

# REHABILITATION HOSPITAL HISTORICAL FILING

# Guidance Document OIM-006

Hospital Name \_\_\_\_\_  
 Federal Employer ID No. \_\_\_\_\_

Contact \_\_\_\_\_  
 Telephone \_\_\_\_\_

Fiscal Year Begin Date \_\_\_\_/\_\_\_\_/\_\_\_\_  
 Fiscal Year End Date \_\_\_\_/\_\_\_\_/\_\_\_\_

## 1.0 Income Statement

1.1	Gross inpatient revenue by type of payer: a. Medicare b. Medicaid c. Other government d. Non-government e. Total gross inpatient revenue	
1.2	Gross outpatient revenue by type of payer: a. Medicare b. Medicaid c. Other government d. Non-government e. Total gross outpatient revenue	
1.3	Total gross patient service revenue	
1.4	Contractual allowances by type of payer: a. Medicare b. Medicaid c. CHAMPUS d. SLH e. Blue Cross f. Other contractual allowances g. Total contractual allowances	
1.5	Charity care at 100% of poverty	
1.6	Charity care at 200% of poverty	
1.7	Net patient service revenue	
1.8	Other revenue and operating gains	
1.9	Labor expenses: a. Salaries b. Benefits c. Contract d. Home office e. Other labor expenses f. Total labor expenses	

1.10	Non-labor expenses: a. Contract b. Home office c. Drug d. Physician fees e. Other non-labor expenses f. Total non-labor expenses	
1.11	Capital expenses: a. Depreciation (straight-line) b. Amortization c. Interest d. Insurance e. Other capital expenses (excl. capital-related taxes) f. Total capital expenses (excl. capital-related taxes)	
1.12	Taxes: a. State income b. Federal income c. Real estate d. Business property e. Business license f. Imputed state income g. Imputed federal income h. Other taxes (specify _____) i. Total taxes	
1.13	Bad-debt expense	
1.14	Total operating expense	
1.15	Operating income (loss)	
1.16	Net non-operating gains (losses)	
1.17	Net extraordinary gains (losses)	
1.18	Cumulative effect of accounting changes	
1.19	Rev. & gains in excess of expenses & losses	

*Items for information only--also included in items above*

1.20	Cash donations for medically indigent	
1.21	Unreimbursed medical education expenses	
1.22	Capital-related taxes <i>not</i> related to patient care	

**REHABILITATION HOSPITAL HISTORICAL FILING (continued)**

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

**2.0 Balance Sheet (general fund only)**

<b>2.1</b>	<b>Current assets:</b> a. Cash and cash equivalents b. Marketable securities c. Accounts receivable (net) d. Receivables from related parties (current portion) e. Other current assets f. Total current assets	_____ _____ _____ _____ _____
<b>2.2</b>	<b>Net fixed assets</b>	_____
<b>2.3</b>	<b>Other assets:</b> a. Non-current investments b. Intangible assets c. Receivables from related parties (non-current) d. Other e. Total other assets	_____ _____ _____ _____ _____
<b>2.4</b>	<b>Total assets</b>	_____
<b>2.5</b>	<b>Current liabilities:</b> a. Notes payable b. Current portion of long-term debt c. Accounts payable d. Liabilities to related parties (current portion) e. Other current liabilities f. Total current liabilities	_____ _____ _____ _____ _____ _____
<b>2.6</b>	<b>Long-term liabilities (less current installments):</b> a. Notes payable b. Bonds payable c. Mortgages payable d. Capital lease obligations e. Liabilities to related parties (non-current) f. Other long-term liabilities g. Total long-term liabilities	_____ _____ _____ _____ _____ _____ _____
<b>2.7</b>	<b>Total liabilities</b>	_____
<i>Item for information only--also included in items above</i>		
<b>2.8</b>	<b>Patient personal funds accounts</b>	_____

**3.0 Statement of Changes in Fund Balance or Equity  
General Fund or Equity**

<b>3.1</b>	<b>General fund or equity balance at beginning of fiscal year</b>	_____
<b>3.2</b>	<b>Revenue and gains in excess of expenses and losses</b>	_____
<b>3.3</b>	<b>Net transfer (to) or from restricted funds</b>	_____
<b>3.4</b>	<b>Net transfer and capital contribution (to) or from home office, affiliates, owners</b>	_____
<b>3.5</b>	<b>Other items</b>	_____
<b>3.6</b>	<b>General fund or equity balance at end of fiscal year</b>	_____

**Restricted Funds**

<b>3.7</b>	<b>Restricted funds balance at beginning of fiscal year</b>	_____
<b>3.8</b>	<b>Gifts, grants, bequests, and other donations</b>	_____
<b>3.9</b>	<b>Income from investments</b>	_____
<b>3.10</b>	<b>Net gain or loss from the sale or valuation of investments</b>	_____
<b>3.11</b>	<b>Net transfer (to) or from the general fund</b>	_____
<b>3.12</b>	<b>Net transfer and capital contribution (to) or from home office, affiliates, owners</b>	_____
<b>3.13</b>	<b>Other items</b>	_____
<b>3.14</b>	<b>Restricted funds balance at end of fiscal year</b>	_____



# REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

## Data Submission Instructions      Guidance Document OIM-006 *Rehabilitation Hospital Historical Filing*

### General

- Unless otherwise stated, all financial data are defined per the 1990 AICPA Audits of Providers of Health Care Services.
- Historical Filings and financial statements are due Virginia Health Information under contract to Virginia Department of Health no later than 120 days after the end of the facility's fiscal year.
- Numbers below correspond to numbers on the Rehabilitation Hospital Historical Filing.
- If a corporation owns multiple hospitals or subsidiaries, data are to be filed that are specific to each individual hospital facility. Thus, for instance, corporate-wide data, such as from a corporate-level balance sheet, should not be submitted.
- The Income Statement Reconciliation Worksheet must be completed and returned with the Historical Filing if the hospital includes a nursing home (LTCU), a continuing care retirement community, an adult care residence, or other discrete activity that is *not* a separate accounting entity. Figures in the Reconciliation Worksheet Column D should agree with the annual audit. If this other activity is of a type (e.g., nursing home) that is also required to file with Virginia Health Information under contract to Virginia Department of Health, the appropriate filing for this activity must be submitted in addition to the filing for the hospital.
- **The following organizations are required to complete the Income Statement Reconciliation Worksheet** when specific audited financial information is not available:

Organizations that operate one or more activities that do not report to Virginia Health Information under contract to Virginia Department of Health, but are within the same accounting entity.

Organizations that operate two or more reporting facilities within the same accounting entity (e.g., hospital which includes a separately licensed long-term care unit).

- Hospitals with licensed nursing home beds or other non-hospital beds are to *exclude* all data related to these non-hospital beds from all of Schedule 1.0, Income Statement, and from items 5.1 through 5.4 of Schedule 5.0, Statistics. *The cost allocation methodology required by the Virginia Department of Medical Assistance Services and by Medicare for cost reports submitted to them should be utilized to separate hospital and long-term care or other non-hospital costs.* Separate submissions must be completed for hospital and for nursing home data, even if the nursing home beds are hospital-based. In all places other than Schedule 1.0 and lines 5.1 through 5.4 of Schedule 5.0, reported data is to include both hospital and long-term care beds, and other activity that is part of this accounting entity, unless otherwise specified in the schedule instructions.

- **Financial Statement Reporting Requirements:**

Each health care institution is required to file certified audited financial statements prepared to conform with generally accepted accounting principles and reporting standards for health care institutions. If the health care institution is part of a publicly held company, the individual institution may submit unaudited financial statements.

Generally accepted auditing standards (GAAS) require presentation of four basic financial statements: balance sheet, income statement (statement of revenues and expenses), changes in stockholders equity (fund balance), and statement of cash flows. GAAS also requires the independent certified public accountant to comply with the 1990 AICPA Audits of Providers of Health Care Services. Accountants' "special reports" and compilations do not fulfill the requirement.

Virginia Health Information under contract to Virginia Department of Health requires submission of all four basic financial statements: balance sheet, income statement (statement of revenues and expenses), changes in stockholders equity (fund balance), and statement of cash flows. These must be unconsolidated, certified audited statements, unless the institution is part of a publicly held company, in which case the institution

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

may submit unconsolidated, *unaudited* financial statements. In addition, institutions reporting imputed income taxes on their Historical Filing must provide a schedule of the imputed income taxes as a note to their financial statements or as a supplemental schedule of the certified audited financial statements submitted to Virginia Health Information under contract to Virginia Department of Health.

- *Complete the transmittal sheet that was provided by the Virginia Health Information under contract to Virginia Department of Health approximately one month prior to the filing deadline.*

### Overview

The Historical Filing should match your audited financial statements in almost every detail.

**Schedule 1** is basically an income and expense statement with a slightly different breakdown from the one your auditor uses. Net patient service revenue, other revenue, total operating expenses, and operating income (loss), however, should generally match your auditor's income statement exactly. Minor differences may occur if you use other than straight-line depreciation, impute taxes, or have an extraordinary item.

If you have audited financial statements that include more data than just the health services facility you are reporting, you probably need to file an Income Statement Reconciliation Worksheet. In that case, your total on column D of that worksheet should match the auditor's income and expense statement.

**Schedule 2** should match your audited balance sheet. Only not-for-profit facilities should have any restricted funds, and they should be only those funds restricted by donors or grants.

**Schedule 3** should match your auditor's statement of changes in fund balance exactly. Again, lines 3.7 through 3.14 are for not-for-profit facilities to report specific donor-restricted funds only.

**Schedule 4** should be taken from your audited statement of cash flows. Note that lines 4.7 and 4.8 (interest and principal payments on long-term

debt during the year) are *information lines only and do not add or subtract from the statement of cash flows.*

**Schedule 5** is statistical. Make sure the utilization data reported here is consistent with the revenue data furnished in schedule 1.

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

### 1.0 Income Statement

Items 1.1 to 1.22 are from the hospital's audited income statement or are related to income statement accounts of this hospital only. All figures are to *exclude* data pertaining to separately licensed or non-hospital activities that are in the same accounting entity with the hospital, such as a hospital-based nursing home (LTCU). The Income Statement Reconciliation Worksheet must be completed to report excluded data.

**1.1 Gross Inpatient Revenue by Type of Payer.** Total established full charges for all hospital services provided to inpatients, including charity care, by type of primary payer.

**1.1a. Medicare.** The sum of established full charges for all hospital services provided to inpatients for whom Medicare is the primary payer.

**1.1b. Medicaid.** The sum of established full charges for all hospital services provided to inpatients for whom Medicaid is the primary payer. Include Medicaid revenue from all states.

**1.1c. Other Government.** The sum of established full charges for all hospital services provided to inpatients for whom, CHAMPUS, SLH, Veterans Administration, or government program *other than* Medicare or Medicaid is the primary payer.

**1.1d. Non-Government.** The sum of established full charges for all hospital services provided to all inpatients *except those* for whom Medicare, Medicaid, CHAMPUS, SLH, Veterans Administration, or other government program is the primary payer. Include self-pay and charity care here.

**1.1e. Total Gross Inpatient Revenue.** The sum of lines 1.1a. through 1.1d.

**1.2 Gross Outpatient Revenue by Type of Payer.** Total established full charges for all hospital services provided to outpatients, including charity care, by type of primary payer. Itemize according to the categories shown. Refer to the

definitions of payer categories for item 1.1 above. Total the sum of 1.2a through 1.2d in 1.2e.

**1.3 Total Gross Patient Service Revenue.** Total established full charges for all inpatient and outpatient hospital services provided to patients. This is the sum of lines 1.1e and 1.2e.

**1.4 Contractual Allowances by Type of Payer.** The difference between a hospital's established charges and the rates paid by third-party payers under contractual agreements. Itemize Medicare, Medicaid, CHAMPUS, SLH, Blue Cross, and other contractual allowances in lines 1.4a. through 1.4f. Report administrative and other allowances (but *not* charity care) in line 1.4f, Other Contractual Allowances. Sum lines 1.4a through 1.4f to report the total in line 1.4g.

**1.5 Charity Care @100% of Poverty.** In Virginia, charity care is defined as care for which no payment is received and that is provided to any person whose gross annual family income is equal to or less than 100% of the federal non-farm poverty level as published for the then current year in the Code of Federal Regulations. Report the gross revenue foregone for charity care (revenue deductions).

**1.6 Charity Care @200% of Poverty.** This is charity care for which no payment is received and that is provided to any person whose gross annual family income is greater than 100% but not greater than 200% of the federal non-farm poverty level as published for the then current year in the Code of Federal Regulations. Report the gross revenue foregone for charity care (revenue deductions). Amounts entered here should *no longer be included* in Other Contractual Allowances, line 1.4f.

**1.7 Net Patient Service Revenue.** Net patient service revenue is total gross patient service revenue (line 1.3), minus total contractual allowances (line 1.4g), minus charity care @100% of poverty (line 1.5), and minus charity care @200% of poverty (line 1.6).

**1.8 Other Revenue and Operating Gains.** Revenue or gains from the hospital's ongoing or central operations *other than* patient care. These may include such activities as educational or

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

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research programs, sales of goods and services to other than patients, and sales of personal convenience items and services to patients. Operating gains may be difficult to distinguish from *non-operating* gains (see line 1.16 below). Report other revenue (or other operating revenue) and *operating* gains as defined per the 1990 AICPA audit guide.

- 1.9 Labor Expenses.** All expenses related to employment of personnel by the hospital.
- 1.9a. Salaries.** Total monetary compensation paid by the hospital (accrual basis) to employees of the hospital, including holiday pay, vacation pay, sick pay, and bonuses. This is to be based on the Internal Revenue Service salary definition.
- 1.9b. Benefits.** Any employment benefits that are considered expenses by the hospital, such as, but not limited to, health insurance, retirement plans, day care reimbursement, and Workers' Compensation. Include payroll taxes here.
- 1.9c. Contract.** The labor portions of any contractual obligations that are incurred in providing hospital services. These include, but are not limited to, the contracted labor expenses of agency nursing, dietary, pharmacy, radiology, and housekeeping contracts, etc.
- 1.9d. Home Office.** A portion of home office labor expense allocated to the hospital. This includes the salaries, benefits, contracted labor expenses, and professional fees of the home office.
- 1.9e. Other Labor Expenses.** All other labor expenses not reported in lines 1.9a. through 1.9d.
- 1.9f. Total Labor Expenses.** The sum of lines 1.9a. through 1.9e.
- 1.10 Non-Labor Expenses.** Any expenses that are not related to labor. *Exclude* capital and capital-related expenses.

- 1.10a. Contract.** The non-labor portion of any contractual obligation that is incurred in providing hospital services. This includes, but is not limited to, the contracted non-labor expense of agency nursing, dietary, radiology, and housekeeping contracts, etc. Pharmacy contract drug expenses should be reported in line 1.10c.
- 1.10b. Home Office.** A portion of home office non-labor expense allocated to the hospital. Include operating leases with the home office here.
- 1.10c. Drug.** Billable and non-billable drug expenses incurred. Include IV solutions.
- 1.10d. Physician Fees.** Expenses incurred by the hospital to pay physicians.
- 1.10e. Other Non-Labor Expenses.** All other non-labor expenses incurred, such as for supplies, linens, food, and utilities. This line also includes outside legal and accounting expenses, malpractice insurance, director and officer insurance, and maintenance service expenses such as for elevator maintenance. Include amortization expenses that are *not* defined as capital costs by Medicare.
- 1.10f. Total Non-Labor Expenses.** The sum of lines 1.10a through 1.10e.
- 1.11 Capital Expenses.** Capital expenses are those defined by Medicare as capital expenses. This includes depreciation and interest for capital assets reported as used for patient care, plus Medicare inpatient costs for other capital-related expenses. Medicare inpatient costs for other capital-related expenses include leases, rentals (including license and royalty fees for the use of depreciable assets), insurance expense on depreciable assets, related-organization capital-related costs for assets that are not maintained on the hospital's premises, and taxes on land or depreciable assets used for patient care. Depreciation expenses should be calculated on a straight-line basis, using Medicare useful lives. Include the allocated portion of home office capital

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

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expenses here. *This capital expense amount is not necessarily the same as the Medicare-allowable cost figure.*

- 1.11a. Depreciation (straight-line).** Report depreciation charges on capital assets used for patient care, using the straight-line method and Medicare useful lives.
- 1.11b. Amortization.** Report amortization charges related to capital assets, such as amortization of deferred financing costs and amortization of leases.
- 1.11c. Interest.** Interest related to capital expenses.
- 1.11d. Insurance.** Capital-related insurance expense.
- 1.11e. Other Capital Expenses (excl. capital-related taxes).** All other capital-related expenses, except capital-related taxes.
- 1.11f. Total Capital Expenses (excl. capital-related taxes).** The sum of 1.11a through 1.11e.
- 1.12 Taxes.** Report all taxes reported on the hospital's income statement, including: state income tax, federal income tax, real estate tax, business property tax, and business license fees. Specify amounts and types of all other taxes in line 1.12h, Other Taxes. Include use taxes (i.e., sales taxes *paid* for purchased materials and supplies used in the normal course of business) in Other Taxes. Do *not* include payroll taxes; those go in line 1.9b, Labor Expenses Benefits. Sum all taxes and report in line 1.12i.
- Investor-owned institutions organized as proprietorships, partnerships, or Subchapter S corporations should report *imputed* state and federal income taxes, based on the maximum state and federal tax rates for individuals (in the case of proprietorships and partnerships) or for corporations (in the case of Subchapter S corporations). Institutions reporting imputed income taxes on their Historical Filing must provide a schedule of the imputed income taxes as a note to their financial statements or as a supplemental schedule of the certified audited financial statements submitted to Virginia Health Information under contract to Virginia Department of Health.

- 1.13 Bad-Debt Expense.** Bad-debt expense (or provision for bad debts) as reported on the hospital's income statement.
- 1.14 Total Operating Expenses.** The sum of lines 1.9f, 1.10f, 1.11f, 1.12i, and 1.13.
- 1.15 Operating Income (Loss).** The sum of lines 1.7, plus 1.8, minus 1.14.
- 1.16 Net Non-Operating Gains (Losses).** Non-operating gains and losses result from transactions incidental or peripheral to the hospital's central ongoing operations. They may be difficult to distinguish from Other Revenue and Operating Gains (see line 1.8 above) and may include such items as gifts received, tax support and subsidies, returns on investment of general funds, and gain or loss on sale of properties, as well as other items. Report net non-operating gains (losses) as shown on the hospital's income statement.
- 1.17 Net Extraordinary Gains (Losses).** Extraordinary items are transactions and other events that are material, significantly different from the typical or customary business activities, not expected to recur frequently, and not normally considered in evaluating the ordinary operating results of the hospital. Report this item as shown on the hospital's income statement, net of any related tax effects.
- 1.18 Cumulative Effect of Accounting Changes.** Report the cumulative effect of any changes in accounting principles, as shown on the hospital's income statement, net of any related tax effects.
- 1.19 Revenue and Gains in Excess of Expenses and Losses.** The sum of lines 1.15 through 1.18.
- 1.20 Cash Donations for Medically Indigent Programs.** Cash donations made to unrelated organizations to provide services to the medically indigent for which payment is not received.
- 1.21 Unreimbursed Medical Education Expense.** Expenses incurred for unreimbursed medical education.

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

**1.22 Capital-Related Taxes Not Related to Patient Care.** *This is an information line only, as these taxes should be included above in item 1.12.* Report the taxes on land or depreciable assets *not* used for patient care, such as property being held for sale or future development. The assets to which these taxes relate should generally be those assets not includable in the determination of Medicare-allowable capital costs.

### 2.0 Balance Sheet

Items 2.1 to 2.8 are from the balance sheet for the facility. If the hospital includes a nursing home (LTCU), a continuing care retirement community, an adult care residence, or other distinct and separate activity in the same accounting entity with the hospital, then report *combined* data for all of these units. (If this other activity is of a type, e.g., a nursing home, that is also required to file with Virginia Health Information under contract to Virginia Department of Health, the appropriate filing for this activity must be submitted in addition to the filing for the hospital.)

An obligated group holding assets and liabilities on behalf of the entity completing this Historical Filing should specify the amounts of such assets, liabilities, and related cash flows attributable to this entity. Unless otherwise specified, supply information for the unrestricted (general) fund only. *Restricted funds apply only to not-for-profit institutions and are those funds restricted by donors or grants.* All other funds are unrestricted.

**2.1 Current Assets.** Cash and other assets that are expected to be converted into cash, sold, or consumed within one year.

**2.1a. Cash and Cash Equivalents.** Report cash and cash equivalents, including unrestricted short-term investments, short-term marketable securities, short-term accounts for funded depreciation, and board-designated capital improvement funds.

**2.1b. Marketable Securities.** Report marketable securities that are not considered cash equivalents but are capable of

being converted into cash within one year and are not specifically intended to be held for more than one year.

**2.1c. Accounts Receivable (Net).** Report accounts receivable from patients, third-party payers, and others, net of contractual adjustments, discounts, and allowances for uncollectibles.

**2.1d. Receivables from Related Parties (current portion).** Report any amounts due from a related party and expected to be received within one year. A related-party transaction exists when one of the transacting parties has the ability to significantly influence the policies of the other transacting party or when a non-transacting party has the ability to influence the policies of the two transacting parties. A related party may be a parent company, a subsidiary company, another subsidiary of a common parent company, a trust controlled by the reporting entity, or an officer or principal owner of the reporting entity.

**2.1e. Other Current Assets.** Report all other current assets not included above, such as investments not considered either cash equivalents or marketable securities but expected to be converted into cash within one year, current portion of long-term receivables, interest receivable, supplies, prepaid expenses, and deferred income taxes to be recovered within one year.

**2.1f. Total Current Assets.** The sum of lines 2.1a through 2.1e.

**2.2 Net Fixed Assets.** Report the value of property, plant, and equipment, net of accumulated depreciation using the straight-line method. Timing differences due to an alternative depreciation method should be reported in line 2.3a, Other Assets Non-Current Investments.

**2.3 Other Assets.** Report assets, other than fixed assets, that are not expected to be converted into cash, sold, or consumed within one year.

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

- 2.3a. Non-Current Investments.** Report the value of unrestricted investments, including property not currently in use for operations, marketable securities, investments in affiliates or nonconsolidated subsidiaries, and receivables expected to be held for more than one year. Include accounts for funded depreciation, board-designated capital improvement funds, and assets whose use is limited but not donor-restricted. Include differences between straight-line depreciation and alternative depreciation methods.
- 2.3b. Intangible Assets.** Report the value of intangible assets such as deferred organization costs, deferred financing costs, goodwill, franchises, and the like, net of accumulated amortization.
- 2.3c. Receivables from Related Parties (non-current portion).** Report any amounts due from a related party and not expected to be received within one year. Please see definition of a related-party transaction for line 2.1d above.
- 2.3d. Other.** Report the value of any other assets, not included above, such as pre-paid expenses or deferred costs more than one year in the future.
- 2.3e. Total Other Assets.** The sum of lines 2.3a through 2.3d.
- 2.4 Total Assets.** Total assets as reported on the hospital's balance sheet. The sum of lines 2.1f, 2.2, and 2.3e.
- 2.5 Current Liabilities.** Obligations expected to be liquidated within one year.
- 2.5a. Notes Payable.** Report the principal of notes payable within one year.
- 2.5b. Current Portion of Long-Term Debt.** Report those portions of long-term debt principal due to be liquidated within one year. Include the principal portion of capital lease payments due to be made within one year.
- 2.5c. Accounts Payable.** Report trade and other accounts payable.
- 2.5d. Liabilities to Related Parties (current portion).** Report any amounts due to a related party and expected to be paid within one year. Please see definition of a related-party transaction for line 2.1d above.
- 2.5e. Other Current Liabilities.** Report all other current liabilities not included above, such as accrued salaries and wages, accrued interest payable, other accrued expenses, deposits from patients and deferred revenues, estimated refunds to third-party payers, and income taxes payable.
- 2.5f. Total Current Liabilities.** The sum of lines 2.5a through 2.5e.
- 2.6 Long-Term Liabilities (less current installments).** Obligations not expected to be liquidated within one year.
- 2.6a. Notes Payable.** Report the principal of notes payable more than one year in the future.
- 2.6b. Bonds Payable.** Report bonds maturing more than one year in the future.
- 2.6c. Mortgages Payable.** Report the principal portion of mortgages payable more than one year in the future.
- 2.6d. Capital Lease Obligations.** Report the principal portion of capital lease obligations payable more than one year in the future.
- 2.6e. Liabilities to Related Parties (non-current portion).** Report any amounts due to a related party and not expected to be paid within one year. Please see definition of a related-party transaction for line 2.1d above.
- 2.6f. Other Long-Term Liabilities.** Report all other long-term liabilities not included above, such as malpractice settlements, pension obligations, deferred income taxes,

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

or other estimated obligations expected to be paid more than one year in the future.

**2.6g. Total Long-Term Liabilities.** The sum of lines 2.6a through 2.6f.

**2.7 Total Liabilities.** The sum of lines 2.5f and 2.6g.

**2.8 Patient Personal Funds Accounts.** *This is an information line only, as this item is included in items reported above.* Report patients' personal funds being held under an agency arrangement and included in the entity's balance sheet. These are funds being held for the patient's personal expenditures for comfort and convenience items while in the facility. These do not include funds deposited as prepayment or security for payment of future patient service charges.

### 3.0 Statement of Changes in Fund Balance or Equity

Items 3.1 to 3.14 are from the statement of changes in fund balance or equity for the hospital. If the hospital includes a nursing home (LTCU), a continuing care retirement community, an adult care residence, or other distinct and separate activity in the same accounting entity with the hospital, then report *combined* data for all of these units.

There are two subsections: General Fund or Equity and Restricted Funds. Restricted funds apply only to not-for-profit institutions and are those funds restricted by donors or grants. All other funds are unrestricted.

#### GENERAL FUND OR EQUITY

**3.1 General Fund or Equity Balance at Beginning of Fiscal Year.** Not-for-profit facilities should report the general fund balance at the beginning of the fiscal year. For-profit facilities should report the equity balance at the beginning of the fiscal year. For ongoing entities, *this should be the same as the ending balance reported in the prior year's filing*, even if the ending balance for the prior year was subsequently restated. Any subsequent changes from restatement of the prior year's ending fund balance or equity should be reported in line 3.5 of the present filing.

**3.2 Revenue and Gains in Excess of Expenses and Losses.** Report net income as reported on the income statement for the facility. There should be no exclusion for long-term care services or other non-hospital activities that are in the same accounting entity with the hospital.

**3.3 Net Transfer (To) or From Restricted Funds.** Report the net amount of transfers to or from restricted funds. Show a net transfer *out of* the general fund as a negative number.

**3.4 Net Transfer and Capital Contribution (To) or From Home Office, Affiliates, Owners.** Report the net amount of all transfers and capital contributions to and from the system home office, parent organization, and other affiliates, and all dividends or distributions to owners and stockholders. Show a net transfer *out of* the general fund as a negative number.

**3.5 Other Items.** Report the net amount of items not included in previous lines in this General Fund or Equity section. Include changes from restatement of the prior year's ending balance.

**3.6 General Fund or Equity Balance at End of Fiscal Year.** The sum of lines 3.1 through 3.5. For not-for-profit facilities, this is the unrestricted fund balance at the end of the fiscal year. For for-profit facilities, this is the equity balance at the end of the fiscal year.

#### RESTRICTED FUNDS

**3.7 Restricted Funds Balance at Beginning of Fiscal Year.** Report the sum of the fund balances for all restricted funds at the beginning of the fiscal year. For ongoing entities, *this should be the same as the ending balance reported in the prior year's filing*, even if the ending balance for the prior year was subsequently restated. Any subsequent changes from restatement of the prior year's ending restricted funds balance should be reported in line 3.13 of the present filing.

**3.8 Gifts, Grants, Bequests, and Other Donations.** Report the sum of these items.

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

- 3.9 Income from Investments.** Report income from restricted funds investments.
- 3.10 Net Gain or Loss from the Sale or Valuation of Investments.** Report realized and unrealized changes in value of restricted funds investments.
- 3.11 Net Transfer (To) or From the General Fund.** Report the net amount of all transfers to and from the general fund. Show a net transfer *out of* restricted funds as a negative number.
- 3.12 Net Transfer and Capital Contribution (To) or From Home Office, Affiliates, Owners.** Report the net amount of all transfers and capital contributions to and from the system home office, parent organization, and other affiliates. Show a net transfer *out of* restricted funds as a negative number.
- 3.13 Other Items.** Report the net of all other items for restricted funds. Include changes from restatement of the prior year's ending restricted funds balance.
- 3.14 Restricted Funds Balance at End of Fiscal Year.** The sum of lines 3.7 through 3.13. This is the sum of the fund balances for all restricted funds at the end of the fiscal year.

### 4.0 Statement of Cash Flows

Items 4.1 to 4.8 are from the audited statement of cash flows for the hospital. If the hospital includes a nursing home (LTCU), a continuing care retirement community, an adult care residence, or other distinct and separate activity in the same accounting entity with the hospital, then report *combined* data for all of these units. An obligated group holding assets and liabilities on behalf of the entity completing this Historical Filing should specify the amounts of such assets, liabilities, and related cash flows attributable to this entity. Supply information from the unrestricted (general) fund only.

- 4.1 Net Cash Provided (Used) by Operating Activities and Gains.** Report the net cash provided (used) by operating activities and gains as reported on the audited statement of cash flows. Any extraordinary gains or losses (e.g., when there is a bond

defeasance) included in net income on the audited income statement should be *excluded* from Net Cash Provided (Used) by Operating Activities and Gains for this Historical Filing. If necessary, remove extraordinary effects from your audited statement's net cash provided (used) by operating activities and gains by adding back an extraordinary loss and subtracting an extraordinary gain.

- 4.2 Net Cash Provided (Used) by Investing Activities.** Report the net cash provided (used) by investing activities as shown on the audited statement of cash flows. Cash inflows from investing activities include, among other items, proceeds from sales of physical and financial assets and capital contributions from affiliates. Cash outflows include, among other items, purchases of plant, property and equipment, cash investments in physical and financial assets, and capital contributions to affiliates.
- 4.3 Net Cash Provided (Used) by Financing Activities.** Report net cash provided (used) by financing activities as shown on the audited statement of cash flows. Net cash from financing activities includes, among other items, proceeds from the issuance of debt or sale of stock, payments made to reduce the principal of debt or capital lease obligations, repurchase of stock, and dividends paid.
- 4.4 Net Increase (Decrease) in Cash and Cash Equivalents.** As reported on the audited statement of cash flows. It should be the sum of lines 4.1 through 4.3.
- 4.5 Prior-Year Cash and Cash Equivalents.** As reported on the audited statement of cash flows.
- 4.6 Current-Year Cash and Cash Equivalents.** As reported on the audited statement of cash flows. It should be the sum of lines 4.4 and 4.5 and should be the same as line 2.1a.
- 4.7 Interest Paid on Long-Term Debt.** *This is an information line only, as this expense should be included above in line 4.1, Net Cash Provided (Used) by Operating Activities.* Report interest on long-term debt that was *paid* during the report period. Include the interest portion of payments on capital leases.

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

PLEASE OBSERVE THE DATA SUBMISSION INSTRUCTIONS

**4.8 Principal Paid on Long-Term Debt.** *This is an information line only, as these payments should be included above in line 4.3, Net Cash Provided (Used) by Financing Activities.* Report actual cash payments of principal on long-term debt during the report period. Include the principal portion of payments on capital leases. Extraordinary gains or losses associated with payments of principal on long-term debt should not be included in this line. An obligated group holding assets and liabilities on behalf of the entity completing this Historical Filing should specify the related principal paid attributable to this entity. Principal payments on intra-company debt and on loans from stockholders are not arms-length transactions and should not be reported here.

### 5.0 Statistics

Items 5.1 to 5.5 are rehabilitation hospital statistics.

**5.1 Beds and Patient Days by Nursing Care Unit.** Report the average number of licensed/staffed beds during the report period, by nursing care unit. Compute this as a simple average of the number of licensed/staffed beds on the first day of the report period and the number of licensed/staffed beds on the last day of the report period.

Report the patient days of care provided during the report period, by nursing care unit. Exclude days in a nursing home unit of the hospital. Total days by nursing care unit should equal the sum of all patient days within the hospital.

Definitions of nursing care units:

**5.1a. Medical/Surgical.** One or more designated groups of beds, recognized in the hospital's most recent Application for License Renewal, for providing care to patients with a broad range of conditions not requiring care in a more specialized unit.

**5.1b. Rehabilitation.** A designated group of beds, recognized in the hospital's most recent Application for License Renewal, staffed and equipped specifically for restoring patients to highest attainable physical function following injury or disease.

**5.1c. Other.** A designated group of beds, recognized in the hospital's most recent Application for License Renewal, not included in any of the above units.

**5.1d. Total.** The sum of the preceding categories, lines 5.1a through 5.1c. This should equal the hospital's total licensed beds, staffed beds, or inpatient days.

**5.2 Admissions and Patient Days by Payer.** Report the number of patients accepted for inpatient service and the days of inpatient care provided during the report period, by primary payer. (Please refer to the definitions of types of payers under item 1.1 above.) Self-pay and charity care should be reported in Other. Exclude admissions and patient days in a nursing home unit of the hospital. Patient transfers between patient care units within the hospital are *not* counted as admissions. Total admissions/patient days by payer should equal the sum of all admissions/patient days for the hospital.

**5.3 Total Discharges.** Report the number of patients actually discharged from the hospital.

**5.4 Paid Full-Time Equivalents (FTEs).** Calculate paid FTEs as the total number of hours paid (including worked hours, benefit hours, contracted hours for agency personnel, and paid hours for contracted services provided within the facility) divided by 2080 and rounded to one decimal place. If there are staff positions shared between the hospital and a non-hospital activity (e.g., a nursing-home unit of the hospital), please report on this Rehabilitation Hospital Historical Filing only that portion of the shared FTEs that are properly allocated to the rehabilitation hospital. *Contract FTEs* (contracted hours for agency personnel and paid hours for contracted services provided within the facility) *are to be reported in line 5.4j.* Do not include contract FTEs in lines 5.4a through 5.4i. Do not include home office FTEs.

(If this Historical Filing is for a period with greater or fewer than 52 weeks in it, determine the number of FTEs for the period by dividing the total hours paid during the period by the appropriate number of standard work hours in the period, based on a standard

## REHABILITATION HOSPITAL HISTORICAL FILING (continued)

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of 40 hours per week. For example, if this filing is for a period of 26 weeks, calculate paid FTEs for this period by dividing the total number of paid hours during the 26-week period by 1040 (26 x 40) standard work hours.)

- 5.4a. Physicians on Payroll.** Include psychiatrists, medical directors, and other physicians.
- 5.4b. Psychologists on Payroll.** Include licensed clinical psychologists and licensed psychologists (clinical) and all others holding at least a masters degree who may be working (in a residency program) under the supervision of a licensed clinical psychologist or licensed psychologist (clinical).
- 5.4c. Physician Assistants on Payroll.** People who provide health care services customarily performed by a physician, while under responsible supervision of a qualified licensed physician, and who have either successfully completed an education program for physician assistants that is accredited by the Committee on Allied Health Education and Accreditation or other recognized accrediting agencies, or have been certified, licensed, or registered by recognized agencies or commissions.
- 5.4d. Nurse Practitioners on Payroll.** Registered nurses who have successfully completed a formal program of study designed to prepare registered nurses to provide primary health care through diagnosis, clinical judgment, and management abilities to restore, maintain, and improve the health status of patients.
- 5.4e. Registered Nurses on Payroll.** Nurses who have graduated from approved schools of nursing and who are currently registered by the Commonwealth.
- 5.4f. Social Workers and Rehabilitation Counselors on Payroll.** Include licensed clinical social workers (LCSWs) and all others holding a Masters of Social Work (MSW) degree, who may be working under the direction of a LCSW. Include rehabilitation counselors.
- 5.4g. LPNs on Payroll.** Nurses who have graduated from an approved school of practical or vocational nursing, who work under the supervision of registered nurses and/or physicians, and who are licensed by the Commonwealth of Virginia.
- 5.4h. Nurse Aides on Payroll.** People who assist the nursing staff by performing routine duties in caring for patients under the direct supervision of a nurse.
- 5.4i. Other Personnel on Payroll.** All other payroll FTEs not reported above.
- 5.4j. Contract FTEs (all occupations).** All FTEs that are from contracted hours and services. These FTEs are for contractual obligations that are incurred in providing hospital services including, but not limited to, agency nursing, dietary, pharmacy, and housekeeping contracts, etc.
- 5.4k. Total Payroll and Contract FTEs.** The sum of reported items 5.4a through 5.4j.
- 5.5 Most Recent Bond Rating.** If applicable, report the most recent bond rating for the hospital. If bond insurance has been used, report the rating given after insuring the debt.
- 5.5a. Moody's.** Most recent bond rating and the year of rating performed by Moody's.
- 5.5b. Standard and Poor's.** Most recent rating and the year by Standard & Poor's.
- 5.5c. Other.** List rating source, rating, and the year of rating.