

Community Benefit Accounting Worksheets



These worksheets can be used to account for and report community benefit programs and Services and Medicare.

Worksheets

A	Summary of Quantifiable Community Benefits
1	Financial Assistance at Cost
2	Ratio of Patient Care Cost to Charges
3	Medicaid and Other Means-Tested Government Programs
4a	Community Health Improvement Services
4b	Community Benefit Operations
5	Health Professions Education
6	Subsidized Health Service
7	Research
8	Cash and In-Kind Donations for Community Benefit
B	Community Building
C	Medicare

The worksheets are numbered to align with those included in the Schedule H instructions and include several enhancements to those in the Schedule H instructions. The modifications are designed to help organizations with the accounting process.

The accounting values produced by the worksheets in this Appendix are equivalent to those produced by using Schedule H. The worksheets can be completed for each entity that provides community benefit and can be aggregated at an EIN or system level.

→ **SEE CHAPTER 2** for definitions and examples of each community benefit category.

→ **SEE CHAPTER 4** for accounting principles for each community benefit category.

Worksheet A: Summary of Quantifiable Community Benefits

Use the categories and data elements shown in this form to report quantifiable community benefits.

							REPORTING PERIOD:			
Community Benefit Category*	Schedule H Part and Line	See Worksheet	Number of Activities or Programs	Persons Served	Total Expense		Direct Offsetting Revenue	Net Expense		
					Amount	Percent of Total Expense		Amount	Percent of Total Expense	
BENEFITS FOR PEOPLE EXPERIENCING POVERTY AND OTHER VULNERABLE POPULATIONS										
Financial assistance at cost	I	I, 7a	1			\$		\$		%
Unreimbursed costs of public programs • Medicaid • Other means-tested programs	II II	I, 7b I, 7c	3 3							
Community health improvement services	III. A	I, 7e	4a							
Health professions education	III. B	I, 7f	5							
Subsidized health services	III. C	I, 7g	6							
Cash and in-kind contributions for community benefit	III. E	I, 7i	8							
Community-building activities	III. F	II	B							
Total quantifiable benefits for people experiencing poverty and other vulnerable populations						\$		\$		%
BENEFITS FOR THE BROADER COMMUNITY										
Community health improvement services	III. A	I, 7e	4a							
Health professions education	III. B	I, 7f	5							
Subsidized health services	III. C	I, 7g	6							
Generalizable research	III. D	I, 7h	9							
Cash and in-kind contributions for community benefit	III. E	I, 7i	10							
Community-building activities	III. F	II	B							
Community benefit operations	III. G	I, 7e	4b							
Total quantifiable benefits for the broader community										
TOTAL QUANTIFIABLE COMMUNITY BENEFITS										

* Refer to "Categories and Definitions" for additional information.

Worksheet 1: Financial Assistance at Cost

	Free Care	Discounted Care	TOTAL
GROSS PATIENT CHARGES			
1. Amount of gross patient charges written off under financial assistance policies			\$
TOTAL COMMUNITY BENEFIT EXPENSE			
2. Ratio of patient care cost to charges (from Worksheet 2, if used)			
3. Estimated cost (multiply line 1 by line 2, or obtain from cost accounting)			\$
4. Medicaid or provider taxes, fees, and assessments			\$
5. Total community benefit expense (add lines 3 and 4)			\$
DIRECT OFFSETTING REVENUE			
6. Revenues from uncompensated care pools or programs			\$
7. Net assets released from restrictions			\$
8. Other direct offsetting revenue			\$
9. Total direct offsetting revenue (add lines 6 through 8)			\$
10. Net community benefit expense (subtract line 9 from line 5)			\$
11. Total expense			\$
12. Total community benefit percent of total expense (divide line 5 by line 11)			%
13. Net community benefit percent of total expense (divide line 10 by line 11)			%

Worksheet 2: Ratio of Patient Care Cost to Charges

PATIENT CARE COST	
1. Total operating expense (including bad debt expense)	\$
Less Adjustments	
2. Non-patient-care activities	\$
3. Bad debt expense	\$
4. Medicaid or provider taxes, fees, and assessments (if an operating expense)	\$
5. Total community benefit expense	\$
6. Total community-building expense	\$
7. Total adjustments (add lines 2 through 7)	\$
8. Adjusted patient care cost (subtract line 7 from line 1)	\$
PATIENT CARE CHARGES	
9. Gross patient charges	\$
Less Adjustments	
10. Gross charges for community benefit programs	\$
11. Adjusted patient care charges (subtract line 9 from line 10)	\$
CALCULATION OF RATIO OF PATIENT CARE COST TO CHARGES	
12. Ratio of patient care cost to charges (divide line 8 by line 11)	

Worksheet 3: Medicaid and Other Means-Tested Government Programs

		GOVERNMENT PROGRAMS	
		Medicaid	Other means-tested government programs
GROSS PATIENT CHARGES			
1. Gross patient charges from the programs		\$	\$
TOTAL COMMUNITY BENEFIT EXPENSE			
2. Ratio of patient care cost to charges (from Worksheet 2, if used)			
3. Cost (multiply line 1 by line 2, or obtain from cost accounting)		\$	\$
4. Medicaid or provider taxes, fees, and assessments		\$	\$
5. Total community benefit expense (add lines 3 and 4)		\$	\$
DIRECT OFFSETTING REVENUE			
6. Net patient service revenue		\$	\$
7. Payments from uncompensated care pools or programs		\$	\$
8. Prior-year revenue		\$	\$
9. Net assets released from restrictions		\$	\$
10. Other revenue		\$	\$
11. Total direct offsetting revenue (add lines 6 through 10)		\$	\$
12. Net community benefit expense (subtract line 11 from line 5)		\$	\$
13. Total expense		\$	\$
14. Total community benefit percent of total expense (divide line 5 by line 13)		%	%
15. Net community benefit percent of total expense (divide line 12 by line 13)		%	%

**Worksheet 4a: Community
Health Improvement Services**

	Direct Expense	Indirect Expense	Total Community Benefit Expense	Direct Offsetting Revenue	Net Community Benefit Expense
	(A)	(B)	(C)=(A)+(B)	(D)	(E)=(C)-(D)
1. COMMUNITY HEALTH IMPROVEMENT SERVICES					
a.	\$	\$	\$	\$	\$
b.					
c.					
d.					
e.					
f.					
g.					
h.					
i.					
j.					
2. TOTAL (ADD LINES 1a-1j)					
	\$	\$	\$	\$	\$
3. Total expense					
					\$
4. Total community benefit percent of total expense (divide line 2, column C, by line 3, column E)					
					%
5. Net community benefit percent of total expense (divide line 2, column E, by line 3, column E)					
					%

Worksheet 4b: Community Benefit Operations

	Direct Expense	Indirect Expense	Total Community Benefit Expense	Direct Offsetting Revenue	Net Community Benefit Expense
	(A)	(B)	(C)=(A)+(B)	(D)	(E)=(C)-(D)
1. COMMUNITY BENEFIT OPERATIONS					
a.	\$	\$	\$	\$	\$
b.					
c.					
d.					
2. TOTAL (ADD LINES 1a-1d)	\$	\$	\$	\$	\$
3. Total expense					\$
4. Total community benefit percent of total expense (divide line 2, column C, by line 3, column E)					%
5. Net community benefit percent of total expense (divide line 2, column E, by line 3, column E)					%

Worksheet 5: Health Professions Education

		Totals
TOTAL COMMUNITY BENEFIT EXPENSE		
1. Medical students		\$
2. Interns, residents and fellows		\$
3. Nurses		\$
4. Other allied health professions students		\$
5. Continuing health professions education		\$
6. Other students		\$
7. Total community benefit expense (add lines 1 –6)		\$
DIRECT OFFSETTING REVENUE		
8. Medicare reimbursement for direct GME		\$
9. Medicaid reimbursement for direct GME		\$
10. CHGME reimbursement for direct GME		
11. Continuing health professions education reimbursement/tuition		\$
12. Net assets released from restrictions		
13. Other revenue		\$
14. Total direct offsetting revenue (add lines 8 through 13)		\$
15. Net community benefit expense (subtract line 7 from line 14)		\$
16. Total expense		\$
17. Total community benefit percent of total expense (divide line 7 by line 16)		%
18. Net community benefit percent of total expense (divide line 15 by line 16)		%

Worksheet 6: Subsidized Health Services

Service Name:

	Total Subsidized Health Service Program	Bad Debt	Medicaid and Other Means-Tested Government Programs	Financial Assistance at Cost (Charity Care)	Total Reported	Medicare
	(A)	(B)	(C)	(D)	(E)=(A)-(B)-(C)-(D)	Exclude from Part III of Schedule H
GROSS PATIENT CHARGES						
1. Gross patient charges from program(s)	\$	\$	\$	\$	\$	\$
TOTAL COMMUNITY BENEFIT EXPENSE						
2. Ratio of patient cost to charges (from Worksheet 2, if used)						
3. Cost (multiply line 1 by line 2, or obtain from cost accounting)	\$	\$	\$	\$	\$	\$
DIRECT OFFSETTING REVENUE						
4. Net patient service revenue	\$	\$	\$	\$		\$
5. Net assets released from restrictions	\$	\$	\$	\$		
6. Other revenue	\$	\$	\$	\$		\$
7. Total direct offsetting revenue (add lines 4 through 6)	\$	\$	\$	\$	\$	\$
8. Net community benefit expense (subtract line 7 from line 3)	\$	\$	\$	\$	\$	\$
9. Total expense					\$	
10. Total community benefit percent of total expense (divide line 3 by line 9)						%
11. Net community benefit percent of total expense (divide line 8 by line 9)						%

Worksheet 7: Research

	Research Funded by Tax-Exempt Sources and Self-Funded (Reported on Schedule H, Part I Line 7h)	Industry-sponsored and Other Research Studies Intended for Publication (Reported on Schedule H, Part VI)
TOTAL COMMUNITY BENEFIT EXPENSE		
1. Direct costs	\$	\$
2. Indirect costs	\$	\$
3. Total community benefit expense (add lines 1 and 2)	\$	\$
DIRECT OFFSETTING REVENUE		
4. License fees and royalties for research reported as community benefit	\$	\$
5. Medicare reimbursement for research reported as community benefit	\$	\$
6. Net assets released from restrictions	\$	\$
7. Other revenue	\$	\$
8. Total direct offsetting revenue (add lines 4 through 7)	\$	\$
9. Net community benefit expense (subtract line 8 from line 3)	\$	\$
10. Total expense	\$	\$
11. Total community benefit percent of total expense (divide line 3 by line 10)	%	%
12. Net community benefit percent of total expense (divide line 9 by line 10)	%	%

Column 1: Research reportable on Schedule H, Part I, Line 7h
Includes research studies that are funded by tax-exempt entities (e.g., foundations or the hospital's own funds) or by government (e.g., NIH).

Column 2: Industry-sponsored and other research studies intended for publication, reportable on Schedule H, Part VI
Includes industry-sponsored research that the organization believes yields generalizable knowledge because research protocols call for publication.

**Worksheet 8: Cash and In-Kind Donations
for Community Benefit**

	Cash Contributions	In-Kind Contributions	Total
	(A)	(B)	(C)=(A)+(B)
1. Total community benefit expense	\$	\$	\$
DIRECT OFFSETTING REVENUE			
2. Net assets released from restrictions	\$	\$	\$
3. Other revenue	\$	\$	\$
4. Total direct offsetting revenue (add lines 2 and 3)	\$	\$	\$
5. Net community benefit expense (line 1 minus 4)			\$
6. Total expense			\$
7. Total community benefit percent of total expense (divide line 1 by line 6)			%
8. Net community benefit percent of total expense (divide line 5 by line 6)			%

Worksheet B: Community-Building Activities

COMMUNITY-BUILDING CATEGORY	Number of Activities or Programs	Persons Served	Total Community-Building Expense						Direct Offsetting Revenue	Net Community-Building Expense	
			Cash and In-Kind Donations	Other Direct Expense	Indirect Expense	Total Community- Building Expense	Percent of Total Expense	Amount		Percent of Total Expense	
			(A)	(B)	(C)	(D)=(A)+(B)+(C)		(E)		(F)=(D)-(E)	
1. Physical improvements and housing			\$	\$	\$	\$	%	\$	\$	\$	%
2. Economic development											
3. Community support											
4. Environmental improvements											
5. Leadership development and training for community members											
6. Coalition building											
7. Community health improvement advocacy											
8. Workforce development											
9. Other community building											
10. Total (add lines 1-9)			\$	\$	\$	\$	%	\$	\$	\$	%

Worksheet C: Medicare

	Medicare Cost Report	Subtract: Amounts Reported as Community Benefit (Part I)		Subtotal (For Part III, Schedule H)	Other Medicare Services (Non-Cost Report)					Total Medicare
		Subsidized Health Service	Health Professions Education		Medicare Advantage	Professional Fees	Clinical Laboratory	Other	Subtotal (For Part VI of Schedule H)	
	(A)	(B)	(C)	(D)=(A)-(B)-(C)	(E)	(F)	(G)	(H)	(I)=(E)+(F)+(G)+(H)	(J)=(A)+(I)
MEDICARE										
1. Medicare-allowable costs	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
2. Medicare revenue										
3. Total amount	\$	\$	\$	\$	\$	\$	\$	\$	\$	
4. Medicare Advantage IME	(\$)	(\$)		(\$)	\$				\$	
5. Total Revenue	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
6. Shortfall or (surplus) (subtract line 5 from line 1)	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

Community Benefit + A Mission to Care: A Commitment to Community



About The Catholic Health Association of the United States (CHA)

For over 35 years, CHA has been the leading source of information and tools for planning and reporting hospital community benefit. In 2008, CHA's accounting system for reporting community benefit was used in the development of the IRS Form 990 Schedule H.

CHA represents more than 650 hospitals and 1,600 long-term care and other health facilities in all fifty states. Our hospitals were established to address health needs in their communities and that tradition continues today. Catholic hospitals are a critical source of care and services in their communities. This includes community-based services that address significant health and health-related needs reported as community benefit.

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