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Owner Polly McCalister
Policy Area Recipient Rights

Resident Funds

POLICY

It is the policy of the Detroit Wayne Integrated Health Network (DWIHN) that a contractor, and any subcontractor shall assure that money placed in an account for a resident is safeguarded against theft, loss, or misappropriation. Each resident shall have easy access to his or her personal funds to spend as he or she chooses unless limited or restricted as provided in the Mental Health Code, Administrative Rules, or other provisions of law.

PURPOSE

To provide policy direction for a resident's receipt, possession, and use of personal funds.

APPLICATION

- A. The following groups are required to implement and adhere to this policy: DWIHN Board, DWIHN Staff, Contractual Staff, Clinically Responsible Service Provider (CRSP) and their subcontractors, Specialty Providers, Crisis Services Vendors, Credentialing Verification Organization (CVO)
- B. This policy serves the following populations: Adults, Children, Individuals with Intellectual and/or Developmental Disabilities (I/DD), Serious Mental Illness (SMI), Serious Emotional Disturbance (SED), Substance Use Disorder (SUD), Autism
- C. This policy impacts the following **contracts/service lines**: MI-HEALTH LINK, Medicaid, SUD, Autism, Grants, General Fund

KEYWORDS

- A. Adult Foster Care facility
- B. Facility

- C. Funds
- D. Licensed facility
- E. Resident

STANDARDS

1. A facility may require that all money that is on the person of a resident, that comes to a resident, or that the facility receives on behalf of the resident, be turned over to the facility for safekeeping.
2. A receipt shall be given to a resident and any individual he/she designates for money taken into possession by facility.
3. Resident, legal (empowered) guardian, where the guardianship order so specifies, or parents of minor, may use the resident's personal funds to purchase personal possessions or clothing above the level supplied by the facility.
4. Upon request, money accounted for in the name of the resident shall be turned over to an empowered guardian of the resident.
5. Staff may spend resident's personal funds only for lawful purchases as directed by the resident, empowered guardian, or parent of a minor.
6. Pooling of residents funds is prohibited, except for group activities, with the approval of the resident.
7. Money accounted for in the name of a resident may be deposited with a financial institution.
8. Currency shall be accounted for in the name of the resident and recorded periodically in the record of the resident.
9. Funds submitted to a facility must be easily accessible to the resident.
10. Any earnings attributable to money in an account of a resident shall be credited to that account.
11. A provider may assist a resident in establishing and maintaining an account with a financial institution.
12. A resident has the right to easy access to the money in his/her account and to spend or otherwise use the money as he/she chooses.
13. A licensee, responsible person, and members of the licensee's or responsible person's family shall not borrow money or valuables from a resident, with or without the consent of the resident.
14. A licensee shall further take reasonable precautions to assure the prohibition of financial transactions between a resident and other occupants of the home.
15. If a facility has the resident's account, a resident must have access to funds a minimum of four hours during normal business hours; Monday through Friday, except holidays.
16. Resident being transferred or discharged shall have access to their personal funds at the time of or before departure if the facility's accounting office will be closed at time of departure.
17. A facility may accept funds that any individual wishes to provide for the use or benefit of a resident of the facility. Unless otherwise restricted by law, the possession and use of funds so provided are governed by the Mental Health Code, MCL 330.1730, the individual plan of service, and any additional directions given by the provider of the funds.
18. If a resident has demonstrated a significant inability to manage funds, the individual responsible for

implementing the individual plan of service shall initiate an assessment process to determine whether or not a petition for conservatorship should be filed with the Probate Court. A facility shall establish policies which include standards for:

1. Determining significant inability to manage funds,
 2. Procedures to assess an individual's competence to manage money,
 3. A process for ensuring that a petition is filed with Probate Court if appropriate.
 4. Procedures for documenting the above in the resident's Individual Plan of Service.
19. The facility shall relinquish the balance of the resident's funds plus any interest earned upon receipt of a request from:
1. The resident or empowered guardian (this does not include any accrued funds and interest from SSA or SSI funding where there is a representative payee, or from the Veterans Administration when there is a conservator), or
 2. Parent of a minor, or
 3. The representative payee for SSA/SSI funds or a conservator for VA funds [Note: Only the funds for which the representative payee or the conservator is responsible shall be relinquished to the representative payee or conservator.]
20. All money, including any earnings, in an account of a resident of a facility shall be delivered to the resident upon his or her discharge or transfer from the facility.
21. Automatic regular allowances or spending programs are prohibited. An allowance may only be implemented on an individual basis provided it has been requested by the resident, parent of a minor, or empowered guardian. The specified amount of funds shall be entered in the individual plan of service.
22. When a facility is the representative payee or where the facility has received discretionary authority from a resident, an empowered guardian, parent of a minor, or outside representative payee to spend a resident's money on his or her behalf:
1. The facility manager shall designate in writing the names or positions of staff that are responsible for authorizing purchases by facility personnel for resident's personal use.
 2. An employee authorized to make purchases for resident is personally responsible for the judicious use of the resident's funds and is personally accountable for them. Any unspent monies are to be returned to the resident's individual accounts.
 3. Itemized receipts are required on all purchases made by an authorized employee.
 4. It shall be the duty and responsibility of the facility to ensure and certify that the resident receives the merchandise or services purchased.
 5. Under no circumstances can the employee authorized to make purchases for the resident be the same individual certifying that:
 - a. The resident desires the item to be purchased, or
 - b. The resident received the merchandise purchased.
23. Upon the death of a resident, all of the following provisions shall be complied with:
1. Every effort shall be made by a facility to divest itself of a resident's personal effects and monies if the effects and monies consist of only wearing apparel and up to \$100 cash.

Distribution shall be to the spouse of the resident, or if no spouse, to a child of the resident, or if no child, to the parent of the resident if that individual furnishes identification and an affidavit of such relationship and that an estate of the decedent is not pending.

2. A facility shall send a list of personal effects or monies being held by the facility to the nearest relative by registered mail and to probate court and shall call attention to statutes that provide for disposition.
 3. If there are questions as to rival claims to personal effects or monies, property may be held by a facility until the claims are determined in a Probate Court.
 4. If the nearest relative cannot be contacted, a facility shall send, by registered mail, to the person or entity that paid the funeral expenses, a list of the articles being held by the facility and a statement which calls attention to statutes providing for disposition.
 5. If there are no claims to personal effects or monies of a resident who has died, property or monies shall be considered to be unclaimed.
24. If a resident is on unauthorized leave and if the resident's property and money is not claimed by the resident, or the resident's relatives, heirs, or personal or legal representative, the facility manager shall retain custody of the property and monies and shall handle them in the same manner as other unclaimed property.
25. If personal effects or monies of resident become unclaimed and have been held for 2 years, the property or money shall be disposed of pursuant to applicable Michigan law.
26. Each contractor, and their subcontractors shall establish and implement procedures that further particularize and comply with the minimum standards established by this policy.

QUALITY ASSURANCE / IMPROVEMENT:

DWIHN shall review and monitor contractor adherence to this policy as one element in its network management program, and as one element of the QAPIP Goals and Objectives.

The quality improvement programs of direct contractors must include measures for both the monitoring of and the continuous improvement of the programs or processes described in this policy.

COMPLIANCE WITH ALL APPLICABLE LAWS:

DWIHN staff, contractors, and subcontractors are bound by all applicable local, state and federal laws, rules, regulations and policies, all federal waiver requirements, state and county contractual requirements, policies, and administrative directives, as amended.

LEGAL AUTHORITY AND REFERENCES:

- A. Michigan Mental Health Code, P.A. 258 of 1974, as amended, MCL 330.1730, 330.1732, 330.1734.
- B. Individual Plan of Service/Person-Centered Planning
- C. Personal Property and Search,
- D. Services Suited to Condition in the Least Restrictive Environment
- E. Treatment with Dignity and Respect

Related policies

- A. Individual Plan of Service/Person-Centered Planning
- B. Personal Property and Search
- C. Services Suited to Condition in the Least Restrictive Environment
- D. Treatment with Dignity and Respect

clinical

Yes

internal/external policy

External

Approval Signatures

Step Description

Approver

Date

Policy Review Committee

Eric Doeh: President and CEO

02/2022

Allison Smith: Project Manager,
PMP

02/2022