



Washington State Department of Health

Accounting and Reporting Manual for Hospitals
Chapter 2000

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Preface

2001

A Chart of Accounts is a listing of account titles, with numerical symbols, used in the compilation of financial data concerning the assets, liabilities, capital, revenues, and expenses of an enterprise.

An outline of the required Chart of Accounts for hospitals is presented in this chapter along with an explanation of the numerical coding system. A description of the nature and content of each account is also included. It is recognized, however, that it is impossible to develop a Chart of Accounts that will fulfill all of the requirements of all hospitals. Many hospitals will not require the detailed information provided for in the Chart; others may require even more detailed classification. The Chart is designed to permit contraction or expansion to meet specific requirements while maintaining uniformity for accounting and reporting financial information. The unique accounting requisites of public hospital districts are explained in Section 2260.

Hospitals are required to maintain all balance sheet accounts indicated in the Chart of Accounts, when such assets and liabilities exist.

While not all hospitals have separate departments organized in the manner required in the Chart of Accounts, the information regarding revenues and expenses of each cost center is essential. Therefore, if a hospital does not follow this level of detail, reclassifications will be required for reporting purposes in order to properly reflect the revenue and expense of the functional cost centers required in this Manual.

Functional And Responsibility Reporting Concepts

2010

Functional Reporting: may be defined as the reporting of costs according to type of activity.

Responsibility Reporting: may be defined as the reporting of costs according to organizational units, such as departments.

Total costs are the same with either functional or responsibility reporting. Each reporting system serves different purposes. Responsibility reporting is necessary for evaluations made of and by management. However, because organization structures vary among hospitals, responsibility reporting does not allow the comparability necessary for reporting to the Department. Therefore, an accounting and reporting system had to be developed which allowed comparable reporting of hospital activity among hospitals, while not significantly disturbing a system of responsibility accounting and reporting.

Although the accounting and reporting concepts and principles incorporated into this Manual are set along functional lines, they should not, in the majority of cases, alter the hospital's responsibility accounting and reporting. Where differences occur (and this will vary with individual hospitals), reclassifications may be necessary in order to conform the hospital's accounting records to the Department's reporting requirements. However, in order to minimize the number of reclassifications, hospitals should align their responsibility

centers as close as possible to the functional centers as described in this Manual. Factors influencing this alignment include type of services and size of the hospital.

Numerical Coding System

2020

The numerical coding system in the Chart of Accounts provides for six digits. Some hospitals, however, may wish to use one or more additional digits, depending upon the amount of additional detail desired. Account numbers include four digits to the left of a decimal point which identify primary account classifications, and two digits to the right, which identify secondary account classifications.

The first digit of an account designates the financial statement classification of the account:

1. Assets
2. Liabilities and Capital or Fund Balance
3. Daily Hospital Services Revenues
4. Ancillary Revenues
5. Deductions from Revenue and Other Operating Revenue
6. Daily Hospital Services Expenses
7. Ancillary Expenses Research and Education Costs; General Services; Fiscal Services; Administrative Services; Unassigned Costs
8. Nonoperating Gains and Losses

The second, third, and fourth digits of the daily hospital service centers and the ancillary centers are the same for revenue and expense. The required level of reporting is indicated by those account titles in capital letters and a fourth digit of zero.

In the balance sheet accounts, the fifth and sixth digits are used to identify primary and secondary sub-classifications. The specific sub-classifications to be used will depend upon the individual hospital's requirements for accounting and reporting. For revenue accounts, please refer to the table of Sub-classifications of Patient Services (Section 2230) to see how the fifth and sixth digits may be used.

The required level of reporting for the natural classification of expense are the following major categories: salaries and wages; employee benefits; professional fees; supplies; purchased services - utilities; purchased services - other; depreciation; rentals and leases; and other direct expenses. In addition, the salaries and wages detail as specified in natural classification accounts .01 to .08 should be maintained. The job titles as identified in the table in Section 2450 will promote uniformity in the classification of salaries and wages.

It is acceptable to add digits to assigned account numbers to provide additional detail including distinguishing between facilities.

Numerical Coding System - Balance Sheet Accounts

First Digit	Second Digit	Third and Fourth Digits	Decimal Point	Fifth and Sixth Digits
0 - Not Used Classification	0 - Unrestricted Fund	x0 - Required Reporting Level	.	0 - According to Individual Hospital Requirements
1 - Asset	1 - Unrestricted Fund	x1 - Primary Sub-Classification	.	1 - According to Individual Hospital Requirements
2 - Liability and Equity	2 - Unrestricted Fund	x2 - Primary Sub-Classification	.	2 - According to Individual Hospital Requirements
3 - Income Statement Accounts	3 - Unrestricted Fund	x3 - Primary Sub-Classification	.	3 - According to Individual Hospital Requirements
4 - Income Statement Accounts	4 - Unrestricted Fund	x4 - Primary Sub-Classification	.	4 - According to Individual Hospital Requirements
5 - Income Statement Accounts	5 - Plant Replacement and Expansion Fund	x5 - Primary Sub-Classification	.	5 - According to Individual Hospital Requirements
6 - Income Statement Accounts	6 - Specific Purpose Funds	x6 - Primary Sub-Classification	.	6 - According to Individual Hospital Requirements
7 - Income Statement Accounts	7 - Endowment Fund	x7 - Primary Sub-Classification	.	7 - According to Individual Hospital Requirements
8 - Income Statement Accounts	8 - Not Used	x8 - Primary Sub-Classification	.	8 - According to Individual Hospital Requirements

First Digit	Second Digit	Third and Fourth Digits	Decimal Point	Fifth and Sixth Digits
9 - Income Statement Accounts	9 - Not Used	x9 - Primary Sub-Classification	.	9 - According to Individual Hospital Requirements

Numerical Coding System - Income Statement Accounts

First Digit	Second and Third Digit	Fourth Digit	Decimal Point	Fifth, Sixth and Seventh Digits
0 - Not Used Classification	Not Specified	0 - Required Reporting Level	.	XXX - Not Specified
1 - Balance Sheet Accounts	Not Specified	1 - Optional Accounts	.	XXX - Not Specified
2 - Balance Sheet Accounts	Not Specified	2 - Optional Accounts	.	XXX - Not Specified
3 - Daily Hospital Service Revenue	Classification by Type of Service	3 - Optional Accounts	.	000-999 Classification of Patient Service
4 - Ancillary Service Revenue	Classification by Type of Service	4 - Optional Accounts	.	000-999 Classification of Patient Service
5 - Deductions from Revenue & Other Operating Revenue	Classification by Type of Service	5 - Optional Accounts	.	XXX - Not Specified
6 - Daily Hospital Service Expense	Classification by Type of Service	6 - Optional Accounts	.	000-999 Classification of Patient Service
7 - Ancillary Service Expense	Classification by Type of Service	7 - Optional Accounts	.	000-999 Classification of Patient Service

8 - Other Operating Expense	Classification by Type of Service	8 - Optional Accounts	.	000-999 Classification of Patient Service
9 - Non-Operating Gains Losses	Classification by Type of Service	9 - Optional Accounts	.	XXX - Not Specified

Numerical Coding System - Natural Classification of Expense

First Four Digits	Decimal Point	Fifth Digit	Sixth and Seventh Digit
6000-8999 - Classification of Expense by Organizational Unit	.	0 - Salaries and Wages	00-99 - Job Categories
1 - Balance Sheet Accounts	.	1 - Employee Benefits	00-99 - Type of Benefit
2 - Balance Sheet Accounts	.	2 - Professional Fees	00-99 - Type of Fee
3 - Daily Hospital Service Revenue	.	3 - Supplies	00-99 - Type of Supply
4 - Ancillary Service Revenue	.	4 - Supplies	00-99 - Type of Utility
5 - Deductions from Revenue & Other Operating Revenue	.	5 - Purchased Services Utilities	00-99 - Type of Service
6 - Daily Hospital Service Expense	.	6 - Purchased Services Other	00-99 - Classification by Type
7 - Ancillary Service Expense	.	7 - Depreciation	00-99 - Classification by Type

8 - Other Operating Expense	.	8 - Leases and Rentals	00-99 - Classification by Type
9 - Non-Operating Gains Losses	.	9 - Other Direct Expenses	00-99 - Classification by Type

Chart Of Accounts - Balance Sheet 2100
Unrestricted Fund Assets 2110
Current Assets 2110.1

- 1010 Cash**
- 1011 General Checking Accounts
- 1012 Payroll Checking Accounts
- 1013 Other Checking Accounts
- 1014 Imprest Cash Funds
- 1015 Savings Accounts
- 1016 Certificates of Deposit
- 1017 Other Cash Accounts
- 1020 Marketable Securities**
- 1021 Unrestricted Marketable Securities
- 1022 Other Current Investments
- 1030 Accounts And Notes Receivable**
- 1031 Inpatient Receivables - Unbilled
- 1032 Inpatient Receivables - Discharged
- 1033 Outpatient Receivables
- 1040 For Uncollectible Receivables And Third Party Contractual Withholds**
- 1041 Allowance for Bad Debts
- 1043 Allowance for Contractual Adjustments - Inpatients
- 1044 Allowance for Contractual Adjustments - Outpatients
- 1045 Allowance for Charity Service
- 1047 Other Allowances
- 1050 Receivables From Third Party Payers**
- 1051 Other Receivables - Cost Report Settlement
- 1060 Pledges And Other Receivables**
- 1061 Pledges
- 1062 Allowance for Uncollectable Pledges
- 1063 Grants and Legacies
- 1064 Accrued Receivables
- 1065 Accounts and Notes Receivable - Employees
- 1067 Other Receivables
- 1070 Due From Restricted Funds**
- 1071 Due from Plant Replacement and Expansion Funds
- 1072 Due from Specific Purpose Funds

1073	Due from Endowment Funds
1080	Inventory
1081	General
1082	Pharmacy
1083	Central Supply
1084	Dietary
1089	Other
1090	Prepaid Expenses and Other Current Assets
1091	Prepaid Insurance
1092	Prepaid Interest
1093	Prepaid Rent
1094	Prepaid Pension Plan Expense
1095	Prepaid Taxes
1096	Prepaid Service Contracts
1097	Deposits
1098	Other Prepaid Expenses
1099	Other Current Assets
1100	Intercompany Receivables

Assets Limited as To Use

2110.2

1110	Board Designated Cash
1111	Board Designated Checking Accounts
1112	Board Designated Savings Accounts
1113	Board Designated Certificates of Deposit
1114	Board Designated Other Cash Accounts
1120	Board Designated Marketable Securities
1121	Board Designated Marketable Securities
1122	Board Designated Other Current Investments
1130	Board Designated Other Assets
1131	Board Designated - Pledges Receivable
1132	Board Designated - Allowance for Uncollectable Pledges
1133	Board Designated - Investments in Real Property
1134	Board Designated - Other Investments
1135	Board Designated - Other Assets
1140	Proceeds Of Debt Issues
1150	Other Assets Limited as To Use

Property, Plant, and Equipment

2110.3

1210	Land
1220	Land Improvements
1221	Parking Lot
1222	Other
1230	Buildings

1231	Hospital Buildings
1234	Parking Structures
1235	Other
1240	Fixed Equipment - Building Services
1250	Fixed Equipment - Other
1260	Equipment
1261	Major Movable Equipment
1262	Minor Equipment
1270	Leasehold Improvements
1280	Construction-In-Progress
1320	Accumulated Depreciation - Land Improvements
1321	Parking Lots
1322	Other
1330	Accumulated Depreciation - Buildings
1331	Hospital Buildings
1334	Parking Structures
1335	Other
1340	Accumulated Depreciation - Fixed Equipment -Building Services
1350	Accumulated Depreciation - Fixed Equipment - Other
1360	Accumulated Depreciation - Equipment
1361	Accumulated Depreciation - Major Movable Equipment
1362	Accumulated Depreciation - Minor Equipment
1370	Accumulated Depreciation - Leasehold Improvements

Investments and Other Assets

2110.4

1410	Investment In Property, Plant, And Equipment
1420	Accumulated Depreciation - Investments in Plant and Equipment
1430	Other Investments
1440	Other Assets

Intangible Assets

2110.5

1450	Purchased Goodwill
1460	Unamortized Loan Cost
1470	Pre-Opening and Other Organization Costs
1480	Other Intangible Assets
	Affiliated Organizations
1490	Intercompany Receivables

Plant Replacement and Expansion Fund Assets

2120

1510	Cash
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1511	Checking Accounts
1512	Savings Accounts
1513	Certificates of Deposit
1514	Other Cash Accounts
1520	Investments
1521	Marketable Securities
1522	Other Investments
1530	Receivables
1531	Pledges Receivable
1532	Allowance for Uncollectable Pledges
1533	Grants, Legacies, and Bequests Receivable
1534	Interest Receivable
1535	Other Receivables
1540	Due From Other Funds
1541	Due from Unrestricted Fund
1542	Due from Specific Purpose Fund
1543	Due from Endowment Fund
1550	Other Accounts (As Needed)

Specific Purpose Fund Assets

2130

1610	Cash
1611	Checking Accounts
1612	Savings Accounts
1613	Certificates of Deposit
1614	Other Cash Accounts
1620	Investments
1621	Marketable Securities
1622	Other Investments
1630	Receivables
1631	Pledges Receivable
1632	Allowance for Uncollectable Pledges
1633	Grants Receivable
1634	Legacies and Bequests Receivable
1635	Accrued Interest Receivable
1636	Other Receivables
1640	Due From Other Funds
1641	Due from Unrestricted Fund
1642	Due from Plant Replacements and Expansion Fund
1643	Due from Endowment Fund
1650	Other Accounts (as needed)

Endowment Fund Assets

2140

1710	Cash
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1711	Checking Accounts
1712	Savings Accounts
1713	Certificates of Deposit
1714	Other Cash Accounts
1720	Investments
1721	Marketable Securities
1722	Mortgages
1723	Real Property
1724	Accumulated Depreciation on Real Property
1725	Other Investments
1730	Receivables
1731	Legacies and Bequests
1732	Pledges
1733	Allowance for Uncollectable Pledges
1734	Interest Receivable
1735	Rent Receivable
1736	Dividends Receivable
1737	Trust Income Receivable
1738	Other Receivables
1740	Due From Other Funds
1741	Due from Unrestricted Fund
1742	Due from Plant Replacements and Expansion Fund
1743	Due from Specific Purpose Fund
1750	Other Accounts (as needed)

Unrestricted Fund Liabilities

2150

Current Liabilities

2150.1

2010	Notes And Loans Payable
2011	Notes and Loans Payable - Vendors
2012	Notes and Loans Payable - Banks
2013	Construction Loans - Interim Financing
2014	Other Notes and Loans Payable
2020	Accounts Payable
2021	Trade Payables
2022	Other Accounts Payable
2030	Accrued Compensation and Related Liabilities
2031	Accrued Payroll
2032	Accrued Vacation, Holiday, and Sick Pay
2033	Other Accrued Salaries and Wages Payable
2034	Federal Income Taxes Withheld
2035	Social Security Taxes Withheld and Accrued
2036	Workers' Compensation Payable

2037	Unemployment Taxes Payable
2038	Other Payroll Taxes and Deductions Payable
2040	Other Accrued Expenses
2041	Interest Payable
2042	Rent Payable
2043	Property Taxes Payable
2044	Fees Payable - Medical Specialists
2045	Fees Payable - Other
2046	Other Accrued Expenses Payable
2050	Advances From Third Party Payers
2060	Payable To Third Party Payers
2061	Reimbursement Settlement Due
2070	Due To Restricted Funds
2071	Due to Plant Replacement and Expansion Fund
2072	Due to Specific Purpose Fund
2073	Due to Endowment Fund
2080	Income Taxes Payable
2081	Federal Income Taxes Payable
2090	Other Current Liabilities
2091	Deferred Income - Patient Deposits
2092	Deferred Income - Tuition and Fees
2093	Deferred Income - Other
2094	Dividends Payable
2095	Bank Overdrafts
2097	Construction Retention Payable
2098	Construction Contracts Payable
2099	Other Current Liabilities
2100	Intercompany Payables

Deferred Credits

2150.2

2110	Deferred Income Taxes
2111	Deferred Taxes Payable
2120	Deferred Third Party Revenue
2121	Deferred Revenue
2130	Other Deferred Credits
2131	Other Deferred Items

Long-Term Debt

2150.3

2210	Mortgages Payable
2220	Construction Loans - Interim Financing (Over One Year)
2230	Notes Payable
2240	Capitalized Lease Obligations
2250	Bonds Payable

2260	Intercompany Payables
2270	Other Long-Term Liabilities
2280	Emergency Funding (Loans)- Local, State, Federal

RESTRICTED FUND LIABILITIES

Plant Replacement and Expansion Fund Liabilities 2160

2510	Due To Unrestricted Fund
2520	Due To Specific Purpose Fund
2530	Due To Endowment Fund

Specific Purpose Fund Liabilities 2170

2610	Due To Unrestricted Fund
2620	Due To Plant Replacement And Expansion Fund
2630	Due To Endowment Fund

Endowment Fund Liabilities 2180

Long Term Liabilities 2180.1

2710	Mortgages
2720	Other Long-Term Liabilities

Due to Other Funds 2180.2

2730	Due To Unrestricted Fund
2740	Due To Plant Replacement and Expansion Fund
2750	Due To Specific Purpose Fund

Fund Balances 2190

Not-for-Profit 2190.1

2400	Unrestricted Fund Balance
2410	Fund Balance
2420	Capital Outlay
2430	Donated Property, Plant, and Equipment
2570	Restricted Funds - Plant Replacement and Expansion
2571	Fund Balance
2572	Capital Outlay
2573	Transfers to Unrestricted Fund for Operations

2670	Restricted Funds - Specific Purpose
2671	Fund Balance
2672	Capital Outlay
2673	Transfers to Unrestricted Fund for Operations
2770	Restricted Funds - Endowment
2771	Fund Balance
2772	Capital Outlay
2773	Transfers to Unrestricted Fund for Operations

Investor-Owned Corporation

2190.2

2410	Preferred Stock
2420	Common Stock
2430	Additional Paid-In Capital
2440	Retained Earnings - Unrestricted
2450	Treasury Stock
2570	Restricted Funds - Plant Replacement and Expansion
2571	Fund Balance
2572	Capital Outlay
2573	Transfers to Unrestricted Fund for Operations
2670	Restricted Funds - Specific Purpose
2671	Fund Balance
2672	Capital Outlay
2673	Transfers to Unrestricted Fund for Operations
2770	Restricted Funds - Endowment
2771	Fund Balance
2772	Capital Outlay
2773	Transfers to Unrestricted Fund for Operations

Investor-Owned Partnership

2190.3

2410	Capital - Unrestricted
2420	Partner's Draw
2570	Restricted Funds - Plant Replacement And Expansion
2571	Fund Balance
2572	Capital Outlay
2573	Transfers to Unrestricted Fund for Operations
2670	Restricted Funds - Specific Purpose
2671	Fund Balance
2672	Capital Outlay
2673	Transfers to Unrestricted Fund for Operations
2770	Restricted Funds - Endowment
2771	Fund Balance
2772	Capital Outlay

2773 Transfers to Unrestricted Fund for Operations

Chart Of Accounts - Income Statement	2200
Revenue Accounts	2210
Daily Hospital Services Revenue	2210.1

3010	Intensive Care
3011	Medical/Surgical
3012	Coronary
3013	Heart Transplant
3014	Burn Care
3015	Pediatric
3016	Neo Natal
3017	Other
3030	Semi-Intensive Care
3031	Medical/Surgical
3032	Renal Dialysis
3022	Other
3070	Acute Care
3071	Medical
3072	Surgical
3073	Oncology
3074	Geriatric
3075	Pediatric
3076	Orthopedics
3077	Isolation
3078	Obstetric
3079	Other
3100	Alternative Birthing Center
3120	Physical Rehabilitation Care
3140	Psychiatric
3141	Isolation
3143	Long-Term
3144	Acute - Adult
3145	Acute - Adolescent and Child
3150	Chemical Dependency Services
3151	Alcohol Detoxification
3152	Drug Detoxification
3153	Alcohol Rehabilitation
3154	Drug Rehabilitation
3170	Nursery
3171	Newborn
3172	Premature
3173	Boarder

3200	Skilled Nursing
3201	Private Patients
3202	Skilled Nursing Facility - Medicare
3203	Skilled Nursing Facility - Medicaid
3210	Swing Bed
3330	Hospice Inpatient Services
3400	Other Daily Hospital Services (Specify)

Ancillary Service Revenue

2210.2

4010	Labor And Delivery
4011	Labor Room
4012	Delivery Room
4013	Birthing Room
4014	Satellite Birthing Center
4020	Surgical Services
4021	Surgery - General
4022	Surgery - Orthopedic
4023	Surgery - Organ Transplants
4024	Surgery - Open Heart
4025	Surgery - Neurosurgery
4026	Surgery - Other
4030	Recovery Room
4040	Anesthesiology
4050	Central Services
4060	Intravenous Therapy Services
4070	Laboratory
4071	Hematology
4072	Microbiology
4073	Chemistry
4074	Immunology
4075	Urine and Feces
4076	Histology
4077	Specimen Procurement and Dispatch
4078	Blood Bank
4079	Miscellaneous Procedures
4110	Electrodiagnosis
4111	Electrocardiology
4112	Electroencephalography
4113	Electrophysiology
4120	Magnetic Resonance Imaging
4130	Ct Scanning Services
4140	Radiology - Diagnostic
4141	Special Procedures
4142	Echocardiology
4143	Ultrasonography

4149 Other
4150 Radiology - Therapeutic
 4151 Chemotherapy
 4152 Radiation Therapy
 4153 Oncology
 4159 Other
4160 Nuclear Medicine
 4161 Diagnostic
 4162 Therapeutic
4170 Pharmacy
4180 Respiratory Services
 4181 Respiratory Therapy
 4182 Pulmonary Function
4190 Dialysis
4200 Physical Therapy
4220 Psychiatric Day Care
4230 Emergency Room
 4231 Emergency Service
 4232 Primary Care
 4233 Observation Room
 4234 Trauma
 4239 Other
 4240 AMBULANCE
 4241 Emergency
 4249 Other
4250 Short Stay Unit
 4251 Ambulatory Surgery
 4252 Observation Rooms
 4253 Outpatient Recovery
 4254 Psychiatric Day Care
 4255 Dialysis
 4256 Alternative Birthing Center
 4259 Other
4260 Clinics
 4261 Admitting
 4262 Diabetics
 4263 ENT
 4264 Eye
 4265 Obstetrics/Gynecology
 4266 Orthopedic
 4267 Pediatrics
 4268 Surgery
 4269 Cardiology
 4271 Physical Medicine
 4272 Urology
 4273 - 4299 Other Clinics (specify)
4310 Occupational Therapy

4320	Speech Pathology
4330	Recreation Therapy
4340	Electromyography
4350	Observation Unit
4380	Free Standing Clinic Services
4390	Air Transportation
4400	Home Care Services
4410	Lithotripsy
4420	Organ Acquisition
4421	Heart
4422	Lung
4443	Kidney
4429	Other
4430	Outpatient Chemical Dependency
4490	Other Ancillary Services

Tax Revenue

2210.3

5110	State Appropriation
5120	Operation And Maintenance Tax Levy
5130	General Obligation Bond - Principal
5140	General Obligation Bond - Interest
5190	Other

Other Operating Revenue

2210.4

5210	Transfer From Restricted Funds for Research Expense
5270	Educational Revenue
5280	Transfer From Restricted Funds for Education Expense
5330	Non-Patient Food Sales
5350	Laundry And Linen Revenue
5360	Social Services Revenue
5370	Non-Patient Supply Sales
5380	Employee Housing Revenue
5390	Non-Patient Drug Sales
5420	Purchasing Services Revenue
5450	Parking Revenue
5460	Janitorial And Maintenance Services Revenue
5510	Interest On Funds Held by Trustees
5520	Telephone And Telegraph Revenue
5540	Data Processing Services Revenue
5550	Telephone And Telegraph Revenue
5560	Cash Discounts on Purchases
5570	Sales Of Scrap and Waste
5580	Rebates And Refunds

5590	Vending Machine Commissions
5600	Medical Records/Abstract Sales
5610	Other Commissions
5620	Television/Radio Rentals
5630	Non-Patient Room Rentals
5640	Management Services Revenue
5650	Interest On Accounts Receivable
5660	Child Care Services Revenue
5670	Other Operating Revenue (specify)
5681	Donations
5682	Grants
5683	Joint Venture Revenue
5684	Local Taxes
5685	Outpatient Pharmacy
5686	Parking
5687	Quality Incentive Payments
5688	Reference Laboratories
5689	Rental Income
5690	Retail Cafeteria
5691	Other Noncategorized Revenues
5790	Transfers From Restricted Funds for Other Operating Expenses (Specify)

Deductions From Revenue

2210.5

5810	Contractual Adjustments - Medicare
5820	Contractual Adjustments - Medicaid
5830	Contractual Adjustments - Workers' Compensation
5831	Labor and Industries
5832	Self-Insured
5840	Contractual Adjustments - Other Government Programs
5841	Crippled Children's Services
5842	Vocational Rehabilitation
5843	CHAMPUS
5844	Indian Health Services
5849	Other
5850	Contractual Adjustments - Negotiated Rates
5860	Contractual Adjustments - Other
5900	Charity Care - Inpatient
5910	Charity Care - Outpatient
5970	Administrative Adjustments
5980	Other Deductions from Revenue (specify)

Expense Accounts

2220

Daily Hospital Services Expense

2220.1

6010	Intensive Care
6011	Medical/Surgical
6012	Coronary
6013	Heart Transplant
6014	Burn Care
6015	Pediatric
6016	Neo Natal
6017	Other
6030	Semi-Intensive Care
6031	Medical/Surgical
6032	Renal Dialysis
6033	Other
6070	ACUTE CARE
6071	Medical
6072	Surgical
6073	Oncology
6074	Geriatric
6075	Pediatric
6076	Orthopedics
6077	Isolation
6079	Other
6100	Alternative Birthing Center
6120	Physical Rehabilitation Care
6140	Psychiatric
6141	Isolation
6143	Long-Term
6144	Acute - Adult
6145	Acute - Adolescent and Child
6150	Chemical Dependency Services
6151	Alcohol Detoxification
6152	Drug Detoxification
6153	Alcohol Rehabilitation
6154	Drug Rehabilitation
6170	Nursery
6171	Newborn
6172	Premature
6173	Boarder
6200	Skilled Nursing
6201	Private Patients
6202	Skilled Nursing Facility - Medicare
6203	Skilled Nursing Facility - Medicaid
6210	Swing Bed
6330	Hospice Inpatient Services

6400 Other Daily Hospital Services (specify)

Ancillary Service Expense

2220.2

7010	Labor And Delivery
7011	Labor Room
7012	Delivery Room
7013	Birth Room
7014	Satellite Birth Center
7020	SURGICAL SERVICES
7021	Surgery - General
7022	Surgery - Orthopedic
7023	Surgery - Organ Transplants
7024	Surgery - Open Heart
7025	Surgery - Neurosurgery
7026	Surgery - Other
7030	Recovery Room
7040	Anesthesiology
7050	Central Services
7060	Intravenous Therapy Services
7070	Laboratory
7071	Hematology
7072	Microbiology
7073	Chemistry
7074	Immunology
7075	Urine and Feces
7076	Histology
7077	Specimen Procurement and Dispatch
7078	Blood Bank
7079	Miscellaneous Procedures
7110	Electrodiagnosis
7111	Electrocardiology
7112	Electroencephalography
7113	Electrophysiology
7120	Magnetic Resonance Imaging
7130	Ct Scanning Services
7140	Radiology - Diagnostic
7141	Special Procedures
7142	Echocardiology
7143	Ultrasonography
7149	Other
7150	Radiology - Therapeutic
7151	Chemotherapy
7152	Radiation Therapy
7153	Oncology
7159	Other

7160	Nuclear Medicine
7161	Diagnostic
7162	Therapeutic
7170	Pharmacy
7180	Respiratory Services
7181	Respiratory Therapy
7182	Pulmonary Function
7190	Dialysis
7200	Physical Therapy
7220	Psychiatric Day Care
7230	Emergency Room
7231	Emergency Service
7232	Primary Care
7233	Observation Room
7234	Trauma
7239	Other
7240	Ambulance
7241	Emergency
7249	Other
7250	Short Stay Unit
7251	Ambulatory Surgery
7252	Observation Rooms
7253	Outpatient Recovery
7254	Psychiatric Day Care
7255	Dialysis
7256	Alternative Birthing Center
7259	Other
7260	Clinics
7261	Admitting
7262	Diabetics
7263	ENT
7264	Eye
7265	Obstetrics/Gynecology
7266	Orthopedic
7267	Pediatrics
7268	Surgery
7269	Cardiology
7271	Physical Medicine
7272	Urology
7273 -	7299 Other Clinics (specify)
7310	Occupational Therapy
7320	Speech Therapy
7330	Recreation Therapy
7034	Electromyography
7350	Observation Unit
7380	Free-Standing Clinic Services
7390	Air Transportation

7391	Airplane
7392	Helicopter
7393	Other
7400	HOME CARE SERVICES
7410	LITHOTRIPSY
7420	ORGAN ACQUISITION
7421	Heart
7422	Lung
7423	Kidney
7429	Other
7430	Outpatient Chemical Dependency
7490	Other Ancillary Services

Research and Education Expenses 2220.4

8200 **Research And Education**

General Services 2220.5

8310	Printing And Duplicating
8320	Dietary
8330	Cafeteria
8350	Laundry And Linen
8360	Social Services
8370	Central Transportation
8420	Purchasing
8430	Plant
8431	Plant Operations
8432	Plant Maintenance
8433	Grounds
8434	Security
8435	Parking
8460	Housekeeping
8470	Communications
8480	Data Processing
8490	Other General Services (specify)

Fiscal Services 2220.6

8510	Accounting
8530	Patient Accounts
8560	Admitting
8590	Other Fiscal Services (specify)

Administrative Services

2220.7

8610	Hospital Administration
8611	Office of Administrative Director
8612	Governing Board Expense
8613	Planning
8620	Employee Health Services
8630	Public Relations
8640	Management Engineering
8650	Personnel
8660	Auxiliary Groups
8670	Chaplaincy Services
8680	Medical Library
8690	Medical Records
8700	Medical Staff
8710	Utilization Management
8720	Nursing Administration
8730	Nursing Float Personnel
8740	Inservice Education
8770	Community Health Education
8790	Other Administrative Services (specify)

Unassigned Expenses

2220.8

8810	Depreciation
8820	Leases And Rentals
8830	Insurance - Hospital and Professional Malpractice
8840	Insurance - Other
8850	Licenses And Taxes (Other Than on Income)
8860	Interest - Working Capital
8870	Interest - Other
8880	Employee Benefits
8881	Payroll Related
8889	Non-payroll Related
8890	Amortization
8900	Provision For Bad Debts
8910	Other Unassigned Expenses (specify)

Nonoperating Gains and Losses

2220.9

9010	Gains On Sale of Hospital Nondepreciable Assets
9020	Losses On Sale of Hospital Nondepreciable Assets
9040	Unrestricted Contributions
9050	Donated Services
9060	Gains Or Losses from Unrestricted Investments

9070	Unrestricted Gains from Endowment Funds
9080	Unrestricted Gains from Other Restricted Funds
9090	Term Endowment Funds Becoming Unrestricted
9100	Transfers From Restricted Funds for Nonoperating Purposes
9110	Transfers From Restricted Funds for Research
9120	Transfers From Restricted Funds for Education
9130	Transfers From Restricted Funds for Operating Purposes
9210	Gains From Physicians' Offices and Other Rentals
9220	Gains From Medical Office Buildings
9230	Gains From Child Care Services
9240	Gains From Retail Operations
9250-	9299 Other Nonoperating Gains (specify)
9310	Losses From Physicians' Offices and Other Rentals
9320	Losses From Medical Office Buildings
9330	Losses From Child Care Services
9340	Losses From Retail Operations
9350-	9399 Other Nonoperating Losses (specify)
9400	Provision For Income Taxes
9401	Federal - Current
9402	Federal - Deferred
9403	Unrelated Business Income Tax

Sub-Classification of Patient Service Revenue and Deductions from Revenue

2230

Decimal Point	Patient Classification Description (A)	Financial Status Classification Description (B)	Clinical Classification Description (C)	Accommodation Class Description (C)
.	0 Inpatient-General Hospital	0 Self Pay	0 medical	0 Private
.	1 Inpatient-Skilled Nursing Care	1 Blue Cross	1 Surgical	1 Semi-private
.	2 Inpatient-Intermediate Care	2 Commercial Insurance	2 Pediatric	2 Private Ward
.	3 Inpatient-Other	3 Workers' Compensation	3 Psychiatric	3 Ward
.	4 Outpatient - Emergency	4 Medicare	4 Obstetric/Gynecologic	4 Other
.	5 Outpatient-referred	5 Medicaid	5 Newborn Nursery	5 Other
.	6 Outpatient-Clinics	6 Other Government	6 Dental	6 Other
.	7 Home Health Care	7 HMO/PPO Contracts	7 Podiatric	7 Other
.	8 Non-Patient	8 Charity care	8 other	8 Other
.	9 Day Care	9 Other	9Other	9 Other

- (A) Details of inpatient classifications (0-3) are required for different levels of licensed care. Outpatient classification detail (4-6) is not required; only total outpatient revenue in each revenue center is required. Other classifications are required, if appropriate.
- (B) Classification optional if logs are maintained for Medicare and Medicaid charges and for inpatient and outpatient charity care services provided. If no such logs are maintained, these financial status classifications are required. Other financial status classifications are optional in all cases.
- (C) Classification optional.

Natural Classification of Expense	2240
.00 Salaries and Wages	2240.1
.01 Management and Supervision	
.02 Technician and Specialist	
.03 Registered Nurses	
.04 Certified Nursing Assistants	
.05 Physicians	
.06 Non-physician Medical Practitioners	
.07 Other Salaries and Wages	
.08 Non-work Time - Vacation, Holiday and Sick Leave	
.10 Employee Benefits	2240.2
.11 FICA	
.12 SUI and FUI	
.13 Workers' Compensation Insurance	
.14 Group Health Insurance	
.15 Group Life Insurance	
.16 Pension and Retirement	
.17 Disability Benefits	
.18 "Cafeteria Plan"	
.19 Other	
.20 Professional Fees	2240.3
.21 Medical - Physicians	
.22 Medical - Therapists and Other	
.23 Consulting and Management Fees	
.24 Legal	
.25 Audit	
.26 Collection Agencies	
.27 Registry Nurses	
.29 Other	
.30 Supplies	2240.4
.31 Prosthesis	
.32 Surgical Supplies - General	
.33 Anesthetic Materials	
.34 Oxygen and Other Medical Gases	
.35 IV Solutions	
.36 Pharmaceuticals	
.37 Radioactive Materials	
.38 Radiology Films	
.39 Other Medical Care Materials and Supplies	
.41 Food - Meats, Fish, and Poultry	

.42	Food - Other	
.43	Linen and Bedding	
.44	Cleaning Supplies	
.45	Office and Administrative Supplies	
.46	Employee Wearing Apparel	
.47	Instruments and Minor Medical Equipment	
.48	Other Minor Equipment	
.49	Other Nonmedical Supplies	
.50	Purchased Services - Utilities	2240.5
.51	Electricity	
.52	Fuel	
.53	Gas	
.54	Water	
.55	Disposal Service	
.57	Telephone/Telegraph	
.59	Other	
.60	Purchased Services - Other	2240.6
.61	Medical	
.62	Repairs and Maintenance	
.63	Medical School Contracts (education cost center only)	
.64	Management Services	
.65	Other	
.70	Depreciation	2240.7
.71	Depreciation - Land Improvements	
.72	Depreciation - Buildings and Improvements	
.73	Depreciation - Leasehold Improvements	
.74	Depreciation - Fixed Equipment	
.75	Depreciation - Major Movable Equipment	
.76	Depreciation - Minor Equipment	
.79	Depreciation - Other	
.80	Leases and Rentals	2240.8
.81	Leases and Rentals - Buildings	
.82	Leases and Rentals - Equipment	
.83	Leases and Rentals - Other	

.900 Other Direct Expenses **2240.9**

- .901** Insurance
- .902** Licenses and Taxes (other than on income)
- .903** Dues and Subscriptions
- .904** Travel, Meetings, and Outside Training Sessions
- .905** Interest
- .906** Amortization of Intangible Assets
- .907** Provision for Bad Debts
- .908** Blood Supplies
- .909** Contract Staffing
- .910** Information Technology, Including Licenses and Maintenance
- .911** Insurance and Professional Liability
- .912** Laundry Services
- .913** Legal, Audit and Tax Services
- .914** Purchased Laboratory Services
- .915** Repairs and Maintenance
- .916** Shared Services or System Office Allocation
- .917** Staff Recruitment
- .918** Training Costs
- .919** Taxes
- .920** Utilities
- .999** Other Noncategorized Expenses

Public Hospital Districts **2260**

This Chart of Accounts may be expanded through use of additional sub-accounts when necessary to separately identify multiple funds in a like category, to meet an individual hospital's own management needs, or upon issuance of modifications from the Office of the State Auditor.

Unrestricted Fund **2261**

All public hospital districts will use the same account titles and numbers as prescribed by the Department except for those accounts which must be separately identified to meet the unique accounting requirements of public-owned hospitals. In these cases, additional sub-accounts have been provided to conform with the legal and fiscal requirements of the state of Washington for municipal corporations.

The State Auditor's Office has approved the following sub-account titles within the unrestricted fund to meet the needs of the public hospital district:

Assets **2261.1**

- 1011.00** General Revenue Fund Cash - Depository
- 1011.01** General Revenue Fund Cash - District Treasurer
- 1014.00** Imprest Cash - Depository

1014.01	Imprest Cash - Advance Travel Expense
1021.01	Temporary Investments of Operating Funds
1063.01	Taxes Receivable - Operations
1111.02	Cash for Public Hospital Bond Redemption and Interest
1111.03	Construction Fund Cash
1121.03	Construction Fund Investments
1131.02	Taxes Receivable - Bond Redemption and Interest
1464.00	Unamortized Bond Issue Expense

Liabilities 2261.2

2021.01	Warrants Payable - Operations
2021.02	Warrants Payable - Bond Redemption and Interest
2021.03	Warrants Payable - Construction Fund
2022.01	Vouchers Payable - Operations
2022.03	Vouchers Payable - Construction Fund
2250.00	General Obligation Bonds Payable
2270.00	Unamortized Premium on Bonds

Fund Balance 2261.3

2411.00	Equity from Grants and Donations
2412.00	Equity from Hospital Operations
2413.00	Equity from Taxation

Tax Revenue 2261.4

5120.00	Taxation for Operations
5130.00	Taxation for Principal on Public Hospital Bonds
5140.00	Taxation for Interest on Public Hospital Bonds

Natural Classification of Expense 2261.5

.95	Interest - Public Hospital Bonds
.95	Interest - Unredeemed Warrants
.96	Amortization
.99	Election Expenses

Description Of Accounts 2263

This section describes the accounts and sub-accounts which public hospital districts must maintain to properly identify transactions resulting from the issuance of bonds. The relationship of specific accounts is explained where pertinent. Certain accounts will not be required by some districts, while other districts may need to expand these accounts by adding sub-accounts or through use of the fifth and sixth digit to get a more detailed breakdown.

Except for those transactions unique due to issuance of bonds, the district hospital will maintain the same account titles and numbers as prescribed in Sections 2100 and 2200.

When reporting to the department, district hospitals will use the required accounts as indicated by capital letters and a fourth digit of zero.

Assets

2263.1

1011.00 General Revenue Fund Cash – Depository: This account can be used for accumulation of cash prior to deposit in the district treasurer's cash account. It represents the balance of cash on deposit in a bank checking account which has been collected for normal operating purposes. Cash in the account should be transferred periodically (at least weekly) to the district treasurer's cash account.

1011.01 General Revenue Fund Cash - District Treasurer: This account should show the actual monthly balance of cash available for normal use on deposit in the office of the district treasurer. It must take into account all receipts and disbursements for normal operating purposes. The balance of the account should be reconciled monthly to the district treasurer's cash report.

1014.00 Imprest Cash – Depository: This account represents the balances of cash working funds within the district hospital. It includes amounts in the custody of employees such as change funds, petty cash, and revolving or incidental expense funds from which relatively minor expenditures may be made and accounted for.

1014.01 Imprest Cash - Advance Travel Expense: This account represents the balance of cash in the advance travel revolving funds. Receipts received from the following sources will be deposited to the account: From the treasurer or other disbursing officer in the total amount originally establishing the revolving fund or subsequently added thereto; from officers and employees representing refunds of any unexpended advances; and from the warrant-issuing officer reimbursing the custodian for travel expenses allowed in the settlement of employee advances.

Employee advances for travel expenses will be made within ten days following the close of the travel period by filing an expense voucher as required by RCW 42.24.090.

1021.01 Temporary Investments of Operating Funds: This account represents the cost of investments acquired by the district treasurer, within legally authorized limitations, for the purpose of temporarily investing operating fund cash. The cost of investments does not include amounts paid for accrued interest, dividends, commission, or brokerage. These amounts should be immediately expensed and not recorded in the investment account.

1063.01 Taxes Receivable – Operations: This account should be used to record the uncollected balance of property taxes levied for maintenance and operation of the hospital. The account is debited for the annual property tax levy. (Account 5120.00) "Taxation for Operations" is credited with the same amount.

1111.02 Cash for Public Hospital Bond Redemption and Interest: This account shows the actual monthly balance of cash on deposit with the district treasurer which is available for redemption of public hospital bonds and payment of related interest. Account balances should be reconciled monthly to the district treasurer's cash report.

111.03 Construction Fund Cash: This account represents the balance of cash on deposit with the district treasurer which is available for construction or acquisition of plant assets. The account balance should be reconciled monthly to the district treasurer's cash report.

1121.02 Temporary Investment of Bond Redemption and Interest Fund: This account should reflect the cost of investments acquired, within legally authorized limitations, for the purpose of temporarily investing cash for public hospital bond redemption and interest. Cost does not include amounts paid for accrued interest, dividends, commission, or brokerage. These amounts should be expensed immediately and not recorded in the investment.

1121.03 Construction Fund Investments: This account shows cost of investments acquired, within legally authorized limitations, for the purpose of temporarily investing cash for construction or acquisition of plant assets. Cost does not include amounts paid for accrued interest, dividends, commission, or brokerage. These amounts should be immediately expensed and not recorded in the investment.

1131.02 Taxes Receivable - Bond Redemption and Interest: This account should show the uncollected property taxes levy for public hospital district bond redemption and interest.

1464.00 Unamortized Bond Issue Expense: Substantial expenditures made in connection with the issuance of bonds should be charged to this account. Expenditures include legal fees, bond printing costs, and election expenses.

Bond expense should be amortized over the life of the bonds. Periodic entries for amortization should be credited to this account and debited to cost center 8890 - "Amortization."

The balance of this account, and related amortization, should be detailed and should identify the debt expense applicable to each bond issue.

Liabilities

2263.2

2021.01 Warrants Payable – Operations: The balance of this account represents warrants issued by the district for general or operating purposes. A warrant issued in payment of an obligation is a draft on the treasurer to pay money by check or cash when the warrant is presented for redemption.

2021.02 Warrants Payable - Bond Redemption and Interest: The balance of this account should be used to record warrants payable from the bond redemption and interest funds of the district which have not yet been redeemed by the district treasurer.

2021.03 Warrants Payable - Construction Fund: The balance of this account should be used to record warrants payable from the construction funds of the district which have not yet been redeemed by the district treasurer.

2022.01 Vouchers Payable – Operations: This account is to be used to record liabilities incurred for general or operating purposes for which warrants have not been issued as of the balance sheet date.

2022.03 Vouchers Payable - Construction Fund: This account is used to record liabilities at the balance sheet date to be paid from construction funds for which warrants have not yet been issued.

2250.00 General Obligation Bonds Payable: This account represents the face (par) value of issued and unmatured hospital bonds at the balance sheet date. Maintain separate sub-accounts, using accounts 2250.01 to 2250.99 for each class and series of bonds.

2270.00 Unamortized Premium on Bonds: Public hospital bonds may be sold at a price in excess of the face (par) value of the bonds. The excess is a premium which should be amortized over the life of the bonds. Use either the straight- line or bonds outstanding method of amortization.

The balance of this account should represent the unamortized premium at the balance sheet date. It should be periodically debited for amounts of amortization which are concurrently credited to cost center 8890 - "Amortization."

Fund Balance

2263.3

2411.00 Equity from Grants and Donations

2412.00 Equity from Hospital Operations

2413.00 Equity from Taxation

Unrestricted fund balances represent the net assets of the unrestricted fund and are the difference between the total of unrestricted fund assets and unrestricted fund liabilities. Separate sub-accounts should be maintained to record the cumulative credit arising from donations, grants, and contributions; from the district hospital annual operating revenue or loss; and from district property taxes levied for redemption of public hospital bonds or for capital improvements. Taxes levied for operations and for public hospital bond interest are not to be credited to this account but rather to accounts 5120.00 and 5140.00, respectively.

Tax Revenue

2263.4

5120.00 Taxation for Operations: This account should be credited annually with the amount of district property taxes levied for operating purposes. Credit to the account all amounts receivable for taxes levied for maintenance and operation of the hospital.

5130.00 Taxation for Principal on Public Hospital Bonds: This account should be credited annually with the amount of district property taxes levied for principal on public hospital bonds. Taxation for bond redemption and interest will need to be allocated between Accounts 5130.00 and 5140.00. If taxation for bond redemption and interest is not sufficient to cover both principal and interest, the deficit should be reflected in Account 5140.00, "Taxation for Interest on Public Hospital Bonds." However, if there is any excess of taxation over the current need for principal and interest, the excess shall be reflected in Account 5130.00, "Taxation for Principal on Public Hospital Bonds."

5140.00 Taxation for Interest on Public Hospital Bonds: This account should be credited annually with the amount of district property taxes levied for interest on public hospital

bonds. The credit balance in this account should not exceed the amount in cost center 8870.85 "Interest - Public Hospital Bonds."

Natural Classification of Expense

2263.6

95 Interest - Public Hospital Bonds

.95 Interest - Unredeemed Warrants

These classifications should be used to record interest in cost centers 8860 and 8870.

.96 Amortization: This classification should be used in cost center 8890 "Amortization" to record the amortization of expenditures made in connection with the organization of a hospital district and/or the issuance of bonds. Contra-accounts are (1470 - 1479) "Pre-opening and other Organizational Costs" and (1460 - 1469) "Unamortized Loan Costs."

.99 Election Expenses: This classification should be used to record expenses of the hospital district in connection with the holding of elections.