§ 2805-a. Disclosure of financial transactions. 1. Every general hospital operating under the provisions of this article shall file with the commissioner of health within one hundred twenty days after the end of its fiscal year a certified report showing its financial condition and all of its financial transactions, including receipts and expenditures during the fiscal year.

The report shall be in such form as shall disclose all financial transactions as the commissioner of health may determine necessary to disclose accurately and specifically the financial condition of each hospital and its expenditures for the preceding year including but not limited to:

(a) Its operations and accomplishments.

(b) Its receipts and disbursements, or revenues and expenses, during such fiscal year in accordance with generally accepted accounting principles by categories, clinical services and departments as set forth under the by-laws of the institution and including but not limited to salaries and other benefits, personnel expenses, operating expenses, equipment and supplies, and all other direct and indirect disbursements allocated to each department and clinical service.

(c) Assets and liabilities at the end of its fiscal year including the status of reserves, depreciation, special or other funds, and including the receipts and payments of these funds.

(d) Loans and investments, interest, rents and profits from investments of the hospital.

(e) The location of any real property owned by the hospital.

2. Every general hospital shall also submit:

(a) A report of hospital expenses incurred in providing services during the period covered by the reports required under this section for which payment was not received and is not anticipated for such periods for which pool distributions pursuant to section twenty-eight hundred seven-c or section twenty-eight hundred seven-k of this article are made related to such expenses. The report shall be completed in accordance with regulations developed by the council and approved by the commissioner which shall include definitions for bad debts and charity care. The report shall identify as bad debts or charity care the cost of

services provided to emergency inpatients, non-emergency inpatients, emergency ambulatory patients, clinic patients and referred or private ambulatory patients for which the hospital did not receive and does not anticipate payment.

(b) A statement of anticipated capital related expenses as defined in subdivision eight of section twenty-eight hundred seven-c of this article for the forthcoming calendar year at least one hundred twenty days, or such shorter period as the commissioner shall determine, prior to the commencement of such year. The report shall be completed in accordance with subdivision eight of section twenty-eight hundred seven-c of this article and any regulations adopted pursuant thereto.

3. Every general hospital shall submit a monthly report of gross inpatient revenue received and within one hundred twenty days after the end of the calendar year a certified annual report of gross inpatient revenue received for hospital inpatient service provided on or after January first, nineteen hundred eighty-eight through December thirty-first, nineteen hundred ninety-nine and on and after January first, two thousand. The reports shall be in such form as may be prescribed by the commissioner to accurately disclose gross inpatient revenue received.

* 4. The commissioner may, to effectuate the purpose of this article, vary the nature of the report required according to the size or capacity of the hospital.

The contents of all reports submitted hereunder shall be public information and such reports shall be available for public inspection under such conditions as the commissioner shall prescribe.

The commissioner of health when he has reasonable cause to believe that the books or records do not accurately reflect the financial condition and/or financial transactions of the hospital, may examine the books and records of the hospital, subpoena witnesses and documents and make such other investigation as is necessary to enable him to determine the facts relative thereto.

* NB Effective until October 1, 2025

* 4. (a) Every general hospital operating under the provisions of this

article that is required to file an IRS Form 990 in accordance with federal regulations shall file with the commissioner, by July first of each calendar year, a completed copy of the most recent IRS Form 990 as submitted to the IRS, and the information the general hospital used to complete the IRS Form 990 in a manner prescribed by the department, showing how the hospital spent community benefit expenses, which shall include but not be limited to, information to identify the specific community benefit expenses supporting the hospital's local community. General hospitals operating under the provisions of this article that are not required to file an IRS Form 990 shall be required to submit information, in a manner prescribed by the department, showing how the hospital spent community benefit expenses in the same manner.

(b) The department shall compile the information reported in a report issued and posted on the department's website by October first, two thousand twenty-six, and on an annual basis thereafter, and delivered to the governor, the speaker of the assembly, the temporary president of the senate, the chair of the assembly health committee, the chair of the senate health committee, the chair of the senate finance committee, the chair of the assembly ways and means committee, and the minority leaders of the assembly and the senate. The report shall include, at a minimum, information on:

(i) Total community benefit expenses in the state reported by each general hospital;

(ii) How such community benefit expenses were distributed in the aggregate across the following categories:

(1) Financial assistance at cost, which shall include any free or discounted services for those who cannot afford to pay and meet the hospital's financial assistance criteria;

(2) Unreimbursed costs from Medicaid;

(3) Unreimbursed costs from the children's health insurance program or other means-tested government programs;

(4) Community health improvement services and community benefit operations, which shall include costs associated with planning or operating community benefit programs, but shall not include activities or programs if they are provided primarily for marketing purposes or if they are more beneficial to the hospital than to the community;

(5) Health professions education programs that result in a degree or

certificate or training necessary for residents or interns to be certified;

(6) Subsidized health services, which shall include services with a negative margin, services that meet an identifiable community need and services that if no longer offered would be unavailable or fall to the responsibility of another nonprofit or government agency;

(7) Research that produces generalizable knowledge and is funded by tax-exempt sources; and

(8) Cash and in-kind contributions for community benefit, for which in-kind donations may include the indirect cost of space donated to community groups and the direct cost of donated food or supplies;

(iii) Details on negative-margin services that were reported by hospitals as part of community benefit expenses; and

(iv) Details on community benefit programs reported by hospitals as part of community benefit expenses.

* NB Effective October 1, 2025

* 5. The commissioner may, to effectuate the purpose of this article, vary the nature of the report required according to the size or capacity of the hospital.

The contents of all reports submitted hereunder shall be public information and such reports shall be available for public inspection under such conditions as the commissioner shall prescribe.

The commissioner of health when he has reasonable cause to believe that the books or records do not accurately reflect the financial condition and/or financial transactions of the hospital, may examine the books and records of the hospital, subpoena witnesses and documents and make such other investigation as is necessary to enable him to determine the facts relative thereto.

* NB Effective October 1, 2025