

Meeting Date
1/24/2017



AGENDA	
Section	Consent
Item No.	II.C.1

AGENDA REPORT
BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS

SUBJECT:	REQUEST TO WRITE-OFF UNCOLLECTIBLE AMBULANCE ACCOUNTS RECEIVABLE FY16. FISCAL IMPACT: BALANCE SHEET WRITE-OFF \$14M
DEPT/OFFICE:	FIRE RESCUE

Requested Action:

The Fire Rescue Department requests, in accordance with Ordinance No. 79-21, that the Board approve the FY 2015-2016 uncollectible EMS accounts receivable write-off as noted below.

Summary Explanation & Background:

Annually, BCFR is required to identify the difference between gross billing for EMS service and actual revenue collected for account receivables. The uncollected revenue is separated into two categories; contractual write-offs and write-offs from unpaid patient billing. The EMS write-off is a balance sheet financial write-off only and occurs annually. The two categories of uncollected accounts receivable are described below:

Medicare/Medicaid/Champus Contractual Write-Off: \$6,819,318.07

The \$6.8 million balance is the outstanding balance after adjustments are applied to patient accounts. Primarily, the adjustments are the difference between the Fire Rescue billing rate and the maximum reimbursement allowed by Medicare, Medicaid and Champus. The County's billing rate is set higher than Medicare's maximum allowable in order to maximize revenue; the difference of the County's billing rate and the maximum allowable is the adjusted write-off. By law, Fire Rescue cannot back-bill the patient for the difference. The annual total write-off figures for these accounts are through September, 2015.

Appropriate Accounts for a Financial Write-Off: \$7,253,687.34

This portion of the write-off consists of accounts that were appropriate for referral for a financial write-off after up to five attempts to collect were made. Examples of these uncollected accounts consist of patients that have no insurance, have insurance but did not pay their deductible or co-payment and patients where accurate/sufficient information was not available. The \$7.3 million represents the total annual amount of this category of uncollected accounts receivables through September of 2015. Even though this write-off occurs annually, the County, through the actions of its billing service provider Intermedix, and Penn Credit, the County's collection agency, continues to pursue collections of these accounts.

The removal of these Emergency Medical Services (EMS) accounts receivable is in accordance with Ordinance 79-21 and generally accepted accounting principles. A specific listing of each account is available from Fire Rescue upon request. A file containing all the County's uncollectible receivables shall be maintained by the Clerk of the Circuit Court, as required by ordinance.

Continued on page 2

Clerk to the Board Instructions:

Exhibits Attached: BCFR Fiscal Year 2015-2016 Uncollectible Ambulance Write-Off

Contract /Agreement (If attached):		Reviewed by County Attorney	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
County Manager		Frank Abbate, Assistant County Manager					Department Director / Extension	
Stockton Whitten		Assistant County Manager					Mark Schollmeyer, Fire Chief Ext. 56080	

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FISCAL IMPACT:

Annually, during BCFR's budget development process, EMS billing revenue is forecasted based on historical net revenue received from EMS account receivables. Revenue forecasting in this manner takes into consideration the write-offs from contractual adjustments and uncollected billing charges.

The removal of receivables (unpaid billing charges) in the amount of \$7,253,687.34 from the financial statements does not preclude continuing efforts to collect the receivables in future years. In accordance with County Policy BCC-37, Fire Rescue sends appropriate uncollected accounts to a collection agency for further action.

The Medicare/Medicaid/Champus \$6,819,318.07 is not forwarded to the collection agency as it is the contractual write off amount.

Contact Information:

Mark Schollmeyer, Fire Chief/Director

mark.schollmeyer@brevardfl.gov (321) 633-2056 Ext. 52555



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January 25, 2017

M E M O R A N D U M

TO: Chief Mark Schollmeyer, Fire Rescue Director

RE: Item II.C.1., Request to Write-Off Uncollectible Ambulance Account Receivable Fiscal Year 2015-2016

The Board of County Commissioners, in regular session on January 24, 2017, approved request to write-off Fiscal Year 2015-2016 uncollectible EMS accounts receivable.

Your continued cooperation is greatly appreciated.

Sincerely yours,

**BOARD OF COUNTY COMMISSIONERS
SCOTT ELLIS, CLERK**

Tammy Rowe, Deputy Clerk

/ds

cc: Finance
Budget