



Committee Report

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| To: | Chair and Members of the Long-Term Care Committee of Management |
| Committee Date: | January 18, 2022 |
| Subject / Report No: | LTCR-CM-03-22 |
| Title: | 2021 Long Term Care Write Off of Uncollectible Accounts |
| Prepared by: | Markus Hawco, Financial Analyst |
| Reviewed by: | Mary Lou Spicer- Director of Finance |
| Lower Tier(s) Affected: | |
| Status: | |

Recommendation

1. That Report LTCR-CM-03-22 titled **2021 Long Term Care Write Off of Uncollectible Accounts** be received; and
2. That the recommended write offs in the amount of **\$28,701** as outlined in the report be approved.

Executive Summary

All available measures are used to collect monies due to the care community on a timely basis. Accounts in arrears are reviewed and supports implemented to ensure that payment is forthcoming.

Balances owing from residents with no repayment activity are written off at year-end for accounting purposes and staff continue to work on collections. Staff recommends that \$28,701 in arrears be written off in the 2021 fiscal year.

Background and Discussion

Staff in the Long-Term Care department reviews accounts receivable balances monthly and attempt to work with residents to minimize account arrears.

The Ministry of Long-Term Care requires that write offs be made in the year the arrears relate to and the Ministry will cover 50% of the arrears relating to basic accommodation. Unpaid balances relating to preferred accommodation and ancillary services such as cable, telephone, hair care etc. are not eligible for Ministry reimbursement.

For the 2021 fiscal year, staff recommends that \$17,397 at Grey Gables, \$4,893 at Rockwood Terrace and \$6,411 at Lee Manor be written off, for a total of \$28,701 of which 50% or \$14,350 is eligible for Ministry reimbursement.

The following chart provides comparative information for the proposed 2021 write off and the previous four years.

Summary of Long-Term Care Accounts Receivable Write off and Bad Debt Recovery

| Year | Amount of Write Off | Number of Accounts Written Off | Amount of Bad Debt Recovery |
|-------------|---------------------------------------------------------------------------------------------|----------------------------------------------------------|-----------------------------|
| 2021 | \$28,701 Grey Gables-\$17,397 Lee Manor - \$6,411 Rockwood Terrace- \$4,893 | Grey Gables - 3 Lee Manor - 1 Rockwood Terrace - 5 | \$0 |
| 2020 | \$8,629 Grey Gables- \$4,503 Rockwood Terrace - \$4,126 | Grey Gables - 2 Rockwood Terrace - 3 | \$0 |
| 2019 | \$12,867 Grey Gables - \$7,837 Lee Manor - \$5,030 | Grey Gables - 2 Lee Manor - 1 | \$0 |
| 2018 | \$1,626 Rockwood Terrace | Rockwood Terrace - 1 | \$0 |
| 2017 | \$26,632 Lee Manor - \$11,073 Rockwood Terrace - \$15,559 | Lee Manor – 2 Rockwood Terrace - 4 | \$5,203 Grey Gables |
| 2016 | \$10,019 Grey Gables - \$6,719 Lee Manor - \$3,300 | Grey Gables - 2 Lee Manor - 1 | \$0 |

Legal and Legislated Requirements

The Ministry of Long-Term Care requires that account write-offs be completed in the calendar year that the arrears relate to.

Financial and Resource Implications

The uncollectible amount eligible for write off totals \$28,701, of which \$14,350 is eligible for Ministry reimbursement.

Relevant Consultation

- Internal – Executive Directors of Lee Manor and Rockwood Terrace; Jennifer Cornell, Director of Long-Term Care; Mary Lou Spicer, Director of Finance
- External (list)

Appendices and Attachments

None