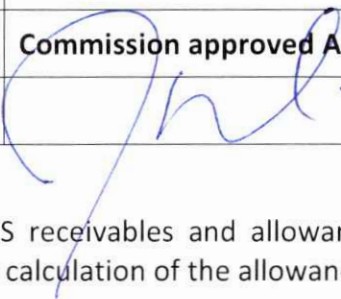




<b>SUBJECT</b>	<b>EMS Receivable and Allowance Policy</b>
<b>POLICY #</b>	<b>08-009</b>
<b>Issued Date</b>	<b>Commission approved August 20, 2019</b>
<b>City Manager Approval</b>	

**PURPOSE:** The purpose of the EMS receivables and allowance policy is to set forth the accounting recognition policy for billing and the calculation of the allowance for uncollected bills.

#### **GENERAL OVERVIEW**

EMS services are provided by Broward Sheriff's Office (BSO). BSO has contracted with a third party to provide billing and collection services, R1 Revenue Cycle Management (R1 RCM), formerly known as Intermedix. R1 RCM receives information from each transport, such as name, address, insurance information, services provided, etc. R1 RCM proceeds to bill based on the information received (i.e., Medicare, Private Insurance, Private Pay, etc.) If no insurance information is received, R1 RCM contacts the patient for more information. Invoices are billed every 30 days, and if no payment is received after 90 days, the account is sent for collection.

#### **Allowance for Doubtful Accounts/Bad Debt Reserves**

An allowance for doubtful accounts should be established to reflect the amount of the City's receivables that the Finance Department estimates will be uncollectable. The establishment of an allowance account ensures that the City's receivables are not overstated and that accounts deemed uncollectible are timely and accurately recorded in the correct period for financial statement purposes. An allowance of 100% of the receivable balance on September 30 shall be recognized by the City.

#### **Write-Offs and Adjustments**

Efforts should be made to pursue the timely collection of delinquent accounts. Collection efforts should be exhausted prior to any write-offs. All accounts referred for write-off should be reviewed and approved by the Finance Director and City Manager prior to submission to the City Commission for final approval.