

## Personal Funds Review

**Personal Funds Review:** Complete this review if a resident or representative had concerns with their personal funds account during the initial pool process. Residents should be given the opportunity to manage their own personal funds, and the facility may not require residents to deposit their funds. If residents choose to have the facility manage their funds, the facility may not refuse. If concerns are identified, review additional resident accounts to determine the frequency of identified problems and review the facility's policies, procedures and systems.

**Verify Account:** Verify the existence of the resident's account prior to beginning the review. If you determine that the resident does not have an account and this is the only resident causing the task to trigger, remove the Personal Funds task and reconcile the discrepancy before removing the task.

**Access to Funds:** Review this CE if the resident or representative had concerns about access to their funds.

Interview staff to determine how resident requests for money on weekends or evenings (non-banking hours) are honored and how money is safeguarded until needed.

**1. Do residents have ready access to their personal funds managed by the facility?**  Yes  No **F567**  NA

**Quarterly Statements:** Review this CE if the resident or representative had concerns about quarterly statements.

Determine how often residents, or their legal representatives, receive statements of personal account activity.

Ask staff to show and describe the system for ensuring that quarterly statements, and statements upon request, are provided.

Determine whether the sampled resident receives his/her own quarterly statements, and statements upon request (unless a legal financial representative has been appointed or the resident has requested another party to receive the information).

**2. Does the facility provide quarterly statements and provide statements to residents or legal representatives upon request?**  Yes  
 No **F568**  NA

**Costs and Services:** Review this CE for the residents who caused this task to trigger.

How and when residents are notified of the costs for services and any changes in costs for services.

Whether residents/legal representatives are notified of expected charges at the time of admission, and told in advance when changes will occur in their bills.

Whether residents/legal representatives are notified of any charges for services that are not covered under Medicare or Medicaid or by the facility's per diem rate, such as in-room telephone, haircuts, the daily newspaper, or private room charges.

Whether Medicaid beneficiaries are informed, in writing, at the time of admission or when the resident becomes eligible for Medicaid, of the items and services included in the state plan for which the resident may not be charged.

**3. Are residents informed of costs for services and any changes in costs for services?**  Yes  No **F582**  NA

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**Separate Accounting Maintained:** Review this CE for the residents who caused this task to trigger.

- Ask the staff member to show you and describe how separate accounting is maintained.
- Are funds in one pooled (combined) resident fund account?
- Are funds in a separate account?
- Are funds in a combined account for resident funds under \$50.00 (not required to be in an interest-bearing account) with an additional separate interest-bearing account for funds in excess of \$50.00 for Medicaid residents and in excess of \$100.00 for all other residents. (For example, a resident may have a small amount of money in a pooled account and have a large amount of money in an interest-bearing savings account)?
- Are funds in a separate accounting, whether or not the funds are pooled (combined), with separate statements maintained showing deposits and withdrawals?

**4. Does the facility maintain a separate accounting of each resident's funds?**  Yes  No F568  NA

**Accounting Principles:** Review this CE for the residents who caused this task to trigger.

- Determine whether the record is reconciled and up to date by asking staff to show how the financial account indicates:
  - The transactions that have occurred including deposits and withdrawals are accurately recorded.
  - The resident's current balance.

**5. Does the accounting system follow generally acceptable accounting principles?**  Yes  No F568  NA

**Charges:** Review this CE for the residents who caused this task to trigger.

- Determine how staff ensures that Medicare or Medicaid residents are not charged for services that are covered under the Medicare or Medicaid plan.
- Ask staff to review and describe charges and deductions from the account of the Medicare or Medicaid recipient(s).
- Follow up on vague entries, unreasonable charges, and any inappropriate charges for covered items. Residents should be allowed to pay for non-covered services that are available to private-pay residents, such as permanents/haircuts, personal reading material, and social events outside the scope of the activities program.
- See F571 for examples of items that may be charged to resident's funds. (Medicaid recipients must be informed in writing of items and services included in the state plan.

**6. Are Medicare/Medicaid residents charged only for non-covered services?**  Yes  No F571  NA

**Interest:** Review this CE for the residents who caused this task to trigger.

- Interview staff to determine whether funds in excess of \$50.00 for Medicaid residents and \$100.00 for all others are kept in an interest-bearing

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account.

- Whether all resident funds are pooled (combined) into one account, that resident money is not co-mingled with facility money, and each resident accrues an appropriate percent of the interest.
- Ask staff to show and describe how interest is paid to each entitled resident.
- "Applicable interest" means a rate of return equal to or above the passbook savings rate at local banking institutions in the area. If money is in a pooled fund, each resident should receive the applicable interest rate distributed in proper proportion according to individual account balances. Earned interest should be posted to resident accounts within a few business days of the facility's receipt of the bank statement.

**7. Is applicable interest paid to each entitled resident?**  Yes  No **F567**  NA

**Medicaid Eligibility Limit:** Review this CE if a resident who caused this task to trigger is a Medicaid recipient:

- Review the account balance for that resident to see whether the balance is nearing the eligibility limit.
- If the balance is within, or approaching, \$200.00 of the maximum a Medicaid recipient can have in cash assets, determine whether the facility has verification that a notice was given to the resident/legal representative.

**8. Does the facility notify Medicaid residents when the amount in the resident's account reaches \$200 of the *SSI resource* limit?**  Yes  
 No **F569**  NA

**Surety Bond:** Review this CE if the task triggered.

- Ask the facility to provide information on how many residents have personal accounts and what total amount (total value) is being managed by the facility.
- Determine whether the facility has a surety bond.
- Verify that the bank holdings are comparable to the total amount of funds entrusted to the facility.

**9. Does the facility have a surety bond or similar protection with the amount of the surety bond equal to at least the current total amount of resident funds?**  Yes  No **F570**  NA