

OREGON STATE HOSPITAL

PORTLAND – SALEM

POLICIES AND PROCEDURES

SECTION 4: Fiscal

POLICY: 4.010

SUBJECT: Handling Patients' Funds

APPROVED: ROY J. ORR
SUPERINTENDENT

DATE: June 17, 2009

I. POLICY

- A. A patients' trust fund shall be established at Oregon State Hospital (OSH), as described by Oregon Revised Statutes (ORS) 179.520.
- B. Each patient shall be informed by admitting staff regarding the methods used in the handling of his/her personal funds.
- C. All monies received from patients, their relatives, or interested parties shall be appropriately accounted for in the manner prescribed by Oregon Revised Statutes (ORS). ORS 179.530 states: "Disbursements from the accounts for the purposes for which the contributions or payments were made, and for payment to persons lawfully entitled thereto, may be made by the Superintendent of the institution by which the funds were deposited, or by the state agency having jurisdiction over the institution, by checks or orders drawn upon the State Treasurer. The Superintendent or state agency shall be accountable for the proper handling of the account."
- D. Patients shall not exchange monies with other patients.
- E. When Oregon State Hospital is designated as Representative Payee for a patient, the Superintendent or designee is responsible to manage those benefits in the best interests of that patient.
- F. Program Directors are responsible for establishing a ward protocol which is in accordance with the provisions of these Policies and Procedures. It should include:
 - 1. Staff designated as authorized to handle patients' funds; (Designated staff must attend the "Handling Patients' Funds" training.)
 - 2. Accounting policy and practices;

3. Storage (if approved);

4. Security; and

5. Money Use

Program Directors shall submit this written protocol to the OSH Business Office Manager for approval.

- G. Storage of money on the ward is generally not allowed. Any such storage of money on the ward shall be approved by the Program Director and the Deputy Superintendent or designee.
- H. Whenever staff members receive monies from patients or others, it is necessary to issue a Personal Funds Receipt (see III. Procedures B., Handling Funds 5. below).
- I. The Deputy Superintendent and the Director of Security are responsible for developing and maintaining procedures for the storage of money at the Communications Center at Oregon State Hospital - Salem and the Reception Desk at Oregon State Hospital - Portland.
- J. Wards have a fiduciary responsibility for patients' funds and consideration for their use in treatment planning. Therefore, the Unit Director or designee shall be knowledgeable of patients' cash requirements and spending patterns, and shall monitor patients' Trust Account Statements. This is to assure that patient spending patterns are within Treatment Team parameters and to prevent stockpiling of cash.
- K. Patients are not permitted to gamble.

II. DEFINITIONS

- A. Cash – Printed currency or coins of the United States Treasury or any solvent Foreign Government.
- B. Cash Equivalents – Cash equivalents are instruments readily convertible to cash such as endorsed checks, etc. This definition excludes phone cards valued at \$30 or less and the value of twenty (20) First Class postage stamps.
- C. Exceptional Transaction – Cash or cash equivalent withdrawal from patient trust account exceeding the amount allowed on patient's person.

III. PROCEDURES

A. Information to Patients:

1. Each new patient shall be informed by admitting staff of the availability of placing their money in a trust account and the methods for depositing and withdrawing funds. Written orientation materials may also be provided. The Social Worker and other knowledgeable staff should assist the patient as needed in understanding and utilizing the appropriate procedures.
2. Monies received by mail that exceed the amount allowable on the ward must be placed in a trust account or otherwise appropriately disposed of by the patient.

B. Handling Funds:

1. As part of the admission procedure, if a patient has funds he/she will be given a "Trust Account Application" (OSH STK-11988). If the patient wishes to open a trust account, the application form is to be completed, noting the patient hospital number, Social Security Number, and ward on the form. If the patient is unable to sign this form but the patient has funds that need to be kept in a Trust Account, two designated staff may sign on the patient's behalf with the approval of the Director of Social Work. (Use the patient addressograph on the lower left corner.) This completed application must accompany any patient funds to be deposited in the Business Office.
2. If the patient has not opened a trust account but receives funds at a later time, follow the steps in III. Procedures A. Information to Patients 1. and 2., and B. Handling Funds 1. above.
3. If patients decline to open trust accounts with OSH, they are responsible for establishing and coordinating accounts with a financial institution. At no time may patients have on their person cash amounts exceeding the limit set forth in this policy or more restrictive limits set by the Treatment Team.
4. Visitors wanting to leave money should be advised to take it to the Business Office for deposit in the patient's trust account. After hours, on weekends, and on holidays visitors should deposit it at the Communications Center (Salem) or Reception Desk (Portland) for safekeeping.

5. The Personal Funds Receipt form (OSH-STK-05745) is to be completed by staff whenever funds are accepted from a patient or donor. The patient or donor shall participate in the receipt of the money, and sign and receive a copy of the receipt form. If the patient or donor is unable or unwilling to participate in the money receipt, two Oregon State Hospital staff will participate and may sign the receipt form.
6. Any money received by staff for or from a patient shall be taken immediately to the Business Office (Salem), or Reception Desk (Portland). Along with money, staff shall deliver appropriate copies of the Personal Funds Receipt form. If money is received after hours, weekends or holidays, the money and forms shall be taken immediately to Communications Center (Salem) or Reception Desk (Portland).
7. An official receipt (OSH BOF 0107) shall be issued by the Business Office when deposits are made to the patient's account.
8. Pooling of patients' funds by staff is prohibited.
9. The Business Office will send Trust Account Statements to the patient's Social Worker for distribution to patients at least quarterly. Upon request, any patient shall be given timely information on the current status of his/her account. Such information may be obtained by computer terminal access or by calling the Business Office. Insofar as possible, staff should handle such requests for information. However, patients are welcome to visit the Business Office between 10:00 a.m. and 4:00 p.m.
10. Restriction of funds for individual patient monies beyond general Oregon State Hospital or treatment team rules may be done only on the basis of specific treatment needs of the patient and for the purpose of assisting that patient to develop money management abilities. Any such restriction shall be documented in the patient's IDT treatment care plan and clearly communicated to the patient. (See OAR 309-108-010.)
11. Money may be left at the Communications Center only when circumstances prevent deposit in the Business Office. Examples would be monies received or held during evenings or weekends for patient shopping, upcoming passes or for deposit in the Business Office when it reopens (see III. Procedures C. Withdrawal of Funds 3. below). Monies deposited at the Reception Desk at Oregon State Hospital - Portland will be sent to the Business Office in a locked bag via the next scheduled courier run to Oregon State Hospital - Salem.

C. Withdrawal of Funds:

1. Ward staff involved in withdrawing, storage or disbursement of patient funds shall participate in a money-handling training program provided by the Business Office. Unit Directors shall identify ward staff eligible for training. Unit Directors shall provide to the Business Office names and signatures of money-handling staff as well as staff designated to approve exceptional transactions. In the event there are no trained staff available to handle the funds, the Unit Director will authorize staff to pick up and deliver patients' funds.
2. Consent to Withdrawal of Funds from Patient Trust Account, form OSH-STK-12325, shall be used for withdrawals from patient trust accounts. The withdrawal form shall contain the necessary signature(s). If the form and signature is a facsimile, the form with the original signature shall follow. When withdrawing trust account funds on patients' behalf, staff shall verify amounts received. Staff are responsible for funds until completion of the withdrawal transaction.
3. Any staff person withdrawing or holding any patient's monies is individually responsible for the safekeeping of the money until it is appropriately spent or deposited in approved locked storage such as on the ward (see I. Policy, I., above) in the Communications Center, or in the Business Office. When withdrawing or disbursing patient money, staff shall attempt to secure the patient's signature on the appropriate withdrawal request form and on the receipt form. If the patient is unable to sign, two staff persons shall sign on the patient's behalf, with the approval of the Director of Social Work. Staff responsible for withdrawing monies from patient trust accounts shall be one of the two staff persons disbursing (or witnessing) funds to patients. On Friday afternoons, patient money held for weekend expenditure shall be left at the Communications Center in Salem or Reception Desk in Portland if weekend amount is in excess of amount listed in Section I, item F, of this procedure.
4. Patients can only request checks to be made out to themselves at discharge or for deposit to an outside bank account. Under no circumstances are these checks to be given to patients, except at discharge. A patient shall be allowed to draw on his/her personal account in the manner prescribed by hospital administration.
5. Money exchanges among patients shall only be done through the transferring of funds between two patient accounts with the use of the form, "Consent to Withdrawal of Funds from Patient Trust

Accounts," OSH-STK-12326, rev. 10/99. These transactions shall be approved by each patient's Unit Director in advance and shall be documented with appropriate explanations in each patient's chart. These money exchanges shall involve the use of a "withdrawal form" and the patient's Unit Director or designee shall sign the form also to indicate the appropriate review has taken place. The Director of Social Work will sign the form as a final review for each transfer between patients' accounts. Patients are allowed to make two \$30 withdrawals from their accounts per week, but patients are not allowed more than \$30 in cash or equivalents on his/her person at any time.

6. No patient is allowed more than \$30 in cash or cash equivalents on his/her person at any time. Additionally, a patient may have on his/her person phone cards totaling no more than \$30 and no more than the value of twenty (20) First Class postage stamps. Treatment programs or wards, for safety or therapeutic reasons, may establish more restrictive rules regarding whether patients may have on their person cash or cash equivalents, and in what amounts. Under certain circumstances, such as shopping for higher cost goods, trust account withdrawals of more than \$30 are warranted. For these exceptional transactions, the Unit Director or designee shall approve and sign the trust withdrawal request. Ward staff shall assure such exceptional transaction funds are promptly used or forwarded as intended and not left on the patient's person. Patients shall not use funds to purchase prohibited items such as weapons or instruments of escape, items which contraindicate a patient's treatment, items harmful to the patient or others, etc., nor shall patients stockpile funds. Exceptional transactions shall also be reviewed by the Director of Social Work.
7. Original Consent to Withdrawal of Funds from Patient Trust Account, form OSH-STK-12325, shall be returned to the Business Office with appropriate signature within three (3) working days. Business Office shall notify the Unit Director if the withdrawal forms are not returned within the proper time period. Noncomplying staff involved will be unable to withdraw funds until the matter is resolved. If withdrawal forms are not returned within three (3) days after notifying the Unit Director, Business Office shall notify the Program Director for resolution.
8. When ward storage of patient funds is necessary and authorized, security of funds is critical. Please refer to Policy/Procedure 4.009 Handling Personal Property and Valuables for further reference.

- a. All funds shall be in locked storage with limited access by ward staff to funds and absolute minimum number of staff possessing keys.
 - b. Ward staff shall limit storage of patient funds to a one-week supply.
 - c. Wards shall maintain a record of transactions on form OSH-STK-75028, Patient Money Log & Tally. Wards shall retain log for two years.
 - d. Audits of ward protocol and procedure, and cash logs shall be conducted by the Business Office at least twice a year. Wards shall also conduct their own audits at least twice a year and forward completed cash audits to the Business Office for review and storage. Record findings on form OSH-STK-75029, Audit of Patient Money Stored On Ward.
9. When a Unit Director or authorized Oregon State Hospital staff person makes trust account withdrawals on behalf of a patient for shopping purposes, it is necessary for the assigned staff person to:
- a. Complete Consent to Withdrawal of Funds from Patient Trust Account, form OSH-STK-12325, clearly showing anticipated use of funds and responsible staff, which must be approved by the Unit Director.
 - b. Present the withdrawal form(s) at the Business Office to receive the money;
 - c. Complete the specified shopping and keep all receipts;
 - d. Deliver purchased items to the patient and have the patient sign the withdrawal form acknowledging receipt. (If OSH is payee and/or the patient can't sign, see Procedure D.2.); and
 - e. Return all receipts and any remaining monies to the Business Office with the "original" withdrawal form which was signed by the patient. In the event the patient is unable to shop for self, two staff shall witness and sign that patient received the goods or services.
 - f. When a Unit Director or authorized OSH staff person makes trust account withdrawals on behalf of a patient for shopping purposes, he/she should use a designated State vehicle.

10. Upon discharge of the patient, non-restricted funds on deposit in the patient's trust account shall be returned to the patient or forwarded per social worker's request via the discharge form, "Authorization to Forward Trust Funds", SW 2/07.

D. Management of Funds when Hospital is Payee:

1. The Superintendent or the Director of Social Work, as designee, is responsible to assure funds are used for the patient's best interest.
2. Patients for whom Oregon State Hospital is representative payee are allowed \$30 per month for personal use. This money is put into the patient's trust account. Generally, all money in a patient's trust account is available for him/her to spend regardless of the amount. If a patient, because of disability, is unable to initiate the withdrawal of trust account funds, the two staff persons authorized by the Director of Social Work to sign on patient's behalf shall sign the Consent to Withdrawal of Funds from Patient Trust Account, form OSH-STK-12325 for the patient.
3. The monthly Trust Account Balance Statement shall serve as the receipt for Social Security and Veterans Administration benefits.
4. Discharge planning should include consideration of the continuing need for a representative payee and, if needed, who can serve as payee. At discharge, the discharge form, "Authorization to Forward Trust Funds", SW 2/07 shall be completed to assure proper forwarding of funds until a new payee is designated.

E. Cost of Care Billings:

1. The Billings Office sends a cost of care billing monthly to each patient they have determined has an ability to pay.
2. Patients who have paid towards their cost of care and have a special need for additional funds may request a reduction of charges or receive reimbursement to meet that need. Also, a patient may need funds to meet expenses at the time of discharge. For either of these needs a Special Allowance Request form must be completed with the recommendation of the treatment team. In making this request, all other available resources must be taken into account. If the hospital is representative payee, the form is sent first to the Director of Social Work for approval and then to the Business Office. For all other patients this form is returned to the unit for the patient, to an outside representative payee, or to a designated legal guardian.

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IV. REFERENCES

ORS 179.520.

OAR 309-108-000 through OAR 309-108-020.

OSH Policies and Procedures 4.009, Handling Personal Property and Valuables.

Replaces OSH Policy and Procedure 4.010, *Handling Patients' Funds*, dated 4/11/2006.