4028. WORKSHEET D-4 - COMPUTATION OF ORGAN ACQUISITION COSTS AND CHARGES FOR A TRANSPLANT HOSPITAL WITH A MEDICARE-CERTIFIED TRANSPLANT PROGRAM

This worksheet computes organ acquisition costs for a transplant hospital that is a Medicare-certified transplant center (CTC) with a Medicare-approved transplant program (transplant program) as defined in 42 CFR 482.70. Hospitals that do not have a Medicare-approved transplant program do not complete this worksheet. (See CMS Pub. 15-1, chapter 31, §3107.)

Complete a separate worksheet for each transplant program (heart, liver, lung, pancreas, intestine, kidney, or islet) with a certification date on Worksheet S-2, Part I, lines 126 through 132. Check the applicable box to identify the transplant program for which the worksheet computes acquisition costs. When a CTC procures multiple organs from a single donor, the CTC must equitably and reasonably allocate the days and charges related to that procurement among the organ types procured, and report the days and charges for each organ type on the appropriate transplant program worksheet (see CMS Pub. 15-1, chapter 31, §3102).

Hospitals that participated in the PARHM demonstration for a portion of the cost reporting period or the entire cost reporting period DO NOT complete a separate Worksheet D-4. Hospitals participating in the PARHM demonstration for a portion of the cost reporting period, or the entire cost reporting period, complete this worksheet for the hospital for the entire cost reporting period and see specific instructions on line 69.

An OPO is either a hospital-based OPO or an independent OPO. OPO references throughout this chapter include both hospital-based and independent OPOs unless differentiation is required for context.

NOTE: For cost allocation purposes, count organs procured en bloc (two organs procured as one unit) and transplanted into the same recipient as one organ. En bloc organs include en bloc kidneys and en bloc lungs. Count organs procured en bloc and subsequently separated for transplant as two organs.

Worksheet D-4 consists of the following four parts:

- Part I - Computation of Organ Acquisition Cost (Inpatient Routine and Ancillary Services)
- Part II - Computation of Organ Acquisition Cost (Other than Inpatient Routine and Ancillary Service Costs)
- Part III - Summary of Costs and Charges
- Part IV - Statistics

4028.1 Part I - Computation of Organ Acquisition Costs (Inpatient Routine and Ancillary Services).--This worksheet computes the routine and ancillary costs for organ acquisitions, allocating routine costs based on the per diem cost for each routine cost center and allocating ancillary costs based on the cost-to-charge ratio for each ancillary cost center.

Lines 1 through 7--These lines provide for the computation of inpatient routine service costs applicable to organ acquisition and for the accumulation of inpatient routine service charges for organ acquisition.

Column 1--Enter on lines 1 through 6, as appropriate, the inpatient routine charges applicable to organ acquisition. Enter on line 7, the sum of the amounts reported on lines 1 through 6.

Column 2--Enter on lines 1 through 6, as appropriate, the average per diem cost from Worksheet D-1:

Description	To Worksheet D-4, Part I, col. 2	From Worksheet D-1, Part II
Adults & Pediatrics	line 1	col. 1, line 38
Intensive Care	line 2	col. 3, line 43
Coronary Care	line 3	col. 3, line 44
Burn Intensive Care Type Unit	line 4	col. 3, line 45
Surgical Intensive Care Type Unit	line 5	col. 3, line 46
Other Intensive Care Type Unit	line 6	col. 3, line 47

Column 3--For each cost center, enter total organ acquisition days (Medicare and non-Medicare). An organ acquisition day is an inpatient day of care rendered to a potential recipient/donor (before admission for the actual transplant) solely for a medical evaluation for an anticipated organ transplant; or an organ donor patient who is hospitalized for the surgical removal of an organ; or a day of care rendered to a cadaver in an inpatient routine service area for the surgical removal of its organs for transplant. Pro-rate these days proportionally to the number of organs excised. For example, if a cadaveric donor spent 1 day in the hospital following the declaration of death and consent to donate, and five organs were excised from the cadaveric donor (e.g., two kidneys, two lungs, and one liver), the number of organ acquisition days reported as a ratio is computed:

- on Worksheet D-4 (kidney) as 2 kidneys divided by 5 organs total = 0.40 days for kidney;
- on Worksheet D-4 (lung) as 2 lungs divided by 5 organs total = 0.40 days for lung; and
- on Worksheet D-4 (liver) as 1 liver divided by 5 organs total = 0.20 days for liver.

On line 7, enter the sum of lines 1 through 6. (See CMS Pub. 100-02, chapter 11, §§140.4-140.8.)

Column 4--For each cost center, enter the amount in column 2 multiplied by the amount in column 3. On line 7, enter the sum of lines 1 through 6.

Lines 8 through 40--These lines provide for the computation of ancillary service cost applicable to organ acquisition. These lines also provide for the accumulation of inpatient and outpatient organ acquisition ancillary charges.

Column 1--For each cost center, transfer the "cost or other" cost-to-charge ratio from Worksheet C, column 9.

Column 2--For each cost center, enter inpatient and outpatient organ acquisition ancillary charges from your records. On line 41, enter the sum of lines 8 through 40. When a CTC procures multiple organs from a single donor, equitably attribute the ancillary charges to each organ procured. For example, if the CTC's operating room charge is $12,000 to procure two kidneys, procured and transplanted en bloc, and one heart, the CTC reports a $6,000 operating room charge for the en bloc kidneys on the kidney Worksheet D-4 and a $6,000 operating room charge for the heart on the heart Worksheet D-4. However, if the CTC's operating room charge is $12,000 to procure two kidneys (not en bloc) and one heart, the CTC reports a $4,000 operating room charge for each kidney on the kidney Worksheet D-4 and a $4,000 operating room charge for the heart on the heart Worksheet D-4. When attributing the ancillary charges, the CTC may use an alternate basis for allocation (e.g., number of operating room minutes) if the contractor can verify the alternate basis results in a more accurate cost per organ.

Column 3--For each cost center, compute the organ acquisition costs by multiplying the ratio in column 1 by the amount in column 2. On line 41, enter the sum of lines 8 through 40.

4028.2 Part II - Computation of Organ Acquisition Costs (Other Than Inpatient Routine and Ancillary Service Costs).-- This worksheet apportions the cost of I&R not in an approved teaching program attributable to organ acquisitions.

Lines 42 through 47--These lines apportion the cost of I&R not in an approved teaching program for inpatient services attributable to organ acquisitions.

Column 1--For each applicable line, transfer the average cost per day of I&R not in an approved teaching program from Worksheet D-2, Part I, column 4, lines as indicated.

Column 2--Transfer the number of organ acquisition days in each inpatient routine service area from Part I, column 3, lines 1 through 6, as applicable.

Column 3--For each cost center multiply the average cost per day amount in column 1 by the number of days in column 2.

Line 48--For columns 2 and 3, enter the sum of lines 42 through 47.

Lines 49 through 54--These lines apportion the cost of I&R not in an approved teaching program for outpatient services attributable to organ acquisitions.

Column 1--For each applicable line, transfer the organ acquisition charges from the outpatient service areas on Part I, column 2, lines 35 through 40, as applicable.

Column 2--Transfer the ratio of cost to charges for outpatient costs of I&R not in an approved teaching program for each outpatient service area from Worksheet D-2, Part I, column 4, lines 21 through 26, as applicable.

Column 3--For each cost center, compute organ acquisition costs by multiplying the charges in column 1 by the ratios in column 2.

Line 55--For columns 1 and 3, enter the sum of lines 49 through 54.