

# State Rapid Response Investigative Public Report

*Office of Health Facility Complaints*

**Maltreatment Report #:** HL306745642M  
**Compliance #:** HL306747911C

**Date Concluded:** November 14, 2024

## **Name, Address, and County of Licensee**

### **Investigated:**

Farmside Senior Living  
823 State Highway 371 NW  
Backus, Minnesota 56435  
Cass County

**Facility Type:** Assisted Living Facility (ALF)

**Evaluator's Name:** Barbara Axness, RN  
Special Investigator

**Finding:** Substantiated, individual responsibility

### **Nature of Investigation:**

The Minnesota Department of Health investigated an allegation of maltreatment, in accordance with the Minnesota Reporting of Maltreatment of Vulnerable Adults Act, Minn. Stat. 626.557, and to evaluate compliance with applicable licensing standards for the provider type.

### **Initial Investigation Allegation(s):**

The alleged perpetrator (AP), a facility staff member, financially exploited the resident when she used his checking account to pay various personal bills.

### **Investigative Findings and Conclusion:**

The Minnesota Department of Health determined financial exploitation was substantiated. The AP was responsible for the maltreatment. The AP used \$7,707.06 from the resident's checking account to pay various personal bills including phone bills, debt collection agencies, mortgage and utility bills. The resident's checking account became overdrawn due to the AP's spending, causing the resident's account to be frozen.

The investigator conducted interviews with facility staff members, including administrative staff and nursing staff. The investigator contacted law enforcement. The investigation included review of the resident record, facility internal investigation documentation, facility incident reports, personnel files, staff schedules, law enforcement reports, bank records, and related

facility policies and procedures. Also, the investigator observed care and services provided at the facility.

The resident resided in an assisted living facility. The resident's service plan included assistance with most activities of daily living. The resident's assessment indicated the resident also received hospice services.

Bank records indicated over a three-month period, the AP paid multiple personal bills with the resident's checking account. The AP set up recurring ACH payments (electronic payments) for a debt collection agency under her name but paid with the resident's checking account. Nine payments of \$279.73 were made to the debt collection agency, totaling \$2,517.57. The AP made four payments to a cell phone carrier totaling \$976.43. The AP also made an electronic payment to her mortgage using the resident's account, which caused it to be overdrawn. In total, the AP spent \$7,707.06 from the resident's checking account. The bank was able to stop payment on some transactions and get back some of the resident's money, however the bank was not able to recover \$5,132.62.

During an interview, facility management stated they brought the resident to the bank one day to cash a check and were told his account had been frozen several months earlier due to suspected fraud. They were then notified the AP was an employee of the facility and more than \$5,000 had been taken from his account. Facility management stated as soon as they were made aware of this, an investigation was initiated and the AP was terminated, as this was a significant violation of policy and trust. Facility management stated when they met with the AP to go over her termination, she didn't admit to taking the resident's money but kept apologizing and saying she was sorry. Facility management stated the AP worked as a house manager so she would have had access to the drawer where the resident's bank records were kept and that was likely where she got the information to access his account.

During an interview, the resident stated he never gave his bank information to the AP and never gave her permission to pay her personal expenses from his checking account. The resident stated he had no idea the AP was taking his money while she was employed by the facility and providing care to him and she had never asked him for money or made comments about needing money.

During an interview, the AP confirmed the various charges were hers, but it was a mistake and she didn't mean to do that. The AP stated she was trying to order some things online for the resident and it asked for his banking information and her computer saved his information so when she went to pay her bills, it used his bank information instead of hers. The AP was asked what transaction on the resident's bank statement was his online order and she stated she never ended up buying anything online for the resident. The AP stated she thought the amount taken from the resident's account was about a thousand dollars and she could pay that back. The AP was told the amount taken was over \$7,000 and was asked how she didn't realize that amount wasn't taken out of her own checking account. The AP stated she was really bad at

checking her accounts and would not routinely check her bank balance. The AP confirmed the bank alerted her of the resident's account being shut down and that her name was listed on the fraudulent transactions about ten months ago, but she continued to work with the resident and did not say anything to him or the facility about what had happened or make any attempts to pay the resident back. The AP stated the bank didn't give her the resident's family's contact information, so she didn't know how to get ahold of them to work on paying the money back. The AP stated it was completely her fault, it was a really stupid decision, and she should have said something.

In conclusion, the Minnesota Department of Health determined financial exploitation was substantiated.

**Substantiated: Minnesota Statutes, section 626.5572, Subdivision 19.**

"Substantiated" means a preponderance of evidence shows that an act that meets the definition of maltreatment occurred.

**Financial exploitation: Minnesota Statutes, section 626.5572, subdivision 9**

"Financial exploitation" means:

- (1) willfully uses, withholds, or disposes of funds or property of a vulnerable adult;
- (2) obtains for the actor or another the performance of services by a third person for the wrongful profit or advantage of the actor or another to the detriment of the vulnerable adult;
- (3) acquires possession or control of, or an interest in, funds or property of a vulnerable adult through the use of undue influence, harassment, duress, deception, or fraud; or
- (4) forces, compels, coerces, or entices a vulnerable adult against the vulnerable adult's will to perform services for the profit or advantage of another.

**Vulnerable Adult interviewed:** Yes

**Family/Responsible Party interviewed:** Not Applicable

**Alleged Perpetrator interviewed:** Yes

**Action taken by facility:**

The facility suspended the AP pending investigation and later terminated the AP.

**Action taken by the Minnesota Department of Health:**

The facility was issued a correction order regarding the vulnerable adult's right to be free from maltreatment.

You may also call 651-201-4200 to receive a copy via mail or email

The responsible party will be notified of their right to appeal the maltreatment finding. If the maltreatment is substantiated against an identified employee, this report will be submitted to the nurse aide registry for possible inclusion of the finding on the abuse registry and/or to the

Minnesota Department of Human Services for possible disqualification in accordance with the provisions of the background study requirements under Minnesota 245C.

cc:

The Office of Ombudsman for Long Term Care

The Office of Ombudsman for Mental Health and Developmental Disabilities

Cass County Attorney

Backus City Attorney

Cass County Sheriff's Office

Minnesota Department of Health

STATEMENT OF DEFICIENCIES AND PLAN OF CORRECTION	(X1) PROVIDER/SUPPLIER/CLIA IDENTIFICATION NUMBER:  <b>30674</b>	(X2) MULTIPLE CONSTRUCTION A. BUILDING: _____  B. WING _____	(X3) DATE SURVEY COMPLETED  <b>C</b> <b>09/23/2024</b>
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NAME OF PROVIDER OR SUPPLIER  <b>FARMSIDE SENIOR LIVING</b>	STREET ADDRESS, CITY, STATE, ZIP CODE <b>823 STATE HIGHWAY 371 NW BACKUS, MN 56435</b>
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(X4) ID PREFIX TAG	SUMMARY STATEMENT OF DEFICIENCIES (EACH DEFICIENCY MUST BE PRECEDED BY FULL REGULATORY OR LSC IDENTIFYING INFORMATION)	ID PREFIX TAG	PROVIDER'S PLAN OF CORRECTION (EACH CORRECTIVE ACTION SHOULD BE CROSS-REFERENCED TO THE APPROPRIATE DEFICIENCY)	(X5) COMPLETE DATE
0 000	<p>Initial Comments</p> <p>*****ATTENTION*****</p> <p><b>ASSISTED LIVING PROVIDER CORRECTION ORDER</b></p> <p>In accordance with Minnesota Statutes, section 144G.08 to 144G.95, these correction orders are issued pursuant to a complaint investigation.</p> <p>Determination of whether a violation is corrected requires compliance with all requirements provided at the statute number indicated below. When a Minnesota Statute contains several items, failure to comply with any of the items will be considered lack of compliance.</p> <p>INITIAL COMMENTS:</p> <p><b>#HL306745642M/#HL306747911C</b></p> <p>On September 23, 2024, the Minnesota Department of Health conducted a complaint investigation at the above provider, and the following correction order is issued. At the time of the complaint investigation, there were nine residents receiving services under the provider's Assisted Living license.</p> <p>The following correction orders are issued for <b>##HL306745642M/#HL306747911C</b>, tag identification 2360.</p>	0 000		
02360	<p><b>144G.91 Subd. 8 Freedom from maltreatment</b></p> <p>Residents have the right to be free from physical, sexual, and emotional abuse; neglect; financial exploitation; and all forms of maltreatment covered under the Vulnerable Adults Act.</p>	02360		

Minnesota Department of Health  
LABORATORY DIRECTOR'S OR PROVIDER/SUPPLIER REPRESENTATIVE'S SIGNATURE \_\_\_\_\_ TITLE \_\_\_\_\_ (X6) DATE \_\_\_\_\_

Minnesota Department of Health

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02360	<p>Continued From page 1</p> <p>This MN Requirement is not met as evidenced by: The facility failed to ensure one of one residents reviewed (R1) was free from maltreatment.</p> <p>Findings include:</p> <p>The Minnesota Department of Health (MDH) issued a determination maltreatment occurred, and an individual person was responsible for the maltreatment, in connection with incidents which occurred at the facility. Please refer to the public maltreatment report for details.</p>	02360	No plan of correction required for this tag.	