Q.: When I sought admission to a local nursing home for my father, the administrator said I had to provide detailed financial information about his assets and income for the previous five years as a condition of admission. Is the nursing home allowed to demand such information?

A.: The nursing home may obtain information necessary to collect payment of its charges from a third party. For instance, the facility can ask if your father is eligible for Medicare or Medicaid or if he has private insurance to cover the cost of his care. The nursing home cannot, however, request personal financial information in order to assure itself that your father is not eligible for Medicaid and will not apply for Medicaid benefits in the near future.

Q.: The administrator also told me that I have to sign the Admission Agreement as a "responsible party." What is a "responsible party" and do I have to sign the contract?

A.: Some nursing homes request family members to sign an Admission Agreement as "responsible parties." Their contracts may contain language holding the responsible party liable for failure to use the income or resources of the resident for the cost of his care. The nursing home cannot require you to sign as a "responsible party," but, if you have legal access to your father's income or assets, the nursing home is allowed to require you to sign the Admission Agreement. For example, if you hold power of attorney to handle your father's finances, or were named his representative payee by Social Security, or were appointed his legal guardian, then the facility can require your signature on the contract. When signing the document, you should indicate in writing after your signature that you are doing so as your father's agent. Otherwise, the nursing home might attempt to hold you personally liable for your father's cost of care.

Q.: I told the administrator that my father is capable of handling his own finances and has not given anyone authority to take care of such matters on his behalf. The administrator then said that I have to guarantee that his monthly bill will be paid. Would I have to use my own money if my father did not pay his bill?
A.: The nursing home cannot require you to guarantee payment of your father’s bill. It can, however, inquire about your father’s eligibility for Medicare or Medicaid and ask if he has private insurance in order to submit claims to such third parties for payment of the cost of your father’s care.

Q.: I told the nursing home that my father could afford to pay for his care for about six months, and then he would have to apply for Medicaid. The administrator said my father has to pay for 36 months before he can file a Medicaid application. Is that true?

A.: The facility cannot require your father to pay for his care for a certain period of time before turning to Medicaid for assistance in paying his bill.

Q.: The administrator said that when my father becomes eligible for Medicaid, he would have to make the nursing home his representative payee for Social Security income. Why can’t my father continue to have his Social Security check deposited in his bank account after he starts receiving Medicaid benefits?

A.: Your father can continue to handle his income after he qualifies for Medicaid. It is illegal for the nursing home to require your father to assign his income to the facility.

Q.: The nursing home administrator hinted that she could admit my father sooner if our family was able to donate $2,000 to install new carpeting in the lobby. Is that legal?

A.: No. The administrator cannot solicit donations as a condition of admission or to expedite admission to the facility. The administrator can be fined and/or imprisoned for such conduct.

The information contained herein is general and should not be applied to specific legal problems without first consulting with one of our attorneys.