

# Measuring Baseline Free Care and Bad Debt

- Obtaining Bad Debt and Free Care Data for Base Year (2002 by statute)
- Attributing Bad Debt to Patient's Insurance Status
- Clarifying Bad Debt recognition policies

# Obtaining Bad Debt and Free Care, FYE 2002

## **Provider Type:**

**Hospitals**

**Hospital-owned Physician  
Practices**

**Independent nonprofit  
Groups/Health Centers**

**Other providers within  
hospital systems**

**Other independent  
providers**

## **Data Source:**

**Audited Financial Stmts**

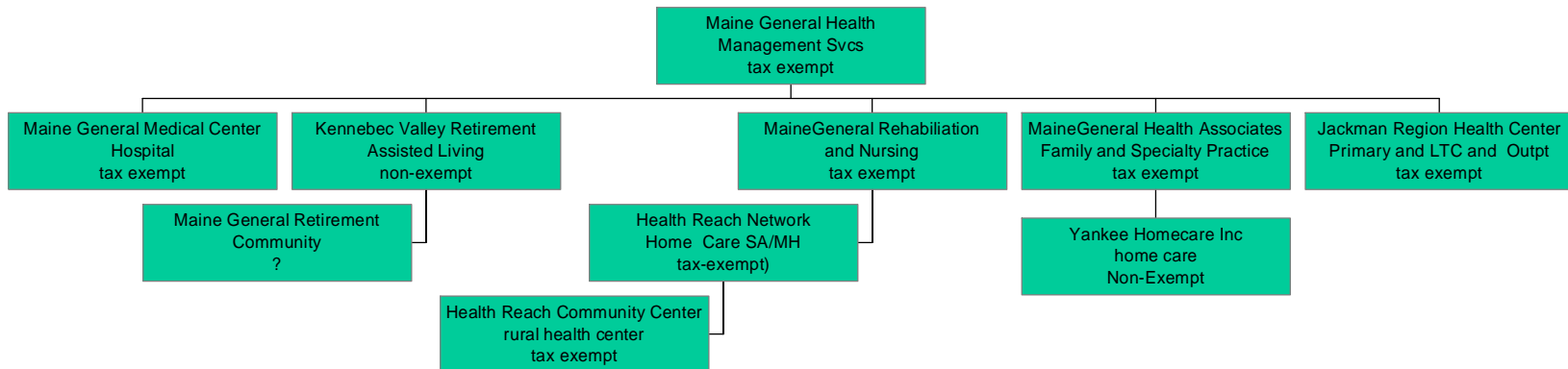
**Audited Financial Stmts**

**IRS Form 990s**

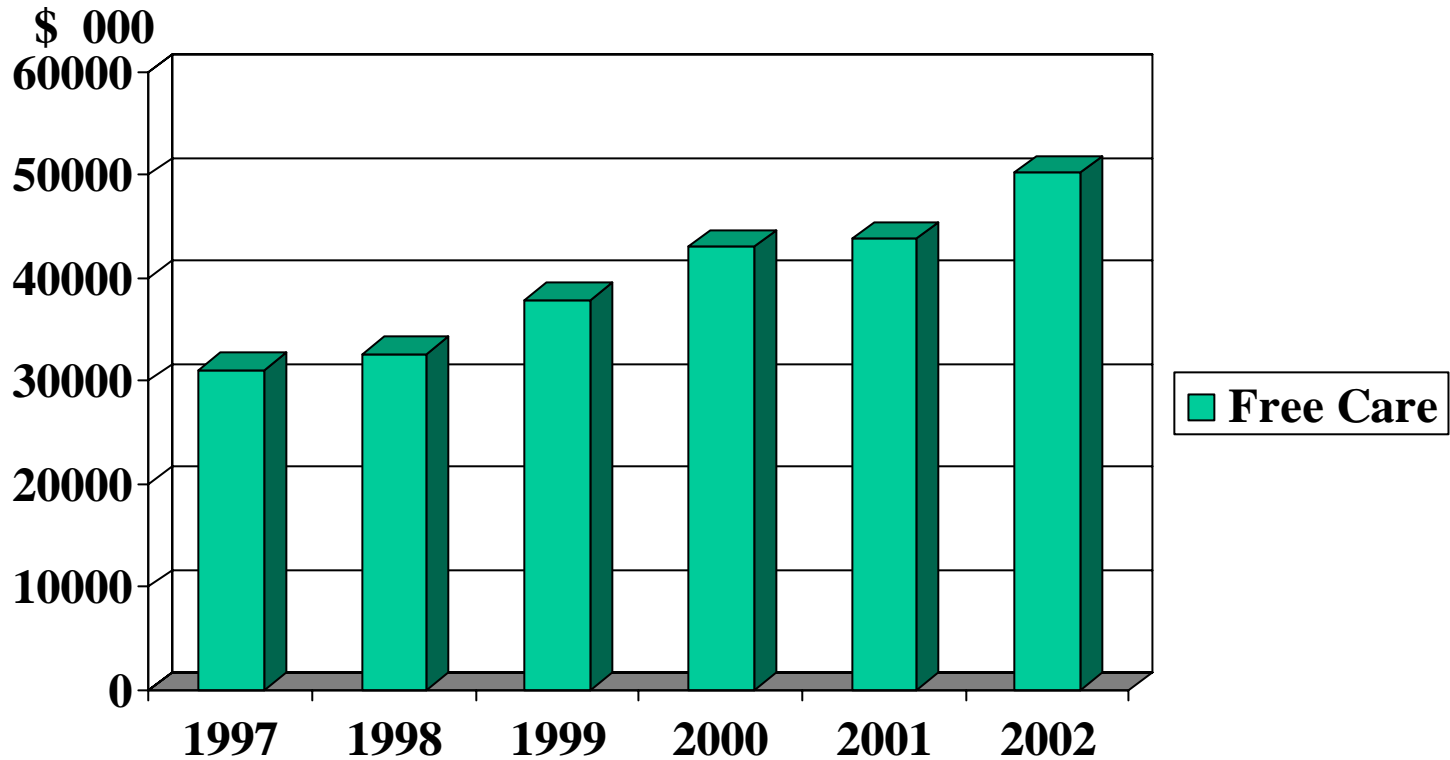
**Audited Financial Stmts**

**Estimates based on above  
sources**

# MaineGeneral Health System as of 2001

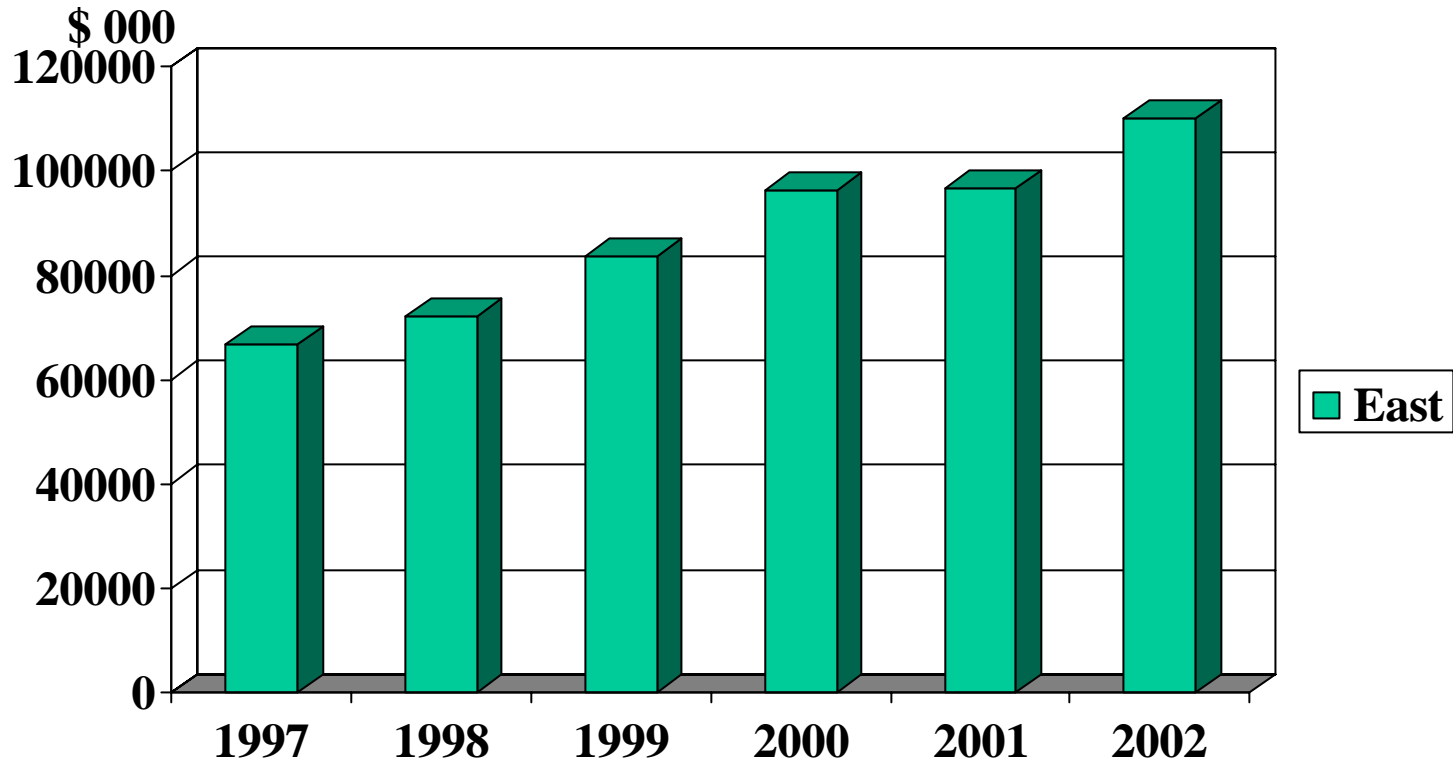


# History of Hospital-Based Free Care



Preliminary data from hospital audited financial statements;  
Free Care Valued at Gross Charges

# History of Hospital-Based Bad Debt



Preliminary from hospital audited financial statements;  
Bad Debt Expense valued at Gross Charges

# Hospital Survey

- Breakout of bad debt by patient insurance status
  - Medicare, Medicaid, Private Insurance, Self-pay
- Clarification of bad debt accounting policy – when is an aging receivable considered bad debt