

## Patient Trust Accounts

**Policy Number** 2.124

**Policy Function** Leadership and Management

**Issue Date** 21 August 2017

**Summary** This policy outlines the requirements for the operational management of Patient Trust Accounts for Forensic Hospital patients.

**Responsible Officer** Executive Director, Corporate Services

**Applicable Sites**

- Administration Centres
- Community Sites (e.g. Court Liaison Service, Community Integration Team, etc.)
- Health Centres (Adult Correctional Centres or Police Cells)
- Health Centres (Juvenile Justice Centres)
- Long Bay Hospital
- Forensic Hospital

**Previous Issue(s)** Policy 2.124 (Dec 2014)

**TRIM Reference** POLJH/2124

**Authorised by** Chief Executive, Justice Health & Forensic Mental Health Network

## 1. Preface

This policy outlines the requirements for the operational management of patient trust accounts used to manage Forensic Hospital patients' monies held in trust by Justice Health & Forensic Mental Health Network (JH&FMHN).

This policy aims to ensure:

- JH&FMHN complies with legislative requirements, NSW Ministry of Health (MoH) policy directives and procedure manuals;
- appropriate governance for the management of patient trust funds is in place and adhered to;
- operational efficiencies when facilitating trust account transactions and administration; and
- security of trust funds.

## 2. Policy Content

### 2.1 Mandatory Requirements

#### 2.1.1 General

- Patient trust accounts must be operated in accordance with legislation, NSW MoH and JH&FMHN policies, procedure manuals and related documents as set out in [Section 5](#) of this policy.
- A trust account must be made available to each patient.
- Patients must not be provided with credit.
- Patients are prohibited from keeping cash in the Forensic Hospital.
- Patient trust funds must not be used to purchase items according to Forensic Hospital Procedure: [Prohibited and controlled items – Forensic Hospital](#).
- In accordance with JH&FMHN policy [2.010 Code of Conduct](#), staff, other than authorised staff, must not become involved in a patient's financial affairs, unless authorised in writing by the Service Director, Forensic Hospital and Executive Director, Corporate Services for a specific purpose.
- When authorised staff assist a patient with their financial affairs, they must do so in accordance with legislation, NSW MoH and JH&FMHN policies, procedures manuals and related documents as set out in [Section 5](#) of this policy.
- JH&FMHN staff and other third parties, excluding merchants, must not benefit or gain from transactions made on behalf of a patient including, but not limited to, seeking and/or accepting points for any banking or merchant loyalty reward scheme in accordance with NSW MoH policy directive (PD) [PD2014 005 Goods and Services Procurement Policy](#).
- Expenditure, reimbursement and transfer of funds from a patient's trust account must be authorised in accordance with JH&FMHN policy [2.022 Delegations Authority](#) and transaction authorisation procedures specified in the JH&FMHN patient trust account procedure manuals set out in [Section 5](#) of this policy.
- Monetary transaction limits must not be circumvented by the use of multiple transactions for the same patient or purpose.

- Original hard copies must be provided to delegated officers for approval and signature. Policy breaches and fraud/misappropriation of trust funds, known or suspected, must be immediately reported to the JH&FMHN Chief Financial Officer or Financial Accountant and line manager.
- Transactions known or suspected to be used for a purpose other than the specified and authorised purpose, or a purpose that is not in the best interest of the patient, must be suspended pending the outcome of any investigation.
- Where a patient does not have a Financial Manager, trust account transactions must be authorised by the patient. In circumstances where the patient is required to authorise a transaction but is unable to do so due to being unwell/in seclusion, the Nursing Unit Manager (NUM) may sign on the patient's behalf on the provision that the goods/services are immediately required and are for the patient's best interest and wellbeing. In accordance with JH&FMHN policy [2.022 Delegation Authority](#).
- Documents generated for the purpose of managing patient trust accounts and conducting transactions must be captured, managed, retained and destroyed in accordance with JH&FMHN policy [2.014 Corporate Records Management](#).

### 2.1.2 Financial Manager

- Where a patient's Financial Manager is a General or Enduring Power of Attorney, the original (or original certified copy) legal document evidencing the Power of Attorney must be sighted, recorded and a copy retained before trust account matters (with the exception of deposits to trust accounts) can be conducted with, and authorised by, the Financial Manager.
- Where a patient is subject to a Financial Management Order, Parental Responsibility Order or an order legally appointing an agency or individual to administer the financial affairs of a patient, a copy of the legal document evidencing the authority must be sighted, recorded and a copy retained before trust account transactions (with the exception of deposits to trust accounts) can be conducted with, and authorised by, the Financial Manager.
- Where a patient's Financial Manager is a General or Enduring Power of Attorney and the patient dies in care, the Power of Attorney becomes legally invalid from the point of death and the patient's trust funds must be released in accordance with [Accounting Manual for Public Health Organisations](#).
- Where a patient's Financial Manager is a General Power of Attorney and the patient ceases to have the mental capacity to manage their financial affairs, the Power of Attorney becomes legally invalid from the point the patient lost capacity and trust account matters must not be conducted with the Financial Manager unless they have other legal authority to do so.
- Where a patient has a Financial Manager as defined in [Section 4](#) of this policy, expenditure, reimbursement and transfer of funds (with the exception of in-hospital purchases) from a patient's trust account must be authorised in writing by the Financial Manager.
- Transactions declined by a patient's Financial Manager must not be processed.

### 2.1.3 Trust Account Transactions

- Cash transactions are restricted to approved cash transactions as specified in JH&FMHN [Patient Trust Accounts - Cash Transactions Procedures Manual](#) and [Patient Trust Accounts - Admissions & Discharge Procedures Manual](#), set out in [Section 5](#) of this policy.
- JH&FMHN staff are prohibited from accepting cash deposits on behalf of patients and for trust account matters, with the exception of approved cash transactions as specified in JH&FMHN [Patient Trust Accounts - Cash Transactions Procedures Manual](#) and [Patient Trust Accounts - Admissions & Discharge Procedures Manual](#), set out in [Section 5](#) of this policy.

- The authorised staff member who signs out cash for an approved transaction must, where applicable and possible, sign in any unused cash and receipts associated with the same transaction.
- Patient Purchasing Card transactions as specified in JH&FMHN policy [2.126 Patient Purchasing Cards](#) and non-cash transactions as specified in JH&FMHN [Patient Trust Accounts - Non-Cash Transaction Procedures Manual](#) as set out in [Section 5](#) of this policy, are permitted.
- Supporting documentation for transactions must be provided as specified in the JH&FMHN patient trust accounts procedure manuals as set out in [Section 5](#) of this policy.
- Where deposits cannot be reconciled to a patient or the depositor, a minimum of three (3) attempts to reconcile the deposit must be made. Where the funds cannot be reconciled or remain unclaimed by the patient or other person lawfully entitled to them within a period of twelve (12) months from the deposit date, the funds must be transferred to the designated JH&FMHN Samaritan Fund.

### 2.1.4 Kiosk Accounts & Transactions

- Cash transactions must be restricted to staff and visitor purchases.
- Kiosk accounts must be restricted to patients and operated on a pre-paid non-cash basis.
- Kiosk accounts must not be topped-up above the designated top-up cap.
- Kiosk account transactions must be authorised biometrically or through the use of an account authorisation card.
- Incorrect funds deposited into a kiosk account must be recouped from the kiosk account or the respective patient's trust account where the funds were spent by the patient.
- Staffs are prohibited from using their own money to purchase items for and on behalf of patients.
- Patients are prohibited from using their kiosk accounts to purchase items for and on behalf of staff, or other patients except Christmas and New Year Holiday Period.
- Visitors using their own money are permitted to purchase items, within reason, for patients.
- Patients are permitted to use their kiosk accounts to purchase items, within reason, for their visitors.
- Funds deposited to a kiosk account must be transferred from the respective patient's trust account.
- Where a kiosk account is no longer required, any remaining balance must be transferred back to the respective patient's trust account.

## 2.2 Implementation - Roles & Responsibilities

### 2.2.1 Executive Director, Corporate Services and Service Director, Forensic Hospital

- Providing written authorisation to Finance-Patient Accounts for non-Finance/Allied Health employees to handle financial affairs on behalf of a patient for a specific purpose.

### 2.2.2 Service Director, Forensic Hospital and Chief Financial Officer are responsible for:

- Ensuring staff are aware of this policy, legislation, NSW MoH and JH&FMHN policies, procedures manual and related documents as set out in [Section 5](#) of this policy;
- Ensuring adequate resources are in place and training is provided to support the implementation of this policy;
- Ensuring a communications strategy outlining policy and procedural requirements is prepared and distributed to external stakeholders; and
- Addressing, and where necessary, escalating risks and issues that arise from the implementation of this policy.

**2.2.3 Financial Accountant, Line Manager (of Authorised staff), Authorised Staff and the Patient Fees & Trust Accounting Officer:** are responsible for:

- Ensuring they are aware of their operational roles and responsibilities relating to this policy, procedure manuals and related documents as set out in [Section 5](#) of this policy;
- Ensuring they receive the necessary resources and training to effectively undertake their roles and responsibilities; and
- Addressing, and where necessary, escalating to their line manager risks and issues that arise from the implementation of this policy.

## 3. Procedure Content

Procedure context is provided in the JH&FMHN patient trust account procedure manuals as set out in [Section 5](#) of this policy. Flow chart overviews of key procedures are provided at appendices A and B.

## 4. Definitions

### Authorised Staff

Is the Patient Fees & Trust Accounting Officer, Finance staff, Allied Health staff and staff authorised in writing by the Service Director, Forensic Hospital and Executive Director, Corporate Services for a specific purpose.

### Buy-Up Scheme

Is a service where a patient can purchase non-food items unavailable for purchase at the Forensic Hospital kiosk via an order and delivery service provided by Corrective Services NSW and coordinated by designated JH&FMHN staff.

### Comfort Allowance

Is a payment deposited into a trust account for the specific purpose of purchasing comfort items.

### Comfort Item

Is a relatively inexpensive item of necessity that provides comfort to a patient, such as, but not limited to, clothing, shoes and toiletries.

### Finance-Patient Accounts

Is a division of JH&FMHN Finance responsible for the administration of hospital fee and trust accounts.

### Financial Manager is:

- A trustee organisation or a private individual under the direction and authority of a trustee organisation appointed to manage the financial affairs of an adult patient; or
- An adult patient's Enduring Power of Attorney where the adult patient is no longer mentally capable of managing their financial affairs; or
- An adult patient's General Power of Attorney or Enduring Power of Attorney where the adult patient is mentally capable of managing their financial affairs and provides written consent for their Power of Attorney to authorise hospital fee and trust account transactions on their behalf; or
- NSW Community Services or a private person appointed under a Parental Responsibility Order to manage the financial affairs of an adolescent patient; or

- A Primary Carer or Guardian with the legal authority to manage the financial affairs of an adolescent patient.

### **In-hospital Purchases**

Are purchases made through the Forensic Hospital kiosk, buy-up scheme, mobile hairdressing service, takeaway food scheme, comfort items purchased through Patient Purchasing Cards, purchases for Open Training and Education Network/education course providers, purchases by a patient whilst on leave from the Forensic Hospital.

### **Must**

Indicates a mandatory action required that must be complied with.

### **Patient**

Is a Forensic Hospital inpatient.

### **Patient Purchasing Cards**

Are prepaid debit cards bearing the Visa logo and used by authorised staff in accordance with JH&FMHN policy [2.126 Patient Purchasing Cards](#), to purchase certain essential goods and services on behalf of patients.

### **Trustee Organisation**

Is an organisation or statutory Government agency responsible for providing a range of legal, financial and asset management trustee services to clients.

### **Seclusion**

Is where a patient is removed from the patient population and held in a secluded room under the supervision of hospital staff.

### **Should**

Indicates a recommended action that should be followed unless there are sound reasons for taking a different course of action.

### **Staff**

Is a JH&FMHN staff member, agency staff, contractor or other third party undertaking the work of JH&FMHN.

### **Trust Account**

Is, unless otherwise stated, an account managed and operated by JH&FMHN Finance-Patient Accounts and made available to individual patients admitted to the Forensic Hospital to hold their funds in trust.

## **5. Legislation and Related Documents**

Legislation

[Children and Young Persons \(Care and Protection\) Act 1998](#)

[Guardianship Act 1987](#)

[Health Services Act 1997](#)

[Mental Health \(Forensic Provisions\) Act 1990](#)

[Mental Health Act 2007](#)

[NSW Trustee and Guardian Act 2009](#)

[Oaths Act 1900](#)

[Powers of Attorney Act 2003](#)

[Public Authorities \(Financial Arrangements\) Act 1987 \(PAFA\)](#)

JH&FMHN Policies,  
Procedures and Forms

[2.010 Code of Conduct](#)

[2.014 Corporate Records Management](#)

[2.020 Corruption Prevention and Fraud Control](#)

[2.022 Delegations Authority](#)

[2.123 Patient Fees – The Forensic Hospital](#)

[2.126 Patient Purchasing Cards](#)

[Prohibited and Controlled Items – Forensic Hospital](#)

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[Patient Fees Procedures Manual - the Forensic Hospital](#)

[Patient Trust Accounts - Admission & Discharge Procedures Manual](#)

[Patient Trust Accounts - Cash Transactions Procedures Manual](#)

[Patient Trust Accounts - Financial Manager Procedures Manual](#)

[Patient Trust Accounts - Kiosk Procedures Manual](#)

[Patient Trust Accounts - Non-cash Transaction Procedures Manual](#)

*Finance-Patient Accounts Work Instructions*

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*Memorandum of Understanding between JH&FMHN and NSW Trustee & Guardian*

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[FIN418 Patient Trust Accounts Cash Request](#)

[FIN420 Patient Trust Accounts Deposit](#)

[FIN421 Patient Trust Accounts Cheque Request](#)

*FIN431 Patient Trust Accounts Hospital Fees Direct Debit*

*FIN432 Private Bank Accounts Withdrawal Form*

*FIN442 Patient Trust Accounts Kiosk Account*

*FIN450 Patient Trust Accounts Buy-Up Order*

[FIN451 Hairdressing Request Form Patient Trust Account](#)

*FIN453 Patient Trust Accounts Essential Property Items*

*FIN454 Patient Trust Accounts Buy-Up Orders Delegated Authorisation*

NSW MoH Policy Directives,

[PD2005\\_054 ICAC Report: Cash Handling in Public Hospitals](#)

and Guidelines

[PD2005 484](#) *Trust Fund Procedures - Mental Health Hospitals*

[PD2014 005](#) *Goods and Services Procurement Policy*

[PD2015 049](#) *NSW Health Code of Conduct*

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[Accounting Manual for Public Health Organisations](#)

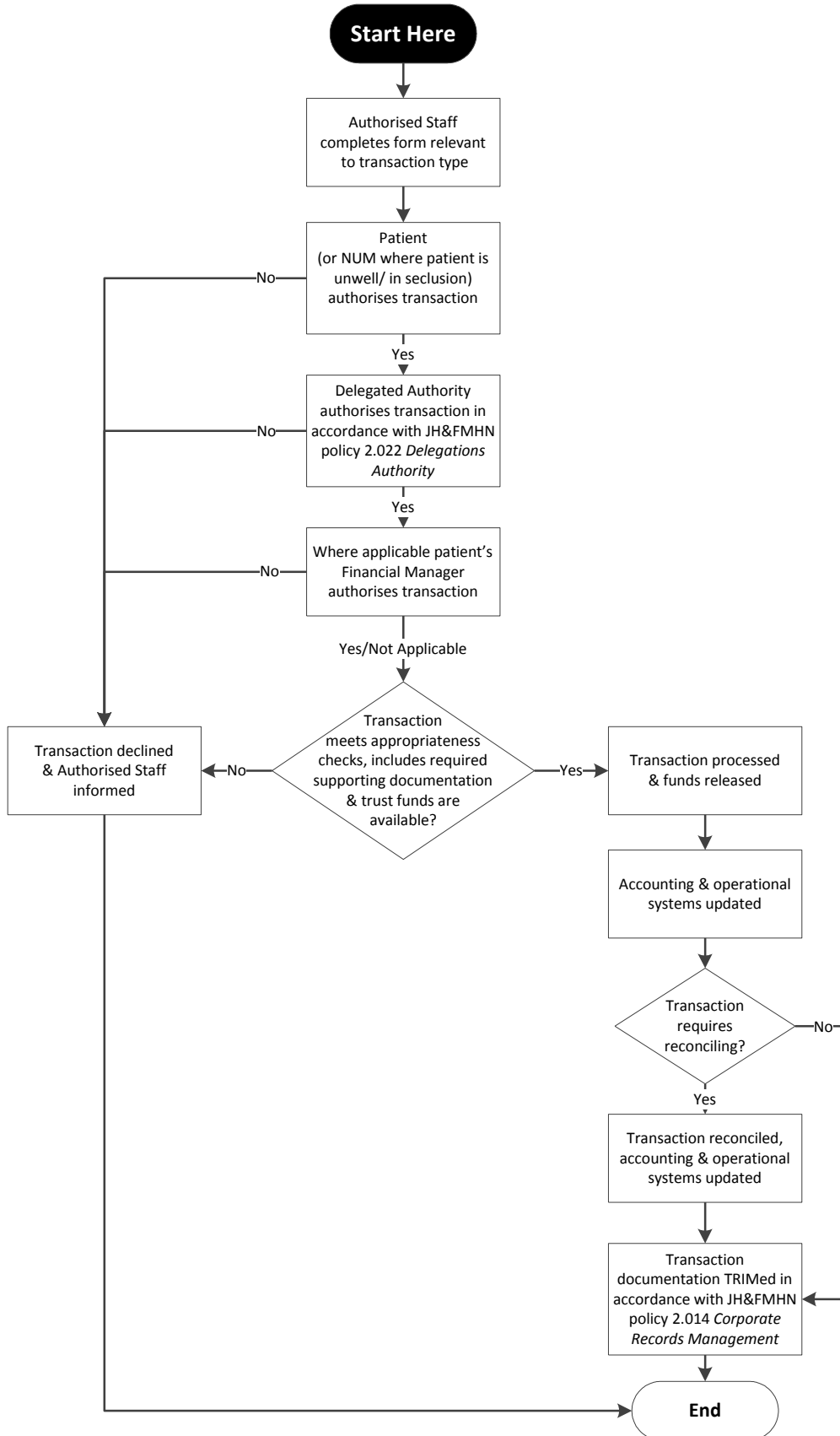
[Accounts & Audit Determination for Public Health Organisations](#)

[Goods and Services Procurement Policy Manual](#)

[Privacy Manual for Health Information \(March 2015\)](#)



# Appendix A – Trust Account Transaction Procedure Flow Chart



## Appendix B – Kiosk Account Transaction Procedure Flow Chart

