

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.