

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

| Fiscal Years | 2015 | 2016 | 2017 | 2018 | 2019 |
|--|-------|-------|-------|-------|-------|
| Capital Expenditures | _____ | _____ | _____ | _____ | _____ |
| Operating Costs | _____ | _____ | _____ | _____ | _____ |
| External Revenues | _____ | _____ | _____ | _____ | _____ |
| Program Income (County) | _____ | _____ | _____ | _____ | _____ |
| In-Kind Match (County) | _____ | _____ | _____ | _____ | _____ |
| NET FISCAL IMPACT | _____ | _____ | _____ | _____ | _____ |
| # 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 PPM CW-F-048, Fire Rescue will continue to maintain a database of all emergency transport accounts.

C. Departmental Fiscal Review: in-kind match

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

Sheng Bo
5/18 JW 5/18/15 OFMB

Joe J. Jacobson 5/20/15
Contract Dev. and Control
5-20-15 B Wheeler

B. Legal Sufficiency

Jim Bu 5/21/15
Assistant County Attorney

C. Other Department Review:

Department Director

REVISED 9/03
ADM FORM 01
(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

(Background and Justification continued from page 1)

The \$10.4 million balance is the outstanding balance after adjustments are applied to patient accounts. Primarily, adjustments are the difference between the Fire-Rescue billing rate and the maximum reimbursement allowed by Medicare and Medicaid. 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.

The following provides some examples as to why the \$10.4 million balance is uncollectible:

- 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.

**Palm Beach County Fire Rescue
Emergency Transport Billing Write-Off Summary
October 1, 2010 through September 30, 2011**

Billings and Collections - ADP Report No. AB2020 - EOM 1/31/15

| FY2011 | | Receipts | | | | |
|---------------|------|------------------------|------------------------|--------------------|-----------------------|------------------------|
| Billing Month | | Gross Billings | Receipts | % of Gross Billing | Adjustments | Balance |
| October | 2010 | \$2,204,106.50 | \$1,142,939.58 | 51.86% | \$393,476.38 | \$667,690.54 |
| November | 2010 | \$2,230,638.50 | \$1,171,175.56 | 52.50% | \$415,096.16 | \$644,366.78 |
| December | 2010 | \$2,560,394.00 | \$1,382,820.30 | 54.01% | \$470,096.85 | \$707,476.85 |
| January | 2011 | \$3,370,840.00 | \$1,724,112.61 | 51.15% | \$688,733.15 | \$957,994.24 |
| February | 2011 | \$3,077,631.00 | \$1,570,588.50 | 51.03% | \$597,491.66 | \$909,550.84 |
| March | 2011 | \$3,447,174.00 | \$1,742,019.92 | 50.53% | \$689,899.81 | \$1,015,254.27 |
| April | 2011 | \$3,158,390.00 | \$1,554,704.12 | 49.22% | \$629,607.03 | \$974,078.85 |
| May | 2011 | \$2,943,745.00 | \$1,446,005.50 | 49.12% | \$605,026.46 | \$892,713.04 |
| June | 2011 | \$2,731,131.00 | \$1,327,280.08 | 48.60% | \$559,617.03 | \$844,233.89 |
| July | 2011 | \$2,869,367.00 | \$1,381,177.09 | 48.14% | \$570,148.65 | \$918,041.26 |
| August | 2011 | \$2,884,694.00 | \$1,372,556.71 | 47.58% | \$594,461.95 | \$917,675.34 |
| September | 2011 | \$2,822,979.00 | \$1,315,748.05 | 46.61% | \$557,004.32 | \$950,226.63 |
| Total | | \$34,301,090.00 | \$17,131,128.02 | 49.94% | \$6,770,659.45 | \$10,399,302.53 |

Receipts by Payor Type - ADP Report No. AB0155A - EOM 1/31/15

| Billing Month | | Self-Pay [S] | Medicaid [A] | Medicare [C] | Insurance [I] | Total |
|-------------------|------|---------------------|-----------------------|-----------------------|-----------------------|------------------------|
| October | 2010 | \$33,442.17 | \$96,693.34 | \$568,671.50 | \$444,132.57 | \$1,142,939.58 |
| November | 2010 | \$27,072.80 | \$95,710.64 | \$606,860.22 | \$441,531.90 | \$1,171,175.56 |
| December | 2010 | \$36,572.99 | \$117,370.95 | \$734,206.65 | \$494,669.71 | \$1,382,820.30 |
| January | 2011 | \$46,958.40 | \$124,073.29 | \$945,241.78 | \$607,839.14 | \$1,724,112.61 |
| February | 2011 | \$51,503.30 | \$111,545.34 | \$833,407.72 | \$574,132.14 | \$1,570,588.50 |
| March | 2011 | \$55,398.67 | \$129,793.07 | \$933,585.38 | \$623,242.80 | \$1,742,019.92 |
| April | 2011 | \$44,447.70 | \$111,989.76 | \$836,302.72 | \$561,963.94 | \$1,554,704.12 |
| May | 2011 | \$35,754.34 | \$124,790.87 | \$768,297.47 | \$517,162.82 | \$1,446,005.50 |
| June | 2011 | \$26,426.20 | \$117,432.94 | \$683,129.69 | \$500,291.25 | \$1,327,280.08 |
| July | 2011 | \$38,820.00 | \$124,182.23 | \$731,420.22 | \$486,754.64 | \$1,381,177.09 |
| August | 2011 | \$22,895.02 | \$128,130.37 | \$695,457.30 | \$526,074.02 | \$1,372,556.71 |
| September | 2011 | \$24,336.65 | \$126,351.05 | \$660,749.15 | \$504,311.20 | \$1,315,748.05 |
| Total | | \$443,628.24 | \$1,408,063.85 | \$8,997,329.80 | \$6,282,106.13 | \$17,131,128.02 |
| Percentage | | 2.59% | 8.22% | 52.52% | 36.67% | 100.00% |