

**MHDO** Maine Health Data Organization

Information | Insight | Improvement

## Hospital Financial and Organizational Data

# Background

- MHDO collected paper copies of audited financial statements from each Maine hospital starting in 1994.
- The Commission to Study Maine's Hospitals initiated its work in November 2003.
- The Legislature passed PL394, "An Act to Implement Certain Recommendations of the Commission to Study Maine's Community Hospitals", in June 2005, including the requirement that all non-governmental Maine hospitals annually submit to the MHDO standardized financial information in an electronic format
- MHDO began collecting standardized financial template data from hospitals in May 2006 under Rule Chapter 300: Uniform Reporting System For Hospital Financial Data.
- The MHDO Financial Data Work Group formed in July 2007 to decide on how the data would be arrayed and displayed on MHDO web-site
- The Legislature passed Resolve Chapter 66: "To Create a Working Group To Provide Transparency Concerning Operating Expenses for Hospitals" in 2009.
- In 2010 MHDO revised its template to include additional operating expenses (advertising costs, salaries & benefits), transfers to (from) affiliates, "other" cash flow items, and began to collect templates from the parent entities of the hospitals (not released).

# Standard Template

- Data elements taken from the balance sheet, income statement, and statement of changes in net assets statements and cash flow statement sections of hospitals' audited financial statements.
- Thirty one (31) ratios created from the data fields in the template.

# Data Collection - Process

- Templates are compared by MHDO staff against hospital's audited financial statements.
- MHDO makes hospital financial data available on website in October for prior year.
- Reporting period includes data from hospital fiscal years ending in a specified year, e.g., 2013 would include hospitals whose fiscal years included:
  - February 2012 – January 2013
  - March 2012 – February 2013
  - April 2012 – March 2013
  - ...
  - January 2013 – December 2013

# Data Released

- Data beginning with fiscal year 2005
- All financial information contained in the financial data template (except for the cash flow section-lines 100 – 140) by hospital
- A report for each of Maine's 39 hospitals of all data elements and ratios found on the template and reported by the hospitals
- In addition, MHDO is required to provide a link on its web site to hospital IRS Form 990s, collected by DHHS

# Financial Report

- Reports available at [http://mhdo.maine.gov/imhdo/hospital\\_financials.htm](http://mhdo.maine.gov/imhdo/hospital_financials.htm)

# Organizational Data

- MHDO Rule: Chapter 630: Uniform System for Reporting Baseline Information and Restructuring Occurrences for Maine Hospitals and Parent Entities governs the organizational information that hospitals are required to provide to MHDO.
- Organizational charts for all Maine hospitals and their parent entities.
- A chart of all physicians employed or owned by the hospital including name and department.
- Occurrences of structural or organizational changes
  - **Acquisitions.** The buy out or takeover of one person, health care facility, hospital, and/or parent entity by another hospital or parent entity.
  - **Consolidation.** The dissolution of two or more hospitals or parent entities followed by the creation of a totally new entity.
  - **Mergers.** The joinder of two or more hospitals or the absorption of one hospital or parent entity by another.
  - **Reorganization.** The change in the operations of a hospital or parent entity or an addition to or increase in the types of health care services offered.