Social Security Goes Paperless

Social Security is in the process of shifting away from paper checks in favor of electronic benefits. This means that with a few narrow exceptions, individuals receiving Social Security Retirement, Disability, and SSI benefits will be required to get their benefits either via direct deposit or on a prepaid debit card.

What is the Direct Express Card?

- Recipients without a bank account, or who so prefer, will have the option to receive their benefits on the Direct Express card. It bears the MasterCard logo and operates like any other prepaid debit card. Current recipients getting paper checks can sign up at any time, by phone, in any SSA office, or online.

- **NOTE:** The Direct Express card offers significant advantages to beneficiaries over other prepaid debit cards. It can be used without incurring fees, costs nothing upfront, has no overdraft risk and accompanying charges, etc. Many clients end up being marketed prepaid debit card products by NetSpend, Metabank, and others. Advise your unbanked clients to enroll in Direct Express over these costly alternatives.


When Does this Take Effect?

- **New recipients** getting benefits after **May 1, 2011** will be required to choose direct deposit or Direct Express.
- **Current recipients still getting a paper check** will be required to switch by **March 1, 2013**.
- Folks currently receiving benefits via paper check can switch at any time.

Does this apply to all recipients of SSA benefits?

No. There are two narrow exceptions:

- Automatic waiver is granted for **recipients age 90+** (as of May 1, 2011).
- A **hardship waiver** will be available for qualifying recipients with a **mental impairment** or who are geographically remote. Requirements and process for requesting a hardship waiver TBD.

***

Community Legal Services’ Aging & Disabilities unit is happy to advise in cases regarding SSA electronic payment problems.

Contact Rebecca Vallas, 215-227-2417, [rvallas@clsphila.org](mailto:rvallas@clsphila.org) for more information.