

NEW YORK STATE  
RESIDENTIAL HEALTH CARE FACILITY  
ACCOUNTING AND REPORTING MANUAL

REVENUE AND EXPENSE ACCOUNT DESCRIPTIONS

Account Number	Nursing and Professional Services
Revenue    Expense	

6010      Nursing Administration\*

Nursing administration is responsible for the administration and supervision of the nursing function in the nursing home, including all nursing in-service training; scheduling and transferring of nurses between services and units; and nursing staff supervision, evaluation, and discipline. This account can be further subdivided as indicated below.

This responsibility center should be charged with the direct expenses associated with nursing administration and nursing in-service education. These direct expenses include: salaries and wages, professional fees, supplies, purchased services, outside training sessions, other direct expenses and transfers. Salaries of supervisors assigned to specific expense centers should be included in those expense center accounts on a direct assignment basis; however, the salaries of registered nurses and licensed practical nurses who hold the following specific job titles should be included in this account:

R.N. Supervisor (supervising two or more units and/or areas)  
Health Services Supervisor  
Director of Nursing Services  
Assistant Director of Nursing Services

- 6011      Nursing - administration
- 6012      Nursing - in-service education
- 6013      Float nursing personnel

The hours worked and the salaries and wages paid to float personnel should be recorded in the responsibility center account representing the area in which they work. These expenses can be recorded directly or can be originally recorded in a float personnel expense account and distributed to appropriate expense center accounts according to hours worked. If the latter method is used, all salaries and wages of float personnel must be transferred out of the Float nursing personnel responsibility center account. Any idle employee time should be

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allocated in the same ratio as actual hours worked; after each monthly allocation, the balance in this account should be zero. Scheduling and other administrative functions relating to float personnel are considered to be costs of nursing administration.

Subaccounts under the natural classification for this expense center should be established for labor costs only.

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6014 Central transportation

Central transportation includes the transporting of patients and/or materials between areas in and around the nursing home. It does not include the transportation of patients to or from the home.

This responsibility center should be charged with only the direct labor expense incurred in operating a central transportation service. This account is an interim account only; these costs should be transferred to the appropriate responsibility center accounts each month on the basis of man-hours assigned to using units.

Subaccounts under the natural classification for this temporary expense center should be established for labor costs only.

3020 6020 Skilled Nursing Facility\*

This responsibility center provides nursing care to patients who require convalescent rehabilitative and/or restorative services. These services are provided on the basis of physicians' orders and approved nursing care plans. Additional activities can include, but are not limited to: serving food to patients in their room; feeding patients regardless of location; collecting sputum, urine, and feces samples; monitoring vital life signs; operating specialized equipment needed for this function; preparing equipment and assisting physicians during patient examination and treatment; changing dressings and cleansing wounds and incisions; observing and recording emotional stability of patients; assisting in bathing patients and helping them into and out of bed; observing patients for reactions to drugs; administering specified medication; answering patients' call signals; stripping and making beds; assisting patients' with daily hygiene; and keeping patients rooms in order.

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Revenue	Expense	

This responsibility center should be credited or charged with all the direct revenues and expenses incurred in providing daily bedside nursing care to patients requiring extended skilled nursing care.

3040            6040      Health Related Facility\*

This responsibility center provides safe, hygienic, sheltered living for residents not capable of fully independent living. Regular and frequent, but not continuous, medical and nursing services are provided in accordance with the needs of the residents and to achieve and maintain the highest possible degree of function, self-care and independence. Additional activities can include, but are not limited to: assisting with personal hygiene and activities of daily living; observing and recording changes in level of activity, eating habits, mental orientation, emotional status and physical condition; monitoring residents' taking and renewing of prescribed medications; and encouraging and assisting residents to attend social activities; stripping and making beds.

This responsibility center should be credited or charged with all the direct revenue and expenses incurred in providing nursing care to health related facility patients.

3060            6060      Domiciliary Care Facility\*

This responsibility center provides supportive, restorative, and preventive health care for ambulatory patients who are capable of caring for themselves under supervision.

This responsibility center should be credited or charged with all the direct revenues and expenses incurred in providing care to domiciliary facility patients.

3080            6080      Day Care\*

Day care programs provide organized treatment on a scheduled basis for ambulatory patients. The unit is used to provide medical supervision and evaluation to patients who require a minimal amount of nursing supervision.

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Revenue	Expense	
		<p>This responsibility center should be credited or charged with all the direct revenues and expenses incurred in providing nursing care to day care patients.</p>
3090	6090	<p>Home Health Care*</p> <p>Home health services provide nursing care to patients at their places of residence. Activities involved in each of the following functions can be performed for patients outside the nursing home: nursing care, intravenous therapy, inhalation therapy, physical therapy, speech and hearing therapy, occupational and recreational therapy, social service, and nutritional evaluation.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing care to patients at their places of residence.</p>
3110	6110	<p>Homemaker*</p> <p>Homemaker program provides domestic services to patients in their home.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing homemaker services to patients in their place of residence.</p>
3120	6120	<p>Outpatient Clinics*</p> <p>Clinics provide organized preventive, curative, and rehabilitative services on a scheduled basis to ambulatory patients. Additional activities can include, but are not limited to: Participating in community activities designed to promote health education, treating ambulatory patients and referring patients who require prolonged or specialized care to appropriate other services.</p>

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Revenue	Expense	
		<p>This responsibility center should be credited or charged with all the direct revenues and expenses incurred in providing clinic services to ambulatory patients.</p>
3130	6130	<p>Meals on Wheels*</p> <p>This responsibility center provides dietary services to patients in their homes.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing meals to patients in their place of residence.</p>
3140	6140	<p>Intermediate Care Facility - Mental Retardation*</p> <p>This responsibility center provides safe, hygienic, sheltered living for mentally retarded patients not capable of fully independent living.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing nursing care to mentally retarded patients in an intermediate care facility.</p>
3150	6150	<p>Independent Living*</p> <p>This responsibility center provides a place of residence for those capable of fully independent living.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing apartment dwellings.</p>

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Revenue	Expense	
4200	7200	<p><b>Central Medical Supplies and Equipment*</b></p> <p>The central services department prepares and issues medical and surgical supplies and equipment to patients and to nursing home expense centers. Additional activities can include, but are not limited to: requisitioning and issuing appropriate supply items that are required for patient care; preparing sterile irrigating solutions; collecting, assembling, sterilizing, and redistributing reusable items; and cleaning, assembling, maintaining, and issuing portable apparatus.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in preparing and issuing medical supplies and equipment to patients. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, professional fees, supplies, purchased services, other direct expenses, and transfers.</p>
4210	7210	<p><b>Laboratory Services*</b></p> <p>The laboratory service performs diagnostic and routine laboratory tests. Additional activities can include, but are not limited to: transportation of specimens from nursing floors, maintenance of quality control standards, and preparation of samples for testing.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in the performance of diagnostic and routine tests on tissues and culture.</p>
4220	7220	<p><b>Electrocardiology*</b></p> <p>This department operates specialized equipment that records electromotive variations in the movements of the heart on an electrocardiograph. Additional activities can include, but are not limited to: wheeling portable equipment to patients' bedsides; explaining test procedures to patients; operating</p>

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Revenue	Expense	

electrocardiograph equipment; inspecting, testing, and maintaining special equipment; and attaching electrodes to and removing them from patients.

This responsibility center should be charged or credited with all the direct revenues and expenses incurred in performing electrocardiographic examinations.

4230      7230      Electroencephalography\*

This department operates specialized equipment that records electromotive variations in brain waves on an electroencephalograph.

This responsibility center should be charged or credited with all the direct revenues and expenses incurred in performing electroencephalographic examinations.

4240      7240      Radiology\*

This department provides diagnostic radiology services under the direction of a qualified radiologist as required for the examination and care of patients. Diagnostic radiology services include taking, processing, examining, and interpreting radiographs and fluorographs. Additional activities can include, but are not limited to: consultation with patients and attending physicians, radioactive waste disposal, and storage of radioactive materials.

This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing diagnostic radiology services.

4250      7250      Inhalation Therapy\*

Inhalation therapy consists of the administration of oxygen and certain potent drugs through inhalation or positive pressure and provision of other forms of rehabilitative therapy as prescribed by physicians.



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		This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing inhalation therapy.
4260	7260	Activities Program*
		Activities programs consist of the provision of recreational and leisure time facilities, activities and services to patients. Such activities would be in-house activities as well as special group activities including trips for recreational purposes excluding transportation.
		This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing an activities program.
4270	7270	Pharmacy*
4271	7271	Pharmacy
4272	7272	Intravenous Therapy
		This department produces, preserves, stores, compounds, manufactures, packages, controls, assays, dispenses, and distributes medications (including intravenous solutions) for inpatients and out-patients under the direction of a licensed pharmacist. Pharmacy services include the maintenance in designated areas of separate stocks of commonly used items. Additional activities can include, but are not limited to: development and maintenance of formularies established by the medical staff, consultation with and advice to medical and nursing staff on drug therapy, adding drugs to intravenous solutions, determining incompatibility in drug combinations, and stocking floor drugs and dispensing machines.
		This responsibility center should be charged or credited with all the direct revenues and expenses incurred in maintaining a pharmacy under the direction of a licensed pharmacist. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies, and so forth.

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<u>Account Number</u>		Nursing and Professional Services (Cont'd)
Revenue	Expense	
4280	7280	Podiatry*
4290	7290	Dental*
4310	7310	Pschiatric*
		<p>Provision of specialized diagnostic and therapeutic procedures in the treatment of patients.</p> <p>This responsibility center should be charged or credited with all the direct revenues and expenses incurred in providing podiatry, dental and pschiatric services.</p>
4330	7330	Physical therapy*
		<p>The physical therapy department employs therapeutic exercises and massage and utilizes effective properties of light, heat, cold, water, and electricity for diagnosis and rehabilitation of patients who have neuromuscular, orthopedic, and other disabilities. These services are provided under the direction of a physician or registered physical therapist. Physical therapy services include the provision of clinical and consultative services and the direction of patients in the use, function, and care of braces, artificial limbs, and other devices. Additional activities can include, but are not limited to: prescribing therapeutic exercises, counseling patients and their relatives, organizing and conducting medically prescribed physical therapy programs, applying diagnostic muscle tests, administering whirlpool and compact baths, changing linen on beds and treatment tables, and assisting patients in changing clothes.</p> <p>This responsibility center should be credited or charged with all the direct revenues and expenses incurred in maintaining a physical therapy program.</p>
4340	7340	Occupational therapy*
		<p>Occupational therapy includes teaching manual skills and independence in personal care to stimulate mental and emotional activity on the part of patients. Services include instructing patients</p>

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Account Number		Nursing and Professional Services (cont'd)
Revenue	Expense	

in prescribed academic subjects to prevent mental deconditioning, improving patients' mental and physical conditions, and aiding in the attainment of knowledge and skills that will further patients' progress toward vocational objectives. Additional activities can include, but are not limited to: counseling patients' relatives and employers on both individual case and group bases, administering accreditation and other academic tests, and instructing patients in technical aspects of work.

This responsibility center should be credited or charged with all the direct revenues and expenses incurred in maintaining an occupational therapy program.

4350	7350	Speech and Hearing therapy*
	7380	Social Services*
	7381	Social Services
	7382	Discharge coordination
	7383	Pastoral care

The social service department obtains, analyzes, and interprets social and economic information about patients that aids in diagnosis, treatment, and rehabilitation. This service includes counseling staff and patients in case units and group units; participating in development of community social and health education programs, discharge coordination and providing religious counseling and services. Additional activities can include, but are not limited to: interviewing patients and relatives to obtain social history relevant to medical problems and planning, interpreting problems of social situations as they relate to medical conditions, arranging for postdischarge care of the chronically ill, and collecting and revising information on community health and welfare resources.

7390	Medical Records*
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The medical records department provides maintenance of a records system for the use, transcription, retrieval, storage, and disposal of all patient medical records, and the production of indexes, abstracts, and medical statistics for nursing home management and physician uses.

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Account Number		Nursing and Professional Services (cont'd)
Revenue	Expense	

This expense center account contains the direct expenses incurred in providing the medical records function. Costs associated with microfilming of medical records should also be included in this account. Included under direct expenses are salaries and wages, professional fees, supplies, purchased services, other direct expenses, and transfers.

4410      7410      Medical Staff Service\*

This expense center account is used to record all expenses associated with members of the medical staff who are not assigned to specific professional service departments. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies and so forth. Nominal reimbursement to physicians for their services on utilization review committees should be included in 7430, Utilization Review.

7420      Medical Director's Office\*

This expense center account is used to record all expenses associated with maintaining the medical director's office. This would include the salary of the medical director as it relates to providing the overall medical administration of the facility. The cost related to that portion of the medical director's time spent on direct patient care should be recorded in 7410, Medical Staff Service. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies and so forth.

7430      Utilization Review

The Utilization Review Function includes the reviews performed by the Utilization Control Agent (Committee).

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Revenue	Expense	
		<p>This responsibility center account should contain the direct expenses associated with utilization review. Included as direct expenses are salaries and wages, professional fees, supplies, purchased services, other direct expenses, and transfers.</p>
Revenue	Expense	OTHER OPERATING REVENUES
5010		Other Operating Revenues
5011		Transfers from restricted funds for research*
		<p>This account reflects the amount of money transferred from restricted funds to the unrestricted fund to match expenses incurred by the unrestricted fund in the current period for restricted-fund research activities only. Separate accounts should be maintained for each specific restricted-fund activity or group of activities for which separate accounting is required by law, grant, or donation agreement.</p>
5021		Transfers from restricted funds for education*
		<p>This account reflects the amount of money transferred from restricted funds to the unrestricted fund to match expenses incurred by the unrestricted fund in the current period for restricted-fund education activities only. Separate accounts must be maintained for each specific restricted-fund activity or group of activities for which separate accounting is required by law, grant, or donation agreement.</p>
5031		Transfers from restricted funds for specific operating purposes*
		<p>This account reflects the amount of money transferred from restricted funds to the unrestricted fund to match expenses incurred by the unrestricted fund in the current period for restricted-fund activities other than research and education.</p>

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Account Number		Other Operating Revenues (cont'd)	°
Revenue	Expense		
5041		Supplies sold to other than patients*	
		This account reflects the income earned by the institution in the sale of medical supplies sold to other than patients.	
5051		Private duty nurses' fees*	
		This account is used to record revenues earned on private duty nurses.	
5055		Barber and beauty shops*	
		This account is used to record revenues earned in the operation of barber and beauty shops.	
5061		Cafeteria*	
		This account is used to record revenues earned in the nursing home cafeteria for meals served to employees and others. Include revenue from food-vending machines when the cost of the food in these machines is charged to the dietary department.	
5063		Gift shop*	
		This account is used to record revenues earned in a gift shop.	
5064		Public Restaurant*	
		This account is used to record revenues earned by a public restaurant.	

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<div>Account Number</div> <div>Revenue      Expense</div>	Other Operating Revenues (Cont'd)
5065	<p>Laundry and/or linen services*</p> <p>This account should be credited for revenues earned by providing laundry services to employees and students. (See also account 5213.)</p>
5071	<p>Telephone and telegraph services*</p> <p>Money received from patients, employees, and others in payment for nursing home telephone and telegraph services should be credited to this account.</p>
5075	<p>Parking*</p> <p>Money received from visitors, employees, and others in payment for parking privileges should be recorded in this account.</p>
5081	<p>Television and radio rentals*</p> <p>This account should be used to record the revenue from television and radio rentals.</p>
5085	<p>Medical record and abstract fees*</p> <p>This account is credited for medical record transcript and abstract fees.</p>
5091	<p>Sale of scrap and waste*</p> <p>This account should be used to record the revenue from sale of miscellaneous scrap and waste.</p>

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<u>Account Number</u>		Other Operating Revenues (Cont'd)
Revenue	Expense	
5095		<p>Vending machine commissions (net)*</p> <p>Commissions earned by the nursing home from coin-operated vending machines and telephones should be recorded in this account.</p>
5151		<p>Housing (Rental of Living Quarters)</p> <p>These accounts should be used to record the revenue from rental of housing facilities to students and employees.</p>
5155		<p>Physicians' offices and other rentals*</p> <p>This account should be used to record revenue received from physicians and others for office space.</p>
5171		<p>Cash discounts on purchases*</p> <p>The amounts of cash discounts taken by the nursing home on purchases should be recorded in this account. Trade discounts, however, should be treated as reductions in the costs of items purchased.</p>
5175		<p>Rebates and refunds from vendors*</p> <p>This account should be used to record the revenue from rebates and refunds of expenses.</p>
5176		<p>Donated commodities*</p> <p>This account should be used to record the fair market value of donated commodities.</p>



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Account Number		Other Operating Revenues (Cont'd)
Revenue	Expense	
5177		Interest, finance and penalty charges on accounts receivable*
		This account should be used to record interest, finance and penalty charges billed (net of an estimate for uncollectibles).
5210		Services to Other Organizations*
5211		Purchasing
5212		Janitorial services
5213		Laundry and/or linen services
5214		Education services
5215		Management services
5216		Data processing services
5219		Other services
		These accounts should be credited for revenues earned from the provision of services to other organizations or individuals.

Revenue	Expense	DEDUCTIONS FROM REVENUE
5510		Bad Debts*
5511		Provision for bad debts
5515		Recovery of bad debts

This account should contain periodic estimates of the amounts of accounts and notes receivable that are likely to be credit losses. The estimated amounts of bad debts can be based on an experience percentage applied to the balances of accounts receivable or the amount of charges made to patients' accounts during the period, or it can be based on a detailed aging and analysis of patients' accounts.

Because nursing homes experience bad debt patterns that vary with classes or types of patients, the computation of the estimate or provision should take these differences into consideration. Subaccounts should be established in order to reflect the differences more accurately. Specific subaccounts have been set forth in the introduction to this section of the manual.

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<u>Account Number</u>		Deductions from Revenues (Cont'd)
Revenue	Expense	

520	Contractual Adjustments*
521	Current year adjustments*

These accounts must be charged with the differential (if any) between the amount (based on the nursing home's full established rates) of contractual charges to patients for services rendered during the period covered by the contract, and the amounts received and due from third-party agencies in payment of such charges, including adjustments estimated at year end.

Should the home receive more than its established rates from a contractor, the differential is credited to these accounts.

In any instance in which the difference between the amount of a patient's bill and the payment received by the nursing home from a third-party agency is recoverable from the patient, the differential is retained in Accounts and Notes Receivable accounts (account 1030) with the appropriate sub-account classification until it is paid or deemed to be a bad debt and is written off.

Specific subaccounts which will delineate financial classification, service and accommodation have been set forth in the introduction to this section of the manual. These subclassifications should be maintained.

525	Prior year adjustments
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This account should be used to record retroactive adjustments received from third-party payors in excess of or less than amounts accrued by the nursing home.

540	Charity Services*
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This account should be charged with the difference between the amount (based on the nursing home's full established rates) of bills for services to charity patients and the amount (if any) to be received from patients in payment for such services. This difference should be credited directly to the appropriate Accounts and Notes Receivable account (account 1030), rather than to an allowance account, because charity discounts are readily determinable.

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Revenue	Expense	

In order to properly distinguish between patients whose uncollectible bills should be considered charity write-offs and patients whose uncollectible bills should be considered bad debts, all patients should be classified at the time of admission or as soon after as is possible as charity (full or partial) or paying patients. There may be some instances in which charges to a patient are considerably greater than was anticipated because of complications unforeseen at the time of admission, and the patient then is unable to pay the full amount. In such cases the patient should be reclassified as a charity patient, and the charges attributable to the unforeseen complications should be considered charity service. Uncollectible charges to patients classified as paying patients should be treated as credit losses, that is, bad debts, except for contractual adjustments, policy discounts, and administrative adjustments.

5550	Other Deductions*
5551	Personnel adjustments
5552	Courtesy adjustments

Adjustments in charges for services rendered, in the form of courtesy allowances and employee discounts from the nursing home's full established rates, should be charged to this account and credited to the appropriate Accounts and Notes Receivable account.

5555	Administrative and Policy Adjustments
5556	Other

5560	Deficit Financing Grants*
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This account is credited with voluntary and governmental grants received for the purpose of funding deficits at the homes in accordance with contracted arrangements. This account should not be confused with Account No. 9075 which reflects periodic transfers from a General Fund or Special Revenue Fund that serve as a subsidy for the operation of an Enterprise Fund of a Governmentally operated long term care facility.

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Account Number		Other Operating Services
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8010 Research Administrative Office\*

The overall administration and management of all research projects carried on by the nursing home are performed by the research administrative office. Administrative expenses related to specific research projects or groups of projects should be recorded in the expense center related to that project or group of projects.

8020 Nursing Home Research Projects\*

8040 Joint Research Projects\*

These departments carry on research projects funded by outside donations or grants and/or the nursing home. Additional activities include administration of specific research projects.

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8110 Nonphysician Education\*

This expense center account should contain the direct expenses incurred in maintaining an education program in the home. If a number of educational programs are maintained, there should be separate accountability for each.

8140 Medical Education\*

8150 Reserved

These expense center accounts are used to record all expenses of a formally organized medical graduate education program. Additional activities include, but are not limited to: selecting qualified students; providing education in theory and practice conforming to approved standards; maintaining student personnel records; counseling students regarding professional, personal, and education problems; and assigning and supervising students.

Appropriate subaccounts should be established to accumulate the expenses of these centers under the natural classification--salaries and wages (including stipends), professional fees, supplies, and so forth.

Revenue	Expense	GENERAL SERVICES
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8210 Dietary Service

The work of the dietary service includes the procurement, storage, processing, and delivery of food and nourishments to patients and to the cafeteria in compliance with public health regulations and physicians' orders. This expense center can be further subdivided as indicated below. Additional activities can include, but are not limited to: teaching patients and their families about nutrition and modified diet requirements; determining patient food preferences in terms of type of food and method of preparation; preparing selective menus for various specific diet requirements; preparing or recommending a diet manual, approved by a physician, for use by physicians and nurses; and delivering food to and collecting it from the floors and dining facilities. Routine housekeeping expenses in dietary (kitchen) will be recorded in this expense center. This would include cleaning of the kitchen area by dietary personnel.

This expense center account contains the direct expenses incurred in preparing, delivering, and collecting food for meals and nourishments and the direct expenses incurred in preparing and

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Account Number		General Services (cont'd)
Revenue	Expense	

delivering food to patients and to the cafeteria.

8211 Kitchen

This expense center account should be used for recording all common (or shared) costs of procurement, storage, processing, and delivery of food and nourishments to patients, employees, and visitors.

This expense center account contains all food preparation expenses that are not directly associated with dietary or cafeteria functions. Examples include common salaries of cooks, common food costs, common minor equipment costs, common administrative costs, and so forth. These common costs should be accumulated in this expense center account and entirely distributed (preferably on a monthly basis) to the Patient Food Service and Cafeteria expense centers, based on the ratio of number of meals served in each area. The patient meal count should be made by counting one meal for each tray sent to a patient at mealtime. Nourishments should be excluded. For a meal count, tube feedings will be counted as three (3) meals for each day so fed. An equivalent meal count should be made in the cafeteria by use of the following procedures: count a free meal served as a full meal. A full meal consists of meat, potato, vegetable, salad, beverage, and dessert. When there is a selection of entrees, desserts, and so forth at different prices, use an average in calculating the selling price of a full meal. An equivalent meal in a pay cafeteria is determined by dividing total sales by the average selling price of a full meal served at noon. Routine housekeeping expense in dietary (kitchen) will be recorded in this cost center. This would include cleaning of the kitchen area by dietary personnel.

8212 Patient Food Service\*

The work of the patient food service includes the procurement, storage, processing, and delivery of food and nourishments to patients in compliance with public health regulations and physicians' orders. Additional activities can include, but are not limited to: teaching patients and their families about nutrition and modified diet requirements; determining patient food preferences in terms of type of food and method of preparation; preparing selective menus for various specific diet requirements; preparing or recommending a diet manual, approved by a physician, for use by physicians and nurses; and delivering and collecting food to the floors and dining facilities.

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Account Number		General Services (cont'd)
Revenue	Expense	

This expense center should be charged with all the direct expenses incurred in preparing and delivering food to patients. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies, and so forth. Note: the cost of materials used in tube feeding of patients (such as high protein) should be classified in this cost center.

8213 Cafeteria\*

The work of the cafeteria includes the procurement, storage, processing, and delivery of food to employees and to other non-patients in compliance with public health regulations.

This expense center account contains all expenses directly identifiable with preparing food and serving it to employees and other nonpatients.

8220 Plant Operation and Maintenance\*

Plant operation and maintenance includes the maintenance and repair of building, parking facilities, and all equipment; painting; elevator maintenance; vehicle maintenance; performance of minor renovation of buildings and equipment and maintenance and service of utilities such as heat, light, water, air conditioning, and air treatment. Additional activities can include, but are not limited to: technical assistance on equipment purchases and installation, coordinating construction, establishing priorities for repairs and utility projects, trash disposal; boiler operation and maintenance; and service and maintenance of water and sewage treatment facilities, drainage systems, and utility transmission systems, including such maintenance performed under contract.

This expense center should be charged with all the direct expenses involved in the operation and maintenance of the nursing home's plant and equipment. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies, and so forth. A work order system should be developed in each nursing home so that accurate determination of repair and maintenance costs that are applicable to specific departments is possible. The costs of equipment maintenance and repair that can be

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directly identified with specific expense centers (for example, the repair cost of x-ray equipment) should be transferred to that expense center account as preliminary allocations prior to year-end cost finding. Records should also be kept to ensure that routine preventive maintenance is performed and to aid in determining when replacement of equipment is more economical than maintaining it. Additional responsibility centers for individual maintenance specialties should also be established.

8221	Carpentry
8222	Plumbing
8223	Painting
8224	Automotive services
8225	Grounds*

The grounds department is responsible for maintaining the grounds of the institution, including landscaped and paved areas, streets on the property, sidewalks, fenced areas and fencing, external recreation areas and parking facilities (e.g., lawn care, repairs, snow removal).

This expense center account should include the direct expenses incurred in maintaining the grounds of the institution. This category of maintenance has been separated from other activities because its costs have no specific relationship to the size of the institution or activities performed within it.

8226	Parking
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The parking service provides parking facilities to patients, employees, and visitors.

This expense center account should contain the direct expenses of parking facilities owned and/or operated by the nursing home. Revenue from parking facilities should not be credited to this expense center but to revenue account 5075, Parking.

8228	Elevator operation
8229	Boiler and power plant
8231	Electrical and refrigeration operations
8232	Sewage treatment



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Revenue	Expense	

8240      Housekeeping Service\*

This department is responsible for the care and cleaning of the interior physical plant, including the care (washing, waxing, and stripping) of floors, walls, ceilings, partitions, and windows (inside and outside). Also included are furniture stripping, disinfecting beds, care of fixtures (excluding equipment) and furnishings, and emptying room trash containers. This expense center also should be charged with the costs of similar services purchased from outside organizations. Note: Routine housekeeping performed in the kitchen area by dietary personnel should be recorded in expense account number 8211, Kitchen.

This expense center should be charged with all the direct expenses incurred by the unit responsible for maintaining general cleanliness and sanitation throughout the nursing home and other areas (such as employee quarters).

8250      Laundry and Linen Service\*

8251      Laundry service

8252      Linen service

8253      Patients personal laundry

The laundry and linen services store, issue, mend, wash, and process in-service linens. The account can be subdivided as indicated above. The services include work on uniforms, special linens, and disposable linen substitutes.

This expense center should be charged with all the direct expenses incurred in providing laundry and linen services for nursing home use, including employee quarters. Cost of disposable linen should be recorded in this expense center account.

8260      Security\*

The security department maintains the safety and well-being of nursing home patients and personnel and protects the home's facilities. This expense center account should contain the direct expenses incurred by the security department in maintaining the safety and well-being of nursing home patients, employees and visitors.

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Account Number		General Services (cont'd)
Revenue	Expense	

8270            Transportation\*

This responsibility center includes the transportation of patients and supplies to and from the institution on behalf of patient-related activities.

This expense center should contain the direct expenses incurred in the operation of transportation services. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification - salaries and wages, supplies and so forth.

Revenue	Expense	FISCAL AND ADMINISTRATIVE SERVICES
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8310            Fiscal Services\*  
8311            Fiscal services office  
8312            General accounting  
8313            Budget and costs  
8314            Payroll accounting  
8315            Accounts payable  
8316            Plant and equipment  
8317            Inventory accounting

These departments are responsible for general accounting, that is, nonpatient billing and accounting activities of the nursing home, including preparation of ledgers, budgets, and financial reports; payroll accounting; accounts payable accounting; plant and equipment accounting; inventory accounting; and accounting for sales to other institutions, and so forth. The account can be subdivided as indicated above.

This expense center should be charged with all the direct expenses incurred in fulfilling the general accounting requirements of the nursing home. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification-salaries and wages, supplies, and so forth.

8318            Patient accounting

The entering of abstracted data on insurance forms, the processing of patient charges, including processing of charges to patients' accounts, preparing claims, and other

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Revenue	Expense	

patient-related billing and accounting activities, is handled by this department. In addition, this department receives and processes payments from or on behalf of patients for nursing home and medical services rendered; extends credit and collects outstanding accounts and records and accounts for patient trust funds.

This expense center should be charged with all the direct expenses incurred by patient-related billing and accounting activities. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies, and so forth.

8319

Data processing

The data processing department operates the nursing home's electronic data processing system. This work includes keypunching, storing and safeguarding data, operating data processing equipment, scheduling data processing jobs, distributing output, and identifying and solving hardware and software problems.

This expense center should be charged with all the costs incurred in operating an electronic data processing center. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies, and so forth. Expenses incurred by the operation of terminals of the electronic data processing center throughout the nursing home should be included in the user department expense center account. However, outside service bureau costs that are directly chargeable to a specific expense center should be included in that specific expense center account under the Other purchased services natural classification (.67). Outside service bureau costs benefiting more than one expense center should be included in the Data processing expense center account and allocated at cost-finding time.

8321

Admitting\*

The admitting of patients for nursing home services includes filling out admission forms, scheduling admission times, accompanying patients to rooms or service areas after admission, and arrangement of admission details.

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Account Number		Fiscal and Administrative Services (Cont'd)
Revenue	Expense	

This expense center should be charged with the direct expenses incurred in operating all admitting offices.

8350      Administrative Services\*  
8351      Administrative office

The nursing home administration provides overall management and administration of the institution.

This expense center account contains the direct expenses associated with the overall management and administration of the institution. Expenses chargeable to the nursing home administration do not include legal fees incurred in connection with the purchase of property, which should be capitalized. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies, and so forth.

8352      Governing board

Costs incurred in connection with meetings of the governing board and costs incurred by the governing board in connection with their nursing home-related activities, such as travel expenses and fees paid for special seminars or courses, are recorded in this expense center account.

Included as direct expenses are supplies, purchased services, professional fees, other direct expenses, and transfers.

8353      Auxiliary groups  
8354      Volunteers

Costs incurred in connection with nursing home-related auxiliary or volunteer groups, including expenses of the coordinator of activities and special meetings conducted by the home, are recorded in this expense center account.

These expense center accounts contain the direct expenses incurred in connection with nursing home auxiliary or volunteer groups.

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<u>Account Number</u>		Fiscal and Administrative Services (Cont'd)
Revenue	Expense	
8355		<b>Public relations</b>  The public relations and development department furnishes information for public use that aids in maintaining the nursing home's position in the community.  This expense center account contains the direct expenses incurred by the public relations and community relations functions and expenses associated with development.
8371		<b>Purchasing</b>  The purchasing service includes the procuring of supplies, equipment, and services necessary to nursing home operations. Additional activities can include, but are not limited to: receipt and processing of requisitions, monitoring perpetual supply items, obtaining quotes from selected vendors, and monitoring receipt of supplies.  This expense center should be charged with all the direct expenses incurred in procuring supplies, equipment, and services necessary to nursing home operations.
8381		<b>Communications</b>  The communications department operates the communications systems within the nursing home, including the telephone system, radio communications systems, public address systems, and closed-circuit television.  This expense center should be charged with all the salary and salary-related expenses incurred in providing the telephone switchboard and related telephone services. In addition, all costs of an information desk and paging services should be included in this cost center.
8382		<b>Telephone</b>  This expense center includes only the non-salary costs of telephone operations, i.e., telephone bills.

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<u>Account Number</u>		Fiscal and Administrative Services (Cont'd)
Revenue	Expense	
8383		<b>Mailroom</b>  The mailroom provides mail processing and messenger services within and outside the nursing home.  This expense center account should contain the direct expenses incurred in the operation of the mailroom, messenger service and internal information system.
8384		<b>Printing and duplicating</b>  This department provides printing and duplication of forms, reports, and other printed matter used in the nursing home.  This expense center account should contain the direct expenses incurred in the operation of a printing and duplicating department.
8385		<b>Receiving and stores</b>  This department receives, stores, and delivers materials, equipment, and supplies to various departments.  This expense center account should contain the direct expenses incurred by the receiving and storing function.
8391		<b>Personnel</b>  The personnel department provides adequate staffing of nursing home departments and promotes employee satisfaction and good morale. Activities include recruitment, employee selection, salary and wage administration, fringe benefit program administration, and procurement of temporary help. In addition, the costs incurred in the management and employee physicals, are included under this expense center.  This expense center account should be used to record the direct expenses incurred by the personnel function of the nursing home including the fee-only portion paid to temporary help agencies.

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Account Number		Fiscal and Administrative Services (Cont'd)
Revenue	Expense	

8395

Receivership Fees

This expense center account should be used to record the fees paid by a facility to the Department of Health for the purpose of financing the RHCF Receivership Fund. The balance of this account should represent the total per patient payment for all payor classes. (Note: Any revenue associated with the advance reimbursement of the Medicaid portion of these fees should be included in the appropriate patient service revenue account.)





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Account Number		UNASSIGNED EXPENSES
Revenue	Expense	
8410	Depreciation and Amortization*	
8411	Depreciation-buildings	
8412	Depreciation-fixed equipment	
8413	Depreciation-movable equipment	
8414	Amortization of leasehold improvements	
<p>All depreciation and amortization expenses on buildings, fixed equipment, and leasehold improvements, recorded at their historical costs, should be contained in this account. In addition, depreciation on movable equipment can be accumulated in 8413 on an interim basis. The costs accumulated in account 8413 must be distributed (preferably on a monthly basis) to the departments in which the equipment is utilized prior to cost finding.</p>		
8420	Leases and Rentals*	
<p>This expense center account should be used for recording all lease and rental expenses for land, building, fixed equipment, and leasehold improvements. (Accounts 8421-8424.)</p>		
8430	Insurance*	
8431	Professional liability	
8432	General liability	
8433	Property	
<p>This expense center contains the expenses incurred in maintaining all insurance policies except employee benefit insurance.</p>		
8440	Licenses and Taxes (other than income taxes)*	
<p>This expense center account contains business license expenses, other license expenses, and tax expenses that are incidental to the operation of the nursing home. Fees paid to a city, county, or other government unit (with the exception of the franchise tax board) for doing business in a city and/or county should be recorded in this expense center account.</p>		
8450	Interest	
8451	Working capital interest*	
<p>This expense center account contains a record of the interest on money borrowed for use in nursing home operations. Interest</p>		

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Account Number		Unassigned Expenses (Cont'd)
Revenue	Expense	
		incurred on mortgage notes and other loans made for the acquisition of equipment should not be included in this expense center account.
8452	Interest on Capital Debt*	
		This account is used to record all interest incurred on capital, mortgage rates, and other loans for the acquisition of equipment.
8453	Interest on loans from related parties	
8460	Employee Benefits*	
		This account is used for recording the employer's share of employee benefits. Included are F.I.C.A., state unemployment insurance, federal unemployment insurance, group health insurance, group life insurance, pension and retirement benefits, Workmen's Compensation, group disability insurance, and other similar employee benefits. These expenses are to be assigned to appropriate expense centers at year-end as a preliminary adjustment prior to cost finding.
8470	Other Operating Expenses	
8471	Employee housing*	
		The employee housing service maintains residences for employees.
		This expense center should be charged with all the direct expenses incurred in providing residences for employees. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification-salaries and wages, supplies, and so forth.
8472	Physicians' offices and other rentals*	
		This expense center account should include the direct expenses incurred in renting offices to physicians and other professional persons and in other rental activities engaged in by the nursing home, such as the rental of movable equipment. Separate accounts should be maintained for different rental activities such as rentals of offices, equipment, buildings, and so forth, including retail operations such as the coffee shop and gift shop. Included as direct expenses are salaries and wages, supplies,

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Revenue	Expense	
		professional fees, purchased services, other direct expenses, and transfers.
8473		Gift shop*
		This expense center account should include the direct expenses incurred in the operation of a gift shop maintained on the nursing home premises. Appropriate subaccounts should be established to accumulate the expenses of this center under the natural classification--salaries and wages, supplies and so forth.
8474		Public restaurants*
		This expense center should include the direct expenses incurred in the operation of a public restaurant maintained on the nursing home premises.
8475		Fund raising*
		This expense center should include the direct expenses incurred in fund raising efforts by the nursing home.
8476		Barber and beauty shop*
		This expense center should include the direct expenses incurred in the operation of barber and beauty shops.
Revenue	Expenses	NONOPERATING REVENUES AND EXPENSES

9030      9010      Nonoperating Revenues and Expenses

Nonoperating revenues and expenses include revenues and expenses not directly related to patient care, nursing home-related patient services, or the sale of nursing home-related goods. The following subaccounts are included under this control account.

9011      Federal income tax-current\*  
9015      Federal income tax-deferred\*  
9021      State income tax-current\*  
9026      State income tax-deferred\*

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Account Number	Nonoperating Revenues and Expenses (cont'd)
Revenue	Expense
9027	Local income tax-current*
9028	Local income tax-deferred*
141	General contributions*
145	Donated services*
147	Gain (loss) on sale of property*
151	Income and gains from unrestricted fund investments*
155	Unrestricted income from endowment funds*
161	Unrestricted income from other restricted funds*
165	Term endowment funds becoming unrestricted*
170	Transfers from restricted funds for nonoperating purposes*
175	Contributions from other funds (Governmental facilities)
180	Extraordinary Gain (Loss)
<p>Account Number 9075 reflects periodic transfers from the general fund or special revenue fund to an enterprise fund that serve as a subsidy for the operation of the enterprise. This account is not to be confused with Account Number 5560 - Deficit Financing Grants - which relates to contractual arrangements.</p>	