

THE ORIGINAL DOCUMENT IS OVER 100 PAGES.  
A COPY OF THE DETAIL LISTING OF UNCOLLECTIBLE  
ACCOUNTS HAS BEEN DELIVERED TO MINUTES.

Agenda Item #: **3S2**

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS**

**AGENDA ITEM SUMMARY**

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Meeting Date:	August 25, 2020	<input checked="" type="checkbox"/> Consent	<input type="checkbox"/> Regular
		<input type="checkbox"/> Workshop	<input type="checkbox"/> Public Hearing
Department:	Fire-Rescue		

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**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 general ledger for the following period:

October 1, 2015 through September 30, 2016 (FY 2016)                      \$13,595,394.95

**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, 2015 to September 30, 2016, Fire Rescue generated \$50,620,187.91 in gross transport billings and collected (to-date) \$23,849,051.83. After adjustments of \$13,175,741.13, required under the guidelines of the Medicare/Medicaid programs, the balance of \$13,595,394.95 is currently deemed to be uncollectible. This balance is primarily due to partial payments, insurance denial based on medical necessity, the inability to obtain accurate patient and/or insurance information, and patients without medical coverage or high deductibles. Staff recommends the amount deemed uncollectible be written-off the County's general ledger. Countywide (SB)




**Background and Justification:** 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, unless certain requirements are met. Based on these efforts, Fire Rescue collected 64% of net charges to-date for this write-off period.

(continued on Page 3)

**Attachments:**

1. Emergency Transport Billing Write-Off Summary for Period October 2015 - September 2016
2. Detail Listing of Uncollectible Accounts by Transport Month for Period October 2015 - September 2016

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Recommended by:		7.28.2020
	Assistant Fire Chief	Date
Approved by:		7/29/2020
	Fire Rescue Administrator	Date
Approved by:		8/3/2020
	County Administrator	Date

**II. FISCAL IMPACT ANALYSIS**

**A. Five Year Summary of Fiscal Impact:**

Fiscal Years	2020	2021	2022	2023	2024
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	_____	_____	_____	_____
<b># ADDITIONAL FTE POSITIONS (Cumulative)</b>	_____	_____	_____	_____	_____

Is Item Included in Current Budget? Yes X No \_\_\_\_\_  
 Does this item include the use of federal funds Yes \_\_\_\_\_ No X

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

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

There is no fiscal impact associated with this item. 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: *[Signature]*

**III. REVIEW COMMENTS**

**A. OFMB Fiscal and/or Contract Development and Control Comments:**

*[Signature]* 7/24/2020  
 OFMB *[Signature]* 7/29 Contract Development and Control

**B. Legal Sufficiency**

*[Signature]* for Sharon Burrows 8/3/2020  
 Assistant County Attorney

**C. Other Department Review:**

\_\_\_\_\_  
 Department Director

(continued from Page 1)

The \$13,595,394.95 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 \$13,595,394.95 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.

**Palm Beach County Fire Rescue  
Emergency Transport Billing Write-Off Summary  
October 1, 2015 through September 30, 2016**

**Billings and Collections - ADPI Report AB2020 - report date 06/23/2020**

FY 2016		Receipts				
Billing Month		Gross Billings	Receipts	% of Gross Billing	Adjustments	Balance
October	2015	\$3,904,454.00	\$1,883,877.98	48.25%	\$941,880.42	\$1,078,695.60
November	2015	\$3,889,728.17	\$1,845,153.18	47.44%	\$966,438.11	\$1,078,136.88
December	2015	\$4,259,463.96	\$2,147,723.43	50.42%	\$1,041,710.46	\$1,070,030.07
January	2016	\$4,545,710.38	\$2,152,579.54	47.35%	\$1,234,059.02	\$1,159,071.82
February	2016	\$4,604,930.77	\$2,196,499.17	47.70%	\$1,258,202.26	\$1,150,229.34
March	2016	\$4,753,805.31	\$2,249,225.43	47.31%	\$1,260,717.74	\$1,243,862.14
April	2016	\$4,233,500.78	\$1,999,404.43	47.23%	\$1,100,629.65	\$1,133,466.70
May	2016	\$4,160,473.77	\$1,937,943.42	46.58%	\$1,080,435.40	\$1,142,094.95
June	2016	\$4,017,078.90	\$1,897,710.85	47.24%	\$1,069,971.00	\$1,049,397.05
July	2016	\$4,109,492.29	\$1,863,685.09	45.35%	\$1,064,146.70	\$1,181,660.50
August	2016	\$4,107,313.53	\$1,852,834.38	45.11%	\$1,103,161.69	\$1,151,317.46
September	2016	\$4,034,236.05	\$1,822,414.93	45.17%	\$1,054,388.68	\$1,157,432.44
<b>Total</b>		<b>\$50,620,187.91</b>	<b>\$23,849,051.83</b>	<b>47.11%</b>	<b>\$13,175,741.13</b>	<b>\$13,595,394.95</b>

**Receipts by Payor Type - ADPI Report AB0155 - report date 06/23/2020**

FY 2016		Receipts by Payor Type				Total
Billing Month		Self-Pay [S]	Medicaid [A]	Medicare [C]	Insurance [I]	
October	2015	\$35,261.71	\$103,412.77	\$1,238,372.26	\$506,831.24	\$1,883,877.98
November	2015	\$27,349.77	\$96,377.74	\$1,219,586.54	\$501,839.13	\$1,845,153.18
December	2015	\$32,946.13	\$92,090.86	\$1,464,920.96	\$557,765.48	\$2,147,723.43
January	2016	\$26,991.62	\$100,918.17	\$1,489,023.14	\$535,646.61	\$2,152,579.54
February	2016	\$29,190.27	\$106,799.96	\$1,493,260.45	\$567,248.49	\$2,196,499.17
March	2016	\$27,877.52	\$111,616.39	\$1,514,888.33	\$594,843.19	\$2,249,225.43
April	2016	\$23,642.00	\$104,336.66	\$1,318,622.69	\$552,803.08	\$1,999,404.43
May	2016	\$22,286.00	\$107,041.93	\$1,266,425.46	\$542,190.03	\$1,937,943.42
June	2016	\$29,086.25	\$102,016.96	\$1,212,528.38	\$554,079.26	\$1,897,710.85
July	2016	\$20,696.95	\$96,223.85	\$1,194,911.70	\$551,852.59	\$1,863,685.09
August	2016	\$19,775.82	\$103,038.49	\$1,167,287.57	\$562,732.50	\$1,852,834.38
September	2016	\$25,352.92	\$108,991.06	\$1,132,426.90	\$555,644.05	\$1,822,414.93
<b>Total</b>		<b>\$320,456.96</b>	<b>\$1,232,864.84</b>	<b>\$15,712,254.38</b>	<b>\$6,583,475.65</b>	<b>\$23,849,051.83</b>
<b>Percentage</b>		<b>1.34%</b>	<b>5.17%</b>	<b>65.88%</b>	<b>27.60%</b>	<b>100%</b>