

TO: Salt Lake County Board of Health
FROM: Dorothy Adams, Executive Director, Health Department
 Andrew Driggs, CPA, Administrative & Fiscal Manager, Health Department
DATE: March 5, 2026
SUBJECT: Update on Immunizations Fee Revenues, EMR System Migration, Uncollectible Account Actions for FYs 2021-2023

Salt Lake County Health Department (Department) provides immunization services to protect the public health of our community. These services include routine childhood and adult vaccinations, travel immunizations, and vaccines for public school, employment, and the general public health. Clients access these services through a variety of payor sources including commercial insurance plans, Medicaid and other public assistance programs, patient self-pay, and contracted partners.

Because services may be billed to multiple payor sources, a portion of accounts inevitably becomes uncollectible. Collection risk increases, inherently, due to factors including client risk (eligibility and financial hardship), insurance denial, and business system/processing limitations. While the Department actively works to mitigate these risks, a normal level of uncollectible accounts is normal and expected as part of providing these services.

The table below provides common industry benchmarks (CMS, HHS, CDC, etc.) for uncollectible rates:

Setting/Payor Mix	Typical Uncollectible %
Outpatient clinics (mixed payor)	2%-5% of charges
Public health clinics (immunizations, STI, family planning)	1%-4% depending on insurance mix
Insurance-heavy outpatient services	1%-3% (denials + patient responsibility)
Self-pay portions of outpatient services	15%-30% (self-pay is always the highest risk category)

The table below identifies services provided, collected revenue, contractual adjustments, and approximate uncollectible amounts for fiscal years 2021-2023:

Balance Description	2021	2022	2023
Services Rendered		\$2,174,508	\$5,551,885
Collected Revenue	\$1,630,676	\$1,856,901	\$4,876,116
Contractual Adjustments		\$150,121	\$478,454
Uncollectible Amounts	\$54,964	\$123,504	\$139,084
% Uncollectible of Services Rendered	3.37%	5.68%	2.51%

Proposed Uncollectible Amounts for Disposal:

	2021	2022	2023
Balance	\$54,964	\$123,504	\$139,084

The Department's uncollectible percentages for fiscal years 2021-2022 (3.37%, 5.68%, and 2.51%) are comparable to these industry-observed ranges, particularly given the increased presence of the following key risk factors:

- Residual COVID-19 pandemic demand and workload
- Medical billing system change in July 2022
- Key personnel turnover and performance in fiscal and billing positions
- Increased number of insurance providers
- Increased inflationary costs
- Standardized insurance claim denial rates
- Inherent population risk

To mitigate risk, the Department's program and administrative service teams have implemented the following activities:

- Newly implemented medical billing system (September 2025)
- Enhanced insurance coverage determination (coding and eligibility verification)
- Revised and updated policies and procedures
- Clarified documentation and accuracy procedures
- Modernizing claims and denial management workflows
- Refreshing billing monitoring and internal control activities

The Department recognizes the challenges reflected in its uncollectible accounts and remains vigorously committed to strengthening billing processes, systems, and controls to further reduce its uncollectible rates. Leadership extends its appreciation for the dedication and resilience of staff, who have navigated system implementations, demanding workload, policy and procedure development, and evolving insurance requirements. Their efforts will position the Department for sustainable fiscal health and continued community impact.