



**Contra
Costa
County**

To: Board of Supervisors
From: William Walker, M.D., Health Services Director
Date: September 12, 2017

Subject: Discharge from Accountability for Certain Health Services Accounts

RECOMMENDATION(S):

AUTHORIZE the discharge from accountability for 2,263 delinquent accounts transferred from the Office of Revenue Collection totaling, which are not collectible due to one or more of the following reasons: the accounts never had a judgment filed in court, there has been no payment made on these accounts during the last four years, the cost of recovery is excessive, and/or the judgment has expired.

FISCAL IMPACT:

Approximately \$237,190.49 of the total \$4,952,376.87 in delinquent accounts transferred by the Office of Revenue Collection has been collected since September 1, 2010. The total remaining amount of the accounts to be discharged is approximately \$4,759,434. These accounts cover years 2000 to 2010. There is no net impact on the Hospital Enterprise Fund or General Fund. Reserves for these accounts were established during the year of service delivery.

BACKGROUND:

The Health Services Department referred delinquent accounts to the Contra Costa County Office of Revenue Collections (ORC) for collection. In September 2010, the ORC was

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **09/12/2017** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: September 12, 2017

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Stephanie Mello, Deputy

Contact: Patrick Godley,
925-957-5410

dissolved and the County Administrator's Office determined that the Health Services Department-Patient Accounting Division would assume responsibility for the collection of these court ordered judgment accounts. At this time there was no third-party contract for collection of delinquent judgment accounts, and due to the amount of work involved

BACKGROUND: (CONT'D)

to file a change of representation in court to transfer the accounts from ORC to another agency, a former ORC employee was transferred to Patient Accounting to work these accounts.

The Revenue Plus Collections System had been used by ORC for their collection enforcement. Health Services made a decision to keep the judgment accounts in the Revenue Plus Collections System because the Epic's Resolute Hospital Billing Module had no mechanism to enter a court ordered collection account or the capability to calculate interest.

Based on the stated facts and the likelihood of collection does not warrant the additional expense involved, the Health Services Department should write off these accounts as "Charity Care" pursuant to Contra Costa Health Services Compliance Charity Care Program Policy #708-C.

CONSEQUENCE OF NEGATIVE ACTION:

Health Services Enterprise Fund I will continue to carry uncollectible accounts and reserves in the books, thereby overstating the receivable and reserve accounts.