INTRODUCTION

AUTHORITY 0002

Authority for collection and publication of long-term care facility data by the Office is defined in Section ~~443.31~~ *128735* of the Health and Safety Code. The publication of this Manual is authorized by Section 97019, Title 22 of the California Code of Regulations.

ACCOUNTING PRINCIPLES AND CONCEPTS

ACCOUNTS RECEIVABLE 1053

Receivables for health care services are to be reported at their net estimated realizable value which is accounts receivable net of contractual adjustments and discounts. *Accounts receivable may initially be recorded at full or gross established rates. For reporting purposes, however, receivables must be reduced by the appropriate contractual adjustments.* An allowance for doubtful accounts, if material, must also be reported.

~~Facility's accounting records for recording accounts receivable and contractual adjustments may be recorded at full or gross established rates. However, for reporting purposes, receivables must be reduced by the appropriate contractual adjustments.~~

ACCOUNTING PRINCIPLES AND CONCEPTS

ACCOUNTING FOR MANAGED CARE AND OTHER CONTRACTS 1062

Long-term care facilities are contracting with HMO's, and other health care organizations. Instead of receiving payment on a fee for service basis, the facilities are generally being paid under one of three methodologies to be discussed later in this chapter.

To provide a common understanding, the terms used in this chapter are defined below:

Capitation Fee - A fixed amount (usually per individual) that is paid periodically (usually monthly) to the contracting facility as compensation for providing comprehensive health care services for the period. The fee is set by contract between a prepaid health care plan (e.g., HMO) and provider.

Contracting Facility - The facility (e.g., a nursing home) which has contracted with a prepaid health care plan (e.g., HMO) to provide services for members on a risk-based capitation fee basis.

Copayment - A payment required to be made by a member to the contracting facility when specific health care services are rendered. Typical copayments included fixed charges for each prescription or certain elective procedures.

Health Maintenance Organization (HMO) - A generic set of medical care organizations organized to deliver and finance health care services. An HMO provides comprehensive health care services to enrolled members for a fixed fee.

Member - An individual who is enrolled as a subscriber, or an eligible dependent of a subscriber, in a prepaid health care plan (e.g., HMO).

The most common contracts fit into the following two categories:

1. Per Diem - This is a contract with an agency to accept a fixed amount per patient day. Generally, fixed rate per diem contracts are based on rates discounted from established rates, including managed care providers such as a health maintenance organization (HMO) and hospitals. Medi-Cal also pays long-term care facilities based on fixed rates. An example of the accounting entries for a fixed rate contract transaction follows. Assume that the facility has a contract to provide care at $100 per day to members of an HMO, and that the facility's normal charge is $125 per day:

ACCOUNTING PRINCIPLES AND CONCEPTS

June 1 To record a fixed rate contract and revenues from an individual patient:

Dr.	1039	Other Accounts Receivable	$125	
Cr.	3100.01	Skilled Nursing Care - Managed Care		$125

June 30 To record payment from HMO:

Dr.	1001	Cash	$100	
Cr.	1039	Other Accounts Receivable		$100

June 30 To record the discount from an individual patient:

Dr.	5340.01	Contractual Adjustments - Managed Care	$25	
Cr.	1039	Other Accounts Receivable		$25

2. Capitation Contract - Under this arrangement, the facility agrees to treat the members of the health plan for a fixed rate per member per month. The facility is at risk and is liable for any expenses incurred beyond the monthly capitation payments. Under certain circumstances, an HMO may remit payments in advance to facilities for services not yet identified. Situations such as this should be accounted for similarly to the accounting for capitated contracts. Facilities may purchase what is termed reinsurance which will indemnify the facility for any patient whose charges exceed a stop loss amount.

To record a capitation contract and revenues:

June 1 To record the capitation ($100 per member for 10 members):

Dr.	1001	Cash	$1,000	
Cr.	2049	Advances - Other Third-Party Payors		$1,000

ACCOUNTING PRINCIPLES AND CONCEPTS

June 10 To record revenues (one member receives services for two days at $125 a day):

Dr.	2049	Advances - Other Third-Party Payors	$250	
Cr.	~~3100.01~~	~~Skilled Nursing Care - Managed Care~~		
	Various Revenue Accounts			$250

June 30 To record remaining advances as revenue:

Dr.	2049	Advances - Other Third-Party Payors	$750	
Cr.	~~3100.01~~	~~Skilled Nursing Care - Managed Care~~		
	5340.01	*Contractual Adjustments - Managed Care*		$750

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Current Assets **3110.1**

1000 CASH

The Cash account represents the amount of cash on deposit in banks and immediately available for use in financing operations, amounts on hand for minor disbursements, and amounts invested in savings accounts, certificates of deposit, money market accounts or other cash equivalent accounts.

1010 MARKETABLE SECURITIES

Current securities, evidenced by certificates of ownership or indebtedness, are reflected in this account. Included are negotiable stocks; and bonds. Certain Marketable Equity Securities should be carried at lower of cost or market in accordance with the AICPA Audit and Accounting Guide.

1020 ACCOUNTS AND NOTES RECEIVABLE (From Patients)

This account shall include all unpaid billings for services and supplies provided to all patients (i.e., Medicare, Medi-Cal, Private, etc). Included in this account are unbilled charges and credits for services rendered to patients; all unpaid charges billed to a Medicare intermediary; the difference between amounts billed to the Medicare intermediary for applicable services rendered and periodic interim payments received from the Medicare intermediary (See Section 1061 for necessary year-end adjustments); and all unpaid charges billed to the Medi-Cal intermediary.

1040 ALLOWANCE FOR DOUBTFUL ACCOUNTS AND CONTRACTUAL ADJUSTMENTS

The credit balance of this valuation (or contra-asset) account represents the estimated amount of uncollectible receivables from patients and third-party payors.

1050 RECEIVABLES FROM THIRD-PARTY PAYORS FOR CONTRACT SETTLEMENT

The balance of this account reflects the amount due from third-party programs based upon cost reports submitted and/or audited. *This account also reflects estimated cost report settlements at year end, for care provided during the year, but not yet submitted on a cost report.* Sub-accounts could be

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maintained for each year's settlement if more than one year's settlement is included in an account.

1060 PLEDGES AND OTHER RECEIVABLES

This account reflects amounts receivable other than for patient services (except for amounts due from restricted funds). Included are pledges, grants and legacies, accrued receivables, and accounts and notes receivable from employees.

1070 DUE FROM RESTRICTED FUNDS

The balance in this account reflects the amount due from restricted funds. The balance of this account should not be construed as a receivable in the sense that a claim external to the facility exists. Instead, this balance should be viewed as representing claims against assets which are currently accounted for as restricted funds.

1080 INVENTORIES

This balance reflects the cost of unused facility supplies. Perpetual inventory records may be maintained and adjusted periodically to physical count. The extent of inventory control and detailed recordkeeping will depend upon the size and organizational complexity of the facility.

Facility inventories may be valued by any generally accepted method, but the method used must be consistently applied from year to year.

1090 RECEIVABLES FROM RELATED PARTIES, CURRENT

This account reflects the amount of receivables that is expected to be collected and due from the facility's parent, home office, owner or other related parties within one year.

1100 PREPAID EXPENSES AND OTHER CURRENT ASSETS

This prepaid expenses and other current assets account represents costs incurred which are properly chargeable within one year to a future accounting period. Included are prepayments for insurance, interest, rent, pension plan expense, taxes, and service contracts. Other current assets not included elsewhere are also contained in this account.

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Current Liabilities **3120.1**

2000 NOTES AND LOANS PAYABLE

This account reflects liabilities of the facility to vendors, banks, and others, evidenced by promissory notes due and payable within one year.

2010 ACCOUNTS PAYABLE

The balance of this account reflects the amounts due trade creditors and others, not evidenced by promissory notes, for supplies and services purchased.

2020 ACCRUED COMPENSATION AND RELATED LIABILITIES

The balance of this account reflects the actual or estimated liabilities of the facility for salaries and wages payable, as well as related amounts payable for payroll taxes withheld from salaries and wages, payroll taxes to be paid by the facility, and other payroll deductions, such as hospitalization insurance premiums and accrued paid time off.

2030 OTHER ACCRUED LIABILITIES

This account includes the amounts of those current liabilities that have accumulated at the end of the month or accounting period because of expenses, incurred up to that time, for which no invoices or other billings have been received.

2040 ADVANCES FROM THIRD-PARTY PAYORS

Included in this account are liabilities to third-party payors for current financing and other types of advances due and payable within one year. Do not include liabilities to third-party payors arising from reimbursement settlements. Such liabilities must be included in Account 2050, Payable to Third-Party Payors for Contract Settlement.

2050 PAYABLE TO THIRD-PARTY PAYORS FOR CONTRACT SETTLEMENT

This account reflects reimbursement settlements due to third-party payors, *including estimated cost report settlements at year end*. Separate sub-

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accounts could be maintained for each year's settlement by type of program (i.e., Medicare, Medi-Cal, etc.).

2060 DUE TO RESTRICTED FUNDS

This account reflects the amount of a facility's general fund due to its restricted funds. Under no circumstances should this be construed as payable in the sense that an obligation external to the facility exists.

2070 INCOME TAXES PAYABLE

Included in this account is the amount of current income taxes payable.

2080 PAYABLES TO RELATED PARTIES, CURRENT

This account reflects amounts due to the facility's parent home office, owner or other related parties within one year.

2090 OTHER CURRENT LIABILITIES

Included in other current liabilities is deferred revenue, construction retention and construction contracts payable. Deferred revenue is defined as (1) revenue received or accrued which is applicable to services to be rendered within the next accounting period and/or (2) the current year's portion of deferred revenue items classified as noncurrent liabilities. Deferred revenue or other deferred items applicable to accounting periods extending beyond the next accounting period should be included as Other Noncurrent Liabilities (Account 2270) or Deferred Credits (Accounts 2110 - 2130).

Include in the Other Current Liabilities account the amount of General Fund current liabilities for which special accounts have not been provided elsewhere.

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Property Expenses **3220.3**

7110 DEPRECIATION AND AMORTIZATION - LAND IMPROVEMENTS

7120 DEPRECIATION AND AMORTIZATION - BUILDING AND IMPROVEMENTS

7130 DEPRECIATION AND AMORTIZATION - LEASEHOLD IMPROVEMENTS

7140 DEPRECIATION AND AMORTIZATION - EQUIPMENT

7150 DEPRECIATION AND AMORTIZATION - GOODWILL

7160 DEPRECIATION AND AMORTIZATION - OTHER

These accounts (7110-7160) are for recording depreciation and amortization expense on land improvements, buildings and improvements, equipment, leasehold improvements, goodwill, and other intangibles. Depreciation and amortization expense on Investments in Property, Plant and Equipment must be recorded as Nonhealth Care Revenues and Expenses, Account 9100.

NOTE: Depreciation expenses for air-fluidized beds and low air loss mattresses rented or sold to patients must be recorded in Account 8150.92, Specialized Support Surfaces, not Account 7140, Depreciation and Amortization - Equipment.

7200 LEASES AND RENTALS

Leases and Rentals is a cost center for the recording of all leases and rental expenses relating to buildings, equipment and leasehold improvements. Capitalized assets as a result of lease obligations should be depreciated and included in the proper depreciation account.

NOTE: Leases and rental expenses for air-fluidized beds and low air loss mattresses rented to patients must be recorded in Account 8150.92, Specialized Support Surfaces, not Account 7200, Leases and Rentals.

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7300 PROPERTY TAXES

Property Taxes is a cost center for recording all property taxes incidental to the operation of the facility. Property taxes paid on investment property are charged to Nonhealth Care Revenues and Expenses, Account 9100.

7400 PROPERTY INSURANCE

This cost center contains the expenses incurred in maintaining all insurance policies covering the facility property. Included are property damage insurance, fire insurance and boiler insurance. The cost of insurance (other than property related) is charged to Administration, Account 6900.

7500 INTEREST - PROPERTY, PLANT AND EQUIPMENT

Interest - Property, Plant and Equipment contains the interest incurred on mortgage notes, capitalized lease obligations, and other borrowing for the acquisition of land, buildings, and equipment.

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NATURAL CLASSIFICATIONS OF EXPENSES **3240**

.00 Salaries and Wages (REQUIRED) **3240.1**

Salaries and wages are defined as all remuneration for services performed by an employee for the facility employer payable in cash, and the fair market value of services donated to the facility by persons performing under an employee relationship. Exclude reimbursement of registry nurses and other temporary staffing agency services, and of independent contractors such as Private Duty Nurses. Also exclude vacation pay, holiday pay, sick leave pay and other paid time off. *Include overtime and bonuses, if any, but exclude severance pay, if any. Overtime and bonuses must be accounted and reported under the salary and wage classification of the employee receiving the overtime pay or bonus.*

.01 SUPERVISORS AND MANAGEMENT

Employees included in this classification are involved in the direct supervision of the day-to-day operations of the health facility. Usually included here are job titles such as Department Head, Director of Staff Development and Education, Director of Nursing, Manager, Supervisor, and Foreman.

In determining salaries and wages to be accounted and reported as Supervisor for routine services cost centers, two guidelines can be used:

1. Are more than five nursing personnel being supervised?

2. Are all the hours worked supervision, or a combination of supervision and patient care?

For example, if fewer than 5 employees are being supervised, the nurse would be considered a "lead nurse" and the nurse's hours and salaries and wages are to be accounted and reported in the appropriate nursing classification. If the duties are a combination of supervision and patient care, the portion spent supervising are to be accounted and reported as Supervisor hours and salaries and wages and the remaining hours and salaries and wages accounted and reported in the appropriate nursing classification.

.04 ACTIVITY PROGRAM LEADERS

.09 GERIATRIC NURSE PRACTITIONER

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.12 REGISTERED NURSES (RN)

This classification includes only Registered Nurses employed in the performance of direct nursing care to patients. Registered Nurses performing supervisory functions must be classified as Supervisor (.01). Those functioning as instructors and coordinators must be classified as Technicians (.15).

.13 LICENSED VOCATIONAL NURSES (LVN)

This classification includes Licensed Vocational Nurses employed in the performance of direct nursing care to patients. Licensed Vocational Nurses not providing direct patient care must be classified as Technicians (.15).

.14 AIDES AND ORDERLIES

Employees in this classification include Nursing Aide, ~~Practical Nurse,~~ Orderly, Nurse Assistant and Certified Nurse Assistant. These employees are non-technical personnel employed in the performance of direct nursing care to patients. Their responsibilities may include, but are not limited to: bathing, dressing, and personal hygiene of the patients; patients' rehabilitation in range, motion, and ambulation as well as activities of daily living. These employees may also provide psycho-social needs of patients including reality orientation.

.15 TECHNICIANS AND SPECIALISTS

Employees included in this classification usually perform activities of a creative or complex nature. Includes such job titles as Accountant and Therapy Technician. These employees are often licensed or registered.

Lead positions of chief, or head must be classified as management (.01) if they provide direct supervision to 5 or more other employees.

.16 PSYCHIATRIC TECHNICIANS

.17 SOCIAL WORKERS

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.18 CLERICAL AND OTHER ADMINISTRATIVE

Included in this classification are office support staff, consulting staff, and personnel involved in the direction and coordination of the facilities operations. Examples of job titles include: Accounting Clerk, Keypunch Data Entry Operator, Pharmacy Helper, Admitting Clerk and Ward Clerk.

.19 OTHER SALARIES AND WAGES

All employees not included in job classes (.01 - .18) described above are included in this classification. Included would be such job titles as Maintenance Worker, Housekeeping Aide, Cook's Helper and Guard.

.20 Employee Benefits (REQUIRED) 3240.2

Employee benefits are to be associated with individual employees, when possible, and recorded in the same cost center as the employee's salaries and wages.

.21 FICA

.22 SUI

.23 FUI

These classifications (.21, .22 and .23) are charged with the employer's portion of the Social Security Tax, State Unemployment Insurance, and Federal Unemployment Insurance.

.24 VACATION, HOLIDAY, AND SICK LEAVE

This classification (.24) is used to record vacation, holiday, and sick leave pay. Classifications .28 and .29 may be used if these expenses are recorded separately. Balance sheet accounts are maintained (or at least established at year end) for the accrued liabilities associated with these expenses.

.25 GROUP LIFE AND HEALTH INSURANCE AND FLEXIBLE BENEFITS

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.26 PENSION AND RETIREMENT (INCLUDES POST-RETIREMENT BENEFITS)

.27 WORKER'S COMPENSATION INSURANCE

.28 OTHER EMPLOYEE BENEFITS

.29 – 39 UNDESIGNATED

.28, Other Employee Benefits, or an undesignated classification may be used for any employee benefits, such as severance pay, that are not specifically identified in classifications .21 through .27.

ACCOUNT DESCRIPTIONS

EXAMPLE JOB TITLE - ACCOUNT NUMBER TABLE **3250**

Job Title	Natural Account Number
Accountant	.15
Accounting Clerk	.18
Accounts Receivable Clerk	.18
Activity Director	.01 or .04
Activity Program Leader	.04
Addressing Machine Operator	.18
Administrative Assistant	.01
Administrative Secretary	.18
Administrator	.01
Admitting Clerk	.18
Assistant Director	.01
Associate Administrator	.01
Baker	.19
Boiler, Repairperson	.19
Bookkeeper	.18
Business Office Manager	.01
Carpenter	.15
Cashier	.18
Chaplain	.19
Chief	.01
Clerk, General	.18
Clerk-Typist	.18
Clinical Instructor	.15
Clinical Coordinator	.01
Coding Clerk	.18
Communications Coordinator	.01
Collection Clerk	.18
Computer Operator	.15
Controller	.01
Cook	.19
Cook's Helper	.19
Corrective Therapist	.15
Correspondence Clerk	.18

ACCOUNT DESCRIPTIONS

EXAMPLE JOB TITLE - ACCOUNT NUMBER TABLE **3250**

Job Title	Natural Account Number
Data Entry Clerk	.18
Dietary Supervisor	.01
Dietitian	.15
Dietetic Clerk	.18
Director - Human Resources	.01
Director of Nurses	.01
Director of Staff Training Development	.01
Dispatcher	.18
Dispensary Clerk	.18
Duplicating Machine Operator	.18
Educational Therapist	.15
Electrical Repairperson	.15
Elevator Operator	.19
Employment Manager	.01
File Clerk	.18
Fireperson, Boiler	.18
Foreman	.01
Geriatric Nurse Practitioner	.09
Grounds Keeper	.19
Guard	.19
Health Physicist	.15
Hospital Admitting Clerk	.18
Hospital Guide	.19
Housekeeping Aide	.19
Housekeeping Attendant	.19
Housekeeping Crew Leader	.01
Incinerator Person	.19
Industrial Engineer	.15
Instructor	.15
Insurance Clerk	.18
Interviewer	.19
Invoice Control Clerk	.18
Janitor	.19
Job Analyst	.15

ACCOUNT DESCRIPTIONS

EXAMPLE JOB TITLE - ACCOUNT NUMBER TABLE **3250**

Job Title	Natural Account Number
Keypunch Entry Operator	.18
Laboratory Aide	.14
Library Assistant	.18
Licensed Vocational Nurse	.13
Mail Clerk	.18
Maintenance Helper	.15
Maintenance Mechanic	.15
Maintenance Worker	.19
Manager	.01
Manual-Arts Therapist	.15
Marker-Sorter	.19
Medic	.19
Medical Illustrator	.15
Medical Laboratory Assistant	.19
Medical Librarian	.15
Medical Photographer	.15
Medical Record Clerk	.18
Medical Record Librarian	.01
Medical Record Technician	.15
Medical Secretary	.18
Medical Stenographer	.18
Medical Technologist	.15
Medical Transcriptionist	.15
Messenger	.18
Music Therapist	.15
Nurse Assistant	.14
Nurse, Head	.01
Nurse, Practitioner	.19 (or .09)
Nurse, Staff (RN)	.12
Nurse, Staff (LVN)	.13
Nursing Aide	.14
Occupational Therapist	.15
Occupational Therapy Aide	.14
Orderly	.14

ACCOUNT DESCRIPTIONS

EXAMPLE JOB TITLE - ACCOUNT NUMBER TABLE **3250**

Job Title	Natural Account Number
Painter Maintenance	.19
Parking Lot Attendant	.19
Patient Food Service Worker	.19
Payroll Clerk	.18
Personnel Assistant	.18
Pharmacist	.15
Pharmacy Helper	.19
Physical Medicine Coordinator	.01
Physical Therapist	.15
Physical Therapy Aide	.14
Physician	.19
Physician's Assistant	.19
Plasterer, Maintenance	.19
Plumber, Maintenance	.19
Practical Nurse	.14
Presser, Hand	.19
Press Operator	.19
Printer	.15
Programmer	.15
Psychiatric Technicians	.16
Public Information Specialist	.15
Purchasing Agent	.15
Receptionist	.18
Recreational Therapy Aide	.14
Recreational Therapist	.15
Recreation Director	.01
Refrigeration Mechanic	.15
Registered Nurse	.12
Resident Director	.01
Salad and Dessert Preparer	.19
Seamstress	.15
Secretary	.18
Security Guard	.19
Social Work Assistant	.19
Social Worker	.17
Speech and Hearing Therapist	.15
Speech Clinician	.15

ACCOUNT DESCRIPTIONS

EXAMPLE JOB TITLE - ACCOUNT NUMBER TABLE **3250**

Job Title	Natural Account Number
Speech Pathologist	.15
Staff Development Coordinator	.01
Stationary Engineer	.15
Statistical Clerk	.18
Stock Clerk	.18
Supervisor	.01
Systems Analyst, Data Processing	.15
Tab Operator	.15
Telephone Operator	.18
Therapy Technician	.15
Training Officer	.15
Transcribing Machine Operator	.18
Transporter	.18
Truck Driver	.19
Tumbler Operator	.19
Typist	.18
Waiter - Waitress	.19
Wall Washer	.19
Ward Clerk	.18
Washperson	.19
Window Washer	.19

Page 13 - Computation of Ancillary Services Cost per Patient Day (Special Care Program Contract Providers, Only) 4020.8

The purpose of this worksheet is to allocate ancillary costs to Sub-Acute Care, Sub-Acute Care - Pediatric, and Transitional Inpatient Care, for Medi-Cal rate-setting purposes. Only providers who have contracted with the Department of Health Services to provide these types of care to Medi-Cal beneficiaries are required to complete this page.

- Enter on line 105, column 6, the total patient days for Sub-Acute Care from page 4.1, column 9, line 25. Enter on line 105, column 9, the total patient days for Sub-Acute Care - Pediatric from page 4.1, column 1, line 30. Enter on line 105, column 12, the total patient days for Transitional Inpatient Care from page 4.1, column 1, line 35.

- Enter in column 1, lines 10 through 35, the total expenses (allowable direct and indirect costs) for ancillary services from page 11, column 12, lines 10 through 35. Complete column 1, line 95, with the sum of lines 10 through 35.

- Enter in column 2, lines 10 through 35, the gross revenues for ancillary services from page 4.1, column 10, ~~lines 5 through 45~~ *105 through 155*. Complete column 2, line 95, with the sum of lines 10 through 35.

- Divide column 1 by column 2 for lines 10 through 35, and enter the result for each line in column 3 to six decimal places.

- Enter in column 4, lines 10 through 35, the gross ancillary revenues related to Sub-Acute Care patients, from the facility trial balance (OSHPD Revenue subclassification 4XXX.XX1). Complete column 4, line 95, with the sum of lines 10 through 35.

- Multiply column 4 by column 3 for lines 10 through 35, and enter the result for each line in column 5 to the nearest dollar. Complete column 5, line 95, with the sum of lines 10 through 35.

- Divide each of the amounts in column 5, lines 10 through 95, by column 6, line 105, and enter the result for each line in column 6 to two decimal places.

- Enter in column 7, lines 10 through 35, the gross ancillary revenues related to Sub-Acute Care - Pediatric patients (OSHPD Revenue subclassification 4XXX.XX2), from the facility trial balance. Complete column 7, line 95, with the sum of lines 10 through 35.

- Multiply column 7 by column 3 for lines 10 through 35, and enter the result for each line in column 8 to the nearest dollar. Complete column 8, line 95, with the sum of lines 10 through 35.

- Divide each of the amounts in column 8, lines 10 through 95, by column 9, line 105, and enter the result for each line in column 9 to two decimal places.

- Enter in column 10, lines 10 through 35, the gross ancillary revenues related to Transitional Inpatient Care patients (OSHPD Revenue subclassification 4XXX.XX3), from the facility trial balance. Complete column 10, line 95 with the sum of lines 10 through 35.

- Multiply column 10 by column 3 for lines 10 through 35, and enter the result for each line in column 11 to the nearest dollar. Complete column 11, line 95, with the sum of lines 10 through 35.

- Divide each of the amounts in column 11, lines 10 through 95, by column 12, line 105, and enter the result for each line in column 12 to two decimal places.

Pages 5.1 and 5.2 - Balance Sheet - General Fund 4020.11

This page is the general fund balance sheet as of the last day of the reporting period. All LTC facilities must submit these balance sheet pages.

A health care facility which is a division or other unit of a larger organization (e.g., a corporation) must submit a separate divisional or unit balance sheet. Such a balance sheet is usually used by the division or unit to report internally to its central offices. The balance sheet must be complete. Balance sheets which combine the assets, liabilities and equity of more than one health facility are not acceptable.

Each health facility providing nursing and residential care must submit a balance sheet for the nursing facility only. However, if a modification pursuant to Section 97050(b) of the Office regulations in Title 22 (see Appendix F) has been granted by the Office's director, the facility may submit a balance sheet containing the combined assets and liabilities of the health care and residential care portions of the facility. If the facility is a division or unit of a larger organization, the provisions of the preceding paragraph also apply.

If the Disclosure Report is being submitted due to a sale of the facility, the balance sheet must reflect the assets, liabilities and equity just before the sale is consummated. The balance sheet must not reflect zero balances. If the facility closes, there is usually a period in which the business winds down. The balance sheet must reflect the assets, liabilities and equity on the day that the last patient receives care.

- Enter current year data per the general ledger in column 1, pages 5.1 and 5.2 and prior year data in column 2, pages 5.1 and 5.2. Prior year data is required, beginning with the second reporting period. ~~If prior year amounts differ from those previously reported to the Office, attach a brief explanatory statement as to the reasons on the bottom of the page.~~ ~~Corrections~~ *Prior period adjustments, and corrections* or adjustments made by the Office must ~~also~~ be reflected in the prior year information.

- DO NOT CHANGE LINE LABELS.

- Do not report negative assets or liabilities. These must be reported as liabilities and assets, respectively.

Page 5.1, columns 1 and 2

- Enter Cash (Account 1000) including CD's and other cash equivalents on line 5.

- Enter Marketable Securities, at cost (Account 1010) on line 10.
- Enter the portion of Assets Whose Use is Limited that are required for current liabilities on lines 15 and line 85.
- Enter Accounts and Notes Receivable (Account 1020) on line 20.
- Enter Estimated Allowance for Uncollectibles and Contractual Adjustments related to Accounts Receivable (Account 1040) on line 25.
- Enter Receivables from Third Party Payors for Contract Settlement (Account 1050) on line 30.
- Enter Pledges and Other Receivables (Account 1060) on line 35.
- Enter amount Due From Restricted Funds (Account 1070) on line 40.
- Enter Inventories at lower of cost or market (Account 1080) on line 45.
- Enter Receivables From Related Parties, Current (Account 1090) on line 50.
- Enter Prepaid Expenses and Other Current Assets (Account 1100) on line 55.
- Total lines 5 through 55 (deduct line 25) and enter the result on line 60.
- Enter Cash - Limited Use (Account 1160) on line 65.
- Enter Marketable Securities - Limited Use (Account 1170) on line 70.
- Enter Other Assets - Limited Use (Account 1180) on line 75.
- Total lines 65 through 75 and enter the result on line 80.
- Enter on line 85 the portion of Assets Whose Use is Limited that are required for current liabilities. This amount must agree with line 15.
- Subtract line 85 from line 80, and enter the result on line 90.
- Enter the cost of Land (Account 1200) on line 95.

- Enter the cost of Land Improvements (Account 1210) on line 100.
- Enter the cost of Buildings and Improvements (Account 1220) on line 105.
- Enter the sum of Accumulated Depreciation on Buildings and Improvements (Account 1270) and Land Improvements (Account 1260) on line 110.
- Enter the cost of Leasehold Improvements (Account 1230) on line 115.
- Enter the Accumulated Depreciation on Leasehold Improvements (Account 1280) on line 120.
- Enter the cost of Equipment (Account 1240) on line 125.
- Enter the Accumulated Depreciation on Equipment (Account 1290) on line 130.
- Total lines 95 through 130 (deducting lines 110, 120, and 130) and enter the result on line 135.
- Enter Construction in Progress (Account 1250) on line 140.
- Enter Investments in Property, Plant, and Equipment (Account 1310) on line 145.
- Enter Accumulated Depreciation on Investments in Property, Plant, and Equipment (Account 1320) on line 150.
- Enter Other Investments, at cost (Account 1330) on line 155.
- Enter Receivables From Related Parties, Noncurrent (Account 1340) on line 160.
- Enter Deposits and Other Assets (Account 1350) on line 165. Other Assets includes the net amount of deferred tax charges that will <u>not</u> reverse within the next year.
- Total lines 145 through 165 (deduct line 150) and enter the result on line 170.
- Enter Goodwill (Account 1360) on line 175.
- Enter Unamortized Loan Costs (Account 1370) on line 180.
- Enter Organizational Costs (Account 1380) on line 185.

- Enter Other Intangible Assets (Account 1390) on line 190.
- Total lines 175 through 190 and enter the result on line 195.
- Total lines 60, 90, 135, 140, 170, and 195 and enter the result on line 200.
- Enter on line 205 the current market value of the Marketable Securities reported on line 10.
- Enter on line 210 the current market value of the Other Investments reported on line 155.
- Enter on line 215 the estimated cost to complete the Construction In Progress reported on line 140.

Page 5.2, columns 1 and 2

- Enter Notes and Loans Payable (Account 2000) on line 5.
- Enter Accounts Payable (Account 2010) on line 10.
- Enter Accrued Compensation and Related Liabilities (Account 2020) on line 15.
- Enter Other Accrued Liabilities (Account 2030) on line 20.
- Enter Advances From Third Party Payors (Account 2040) on line 25.
- Enter Amounts Payable to Third Party Payors for Contract Settlement (Account 2050) on line 30.
- Enter Amounts Due to Restricted Funds (Account 2060) on line 35.
- Enter Income Taxes Payable (Account 2070) on line 40.
- Enter Payables To Related Parties, Current (Account 2080) on line 45.
- Enter the Current Maturities of Long-term Debt on line 50. For reporting purposes, the portion of Long-term Debt (Accounts 2210 through 2270) payable within one year must be reflected as Current Maturities on lines 50 and 125.

- Enter Other Current Liabilities (Account 2090) on line 55.
- Total lines 5 through 55 and enter the result on line 60.
- Enter Deferred Income Taxes (Account 2110) on line 65. This is the net amount of deferred tax credits that will not reverse within the next year.
- Enter Deferred Third-Party Income (Account 2120) on line 70.
- Enter Other Deferred Credits (Account 2130) on line 75.
- Total lines 65 through 75 and enter the result on line 80.
- Enter the unpaid principal for long-term debt Mortgage Notes (Account 2210) on line 85. (Include current maturities.)
- Enter the unpaid principal for long-term debt Construction Loans (Account 2220) in line 90. (Include current maturities.)
- Enter the unpaid principal for long-term debt Notes Under Revolving Credit (Account 2230) on line 95. (Include current maturities.)
- Enter the unpaid principal for long-term debt Capitalized Lease Obligations (Account 2240) on line 100. (Include current maturities.)
- Enter the unpaid principal for long-term debt Bonds Payable (Account 2250) on line 105. (Include current maturities.)
- Enter Payables To Related Parties, Noncurrent (Account 2260) on line 110.
- Enter the unpaid principal for Other Noncurrent Liabilities (Account 2270) on line 115. (Include current maturities.)
- Total lines 85 through 115 and enter the result on line 120.
- The detail related to the Long-term Debt entries on lines 85 through 115, column 1 is to be entered on page 5.3 (see instructions for page 5.3).
- Enter on line 125 the Current Maturities of Long-term Debt. This amount must match the current maturities reported on line 50. *(Report current portions of long-*

term Payables to Related Parties on line 45. Do note include any current portions on line 110.)

- Deduct line 125 from line 120 and enter the result on line 130.
- Total lines 60, 80, and 130 and enter the result on line 135.
- Lines 140 and 145 are for use by not-for-profit health facilities only. Enter the General Fund Balance (Accounts 2410 through 2430) on line 140. If the facility is a division of a non-profit corporation, enter the Divisional Fund Balance (Account 2460) on line 145.
- Investor-owned health facilities must fill in lines 150 through 175, as appropriate.
- Enter Preferred Stock (number of shares issued multiplied by par or stated value per share - Account 2410) on line 150.
- Enter Common Stock (number of shares issued multiplied by par or stated value per share - Account 2420) on line 155.
- Enter Additional Paid-in Capital (Account 2430) on line 160.
- Enter Retained Earnings (Account 2440) or the amount of the capital accounts for partnership or sole proprietorship (Accounts 2410 and 2420) on line 165.
- Enter Treasury Stock (Account 2450) on line 170.
- Enter Divisional Equity (Account 2460) on line 175.
- Total lines 140 through 175 (deducting line 170) and enter the result on line 180.
- Total lines 135 and 180 and enter the result on line 185.
- Note that line 200, page 5.1 must match line 185, page 5.2.

Pages 5.1 and 5.2, columns 3, 4, and 5

These columns are to be completed by Medi-Cal provider proprietary facilities only.

- Enter in column 3 the adjustments from page 5.4, column 3 (see instructions for page 5.4).

- Enter in column 4 the total of columns 1 and 3. Column 4 represents the current year's balance sheet as adjusted.

- Enter in column 5 the prior year's balance sheet amounts as adjusted. If no previous report has been filed, facilities are to use the balance sheet items from the prior year financial statements.

- Total and subtotal as required.

REPORTING REQUIREMENTS AND INSTRUCTIONS

Page 9 - Statement of Cash Flows - General Fund 4020.15

Financial Accounting Standards Board Statement No. 95 requires the Statement of Cash Flows to be completed. The Statement of Cash Flows reflects the changes in cash and cash equivalents resulting from operating, financing and investing activities.

NOTE: DO NOT CHANGE LINE LABELS. ~~If additional lines are required, summarize the items on one of the blank lines and attach a separate page with the details~~.

- Enter current year data in column 1, and prior year data in column 2. Prior period data is required, beginning with the second reporting period. If amounts differ from those previously reported to the Office, attach a brief explanatory statement as to the reason for such differences, or footnote the reasons on the bottom of the page. ~~Corrections~~ *Prior period adjustments and corrections* or adjustments made by the Office must ~~also~~ be reflected in prior year information.

- ~~The transactions involving cash are divided into three categories: operating, investing and financing. In the operating section, two line items are taken from the income statement on page 8: Net income (loss), line 255; and Depreciation and Amortization, line 155. Lines 15 through line 200, column 1, will be computed by taking the difference between columns 1 and 2 on pages 5.1 and 5.2. The following table indicates the correct treatment as to when changes are to be subtracted from net income.~~

~~If assets have increased from the previous year~~	~~(Subtract)~~
~~If assets have decreased from the previous year~~	~~Add~~
~~If liabilities have increased from the previous year~~	~~Add~~
~~If liabilities have decreased from the previous year~~	~~(Subtract)~~

REPORTING REQUIREMENTS AND INSTRUCTIONS

- *When entering changes between current year and prior year assets and liabilities, apply the following rules:*

  If assets increased from prior year, enter the change as a negative (bracketed) amount.
  If assets decreased from prior year, enter the change as a positive amount.
  If liabilities increased from prior year, enter the change as a positive amount.
  If liabilities decreased from prior year, enter the change as a negative (bracketed) amount.

Complete lines 5 through 200 according to the following instructions:

- Enter the net income (loss) in column 1, line 5. The net income in column 1 must match the income reported on page 7, column 1, line 8 and page 8, column 1, line 255.

Add (Deduct) items included in net income not providing or using cash as follows:

- Enter current year depreciation and amortization expense in column 1, line 10. The amount of depreciation to be added back will usually equal the amount that has been deducted from net income, as reported on page 8, column 1, line 255. However, for those facilities which have combined residential and health care activities on the balance sheet, the amount of depreciation will instead match page 10.1, column 4, lines 15 through 30.

- Enter the changes between columns 1 and 2 on pages 5.1 and 5.2, on page 9, column 1 for each respective line as follows:

REPORTING REQUIREMENTS AND INSTRUCTIONS

	Balance Sheet - Pages 5.1 or 5.2		**Statement of Cash Flows - Page 9**
General Description	**Column 1 - Column 2 Line Numbers:**	=	**Line Number**
Marketable Securities	Page 5.1: 10		15
Net Accounts Receivable	20 + 25		20
Receivables - Third Party Payors	30		25
Other Receivables	35		30
Due from Restricted Funds	40		35
Inventories, Prepaid Expenses, and Other Current Assets	45 + 55		40
Accounts Payable	Page 5.2: 10		45
Accrued Compensation	15		50
Other Accrued Liabilities	20		55
Advances from Third Party Payors	25		60
Payables to Third Party Payors	30		65
Due to Restricted Funds	35		70
Income Tax Payable & Other Current Liabilities	40 + 55		75
Deferred Credits	80		80
Related Party Receivable/Payable	Page 5.1, Line 50 - Page 5.2, Line 45		85

REPORTING REQUIREMENTS AND INSTRUCTIONS

- Enter on line 95 the sum of lines 10 through 90.

- Cash flows from investing activities include making and collecting loans, and acquiring and disposing of debt or equity instruments and property, plant and equipment and other productive assets.

  - Enter on line 105 the change in page 5.1, columns 1 and 2, line 80.

  - Enter on line 110 the change in page 5.1, columns 1 and 2, sum of lines 135 and 140*, that was the result of the acquisition, improvement, or construction of property, plant, or equipment. Do not include the change that was the result of depreciation. If part of the change in page 5.1, columns 1 and 2, lines 135 and 140 was the result of retirement or disposal of property, plant, or equipment, report that amount on line 115.*

  - Enter on lines 115 through 135 other changes in cash flows from investing activities*, such as changes in investments and other assets, intangible assets, and donated property, plant and equipment.*

  - Enter on line 140, the sum of lines 105 through 135. ~~If additional lines are needed for other items, enter a summary amount of the remaining items on line 135 and attach a separate detail page.~~

- Financing activities include obtaining resources from owners and providing them with a return on, and return of, their investment; borrowing money and repaying amounts borrowed; or otherwise setting the obligation; and obtaining and paying for other resources obtained from creditors on long-term credit. Dividends paid to stockholders are to be classified as a financing activity.

  - Enter on line 145 the amount of proceeds received from the issuance of long-term debt during the reporting period.

  - Enter on line 150 the principal repayments on long-term debt during the reporting period.

  - Enter on line 155 the amount of proceeds received from the issuance of short-term notes and loans during the reporting period.

REPORTING REQUIREMENTS AND INSTRUCTIONS

- Enter on line 160 the principal repayments on short-term notes and loans during the reporting period.

- Enter on line 165 any dividends paid during the reporting period.

- Enter on line 170 proceeds from issuance of stock during the reporting period.

- Enter on line 175 through 195 any other cash flows from financing activities during the reporting period*, such as capital contributions, owner's draw, and related party transfers*. ~~If additional lines are needed for other items, enter a summary amount of the remaining items on line 195 and attach a separate detail page.~~

- Enter on line 200 the sum of lines 145 through 195.

- Enter on line 205 the sum of lines 100, 140 and 200.

- Enter on line 210 the cash balance, page 5.1, column 2, line 5, at the beginning of the reporting period. This balance may be obtained from the prior year report.

- Enter on line 215 the sum of lines 205 and 210. This amount must agree with the current year cash balance on page 5.1, column, 1, line 5.

REPORTING REQUIREMENTS AND INSTRUCTIONS

Pages 12.1 and 12.2 - Labor Report **4020.16**

Note 1: Enter only productive hours and dollars on lines 5 through 315 of this page. Productive hours and dollars include only the time and money paid for regular time and overtime, including in-service and out-service education hours. Productive hours and dollars do not include vacation, sick, on call, holiday or any other paid time off.

Note 2: Only enter the number of hours worked and amounts paid to employees and temporary staffing agencies that relate to health care activities. If a facility's activities relate to both residential and health care, determine the productive hours and dollars related to health care activities by using the same method used to determine expenses related to health care activities on page 10.1, columns 5 through 9.

Column 1:

- Enter the number of hours worked by employees that relate to health care activities, in column 1, lines 5 through 60, 70 through 125, 140 through 175, 200 through 225, 190 through 198, and 250 through 285.
- Add lines 5 through 60, column 1, and enter the result on line 65, column 1.
- Add lines 70 through 125, column 1, and enter the result on line 130, column 1.
- Add lines 140 through 175, column 1, and enter the result on line 180, column 1.
- Add lines 190 through 198, column 1, and enter the result on line 199, column 1.
- Add lines 200 through 225, column 1, and enter the result in line 230, column 1.
- Add lines 250 through 285, column 1, and enter the result in line 290, column 1.
- Total lines 65, 130, 180, 199, 230, and 290, column 1, and enter the result on line 300, column 1.
- Enter the number of hours worked by licensed social workers on line 310, column 1, and designated activity program leaders on line 315 column 1. Be sure these hours are also included in the hours on lines 270 and 275, column 1, respectively.

REPORTING REQUIREMENTS AND INSTRUCTIONS

- Enter on lines 405 through 430, lines 440 through 465, lines 480 through 500, lines 510 through 540, and lines 555 through 560, by appropriate classification, the hours worked by temporary staffing agency personnel.
- Add lines 405 through 430, column 1, and enter the result on line 435, column 1.
- Add lines 440 through 465, column 1, and enter the result on line 470, column 1.
- Add lines 480 through 500, column 1, and enter the result on line 505, column 1.
- Add lines 520 through 535, column 1, and enter the result on line 540, column 1.

Column 2:

- Enter the total amount paid for all the hours worked for each classification and service in column 2, lines 5 through 60, 70 through 125, 140 through 175, 190 through 198, 200 through 225, and 250 through 285.
- Add lines 5 through 60, column 2, and enter the result in column 2, line 65.
- Add lines 70 through 125, column 2, and enter the result on line 130, column 2.
- Add lines 140 through 175, column 2, and enter the result on line 180, column 2.
- Add lines 190 through 198, column 2, and enter the result on line 199, column 2.
- Add lines 200 through 225 column 2, and enter the result on line 230, column 2.
- Add lines 250 through 285 column 2, and enter the result on line 290, column 2.
- Total lines 65, 130, 180, 199, 230, and 290, column 2, and enter the result on line 300, column 2.
- Enter the amounts paid for social workers and activity leaders on lines 310 and 315, column 2, respectively.
- Enter on lines 405 through 430, column 2, the amounts (including related fees) paid to temporary staffing agencies for the hours reported in column 1, lines 405 through 430.

REPORTING REQUIREMENTS AND INSTRUCTIONS

- Add lines 405 through 430, column 2, and enter the result on line 435, column 2.
- Enter on lines 440 through 465, column 2, the amounts (including related fees) paid to temporary staffing agencies for the hours reported in column 1, lines 440 through 465.
- Add lines 440 through 465, column 2, and enter the result on line 470, column 2.
- Enter on lines 480 through 500, column 2, the amounts (including related fees) paid to temporary staffing agencies for the hours reported in column 1, lines 480 through 500.
- Add lines 480 through 500, column 2, and enter the result on line 505, column 2.
- Enter on lines 510 through 535, column 2, the amounts (including related fees) paid to temporary staffing agencies for the hours reported in column 1, lines 510 through 535.
- Add lines 510 through 535, column 2, and enter the result on line 540, column 2.
- Enter the amounts paid to temporary staffing agencies for social workers and activity program leaders on lines 555 and 560, column 2, respectively.

Column 3

- Divide the amounts in column 2 by the respective amounts in column 1 and enter the results to two decimal places in column 3, lines 5 through 560.

Column 1, lines 605 through 630

~~Labor Turnover:~~

- ~~Employee turnover is the number of times an employee is replaced during the reporting period. This is expressed as a percentage and is calculated by dividing the total number of people employed during the period by the average number of employees times 100; that result is then reduced by 100.~~

Complete lines 605 through 630 from the payroll or personnel records for the report period. Include full-time and part-time employees. Do not include registry nurses or other staff whose compensation is not reported as salaries and wages. For facilities with residential care, be sure to include all

REPORTING REQUIREMENTS AND INSTRUCTIONS

employees whose tasks are in any way related to health care activities. Only exclude employees whose tasks are related only to residential care activities.

- Enter the number of employees at the beginning of the reporting period on line 605, column 1. ~~This number should include those employees (both part-time and full-time) whose tasks relate only to health care activities and those employees who spend time in both health care and non-health care (i.e., residential care) activities. Do not include employees who work only in non-health care activities. If a facility has no residential care activities, all employees are considered health care related.~~

- Enter the number of employees at the end of the reporting period on line 610, column 1. ~~This number should include those employees whose tasks (in whole or in part) relate to health care activities as described above.~~

- Enter the average number of health care employees on line 615, column 1. This is calculated from the payroll records by taking the total number of health care employees paid each payroll period during the reporting period, adding those amounts, and then dividing the grand total by the number of payroll periods. It is not the average of lines 605 and 610. Computing this average by averaging the number of employees at the beginning and end of the year is not acceptable.

- Enter the total number of different persons employed during the reporting period on line 620, column 1. If the facility uses a calendar year as its reporting year, the source of this number should be the number of W-2's issued for the year, *or other personnel or payroll records.* If the facility has a reporting period ending on other than a calendar year end, the source of this number would be from the facility's personnel *or payroll* records.

- Calculate the turnover percentage to two decimal places on line 625 using the following formula:

$$\frac{\text{Total number employees (Line 620 x 100)}}{\text{Average number of employees (Line 615)}} - 100\% = \text{Turnover Percentage}$$

- For example, if a facility had an average of 150 employees, and had employed 300 persons during the reporting period, the turnover rate would be calculated as follows:

$$300/150 \quad x \quad 100 - 100 \quad =$$

REPORTING REQUIREMENTS AND INSTRUCTIONS

$$2 \times 100 - 100 =$$

$$200 - 100 = 100\%$$

- Enter on line 630, column 1, the number of employees with continuous service for the entire reporting period. This number can be no larger than the smaller of lines 605 and 610.

Column 2, lines 605 through 630

For direct nursing employees, only, complete column 2 according to the preceding instructions for column 1, lines 605 through 630. Direct nursing employees include Registered Nurses, Licensed Vocational Nurses, Nurse Assistants, Technicians, Specialists, and others providing direct nursing care. Do not include Supervisors who provide no direct nursing care. Do include Supervisors whose duties include some provision of nursing care.

Column 3, lines 605 through 630

For Nurse Assistants only, complete column 3 according to the preceding instructions for column 1, lines 605 through 630.

Note: Unless there have been significant fluctuations in the facility's staffing level, there should not be large differences among the number of employees at the beginning of the period (line 605), the number at the end of the period (line 610), and the average number during the period (line 615). Also, the total number of people employed during the period (line 620) must be greater than or equal to the difference between the number of employees at the beginning of the period (line 605) and those employees with at least twelve months of continuous service (line 630), added to the number of employees at the end of the period (line 610). In mathematical terms:

$$\text{Line } 620 \geq (\text{Line } 605 - \text{Line } 630) + \text{Line } 610.$$

Office of Statewide Health Planning and Development
ACCOUNTING AND REPORTING MANUAL FOR
CALIFORNIA LONG-TERM CARE FACILITIES

INTERPRETATIONS

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INTERPRETATIONS

PREFACE 5001

This chapter contains rulings and interpretations made by the Office subsequent to the issuance of this Manual. These rulings and interpretations carry the same authority as other parts of this Manual.

CASES 5100

As each ruling or interpretation is made, it will be assigned a case number. The case will then be distributed to all hospitals. The following are the cases which have been answered to date:

INTERPRETATIONS

DIRECTOR OF NURSING ***5101***

Query:

What is the appropriate cost center for the accounting and reporting of the salaries and wages and employee benefits for the Director of Nursing?

Answer:

The Director of Nursing (DON) has administrative authority for nursing services within a facility, so the expenses for the DON must be accounted and reported in those cost centers where the staff under the direct or indirect supervision of the DON work.

These staff may work in more than one cost center, if the facility provides more than one type or level of care, or if staff under the DON's supervision provide ancillary services. The expenses for the DON must be allocated to each cost center based on the productive hours worked by the staff under the supervision of the DON.

The allocation of the expenses for the DON, if needed, must be made on the facility's accounting records, so that the DON's salaries and wages and employee benefits are correctly reported in columns 1 and 2 of report page 10.1.

ACCOUNT DISTRIBUTION INDEX **APPENDIX A**

	Cost Center		Natural Classification	
Item	**Title**	**Code**	**Code**	**Title**
Douche pans	Appropriate Routine Services Cost Center		.61	Other Minor Equipment
Draperies and curtains (see Curtains)				
Drayage (see Cartage)				
Dressing tray	Using Cost Center		.61	Other Minor Equipment
Dressings	Using Cost Center		.54	Other Medical Care Materials and Supplies
Drinking cups (see Cups)				
Droppers medicine	Using Cost Centers		54	Other Medical Care Materials and Supplies
Dues, association	Administration	6900	.87	Dues and Subscriptions
Dues, professional organizations	Administration	6900	.87	Dues and Subscription
Dyes, laundry	Laundry and Linen	6400	.69	Other Non-Medical Supplies
Earthquake insurance	~~Administration~~ *Property Insurance*	~~6900~~ *7400*	.90	Insurance
Education supplies, inservice nursing	Inservice Education - Nursing	6800	.69	Other Non-Medical Supplies
Electric light bulbs	Plant Operations and Maintenance	6200	.69	Other Non-Medical Supplies
Fire insurance premiums	Property Insurance	7400	.90	Insurance

ACCOUNT DISTRIBUTION INDEX **APPENDIX A**

	Cost Center		Natural Classification	
Item	**Title**	**Code**	**Code**	**Title**
Flashlights and batteries	Using Cost Center		.69	Other Non-Medical Supplies
Flask, general	Using Cost Center		.69	Other Non-Medical Supplies
~~Flood Insurance~~	~~Property Insurance~~	*7400*	*.90*	~~Insurance~~
Flowers, decorative	Housekeeping	6300	.99	Other Direct Expenses
Flowers, employee special occasions	Employee Assigned Cost Center		.99	Other Direct Expenses
Flower pots and planters: (1) Inside Hospital (2) Outside Hospital	 Housekeeping Plant Operations and Maintenance	 6300 6200	 .69 .69	 Other Non-Medical Supplies Other Non-Medical Supplies
Food, meat, fish and poultry	Dietary	6500	.55	Raw Food
Food, other	Dietary	6500	.55	Raw Food
Forks, kitchen	Dietary	6500	.61	Other Minor Equipment
Forms, medical record, medical history, etc.	Administration	6900	.58	Office and Administrative Supplies
Freight charges (see Cartage)				
Fuel, gas	Plant Operations and Maintenance	6200	0.83	Utilities - Gas
Fund raising expenses	Administration	6900		Appropriate Natural Classification
Funnels	Using Cost Center		.69	Other Non-Medical Supplies

ACCOUNT DISTRIBUTION INDEX **APPENDIX A**

	Cost Center		Natural Classification	
Item	**Title**	**Code**	**Code**	**Title**
Instruments, sharpening	Using Cost Center		.79	Other Purchased Services
Instruments, tray - reusable	Using Cost Center		.61	Other Minor Equipment
Instruments, tray - disposable	Using Cost Center		.54	Other Medical Care Materials and Supplies
Insurance:				
Automobile	Administration	6900	.90	Insurance
Boiler	Property Insurance	7400	.90	Insurance
Bonding liability	Administration	6900	.90	Insurance
Earthquake	~~Property Insurance~~	*7400*	*.90*	~~Insurance~~
Elevator liability	Administration	6900	.90	Insurance
Fire	Property Insurance	7400	.90	Insurance
Flood	*Property Insurance*	*7400*	*90*	*Insurance*
General or Umbrella Liability	Administration	6900	.90	Insurance
Malpractice or professional liability	Administration	6900	.90	Insurance
Unemployment	Employee Assigned Cost Center		.22, .23	SUI, FUI
Worker's Compensation (ind. injury)	Employee Assigned Cost Center		.27	Worker's Compensation Insurance
Intercommunication system expense	Administration	6900		Appropriate Natural Classification
Interest expense, current working capital	Interest - Other	7600	.99	Other Direct Expenses
Interest expense, long-term, for acquisition of property, plant, & equipment	Interest - Property, Plant and Equipment	7500	.99	Other Direct Expenses
Irrigating solutions	Using Cost Center		.54	Other Medical Care Materials