



RESIDENT FUND
MANAGEMENT SERVICE



Since 1981, National Datacare has helped long-term care facilities increase their cash flow, improve their operating efficiencies, and reduce collection problems through the direct deposit of resident checks. Through our alliances with financial institutions, National Datacare can provide the services you need to successfully implement direct deposit and ensure your resident fund operation is as efficient as possible. As your single source for resident fund services, National Datacare can provide security, control, convenience and superior service.

Benefits

- Direct Deposit
- Splits care cost and personal allowance
- Satisfies Federal Requirements
- Save staff time
- Improves cash flow
- Reduces bad debt
- Consolidates care cost money
- Reclamation Processing
- IRS 1099-INT Processing
- A/R Interface
- Trust Reconciliation
- Web Based Application
- Meets or exceeds all OBRA requirements
- Interest bearing resident accounts
- Monthly/Quarterly statements
- \$200 notification letters
- No co-mingling of funds
- Reduce fraud exposure
- Reduce survey risks
- Provides corporate level access to data for monitoring
- Simplifies audits
- Superior Customer Service

Direct Deposit

- Electronic Enrollment
 - Social Security direct deposit enrollments transmitted by the 15th of the month will, in most cases, result in the next check going to direct deposit
- Daily detailed reporting
- Summary reporting
- Corporate reporting
- Automatic care cost payments
- Concentration of care cost at the facility or corporate level



RFMS System Basics

- RFMS is NOT like a traditional resident fund system
- RFMS uses three bank accounts instead of one

RFMS Resident Trust Account

The resident trust account is a “container” that is comprised of all the individual resident accounts. **Checks are NOT written from this account.**

When a resident requests money for personal spending, their individual account is debited and the funds are transferred to the facility RFMS Petty Cash Account for disbursement.

Care cost payments owed to the facility for room and board are debited from the residents' accounts and transferred to the facility RFMS Care Cost Account.

RFMS Petty Cash Checking Account

Disbursements are made from this account for the residents personal spending needs.

Important: You must perform a withdrawal against the resident's account before writing checks from this account. This will move the funds into this account to cover the checks that you write.

RFMS Care Cost Checking Account

Disbursements are made from this account and posted to your accounts receivables.

- The facility or corporation will receive bank statements on all three accounts

The facility opens one Resident Trust Account, one Care Cost Checking Account and one Petty Cash Checking Account with a participating financial institution. The Resident Trust Account is used to hold all the resident funds. Each resident will have an individual account within the Resident Trust Account. The Care Cost Account is used as a depository account to receive patient liability payments. The Petty Cash Account is used as a depository account to eventually disburse funds related to resident personal spending and closing account balances. Concentration accounts are available for multi-facility organizations. Electronic fund transfers and wire transfers can be arranged from any disbursement account.

Resident Account

Account Information



Account Types



- Transferring
- Non-Transferring
- Burial

Direct Deposit Enrollment



Authorization



W-9 Taxpayer Identification



Signatures



Resident Fund Management Service
 AUTHORIZATION AND AGREEMENT TO HANDLE RESIDENT FUNDS
 ** PLEASE TYPE OR PRINT **

Resident Name _____ Employee ID No. _____
 Facility Name _____ Facility Resident ID _____
 Address _____
 (Mail to: 60000 Ave. Facility address)

CHECK ACCOUNT TYPE

1. RESIDENT FUND ACCOUNT
 (NON-TRANSFERRING) ACCOUNT (No automatic transfer of deposits to pay for care cost)
 (TRANSFERRING) ACCOUNT (Automatic transfer of care cost payments due the facility)
 with \$ _____ MONTHLY ALLOWANCE AMOUNT

2. BURIAL ACCOUNT (Deposit only account - monies to be used for burial expenses only)
 (Revocable (Can be closed prior to death)) _____
 (Irrevocable (Can be closed after death or if resident transfers from facility or if transferred to another burial account)) _____
 Non-interest bearing burial account (Resident will be paid if this item is NOT checked)

DIRECT DEPOSIT - Please enroll my indicated recurring benefits payments the direct deposit:
 Social Security _____ Supplemental Security Income _____
 Veterans Administration _____ Civil Service _____
 Railroad Retirement _____ Mines Branch/Black Long _____

By my signature below, I hereby authorize the facility named above to establish and manage an FDIC insured interest bearing resident fund or burial account with the options as specified above. I understand, I may have my recurring checks direct deposited in my resident fund account. I may make deposits to and withdrawals from my resident fund account at the facility, and I will receive a statement of my account I have at least quarterly.

In the event that I elect to have a resident fund managing account, I direct that the amount stipulated by me as required or permitted under federal, state or local law from time to time in effect, be withheld monthly for my personal use and that the monies be transferred to the facility for the payment of my care costs. I hereby authorize the facility administrator and/or his/her designated staff, at some time or time subject my personal allowance amount to comply with governing laws as they apply to me.

In the event of my death, I direct that any funds owed or advanced to me by the facility prior to my death are to be paid to the facility with any remaining balance in my resident fund account to become part of my estate.

By signing this form, I under penalties of perjury, certify that (1) the number shown on this form is my correct taxpayer identification number, and (2) I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (b) the Internal Revenue Service (IRS) has notified me that I am no longer subject to backup withholding. (If the signer has been notified by the IRS that he or she is subject to backup withholding, cross out the language in (2) above.)

**** RESIDENT'S LEGIBLE SIGNATURE OR MARK (X) REQUIRES TWO WITNESS SIGNATURES ****

Witness _____ RESIDENT * _____
 Witness _____ Date _____

*** ANYONE SIGNING FOR THE RESIDENT MUST SIGN THE CERTIFICATION BELOW**
 I, the undersigned, certify that I am the legal representative as stated below for the above named resident and agree to all the terms stated above and will provide valid legal supporting documentation of my legal capacity and authority upon the facility's request.

SIGNATURE OF LEGAL REPRESENTATIVE _____ WITNESS BY LEGAL REPRESENTATIVE _____
 NAME _____ LEGAL TITLE _____
 ADDRESS OF LEGAL REPRESENTATIVE _____

Each participating resident opens an individual interest-bearing account within the Resident Trust Account. There are three types of resident accounts within the RFMS system:

- **Transferring** - usually used for Medical Assistance residents. A transferring account will automatically debit the resident's care cost payments from checks deposited during each month (ie Social Security) and credit the facility's Care Cost Checking Account. The resident's account will retain their monthly personal allowance amount. The allowance amount may be different for each resident.
- **Non-Transferring** - usually used for private pay residents and residents who receive Supplemental Security Income (SSI). A non-transferring account will retain all deposits made. Care cost payments will not automatically be debited.
- **Burial** - may be opened in addition to a non-transferring or a transferring account. The burial account can be revocable or irrevocable, and it is compliant with Medicaid irrevocable guidelines. It can also be interest-bearing or non-interest-bearing.

Direct Deposit Flow Chart



- **Federal Benefits**
- Social Security
- VA; Railroad
- SSI; Civil Service
- **State/Local Benefit**
- **Private Pensions/Annuities**

1. Social Security issues a \$340.00 payment for Molly.
2. The entire payment is deposited to Molly's account.
3. RFMS determines that \$40.00 of this payment is to be retained by Molly for her personal allowance.
4. The remaining \$300.00 is transferred to the Care Cost Checking Account.

Each resident can elect to have any or all monthly recurring payments direct deposited to his/her account. When a direct deposit arrives at the bank, the full amount is deposited into the resident's account. If the resident has a transferring account, an automatic transfer of funds is made into the facility's Care Cost Checking Account. The amount transferred is the resident's care cost payment and is equal to the amount of the direct deposit minus the resident's monthly personal allowance amount. Care cost funds are available in 1 business day to the facility. The facility can write a check or initiate an electronic fund transfer to move the care cost money from the Care Cost Checking Account to their operating account. A confirmation report is sent to the facility each day there are direct deposit transactions.

Direct Deposit Report

RESIDENT FUND MANAGEMENT SERVICE

FACILITY ID : 9107
 FACILITY NAME : KAREWELL MANOR
 RECORD NO :

PAGE NO : 1
 TRANSACTION POSTING DATE : 07/01/16
 DATACARE BATCH NO : 21103

**** DEPOSIT TRANSACTION & DISTRIBUTION REPORT ****

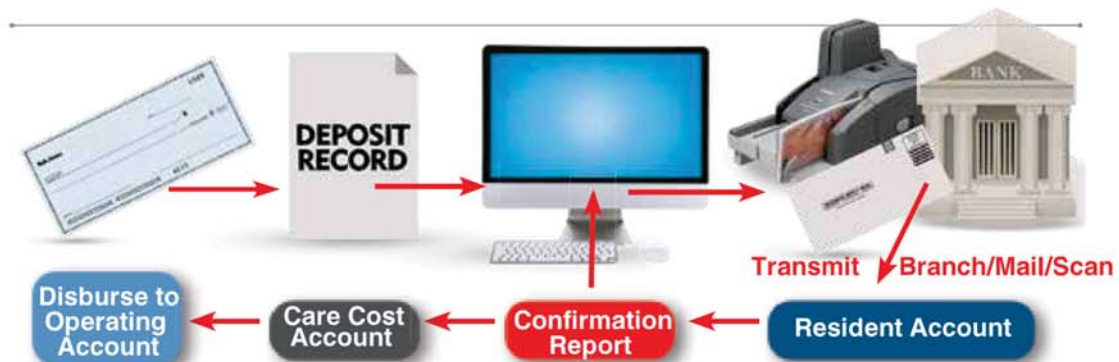
SEQ	ACCOUNT	FACILITY	DEP	TOTAL	CARE COST	RESIDENT	REJECT	SRC	DESCRIPTION	
NUM	NUMBER	RESIDENT NAME	RESID ID	CODE DEPOSIT	AUTO WDL	RETAINED	AMOUNT	CODE	STATUS	
1	910724146	BOLT, MOLLY	1012	DDE	340.00	300.00	40.00	0.00	** US TRSY 303SOC SEC	
2	910716402	CANTOR, SHERI	1024	DDE	571.00	0.00	0.00	571.00	** US TRSY 303SOC SEC	
		** RESIDENT EXPIRED 5/27/16								
3	910749271	KATZ, ALLIE	1018	DDE	569.00	559.00	30.00	0.00	** US TRSY 303SOC SEC	
4	910777177	LETTUS, HEDDA	1013	DDE	492.00	462.00	30.00	0.00	** US TRSY 303SOC SEC	
5	910767091	MELLON, WALTR	1011	DDE	695.00	655.00	40.00	0.00	** US TRSY 303SOC SEC	
6	910753219	PICKINS, SLIM	1015	DDE	693.00	653.00	40.00	0.00	** US TRSY 303SOC SEC	
7	910731533	RHODES, DUSTY	1030	DDE	560.00	520.00	40.00	0.00	** US TRSY 303SOC SEC	
8	910754495	RIDE, GOPHER	1028	DDE	211.00	171.00	40.00	0.00	** US TRSY 303SOC SEC	
9	910793478	SINGER, MIA	1026	DDE	348.00	308.00	40.00	0.00	** US TRSY 303SOC SEC	
10	910720281	STILL, OBE	1019	DDE	379.00	0.00	0.00	379.00	** US TRSY 303SOC SEC	
		** ACCOUNT CLOSED 06/02/16								
11	910721627	THAIR, BEN	1032	DDE	232.00	108.33	123.67	0.00	** US TRSY 303SOC SEC	
		* BANK WILL RETURN CK TO SOURCE								
TOTALS					5090.00	3716.33	1685.67	950.00		

CARE COST CHECKING ACCOUNT NUMBER 0934123456 HAS BEEN CREDITED \$ 3716.33

Direct deposits received for expired or closed resident accounts are automatically returned to the payment source.

Care cost payment funds are available in 1 business day to the facility to help meet operating needs.

Facility Deposits Flow Chart



1. The facility receives funds for deposit to a resident account.
2. The transaction is logged on a Deposit Record and entered into the computer.
3. The checks can be mailed to National Datacare, deposited at a local branch or scanned via the RFMS Deposit Capture feature.
4. The transaction is transmitted to National Datacare.
5. The deposit is posted to the resident account. If the deposit is subject to an automated care cost payment, the care cost amount is debited from the resident account and credited to the Care Cost Checking Account.
6. The funds can be disbursed to the operating account via ACH, check or wire.

RFMS Deposit Capture



RFMS Deposit Capture allows you to scan an image of a check directly into RFMS Online and transmit it electronically for posting. This means faster and safer processing. RFMS Deposit Capture eliminates trips to the bank and fees and delays caused by sending checks through the mail. The intuitive web-based interface is simple to use and only requires a scanner attached to your computer.

Time Management:

- Saves time by reducing trips to the bank
- Faster Processing. Checks are deposited on the same business day

Savings:

- Eliminates the cost of mailing checks to NDC
- Increase Cash Flow
- Corporations scanning for multiple facilities maybe able to use one scanner

Security:

- Higher security
- Secure direct access to all deposit information
- Avoids deposits mistakenly made to an incorrect facility account

Efficiency

- User friendly. All scanning is integrated in RFMS Online
- RFMS Online eliminates deposit errors by verifying that the scanned amounts matches the keyed amount
- Reduction of Corporate risk and employee liability

Reporting:

- Full Reporting & Reconciliation
- Scanned check images are retained and can be viewed anytime for audit purposes

Petty Cash Box

- Imprest Fund
- Facility money
- Does not contain any resident funds
- NDC does not establish this on behalf of the facility



Resident Withdrawals



1. A resident requests \$1.00 cash and is advanced the funds from the Petty Cash Box.
2. The transaction is logged on a Withdrawal Record and entered into the computer.
3. The transaction is transmitted to National Datacare.
4. The resident's account is debited for \$1.00 and the Petty Cash Checking Account is credited \$1.00.
5. The facility writes and cashes a Petty Cash Checking Account check for \$1.00 to replenish the Petty Cash Box or to pay the appropriate vendor.

When a resident requests cash for personal spending or bill paying, the facility checks the resident's account balance and accordingly advances the resident money from the petty cash fund. The facility may also cover large withdrawals or other expenses incurred by the resident such as phone bills, insurance premiums, and beauty shop services. Each resident withdrawal transaction is entered on a Withdrawal Record. When a Withdrawal Record is posted, the resident account is debited and the Petty Cash Checking Account is credited for the given amount. The facility then disburses the funds via ACH or check to cover the resident's request. A confirmation report is generated each time a Withdrawal Record is posted.

Withdrawal Report

RESIDENT FUND MANAGEMENT SERVICE

FACILITY ID : 9107
FACILITY NAME : KAREWELL MANOR
YOUR RECORD NO : 111201W1

PAGE NO : 1
TRANSACTION POSTING DATE : 07/01/16
DATACARE BATCH NO : 8A107P

**** WITHDRAWAL TRANSACTION REPORT ****

SEQ NUM	ACCOUNT NUMBER	RESIDENT NAME	FACILITY RES ID	TOTAL WITHDRL	ACCEPTED AMOUNT	REJECTED AMOUNT	SRC CODE	DESCRIPTION STATUS
1	910734222	MOSS, PETE	1016	150.00	150.00	0.00	03	CLOTHING
2	910716402	CANTOR, SHERRI D	1024	67.12	67.12	0.00	16	INSURANCE PREMIUMS
3	910724146	BOLT, MOLLY	1012	0.50	0.50	0.00	11	SNACK BAR
4	910787253	TREE, HOLLY	1017	2.56	2.56	0.00	02	TOBACCO
5	910734222	MOSS, PETE	1016	15.00	15.00	0.00	09	TV RENTAL
6	910725312	HIGHWATER, HELEN	1020	19.00	19.00	0.00	19	DEBIT ADJUSTMENT
7	910767091	*MELLON, WALTER	1011	15.75	0.00	15.75	10	GIFT SHOP
		* NSF-CUR BAL IS 2.91						
8	910772205	PARTZ, OTTO	1014	4.50	4.50	0.00	14	TRANSPORTATION
		TOTALS		274.43	258.68	15.75		

PETTY CASH CHECKING ACCOUNT NUMBER 0934123456 HAS BEEN CREDITED \$ 258.68

Resident accounts cannot be overdrawn by withdrawals.

Direct Debits

- Method to ACH-debit an external account and credit a resident's RFMS account for various needs
- Collect payments faster
- Improve cash flow
- Identify potential collection problems early
- Lower administrative and accounting costs
- Family members pre-arrange to make payments automatically, electronically, and on time
- Residents or family members can establish direct debits from any financial institution to pay for facility services
- For family members, direct debits eliminate the burden of writing and mailing monthly checks
- Direct debits give you control over when you get paid!

Resident's Statement

Family member addresses can be printed on the statement.

Statements can be supplied quarterly to limit filing to only four times per year.

References to your source documentation are provided.

RESIDENT FUND MANAGEMENT SERVICE STATEMENT						
KAREWELL MANOR 1500 STRAWBERRY LANE KOLDBURG, ND 74129-1545			ACCOUNT NUMBER: 910724146 TAX ID NUMBER: 894-23-3211 FACILITY RESIDENT IDENT: 1012			
MOLLY BOLT KAREWELL MANOR 1500 STRAWBERRY LANE KOLDBURG, ND 74129-1545			QUARTERLY STATEMENT FOR THE PERIOD 09/30/16 THRU 12/31/16			
REF	DATE	DESCRIPTION	DEBITS	CREDITS	DATE	BALANCE
		BEGINNING BALANCE			09/30/16	436.75
D-D1003		US TRSRY 303SOC SEC		340.00	10/03/16	776.75
D-D1003		CARE COST AUTO WDL	300.00		10/03/16	476.75
B-40106		INTEREST PAID		1.85	10/03/16	478.60
B-83948P	1	WITHDRAWAL	152.25		10/03/16	326.35
W-012795B	1	MEDICINE/PERSCRIP TN	150.00		10/07/16	176.35
D-D145	5	VETERANS ADMIN CK		479.00	11/01/16	655.35
D-D145	5	CARE COST AUTO WDL	479.00		11/01/16	176.35
B-20203		US TRSRY 303SOC SEC		340.00	11/03/16	516.35
B-20203		CARE COST AUTO WDL	300.00		11/03/16	216.35
B-40206		INTEREST PAID		1.32	11/03/16	217.67
W-021495A	1	INSURANCE PREMIUMS	7.50		11/12/16	210.17
W-021495B	3	SNACK BAR	0.50		11/12/16	209.67
B-21203		US TRSRY 303SOC SEC		340.00	12/03/16	549.67
B-21203		CARE COST AUTO WDL	300.00		12/03/16	249.67
B-40206		INTEREST PAID		1.78	12/06/16	251.45
W-120895W1	1	INSURANCE PREMIUMS	7.50		12/08/16	243.95
W-121595W1	3	SNACK BAR	1.00		12/15/16	242.95
		ENDING BALANCE			12/31/16	242.95
SUMMARY: 7 CREDIT(S) TOTALING			1503.95			
10 DEBIT(S) TOTALING			1697.75			

Resident Trust Reconciliation

Resident Trust Account Reconciliation		Page: 1
KAREWELL MANOR #9107		
<u>Trust Account # 091234567</u>		
Bank Balance as of 06/30/2016:	67,171.45	
Pending Debits: -	0.00	
Pending Direct Deposits: -	0.00	
Pending Credits: +	0.00	
Unpaid Invoices: +	0.00	
Pre-Paid Invoices: -	0.00	
Advance Interest Paid: +	0.02	
Un-Awarded Interest: -	0.00	
Total of 77 Resident Accounts as of 06/30/2016: -	67,168.82	
	<u>0.00</u>	
DIFFERENCE:	<u><u>0.00</u></u>	
<u>Detail of Transaction Amounts</u>		
<u>Advance Interest Paid</u>		
06/16/2016 1017 910787253 WHITE,LILLY	0.02	
Total:	<u>0.02</u>	

All reconciling items are summarized and then listed individually so that no reconciliation effort is required by the facility.

A reconciliation report can be printed from the system. The reconciliation report completely balances the facility's trust account thereby eliminating staff time spent on this tedious activity. The report also ensures that the facility is always prepared for their state survey.

Other Services

- **IRS 1099 Interest Income Processing**

- 1099 forms are mailed if there is more than \$10.00 in interest income within a calendar year

- **\$200 Notification Letters**

- Letters in reports are available in RFMS when a resident is within \$200.00 of the asset limit for medical assistance

- **NDC Debit Card**

- **RFMS Positive Pay**

- **RFMS Family**

- **NDC Mobile**



- National Datacare will prepare and submit all necessary paperwork to the IRS for resident 1099 interest reporting. The facility will also receive a yearly interest summary report that details the amount of monthly interest earned by each resident during the year.
- To help keep your facility in compliance with regulations, RFMS can generate notification letters when a resident account balance is within \$200 of their asset limit.
- National Datacare can provide affordable surety bonds to RFMS users through several different insurers. These bonds are offered at a discounted rate based on participation in RFMS.

Corporate Level Access to Information

- **Allows corporate access to data on all facilities**
 - Increases control
 - Remote auditing capabilities
- **Reports**
 - Detail level reports on every resident account
 - Summary level reports on each facility
 - Corporate level reports to compare facilities
- **Access available 24/7**
- **Data Exchange**
 - Data can be exported in any format and sent into other systems
- **SSO**
 - Single Sign On is supported to centrally manage users within your existing structure.

Corporate personnel can access facility data safely and securely through RFMS. The system contains reports from the individual level up to summary comparisons of all facilities in the corporation. Direct deposit volume and accounts receivable receipts can be easily monitored at each facility. A complete audit can even be performed on a facility trust account without ever leaving the corporate office or the facility's knowledge.

Converting from Your Existing System

- Submit Completed Signature Cards & Contracts to National Datacare via the Secure Document Portal
- Resident Trust, Care Cost and Petty Cash accounts opened
- Access given to Web-based Software & Training
- Internal Cash Box established
- Open All Resident Accounts (zero balance)
- Balance and Close Old System
- Create initial Deposit Record
- Forward Check(s) with Deposit Record to National Datacare
- Facility will enroll in all Direct Deposits
- Order supplies (checks, stamps and deposit Slips)

Help!

- **Online Training & Videos**

- Customer Service: 8 am to 6 pm M-F (Eastern Time)
- Processing occurs between: 12:30 and 2:00 pm M-F (Eastern Time)
- Internet Access to data 24/7
- Contact by:

Phone: 800-632-7367 or 800-NDC-RFMS
Email: support@nationaldatacare.com
Online Chat



National Datacare is dedicated to producing new and ongoing enhancements to RFMS. User friendly help videos make learning and using RFMS easy. A toll-free telephone support line and online chat feature is available to reach our customer service department.

Notes:

