

BOND NO. \_\_\_\_\_

**NURSING FACILITY SURETY BOND FOR SECURING RESIDENT PERSONAL FUNDS**

KNOW ALL PERSONS BY THESE PRESENTS, THAT we (name of licensee) \_\_\_\_\_  
\_\_\_\_\_ dba (name of nursing facility) \_\_\_\_\_  
located at \_\_\_\_\_,  
as Principal, and (name of insurance company) \_\_\_\_\_,  
an entity authorized to transact the business of surety in the State of Washington, as Surety, are firmly bound unto the  
Aging and Adult Services Administration of the State of Washington Department of Social and Health Services, and any  
successor agency or department thereto, as Obligee, for the sole purposes of assuring the security of and replacing, if  
necessary, such personal funds of the residents of (name of nursing facility) \_\_\_\_\_  
entrusted from time to time with the Principal for safekeeping and management, including any accrued interest, thereon,  
as may become misappropriated, misplaced or otherwise lost by the Principal or any agent, officer, owner, employee,  
contractor or associate of the Principal, or by any other person or entity, for a total amount not to exceed \_\_\_\_\_  
\_\_\_\_\_ United States dollars (\$ \_\_\_\_\_), for which payment and for such purposes  
we hereby hold and bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally  
firmly by these presents.

WHEREAS PRINCIPAL IS OBLIGATED, under 42 CRF 483. 1 0 (c) (7) and WAC 3 88-96-3 66 (6) and any other  
federal and state regulations and laws, or successors thereto, as may be applicable, to assure the security of, to account  
for, to transfer to persons authorized to receive, and to protect from misappropriation or loss of any kind and from any  
source, such personal funds of the residents at said nursing facility as may be from time to time voluntarily deposited  
with Principal for safe keeping and management;

NOW THEREFORE, the conditions of this obligation are such that if the Principal shall:

1. As authorized, deposit promptly personal funds of any resident in excess of fifty dollars in an account or accounts bearing interest accruing to the resident and separate from any facility operating accounts or other accounts of the Principal.
2. Deposit personal funds of any resident at or under fifty dollars in a non-interest bearing account or petty cash fund, not to exceed five hundred dollars total, separate from any facility operating accounts or other accounts of the Principal.
3. Hold such personal funds in trust in behalf of each resident, safeguard, and account for each resident's personal resident's personal funds in writing with records and receipts adequate for audit and maintained for prescribed periods, as may be required by state and federal laws and regulations;

4. Promptly convey the funds of a resident to the resident or the resident's guardian upon discharge from the facility or as authorized or requested by the resident or resident's guardian, make the resident's funds available for the resident's personal and incidental needs, and use the funds of each resident only as authorized or requested by the resident or the resident's guardian for goods or services extended to the resident and not covered by federal or state public or medical assistance programs, including Title XVIII (Medicare) and Title XIX (Medicaid); and
5. In the event of the resident's death, within thirty days after the resident's death, convey the balance of the resident's funds, including any accrued interest, to the individual or probate court administering his or her estate.  
PROVIDED THAT: in the case of a deceased resident who received long-term care services paid for in whole or in part by the State of Washington, convey within thirty days after the resident's death personal funds of such deceased resident and the final accounting to the State of Washington, Department of Social and Health Services, Office of Financial Recovery (or successor office);

THEN THIS OBLIGATION shall be null and void; otherwise it shall remain in full force and effect.

THIS SURETY BOND is executed and accepted by Principal and Surety, subject to the following conditions:

- a. This surety bond shall secure completely, and with no deductible in the event of loss, the personal funds of the residents of the above-named nursing facility only and any payments made by Surety shall be solely for their benefit, to be distributed by Obligee in accordance with the loss, if any, of each resident;
- b. Any personal funds of residents in other nursing facilities or adult residential centers operated by Principal in or out of the State of Washington, which are deposited with Principal for safe keeping or management and are required to be secured, shall be secured by a separate instrument and obligation distinct and apart from this obligation;
- c. The laws of the State of Washington shall govern the administration of this obligation and any resident of the above-named facility, the resident's guardian or other authorized representative, or the Obligee, may maintain an action in any court of proper jurisdiction in the State of Washington to enforce or compel enforcement of its terms;
- d. The obligation of Surety shall not exceed the limit set forth above, whether the total limit is reached in one payment or by a number of payments;

- e. This surety bond shall bind Surety to replace personal funds of residents of the above nursing facility held or acquired by Principal on or after the bond's effective date and prior to cancellation or termination of this bond as authorized herein;
- f. This bond shall be effective \_\_\_\_\_ and shall continue in full force and effect until released in writing by Obligee, the Aging and Adult Services Administration of the State of Washington Department of Social and Health Services, or until canceled by Principal or Surety upon thirty days' advance written notice to Obligee.
- g. Principal shall promptly increase the amount of this bond or replace this bond from time to time, subject to agreement by Surety, as may be required to secure all personal funds of residents of the above nursing facility deposited with Principal.

IN WITNESS WHEREOF, Principal and Surety affix their signatures below this \_\_\_\_\_ day of \_\_\_\_\_  
 \_\_\_\_\_, \_\_\_\_\_

PRINCIPAL:

SURETY:

\_\_\_\_\_

\_\_\_\_\_

BY:

BY:

\_\_\_\_\_

\_\_\_\_\_

for principal

\_\_\_\_\_, Attorney-in-Fact