OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT
HEALTHCARE INFORMATION DIVISION
ACCOUNTING AND REPORTING SYSTEMS SECTION
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October 1997

To: Hospital Chief Financial Officers
     and Other Interested Parties

Re: Hospital Technical Letter No. 3

This is the third in a series of Hospital Technical Letters developed by the Office regarding our uniform accounting and reporting system requirements for California hospitals. The purpose of these letters is to provide timely information to assist you in meeting these requirements.

QUARTERLY REPORTING FOR 1998

The reporting requirements for submitting Quarterly Financial and Utilization Reports for calendar year 1998 are the same as 1997, with no new data fields being added or other changes. You are still required to use the Hospital Quarterly Reporting System (HQRS) software (Version 1.4) to prepare and submit your quarterly reports. The reporting periods and due dates for 1998 Quarterly Financial and Utilization Reports are:

Quarter	From	To	Due Date
1st Quarter	January 1, 1998	March 31, 1998	May 15, 1998
2nd Quarter	April 1, 1998	June 30, 1998	August 14, 1998
3rd Quarter	July 1, 1998	September 30, 1998	November 14, 1998
4th Quarter	October 1, 1998	December 31, 1998	February 14, 1999

ANNUAL ELECTRONIC REPORTING REQUIREMENTS

In Hospital Technical Letter No. 2 (March 1997), we summarized the changes to the Hospital Annual Disclosure Report for report periods ending June 30, 1997 through June 29, 1998. Annual disclosure reports are still due four months after the end of the reporting period, unless an extension has been submitted and approved.

Hospitals with a report period ending on or after June 30, 1997 must use the latest Office-approved vendor software (Version 23A) to prepare your report. You may either transmit your completed report by modem to the Office's Bulletin Board System (BBS), or submit your completed report on a 3.5" 1.44Mb diskette. The Office provides free software (BBSUPLD, Version 1.0), which allows you to transmit your report electronically. Instructions for obtaining copies of the complimentary BBS upload software are available from the Office. Requests to submit the Office's standard report form in lieu of electronic reporting must be made in writing and will only be approved if sufficiently justified. If you are unable to produce the 3.5" 1.44Mb diskette or would like the BBSUPLD software, please call Patricia Burritt at (916) 323-0875.

The following vendors are approved to distribute software (Version 23A) for completing your Hospital Annual Disclosure Report:

Vendor	Contact Person	Phone Number
Health Financial Systems	Charles Briggs	(916) 686-8152
Hospital Management Services	Lanny Hawkinson	(714) 992-1525
KPMG Peat Marwick	Niccole Bourlier	(805) 284-1800

FREE - HOSPITAL ANNUAL FINANCIAL DATA

In Technical Letter No. 2, the Office announced the development of a new PC diskette product which contains 210 selected data items from the Hospital Annual Disclosure Report. The initial data file included data from the 575 reports that were submitted with a report period ended in calendar year 1995. We have since developed two more data files, one including 576 reports for report periods ended July 1, 1995 through June 30, 1996 (released in April 1997); and another including 568 reports for report periods ended in calendar year 1996 (released in October 1997).

We have now placed all three data files on the Office's web site **(www.oshpd.cahwnet.gov)** under **Healthcare Data**, where they can be downloaded to your PC **for free**. The data files are in a variable length, comma-separated value, text (.TXT) format; or in a LOTUS (.WK3) format. To expedite downloading, the data files are compressed in a ZIP file format. Also available for downloading is the related documentation. To demonstrate the potential usage of the data files, we created the attached reports which display selected financial ratios and labor productivity data.

If you are unable to access the Office's web site, the data files are also available on a 3.5" 1.44 Mb diskette in the .TXT or .WK3 file format at a cost of $100.00 per diskette. If you would like to purchase this diskette product or have any questions, please contact the Office's Data Users Support Group at (916) 326-3802.

Also available on the Office's web site are the names, addresses, and other information for all hospitals, LTC facilities; licensed clinics, and Home Health Agencies; and downloadable data files from the Office's Quarterly Financial and Utilization Reports.

QUARTERLY REPORTING AND MANAGED CARE PAYER SURVEY UPDATE

In July, the Office distributed a Quarterly Reporting Survey to determine the capabilities of each hospital's PC system and Internet capabilities, with the intent of revising the Office-provided software for preparing and submitting Quarterly Financial and Utilization Reports. In September, we distributed a Managed Care Payer Category Survey to determine what financial and utilization data hospitals are tracking related to patients enrolled in managed care health plans, and to assess the need for the Office to revise its accounting and reporting system requirements in this area.

We are still analyzing the 231 Quarterly Reporting Survey responses to determine the most efficient method for preparing and submitting quarterly reports. Over 88% of the quarterly report preparers have a 486 or Pentium PC; 91% of the PCs are using some version of Windows operating system; 64% of the PCs are connected to a Local Area Network; and 69% of the report preparers have or will have access to Internet by the end of the year. One idea is a Windows-based application which would allow you to prepare and transmit your report by modem to either our BBS or web site. We don't anticipate releasing revised quarterly reporting software for at least another year.

The 130 Managed Care Payer Category Survey responses that we have received to date are still being tabulated. Some preliminary figures show 96% of the hospitals having patients enrolled in managed care health plans; 35% having more than 50 managed care contracts; and 50% believing the Office should collect managed care data by payer. The survey results will be presented to the Office's Ad Hoc Payer Category Task Group for analysis and comment before any changes are proposed. Any changes to the accounting and reporting system must be adopted as regulation changes through a public hearing process.

We'd like to thank everyone who took the time and effort to respond to the surveys. It's important to have your input when making critical decisions.

If you would like copies of previous Hospital Technical Letters, or if you have any questions, please call Kenny Kwong at (916) 323-7681, or me at (916) 323-7676.

Sincerely,

Jay R. Benson
Manager