

# Hospital Expenditure Report

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*Definitions and Descriptions of Data Fields*

June 2021

# Definitions and Descriptions of Data Fields

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## I. General Information

### A. Name and Year

#### 1. Licensed Hospital Name

The name of the hospital as officially recognized by the Colorado Department of Public Health and Environment (CDPHE).

#### 2. Preferred Hospital Name

The name of the hospital that may differ from the name under the license.

#### 3. Fiscal Year Begin Date

The beginning date of twelve (12) month period of financial reporting.

#### 4. Fiscal Year End Date

The end date of the twelve (12) month period of financial reporting.

### B. Beds

#### 1. Available Beds

Beds that are licensed, physically set up, and available for use. These are beds regularly maintained in the hospital for the use of patients for more than half of the days in the reporting period and furnish accommodations with supporting services (such as food, laundry, and housekeeping). Provide the number of beds at the end of the fiscal year.

#### 2. Licensed Beds

The maximum number of beds that a licensure agency, such as the state or other governing body, allows a hospital or health facility to operate at any given time. Provide the number of beds at the end of the fiscal year.

### C. Organization Structure

#### 1. Ambulatory Care

Medical care provided on an outpatient basis. This includes diagnosis, observation, consultation, treatment, intervention, and rehabilitation services.

#### 2. Subacute/Long-term care (LTC) Care

Operational activities that fall under the hospital's nursing home license. Long-term care is a variety of services which help meet both the medical and non-medical needs of people with chronic illnesses or disabilities who cannot care for themselves for long periods.

### 3. Primary Care

A basic level of care usually given by doctors who work with general and family medicine, internal medicine (internists), pregnant women (obstetricians), and children (pediatricians). A nurse practitioner (NP), a State licensed registered nurse with special training, can also provide this basic level of health care.

### 4. Health System

A larger corporation or an organizational structure that owns, contains, or operates more than one hospital.

### 5. Physician Group

A partnership, association, corporation, individual practice association (IPA), or other group that distributes income from the practice among members. An IPA is considered to be a physician group only if it is composed of individual physicians and has no subcontracts with other physician groups.

### 6. [Colorado Indigent Care Program \(CICP\)](#)

### 7. Critical Access Hospital (CAH)

A Medicare participating hospital can become certified and remain certified as a CAH by meeting the approved regulatory requirements. Some of these requirements are: Located in a rural area or an area treated as rural under a special provision; furnishes 24-hour emergency services, 7-days a week; Does not exceed 25 inpatient beds; and reports an annual average acute care inpatient length of stay of 96 hours or less.

### 8. Ownership Interest of a Health Plan

This definition is comprised of two components: "ownership interest" and "health plan". Together they make up the larger definition.

- a. Ownership interest refers to any stake a party owns in any property, company, real estate, product, and etc. Ownership interest is either equally divided or according to the amount invested by each party.
- b. Health plan refers to a type of insurance that one buys in order to pay for the costs of care if one becomes ill or injured.

## II. Staffing & Hours

For the purposes of the Staffing section please see “Employees” as all individuals on the payroll, including physician and non-physicians. A breakdown of physician and non-physician expenses is provided later.

### 1. Number of Employees at Fiscal Year Begin Date

The number of employees on the payroll at the beginning of the hospital’s fiscal year.

### 2. Number of Employees at Fiscal Year End Date

The average of the employees at the beginning and end date of the fiscal year.

### 3. Average Number of Employees in The Period

The average of the employees at the beginning and end date of the fiscal year.

### 4. Employee Departures

The number of employees who have left or are no longer part of the organization, including voluntary and non-voluntary vacancies. This should not include employees who moved positions internally.

### 5. Average Number of Annual Job Vacancies

The average number of job vacancies at the hospital level for the fiscal year. The average can be calculated by summing the number of vacancies at the beginning and end of the fiscal year and dividing that sum in half.

### 6. Average Number of Jobs at Organization

The average number of total jobs available at the hospital. This includes the average number of vacancies and the average number of employees employed in the period. This is calculated by summing employees in the period and average job vacancies

### 7. Full-Time Equivalent Employees

Reflects the total number of regular straight-time hours (i.e., not including overtime or holiday hours) worked by employees divided by the number of compensable hours applicable to each fiscal year. Annual leave, sick leave, and compensatory time off and other approved leave categories are considered to be “hours worked” for purposes of defining FTE employment.

## 8. Staff Turnover

The proportion of employees who have left the organization over the fiscal year. Calculated as Employee Departures divided by the Average number of employees in the period.

## 9. Staff Vacancy Rate

The proportion of jobs that are vacant over the fiscal year. Calculated as job vacancies divided by the Average number of jobs at the organization.



### III. Utilization

When filling this section out, the Total columns will auto-populate from inputs in the Major Payer Group columns. It is required to fill out the Major Payer Group columns. Only filling out the Total column is insufficient to complete the form.

If cells display as red then the Total column does not equal the sum of the Major Payer Group columns, which is incorrect.

#### A. Care Type

##### 1. Acute Care

Operational activities classified under the hospital's general acute care hospital license.

##### 2. Swing Bed Care

Operational activities classified under the Medicare and/or Medicaid certification of Swing Bed.

##### 3. Subacute/ Long-term Care (LTC)

Operational activities classified under the hospital's Nursing Home license.

##### 4. Distinct Part Unit (DPU) Care

Operational activities classified under the Medicare and/or Medicaid certification of Distinct Part Unit. "Distinct part" means a physically distinguishable portion from the larger hospital institution that is separately certified by the Centers for Medicaid and Medicaid Services for the purposes of exclusion from prospective payment systems.

#### B. Utilization

##### 1. Discharges

A patient discharge (excluding newborn leaving with their mothers), including death, (excluding Death-on-Arrivals) is a formal release of a patient.

##### 2. Acute Care Discharges

An Acute Care discharge is the termination of the granting of lodging in the hospital and the formal release of the patient (include patients admitted and discharged the same day), associated with acute care health services.

### 3. Swing Bed Discharges

Swing-Bed Discharges are the discharges of patients who were admitted to a Swing Bed and received care under that Swing Bed classification.

### 4. Subacute/LTC Discharges

Subacute/LTC Discharges are the discharges of patients who received Subacute/LTC services.

### 5. DPU Discharges

The total number of discharges that come from a Distinct Part Unit of a hospital.

### 6. Total Discharges

Will be the total number of discharges associated with Acute Care, Swing Beds, Subacute/LTC, and DPUs. Calculated by summing discharges by care type.

## C. Patient Days

The number of days of care charged to a beneficiary for inpatient hospital services is always in documented units of full days.

- An inpatient admission counts as an inpatient day for the census period.
- After the admission day, every census period that the patient remains admitted counts as an inpatient day.
- A census period/day usually begins at midnight and ends 24 hours later.
- A part of a day, including the day of admission, counts as a full day.
- However, do not count the day of discharge or death, or a day on which a patient begins a leave of absence, as a day. If both admission and discharge or death occur on the same day, consider the day a day of admission and count it as one inpatient day.

### 1. Acute Care Patient Days

Acute Care Patient Days are Patient Days associated with providing services to individuals receiving acute care services.

### 2. Swing Bed Patient Days

Inpatient swing bed days are all days associated with patients admitted to a Swing Bed.

### 3. Subacute/LTC Patient Days

The number of patient days associated with providing subacute/LTC services to patients.

### 4. DPU Patient Days

DPU Patient Days are all Patient Days associated with individuals occupying beds with in a DPU of a hospital.

### 5. Total Patient Days

The total number of patient days including Acute Care, Subacute/LTC, Swing Beds, and DPUs. Calculated by summing patient days by care type.

## D. Inpatient Volume

### 1. Number of Inpatient Surgeries

The total number of operations performed on inpatients. Report each patient undergoing surgery as one surgical operation regardless of the number of surgical procedures that were performed while the patient was in the operating or procedure rooms. This includes cesarean deliveries.

### 2. Number of Births

The number of deliveries of newborns performed within the hospital. Includes cesarean deliveries.

### 3. Number of Newborn Patient Days

Newborn inpatient days are the days that an infant occupies a newborn bed in the nursery. Do not include an infant remaining in the hospital after the mother is discharged who does not occupy a newborn bed in the nursery. Do not include an infant delivered outside the hospital and later admitted to the hospital but not occupying a newborn bed in the nursery, or an infant admitted or transferred out of the nursery for an illness in inpatient days. Consider all babies not admitted at the same time as the mother as inpatient days, not newborn patient days.

## E. Admission Source

### 1. Hospital-based Emergency Department Admissions

The total number of inpatient admissions that resulted from the Hospital-based Emergency Room visit during the reporting period.

## 2. Free-standing Emergency Departments Admissions

The total number of inpatient admissions that resulted from a Free-standing Emergency Room visit during the reporting period.

## F. Outpatient Visits

### 1. Emergency Department Visits

The total number of visits to the Emergency Department that do not result in an inpatient admission. This is only visits to the Hospital based Emergency Department.

### 2. Ambulatory Surgery Visits

The total number of visits to the hospital that resulted in a surgical operation that did not require the recipient of care to be admitted as inpatients.

### 3. Observation Visits

The total number of observation visits that did not result in an inpatient admission. Observation is used for those patients whose condition requires assessment over time to establish the need for hospitalization. (If observation patients generate separate emergency room and/or ambulatory surgery visits, those visits should be counted separately).

### 4. Home Health Visits

The total number of home health visits (visits to an individual's place of residence) where service is provided, or interventions occur if that service is provided by the hospital enterprise.

### 5. All Other Visits

All other visits recorded, but do not fit within the fields above.

### 6. Total Outpatient Visits

The total number of visits for all categories. Calculated by summing outpatient visits by type.

## IV. Financials - Charges & Revenue

When filling this section out, the Total columns will auto-populate from inputs in the Major Payer Group columns. It is required to fill out the Major Payer Group columns. Only filling out the Total column is insufficient to complete the form.

If cells display as red then the Total column does not equal the sum of the Major Payer Group columns, which is incorrect.

Note: The Department asks that hospitals be mindful when accounting for the [Colorado Healthcare Affordability and Sustainability Enterprise \(CHASE\)](#).

- *DO NOT record net reimbursement (supplemental payments minus provider fees) in your submission.*
- *Record gross charges and contractual allowances. Use the Yes/No fields to indicate if gross charges or contractual allowances include supplemental payments.*
- *Use the Notes to Hospital tab to provide more information on how supplemental payments are recorded*

### A. Billed Charge

A hospital charge is the amount billed to a patient for the performance of services.

### B. Gross Charge

#### 1. Inpatient - Acute Gross Charges

The sum of all charges billed to patients receiving inpatient procedures and services rendered in an acute setting. Charges should include all charges made to charity care patients. Do not reduce for discounts and/or allowances associated with acute inpatient charges.

#### 2. Outpatient - Acute Gross Charges

The sum of all charges billed to patients receiving outpatient procedures and services rendered in an acute setting. Charges should include all charges made to charity care patients. Do not reduce for discounts and/or allowances associated with acute outpatient charges.

### 3. Swing Bed Gross Charges

The sum of all charges billed to patients receiving care while admitted to a swing-bed classification. Charges should include all charges made to charity care patients. Do not reduce for discounts and/or allowances associated with category.

### 4. Subacute/LTC Gross Charges

The sum of all charges billed to patients receiving long-term (Subacute) care. Charges should include all charges made to charity care patients. Do not reduce for discounts and/or allowances associated with category.

### 5. DPU Gross Charges

The sum of all charges billed to patients receiving care while admitted to a DPU of the hospital. Charges should include all charges made to charity care patients. Do not reduce for discounts and/or allowances associated with category.

### 6. Home Health Gross Charges

The sum of all charges billed to patients receiving care defined as a Home Health service. Charges should include all charges made to charity care patients. Do not reduce for discounts and/or allowances associated with category.

### 7. Total Gross Charges

The total sum of all charges.

## C. Contractual Allowances & Supplemental Payments

Also known as adjustments, contractual allowances are the difference between what a health care provider charges for the care provided to the patient and what the provider will be contractually paid by a third-party (commercial insurer and/or government program such as Medicare, Medicaid, etc.).

*Note: The Department is asking hospitals for more information to understand what proportion is for CHASE supplemental payments. Please be mindful in what line you are including CHASE supplemental payments. The Department asks that hospitals record what supplemental payments were and whether they are included in gross charges or contractual allowances.*

*Note: DO NOT record net reimbursement (supplemental payments minus provider fees) within contractual allowances. While recording net reimbursement might seem how CHASE functions, this method may result in a misrepresentation of the data.*

### 1. Acute Care Contractual Allowances - Inpatient

The sum of the contractual allowances for inpatient acute care activity. For capitation contracts, adjustments should be recorded so only the amount of contract revenue is reflected.

### 2. Acute Care Contractual Allowances - Outpatient

The sum of the contractual allowances for outpatient acute care activity. For capitation contracts, adjustments should be recorded so only the amount of contract revenue is reflected.

### 3. Other Contractual Allowances

The sum of the contractual allowances for all operational activity outside of inpatient and outpatient acute care. This category would include Swing-Bed services, Long-term (Subacute) care, services rendered in a DPU, and Home Health services.

### 4. Total Contractual Allowances

The total sum of all contractual allowances. Note all contractual allowances are reported on an accrual basis, so any retroactive cost report settlements, DSH payments, and Lump sum payments should be reported appropriately in the period in which the settlement occurred. Calculated by summing acute

care contractual allowances, both inpatient and outpatient, and other contractual allowances together.

#### 5. Are Supplemental Payments included in Contractual Allowances?

For hospitals that record the CHASE supplemental payments within their contractual allowances, please make note here that they are included by selecting “Yes”. DO NOT record net reimbursement (supplemental payments minus provider fees) within contractual allowances.

#### 6. Supplemental Payments

See the Department’s websites on [CHASE](#) and the [CHASE Board](#) for more information. Whether your hospital recorded CHASE supplemental payments within contractual allowances or not, record CHASE supplemental payments by payor type.

$$\textit{Supplemental Payments} - \textit{Provider Fee Expense} = \textit{Net Reimbursement}$$

#### 7. Total Contractual Allowances & Supplemental Payments

The total sum of Total Contractual Allowances and Supplemental Payments. This field considers if Supplemental Payments are included in Contractual Allowances.

### D. Write-Offs/Provisions

The Department requests that hospitals break down bad debt, charity care, and any other write-off/provisions into the amounts that correspond with each major payor. However, if hospitals are unable to do so on a dollar amount basis in the Charges & Revenue tab, the Departments requests that hospitals use the Bad Debt & Charity Care tab in the template to estimate how much of each major payor makes up bad debt and charity care write-offs.

#### 1. Bad Debt Write-Offs

Occasionally known as “Provision for Bad Debts”, is the sum of all charged amounts that a provider billed but did not receive payment for the service. The shortfall from contractual allowances are not to be reported on this line.

#### 2. Charity Write-Offs

The sum of all dollar amounts determined by the health care provider to be Charity Care and thus unreceived revenue.



### 3. Administrative & Other Write-Offs

The sum of all write offs/provisions that do not belong to the categories of bad debt or charity care.

### 4. Total Write-Offs

The total sum of all types of write-offs/provisions.

## V. Financials - Expenses & Net Income

When filling this section out, the Total columns will auto-populate from inputs in the expense allocation columns. It is required to fill out the expense allocation columns. Only filling out the Total column is insufficient to complete the form. If cells display as red then the Total column does not equal the sum of the expense allocation columns, which is incorrect. There is a notes column for hospitals to provide a brief description of how the expense allocation for each expense was completed.

### E. Expense Allocation

Under the expense tab, expenses are broken down into five (5) classifications: total, direct patient expense, other patient expense, general/administrative, and other.

#### 1. Direct Patient Expense

Direct patient expenses means the operating expenses incurred as part of the delivery of care, including but not limited to salaries, benefits, medical supplies, contracted and/or employed physicians, and interest and depreciations on building and equipment used in the provision of patient care that **contribute directly to the care of patients.**

Note: The Department would like to emphasize that direct patient expense captures expenses or portions of expenses that get patients in and out of the door. If there is any Use the Note field to indicate

#### 2. Other Patient Expense

Other patient expense refers to all patient related expenses that are not direct or can not be directly tied to the care or treatment of patients.

#### 3. General/Administrative

These costs are expenses incurred in operating the facility as a whole that are not directly associated with furnishing patient care such as, but not limited to mortgage, rent, plant operations, administrative salaries, utilities, telephone charges, computer hardware and software costs, etc.

#### 4. Other

Other expense classification is inclusive of all portions of expenses that are not included within an above classification.

## **F. Salaries, Wages, & Benefits**

### **1. Non-Physician Payroll**

Salaries and wages paid to employees (outside of physicians, interns, residents, and other trainees). Salaries include, but are not limited to vacation, holiday, sick leave, call pay, and overtime pay.

Other employee benefits will be designated below. Do not report salaries and wages paid to contracted nurses and other contracted labor. Do not include Home Office wages.

### **2. Physician Payroll**

All salaries and wages paid to physicians, interns, residents, and other trainees who are listed on the payroll as employees. Do not report Physicians (etc.) paid not as employees here. They will be reflected in operating or non-operating expenses.

### **3. Total Payroll Expense**

The total sum of all salaries and wages paid to employees whether in the physician category or not. Sum of physician and non-physician payroll expenses.

### **4. Contracted Labor Expense**

The total sum of all expenses associated with Contracted labor. This could include contracted Nurses and other labor services. These expenses would include wages and salaries, and all components of salary listed above. Do not include non-labor contracted services.

### **5. Total Payroll and Contracted Labor Expense**

The Total sum of all payroll expenses paid to employees and Contracted Labor expenses. Sum of total payroll expense and contracted labor expense.

### **6. Home Office Wages**

The total sum of all wages associated with the operation of a Hospital System's Home Office. From CMS, the Home Office is an affiliated chain organization that furnishes central management and administrative services such as centralized accounting, purchasing, personnel services, management direction and control, and other services.

## **7. Benefit Expense**

The total sum of the health care entity's share of social security, state and federal unemployment insurance, group health insurance, group life insurance, pensions, annuities, retirement benefits, worker's compensation, group disability insurance, and all other employee benefits provided by the hospital for all employees.

## **8. Total Salaries, Wages, & Benefits Expense**

The total sum of all salaries, wages, and benefits for all employees and contracted laborers and wages paid for the operations of the hospital's home office. Sum of total payroll expense, contracted labor expense, home office wages, and benefit expenses.

## **G. Expenses, Other Revenue & Other Net Income**

### **1. Medical Supplies**

Medical Supplies refers to non-durable, disposable (often single-use) materials used primarily in the treatment and care of patients. Medical Supplies can include, but is not limited to hypodermic needles, gauze, catheters, oxygen and blood. Report all expenses associated with the purchase of Medical Supplies on this line.

### **2. Medical Drugs**

Also referred to as pharmaceutical drugs or simply drugs. Medical drugs are used to diagnose, cure, treat, and prevent diseases. Report all expenses related to pharmaceuticals administered to patients during their hospital stay; However, do not include labor costs of administering pharmaceuticals, ensure those costs are reported as either Non-physician pay, physician pay, or Contracted labor expenses appropriately. If the health care entity contains and operates its own pharmacy report all purchase of wholesale pharmaceuticals on this line.

### **3. Minor Equipment**

No depreciable, not capitalized, movable, and generally less than \$5000. Minor equipment is defined as equipment used for providing care to patients and is also tangible and movable but is not capitalized (expensed at acquisition).

#### 4. Administration Supplies

Also referred to as Office Supplies. Report all expenses related to the purchase of office supplies which are supplies necessary for the day-to-day operation of a health care entity but are not directly used for treatment and care of patients.

#### 5. Supplies Expense

The total sum of all supply expenses: Medical Supplies, Medical Drugs, Support Department Supplies, Minor Equipment, and Administration Supplies. If your hospital reports supply expenses as a lump sum indicate which categories it encompasses in the notes section (tab) of this report. Sum of supply expenses listed above.

#### 6. Business Development Expense

Business Development is defined by *The Palgrave Encyclopedia of Strategic Management* as “the task and processes concerning the analytical preparation of potential growth opportunities, and the support and monitoring of the implementation of growth opportunities. Please report all expenses that are directly aimed at the growth of the health care entity including, but not limited to marketing & advertising and appropriate consulting.

#### 7. Marketing & Advertising Expense

Expenses utilized for Marketing: “the activity...and process for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large”, as defined by the American Marketing Association. Report Marketing and Advertising expenses deemed allowable and non-allowable by CMS for the Medicare Cost Report.

#### 8. Interest Expense

Report interest expense on mortgages, bonds, notes, lines-of-credit, convertible debt, and any other short-term or long-term borrowings. Do not deduct interest income for borrowed funds held by a trustee.

#### 9. Depreciation Expense

Depreciation is the actual decrease in the fair value of a tangible assets. Please report the depreciation expense associated with all depreciable assets for the reporting period. Accumulated Depreciation will be reported later with in the Balance Sheet section of the report.

## 10. Contract Services

Contract services means services provided through agreement with another agency, organization, or individual on behalf of the organization. The agreement specifies the services or personnel provided on behalf of the organization and the fees to provide these services or personnel.

## 11. Dues, Fees, Licenses, and Subscriptions

All obligatory payments that a hospital has agreed to pay, either for a service, license, or subscription.

## 12. Insurance Expense

Insurance expense is the amount paid to acquire an insurance contract. The amount is charged to expenses in a period, reflecting the consumption of the insurance over a period of time.

## 13. Purchased Services

A purchased service is any service contracted for and performed by a third-party rather than a hospital's in-house staff.

## 14. Provider Fee Expense

See the Department's websites on [CHASE](#) and the [CHASE Board](#) for more information. The provider fee expense is the expense portion of CHASE.

*Supplemental Payments – Provider Fee Expense = Net Reimbursement*

Also known as the provider fee. In this context, provider fee is not a general reference to CHASE and is different from CHASE supplemental payments or CHASE net reimbursement.

## 15. Management Fee

Management fee refers to a fee paid to a person or company for managing a business, property, sum of money, etc. on another's behalf.

## 16. Physician remuneration

Physician remuneration refers to the compensated system for physicians. There are several different methods: fee-for-service, salary, capitation, sessional, incentives and premiums, and mixed models.

## 17. Information Technology (IT) Expense

IT expense is the amount spent on an organization's IT systems and services, it includes expenses related to the construction and maintenance of enterprise-wide systems and services.

## 18. Utilities Expense

Report interest expense on mortgages, bonds, notes, lines-of-credit, convertible debt, and any other short-term or long-term borrowings. Do not deduct interest income for borrowed funds held by a trustee.

## 19. Leases & Rental Expense

The cost of leasing and renting assets to be used by the health care entity. This would include, but not limited to the cost of leasing land in which the facilities are housed to equipment utilized by providers.

## 20. Other Expense

Please report all other expense not covered by the aforementioned categories. Please note is included in "Other".

## 21. Optional Expense Line

Allowing hospitals to provide some additional expenses that may not be included in the list above, the Department has added optional expense lines. To complete these lines rename the field name to the expense being report and provide dollar amounts for each one added. Should a hospital require more than three additional expenses insert new rows, but ensure that the rows are included in the summation of total optional expense.

## 22. Total Optional Expense

The total of all optional expenses reported.

## 23. Total Operating Expense

The total sum of all operating expenses. This would include, but not limited to materials, supplies, contract services, management fees and home office allocations, depreciation, interest, taxes, consultants' services, utilities pharmaceuticals, and insurance.

#### **24. Non-operating Revenue**

Revenue derived from sources outside of the business entity's defined operations. This would include, but is not limited to dividend revenues, profits or losses on investments, sales from peripheral departments i.e. Cafeteria, and any and all other sources of income.

#### **25. Non-operating Expense**

Report all expenses associated with sources of non-operating revenue. Not to be confused with "Other Expense", which is tied with the operations of the health care entity.

#### **26. Non-operating Net Income**

Please report the net amount of revenues and expenses which result from the health care entity's supplemental or peripheral (e.g. Cafeteria), revenues and expenses. Difference between non-operating revenue and non-operating expense.

#### **27. Tax Subsidies**

Report tax revenues from cities, counties, or special hospital districts which assess mill levies to subsidize the health care entity.

## VI. Financials - Balance Sheet & Property, Plant & Equipment Rollforward

This section is meant to capture assets, liabilities, and net assets. The section includes a property, plant, and equipment rollforward schedule.

### A. Assets

#### 1. Cash & Short-Term Investments

The value of all cash accounts and the value of highly liquid investments that are easily converted to cash, generally these investments have initial maturities of three (3) months or less. Examples may include: cash, general checking accounts, payroll checking accounts, other checking accounts, saving accounts, certificates of deposit, other cash accounts, money market accounts, and treasury or government notes, bonds and bills.

#### 2. Patient Accounts Receivables

Money due from patients, third-party payers, and self-funded employer plans for health care services rendered to patients by the hospital. Should be reported net of Contractual Allowances.

#### 3. Allowance for Doubtful Accounts

A contra-asset account. Amount or value owed to the hospital that it expects it will never receive. Enter this amount as a negative.

#### 4. Net Patient Accounts Receivables

Patient Accounts Receivables minus Allowance for Doubtful Accounts.  
Difference between patient accounts receivables and allowance for doubtful accounts.

#### 5. Notes & Other Receivables

Money due for non-health care services. Examples may include: money due for indebtedness, interest revenue, and tax refunds.

#### 6. Net Accounts Receivables

The Total amount of accounts receivables. Calculated by summing net patient accounts receivables and notes & other receivables.

## **7. Inventory**

The value of supplies owned by the hospital. Examples include medical and surgical supplies, pharmaceuticals, linens, uniforms, garments, food and other commodities, housekeeping, maintenance and office supplies.

## **8. Other Current Assets**

Current assets not included in the categories of current assets above. Assets available to convert into cash, sell, or exchange within the current operating cycle (12 months). Examples include prepaid expenses and deposits.

## **9. Total Current Assets**

The sum of Cash & Short-Term Investments, Net Patient Accounts Receivables, Notes & Other Receivables, Inventory, and Other Current Assets. Sum cash & short-term investments, net accounts receivables, inventory, and other current assets.

## **10. Land, Buildings, Equipment**

The value of the hospital's land, buildings, and equipment as recorded at acquisition cost plus the cost of any improvements. Do not include depreciation in this line.

## **11. Accumulated Depreciation**

A contra-asset account. Depreciation accumulated on land, buildings, and equipment used in hospital operations. Land is not depreciable. Enter this amount as a negative.

## **12. Land, Buildings, Equipment, Net**

Land, Buildings, Equipment asset minus Accumulated Depreciation.

## **13. Long-term Investments**

The acquisition value of the hospital's investments purchased with hospital funds or donated to the hospital.

## **14. Other Long-term Assets**

Long-term assets not included in the categories of long-term assets above. Examples include intangible assets such as goodwill, unamortized loan costs and other organization costs.

## **15. Total Long-term Assets**

The sum of Land, Buildings, Equipment, Net, Long-Term Investments, and Other Long-Term Assets.

## **16. Total Assets**

The sum of Total Current Assets and Total Long-Term Assets.

## **B. Liabilities & Net Assets (Equity)**

### **1. Accounts payable**

Amounts/debt due within the next 12 months to trade creditors and others for supplies and services.

### **2. Salaries, Wages, and Related Payables**

This amount reflects the actual or estimated liabilities of the hospital for salaries, wages, fees, and benefits payable. Include compensated absences.

### **3. Current Portion of Long-term Debt**

The portion of long-term debt that is due within the next 12 months.

### **4. Other Current Liabilities**

All other liabilities that fall within the current operating cycle (12 months) not recorded in the lines above.

### **5. Deferred Revenue**

Also known as unearned revenue, is any and all revenues that have been received prior to the performance of a service or delivery of a product typically to be fulfilled within twelve (12) months.

### **6. Total Current Liabilities**

The sum of Accounts Payable, Salaries, Wages, and Related Liabilities, Current Portion of Long-term Debt, Other Current Liabilities, and Deferred Revenue.

## 7. Long-term Liabilities

Debt that is *not* due within the next 12 months. Does not include the portion that is due within the next 12 months. Please include:

- Mortgage Payable - long-term financing used to purchase land and buildings,
- Notes Payable - money due to vendors, banks, and others with payable terms longer than one year.
- Unsecured Loans - money due without collateral.

## 8. Other Long-term Liabilities

Other long-term liabilities not included in the long-term liabilities category above.

## 9. Total Long-term Liabilities

The sum of Long-Term Liabilities and Other Long-Term Liabilities.

## 10. Total Liabilities

The sum of Total Current Liabilities and Total Long-Term Liabilities.

## C. Net Investment in Capital Assets

### 1. Restricted Net Assets

Any resources restricted by legal or contractual requirements for a specific purpose. Include both temporarily and permanently restricted.

### 2. Unrestricted Net Assets

Any resource that is not restricted by a legal or contractual requirement for a specific purpose. Calculated as Total Assets minus Restricted Assets.

### 3. Total Net Assets, Total Net Position, or Total Equity

The sum of Restricted Net Assets and Unrestricted Net Assets. Please ensure that it is equivalent to Total Assets minus Total Liabilities.

### 4. Total Liabilities and Net Assets

Total Liabilities and Total Net Assets. Please ensure that it is equivalent to Total Assets. The sum of Total Liabilities and Total Net Assets.

## D. Property, Plant & Equipment

A fixed asset roll forward is a schedule showing the beginning balance, additions, disposals, transfers, accumulated depreciation, and ending balance for a particular account. The roll forward schedule indicates how a particular account goes from the beginning balance to its ending balance recorded on the balance sheet of the financial statements.

### 1. Land

The value of the hospital owned land as recorded at acquisition cost plus the cost of any non-depreciable land improvements. Implies use as the hospital site. Please include land improvements in progress. Examples of land improvements include driveways, parking lots, sidewalks, cost of landscaping. Land and land improvements are not typically depreciable.

### 2. Buildings

The value of the hospital's building and additions recorded at acquisition cost plus the cost of any building improvements. Please include building improvements/construction in progress.

### 3. Equipment

Includes the cost of building equipment that is used in hospital operations. Likely to include: fixed equipment, automobiles and trucks, major movable equipment, minor depreciable equipment, minor non-depreciable equipment, technology equipment.

- Fixed equipment generally is affixed to the building, not moveable, has a useful life greater than one year. Examples include air conditioners, engines, boilers.
- Major & minor depreciable moveable equipment generally can be moved, but more or less has a fixed location in the building and has a useful life greater than one year. Major moveable equipment typically costs more than \$5,000, while minor moveable equipment typically costs less than \$5,000. Examples include imaging equipment, monitoring equipment, operating tables, furnishings and beds.
- Minor non-depreciable equipment generally is not fixed to a location, is small, and there are usually a lot in use. Their useful life is typically less than 3 years. Examples might include: sheets, blankets, surgical instruments, catheters, syringes, bed pans, wastebaskets.

**4. Accumulated Depreciation**

The total sum of all depreciation expenses for the period. Match to Less: Accumulated Depreciation in the balance sheet.

**5. Land, Buildings, Equipment, Net**

The total sum of all Land, Buildings, Equipment, and associated accumulated depreciation.

**6. Does It Equal Line From The Balance Sheet?**

Non-input field. TRUE/FALSE will auto generate if “Land, Buildings, Equipment, Net” equals Property, Plant, Equipment, Net in the balance sheet.

