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Agenda Item #: 3S2

## PALM BEACH COUNTY BOARD OF COUNTY COMMISSIONERS

#### AGENDA ITEM SUMMARY

Meeting Date:	October 18, 2022	[X] Consent [ ] Workshop	[ ] Regular [ ] Public Hearing
Department:	Fire-Rescue		
	I. EXECU	JTIVE BRIEF	
	e: Staff recommends me port patient accounts to rer	otion to approve: the	

**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 billing and collection services. The County receives payment from a number of sources, including commercial insurance, Medicare, Medicaid, and private individuals. During the period October 1, 2017 to September 30, 2018, Fire Rescue generated \$52,972,948.20 in gross transport billings and collected (to-date) \$24,824,237.38. After adjustments of \$15,349,235.88, required under the guidelines of the Medicare/Medicaid programs, the balance of \$12,799,474.94 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 66% of net charges to date for this write-off period.

### Attachments:

1. Emergency Transport Billing Write-Off Summary for Period October 2017 - September 2018

Continued on Page 3

Detail Listing of Uncollectible Accounts by Transport Month for Period October 2017
 September 2018

Approved by:

Approved by:

Assistant Fire Chief

Approved by:

Eire Rescue Administrator

Assistant County Administrator

Date

Assistant County Administrator

### II. FISCAL IMPACT ANALYSIS

Λ.	Tive real Callinary of t	iscai iiipa	OL.						
Capit Opera Exter Progr	I Years al Expenditures ating Costs nal Revenues ram Income (County) nd Match (County)	2023	2024	2025	2026	2027			
NET I	FISCAL IMPACT								
	DITIONAL FTE TIONS (Cumulative)								
	m Included in Current Bu this item include the use	•	funds Ye	s_X_No sNo_ <u>&gt;</u>					
Budg	et Account No.: Fund	1300 Dept	t <u>440</u> Unit <u>42</u>	210 Rev Source	e <u>4260</u>				
В.	Recommended Sources of Funds/Summary of Fiscal Impact:								
C.	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.  Departmental Fiscal Review:								
		III. <u>REVI</u>	EW COMME	NTS					
A.	OFMB Fiscal and/or Contract Development and Control Comments:								
	OFMB 94 4/21	13622 Quy 9-21-2	Contract	Developmen	t and Contro	9/30/23			
B.	Legal Sufficiency								
	Assistant County Attor	130/22 ney							
C.	Other Department Revie	ew:							
	Department Director								

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Summary: (Cont'd)

The \$12,799,474.94 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 \$12,799,474.94 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.