

Medicare Subproviders

Ellen Donahue
Berry, Dunn, McNeil & Parker
December 10, 2009



hfma maine chapter

healthcare financial management association

Medicare Subproviders

Acronym	Provider Number	Description	Statistics	Settlement
IRF	14-T634	Inpatient Rehab Facility	S-3	E-3 Pt I
IPF	14-S634	Inpatient Psych Facility	S-3	E-3 Pt I
SB-SNF	14-U634	Swing-bed SNF	S-3	E-2
SB-NF		Swing-bed NF	S-3	
SNF	14-5481	Skilled Nursing Facility	S-3 & S-7	E-3 Pt III
NF		Nursing Facility	S-3	
OLTC		Other Long Term Care	S-3	
HHA	14-7015	Home Health Agency	S-3 & S-4	H Series
ASC	14-C423	Ambulatory Surgical Center		
Hospice	14-1590	Hospice	S-3 & S-9	K Series
RHC / FQHC	14-3400	Rural Health Center / Federally Qualified Health Center	S-3, S-8 & M-3	M Series
CORF	14-4860	Comprehensive Outpatient Rehab Facility	S-3 & S-6	
CMHC		Community Mental Health Center		
ESRD	14-3510	Renal Dialysis Center	S-5	I Series

Cost Report Filing to Appeals

Ellen Donahue
Berry, Dunn, McNeil & Parker
December 10, 2009



hfma maine chapter

healthcare financial management association

- ▶ Cost Report Filing Process
- ▶ The Audit Process
- ▶ The Appeal Process

Cost Report Filing Process

- ▶ Due Date
 - Five months after the FYE date
 - Exceptions for holidays & weekends
- ▶ PS&Rs
 - Provider must get its own PS&R
 - Properly split reports for appropriate quarters
- ▶ File electronically
 - Pass all Level I edits
 - Submission checklist

Cost Report Submission Checklist

The following is a list of items that **must** be submitted to have an acceptable cost report submission. **If any of these items are not included in this package, the cost report will be rejected:**

- | Enclosed | Description |
|-----------------|--|
| _____ | One 3 ½ inch high-density diskette or CD-ROM with the electronic cost report (ECR) and print image (PI) files utilizing a CMS-approved vendor with current specification date. (Exception: If utilizing CMS free software, you must submit a completed hard copy of the cost report in lieu of the PI file.) |
| _____ | Certification page (Worksheet S with encryption coding) of the ECR file with original signature of an officer or administrator. |
| _____ | ECR and PI file encryption codes, date, time and settlement summary exactly matching those displayed on the certification page. |
| _____ | Provider Cost Report Reimbursement Questionnaire—Form CMS-339 Transmittal 6—with original signature of an officer or administrator. |
| _____ | ECR passes all Level I edits. |
| _____ | If you are claiming costs for interns and residents, one 3½" high density diskette or CD-ROM with the Interns & Residents Information System (IRIS) data files that pass all IRIS edits in the CMS IRISEDV3 software. |

The following is a list of items that are required to be submitted; however, a cost report cannot be rejected for failure to submit these items. **If these items are incomplete/incorrect or are not included with your cost report package, we may adjust your tentative settlement amount for failure to submit these items:**

- _____ Working Trial Balance and crosswalk
- _____ Signed Audited Independent Financial Statements
- _____ Bad Debt Listing. If you claim Medicare Bad Debts, your submitted listings must match the amount claimed on the cost report. Fee-based bad debts should not be included in this listing. Refer to the Recommended Checklist for Providers to Use When Reviewing Bad Debt Listings located on the National Government Services, Inc. Web site.
- _____ Wage Index documentation (acute hospitals only)
- _____ Documentation for any reclassifications, adjustments, related organizations, contracted therapists, and protested items.
- _____ Signed and completed Attestation Form—Children's Hospitals Verification of Age for Eligibility (children's hospitals only—form with instructions available on National Government Services Web site).

Name of Contact Person: _____
Phone Number of Contact: _____
Fax Number: _____
E-mail Address: _____
Current Administrator Name: _____

Cost Report Filing Process (continued)

- ▶ Electronically submit
 - ECR & PI files
 - Bad Debt listing
 - Wage Index documentation
 - Financial Statements
 - IRISEDV3 (Interns & Residents Information System Data Files)
- ▶ Supporting documentation
 - Encrypted Worksheet S
 - CMS Form 339
 - Other items identified on Checklist

Cost Report Filing Process (continued)

- ▶ Bad Debt listings
 - Filed on a CD
 - Password protected
 - Password sent by email under separate cover
 - Protected Health Information must be properly encrypted
- ▶ Mailing the cost report information
 - www.medicarenhic.com/PA/PartA_AR_AuditReimbursement.shtml
- ▶ Sending a check

- ▶ Find out when the Post Office closes!!!!

The Audit Process

- ▶ Audit confirmation letter & preliminary information request
 - Timing
 - General characteristics
 - Information requested

The Audit Process (continued)

- ▶ Entrance conference
 - Timeframes
 - Other discussion topics
 - Fiscal Intermediary and provider administrative issues

The Audit Process (continued)

- ▶ Auditing process
 - Audit liaison
 - Additional documentation
 - Follow up on requests for additional information
 - Open audit issues

The Audit Process (continued)

- ▶ Exit conference
 - Proposed audit adjustment report
 - Develop timeframes
 - Develop agreed upon resolution for unresolved issues
 - Consequences of not meeting timeframes

The Audit Process (concluded)

- ▶ Post exit period
 - Time between exit conference and issuance of NPR
 - FI to respond to all additional documentation
 - FI to identify new or modified audit adjustments

The Appeal Process

- ▶ Reopening:
 - Within three years of date of NPR
 - Relating to a specific cost reporting period
 - If multiple years impacted, separate requests
 - Identify and explain the issue
 - Estimated reimbursement impact of each issue
 - Auditable calculation
 - Sufficient documentation to support request

The Appeal Process (continued)

- ▶ New PRRB Rules
 - Effective for cost reports ended on or after 12/31/2008
 - Medicare reimbursement in dispute is \$10,000 or more
 - Explain each disputed item and why payment is incorrect
 - Explain how payment should be determined
 - Identify the reimbursement being sought

The Appeal Process (continued)

- ▶ **New PRRB Rules** (continued)
 - Hospitals must “preserve a claim of dissatisfaction”
 - Formalizes the procedure for a provider to “express dissatisfaction”
 - Hospital now file a cost report including a protested item & self-disallow the item
 - Hospital must estimate the reimbursement effect of the protested item
 - Disclose the fact the cost report is being filed under protest
 - The information as presented will for the basis for the PRRB appeal

The Appeal Process (continued)

- ▶ **New PRRB Rules** (continued)
 - Restricts time period for adding issues to a PRRB appeal
 - 240 days after the NPR date
 - Hospital must explain why it believes the Medicare payment is incorrect & how it should be determined differently
 - Discovery request must be served “no later than 120 days before the initially scheduled” hearing date
 - Cannot request production of documents from CMS, DHHS or any Federal agency

The Appeal Process (concluded)

- ▶ **New PRRB Rules** (continued)
 - Date of receipt by the Board is date of delivery
 - Not subject to appeal
 - Preliminary narrowing of issues
 - Working with FI to resolve issues
 - Position papers

 - Mediation – alternative to PRRB hearing
 - Non-binding voluntary process
 - Either party may request mediation

Questions????

Ellen Donahue

edonahue@bdmp.com

(207) 541-2298