



## Legislation Text

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**File #:** 21-0877, **Version:** 1

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Chief Administrative Office, Emergency Medical Services and Emergency Preparedness and Response Division, recommending the Board:

- 1) Discharge the Chief Administrative Office from further accountability to collect the debts identified on the attached Discharge of Accountability Report in the amount of \$1,846,929.43 pursuant to Government Code Sections 25257 through 25259, for the period 2012 through 2021; and
- 2) Authorize the County Auditor-Controller to adjust the accounts receivable of \$1,846,929.43 in the CSA 3 & CSA 7 funds accordingly.

**FUNDING:** N/A

### **DISCUSSION / BACKGROUND**

In accordance with California Government Section Code Section 25257 to 25259, the "Board of Supervisors may make an order discharging the department, officer or employee from further accountability and if appropriate may direct the County Auditor to adjust any change against the department, officer, or employee in a like amount."

When County debts are determined to be uncollectable for any of the following reasons, the accounts are presented to the Board of Supervisors (Board) annually for discharge from further accountability to collect the debts:

1. Bankruptcy
2. Death of the Debtor
3. Expiration of Statute of Limitations; and
4. Uncollectable Debts

In order to be considered as justification for discharge, Bankruptcy and Death of Debtor requires legal documentation. The County's contracted collection agency, Access Capital, obtains confirmation prior to requesting discharge of accountability. The Statute of Limitations for Ambulance debt is 7 years from the date of service which is the time that the collection agency is allowed to legally collect on the debt. The accounts in this category have passed their statute of limitations. The Uncollectable accounts are accounts which have regulations and rules regarding the collection of funds, for example Medi-Cal and Medicare. There are circumstances where an account is in appeals with Medi-Cal or Medicare and the appeal is denied, but we are not allowed to bill the patient, so the only option is to write the account off. The County's contracted billing agency, Wittman Enterprises, confirms these accounts cannot be collected on prior to designating them Uncollectable. Uncollectable can also refer to other accounts which owe a small amount which cannot be justified to try to collect, or other billing issues.

The dollar amount being presented for discharge is reflective of the charges remaining on the accounts that have been determined to be uncollectable. It is the full charge for the service and is not reflective of what would have been collected after mandatory write-downs, insurance adjustments, etc. These debts are considered uncollectable and have not been factored into fund

balance or projected revenues for the program.

### **ALTERNATIVES**

Should the Board decline to discharge accountability of the Chief Administrative Office for the aforementioned accounts, the uncollectable accounts would remain active in the CAO collections process.

### **PRIOR BOARD ACTION**

1. December 8, 2020, File ID: 20-1442 Discharge of Debt
2. October 8, 2019, File ID: 19-1248 Discharge of Debt
3. June 25, 2019, File ID: 19-0930 Discharge of Debt

### **OTHER DEPARTMENT / AGENCY INVOLVEMENT**

N/A

### **CAO RECOMMENDATION / COMMENTS**

Approve as recommended.

### **FINANCIAL IMPACT**

There is no Net County Cost associated with the discharge of these accounts. These debts are considered uncollectable and have not been factored into fund balance or projected revenues for the program.

### **CLERK OF THE BOARD FOLLOW UP ACTIONS**

N/A

### **STRATEGIC PLAN COMPONENT**

Good Governance

### **CONTACT**

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