

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

35-1

AGENDA ITEM SUMMARY

Meeting Date: 10/21/08 [X] Consent [] Regular
[] Workshop [] Public Hearing

Department: Fire-Rescue

I. EXECUTIVE BRIEF

Motion and Title:

Staff recommends motion to approve: The write-off of uncollectible emergency transport patient accounts to remove these amounts from the County's financial books for the following period:

October 1, 2004 through September 30, 2005 (FY05) \$3,251,034.80

Summary:

In December 1994, the Board authorized Fire Rescue to transport critically ill/injured patients and bill for those services. The County contracts with a private company for these billings and collections services. The County receives payment from a number of sources, including commercial insurance, Medicare, Medicaid, and private individuals. During the period October 1, 2004 to September 30, 2005, Fire Rescue generated \$11,871,608.45 in gross transport billings and collected (to-date) \$7,305,156.00 or 61.5%. After adjustments, the balance of \$3,251,034.80 is currently deemed to be uncollectible and staff recommends that this amount be written-off the County's financial books. The write-off of these accounts does not eliminate the County's authority to continue to pursue collection of these accounts.
Countywide (SB)

Background and Policy Issues:

In March 1995, Fire-Rescue began transporting patients and charging ambulance fees for this service. Fire Rescue's billing efforts are designed to meet the federal requirements of the Health Insurance Portability and Accountability Act of 1996. The law requires that the County make reasonable attempts to collect monies from all patients regardless of the availability of insurance, to the maximum allowed under Federal and State guidelines and does not allow for the routine waiver of unpaid co-payments or deductibles. Based on these efforts, Fire Rescue collected 61.5% of gross billings to-date for this write-off period.

(Continued on page 2)

Attachments:

1. Emergency Transport Billing Write-Off Summary for Period October 2004 - September 2005
2. Detail Listing of Uncollectible Accounts by Transport Month for Period October 2004 - September 2005

Recommended by:  8-26-08
Deputy Chief Date

Approved by:  8-26-08
Fire Rescue Administrator Date


II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2008	2009	2010	2011	2012
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	<u>See below</u>	_____	_____	_____
# ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes X No _____

Budget Account No.: Fund 1300 Dept 440 Unit 4210 Rev Source 4260

B. Recommended Sources of Funds/Summary of Fiscal Impact:

The approval of this item will authorize the Clerk of the Courts to record the necessary accounting entries to remove these accounts from the financial records. As required under the PPM, Fire Rescue will continue to maintain a database of all ALS transport accounts.

C. Departmental Fiscal Review: [Signature]

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:
There is no uncollectible accounts. fiscal impact to the County for write-off of these

[Signature] 9.26.08 [Signature] 9/29/08
 OFMB 9/25/08 CW 9/25/08 Contract Dev. and Control

B. Legal Sufficiency
[Signature] 10/2/08
 Assistant County Attorney

C. Other Department Review:

 Department Director

THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.

Background and Policy Issues: (continued from page 1)

The following provides some examples as to why the \$3.25 million balance is uncollectible.

- Medicare adjustment - difference between Fire-Rescue billing rate and the maximum reimbursement allowed by Medicare. The County's rate is set higher than Medicare's maximum allowable in order to collect the maximum reimbursement, thereby creating an automatic *Medicare Adjustment*. An increase in adjustments will occur whenever the Board approves a rate increase in excess of Medicare allowable rates for reimbursement.
- Partial Payment - received payment from third party carrier, but patient did not have supplemental insurance and has not paid balance.
- Payment denied based on medical necessity - Fire Rescue's decision to transport an injured or ill patient is based on quality of patient care as determined by the paramedic/Medical Director, not on the likelihood of a successful collection. In some cases, patient did not pay account.
- Billing agent unable to obtain accurate/sufficient patient information.
- Patients had no insurance, co-insurance, or had not met their deductible. As the number of patients in Palm Beach County without insurance increases, the overall collection rate will be expected to decrease.

The write-off of these accounts does not eliminate the County's authority to continue to pursue collection on these accounts.

**Palm Beach County Fire Rescue
Emergency Transport Billing Write-Off Summary
October 1, 2004 through September 30, 2005**

Billings and Collections - ADP Report No. AB2020

Billing Month		Gross Billings	Receipts	Receipts % of Gross	Adjustments	Balance
FY2005						
October	2004	977,199.65	587,097.92	60.08%	112,905.88	\$277,195.85
November	2004	970,912.60	564,457.97	58.14%	118,972.75	\$287,481.88
December	2004	1,000,752.25	595,978.76	59.55%	114,365.19	\$290,408.30
January	2005	1,168,339.70	756,263.19	64.73%	124,752.54	\$287,323.97
February	2005	1,072,754.60	694,943.44	64.78%	129,352.49	\$248,458.67
March	2005	1,180,498.00	753,803.55	63.85%	134,509.15	\$292,185.30
April	2005	988,192.15	636,756.96	64.44%	106,594.54	\$244,840.65
May	2005	948,633.30	562,477.61	59.29%	99,765.17	\$286,390.52
June	2005	884,107.05	526,748.06	59.58%	87,544.84	\$269,814.15
July	2005	868,436.80	518,596.86	59.72%	87,591.42	\$262,248.52
August	2005	949,293.60	588,170.25	61.96%	103,345.39	\$257,777.96
September	2005	862,488.75	519,861.43	60.27%	95,718.29	\$246,909.03
Total		\$11,871,608.45	\$7,305,156.00	61.5%	\$1,315,417.65	\$3,251,034.80

Receipts by Payor Type - ADP Report No. AB0155A

		Self-Pay	Medicaid	Medicare	Insurance	Total
October	2004	\$13,216.14	\$19,056.00	\$325,241.07	\$229,584.71	\$587,097.92
November	2004	\$13,826.00	\$21,554.00	\$335,680.78	\$193,397.19	\$564,457.97
December	2004	\$13,646.55	\$17,081.65	\$355,299.39	\$209,951.17	\$595,978.76
January	2005	\$21,000.10	\$21,911.58	\$439,501.55	\$273,849.96	\$756,263.19
February	2005	\$19,427.97	\$23,768.74	\$403,152.14	\$248,594.59	\$694,943.44
March	2005	\$21,008.18	\$22,679.19	\$428,193.88	\$281,922.30	\$753,803.55
April	2005	\$19,149.94	\$12,405.00	\$360,864.83	\$244,337.19	\$636,756.96
May	2005	\$18,609.37	\$15,173.38	\$297,173.90	\$231,520.96	\$562,477.61
June	2005	\$17,780.88	\$11,205.75	\$285,166.87	\$212,594.56	\$526,748.06
July	2005	\$17,465.20	\$16,512.65	\$281,140.09	\$203,478.92	\$518,596.86
August	2005	\$23,753.78	\$21,344.81	\$290,657.33	\$252,414.33	\$588,170.25
September	2005	\$12,625.64	\$16,565.88	\$287,972.11	\$202,697.80	\$519,861.43
Total		\$211,509.75	\$219,258.63	\$4,090,043.94	\$2,784,343.68	\$7,305,156.00
Percent		2.90%	3.00%	55.99%	38.11%	100.00%

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ATTACHMENT 2

Account Number	Gross Amount	Net Billed	Amount Adjusted	Amount Paid	Balance Due	Transport				Payor Class
						Year	Month	Day	Month/Yr	
48241001	402.95	402.95	0.00	402.95	0.00	2004	10	11	Oct-04	Insurance
48467701	458.60	458.60	0.00	438.60	20.00	2004	10	19	Oct-04	Insurance
48259501	426.80	363.52	63.28	263.52	100.00	2004	10	12	Oct-04	Insurance
48332301	498.35	412.14	86.21	412.14	0.00	2004	10	14	Oct-04	Insurance
48243201	418.85	357.37	61.48	357.37	0.00	2004	10	11	Oct-04	Insurance
48027701	426.80	426.80	0.00	426.80	0.00	2004	10	3	Oct-04	Insurance
48773801	442.70	375.82	66.88	305.82	70.00	2004	10	30	Oct-04	Insurance
48124501	410.90	351.22	59.68	251.22	100.00	2004	10	7	Oct-04	Insurance
48445201	442.70	442.70	0.00	0.00	442.70	2004	10	19	Oct-04	Insurance
48021201	410.90	362.35	48.55	362.35	0.00	2004	10	3	Oct-04	Insurance
48520901	569.90	569.90	0.00	284.95	284.95	2004	10	21	Oct-04	Insurance
48547201	426.80	260.93	165.87	160.93	100.00	2004	10	22	Oct-04	Insurance
48387201	418.85	418.85	0.00	418.85	0.00	2004	10	16	Oct-04	Insurance
48702501	410.90	318.82	92.08	318.82	0.00	2004	10	28	Oct-04	Insurance
48355001	418.85	418.85	0.00	0.00	418.85	2004	10	15	Oct-04	Insurance
48703701	466.55	466.55	0.00	373.24	93.31	2004	10	28	Oct-04	Insurance
48569301	561.95	561.95	0.00	0.00	561.95	2004	10	23	Oct-04	Insurance
48547901	434.75	369.67	65.08	269.67	100.00	2004	10	22	Oct-04	Insurance
48801101	450.65	378.24	72.41	378.24	0.00	2004	10	31	Oct-04	Insurance
48642101	418.85	418.85	0.00	418.85	0.00	2004	10	25	Oct-04	Insurance
48599401	442.70	361.43	81.27	361.43	0.00	2004	10	24	Oct-04	Insurance
48167001	474.50	474.50	0.00	474.50	0.00	2004	10	8	Oct-04	Insurance
48546501	434.75	434.75	0.00	0.00	434.75	2004	10	22	Oct-04	Insurance
48075801	474.50	313.76	160.74	313.76	0.00	2004	10	5	Oct-04	Insurance
48779001	410.90	410.90	0.00	231.89	179.01	2004	10	30	Oct-04	Insurance
48671801	434.75	434.75	0.00	187.80	246.95	2004	10	26	Oct-04	Insurance
48343701	434.75	434.75	0.00	304.10	130.65	2004	10	15	Oct-04	Insurance
48342601	426.80	363.52	63.28	263.52	100.00	2004	10	15	Oct-04	Insurance
48228701	466.55	394.27	72.28	294.27	100.00	2004	10	11	Oct-04	Insurance
48371401	418.85	418.85	0.00	418.85	0.00	2004	10	16	Oct-04	Insurance
48658401	426.80	426.80	0.00	363.02	63.78	2004	10	26	Oct-04	Insurance
48576601	410.90	410.90	0.00	410.90	0.00	2004	10	23	Oct-04	Insurance
48686001	418.85	357.37	61.48	257.37	100.00	2004	10	27	Oct-04	Insurance
48474701	506.30	506.30	0.00	340.41	165.89	2004	10	20	Oct-04	Insurance
48028901	442.70	372.59	70.11	329.29	43.30	2004	10	3	Oct-04	Insurance
48420501	474.50	400.42	74.08	300.42	100.00	2004	10	18	Oct-04	Insurance
48755201	418.85	357.37	61.48	257.37	100.00	2004	10	29	Oct-04	Insurance
48225001	426.80	361.29	65.51	311.29	50.00	2004	10	10	Oct-04	Insurance
48435101	410.90	410.90	0.00	237.21	173.69	2004	10	18	Oct-04	Insurance
48521801	442.70	312.00	130.70	312.00	0.00	2004	10	21	Oct-04	Insurance
48772001	442.70	442.70	0.00	442.70	0.00	2004	10	30	Oct-04	Insurance
48326101	506.30	506.30	0.00	506.30	0.00	2004	10	14	Oct-04	Insurance
48120901	450.65	440.65	10.00	285.00	155.65	2004	10	6	Oct-04	Insurance
48029101	482.45	482.45	0.00	0.00	482.45	2004	10	3	Oct-04	Insurance
48699101	442.70	442.70	0.00	342.70	100.00	2004	10	27	Oct-04	Insurance
48004701	426.80	426.80	0.00	426.80	0.00	2004	10	2	Oct-04	Insurance
48124701	410.90	351.22	59.68	251.22	100.00	2004	10	7	Oct-04	Insurance
48170501	458.60	458.60	0.00	366.88	91.72	2004	10	8	Oct-04	Insurance
48039701	558.60	558.60	0.00	558.60	0.00	2004	10	4	Oct-04	Insurance
48103201	434.75	434.75	0.00	384.75	50.00	2004	10	6	Oct-04	Insurance
48710801	426.80	426.80	0.00	326.80	100.00	2004	10	28	Oct-04	Insurance
48348601	402.95	392.95	10.00	392.95	0.00	2004	10	15	Oct-04	Insurance
48047001	410.90	344.34	66.56	344.34	0.00	2004	10	4	Oct-04	Insurance
48199401	450.65	450.65	0.00	406.44	44.21	2004	10	9	Oct-04	Insurance
48043201	426.80	363.52	63.28	263.52	100.00	2004	10	4	Oct-04	Insurance
48538201	410.90	351.22	59.68	251.22	100.00	2004	10	22	Oct-04	Insurance
48521301	442.70	367.61	75.09	367.61	0.00	2004	10	21	Oct-04	Insurance
48668801	442.70	367.61	75.09	367.61	0.00	2004	10	26	Oct-04	Insurance
48772601	410.90	351.22	59.68	351.22	0.00	2004	10	30	Oct-04	Insurance
48424701	418.85	343.76	75.09	243.76	100.00	2004	10	18	Oct-04	Insurance
48475801	418.85	357.37	61.48	357.37	0.00	2004	10	20	Oct-04	Insurance
48531601	442.70	375.82	66.88	275.82	100.00	2004	10	22	Oct-04	Insurance
48647301	434.75	434.75	0.00	434.75	0.00	2004	10	26	Oct-04	Insurance
48689501	410.90	349.99	60.91	349.99	0.00	2004	10	27	Oct-04	Insurance
48510601	410.90	410.90	0.00	369.81	41.09	2004	10	21	Oct-04	Insurance
48149401	402.95	345.07	57.88	345.07	0.00	2004	10	8	Oct-04	Insurance
48241401	482.45	482.45	0.00	482.45	0.00	2004	10	11	Oct-04	Insurance
48290601	426.80	426.80	0.00	426.80	0.00	2004	10	13	Oct-04	Insurance
48468301	426.80	426.80	0.00	0.00	426.80	2004	10	19	Oct-04	Insurance
48378701	418.85	418.85	0.00	355.64	63.21	2004	10	16	Oct-04	Insurance
48295001	418.85	418.85	0.00	284.51	134.34	2004	10	13	Oct-04	Insurance
48061601	458.60	458.60	0.00	0.00	458.60	2004	10	4	Oct-04	Insurance