



## **Summary of Proposed Regulatory Reporting Requirements**

Below are some of the key reporting requirements under proposal. To fully understand the proposed requirements, it is suggested that you review the complete regulation package.

- Defines “discount payment” as that portion of a patient’s bill for which the patient is financially responsible and expected to pay, and that the amount for which payment is not expected is to be recorded and reported as partial charity care.
- The discount payment policy, charity care policy, eligibility procedures, and review process must be submitted as one electronic file, formatted in Microsoft Word (.doc). The electronic file must contain a separate and distinct section for each of the four documents listed above. If a significant change is made to any of the four documents, a revised electronic file containing all four documents must be submitted.
- The application form must be submitted as one electronic file, formatted in either Microsoft Word (.doc) or Portable Document Format (.pdf). If a significant change is made to any part of the application form, a revised electronic file containing the entire application form must be submitted.
- Original and revised documents must be submitted over the Internet using an OSHPD-developed system that will require use of Microsoft Internet Explorer.
- Hardcopy documents may not be submitted.
- Documents will be initially due January 1, 2008, and every other year thereafter, or whenever a significant change is made. It is anticipated that the OSHPD on-line system will be available for document submission in early December 2007.
- For the second and subsequent reporting cycles, the OSHPD-developed system must be used to notify OSHPD if there were no significant changes made to the policies, procedures, or application form, since the previously submitted documents. If OSHPD is notified that there were no significant changes, no documents must be submitted.
- Modifications to the reporting requirements must be submitted in writing, specifying the nature of and reason for the request, and will be considered on a case-by-case basis.

### **AB 774 Web-site**

More information about AB 774 is available on the OSHPD web-site, where you can also obtain a copy of the statute, lists of exempt hospitals, and FAQs. The web-site is located at: <http://www.oshpd.ca.gov/HID/AboutHID/AB774/AB774.htm>

### **Compliance: Condition of Licensure**

As provided by Section 127401 of the Health and Safety Code, each general acute care hospital licensed under Section 1250 (a) must comply with the requirements of AB 774 as a condition of licensure. The State Department of Health Services (DHS) is responsible for enforcement.

## **CHARGEMASTER REPORTING FOR 2007**

The third reporting cycle for the Payer's Bill of Rights begins in June 2007. As required by AB 1045 (Chapter 532, Statutes of 2005) and AB 1627 (Chapter 582, Statutes of 2003), each hospital is required to submit pricing information to OSHPD by July 1, 2007 using prices in effect on June 1, 2007.

Required documents include: 1) a copy of each hospital's chargemaster, 2) the average charge for 25 common outpatient procedures, and 3) an estimate of the percent change in gross revenue due to price changes since the previous chargemaster was submitted.

### **Reporting Method**

Acceptable file formats for all documents are limited to Microsoft Excel (.xls) and Comma Separated Value (.csv). Hardcopy documents are not acceptable. All documents must be submitted at the same time as attachments to one e-mail to OSHPD at [chargemaster@oshpd.ca.gov](mailto:chargemaster@oshpd.ca.gov) or submitted on a CD by mail.

### **Optional Reporting Form for 25 Common Outpatient Procedures**

In response to numerous requests from hospitals and the public, OSHPD is in process of developing a uniform reporting form which hospitals may use to submit their average charge for common outpatient procedures. Use of the OSHPD-developed form would be voluntary, although highly encouraged. Our approach in designing the form included a compilation of all the outpatient procedures reported under AB 1045 last year; and comparing these results with the principal procedures extracted from patient-level ambulatory surgery data submitted by hospitals to OSHPD, and with outpatient procedure data obtained from the Center for Medicare & Medicaid Services (CMS) and DHS.

To provide the most flexibility, the form includes 50 common outpatient procedures, from which hospitals can select at least 25 to report average charges (more can be reported, if desired). One section of the form will allow hospitals to report unlisted procedures and related charges. To increase comparability and accuracy, the form uses standard descriptions and related 2007 CPT codes. Hospitals may elect to report the number of times each outpatient procedure was provided. The form was designed in Excel (.xls) and would be submitted along with the chargemaster and percentage change in gross revenue calculation.

At this point, we are fine-tuning the form to ensure that the procedures listed accurately represent common outpatient procedures and will be useful to the public. A draft copy will be distributed to industry representatives for comment. It is expected that a final copy of the reporting form will be sent by e-mail to each hospital and made available on the OSHPD Chargemaster web-site in late May.

### **Penalty for Non-Submission**

Any hospital that does not submit all documents required by the Payers' Bill or Rights by July 1, 2007 may be liable for a \$100 per day civil penalty, as specified in Section 128770 of the Health & Safety Code.

### **Extension on July 1 Due Date**

OSHPD does not have any authority to grant extensions beyond the July 1, 2007 due date. This means that all three required documents must be submitted by e-mail or, if sending on CD-ROM, postmarked by July 1, 2007 to avoid a \$100 per day penalty. Since July 1, 2007 falls on a Sunday, documents may be submitted on July 2, 2007 (Monday) and will not be considered delinquent.

### **Data Availability**

All documents submitted under the Payers' Bill of Rights will be made available on OSHPD's web-site. Currently available are all documents submitted in 2005 and 2006.

### **QUARTELY REPORTING for 2007**

The reporting requirements for 2007 are the same as 2006. All hospitals are still required to use OSHPD's Internet Hospital Quarterly Reporting System (IHQRS) to prepare and submit their Quarterly Financial and Utilization Reports (QFUR). Quarterly Reports are due 45 days after the end of each calendar quarter.

<b><u>Quarter</u></b>	<b><u>From</u></b>	<b><u>To</u></b>	<b><u>Due Date</u></b>
1st Quarter	January 1, 2007	March 31, 2007	May 15, 2007 (Tue.)
2nd Quarter	April 1, 2007	June 30, 2007	August 14, 2007 (Tue.)
3rd Quarter	July 1, 2007	September 30, 2007	November 14, 2007 (Wed.)
4th Quarter	October 1, 2007	December 31, 2007	February 14, 2008 (Thu.)

QFUR Extension Policy: One 30-day extension will be granted upon request. The law prohibits OSHPD from granting more than 30 days.

Enrollment Form: If you are a new IHQRS user or want to change your User ID or Password, you must submit an IHQRS Enrollment Form. The User ID and Password must be five to 12 characters in length and are not case sensitive. Passwords must contain at least one alpha and one numeric character. Do not use any special characters (e.g., @, #, \$ etc.). You can download the Enrollment Form from the IHQRS Home Page located at: <http://ihqrs.oshpd.state.ca.us/>

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Copies of previous Hospital Technical Letters are available on the OSHPD web-site. If you have any accounting or reporting questions, please call Tim Pasco at (916) 323-1955, or me at (916) 323-7681.

Sincerely,

*Original Signed By*

Kenrick J. Kwong  
Section Manager