

# MaineCare Cost Report

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# MaineCare Cost Report Issues

- Current Provider Reimbursement Methodologies
- Medicare Worksheet impacts on MaineCare Cost Reporting
- Modeling / Analytic Considerations
- MaineCare Filing & Payment Requirements



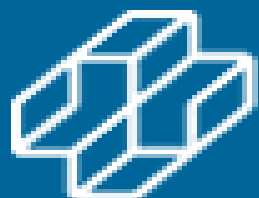
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## Provider Types & Current Reimbursement Methodologies

- Acute Care Non-Critical Access Hospitals
  - *Rate per Discharge*
  - *83.3% of cost basis for outpatient services*
- Acute Care Critical Access Hospitals
  - *109% of cost basis for inpatient and outpatient services*
- Private Psychiatric Hospitals
  - *% of charge basis for inpatient and % of cost for outpatient services*
- Geographic Reclassified Hospitals
  - *109% of cost basis for inpatient and outpatient services*



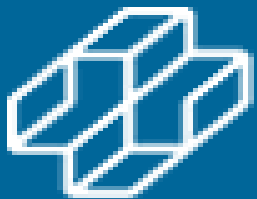
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## Provider Types & Current Reimbursement Methodologies

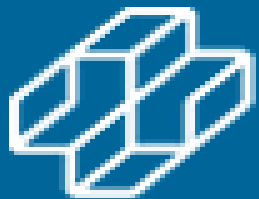
- Laboratory and Radiology Services
  - *Fee Schedule*
- Hospital-Based Physician Non-Emergency Services
  - *93.3% Inpatient Service Costs*
  - *83.8% Outpatient Service Costs*
- Hospital-Based Physician Emergency Services
  - *93.4% of Outpatient Costs*



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## Future Reimbursement Methodologies

- Acute Care Non-Critical Access Hospitals – *Effective Fiscal Years beginning on or after April 1, 2009*
  - *DRG for Inpatient Services*
  - *APC for Outpatient Services*
  - *Rate per Discharge for Psych Units*
- Critical Access Hospitals – *Effective Fiscal Years beginning on or after April 1, 2011 (subject to legislative approval)*



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## Medicare Cost Report Worksheets

- **Worksheet S-3** –
  - Col 5: XIX Inpatient Days
  - Col. 6: Total Inpatient Days
  - Col. 14: XIX Discharges
- **Worksheet A** –
  - Ensure costs have been properly reported in the correct cost centers
  - Cost Centers relating to Medicare Non-Reimbursable Patient Services
  - Proper matching of costs and charges
  - Not directly reported on MaineCare filing but rather through the B series.



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## Medicare Cost Report Worksheets

- **Worksheet A-8 –**
  - CRNA Offsets
  - Midlevel Offsets
  - Salary and Benefit Amounts
- **Worksheet A-8-2 –**
  - Professional Component
  - Matching of Professional Cost offsets to Professional Revenue



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## Medicare Cost Report Worksheets

- **Worksheet B series –**
  - Part I & II, Col. 27: Total Allocated General Service Costs
  - Part III, Col. 27: Total Allocated Capital Costs
  - Report costs for any Patient Service NRCC that are reimbursed through MaineCare
- **Worksheet C –**
  - Col 6 & Col 7: Inpatient & Outpatient Charges
  - Col 9: Cost to Charge Ratios
  - Although not reported on W/S C, charges relating to XVIII Non-Reimbursable Patient Care Services and Professional Charges should be well documented
  - Proper matching of costs and charge



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## Medicare Cost Report Worksheets

- **Worksheet D, Pt I –**
  - Col 1 and 4: New & Old Capital Costs
  - Col 2 and : Swing Bed Adjustments
  - Col 3 and 6: Adjusted Capital Related Costs
  - Col 7: Total Patient Days
  - Col 8: Program Patient Days
- **Worksheet D-1 –**
  - This particular schedule has been recreated within the MaineCare Cost Report and mirrors the same calculations to derive the Pass Thru Costs and Inpatient Critical Access reimbursement



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## Medicare Cost Report Worksheets

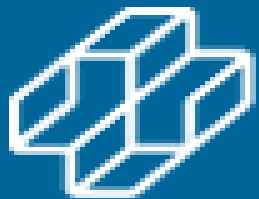
- **Worksheet E-3, Pt IV –**
  - Line 3.22: Number of FTE residents
  - Line 3.23: Updated Per Resident Amount



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## Additional MaineCare Data Requirements

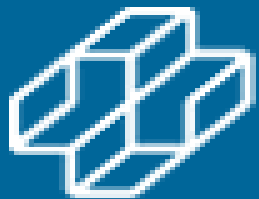
- Charges & Payments relating to physician services billed via 1500 Claims
- Third Party Liability
- PIP and Swap Checks (Tax & Match)



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## Modeling Considerations

- Changing W/S B Statistic Basis
- Combining or Segregating Cost Centers
- New Services / Clinics



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## MaineCare Reporting Requirements

- All Hospitals are required to file the following documentation within 5 months of their fiscal year-end;
  - As-Filed Medicare Cost Report
  - MaineCare Supplemental Data Forms (Updated forms to be released from State)
  - Certifications & Signatures
  - Supporting Documentation
    - Audited Financial Statements
    - Reconciliation between the Medicare Cost Report W/S C to the Financial Statement revenue
    - MaineCare Supplemental Data Form



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## MaineCare Payment Requirements

- Per the MaineCare Benefits Manual, Chapter III – In cases where the State has overpaid a provider for a specific filing, it is stated that the provider should submit 50% of the amount owed at the time of the filing.
- Possible consequences for non-compliance, as stated within the manual, are suspension of Periodic Interim Payments until payment is received.

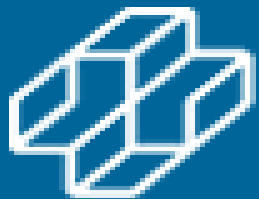


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## MaineCare Interim Settlements

- Calculated using the same methodology used in Calculating the Periodic Interim Payments.
- Uses As-Filed Medicare Cost Report
- Updated Medicaid Utilization Files



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## MaineCare Final Settlements

- Calculated using the same methodology used in calculating the Periodic Interim Payments.
- Uses Settled Medicare Cost Report
- Updated Medicaid Utilization Files



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## MaineCare Informal Reviews / Appeals

- Filed with State within 60 days of receipt of Final or Interim Audit Transmittal.
- Include all data / issues in protest as additional items will not be accepted after the initial request.
- All protested items must be accompanied with documentation supporting any requested changes / considerations.

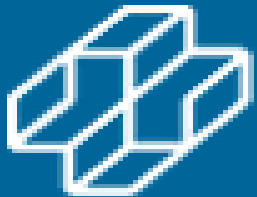


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## DHHS Address for File Submissions

Sue McKenzie  
Maine Department Health and Human Services  
Office of Audit  
11 State House Station  
Augusta, Maine 04333-0011

FedEx:  
442 Civic Center Drive  
Augusta, Maine 04330



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# Questions?



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