

Date of Hearing: April 16, 2013

ASSEMBLY COMMITTEE ON VETERANS AFFAIRS
Al Muratsuchi, Chair
AB 557 (Yamada) – As Introduced: February 20, 2013

SUBJECT: Veterans' homes: accounting of charges.

SUMMARY: Changes the font size and some language in the quarterly statements to residents of the Veterans Home. Specifically, this bill:

- 1) Requires that the quarterly statements of all charges for the costs of care rendered to the member in excess of the member fee include language that if the veteran is a resident of the home at the time of death, the home may use his or her money or personal property that is in possession of the home or outside the home for payment of unreimbursed-costs of care.
- 2) Requires that the statements and notices relating to the statements shall be in a font size and type that complies with the standards of the Americans with Disabilities Act of 1990.

EXISTING LAW:

- 1) A member of a veterans' home is required to pay fees and charges as determined by the Department of Veterans Affairs.
- 2) Upon admission to a California veterans' home, the administrator of each home must provide written notice to the veteran informing him or her of costs of care that may be incurred in excess of the member contribution fee. The notification must:
 - a) Include an explanation of circumstances under which the member may incur costs that are in excess of the contribution fee.
 - b) Specifically indicate that these excess costs of care are costs in addition to, or above and beyond, the member contribution fee.
 - c) Provide examples of "excess costs of care that are frequently incurred by veterans."
 - d) Inform the member that he or she will receive a quarterly accounting statement of the total excess costs of care, but that the statement is provided for informational purposes only.
 - e) Inform the veteran that, if he or she is a resident of the home at the time of death, the home may disburse his or her moneys or personal property for payment of unreimbursed excess costs of care.
 - f) Include a statement advising the member to seek counsel from a legal expert to protect his or her assets.
 - g) Include the terms and conditions upon which the member fees and costs can be changed.
 - h) The notification shall require the signature of the veteran that acknowledges that he or she has read and understands the notification.
 - i) The notification shall be written in plain, straightforward language, avoiding technical terms as much as possible, and using a coherent and easily readable style.
 - j) A copy of the notification, containing all the information specified in subdivision (a) and titled in large font "NOTICE TO RESIDENTS," shall be conspicuously posted in each veterans home by the administrator of the veterans home.

- 3) The administrator of the home must provide each member with a quarterly statement or accounting of all charges for the costs of care rendered to the member in excess of the member fee, as defined. The statement must include:
 - a) A statement that the charges for the excess costs of care are provided to the member for informational purposes only.
 - b) A statement that, if the veteran is a resident of the home at the time of death, the home may use his or her money or personal property that is in possession of the home for payment of unreimbursed excess costs of care.
 - c) A statement that advises the member to seek counsel from a legal expert to protect his or her assets.

- 4) The department may recover costs from the estate of the veteran for payment of funeral expenses or any obligation owed to the home, including the cost of any care rendered by the home in excess of the fees paid by the veteran to the home. Any funds of the deceased veteran representing the cost of care rendered by the home in excess of the fees paid by the veteran to the home shall be paid to the Morale, Welfare, and Recreation Fund. This subdivision applies only to veterans becoming members of the home on or after January 1, 1984.

FISCAL EFFECT: Unknown at this time.

COMMENTS: This bill makes minor changes to existing law and policy. The bill adds language warning the home member that recovery of excess cost of care can be from the member's personal property wherever it is located and adds a requirement that the language be in a font that meets ADA guidelines.

Residents are already given a notice substantially similar to the one contemplated in the bill when they become a member of the home. The notice is also permanently posted in the home. However, most of the residents of the home are elderly and/or disabled and they might benefit from additional reminders located on their quarterly statements. The additional burden/cost of adding the advisory language to the bill, while outside the scope of this committee's analysis, seems likely to be relatively small and the language might bring some peace of mind and/or avoid surprises for the residents. It will also give residents more opportunities to plan the disposition of their assets should they wish to do so.

Related Legislation:

AB 1823, Yamada. Veterans' homes: accounting for charges. Required the quarterly statement or accounting of all charges to include information relating to payment of any outstanding charges at the time of the veteran's death, including the use of a deceased veteran's personal property or money for payment of outstanding charges, and a statement advising the member to seek counsel from a legal expert to protect his or her assets.

REGISTERED SUPPORT / OPPOSITION:

Support

None at this time.

Opposition

None at this time.

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