

Introduction

A resident trust fund is money held by a nursing center for a resident of the center.

Optional

Nursing centers cannot require a resident to set up a trust fund.

- State and federal laws give individuals the right to manage their finances.
- If a nursing center resident needs assistance managing their finances, nursing centers are required to explain all available options, including a trust fund.

Interest Bearing Trust Fund Account

Nursing centers are required to set up an interest bearing account—known as a trust fund --if a resident requests the center manage their funds.

- The account must be separate from the center's own funds.

This applies to any resident funds over \$50.

Resident Permission Required

A nursing center cannot use a resident's money without specific permission.

- A resident must give specific permission for each use of funds from a trust fund account. Residents can appoint a patient representative to help manage personal or financial affairs.
- A nursing center must give you access to any or all of your funds within three business days of your request or if you are discharged.
- Centers are required to provide a resident or patient representative with a quarterly accounting of funds

Strict Federal & State Regulations

There are several strict federal and state (varies by state) guidelines on how these trust funds are held, monitored and distributed.

- Nursing centers are required to have a surety bond in case something occurs so the resident never has his or her account threatened if monies are stolen or lost.
- The surety bond provides protection to a resident in the case that funds are misused.
- The restrictions are numerous and typically very regimented.
- Some examples of state regulations include: centers may be audited every year by the state; each center is required to submit monthly activity statements to every resident and/or family.
- Resident trust fund accounts are audited by surveyors.
- Typically, nursing centers reconcile and self-audit these accounts monthly

Trust Funds

Manage Resident Allowance Monies

