



## Legislation Details (With Text)

**File #:** 18-0924      **Version:** 1

**Type:** Agenda Item      **Status:** Approved

**File created:** 5/31/2018      **In control:** Board of Supervisors

**On agenda:** 6/26/2018      **Final action:** 6/26/2018

**Title:** Health and Human Services Agency (HHS) recommending the Board:  
 1) Discharge the HHS Director from further accountability to collect the debts identified on the attached Discharge of Accountability Report in the amount of \$1,767,437.66 pursuant to Government Code Sections 25257 through 25259, for the period 2013 through 2017; and  
 2) Forgive the loss of Child Support Services Eligibility revenue and discharge the HHS Director from further accountability of lost revenue in the amount of \$60.00.

FUNDING: N/A

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. A - Confirmation of Discharge of Accountability. 6/26/18, 2. B - Discharge of Accountability Detail Listing 6/26/18, 3. C - GOVERNMENT CODE 6/26/18

Date	Ver.	Action By	Action	Result
6/26/2018	1	Board of Supervisors	Approved	Pass

Health and Human Services Agency (HHS) recommending the Board:  
 1) Discharge the HHS Director from further accountability to collect the debts identified on the attached Discharge of Accountability Report in the amount of \$1,767,437.66 pursuant to Government Code Sections 25257 through 25259, for the period 2013 through 2017; and  
 2) Forgive the loss of Child Support Services Eligibility revenue and discharge the HHS Director from further accountability of lost revenue in the amount of \$60.00.

**FUNDING:** N/A

**DEPARTMENT RECOMMENDATION:**

The Health and Human Services Agency (HHS) recommending the Board discharge the HHS Director from accountability to collect the ambulance debt as listed in the Discharge of Accountability Report (Attachment A).

Pursuant to Government Code Section 25259, "The discharge from accountability does not constitute a release of any person from liability for payment of any amount." However, situations which make collection no longer possible include (1) bankruptcy of the debtor, (2) death of the debtor, and (3) expiration of the statute of limitations on debt collections. The statutes of limitation have expired on \$1,205,744.77 of the unpaid debts that are being recommended for discharge of accountability. The remaining balance of \$561,692.89, consists of debts that are uncollectible due to bankruptcy or death and further collection efforts cannot be pursued.

In addition, HHS recommending the Board forgive the loss of Social Services Eligibility revenue and discharge the HHS Director from accountability for lost revenue in the amount of \$60.00. Pursuant to Board Policy B-4, and California Government Code Section 25257 to 25259.5, the Board of

Supervisors may discharge from accountability any fees or monies that have been otherwise lawfully compromised or adjusted.

**DISCUSSION / BACKGROUND:**

On June 27, 2017, the Board discharged the Health and Human Services Agency Director from further accountability to collect ambulance debt in the amount of \$1,298,864.66 for the period 2009 through 2016 (File ID 16-0390; Agenda No. 13).

HHSA contracts with separate billing and collection vendors for collection of Ambulance accounts receivable. HHSA contracts with Access Capital Services, Inc., (Access) for the collection of delinquent accounts, and Access has exhausted its collection efforts for these uncollectible accounts. Additionally, the ambulance billing vendor also provided accounts for discharge. These accounts include some legacy accounts from the prior Ambulance Billing vendor in which information related to the client was unavailable, or did not have the required billing information to bill Medi-Cal accounts within the required timeframe. The discharge represents accounts which were deemed to be uncollectible due to expiration of the statute of limitations, death, or bankruptcy.

Accounts are reviewed at least annually to determine if they meet any of the discharge requirements, however, there is always a possibility that an account was active in one year and then meets the 7 year statute of limitations in the next year due to lack of payment, in which case the dates of service may overlap with those of a prior request for Discharge of Accountability.

Upon approval by the Board, HHSA will take necessary steps to reflect the discharge of accountability with their billing and collection vendors. HHSA will coordinate with the Auditor-Controller's Office as necessary to ensure appropriate recording of any associated financial transactions.

In addition, on May 9, 2018 the Health and Human Services Agency identified a cash shortage in the amount of \$60.00 was being transported from the Social Services Eligibly location at 3883 Ponderosa Road to the Health and Human Services Agency building at 3057 Briw Road. During that transportation, the item in question was lost. Since the loss, a corrective action plan has been implemented. The corrective action includes staff following appropriate cash handling procedures and tracking of cash receipts.

**ALTERNATIVES:**

If this item is not approved, there would be no discharge of accountability for the HHSA Director related to accounts where further collection efforts can no longer be pursued. The uncollectible accounts would remain active on the HHSA collections processes.

**OTHER DEPARTMENT / AGENCY INVOLVEMENT:**

N/A

**CAO RECOMMENDATION:**

It is recommended that the Board approve this item.

**FINANCIAL IMPACT:**

There is no Net County Cost associated with the Ambulance Billing section of the Agenda item. These ambulance billing debts are considered uncollectible and have not been factored into fund

balances or projected revenues for the Agency.

There is an increase to Net County Cost for the loss of cash in the amount of \$60.

**CLERK OF THE BOARD FOLLOW UP ACTIONS**

N/A

**STRATEGIC PLAN COMPONENT:**

Health and Human Services Agency Strategic Plan Goal 2, Fiscal Responsibility.

**CONTACT**

Patricia Charles-Heathers, Ph.D., Director