your federal income tax refund, from your wages if you are working, or from future SSI or Social Security benefits. If you do not make an effort to repay the amount due, we may report the delinquency to credit bureaus.

If you believe that the overpayment decision is wrong and you should not have to repay it, you have the right to appeal the decision or request a waiver of recovery. If you believe you were not overpaid or the amount of the overpayment is wrong, you can file

an appeal within 60 days of receiving the overpayment notice. If you agree that the overpayment is correct but you believe it was not your fault and paying it back would cause you financial hardship or be unfair for some other reason, then you can request a waiver of recovery. Whether you submit an appeal or waiver request, all recovery would be suspended until a formal decision is sent to you.

It's also important to know that Social Security will not take action to begin collecting on an overpayment without first notifying you and giving you the chance to appeal the decision. It's also good to know that no matter how long it takes to pay back an overpayment, Social Security never charges interest on the money owed.

If you'd like to learn more about Social Security and SSI overpayments, we have a convenient and easy-to-read electronic fact sheet on the subject. You can find it at www.socialsecurity.gov/pubs/10098.html.

Learn more about Social Security at www.socialsecurity.gov.