



DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY MEDICAL COMMAND
2748 WORTH ROAD
FORT SAM HOUSTON, TEXAS 78234-6000

Reply to
Attention of

MCHO-CL-P

15 May 2012

MEMORANDUM FOR US Army Uniform Business Offices

SUBJECT: Army Guidance for Processing of Aged Accounts Receivable Due From the Public

1. References:

a. Office Assistant Secretary of Defense (OASD) Memo, 22 December 2011 subject: Write Off of Aged Accounts Receivable Due from the Public

b. Office of Management and Budget Circular A-129, http://www.whitehouse.gov/omb/circulars_a129rev

c. DoD 6010.15-M, Medical Treatment Facility Uniform Business Office Manual, November 2006

2. Purpose: In accordance with the references listed above, Public Accounts Receivables (A/R) for out-of-service debt over 2 years old must be written off within 90 days. This memorandum is provided to clarify OASD terminology and document a course of action.

3. Applicability: This memorandum applies to Medical Service Accounts Public A/R only.

4. Procedure: The terms "write off" and "written off" as stated in the OASD memo does not have the same connotation in the Uniform Business Office (UBO) community and is not intended to instruct UBO to write off any account. The action(s) to be taken by the UBO will be to transfer accounts out of the Composite Health Care System (CHCS) and forward the delinquent medical account (DMA) packets to the appropriate agency.

a. Effective immediately, public A/R will be categorized as:

i. Uncollectible Debt

ii. In-Service Debt

iii. Out-of-Service (OOS) Debt

b. Uncollectible Debt is described as debt that cannot be collected, either by UBO or by Defense Finance and Accounting Service (DFAS), for reasons such as invalid social security numbers (SSNs), missing or incomplete addresses and balances that, by policy or regulation, cannot be collected. MEDCOM RM has concurred that previous DMA packet submissions to DFAS with invalid SSNs and invalid addresses will no longer be forwarded to DFAS for collection, as collection efforts are futile. The following account types are categorized as having uncollectible amounts or balances remaining:

i. Office of the Worker's Compensation Program (OWCP) – Non-DoD

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ii. MEDICAID/MEDICARE

iii. Victims of Crime (VOC)

iv. DoD employees in support of the Global War on Terrorism, Operation Enduring/Iraqi Freedom, Overseas Contingency Operations (OCO), and non-Federal Employee Compensation Act (FECA) approved cases.

v. VA Millennium Bill balances

vi. Invalid SSNs

vii. Invalid, incomplete or missing addresses (identified as such after receiving locator assistance from the installation Staff Judge Advocate).

viii. Balancing remaining from Secretary of the Army Designee patients with Other Health Insurance.

Note: Accounts with valid SSNs and valid addresses, but sponsor/patient has willingly refused to pay or ignored requests for payment, are NOT considered Uncollectible Debt. These accounts are categorized as either In-Service or Out-of-Service.

c. In-Service Debt is described as debt owed to the DoD by individuals who currently are paid by the DoD (e.g. DoD civilians, family members of active duty, etc). These debts are processed via DD Form 139 or DD Form 2481.

d. Out-of-Service Debt is described as debt owed to the DoD by individuals who currently are not paid by the DoD (e.g. civilian emergencies, contractors, etc). Out-of-Service Debt is further categorized into amounts over \$225 or under \$225.

e. In order to comply with OASD memo in reference 1.a., the following processes must be completed:

i. Uncollectible Debt, *regardless of age and dollar amount*, will be transferred out of CHCS and reported to U.S. Army Medical Command (MEDCOM) Resource Management (RM) on the attached spreadsheet. The spreadsheet will be submitted to MEDCOM's RM at MEDCOM_ACC_REC@amedd.army.mil. It is the responsibility of the UBO to maintain evidence of due process on file when applicable, as it will be subject to random audit. Submission of the spreadsheet is due to MEDCOM no later than the 20th of each month (previous month's data).

ii. In-Service Debt current processing procedures remain in effect; see Para 4, c above.

iii. Out-of-Service Debt processing procedures:

1) Over \$225. Current processing procedures remain in effect for debt greater than \$225 (transfer debt to DFAS) with the DA Form 1854.

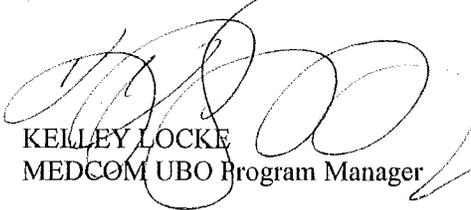
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2) Under \$225. Until further notice, all actions regarding debt amounting to less than \$225 will be placed on hold. The current process of entering an FB70 action into GFEBs is suspended. UBOs will continue to perform due process, transfer out of CHCS, prepare and maintain packets locally until further instruction. *There is no requirement for submission of a spreadsheet to MEDCOM RM for OOS debt less than \$225.*

5. Changes to these instructions will be published and disseminated to UBOs as the A/R process develops to incorporate additional collection efforts. UBOs must maintain records of all public accounts turned over to DFAS and those reported to MEDCOM RM, as dictated by DoD 6010.15-M.

6. Point of contact for this memorandum is Hector Laureano at (210) 221-8339, DSN 471-8339.



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