



Health Care Cost Information System

# 2009 HAR Education and Information Session

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# 2009 Education and Information Topics

- **Capital Expenditure Hospital and New System Level Reporting**
- **Diagnostic Imaging Reporting**
- **Clinic Reporting on the HAR**
- **Changes to Reporting of Unrealized Gains/Losses on Investments**
- **Reminders, Resources, and Tips**
  - **New Medical Care Surcharge Estimator**



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# Capital Expenditures

## A Guide to Minnesota Capital Expenditure Reporting



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## Minnesota Statute 62J.17

**Health care providers in Minnesota are required to report all major capital spending commitments of one million dollars (\$1,000,000) or more to the Minnesota Department of Health.**



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# Reporting Requirements

## **There are two separate reporting requirements for Capital Expenditures**

- Reporting of major capital expenditure commitments greater than one million dollars (see HAR sections 57 & 58).
- Providing sufficient project specific information about capital expenditure commitments for MDH to complete a retrospective review of each project greater than one million dollars (see capital expenditure project specific tab of the formset).



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# Reporting Forms

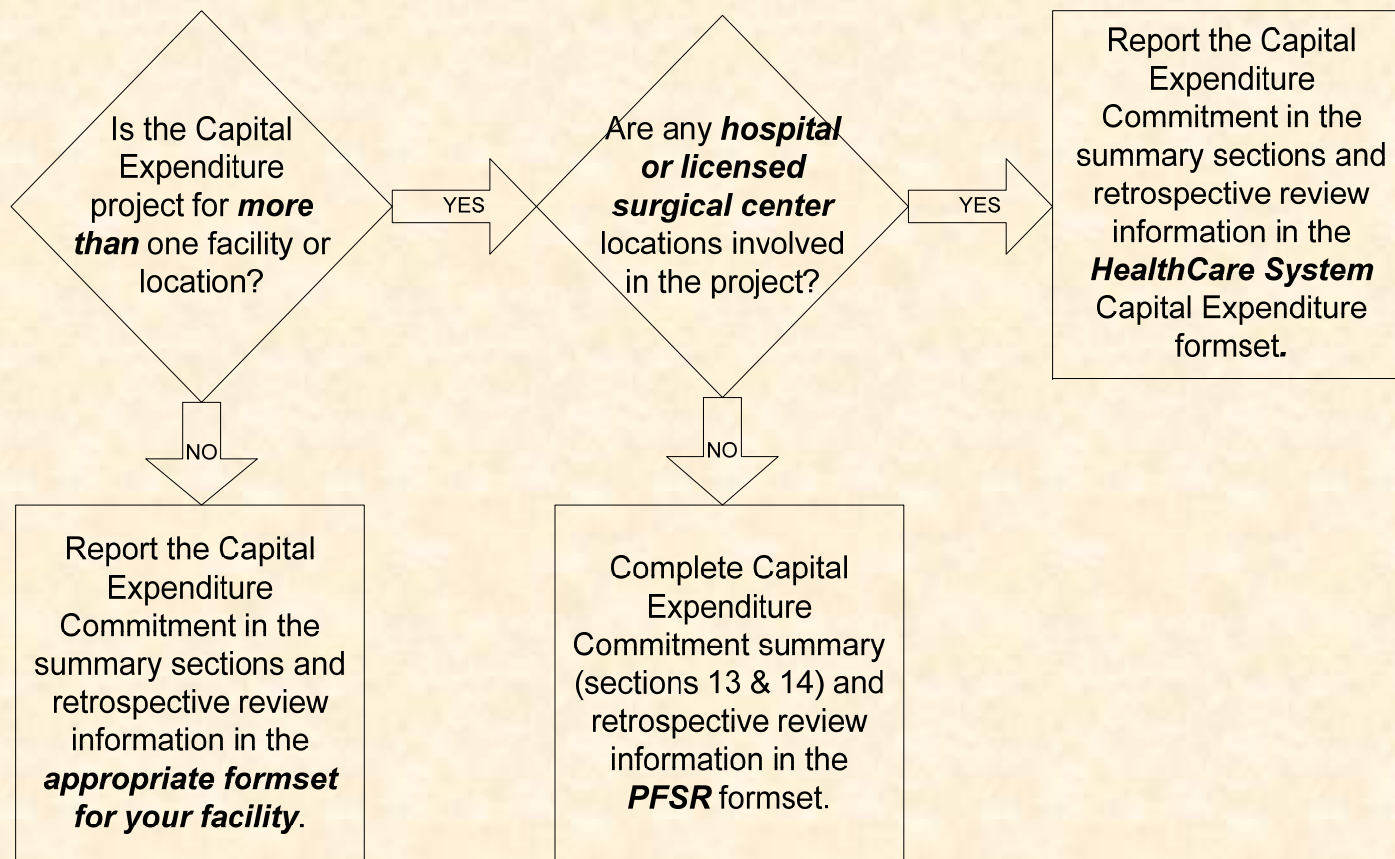
## **Providers submit capital expenditures on existing annual financial reports**

- Hospitals - Hospital Annual Report (HAR)
- Surgical Centers – Freestanding Outpatient Surgical Center (FOSC) report
- Imaging Centers - Diagnostic Imaging Facility Report
- Physician Clinics or Clinic Systems - Provider Financial and Statistical Report (PFSR)
- Health Care Systems - Capital Expenditure report



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# Health Care Systems Decision Chart

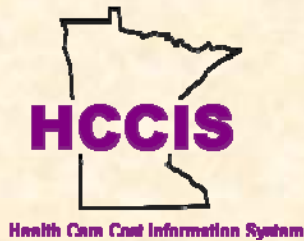




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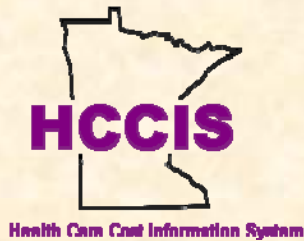
# Reporting Schedule

Provider Type	Report Due Date	Reporting Statute	Reporting Mechanism	Reporting Period
Diagnostic Imaging Centers	March 1	MN Statutes, section 144.565	Diagnostic Imaging Facility Utilization Report	Fiscal year
Freestanding Outpatient Surgical Centers	March 1	MN Statutes, sections 144.695 through 144.703	Freestanding Outpatient Surgical Center (FOOSC) Utilization and Services Report	Fiscal year
Physician Clinics and Clinic Systems	April 1	MN Statutes, section 62J.41	Provider Financial and Statistical Report (PFSR)	Calendar year
Hospitals	180 days after the close of the fiscal year	MN Statutes, sections 144.695 through 144.703	Hospital Annual Report (HAR) Note: Data sent to the Minnesota Hospital Association for initial audit.	Fiscal year
Other Providers, as defined in MN Statutes, Section 62J.03, subd. 8	March 1	MN Statutes, section 62J.17	Capital Expenditure Report	Calendar year



## Major Capital Spending Commitments Include:

- Acquisition of medical equipment
- Expenditure on a single project for the purposes of providing health care
- Offering a new specialized service
- Planning activities for a project that would qualify as a major spending commitment
- Any combination of these activities



# Required Retrospective Review Project Information

- **Detailed description of the project**
- **Date of the spending commitment**
- **Expected impact of the project**
- **Equivalent Services information**
- **Collaborative arrangements**



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# Retrospective Review Reporting Exceptions

- **Capital Projects:**
  - *not* directly related to patient care;
  - medical education and research (research and teaching institutions only);
  - building maintenance and infrastructure;
  - related to change in ownership

**Note: Exceptions to retrospective reporting are *still* subject to the capital expenditure commitment requirement**



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## Additional Information

**In order to complete the retrospective review on a particular project, MDH may request additional information about the project.**

**Providers that fail retrospective review may become subject to prospective review of major capital spending commitments.**



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# Contact Information:

<http://www.health.state.mn.us/health/economics>

**Tom Major**

**Health Economics Program**

**Minnesota Department of Health**

**651-201-3574**

[Tom.Major@state.mn.us](mailto:Tom.Major@state.mn.us)



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# Clinic Reporting

## Reporting Guidelines for Clinic Information on the Hospital Annual Report



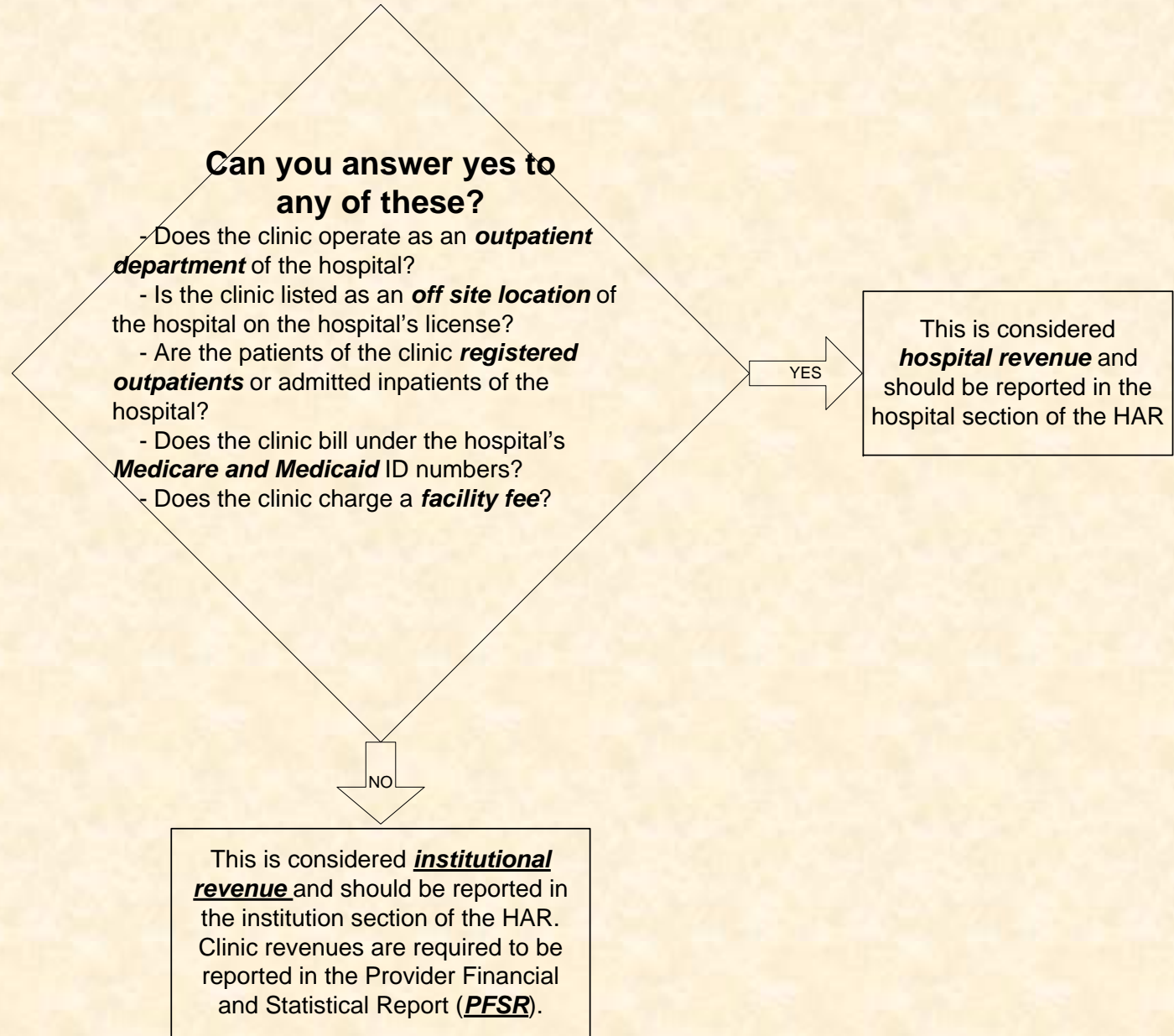
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# Clinic Decision Flowchart





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# Offsite Locations Tab

- All outpatient departments, clinics, and components not located on the hospital's premise
- Offsite locations where services provided are billed under the hospital's Medicare and Medicaid provider numbers
- Verified against hospital license application



# Diagnostic Imaging

## Reporting Guidelines for Diagnostic Imaging



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# Diagnostic Imaging Provider

DIAGNOSTIC IMAGING (DI) SERVICES							
	Availability of Service		Number of Scanners		Utilization Counts		Owner of DI equipment
<b>Computerized Tomography Scanning Services</b>							
Fixed CT Scanners	8073		7190				
Mobile CT Scanners	8074		7191				
<b>Total Number of CT Scanners</b>			<b>6051</b>	<b>-</b>			
Number of Inpatient CT Procedures					6052		
Number of Outpatient CT Procedures					6053		
<b>Total Number of CT Procedures</b>					<b>6054</b>	<b>-</b>	

- **For Diagnostic Imaging Services, if your hospital has the service available on site (either by the hospital or contracted services), you will be asked to provide the name of the provider.**
- **This is being asked to help tie diagnostic imaging provider information (which is collected on separate report) to the HAR data.**
- **Contact your Radiation Safety Officer to confirm the DI equipment available at your facility.**



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# Unrealized Changes in Investments

*Reporting Changes on the HAR relating to  
Unrealized Gains/Losses*



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# New Guidelines for Unrealized Gains/Losses

- Unrealized Gains/Losses on **certain** types of investments are now allowable to be reported in net income on financial statements (FASB Statements 157, 159).
- Unrealized Gains or Losses reported above net income on your audited financial statement should be included in Revenue in Excess of Expenses on the HAR (accounts 300, 800).
- Gains should be listed in accounts 320 and 815, Losses in accounts 330 and 825.
- List the amounts that are unrealized in these accounts on the “Explanation of Adjustments” section of the HAR.



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# Reminders, Tips, and Resources for Preparers

*General Guidelines and Places for Further Information*



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# Medical Care Surcharge Estimator

A Medical Care Surcharge Estimation Tool has been included on a separate tab in the HAR 2009.

After completing the HAR, please review this tab to verify that the information reported on the HAR for these key accounts is accurate.

8	<b>instances of manipulation will be prosecuted to the fullest extent of the law.</b>		
9	<b>Medical Assistance Surcharge Calculation Estimate</b>		
10	<a href="#">7090</a>	Hospital Patient Care Services Charges	\$ -
11	<a href="#">7104</a>	Medicare Patient Charges - Hospital Patient Care Services	\$ -
12	<a href="#">7106</a>	Medicare Managed Care Organizations Patient Charges - Hospital Patient Care Services	\$ -
13		<b>Hospital Patient Care Charges Excluding Medicare (Non-Managed and Managed)</b>	\$ -
14	<a href="#">7125</a>	Total Adjustments & Uncollectibles - Hospital Patient Care Services	\$ -
15	<a href="#">7098</a>	Medicare Adjustments - Hospital Patient Care Services	\$ -
16	<a href="#">7100</a>	Medicare Managed Care Organizations Adjustments - Hospital Patient Care Services	\$ -
17		<b>Hospital Patient Care Adjustments Excluding Medicare (Non-Managed and Managed)</b>	\$ -
18	<a href="#">7083</a>	Provision for Bad Debts - Hospital Patient Care Services	\$ -
19		<b>Total Medical Assistance Surcharge Base</b>	\$ -
20		<b>Estimated Medical Assistance Surcharge Obligation</b>	\$ -

DHS remains the sole determiner of your surcharge, and this tool is to be used only to give guidance and help in the correct completion of the HAR.



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# Contact Information

A Capital Expenditure Contact is required by all hospitals. This should list the individual responsible for any questions relating to Capital Expenditures.

The Capital Expenditure Contact is **required**, and is not optional.

Capital Expenditure Contact (for Sections 61 and 62)			
Capital Expenditure Contact Name	#N/A	Title	#N/A
Address (if different than Hospital)	#N/A	E-mail	<a href="#">#N/A</a>
City (if different than Hospital)	#N/A	Direct Phone#	#N/A
State (if different than Hospital)	#N/A	Fax#	#N/A
Zip Code (if different than Hospital)	#N/A		
County (if different than Hospital)			

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# Self Pay and Charity Care

The percentage discount offered Self Pay patients will be collected. Please note that this will be non public data.

Charity Care Adjustments will be broken out into Insured vs. Uninsured.

Within Uninsured, three further pieces of data will be collected:

- Amount that was 100% discounted
- Amount that was only a partial discount of full bill
- The average partial discount given to uninsured patients

7410	<a href="#">Self Pay Discounts</a>			
7570	Self Pay Discount Applied (percentage) [Non-Public Data Element]			←
<b>0762</b>	<b><a href="#">Charity Care Adjustments</a></b>			
7571	Insured Patients Charity Care Adjustments			Charity Care
<b>7572</b>	<b>Uninsured Patients Charity Care Adjustments</b>		\$ -	
7573	<a href="#">Full Charity Care Discount Applied</a>			
7574	<a href="#">Partial Charity Care Discount Applied</a>			
7575	<a href="#">Average Partial Charity Care Discount (percent)</a>			
7102	Charity Care Adjustments - Hospital Patient Care Services		#DIV/0!	
7103	Charity Care Adjustments - Other Patient Care Services		#DIV/0!	
0751	<a href="#">Other Payers: Adjustments and Uncollectibles (Champus, Workers' Comp, Auto, and includes small balance write offs)</a>		\$ -	
<b>0760</b>	<b>Total Adjustments &amp; Uncollectibles (ties to 8063)</b>		\$ -	



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# Medicare Cost Report Submission

- **MHA now has the ability to receive the Medicare Cost Report in the ECR file format.**
- **This format is the preferred format for the MCR.**
- **Your hospital's AFS and MCR can be submitted at any time before the HAR deadline, and it is preferred they be sent as soon as they become available.**



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# Data Transmission Method Available

- **HTTPS data transmission available**
  - *Transmission encrypted and secure*
  - *As easy as web e-mail or online banking*
  - *Hospitals can download their prior year's Commentary or Hospital Profile report from same site as well.*
  - *More safe and secure than postal mail or e-mail*
  - *No file size restrictions, unlike e-mail*
- **This method is highly recommended by MDH and MHA for data transmission**
- **Please contact MHA to receive your login and password**
- **Web address: <https://har.mnhospitals.org>**



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# Places for Further Information

- **Both MDH and MHA's website have further information on HAR related issues.**
  - MDH Website: <http://www.health.state.mn.us/divs/hpsc/dap/hccis/index.html>
  - MHA Website: [http://www.mnhospitals.org/index/HCCIS\\_1](http://www.mnhospitals.org/index/HCCIS_1)
- **All Deadlines and Events are posted on websites.**
- **Power Point presentation of 2008 and 2007 HAR Education and Information Sessions available at sites above.**
- **Electronic Newsletters covering the following topics:**
  - Getting Started
  - Microsoft Excel Tips and Useful Tools
  - Expense Allocation Methodology
  - Primary Payer Charges and Adjustments
  - Outpatient Charges
- **If a question or problem arises while completing the Hospital Annual Report, please contact Jonathan Peters at MHA or Amy Camp at MDH (see last slide for contact information).**



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# Contact Information

- MHA staff at (800) 462-5393 or (651) 641-1121
- Jonathan Peters, MHA (651) 659-1422
- Amy Camp, MDH (651) 201-3575
- Tom Major, MDH (651) 201-3574  
(Capital Expenditure Reporting)



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