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## **DAUGHTER NOT LIABLE FOR MOTHER'S SKILLED NURSING FACILITY EXPENSES BECAUSE SHE HAD NO AUTHORITY OVER FINANCES OR ACCESS TO MOTHER'S FINANCES**

The Indiana Court of Appeals ("Court") ruled that a daughter who signed a skilled nursing facility admissions agreement as her mother's "responsible party" was not liable for her mother's unpaid skilled nursing facility bill because the daughter did not have authority over her mother's finances or access to her mother's finances.

In November 2011, Martha Farber was admitted to Springhurst Health Campus ("Springhurst"), a skilled nursing facility. In November 2011, Martha Farber's daughter, Alexis Hutchison, signed Springhurst's move-in agreement as her mother's "responsible party/agent." Martha Farber left Springhurst in February 2012. In September 2012, Springhurst filed a notice of claim in small claims court against Hutchison and her mother for unpaid services rendered to her mother.

Springhurst claimed that Hutchison was contractually liable for the unpaid bill because she signed the Move-In Agreement as her mother's responsible party and was required to use her mother's assets to pay the amount due to Springhurst.

The Springhurst's move-in agreement provided that if her mother designated a responsible party/agent, that her mother will provide Springhurst with a "copy of the written agreement that authorizes such an individual to manage, use, control or access" her mother's income, resources and assets, and execute the move-in agreement on her mother's behalf. There was no evidence that her mother gave Springhurst a copy of an authorizing document, and Springhurst did not show that it had a document like it in its records. It is unclear if Springhurst asked Hutchison or her mother for a copy of any authorizing document, such as a power of attorney. It is also unclear if Springhurst asked Hutchison or her mother why her mother designated Hutchison as her responsible party, if Hutchison did not have any access or control over her mother's income or assets.

Hutchison demonstrated to the Court that she never had any authority to access her mother's income, pension, social security checks, resources or assets and was not and had never been her mother's agent under a power of attorney.

The Court found that Hutchison did not pay over her mother's income, resources or assets to Springhurst because she did not have the authority or power to do so.

The Court held that Hutchison had agreed to pay Springhurst the full amount of her mother's income and resources that Hutchison controlled, but that she never had access or control over her mother's income or resources from which to make payment to Springhurst. The Court held Hutchison was not liable for her mother's unpaid skilled nursing facility debt.

The Court distinguished the facts here with a Connecticut case where (1) a daughter held a power of attorney over her mother's assets, (2) the nursing home knew the daughter held the power of attorney and (3) the child misappropriated her mother's assets rather than pay the nursing home. This reference hints that the Court might have found the daughter liable for the debt if she held a power of attorney and failed to act to use her mother's assets to pay the balance due to the skilled nursing facility.

Reference: [Hutchison v. Trilogy Health Services, LLC \(Ind. Ct. App., 30A01-1307-SC-316, Jan. 30, 2014\)](#).

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