

Background

This resident was admitted in October 2011. The related account receivable remained more or less current until February 2013, at which point payments became very sporadic. From that time until February 2018, the outstanding balance grew to \$75,733.71. In March 2018, the resident was assigned to the Public Guardian and Trustee (PGT). The PGT assumed control of the resident's finances, and handled payment of current accommodation fees until the resident passed away in November 2018. It was determined that the resident had no assets available for payment of the past due amounts.

When the account receivable first became overdue, multiple requests for payment were sent to the resident's Power of Attorney (POA), including a final registered letter in January 2015. In July 2015, the POA indicated that she was expecting a \$50,000 settlement, and that it would be used to settle the past due amounts. She also promised to redirect all of the resident's finances to Pioneer Manor to avoid future missed payments. When neither of these promises materialized, Pioneer Manor contacted the Greater Sudbury Police concerning investigation of potential fraud. The City of Greater Sudbury legal department was also involved, in relation to a possible restitution order. Both of these efforts failed to yield positive results with regard to collecting the past due amounts. It is important to note that under legislation, LTC Homes are unable to stop providing care or evict a resident when they cease making accommodation payments.

This write-off is recommended by the Director of Pioneer Manor, and by the Chief Financial Officer/Treasurer. Since the write-off is in excess of \$25,000, Section 8.0 of the City of Greater Sudbury's Accounts Receivable and Collections policy (See Appendix A) requires Council approval of the write-off.

Next Steps

Once the bad debt write-off has been approved, the amount will be deducted from the Accounts Receivable and Allowance for Bad Debt accounts in PeopleSoft financial software. The amounts will also be removed from outstanding accommodation fees in Point-Click Care resident information software.

References

Ministry of Health and Long-Term Care (MOHLTC), *Long-Term Care Homes Financial Policy*. Retrieved from:
http://www.health.gov.on.ca/en/public/programs/ltc/docs/bad_debt_policy.pdf