

## UNIT COLLECTIONS & RECEIPTS

SECTION:	Financial Policies
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SUBJECT:	Unit Collections & Receipts
EFFECTIVE DATE:	2007
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### POLICY

- A. Unit personnel will enter payments received into Mental Health System at the time of payment.
- B. At units that collect money from those other than clients, the receipt and accounting must be coordinated with the Accounting Office.
- C. Collections in the Accounting Office will be entered into the Mental Health System or recorded on a Journal Voucher.

### PURPOSE

To document all collections, provide internal control of receipts, provide clients with a record of their payments, and apply payments to the proper account.

### PROCEDURES

- 1.0 Unit Responsibilities:
  - 1.1 Designate one person to enter payments in the Mental Health System.
  - 1.2 Designate a different person to make bank deposits.
  - 1.3 Enter the payment and give the printed receipt to the client.
  - 1.4 DO NOT enter an insurance payment. Send it directly to the accounting office.
  - 1.5 Verify, on the receipt, the following:
    - a. Client name
    - b. Client account number
    - c. Payor name (if different)
    - d. Receipt date
    - e. Check or cash
    - f. Amount
    - g. Payment code
    - h. Client address (update if it is a *new* address)
  - 1.6 DO NOT write "Paid in Full" on the receipt
  - 1.7 Give the client the receipt.
  - 1.8 Stamp the check with a "For Deposit Only" endorsement stamp when it is received.
  - 1.9 Make a bank deposit according to the Policies and Procedures.
  - 1.10 When a bank deposit is prepared, confirm the deposit in the system and print the ***Deposit Listing***.

- 1.11 If other than client payments (“CLPY”) are received, use the proper type code. (Call the accounting office for the proper code).
- 1.12 To “VOID” a receipt:
  - a. Delete the amount paid in the system
  - b. Enter a brief reason for voiding it in the comments screen
  - c. Write the word “VOID” across the printed receipt
  - d. Have another person initial the voided receipt
  - e. Send the voided receipt with the deposit listing to the accounting office.
- 1.13 Payments received for the other than mental health services must be receipted and deposited according to directions from the accounting office. These procedures will be generally consistent with the mental health system receipts deposits. Some payments may require a manually written receipt.

## 2.0 Medicaid Enrollee Collections

DBH will not hold Medicaid enrollees liable for:

- 2.1 DBH debts in the event of DBH’s insolvency.
- 2.2 Covered services provided to enrollees for which the State does not pay DBH.
- 2.3 Covered services provided to the enrollee for which the State or DBH does not pay the contractual provider of the service.
- 2.4 Payments for covered services furnished under a contract, referral, or any other arrangement to the extent that those payments are in excess of the amount that the enrollee would owe if DBH provided the service directly.

## 3.0 Client Account Responsibilities:

- 3.1 The accounting office will:
  - 3.1.1 Open and sort the mail receipts and total all receipts
  - 3.1.2 Enter the information on a Deposit Control Sheet
  - 3.1.3 Give payments and control sheet to the person who prepares the Deposit Slips. Attach the calculator tape to the Control sheet. Include the Deposit Listing for each deposit.
- 3.2 If any of the checks are erroneous payments and should be returned, the accounting office will make adjustment entries to and initial the Deposit Control Sheet.
- 3.3 Complete each Deposit Control Sheet. Verify that the total on the Control Sheet agrees with the total of the cash and checks. Attach the tape to the Control Sheet.
- 3.3 Make copies of the third-party payment information and of client payment information which shows the amounts paid and any client identification available. Give one copy of the insurance checks to the accounts receivable staff for distribution in the system.

3.4 Give the Deposit Control Sheet with the checks and cash to the person responsible to prepare the deposit ticket. Include the Deposit Listings to be signed.

3.4 Maintain a file of all checks and remittance attachments, the Deposit Listing and Deposit Tickets.

#### 4.0 Accountant Responsibilities

4.1 Instruct Unit Personnel regarding the receipt and deposit of payments received for other than mental health services. Verify that these procedures:

3.1.1 Provide the necessary internal control;

3.1.2 Provide the data for proper accounting; and

3.1.3 Allow the entry of the data to the proper systems and accounts.