

October 6, 1999

MONITORING PERSONAL FUNDS OF PATIENTS (PFOP) ACCOUNTS

1. PURPOSE: The purpose of this Veterans Health Administration (VHA) Directive is to set forth policy to ensure that controls and monitors are in place for managing Personal Funds of Patients (PFOP) on deposit at the Department of Veterans Affairs (VA) health care facilities.

2. POLICY: VA health care facilities are charged with the safekeeping of personal funds of patients in PFOP accounts. As such, each VA health care facility must have adequate monitors to ensure controls are in place for the safeguarding and management of patient funds in PFOP accounts.

3. ACTION: Each VA health care facility that maintains PFOP accounts will be responsible for establishing monitors and procedures to ensure that:

a. VA Form 10-1083, Patient's or Member's Account, record will be created for each patient when a PFOP account is established and the following information will be completed at the time the record is created :

- (1) Patient name, Social Security Number, treating facility, and ward location.
- (2) Type of account, i.e., restricted, unrestricted, or limited.
- (3) Type of monetary benefits, i.e., VA pension, VA compensation, or military retirement benefits.
- (4) Whether the patient is eligible for the Patient's Assistance Program.
- (5) Location of the VA Regional Office assigned jurisdiction over the patient's VA monetary benefits.
- (6) Name and address of guardian, apportionee, or dependent.
- (7) Whether the patient is committed, rated incompetent by VA, or has been judged incompetent by a court.
- (8) Name, address, and telephone number of nearest relative.

b. Signature of the patient or legal guardian acting on behalf of the patient is obtained on VA Form 10-1083.

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- c. VA Regional Offices are notified when the personal funds of an incompetent patient account reaches \$1,500 in accordance with VA Handbook 4020, Personal Funds of Patients Policy.
- d. Personal funds of deceased or discharged patients are disposed of in accordance with instructions outlined in VHA Manual M-1, Part I, Chapter 14 and Title 38 United States Code (U.S.C.), Chapter 85.
- e. All restricted accounts are reevaluated every 6 months.
- f. All employees responsible for PFOP activities are properly trained in procedures to manage PFOP accounts in accordance with VA Directive 4020 and VA Handbook 4020.
- g. VA medical facilities are encouraged to invest surplus nongratuious funds from restricted accounts in United States Savings Bonds on behalf of veterans in accordance with the procedures outlined in VHA Manual M1, Pt. 1, Chapter 8, Paragraph 8.60c. These monies may not be deposited in any other investment.

4. REFERENCES

- a. VHA Manual M-1, Part I, Chapter 8.
- b. VHA Manual M-1, Part I, Chapter 14.
- c. VA Directive 4020 and VA Handbook 4020.
- d. Title 38 U.S.C. Chapter 85.

5. FOLLOW-UP RESPONSIBILITY: Director, Health Administration Service (1OC3), is responsible for the content of this Directive.

6. RESCISSIONS: None. This VHA Directive will expire on October 6, 2004.

S/Melinda L. Murphy for
Thomas Garthwaite, M.D.,
Acting Under Secretary for Health

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