



Washington State Department of Health

Accounting and Reporting Manual for Hospitals
Chapter 0000
Introduction

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Background

0001

Uniform accounting and reporting for hospitals in the state of Washington began with the establishment of the Washington State Hospital Commission in 1973. The Washington State Hospital Commission Accounting and Reporting Manual for Hospitals became effective on October 1, 1974.

With the sunset of the Washington State Hospital Commission in 1989, the statewide hospital data system developed by the Commission and the requirements for a uniform accounting and reporting system were transferred to the Department of Health.

This Manual is informed by the fifth edition of the "Audit and Accounting Guide for Health Care Entities", September 1, 2021, of the American Institute of Certified Public Accountants (AICPA) and is the fourth revision of the Washington State Department of Health Accounting and Reporting Manual for Hospitals.

Approach To Development of The Manual

0002

This Manual was originally adopted on September 30, 1974 and became effective October 1, 1974. A second edition was released in 1983 to reflect new cost centers, updates to units of measure, and changes in health industry practices. The third edition was released because of changes in health industry practices, the development of new technology requiring modification to the existing cost center structure, and the release of a new AICPA audit guide. This edition integrates additions to the uniform accounting and reporting system reflective of hospital financial reporting requirements detailed within Engrossed Second Substitute House Bill 1272 (chapter 162, Laws of 2021).

Manual Arrangement

0003

This Manual has been divided into chapters, sections, and sub-sections. The chapter title is noted at the top of each page and each chapter has been assigned a number in the thousands. For example, the System of Accounts chapter has been numbered 2000. Each section within that chapter has been assigned a number within the 2000 series. Subsections have been assigned decimal numbers following the section number to which they relate. A detailed table of contents precedes each chapter.

Manual Revisions

0004

From time to time, it will be necessary to revise this Manual in order to update, add, or delete material and to distribute rulings and interpretations made by the Department subsequent to the issuance of this Manual. Revisions will be issued and posted as dated attachments. Each revision will begin with a transmittal letter that describes the major changes within the revision. Attached to the transmittal letter will be:

1. section-by-section descriptions of the changes;
2. revised Manual pages.