

A resident's request to work or perform services should be discussed by the interdisciplinary team and be clinically and psychologically appropriate for the resident.

PROCEDURES §483.10(f)(9)

- Through interviews with residents, resident representatives, and staff, determine if residents were given a choice as to whether or not they were willing to perform services.
- During observations, note whether residents are engaged in performing these services (such as housekeeping, laundry, meal set up, etc.).
- Review the resident's care plan to ensure it includes;
 - The nature of the services to be provided, including the resident's desire to do so, and the objectives for this arrangement; and,
 - Whether they are provided voluntarily or paid.

Examples of noncompliance may include, but are not limited to:

- The resident or his or her representative did not agree to the work arrangements;
- The resident's care plan does not specify the nature of the services provided by the resident or whether or not they are voluntary or paid; or
- Compensation for paid services is not at or above prevailing rates.

F567

(Rev. 173, Issued: 11-22-17, Effective: 11-28-17, Implementation: 11-28-17)

§483.10(f)(10) The resident has a right to manage his or her financial affairs. This includes the right to know, in advance, what charges a facility may impose against a resident's personal funds.

(i) The facility must not require residents to deposit their personal funds with the facility. If a resident chooses to deposit personal funds with the facility, upon written authorization of a resident, the facility must act as a fiduciary of the resident's funds and hold, safeguard, manage, and account for the personal funds of the resident deposited with the facility, as specified in this section.

(ii) Deposit of Funds.

(A) In general: Except as set out in paragraph (f)(10)(ii)(B) of this section, the facility must deposit any residents' personal funds in excess of \$100 in an interest bearing account (or accounts) that is separate from any of the facility's operating accounts, and that credits all interest earned on resident's funds to that account. (In pooled accounts, there must be a separate accounting for each resident's share.) The facility must maintain a resident's personal funds that do not exceed \$100 in a non-interest bearing account, interest-bearing account, or petty cash fund.

(B) Residents whose care is funded by Medicaid: The facility must deposit the residents' personal funds in excess of \$50 in an interest bearing account (or accounts) that is separate from any of the facility's operating accounts, and that credits all interest earned on resident's funds to that account. (In pooled accounts, there must be a separate accounting for each resident's share.) The facility must maintain personal funds that do not exceed \$50 in a noninterest bearing account, interest-bearing account, or petty cash fund.

INTENT §483.10(f)(10)(i)-(ii)

To assure residents who have authorized the facility in writing to manage any personal funds have ready and reasonable access to those funds.

DEFINITIONS §483.10(f)(10)(i)-(ii)

“Hold, safeguard, manage, and account for” means that the facility must act as fiduciary of the resident’s funds and report at least quarterly on the status of these funds in a clear and understandable manner. Managing the resident’s financial affairs includes money that an individual gives to the facility for the sake of providing a resident with a non-covered service. In these instances, the facility will provide a receipt to the gift giver and retain a copy.

“Interest bearing” means a rate of return equal to or above the rate at local banking institutions in the area. If pooled accounts are used, interest must be prorated per individual on the basis of actual earnings or end-of quarter balance.

GUIDANCE §483.10(f)(10)(i)-(ii)

If a resident or resident representative chooses to have the facility manage the resident’s funds, facility staff may not refuse to handle these funds. Facility staff are not expected to be familiar with resident assets not on deposit with the facility.

Placement of residents’ personal funds of less than \$100.00 (\$50.00 for Medicaid residents) in an interest bearing account is permitted. Thus, a facility may place the total amount of a resident’s funds, including funds of \$100.00 (\$50.00 for Medicaid residents) or less, into an interest-bearing account. The law and regulations are intended to assure that residents have access to \$100.00 (\$50.00 for Medicaid residents) in cash within a reasonable period of time, when requested. Requests for less than \$100.00 (\$50.00 for Medicaid residents) should be honored within the same day. Requests for \$100.00 (\$50.00 for Medicaid residents) or more should be honored within three banking days. Although the facility need not maintain \$100.00 (\$50.00 for Medicaid residents) per resident on its premises, it is expected to maintain amounts of petty cash on hand that may be required by residents.

If pooled accounts are used, interest must be prorated per individual on the basis of actual earnings or end-of quarter balance.

Residents should have access to petty cash on an ongoing basis and be able to arrange for access to larger funds. Although the facility need not maintain \$100.00 (\$50.00 for Medicaid residents) per resident on its premises, it is expected to maintain petty cash on hand to honor resident requests.

Resident requests for access to their funds should be honored by facility staff as soon as possible but no later than:

- The same day for amounts less than \$100.00 (\$50.00 for Medicaid residents);
- Three banking days for amounts of \$100.00 (\$50.00 for Medicaid residents) or more.

Residents may make requests that the facility temporarily place their funds in a safe place, without authorizing the facility to manage those funds. The facility must have a system to document the date, time, amount, and who the funds were received from or dispersed to.

The facility must have systems in place to safeguard against any misappropriation of a resident's funds.

NOTE: Banks may charge the resident a fee for handling their funds and pass this fee on to the resident(s). Facilities may not charge residents for managing residents' funds because the services are covered by Medicare or Medicaid or by the facility's per diem rate. Monies due residents should be credited to their respective bank accounts within a few business days.

PROCEDURES §483.10(f)(10)(i)-(ii)

Interview:

- Residents and/or their representatives to determine if they have experienced problems with the facility's management of their personal funds.
- Residents and/or their representatives to determine if they have ready access to their personal funds.
- Facility staff to determine how they manage, account for, and safeguard a resident's funds.

To assure facility staff are not using oral requests by residents as a way to avoid obtaining written authorization to hold, manage, safeguard and account for resident's funds, ensure:

- Facility staff provide the resident a receipt for these funds and retains a copy for its records.

Review the facility records for residents selected for a comprehensive review who have authorized the facility to handle their personal funds.

- Are residents' funds over \$100.00 (\$50.00 for Medicaid residents) or, at the facility's option, all resident funds, in an interest bearing account(s)?
- What procedure was followed when residents requested their funds?
- How long does it take for residents to receive: (a) petty cash allotments; (b) funds needing to be withdrawn from bank accounts?
- Were limits placed on amounts that could be withdrawn? If yes, was the reason based on resident care needs or facility convenience?
- Are funds records treated with privacy as required at F583?

Examples of noncompliance may include, but are not limited to:

- Requiring residents to deposit their personal funds with the facility;
- Not crediting all interest earned on a resident's funds to the resident's account;
- Disbursing the resident's funds to anyone without the resident's or the resident representative's permission;
- Not providing a resident access to their funds as soon as possible.