



The National
CONSUMER VOICE
for Quality Long-Term Care



Consumer Financial
Protection Bureau

Illegal Nursing Home Debt Collection Practices: Protecting Residents and Families

Thursday, December 15, 2022 | 3:00pm EST

Disclaimer

- This event is hosted by the National Consumer Voice for Quality Long-Term Care on behalf of the Consumer Financial Protection Bureau (CFPB), an agency of the federal government.
- Panelists' opinions or views are their own and may not represent the CFPB's views.
- This event is open to the public and all remarks are considered public.
- This event **will** be recorded and the information learned from this event will inform CFPB's work.

About the Consumer Voice

The leading national voice representing consumers in issues related to long-term care

- ▶ **Advocate for public policies** that support quality of care and quality of life responsive to consumers' needs in all long-term care settings.
- ▶ **Empower and educate** consumers and families with the knowledge and tools they need to advocate for themselves.
- ▶ **Train and support** individuals and groups that empower and advocate for consumers of long-term care.
- ▶ **Promote the critical role** of direct-care workers and best practices in quality care delivery.

Welcome

- ▶ The program is being **recorded**
- ▶ Use the **Q&A feature** for questions for the speakers
- ▶ Use the **chat feature** to submit comments or respond to questions from speakers or other attendees
- ▶ Please complete the **evaluation** questionnaire when the webinar is over.
- ▶ Links to **resources** will be posted in the chat box and will be posted to the Consumer Voice website – theconsumervoice.org

Speakers



Sam Brooks
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Long-Term Care



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Illegal Nursing Home Debt Collection Practices

Third-Party Payment Guarantees

Sam Brooks

December 15, 2022

1

Third Party Payment Guarantees

What are Third-Party Payment Agreements?

- ▶ Any contract that says a caregiver, family member, or friend must pay the resident's bill if the resident is unable to or does not.
- ▶ Generally included in admissions contracts.
 - ▶ Sometimes presented after admission.
- ▶ Often overlooked or explained inadequately by staff.
 - ▶ "No big deal"
- ▶ Frequently, people who sign them only become aware after debt collection practices begin against them.

Third-Party Party Payment Guarantees Are Illegal!

- ▶ “The facility must not request or require a third party guarantee of payment to the facility as a condition of admission or expedited admission, or continued stay in the facility. However, the facility may request and require a resident representative who has legal access to a resident's income or resources available to pay for facility care to sign a contract, without incurring personal financial liability, to provide facility payment from the resident's income or resources.”
42 C.F.R. § 483.15(a)(3)
- ▶ Despite this prohibition, facilities will still include these provisions in admissions contract.
- ▶ Words to look for “responsible party” and “joint and several liability”.



Anna Anderson

Staff Attorney, National Consumer Law Center

Alana Russell

Co-Owner, Aging Connections

Nursing home debt collection

CFPB actions and what you can do

Beverly Yang

CFPB Office for Older Americans



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This presentation is being made by a Consumer Financial Protection Bureau representative on behalf of the Bureau. It does not constitute legal interpretation, guidance, or advice of the Consumer Financial Protection Bureau. Any opinions or views stated by the presenter are the presenter's own and may not represent the Bureau's views.

About the Consumer Financial Protection Bureau

The Consumer Financial Protection Bureau is a 21st century agency that implements and enforces Federal consumer financial law and ensures that markets for consumer financial products are fair, transparent, and competitive.

Learn more at consumerfinance.gov

Actions by the Consumer Financial Protection Bureau

- [Issue Spotlight: Nursing Home Debt Collection](#)
- [Joint letter with Centers for Medicare and Medicaid Services](#)
- [Consumer Financial Protection Circular 2022-05: Debt collection and consumer reporting practices involving invalid nursing home debts](#)
- [Field hearing with Director Chopra, legal advocates, caregivers, and others](#)
- [Joint blog with HHS Administration for Community Living \(Spanish too, more coming\)](#)
- [Know your rights: caregivers and nursing home debt \(Spanish too, more languages coming\)](#)
- Raising awareness among aging services providers and organizations such as Consumer Voice

Actions you can take

- Watch out for words such as “responsible party” and “joint and several liability”
- Refuse to sign a nursing home admissions contract that tries to hold the third party personally responsible for the resident’s bills
- Share our fact sheet with colleagues
- Get to know your [local legal aid](#) and their elder law practitioners

Submit a complaint



If you have an issue with a debt collector, CFPB will forward your complaint to the company and work to get a response from them.

You can submit a complaint at consumerfinance.gov/complaint

or by calling (855) 411-2372

Contact us

Consumer Financial Protection Bureau Office for Older Americans

Resources: consumerfinance.gov/olderamericans

Email: OlderAmericans@cfpb.gov

Questions?



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