

OCCI APPENDIX E: PATIENT SPECIFIC COST DISTRIBUTION PERCENTAGE REPORT (PSCD), COST DISTRIBUTION BASES, AND TRANSIENT COST FUNCTIONAL CENTRES (TCC TFC) COST ALLOCATION METHODOLOGY TABLE

Appendix E.2: PATIENT SPECIFIC COST DISTRIBUTION PERCENTAGE REPORT (PSCD)

Instructions for Completing Calculation of Patient Specific Cost Distribution Percentage Report

The worksheet Appendix E.2 PSCD is used to confirm the percentage of costs to be distributed to patients for each patient population.

Note:

AIP	Acute Inpatient
CCC	Complex Continuing Care
MH	Mental Health
Rehab	Rehabilitation
AMB	Ambulatory

The information to complete this report is available from the hospital's Trial Balance and Ontario Cost Distribution Methodology (OCDM).

The facility may include additional functional centres.

Also, note that Pharmacy's drug, labour and supply costs are separate items.

The following instructions are numbered and correspond to the columns in the worksheet called Appendix E.2 PSCD. Enter the total direct cost for each functional centre.

- (1) Based on patient care workload only, calculate and enter the proportion of total workload by patient population as a percentage of total department workload.
- (2) Multiply total direct cost (1) by the percentages calculated in (1) to arrive at total costs associated with each patient population for each functional centre.
- (3) Carry over the total costs from (2) that will be distributed to patients through workload. Mandatory functional centre costs that are required to be distributed are represented by the shaded areas for the patient population to be costed. These areas must be carried over. If the hospital will not distribute the costs of a functional centre, enter zero.
- (4) Sum the Total Costs columns and Costs to be Distributed columns for each patient population.
- (5) To calculate the Percentages to be Distributed, divide the sum of Costs to be Distributed by the sum of Total Costs. (i.e. [4] divided by [3]) for each patient population and enter the resulting values.

Appendix E.3: COST DISTRIBUTION BASES

Different data types can be used as cost distribution bases. The following are the approved cost distribution bases:

NOTE: Additional rows can be added to this table to list all distribution bases.

Workload
Patient Hours
Patient Days
Number of Exams
Number of Cases

Hospitals should select distribution bases that meet their organizational patient care model and cost curve.

To maintain transparency with the allocation of resources, hospitals are required to submit the following table with their annual data submission.

Appendix E.4 TRANSIENT COST FUNCTIONAL CENTRES (TCC TFC) COST ALLOCATION METHODOLOGY TABLE

The Simultaneous Equation Allocation Method (SEAM) must be used to compute the indirect cost allocation. This algorithm allows us to determine the relative use of administrative and support services by each patient care functional centre. SEAM allocates a portion of the TCC TFC costs as indirect costs to other TCCs TFCs as well as ACCs AFCs (Absorbing Cost Functional Centres or Patient Care Areas), then simultaneously allocates out all the TCC TFC direct and indirect costs to all the ACCs AFCs as indirect costs.

Each ~~TCC~~ TFC overhead department allocates its costs based on a defined set of statistics. The statistics determine which departments will receive dollars from a particular overhead department. For example, the costs in the Laundry center may be most appropriately allocated to the nursing units based on the total pounds of laundry processed for each unit. Other examples of allocation statistics or cost allocation numerator include square footage occupied, number of employees, total earned hours, etc. Facilities are required to submit the table below with their annual data submission.

Patient Specific Cost Distribution Percentage Report

NOTE: The facility may include additional functional centres to accommodate Level 4 reporting.

Functional Centre	Total Direct	Percentage (2)					Total Costs (3)					Costs to be Distributed (4)				
	Cost (1)	AIP	CCC	OP	MH	Rehab	AIP	CCC	OP	MH	Rehab	AIP	CCC	OP	MH	Rehab
71210 Medical																
71220 Surgical																
71230 Combined Medical/Surgical																
71240 Intensive Care																
71250 Obstetrics																
71260 Operating Room																
71265 Post-Anesthetic Recovery Room																
71270 Pediatric																
71276 Mental Health/Addictions																
71281 Rehabilitation																
71294 Palliative																
71295 Long-Term Care																
71310 Emergency																
71320 Poison Information Centre																
71340 Day/Night Care																
71350 Clinics																
713501070 Pre-Admission – Medical																
713501545 Pre-Admission – Surgical																
71355 Private Clinics																
71360 Day Surgery O/R																
71410 Clinical Laboratory																
71415 Diagnostic Imaging																
71425 Electrodiagnostic Laboratories																
71430 Non-Invasive Cardiology and Vascular Laboratories																
71435 Respiratory Therapy																
71440 Pharmacy Drugs																
71440 Pharmacy Labour and Supplies																
71445 Clinical Nutrition																
71450 Physiotherapy																
71455 Occupational Therapy																
71460 Audiology & Speech/Lang Path																
71465 Rehabilitation Engineering																
71466 Radiation Oncology																
71470 Social Work																
71475 Psychology																
71480 Pastoral Care																
71485 Recreation																
71490 Child Life																
715 Community Service																
Total (5)																
Percentages of Costs Distributed (6)																
For First and Second Year of OCCI Submission: Minimum Required Percentage to be Distributed												%	%	%	%	%
For Third Year and Over of OCCI Submission: Minimum Required Percentage to be Distributed												%	%	%	%	%

COST DISTRIBUTION BASES

NOTE: Additional rows can be added to this table to list all distribution bases.

Functional Centre		Cost Type						
		Variable Direct Labour	Variable Direct Supply -Patient Specific	Variable Direct Supply - General	Variable Direct Other	Fixed Direct Labour	Fixed Direct Other	Fixed Direct Building, Equipment, Grounds
		350*, 3909*	5*** PSS Supplies	4**** Supplies	8**** Contracted Out	310***, 39010-39085	6**** Sundry	7**** Equipment (incl Depreciation) 9**** Undistributed (Building and Grounds)
Nursing	71210*-7129* exc 71260*	Workload or Patient Hours	Workload or Patient Hours	Workload or Patient Hours	Workload or Patient Hours	Day	Day	Day
DI	71415*	Workload or Patient Hours	Exam	Exam	Exam	Exam	Exam	Exam
Lab	71410*	Workload or Patient Hours	Procedures	Exam	Exam	Exam	Exam	Exam
OR, PARR	7126*, 7136*	Workload or Patient Hours	Workload or Patient Hours	Patient Specific Cost	Patient Specific Cost	Case	Case	Case
Allied Health	714*							
Ambulatory care	713*							

TCC TFC Cost Allocation Methodology Table	
<i>Overhead Functional Centre Number</i>	<i>Cost Allocation Numerator</i>
71110 General Administration	
71112 Emergency Preparedness Services	
71115 10 General Accounting	
71115 20 Payroll	
71115 30 Accounts Receivable	
71115 40 Accounts Payable	
71115 50 Budget Control	
71115 60 Case Costing	
71120 Human Resources	
71125 Information Systems Support	
71130 Communications	
71135 10 Purchasing	
71135 15 Capital Asset Control	
71135 20 Receiving and Shipping	
71135 30 Stores	
71135 40 Reprocessing	
71135 50 Printing	
71135 60 Distribution: Internal	
71135 70 Distribution: External	
71135 99 Combined Functions	
71140 Volunteer Services	
71145 Housekeeping	
71150 Laundry and Linen	
71153 Plant Administration	
71155 Plant Operation	
71160 Plant Security	
71165 20 Grounds Maintenance	
71165 40 Building Maintenance	
71165 60 Building Service Equipment Maintenance	
71165 80 Major Equipment Maintenance	

TCC TFC Cost Allocation Methodology Table	
<i>Overhead Functional Centre Number</i>	<i>Cost Allocation Numerator</i>
71175 20 Bio-Medical Engineering	
71175 40 Medical Physics	
71179 Interpretation/Translation	
71180 20 Inpatient Registration	
71180 40 Outpatient Registration	
71180 60 Emergency Registration	
71180 80 Centralized Booking	
71182 Admission/Discharge Coordinator	
71185 Service Recipient Transport	
71186 Non Service Recipient Transport	
71190 20 10 Medical Transcription	
71190 20 20 Non-Medical Transcription	
71190 40 10 Clerical Record Processing	
71190 40 20 Data Collection	
71190 40 30 Release of Patient Information	
71190 60 Health Data and Information Services	
71810 Hospital Library	
71820 Audiovisual	
71830 Medical Illustration	
71840 In-Service Education	
<i>Undistributed Accounting Centres</i>	
81945 NEER Rebate	
81955 Interest on Long Term Liabilities	
81960 Municipal Taxes	
81965 Employee Future Benefits	
81990 Other Undistributed Expenses – Operating (including NEER Penalties	
81995 Employee Benefits Debit Clearing Account	
81996 Employee Benefits Credit Clearing Account	