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NURSING HOME RESIDENTS' PERSONAL ACCOUNTS

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This report provides information on state laws governing nursing homes' management of residents' personal accounts.

The state's nursing home residents' bill of rights (1) allows residents to manage their personal financial affairs and (2) requires nursing homes to give them a quarterly accounting of financial transactions made on their behalf ([CGS § 19a-550](#)). The law also requires nursing homes, on or before a resident's admission, to give the resident, or the resident's responsible party, a written statement explaining the resident's rights regarding his or her personal funds and listing the charges which can be deducted from the fund. A resident or his or her responsible party can ask, and give written consent for, the nursing home to manage these funds. When a resident is not mentally capable of understanding and has no conservator, both the resident and the other responsible party must cosign the consent ([CGS § 19a-551](#)).

If asked to manage the funds, the law requires a nursing home to establish either a separate account for each resident or an aggregate trust account to prevent comingling of the resident's funds with those of the nursing home. It must obtain signed receipts for each expenditure from each resident's personal funds, maintain an individualized itemized record of income and expenditures from the personal funds, and permit resident access to these records ([CGS § 19a-551](#)).

The law further requires that the nursing home notify in writing residents whose accounts reach \$1,400 (\$200 less than the \$1,600 Medicaid asset limit) and advise them that they could lose their Medicaid eligibility should their combined assets exceed the legal limit ([CGS § 19a-551](#)).

Department of Social Services (DSS) regulations establish the process by which nursing homes manage residents' personal funds. According to DSS, federal regulations require nursing homes to purchase a surety bond or otherwise provide satisfactory assurances to the federal Centers for Medicare and Medicaid Services that residents' personal funds deposited with the home are secure ([42 § CFR 483.10 § \(12\)\(c\)\(7\)](#)).

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