

February 13, 1998

Re: 1998 Statewide Bad Debt and Charity
Care Pool Reporting

Dear Administrator/Controller

Chapter 639 of the Laws of 1996 the Health Care Reform Act (HCRA) provides for the continuation of the Statewide Bad Debt and Charity Pool through December 31, 1999.

Enclosed please find revised reporting forms for hospitals to use in calculating and paying their 1998 liability to the Statewide Pool. This form should be used by hospitals to contribute **1.00% OF NET INPATIENT REVENUE** received for discharges incurred on January 1, 1998 and thereafter. **Note that net inpatient revenue received must include recoveries (amounts received on 1998 accounts receivable previously written off as uncollectible).**

This form closely follows the 1998 Public Goods Pool Hospital Inpatient Services Report. Providers are advised to have the Public Goods Pool report on hand when completing their Statewide report.

You are reminded to please utilize the 1997 reporting forms previously provided for monies received in calendar year 1998 for services provided to patients discharged during 1997. The 1997 reporting forms are required to be filed monthly during 1998 even if no activity is reported. For 1996 and prior, no report is required unless monies (including recoveries - see note above) are received relating to such periods, in which case the appropriate year's reporting form would be submitted. **To ease the reporting burden on hospitals, any recoveries received during 1998 related to discharges prior to January 1, 1998 may be grouped and reported on the 1997 reporting form.**

Pursuant to Section 2807-c (18) of the Public Health Law, as amended by section 29 of the HCRA, effective January 1, 1998, **those voluntary non-profit and proprietary general hospitals which were deemed Financially Distressed for 1996 in accordance with Part 86-1 of the Commissioner's Administrative Rules and Regulations are required to pay 25% of the 1% Statewide Pool Assessment or .25%. Beginning January 1, 1999, this requirement will increase to 75% of the 1% Assessment, or .75%.** Financially Distressed hospitals which fail to submit their report will have distributions withheld until all reporting requirements have been met.

Please be aware that all figures and calculations shown on your reporting forms are subject to audit by the New York State Department of Health and also by your independent accounting firm. Hospitals should endeavor to follow instructions closely and verify the accuracy of their calculations. The Office of Health Systems Management will be comparing reported net inpatient service revenues received for a program year with net inpatient services revenue from the institutional cost report for that same year. If large discrepancies exist, hospitals will be required to substantiate their figures with appropriate backup documents.

All monthly checks and reports should be submitted to:

Mr. Jerome Alaimo, Pool Administrator
Office of Pool Administration
Excellus BlueCross BlueShield, Central New York Region
344 South Warren Street
Syracuse, New York 13202

Remittance Advices and checks are to be received (not postmarked) by the Pool Administrator in accordance with the schedule listed in the General Instructions. Failure to comply will result in distributions being delayed. Distributions will resume on the next regular distribution date after all reports are current.

Should you have any questions concerning the foregoing or the enclosed forms, please contact Mr. Thomas Person of the Bureau of Financial Management and Information Support at (518) 473-4653.

Sincerely,

Mark H. Van Guysling
Assistant Director
Division of Health Care Financing

Enclosures