

**BROOME COUNTY  
DEPARTMENT OF  
AUDIT AND CONTROL**

**Quarterly Accounts Receivable Analysis**

**February 2004**

*Alex J. McLaughlin, Comptroller*



Broome County

# Department of Audit and Control

Edwin L. Crawford County Office Building / P.O. Box 1766 / Binghamton, New York 13902 / (607) 778-2178

DANIEL A. SCHOFIELD  
Chairman of the Legislature

ALEX J. McLAUGHLIN  
Comptroller

February 12, 2004

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, 2003

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

- For the 3rd quarter of 2003, the Aviation Department's 61-90 day category shows an increase of 958.1%. The increase is due largely to one vendor's account. This account requires Management's attention. (see attached management response.)
- The Mental Health Department's outstanding receivables for the over 90 day category increased 75%. The increase requires management's attention.

Attached are schedules summarizing the status of significant receivables as of September 30, 2003. The criteria that we established for monitoring was to track balances that were in excess of \$100,000 as of September 30, 2003 and generate from fee for service transactions. If you are aware of other receivable 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. Augostini, Clerk of the Legislature  
Arthur R. Johnson, Commissioner, Mental Health Department  
Carl G. Olson, Commissioner, Aviation  
Kevin Roche, Director, Solid Waste Division  
Claudia A. Edwards, Director, Health Department  
John F. Demske, Administrator, Willow Point Nursing Home

**Accounts Receivable Aging Summary**  
**3rd Quarter 2003**

Department	Component Age of Receivables (In Days)				Total
	1-30	31-60	61-90	Over 90	
Aviation	42,739.19	135.00	3,892.96	82,607.86	129,375.01
% Change From Prior Qtr	-12.7%	-96.9%	958.1%	15.4%	3.2%
Health - Early Interventio	118,576.17	145,370.92	15,264.50	40,914.75	320,126.34
% Change From Prior Qtr	-46.2%	623.1%	23.3%	55.9%	14.6%
Mental Health	87,831.00	122,936.00	130,635.00	709,925.00	1,051,327.00
% Change From Prior Qtr	-30.9%	-14.7%	-11.3%	75.2%	27.6%
Solid Waste Division	666,575.72	98,588.89	34.84	15,579.66	780,779.11
% Change From Prior Qtr	21.8%	2.4%	-97.5%	14.9%	18.6%
Willow Point	1,462,869.26	1,388,803.54	201,251.61	1,877,488.98	4,930,413.39
% Change From Prior Qtr	-2.1%	-3.5%	10.4%	-7.3%	-4.1%



Broome County

## Mental Health Department – Fiscal Services

36-42 Main Street / Binghamton, New York 13905 / Phone (607) 778-1161 / Fax (607) 778-1004

JEFFREY P. KRAHAM  
County Executive

ARTHUR R. JOHNSON, CSW  
Commissioner  
KATHERINE G. CUSANO, MA, CASAC  
Deputy Commissioner

### MEMORANDUM

**TO:** Alex McLaughlin  
**FROM:** Jennifer Lee  
**DATE:** January 27, 2004  
**RE:** 3<sup>rd</sup> Quarter 2003 Accounts Receivable Analysis

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In response to the 3<sup>rd</sup> Quarter 2003 Accounts Receivable Aging summary, specific to Mental Health, I want to assure you that full attention is being given to reducing our aged receivables. During the 1<sup>st</sup> quarter 2004 a thorough analysis has been started for the entire billing process, progress of this analysis should be seen mid-year. This process involves weekly meetings with Ted Fedorchak, Deputy Commissioner for Administration, Katie Cusano, Deputy Commissioner for Mental Health, the UNI/CARE team, the MH Billing Staff and myself.

With regard to the position of the aging receivable schedule for 2003, I can report to you that we collected approximately \$813K during the 4<sup>th</sup> quarter, thus reducing our overall aging. However, I must inform you that when we submit the 4<sup>th</sup> quarter A/R Aging Summary, this will not be reflected in that report. The reason for this is that our COPS rate changed in April, and many of the tapes we have received from Medicaid have two different rates. This has prevented us from posting those Medicaid payments since UNI/CARE was not originally set up to post two different COPS rates. The company has been working with us to reformat this part of the program and we are nearly ready to test and implement. Once this is completed and we can post the payments, we will have a much more accurate picture of the revenue collected and the aging receivables.

I want to reiterate to you that a great deal of my attention (and focus) will be on streamlining the A/R and billing process for Mental Health. As the year progresses, I'm confident that we will start illustrating a much better picture.

If you should have any questions or concerns regarding any of this information, please feel free to contact me at your convenience.

Cc: Art Johnson, Commissioner  
Katie Cusano, Deputy Commissioner  
Ted Fedorchak, Deputy Commissioner