

MEMORANDUM

TO: Chief Financial Officers

FROM: Dennis N. Phelps, Deputy Director- Audit & Compliance

Date: October 14, 2021

RE: Blanket Extension for filing the FY 2021 Annual Cost Report & Reporting Premium Paid for Contract Labor

Commission staff has received the Maryland Hospital Association's request for a blanket extension (i.e., for all hospitals) of the time to file their FY2021 Annual Cost Reports. The request cited the recent introduction of a new electronic reporting model. Following due consideration of the request, the staff has decided that the due date for filing the Annual Cost Report for r hospitals with a fiscal year ending June 30th will be Friday, November 5, 2021.

In addition, we want to remind hospitals that premiums paid for contract labor – the amount above the normal hourly wage - should be captured in the hospital administration (C11) under (8616) Personnel rather than in room and board rate centers. (See HSCRC's Accounting & Budget Manual, Section 200 - Chart of Accounts - 8616 Personnel - page 179 for details).

Consistent with prior Commission policy, because we are providing an extension of the due date for filing the Annual Cost Reports to November 5 for all hospitals, individual hospital requests for extensions will only be granted in the case of extreme circumstances.

If you have questions, please contact Dennis Phelps, Deputy Director, Audit & Compliance at Dennis.Phelps@maryland.gov.

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8616 PERSONNEL

Function

Personnel provides adequate staffing of hospital departments and maintain employee satisfaction and morale. Activities include recruitment, employee selection, salary and wage administration, employee health services, fringe benefit program administration, and the premium paid, over the applicable hospital employee costs per hour plus fringe benefits, for temporary personnel procured from non-related temporary help agencies.

Description

This cost center shall be used to record the direct expenses incurred in carrying out the personnel function of the hospital. Included as direct expenses are: salaries and wages, employee benefits, professional fees, supplies, purchased services, other direct expenses and transfers. Direct expenses incurred in this center and the temporary personnel premium paid will be reported in Hospital Administration.

Standard Unit of Measure:

Not Applicable

Data Source

Not Applicable

Reporting Schedule

Schedule C - Line C11