

DHHS POLICIES AND PROCEDURES

Section II:	Budget and Analysis
Title:	Cash Management Plan
Chapter:	Management of Receipts, Accounts Receivable/Billing, Required Components of DHHS Cash Management Plan Responsibilities Matrix Supplements
Current Effective Date:	8/1/02
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The Accounts Receivable/Billing Section of the *Cash Management Plan Responsibilities Matrix Supplement (Matrix)* will be completed by the Department of Health and Human Services (DHHS) Controller's Office Accounts Receivable Section and each division, facility or school that has any employees that are responsible for performing the below listed accounts receivable or billing functions. The following is a list of accounts receivable/billing tasks that must be assigned to separate employees to assure proper internal control. The Matrix is to be updated and forwarded to the DHHS Controller for approval whenever physical locations or the assignment of listed tasks to positions changes. The Matrix forms and instructions for their completion are available in hard copy (See Attachment 16) or Excel workbook format from the DHHS Controller's Office Accounts Receivable Section. Any changes to a divisions, facilities or schools approved Matrix must be approved by the DHHS Controller.

1. An employee(s) must be designated to bill all accounts within 10 days after the end of the month that goods or services are provided.
2. An employee(s) must be designated to send out dunning notices in accordance with policy.
3. An employee(s) must be designated to notify counties five (5) days before the effective date of payment or drafting of their account electronically.
4. An employee(s) must be designated to review and assess interest and penalty on past due accounts monthly.
5. An employee(s) must be designated to complete the agency's report on accounts receivables upon request by OSC.
6. An employee(s) must be designated to send the 30 day, 60 day, and 90 day accounts receivable collection letters.
7. An employee(s) must be designated to refer all accounts more than 90 days past due and \$500 or more to the Office of the Attorney General. Accounts less than \$500 are

to be submitted to the designated collection agency unless exempted due to client confidentiality elsewhere in this plan.

8. An employee(s) must be designated to review and reconcile the bi-monthly collection agency report of delinquent accounts.
9. An employee(s) must be designated to handle all the write off procedures for past due accounts.
10. An employee(s) must be designated to handle all debt set off actions and procedures on past due accounts.
11. An employee(s) must be designated to assure that all patient and third party benefits are billed monthly or upon discharge for medical/surgical visits.
12. An employee(s) must be designated to follow-up on all denied insurance claims.
13. An employee(s) with authority to approve bad debt write-offs for submission to the DHHS Controller must be identified for each division and institution.
14. An employee(s) with authority to approve deferred payment plans must be designated for each division/institution that allows deferred repayment plans.
15. An employee(s) with authority to approve compromise of debts due for care and treatment at DMH/DD/SAS facilities must be identified. This compromise is for any amount that is less than the patient's determined ability to pay less applicable Medicaid, Medicare and insurance benefits.

For questions or clarification on any of the information contained in this policy, please contact [The Office of the Controller](#). For general questions about department-wide policies and procedures, contact the [DHHS Policy Coordinator](#).