MAINE STATE LEGISLATURE

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State

Frank R. Hancock, Attorney General

Attorney General

Charge Offs

We have investigated the matter of accounts to be "charged off" submitted to this office in January of this year by order of the Governor and Council.

You will note that the Maine Employment Security Commission has recommended charge offs of over \$87,000.00 of the total of approximately \$154,000.00. The accounts of that department have been followed to the ultimate, all legal evenues for collection having been enhausted, and a full report given on each individual account. This is also true of the Sureau of Taxation accounts totalling some \$14,000.

The three large state institutions Augusta State Hespital, Sanger State Hespital and Pineland Hespital and Training Contat show recommended charge offs of some \$37,000.00. The Department of Institutional Services together with this department have done whatever possible to collect on these accounts where information has been gained as to availability of payment. The Repartment of Institutional Services (now the Department of Mental Health and Corrections) has not had an assistant from this office directly enumerted with that department and no one from this office has been able to spend any substantial time with regard to such collections.

For your information, these "charge-off" items disturbed the Attorney General a few years ago to the point that he wanted to request funds from the Legislature to employ personnel for the express purpose of pursuing such debts.

However, an extensive atudy made by Mr. Laymond Hadge, Commissioner of Finance and Administration, revealed that the amount of accept that could be collected wouldn't warrant the employment of personnel for such a purpose. The decision was based on the nature of the debts, and the fact that many guch charges should never here been initially made because of the financial status of the responsible relatives.

This office was advised that objection would be made to any items in the budget for that purpose, and the item was therefore deleted.

We are now of the opinion that if a proper initial investigation was made relating to the ability of responsible relatives to pay for the support of individuals in our institutions, then good charges, not bad charges, would be the substantial result.

This matter has been discussed with Commissioner Hayden and he concurs in the recommendation of a full time Assistant Attorney General being assigned directly to the Department of Mental Health and Corrections. Such Assistant, together with preper investigatory help, should be able to pursue all accounts to the utmost. A revision of the statutes relating to payment for support of patients is also suggested by the Commissioner.

For your further information, the fact that these secounts are "charged off" doesn't mean that they cannot be collected in the future. For instance, even after charge off, these accounts are reviewed, and sometimes such debts are collected.

At the present time, this office does not have the manpower to pursue any further the possible collection of these accounts. It is extremely doubtful that any substantial amount would be forthcoming in any event. We therefore recommend that this order be granted at this time.

> Frank E. Hancock Attorney Coneral

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