



Jack Dalrymple, Governor
Maggie D. Anderson, Interim Executive Director

August 29, 2014

The Honorable Gary Kreidt, Chairman
Legislative Audit and Fiscal Review Committee
Legislative Council
600 E. Boulevard Avenue, 2nd Floor
Bismarck, ND 58505-0360

Dear Representative Kreidt:

Attached are copies of the writeoff of accounts at June 30, 2014, for services provided at the State Hospital, the Life Skills and Transition Center, and the Human Service Centers which are being submitted in compliance with NDCC sections 25-04-17 and 50-06.3-08. Additionally, we have included an aging of the accounts receivable for the above areas as of June 30, 2014.

Sincerely,

A handwritten signature in black ink that reads "Debra A. McDermott". The signature is written in a cursive style.

Debra A. McDermott
Chief Financial Officer

Attachments: Writeoff of Accounts
Aged Listing of Accounts Receivable

August 29, 2014

Department of Human Services Uncollectible Accounts to be Written Off June 30, 2014
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Northwest Human Service Center	\$28,622.38
North Central Human Service Center	\$143,327.53
Lake Region Human Service Center	\$58,271.83
Northeast Human Service Center	\$123,574.87
Southeast Human Service Center	\$356,153.70
South Central Human Service Center	\$152,008.89
West Central Human Service Center	\$184,733.62
Badlands Human Service Center	\$96,962.91
Subtotal	\$1,143,655.73
State Hospital	\$6,004,586.68
Life Skills and Transition Center	\$35,896.28
TOTAL TO BE WRITTEN OFF	\$7,184,138.69

Department of Human Services

Write Offs for the Fiscal Year Ended June 30, 2014

Amount	Reason for Write Off	Human Service Center
802.72	Bankruptcy	Northwest
2,521.82	Deceased	Northwest
18,735.16	Deemed uncollectable by collection agency	Northwest
0.00	Fee Waiver - Administrative Decision	Northwest
40.00	Fee Waiver - Counter Therapeutic	Northwest
6,522.68	Fee Waiver - Financial Hardship	Northwest
\$28,622.38	Total	Northwest

8,125.55	Bankruptcy	North Central
4,762.39	Deceased	North Central
63,973.92	Deemed uncollectable by collection agency	North Central
1,984.64	Fee Waiver - Administrative Decision	North Central
20,615.53	Fee Waiver - Counter Therapeutic	North Central
43,865.50	Fee Waiver - Financial Hardship	North Central
\$143,327.53	Total	North Central

931.74	Bankruptcy	Lake Region
2,228.09	Deceased	Lake Region
53,102.35	Deemed uncollectable by collection agency	Lake Region
1,106.69	Fee Waiver - Administrative Decision	Lake Region
89.99	Fee Waiver - Counter Therapeutic	Lake Region
812.97	Fee Waiver - Financial Hardship	Lake Region
\$58,271.83	Total	Lake Region

8,901.50	Bankruptcy	Northeast
5,032.96	Deceased	Northeast
98,343.11	Deemed uncollectable by collection agency	Northeast
0.00	Fee Waiver - Administrative Decision	Northeast
11,297.30	Fee Waiver - Counter Therapeutic	Northeast
0.00	Fee Waiver - Financial Hardship	Northeast
\$123,574.87	Total	Northeast

Amount	Reason for Write Off	Human Service Center
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28,400.76	Bankruptcy	Southeast
7,855.41	Deceased	Southeast
274,704.37	Deemed uncollectable by collection agency	Southeast
11,604.38	Fee Waiver - Administrative Decision	Southeast
18,593.48	Fee Waiver - Counter Therapeutic	Southeast
14,995.30	Fee Waiver - Financial Hardship	Southeast
\$356,153.70	Total	Southeast

10,218.50	Bankruptcy	South Central
8,246.26	Deceased	South Central
106,912.65	Deemed uncollectable by collection agency	South Central
1,784.00	Fee Waiver - Administrative Decision	South Central
21,838.02	Fee Waiver - Counter Therapeutic	South Central
3,009.46	Fee Waiver - Financial Hardship	South Central
\$152,008.89	Total	South Central

6,161.61	Bankruptcy	West Central
8,383.38	Deceased	West Central
143,197.02	Deemed uncollectable by collection agency	West Central
347.57	Fee Waiver - Administrative Decision	West Central
10,542.66	Fee Waiver - Counter Therapeutic	West Central
16,101.38	Fee Waiver - Financial Hardship	West Central
\$184,733.62	Total	West Central

4,121.34	Bankruptcy	Badlands
7,097.64	Deceased	Badlands
49,734.74	Deemed uncollectable by collection agency	Badlands
14,633.79	Fee Waiver - Administrative Decision	Badlands
1,786.11	Fee Waiver - Counter Therapeutic	Badlands
19,589.29	Fee Waiver - Financial Hardship	Badlands
\$96,962.91	Total	Badlands

North Dakota State Hospital
Summary of Annual Write Offs
July 1, 2013 Through June 30, 2014

Category	Amount
Administrative Decision	39,709.33
Bankruptcies	189,534.68
Collection Agency Accounts Returned *	1,022,397.42
Deceased - No Assets	4,692,814.93
Settlements	60,130.32
Total	\$6,004,586.68

* Although written off for financial statement purposes, records maintained in order to attempt collection from future estates.

Life Skills and Transition Center
Summary of Annual Write Offs
July 1, 2013 Through June 30, 2014

Category	Amount
Client Amount (<i>Client amounts written off due to their inability to pay</i>) *	23,454.00
Parent Amount (<i>Parent amounts written off if both parents deceased</i>)	12,442.28
Total	\$35,896.28

* Although written off for financial statement purposes, records maintained in order to attempt collection from future estates.

Human Service Centers - Aged Accounts Receivable as of 6/30/14

	Balance	Non-Applied Cash *	0-30 Day	31-60 Day	61-90 Day	> 90 Days
Northwest HSC	585,497.61	(6,580.62)	103,526.02	32,057.79	29,662.53	426,831.89
North Central HSC	1,788,879.50	(13,098.12)	278,162.00	110,106.21	61,543.75	1,352,165.66
Lake Region HSC	988,778.35	(1,812.71)	182,164.79	63,597.04	41,274.12	703,555.11
Northeast HSC	2,466,244.14	(23,581.64)	694,074.58	217,928.94	145,711.30	1,432,110.96
Southeast HSC	3,645,096.13	(15,885.31)	644,338.09	168,881.37	129,996.74	2,717,765.24
South Central HSC	1,932,810.96	(21,416.19)	275,652.31	151,110.83	64,642.79	1,462,821.22
West Central HSC	3,566,788.33	(14,763.94)	634,739.68	156,015.25	143,181.59	2,647,615.75
Badlands HSC	1,355,860.48	(13,546.96)	230,177.82	101,287.54	57,744.72	980,197.36
TOTAL Statewide	16,329,955.50	(110,685.49)	3,042,835.29	1,000,984.97	673,757.54	11,723,063.19

*Cash received but not yet applied to a specific account balance.

Institutions - Accounts Receivable Aging Summary (06/30/14)

Life Skills and Transition Center								
Plan	Total	Current to 30 Days	30 Days	60 Days	90 Days	120 Days	150 Days	Over 180 Days
AIMS Receivables and Private Pay	\$2,192,603.25	\$2,127,606.04	\$0.00	\$6,460.33	\$726.80	\$47,647.24	\$0.00	\$10,162.84
Non-AIMS Receivables Parent Amount 1/	\$413,161.93	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$413,161.93
Total Aged Receivables	\$2,605,765.18	\$2,127,606.04	\$0.00	\$6,460.33	\$726.80	\$47,647.24	\$0.00	\$423,324.77

1/ Accounts on old billing system that were not entered into the new system. Accounts are worked when a notice of probate is received. A few accounts have been on a payment schedule for some time.

State Hospital	Total	Current	30 Days	60 Days	90 Days	120 Days	150 Days	Over 150 Days
Total Aged Receivables	\$187,942,618.23	\$4,825,812.18	\$987,702.87	\$3,901,310.99	\$2,162,255.86	\$3,477,856.81	\$278,298.38	\$172,309,381.14