Is This a Legal Nightmare Ready to Happen?

By Susan Saldibar

Ask yourself these questions:

"Are your move-in documents legally defensible?" And, "Would they stand up to an audit?"

Out of date documents, incomplete documents and missing signatures can totally derail a move-in process. But they can also cause major legal headaches from auditors, as well as cost thousands of dollars per month in lost revenues, after you discover your less-than-tidy document management.

Think this isn't serious stuff? Spend a few minutes with Darren Mathis, owner and CEO of LincWare (a Senior Housing Forum partner), who knows how serious this can be. "To be honest, these are some of the reasons we developed Admit+," he tells me. Admit+ is LincWare's digital admissions platform. "Senior living community operators often don't even know they have a document problem until an auditor comes around and tells them that they do." That's a bad way to find out.

I spoke with Darren recently about some of the problems associated with admissions document issues. When you think of the sheer number of documents involved in the admissions process, it isn't hard to see all the potential points of failure. Here are a couple of key ones:

- **Outdated documents:** There is a good reason legal documents go through version changes. Because legislation and requirements go through changes. Just try to justify an outdated document to an auditor. You'll get nailed every time. And yet it happens. All the time. "This is especially an issue when communities get into the habit of emailing new documents back and forth," Darren tells me. "We recently did a document review for a prospect and found that 30% of their locations were using the wrong version of the move-in documents. Corporate had no idea," Darren adds.

- **Version Control -** You have to have a set of documents per location when dealing with paper. This creates a document management nightmare. Plus, with paper, you have no way of being 100% sure the correct versions are being used. If you have 20 locations, you have 20 sets of documents times the number of care levels to manage.
- **Unsigned and/or missing documents:** When there is a dispute about a document and it turns out the document was never signed, it becomes a moot point. The resident has the advantage. "This cost one of our clients over $3,000 in lost revenue, because a resident didn't sign the document that stated they would be charged for a full month if they moved out mid-month," Darren explains. The same is true if a document is missing.

So, what happens when one or more of the above is uncovered in an audit?

The short answer is that your community will be cited for a "deficiency" if they discover documents that are missing, unsigned or otherwise poorly executed. Your prospective resident or his/her responsible person needs to sign the "admissions agreement" which needs to clearly specify the following:

The prospective resident or the prospective resident's responsible person must sign a written admission agreement prior to admission. The admission agreement shall be kept on file by the facility and shall specify at least the following:

1. Room and board charges and charges for basic and optional services;
2. Provision for a 30-day notice prior to any change in established charges;
3. Admission, retention, transfer, discharge, and eviction policies;
4. Conditions under which the agreement may be terminated;
5. The name of the responsible party;
6. Notice that the Department has the authority to examine resident records to determine compliance with licensing requirement; and
7. Refund provisions that address the following:
   a. thirty-day notices for transfer or discharge given by the facility or by the resident,
   b. emergency transfers or discharges
   c. transfers or discharges without notice, and
   d. the death of a resident

So we return to the original questions, here: Are your move-in documents legally defensible? Would they stand up to an audit?

Having an automated platform that centralizes documents, keeps versions updated with appropriate communities, enables flow-through of signatures and other redundant information, and ensures no documents are not executed, will give you the confidence to say "Yes!" to those questions.

"The time is well overdue for communities to automate an antiquated, time consuming and paper-intensive process," says Darren. "Those who do so will be rewarded with faster move-ins, happier residents and staff, a compliant, secure workflow and potentially thousands of lost dollars back in their pockets."

Watch a few Admit+ videos and sign up for a demo and let LincWare show you how to get your paper process under control.