

NEW YORK STATE
RESIDENTIAL HEALTH CARE FACILITY
ACCOUNTING AND REPORTING MANUAL

A. INTRODUCTION

PREFACE

This Manual is intended to establish a foundation for uniform accounting and reporting for nursing homes within New York State. Therefore, it becomes necessary to delineate the accounting principles and concepts to be followed. This Chapter deals with the most significant of these principles and concepts. All statements are to be followed unless the institution has obtained approval for waiver or exception to the Manual. The overall procedure with respect to a formal request for waiver is outlined in the interpretation chapter of the Manual.

AUTHORITATIVE SUPPORT

The accounting principles and concepts described in the Hospital Audit Guide of the American Institute of Certified Public Accountants (Copyright, 1972) serve as the foundation for this Manual.

The Guide states the following with respect to its application to health care institutions other than hospitals:

"Health care institutions include hospitals that provide short-term inpatient and outpatient care, as well as institutions that provide limited or long-term care, such as those for the mentally ill and infirm, for the physically handicapped, for child care, and for home care. Although some recommendations herein may be found applicable to other types of health care institutions, this guide applies only to hospitals." - ,

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INTRODUCTION (cont'd)

Accordingly, in development of this accounting and reporting Manual, the accounting and reporting recommendations contained in the Hospital Audit Guide have been reviewed for their applicability to long-term care facilities.

Although not included in their entirety in this Manual, generally accepted accounting principles as interpreted in the opinions of the American Institute of Certified Public Accountants and in the statements of the Financial Accounting Standards Board should serve as reference sources for specific questions on accounting principles and concepts.