

FINANCIAL MANAGEMENT ISSUES

PENNSYLVANIA NURSING HOME TRANSITION PROGRAM

Opening A Bank Account (Checking or Savings)

A Checking or Savings Bank Account provides a secure place to keep your Social Security, pension or other funds. Many Banks provide free Checking accounts for those over age 50, with a \$100 minimum balance some earn interest on your balance.

Select several banks; call and ask for information on Free Checking Accounts and Savings Accounts. Ask for the information to be sent to you. Compare information on location, services offered and other features before selecting a bank and filling out the application.

Enrolling in Direct Deposit

Direct Deposit of your Social Security Check, retirement check or other recurring payment provides security and the ready availability of funds. With Direct Deposit there is no need to get to a facility that will cash your checks on a monthly basis and there is no charge for cashing your checks.

Direct Deposit is available to anyone with a Checking or a Savings Account. To enroll in Direct Deposit you need to provide Social Security Administration or other payment source with the Bank name, the account number and the Bank routing number. There is no charge for Direct Deposit and funds are available on the same day they are received and processed by the Bank.

Your Bank will provide the paperwork and information needed to enroll in Direct Deposit.

Automatic Teller Machines (ATMs)

An ATM is a machine that allows you to access your money from a machine that is away from your bank. ATMs can be found at most supermarkets, convenience stores and travel centers. They make your Bank funds available to you when you insert your ATM card into the card reader and respond to the prompts on the screen. You walk away with cash and a receipt.

Credit Cards

A credit card provides a way to shop without carrying a large amount of cash. A credit card is a way to charge your purchase and “pay later,” while with a Debit Card or cash, you “pay now.”

Credit Cards generally have a limit on the amount you may spend. A Credit Card can provide convenience and allow you to make purchases with nearly a month to pay for them before finance charges kick in. However, carrying a balance on a Credit Card from month to month can result in high financial fees.

You can use your card anywhere merchants display your card's brand name or logo. They offer an alternative to carrying a checkbook or cash.

Debit Cards

Debit cards are also known as check cards. Debit cards look like credit cards or ATM (automated teller machine) cards, but operate like cash or a personal check. Debit cards are different from credit cards. While a credit card is a way to "pay later," a debit card is a way to "pay now." When you use a debit card, your money is quickly deducted from your checking or savings account.

Debit cards are accepted at many locations, including grocery stores, retail stores, gasoline stations, and restaurants. You can use your card anywhere merchants display your card's brand name or logo. They offer an alternative to carrying a checkbook or cash.

When you use a debit card, you are subtracting your money from your own bank account. Debit cards allow you to spend only what is in your bank account. It is a quick transaction between the merchant and your personal bank account.

Electronic Benefits Transfer (EBT)

Electronic Benefits Transfer (EBT) is a benefit delivery system that provides public assistance recipients with electronic access to their cash and food stamp benefits.

How does EBT work?

For Groceries: Eligible recipients receive a Pennsylvania Access Card and select a personal identification number (PIN) to access authorized benefits. When paying for groceries, the recipient swipes his or her EBT Access Card through a Point-of-Sale (POS) terminal and enters the PIN to access the food stamp account. Then the pin and account balance are verified electronically, and the retailer receives an authorization or denial. The recipient's account is then debited for the amount of the purchase, and the retailer's account is credited. No money or food coupons change hands.

For Cash: Recipients are able to use their EBT Access Card to obtain cash benefits through ATMs located throughout the state. In addition, recipients are able to make cash purchases and receive cash back through POS terminals at participating retailers.

Contact the EBT Recipient Hotline at 1-888-EBT-PENN (1-888-328-7366 to:

- Find out where the EBT card can be used;
- Check food stamp and cash assistance account balances;
- Report that an EBT card has been lost or stolen;
- Report that the EBT card does not work; and
- Ask questions about using the EBT card.

The Recipient Hotline is open 24 hours a day, 7 days a week.

Credit Counseling, Money Management

There are many non-profit organizations offering confidential credit management education and debt counseling to consumers. This counseling works to help the consumer reduce his/her debt and regain financial stability.

Professionally trained and independently certified counselors evaluate a consumer's financial situation, assist in creating a budget, work with creditors and provide education so that they can properly manage their finances and secure a debt-free future.