

ELEEMOSYNARY INSTITUTIONS:
PATIENTS:
ACCOUNTS:

Board of Managers may "write off"
uncollectible accounts, but so doing
does not relieve responsible persons
from payment.

March 30, 1942

3-31

Mr. Ira A. Jones
President
Board of Managers
State Eleemosynary Institutions
Jefferson City, Missouri



Dear Mr. Jones:

This is to acknowledge receipt of your letter of recent date wherein you request an opinion of this department. Your letter is as follows:

"We have in some of our hospitals old accounts due on private patients that seem to be uncollectable. The patient has either been discharged or died. An honest attempt has been made by the steward to collect most of them that have no bond, and all of them are accounts that were due before this administration came in office.

"Do we have a right as a Board to write off these accounts as uncollectable? "

Section 9322, R. S. Mo. 1939, under Article 2, Chapter 51, with relation to state eleemosynary institutions provides as follows:

"Pay patients, or those not sent to the hospital by order of the court, may be admitted on such terms as shall be by this article and the by-laws of the hospital prescribed and regulated."

Section 9323, R. S. Mo. 1939, provides how pay patients may be admitted to the state hospitals, with a provision as to the payment for the care of said patients, as follows:

"* * * * Before any private patient shall be received into the hospital, there shall be produced to the superintendent a receipt

from the treasurer of the hospital, acknowledging the payment to him of at least thirty days' charges in advance, and a sufficient bond to said treasurer, conditioned that the obligor or obligors will secure the payment of charges incurred in behalf and on account of said patient; said bond with satisfactory securities, shall be of the form and contain the provisions as provided in section 9326. No part of said thirty days' payment shall be refunded if the patient making such payment shall be taken away within that period uncured and against the consent of the superintendent."

Section 9324 provides a form for admission of such patients to the state hospital and Section 9325 provides a form to be filled out by two physicians certifying that the patient is insane and a proper patient to be sent to a state hospital. And, under Section 9326, a form of bond is provided to be signed and executed by persons taking the private patient to the state hospital.

No doubt in the administration of the respective state hospitals that you have numerous accounts for pay patients that have become worthless and uncollectible, for various reasons. If the Board of Managers of the State Eleemosynary Institutions have exhausted every reasonable and legal method to collect these old accounts and there is, in the judgment of the Board, no possible chance of realizing on said accounts, we can see no objection to classifying same as uncollectible accounts as a matter of bookkeeping. By this we do not mean that the Board of Managers should not continue, after so classifying said accounts, to use their best efforts to collect the accounts. Neither does it in any way relieve those who are responsible for the payment of same from liability thereunder.

CONCLUSION

It is our opinion that the Board of Managers of the State Eleemosynary Institutions may "write off" the above

Hon. Ira A. Jones

-3-

March 30, 1942

accounts in the manner and in the way suggested above, but should continue their efforts to collect same.

Respectfully submitted,

COVELL R. HEWITT
Assistant Attorney General

APPROVED:

ROY McKITTRICK
Attorney General

CRH:NS