**Frequently Asked Questions regarding Reporting Compensation of Hospital Employees**

In accordance with RCW 43.70.052, hospitals which do not operate on a for-profit basis must annually submit employee compensation information to the Department of Health (DOH).

**When must hospital employee compensation be reported to DOH?**

Within 135 days following the end of each hospital's **calendar** year, a **district, nonprofit** or **county/state** hospital shall submit names and compensation of the five highest compensated employees of the hospital who do not have any direct patient responsibilities. Compensation information shall be reported on a calendar year basis for the calendar year immediately preceding the reporting date.

**Or**

If a **nonprofit** hospital choses to report compensation information to the department by submitting IRS form 990 schedule J with compensation information for the lead administrator included and clearly indicated on the schedule, this report is due within 135 days following the end of each hospital's **fiscal** year.

**How should hospitals submit employee compensation information to the department?**

Please submit compensation information to DOH either by mail, fax or email:

Washington State Department of Health

Community Health Systems

Hospital Financial and Charity Care Section

MS: 47853

Olympia, WA 98504-7853

[hos@doh.wa.gov](mailto:hos@doh.wa.gov)

**Can this information be reported electronically?**

Yes, hospitals may email compensation information to:

[hos@doh.wa.gov](mailto:hos@doh.wa.gov)

**Which employees’ compensation needs to be reported?**

Hospitals reporting compensation information using the DOH form 346-095 must submit names and compensation for the five highest compensated employees of the hospital who do not have any direct patient responsibilities. If those five highest compensated employees do not include the lead administrator for the hospital, compensation information for the lead administrator must also be submitted.

Hospitals reporting compensation information to the department by submitting the IRS form 990 schedule J must ensure that compensation information for the lead administrator is included and clearly indicated on the schedule.

If a hospital licensed under RCW 70.41 is also part of a health care system, the hospital can meet requirements of this law by submitting IRS form 990 schedule J for the health system. Compensation information for the lead administrators for hospitals must be included and clearly indicated on the schedule. In this case, hospitals would report compensation information for the top five highest paid employees at the health system and the lead administrator for the hospital.

**What will DOH do with the information provided?**

The department will publish information reported on the department website: <http://www.doh.wa.gov/DataandStatisticalReports/HealthcareinWashington/HospitalandPatientData/HospitalFinancialData/HospitalEmployeeCompensation.aspx>

**What items need to be reported?**

Compensation information must include base compensation, bonus and incentive compensation, other payments qualifying as reportable compensation, retirement and other deferred compensation, and non-taxable benefits.

**Do hospitals need to use the DOH form to report compensation?**

Hospitals may use any format that clearly displays the required information:

Compensation information must include base compensation, bonus and incentive compensation, other payments qualifying as reportable compensation, retirement and other deferred compensation, and nontaxable benefits.

**My hospital already reports this information to the IRS. Can we send DOH the IRS form 990 schedule J?**

Yes, hospitals may submit IRS form 990 schedule J to fulfill reporting requirements. Compensation information for the lead administrators of hospitals must be included and clearly indicated on the schedule.

**Can a healthcare system report compensation information for all of their hospitals on one form?**

The law requires each hospital to report compensation information. Therefore, each hospital in a healthcare system should report compensation information on a separate form.

If a hospital licensed under RCW 70.41 is also part of a health care system, hospitals can meet requirements of this law by submitting IRS form 990 schedule J for the health system. Compensation information for the lead administrator for the hospital must be included and clearly indicated on the schedule.

**Who can I contact with additional questions?**

Contact: Hospital Financial Specialist

Phone: (360) 236-4210

Email: [hos@doh.wa.gov](mailto:hos@doh.wa.gov)