PUBLIC HEALTH RECEIVABLES WRITE OFF

I. PURPOSE OF RULE:

To establish a Rule for Write Off of Public Health Receivables.

II. BACKGROUND:

The Public Health Fund utilizes the modified accrual basis of accounting. Under this method, revenues are recognized when they become measurable and available to finance current operations. This method as applied to Client Accounts Receivable means that no charge for service is recorded as revenue until the payment is received.

III. RULE:

A. Client Fees

1. Any charge that remains unpaid for a period of fourteen months will be written off as uncollectible. Fourteen months is used based on the Family Planning model of annual examinations which may not fall exactly within a twelve month period. Patients with a balance of $10.00 or more will receive a monthly statement unless they are classified as a confidential client who can receive no mail. No further efforts will be made to collect the charge (i.e. Collection agency). The monthly listing of accounts to be written off will be reviewed by the Health Officer, Nursing Director and Senior Accountant.

2. The charge for STD (Sexually Transmitted Disease) supplies is written off at the end of each month. The fee is quoted on an “if you can pay basis” and because of the confidential nature of the service no client statements can be sent.

B. Medicaid/Insurance Accounts

1. All charges rejected by Medicaid/Insurance will be reviewed by the Senior Accountant before an adjustment is taken to insure that all reasonable steps have been taken to collect. Any Medicaid/Insurance charge that has remained open for 120 days after the claim was billed will be reviewed by the Accounting Department staff to determine collectability. If the account is determined to be uncollectible it will be written off.

IV. DATE APPROVED:

Administrator approval date: November 1, 2002

Board of Commissioners notification date: November 1, 2002

Revised: November 1, 2002