

**BROOME COUNTY
DEPARTMENT OF
AUDIT AND CONTROL**

**ACCOUNTS RECEIVABLE
AGING SUMMARY**

**3rd QUARTER
2001**

Alex J. McLaughlin, Comptroller



Broome County

Department of Audit and Control

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DANIEL A. SCHOFIELD
Chairman of the Legislature

ALEX J. McLAUGHLIN
Comptroller

November 28, 2001

Jeffrey P. Kraham, County Executive

The Department of Audit and Control has compiled a summary of the status of accounts receivable balances in various County departments as of September 30, 2001.

Our analysis of this data has revealed the following critical issues:

- Willow Point Nursing Home's receivables for the third quarter have increased substantially. The most dramatic increase was in the 61 to 90 day category (+ 248%). An analysis of the underlying data reveals that the bulk of the total increase over all ages was split nearly equally between Medicaid and Private Pay categories. Management has indicated that delays in billing Medicaid have contributed to the overall increase in receivables. It is important that this trend be reversed. It is also important to make sure that Private Pay accounts are not allowed to age too long, as their collectability drops off sharply with the passage of time.
- The Mental Health Department still does not have functioning systems in place for billing and/or receivables management. The Department had previously committed to have this problem fixed by June, 2001. Management's present target date for correction is December, 2001.
- The Health Department's Early Intervention Program continues to carry a large balance of old receivables generating from billings to commercial insurance companies that seldom, if ever, pay. The billings are required by the State, but they have the effect of tying up County funds and delaying the 50% State reimbursement for the eventual "no-pays".
- While the overall balance of receivables in the Division of Solid Waste Management is flat quarter to quarter, the quality of the receivable has deteriorated due to increases in the stale aged components of the overall balance. The overall balance also continues to reflect the dramatic 70% increase reported at the close of the second quarter, which means that the Division's receivables are both higher and of a poorer quality than previously reported amounts.

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Attached is a schedule summarizing the status of significant receivables as of September 30, 2001. These receivables balances are considered significant because of the dollar value of the balance and because they generate from fee for service transactions. If you are aware of other receivables categories that are at risk of becoming uncollectable, please advise.

Sincerely,



Alex J. McLaughlin
Comptroller

Cc: Daniel A. Schofield, Chairman of the Legislature
Members of the Legislature
Louis P. Augustini, Clerk of the Legislature
John F. Demske, Administrator, Willow Point Nursing Home
Arthur R. Johnson, Commissioner, Mental Health Department
Carl G. Olson, Commissioner, Aviation
Kevin Roche, Director, Solid Waste Division
Claudia Edwards, Director, Health Department

**Accounts Receivable Aging Summary
3rd Quarter 2001**

Department	Component Age of Receivables (In Days)				Total
	1-30	31-60	61-90	Over 90	
Aviation	32,450.00	1,379.00	200.00	26,297.00	60,326.00
% Change From Prior Qtr	+60%	-72%	-57%	-5%	+13%
Health - Early Intervention	-0-	-0-	-0-	421,110.00	421,110.00
% Change From Prior Qtr	0%	0%	0%	-36%	-36%
Mental Health	258,962.00	55,536.00	69,561.00	101,319.00	485,378.00
% Change From Prior Qtr	-23%	-30%	-53%	-37%	-33%
Solid Waste Division	297,813.00	236,930.00	52,227.00	23,502.00	610,472.00
% Change From Prior Qtr	-19%	+32%	+61%	+3%	+1%
Willow Point	1,487,941.00	1,491,023.00	1,205,507.00	5,054,816.00	9,239,287.00
% Change From Prior Qtr	+3%	+6%	+248%	-2%	+11%