



## 98TH GENERAL ASSEMBLY

### State of Illinois

2013 and 2014

HB1457

by Rep. John E. Bradley

#### SYNOPSIS AS INTRODUCED:

210 ILCS 45/2-201

from Ch. 111 1/2, par. 4152-201

Amends the Nursing Home Care Act. Provides that to protect a residents' funds, a facility shall place any monthly allowance to which a resident is entitled in that resident's personal account, or give it to the resident, unless the facility has written authorization from the resident or the resident's guardian (now, the resident or the resident's guardian or if the resident is a minor, his parent) to handle it differently. Effective immediately.

LRB098 04001 RPM 34021 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**  
3 **represented in the General Assembly:**

4 Section 5. The Nursing Home Care Act is amended by changing  
5 Section 2-201 as follows:

6 (210 ILCS 45/2-201) (from Ch. 111 1/2, par. 4152-201)

7 Sec. 2-201. To protect the residents' funds, the facility:

8 (1) Shall at the time of admission provide, in order of  
9 priority, each resident, or the resident's guardian, if any, or  
10 the resident's representative, if any, or the resident's  
11 immediate family member, if any, with a written statement  
12 explaining to the resident and to the resident's spouse (a)  
13 their spousal impoverishment rights, as defined at Section 5-4  
14 of the Illinois Public Aid Code, and at Section 303 of Title  
15 III of the Medicare Catastrophic Coverage Act of 1988 (P.L.  
16 100-360), and (b) the resident's rights regarding personal  
17 funds and listing the services for which the resident will be  
18 charged. The facility shall obtain a signed acknowledgment from  
19 each resident or the resident's guardian, if any, or the  
20 resident's representative, if any, or the resident's immediate  
21 family member, if any, that such person has received the  
22 statement.

23 (2) May accept funds from a resident for safekeeping and

1 managing, if it receives written authorization from, in order  
2 of priority, the resident or the resident's guardian, if any,  
3 or the resident's representative, if any, or the resident's  
4 immediate family member, if any; such authorization shall be  
5 attested to by a witness who has no pecuniary interest in the  
6 facility or its operations, and who is not connected in any way  
7 to facility personnel or the administrator in any manner  
8 whatsoever.

9 (3) Shall maintain and allow, in order of priority, each  
10 resident or the resident's guardian, if any, or the resident's  
11 representative, if any, or the resident's immediate family  
12 member, if any, access to a written record of all financial  
13 arrangements and transactions involving the individual  
14 resident's funds.

15 (4) Shall provide, in order of priority, each resident, or  
16 the resident's guardian, if any, or the resident's  
17 representative, if any, or the resident's immediate family  
18 member, if any, with a written itemized statement at least  
19 quarterly, of all financial transactions involving the  
20 resident's funds.

21 (5) Shall purchase a surety bond, or otherwise provide  
22 assurance satisfactory to the Departments of Public Health and  
23 Insurance that all residents' personal funds deposited with the  
24 facility are secure against loss, theft, and insolvency.

25 (6) Shall keep any funds received from a resident for  
26 safekeeping in an account separate from the facility's funds,

1 and shall at no time withdraw any part or all of such funds for  
2 any purpose other than to return the funds to the resident upon  
3 the request of the resident or any other person entitled to  
4 make such request, to pay the resident his allowance, or to  
5 make any other payment authorized by the resident or any other  
6 person entitled to make such authorization.

7 (7) Shall deposit any funds received from a resident in  
8 excess of \$100 in an interest bearing account insured by  
9 agencies of, or corporations chartered by, the State or federal  
10 government. The account shall be in a form which clearly  
11 indicates that the facility has only a fiduciary interest in  
12 the funds and any interest from the account shall accrue to the  
13 resident. The facility may keep up to \$100 of a resident's  
14 money in a non-interest bearing account or petty cash fund, to  
15 be readily available for the resident's current expenditures.

16 (8) Shall return to the resident, or the person who  
17 executed the written authorization required in subsection (2)  
18 of this Section, upon written request, all or any part of the  
19 resident's funds given the facility for safekeeping, including  
20 the interest accrued from deposits.

21 (9) Shall (a) place any monthly allowance to which a  
22 resident is entitled in that resident's personal account, or  
23 give it to the resident, unless the facility has written  
24 authorization from the resident or the resident's guardian ~~or~~  
25 ~~if the resident is a minor, his parent,~~ to handle it  
26 differently, (b) take all steps necessary to ensure that a

1 personal needs allowance that is placed in a resident's  
2 personal account is used exclusively by the resident or for the  
3 benefit of the resident, and (c) where such funds are withdrawn  
4 from the resident's personal account by any person other than  
5 the resident, require such person to whom funds constituting  
6 any part of a resident's personal needs allowance are released,  
7 to execute an affidavit that such funds shall be used  
8 exclusively for the benefit of the resident.

9 (10) Unless otherwise provided by State law, upon the death  
10 of a resident, shall provide the executor or administrator of  
11 the resident's estate with a complete accounting of all the  
12 resident's personal property, including any funds of the  
13 resident being held by the facility.

14 (11) If an adult resident is incapable of managing his  
15 funds and does not have a resident's representative, guardian,  
16 or an immediate family member, shall notify the Office of the  
17 State Guardian of the Guardianship and Advocacy Commission.

18 (12) If the facility is sold, shall provide the buyer with  
19 a written verification by a public accountant of all residents'  
20 monies and properties being transferred, and obtain a signed  
21 receipt from the new owner.

22 (Source: P.A. 86-410; 86-486; 86-1028; 87-551; 87-1122.)

23 Section 99. Effective date. This Act takes effect upon  
24 becoming law.