
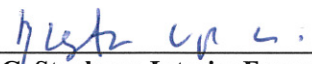




**COBB COUNTY COMMUNITY SERVICES BOARD
DOUGLAS COUNTY COMMUNITY SERVICES BOARD**

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Policy # 2501	Adjustment Definitions
Origination Date: May 1997	
Revision Date: March 2004; March 11, 2008; Sept 14, 2012	
Reviewed Date: March 2005; March 15, 2006; March 9, 2007; April 2, 2009; April 14, 2010; November 21, 2014; October 17, 2016	
Approved:	
 Paul Ascari, Chief Financial Officer	 Bryan G. Stephens, Interim Executive Director

POLICY:

It is the policy of the Cobb County Community Services Board and the Douglas County Community Services Board to make appropriate collection efforts before deeming accounts receivable as uncollectible. The Billing department monitors all adjustments to accounts receivable by using pertinent reports and appropriate management approval for adjustments.

DEFINITIONS:

- Adjustment - The increase or decrease of an account balance by means of a transaction other than a payment or posting of routine charges. An adjustment can encompass any payer for any date range.
- Credit Adjustment - The decrease of an account balance by means of a transaction other than a payment.
- Debit Adjustment - The increase of an account balance by means of a transaction other than a payment or revenue.
- Bad Debt Adjustment - A credit adjustment made on an account deemed uncollectible, allowing it to be removed from the aged receivables. The appropriate adjustment code will be used so that amount can be tracked for year end reports.
- Contractual Adjustment - A credit adjustment made on an account under contract with an insurance carrier or state-funded agency, where a predetermined rate is accepted in lieu of full actual charges incurred. After a contractual adjustment occurs, the client can not be balance billed.