



STATE OF WASHINGTON
DEPARTMENT OF SOCIAL AND HEALTH SERVICES
Aging and Long-Term Support Administration
PO Box 45600, Olympia, WA 98504-5600

July 2, 2015

AL TSA: NH #2015-024
PROTECTION OF RESIDENT FUNDS

Dear Nursing Facility/Home Administrator:

Residential Care Services (RCS) has recently been contacted about concerns related to resident's funds and charges for items or services. Federal and state laws contain detailed requirements about these topics, some of which are highlighted below.

Washington Administrative Code (WAC) 388-97-0300(4) describes notice requirements regarding eligibility for Medicaid; treatment of deposits; admission fees; prepayment of charges; minimum stay requirements; and charges for items, services and activities. This rule describes requirements that apply to "licensed only" nursing homes as well as facilities that are certified to provide Medicare and/or Medicaid services. (Notice requirements that apply to Medicare and/or Medicaid facilities can also be found in the Code of Federal Regulations ([CFR](#)) -- [42 CFR §483.10\(b\)\(5\)](#))

Facilities are required to allow residents to manage their financial affairs, and the facility cannot require residents to deposit their personal funds with the facility (WAC 388-97-0340(1)). If the resident deposits his or her funds with the facility, it must comply with the requirements described in WAC 388-97-0340(2) – (7). Further, a Medicare and/or Medicaid certified facility must not (1) charge residents for items or services that have not been requested; or (2) require residents to request items or services as a condition of admission or continued stay. If a resident requests an item or service not covered by Medicare or Medicaid, and if the law allows the facility to charge the resident for the item or service, the facility must inform the resident there will be a charge and how much the charge will be (WAC 388-97-0340(8)) (See also [42 CFR §483.10\(c\)\(8\)](#)).

Please review your admission documents to ensure:

- They include a clear description of charges for items and services within your facility, including a statement the facility will not charge a resident for items he or she did not request.
- There is a clear statement the facility will not require a resident to request items or services as a condition of admission or continued stay.
- Your facility has implemented all of the resident rights requirements related to charges and resident funds.

As always, thank you for your continued commitment to nursing home residents. If you have any questions, please contact your RCS Field Manager.

Sincerely,

Kathy Morgan, Interim Director
Residential Care Services

"Transforming Lives"