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.
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).
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
Health Care Systems
Decision Chart

Is the Capital Expenditure project for **more than** one facility or location?

- **YES**
  - Report the Capital Expenditure Commitment in the summary sections and retrospective review information in the **appropriate formset for your facility.**

- **NO**
  - Complete Capital Expenditure Commitment summary (sections 13 & 14) and retrospective review information in the **PFSR formset.**

Are any **hospital** or **licensed surgical center** locations involved in the project?

- **YES**
  - Report the Capital Expenditure Commitment in the summary sections and retrospective review information in the **HealthCare System Capital Expenditure formset.**

- **NO**
  - Complete Capital Expenditure Commitment summary (sections 13 & 14) and retrospective review information in the **PFSR formset.**
# Reporting Schedule

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

http://www.health.state.mn.us/healtheconomics

Tom Major
Health Economics Program
Minnesota Department of Health
651-201-3574
Tom.Major@state.mn.us