



### Hospital Statement of Reimbursable Cost

#### BLUE CROSS AND BLUE SHIELD OF ILLINOIS BLUE CROSS PLAN FOR HOSPITAL CARE

300 East Randolph Street  
Chicago, Illinois 60601

(Read instructions in footnotes before filling in form)

\_\_\_\_\_  
(Date)

Name of Hospital \_\_\_\_\_

Address \_\_\_\_\_

Period covered by statement: From \_\_\_\_\_, 20 to \_\_\_\_\_ 20

#### A. TYPE OF HOSPITAL

1. Type if control (check one only)

Government:

State

County

City

City-County

Not-for-profit Organization:

Church related – Catholic

Church related - Other

Not-for-profit corporation  
or association

Proprietary:

Individual or partnership

Corporation (proprietary)

2. Type of service (check one)

(a) General

(b) Special

Maternity

Children's

Orthopedic

Isolation

Convalescent and rest

Nervous and mental

Tuberculosis

Other (specify)

#### B. STATISTICAL DATA

Hospital personnel (computed on a full-time basis):

1. Average number of employees on hospital payroll each month,  
(not including B-2) \_\_\_\_\_

2. Average number of Sisters (or members of other religious  
orders) who served in the hospital each month..... \_\_\_\_\_

(a) Have you included allowances for services performed by  
members of religious orders in your operating expenses  
shown in Section D? (See Footnote 11)..... \_\_\_\_\_

(b) If answer to (a) is "yes", what basis was used in deter-  
mining these allowances? \_\_\_\_\_

In-patient statistics:

3. Beds (exclusive of bassinets) available at beginning of  
accounting period..... \_\_\_\_\_

4. Beds (exclusive of bassinets) available at end of accounting  
accounting period..... \_\_\_\_\_

- 5. Total bed-days for the accounting period<sup>1</sup> ..... \_\_\_\_\_
- 6. Total in-patient days (exclusive of newborn-infant days)<sup>2</sup>
  - (a) (Newborn-infant days)<sup>3</sup> ..... \_\_\_\_\_
- 7. Percent occupancy (Item 6, divided by bed-days, Item 5) ..... \_\_\_\_\_
- 8. Discharges, including deaths (exclusive of newborn infants)..... \_\_\_\_\_
- 9. Average length of stay (Item 6, divided by Item 8) ..... \_\_\_\_\_

Out-patient statistics:

- 10. Total out-patient visits during accounting period<sup>4</sup>

**C. TOTAL OPERATING EXPENSES<sup>5</sup>**

- 1. Total amount of expenses per books<sup>6</sup> ..... \$ \_\_\_\_\_
- 2. Expenses to be deducted (Deduct only items included in Item 1 above)<sup>7</sup> ..... \_\_\_\_\_
  - (a) Cost or income of gift shops, lunch counters, etc. .... \_\_\_\_\_
  - (b) Cost of income of guest meals or meals paid for by employees ..... \_\_\_\_\_
  - (c) Cost or income of telephone and telegraph charges paid for by patients, guests, or employees ..... \_\_\_\_\_
  - (d) Cost or income of drugs or supplies that are purchased by individuals not admitted as in-patients or out-patients ... \_\_\_\_\_
  - (e) Bad debts or provision thereof; charity and courtesy allowances ..... \_\_\_\_\_
  - (f) Real estate taxes and income taxes<sup>8</sup> ..... \_\_\_\_\_
  - (g) Cash discounts on purchases<sup>9</sup> ..... \_\_\_\_\_
  - (h) Research expense and medical education ..... \_\_\_\_\_
  - (i) Provision for depreciation of buildings and equipment<sup>10</sup>..... \_\_\_\_\_
  - (j) Expenditures for land, buildings, equipment, fixtures, and leasehold improvements..... \_\_\_\_\_
  - (k) Others (specify)
    - \_\_\_\_\_
    - \_\_\_\_\_
    - \_\_\_\_\_
  - (m) Total (Items (a) through (k)) ..... \_\_\_\_\_
- 3. Total amount of hospital expenses applicable to in-patient and out-patient services (Item 1 minus 2-m; should be the same as amount under D-28)..... \_\_\_\_\_

**D. HOSPITAL EXPENSES FOR CALCULATING REIMBURSABLE COSTS<sup>11</sup>**

Classification of Expenses (1)	Total Expenses (2)	For Services to In-patients (3)	Out-patient private am- bulatory and emergency service <sup>12</sup> (4)
<b>Operating Expenses</b>			
1. Administrative and General.....	_____	_____	_____
2. Dietary .....	_____	_____	_____
3. Housekeeping Department .....	_____	_____	_____
4. Laundry Department .....	_____	_____	_____
5. Linen Service.....	_____	_____	_____
6. Maintenance of Personnel .....	_____	_____	_____
7. Operation of Plant.....	_____	_____	_____
8. Motor Service.....	_____	_____	_____
9. Repairs and Maintenance of Buildings, Equipment, and Grounds .....	_____	_____	_____
10. Nursing Service.....	_____	_____	_____
11. Nursing Education .....	_____	_____	_____
12. Medical and Surgical Service .....	_____	_____	_____
13. Pharmacy Department .....	_____	_____	_____
14. Medical Records and Library.....	_____	_____	_____
15. Social Service Department.....	_____	_____	_____
16. Operating Rooms .....	_____	_____	_____
17. Delivery Rooms .....	_____	_____	_____
18. Department of Anesthesiology .....	_____	_____	_____
19. Department of Radiology .....	_____	_____	_____
20. Laboratory Department .....	_____	_____	_____
21. Basal Metabolism .....	_____	_____	_____
22. Electrocardiology.....	_____	_____	_____
23. Physical Therapy Department .....	_____	_____	_____
24. Ambulance Service.....	_____	_____	_____
25. Out-patient Department (for Clinic patients) .....	_____	_____	_____
26. Emergency Department.....	_____	_____	_____
27. Other Expenses (specify) .....	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
28. Total Operating Expenses (Item 28 – Column (2) should equal Item C-3).....	_____	_____	_____

**E. CALCULATION OF MAXIMUM REIMBURSABLE COST OF IN-PATIENT SERVICE**

1. Expenses for in-patient service (from Item D-28, Column 3).....	\$ _____
2. Supplementary allowance for depreciation of buildings and equipment (see Footnote 10) .....	_____
3. Total amount of operating expenses for computing expenses for computing maximum reimbursable cost (E-1 plus E-2) .....	_____
4. Number of in-patient days (Item B-6) .....	_____
5. Average computed per diem cost (E-3 divided by E-4) .....	_____
6. Supplementary allowance (5% of Item E-5).....	_____
7. Total maximum reimbursable cost of in-patient service per patient day (E-5 plus E-6).....	_____

**F. FORM OF CERTIFICATION BY OFFICER OF HOSPITAL<sup>13</sup>**

I, \_\_\_\_\_, \_\_\_\_\_  
(Name) (Title)

of the \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_  
(Name of Hospital) (City) (State)

do hereby certify that I have examined the accompanying statement of total expenses, the allocation thereof between in-patient and out-patient services, and the calculation of reimbursable cost of in-patient service per patient-day for the Hospital for the year ended \_\_\_\_\_, 20\_\_\_\_, and that to the best of my knowledge and belief it is true and correct statement prepared from the books and records of the Hospital in accordance with instructions as contained in this statement.

A certification by a public accountant of the correctness of the amount entered in Item C-1 is (is not) attached.

\* I certify that the Hospital could not obtain the services of a public accountant to make an audit to determine the total expenses of the Hospital during the period.

(\* Delete this sentence if certification by public accountant is attached.)

I further certify that the records of the Hospital for the period covered by the Operating Statement were maintained on the \_\_\_\_\_ basis.  
(accrual, cash, or modified cash)

(Signed) \_\_\_\_\_  
Officer or Superintendent of Hospital

Date \_\_\_\_\_ Title \_\_\_\_\_

**G. FORM OF CERTIFICATION BY PUBLIC ACCOUNTANT<sup>13</sup>**

I hereby certify that the amount of \$ \_\_\_\_\_ shown in Item C-1 of the accompanying statement of total expenses of \_\_\_\_\_  
(Name of Hospital)

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, for the year ended  
(City) (State)

\_\_\_\_\_, 20\_\_\_\_, is correct in accordance with my audit of the books of the Hospital, and to the instructions contained in this statement.

My examination was made in accordance with generally accepted auditing standards applicable in the circumstances and it included all procedures that I consider necessary (except as qualified below).

The amount entered in Item C-1 includes (excludes) items listed under Item C-2.

The records of the Hospital for the period covered by the operating statement were maintained on the \_\_\_\_\_ basis.  
(accrual, cash, or modified cash)

\_\_\_\_\_  
(Signature of Public Accountant)

## FOOTNOTES

For any terms not defined here, see the "Handbook on Accounting Statistics and Business Office Procedures for Hospitals", Section I "Uniform Hospital Statistics and Classification of Accounts" of the American Hospital Association.

1. *Bed-days* should be the sum of the count of the number of beds available each day; or, if this is not possible, the bed complement at the end of the accounting period multiplied by the total number of days in the period.

2. A *Patient-day* is that period of service rendered a patient between the census-taking hours on two successive days, the day of discharge being counted only when the patient was admitted that same day. (Either the day of admission or the day of discharge may be counted, but not both.)

3. *Newborn-infant days* to be excluded from the count of total in-patient days are only those days when an infant occupies a bassinet (in the nursery) during the mother's hospitalization. Thus, the count of days for a prematurely born infant remaining in the hospital after the mother is discharged, or for an infant delivered at home and later admitted to the hospital, or for an infant admitted or transferred out of the nursery for an illness, is included in the total in-patient days reported.

4. *Out-patient visits* for the purpose of this statement include visits of all out-patients (individuals registered for and receiving service in the institution but not occupying a regular hospital bed or bassinet) to regular clinics of an organized out-patient department, and also visits of referred patients who are not admitted to in-patient service but who receive care in emergency rooms, or X-ray, laboratory, physical therapy, and similar special services.

5. Notwithstanding the outline of cost allocation shown herein, a hospital which is able to compute its costs on the basis of type of service or accommodation will be permitted to report on such a basis, provided that this election, once made, will be used on all subsequent reports.

6. The amount to be entered should be as follows:

<i>If reporting on the</i>	<i>Amount to be entered</i>
Accrual basis.....	Total expenses
Cash basis.....	Total cash disbursements
Modified cash basis.....	Total cash disbursements after giving effect to adjustment.

Expenses (or disbursements), as used herein, mean all expenses, including those charged to accounting designations other than "operating expenses" on the Hospital's books of account. All expenses included must be identifiable in the Hospital's accounting records and acceptable for certification.

7. If the public accountant certified that the "total amount of expenses" (C-1) did not include any of the item listed under C-2, entries should be made for Items C-1 and C-3 only.

8. This item refers only to proprietary hospitals subject to these taxes.

9. If the Hospital records cash discounts on purchases as an income account, deduct this income from your expenses nevertheless, and in Schedule D subtract this income from Item D-1 — "Administrative and General" — before entering in Column (2) the Total Expenses for this classification.

10. Provisions for depreciation of buildings and equipment, and expenditures for land, buildings, equipment, fixtures and permanent improvements, whether replacements or additions, are not to be included in the Hospital's operating expenses. However, an allowance for such items will be under E-2 of this form.

## FOOTNOTES (continued)

11. The actual expenses for all services provided by the Hospital to all patients are to be recognized in computing the patient-day cost, and are to be included in this section.

Detailed instructions of expenses to be included under each heading and a method for allocating in-patient and out-patient operating expenses are given in the "Handbook on Accounting, Statistics and Business Office Procedures for Hospitals", Section I, "Uniform Hospital Statistics and Classification of Accounts" of the American Hospital Association.

A hospital having fewer than 25 available beds may elect to submit a statement of operating expenses in accordance with the classification per books of the Hospital instead of using the classification of expenses given in Section D. Such a Hospital should, however, complete all items in Sections A, B, and C.

Maintenance furnished by the Hospital, such as room and board for student nurses and members of religious orders who serve in the Hospital, would be included in the expenses of the appropriate departmental Items D-1 through D-26.

Hospital payments for pensions, annuities, social security benefits, and workmen's compensation insurance premiums should be included under the expenses of the appropriate departmental Items D-1 through D-26.

Hospitals utilizing the service of Sisters or members of other religious orders assigned to the Hospital, should allocate allowances for such services under appropriate departmental Items D-1 through D-26. Allowances for services performed by Sisters or members of other religious orders may be determined as follows: A gross value of each position occupied by members of religious orders where such members are engaged in hospital duties shall be determined on the basis of salary being currently paid for similar positions in comparable hospitals in the same area. From the gross value so determined there will be deducted the value of maintenance furnished, plus any other expenditures included in operating expenses under D-1 through D-27 for the benefit of such members, and the net amount may be included in operating expenses under the appropriate departmental account.

12. If expenses for in-patient and out-patient services cannot be segregated according to the method advocated by the American Hospital Association, or by a comparable method, estimated expenses for out-patient services may be computed by multiplying the total number of out-patient visits (B-10) by \$2 and entering the sum under Column 4, Item D-25. The total D-25, Column 4, should be deducted from the total of D-25 and D-26 of Column 2, to arrive at the figure of D-25 and D-26 for Column 3.

13. The Hospital will furnish a copy of the Hospital Statement of Reimbursable Cost covering the Hospital's operations during each fiscal year, and such form must be certified by an officer of the Hospital in Schedule F. If the Hospital's accounts are audited as of the close of the fiscal year by and independent public accountant or accountants, then said accountant or accountants should also fill in and sign Section G of this form.