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Title 22@ Social Security

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Division 5@ Licensing and Certification of Health Facilities, Home Health Agencies, Clinics, and Referral Agencies

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Chapter 4@ Intermediate Care Facilities

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Article 4@ Administration

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Section 73557@ Safeguards for Patients' Monies and Valuables

## **73557 Safeguards for Patients' Monies and Valuables**

### **(a)**

Each facility to whom a patient's money or valuables have been entrusted shall comply with the following: (1) No licensee shall use patients' monies or valuables as his own or mingle them with his own. Patients' monies and valuables shall be separate, intact and free from any liability that the licensee incurs in the use of his own or the institution's funds and valuables. (2) Each licensee shall maintain adequate safeguards and accurate records of patients' monies and valuables entrusted to his care. (A) Records of patients' monies which are maintained as a drawing account shall include a control account for all receipts and expenditures, an account for each patient and supporting vouchers filed in chronological order. Each account shall be kept current with columns for debits, credits and balance. (B) Records of patients' monies and other valuables entrusted to the licensee for safekeeping shall include a copy of the receipt furnished to the patient or to the person responsible for the patient. (3) Patients' monies not kept in the facility shall be deposited in a demand trust account in a local bank authorized to do business in California, the deposits of which are insured by the Federal Deposit Insurance Corporation, except that a facility operated by a county may deposit such funds with the County Treasurer. (4) A person, firm, partnership, association or corporation which is licensed to operate more than one health facility shall maintain a separate demand trust account for

each such facility and shall not commingle patient funds from one facility with another. (5) When the amount of patients' money entrusted to a licensee exceeds \$500, all money in excess of \$500 shall be deposited in a demand trust account as specified in (3) and (4) above unless a fireproof safe is provided for protection of monies and valuables. If a fireproof safe is kept and the licensee desires the protection accorded by Section 1860 of the Civil Code, he shall give notice as provided by that section. (6) Upon discharge of a patient, all money and valuables of that patient which have been entrusted to the licensee shall be surrendered to the patient in exchange for a signed receipt. Money and valuables kept within the facility shall be surrendered upon demand and those kept in a demand trust account or with the County Treasurer shall be made available within three normal banking days. (7) Within 30 days following the death of a patient, except in a coroner or medical examiner case, all money and valuables of that patient which have been entrusted to the licensee shall be surrendered to the person responsible for the patient, or to the executor or the administrator of the estate in exchange for a signed receipt. Whenever a patient without a representative or known heirs dies, immediate written notice thereof shall be given by the facility to the Public Administrator of the county as specified by Section 1145 of the California Probate Code and a copy of said notice shall be filed with the Department. (8) Upon change of ownership of a facility, a written verification by a public accountant of all patients' monies which are being transferred to the custody of the new owners shall be obtained by the new owner in exchange for a signed receipt.

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that the licensee incurs in the use of his own or the institution's funds and valuables.

**(2)**

Each licensee shall maintain adequate safeguards and accurate records of patients' monies and valuables entrusted to his care. (A) Records of patients' monies which are maintained as a drawing account shall include a control account for all receipts and expenditures, an account for each patient and supporting vouchers filed in chronological order. Each account shall be kept current with columns for debits, credits and balance. (B) Records of patients' monies and other valuables entrusted to the licensee for safekeeping shall include a copy of the receipt furnished to the patient or to the person responsible for the patient.

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**(B)**

Records of patients' monies and other valuables entrusted to the licensee for safekeeping shall include a copy of the receipt furnished to the patient or to the person responsible for the patient.

**(3)**

Patients' monies not kept in the facility shall be deposited in a demand trust account in a local bank authorized to do business in California, the deposits of which are insured by the Federal Deposit Insurance Corporation, except that a facility operated by a county may deposit such funds with the County Treasurer.

**(4)**

A person, firm, partnership, association or corporation which is licensed to operate

more than one health facility shall maintain a separate demand trust account for each such facility and shall not commingle patient funds from one facility with another.

**(5)**

When the amount of patients' money entrusted to a licensee exceeds \$500, all money in excess of \$500 shall be deposited in a demand trust account as specified in (3) and (4) above unless a fireproof safe is provided for protection of monies and valuables. If a fireproof safe is kept and the licensee desires the protection accorded by Section 1860 of the Civil Code, he shall give notice as provided by that section.

**(6)**

Upon discharge of a patient, all money and valuables of that patient which have been entrusted to the licensee shall be surrendered to the patient in exchange for a signed receipt. Money and valuables kept within the facility shall be surrendered upon demand and those kept in a demand trust account or with the County Treasurer shall be made available within three normal banking days.

**(7)**

Within 30 days following the death of a patient, except in a coroner or medical examiner case, all money and valuables of that patient which have been entrusted to the licensee shall be surrendered to the person responsible for the patient, or to the executor or the administrator of the estate in exchange for a signed receipt. Whenever a patient without a representative or known heirs dies, immediate written notice thereof shall be given by the facility to the Public Administrator of the county as specified by Section 1145 of the California Probate Code and a copy of said notice shall be filed with the Department.

**(8)**

Upon change of ownership of a facility, a written verification by a public accountant of all patients' monies which are being transferred to the custody of the new owners shall

be obtained by the new owner in exchange for a signed receipt.