

4022. WORKSHEET B-2 - POST STEP-DOWN ADJUSTMENTS

This worksheet provides an explanation of the post step-down adjustments reported in column 25 of Worksheets B, Parts I and II; D, Parts III and IV; and L-1, Part I.

Column Descriptions

Column 1--Enter a brief description of the post step-down adjustment.

Column 2--Make post step-down adjustments on Worksheets B, Parts I and II; D, Parts III and IV; and L-1, Part I. Enter the worksheet code to which the post step-down adjustment applies. For lines 74 and/or 94, remove the amount for ESAs (i.e., Epoetin and Aranesp) reported on Worksheet S-5, lines 13, 14, 17, 18, and subscripts of line 22, columns 2 and 3.

Use the codes below to identify the worksheet in which the adjustment applies:

<u>Code</u>	<u>Worksheet</u>
1	B, Part I
2	B, Part II
3	L-1, Part I
4	D, Part III and D, Part IV

Column 3--Enter the worksheet line number to which the adjustment applies.

Column 4--Enter the amount of the adjustment. Transfer these amounts to the appropriate lines on Worksheets B, Parts I and II, or L-1, Part I, column 25.

Line Descriptions

Line 1--Enter the amount of the EPO adjustment for the renal dialysis inpatient department from Worksheet S-5, line 13. Do not use this line effective for cost reporting periods ending after December 31, 2012.

Line 2--Enter the amount of the EPO adjustment for the home dialysis program from Worksheet S-5, line 14. Do not use this line effective for cost reporting periods ending after December 31, 2012.

Line 3--Enter the amount of the Aranesp adjustment for the renal dialysis inpatient department from Worksheet S-5, line 17. Do not use this line effective for cost reporting periods ending after December 31, 2012.

Line 4--Enter the amount of the Aranesp adjustment for the home dialysis program from Worksheet S-5, line 18. Do not use this line effective for cost reporting periods ending after December 31, 2012.

Line 5--Enter the amount of the ESA adjustment for the renal dialysis inpatient department from Worksheet S-5, sum of the subscripts of line 22, column 2. Complete this line effective for cost reporting periods ending after December 31, 2012.

Line 6--Enter the amount of the ESA adjustment for the home dialysis program from Worksheet S-5, sum of the subscripts of line 22, column 3. Complete this line effective for cost reporting periods ending after December 31, 2012.

Lines 7 through 59--Enter any additional adjustments that are required under the Medicare principles of reimbursement. Label the lines appropriately to indicate the nature of the required adjustments. If the number of blank lines is not sufficient, use additional Worksheets B-2.

For cost reporting periods ending on or after September 30, 2017, report a post step-down adjustment, if applicable, for each nonprovider operated NAHE program identified on Worksheet S-2, subscripts of line 60, with a code of "2" or "3" in column 3:

1. for the portion of program cost that exceeds the percentage of total allowable provider cost attributable to NAHE clinical training costs reported in the most recent cost reporting period ending on or before October 1, 1989, as defined in 42 CFR 413.85(g)(2)(iii).
2. for the portion of program costs that the provider did not incur for courses that were included in the program as defined in 42 CFR 413.85(g)(3)(iii);

For each nonprovider operated NAHE program, enter a brief description of the post step-down adjustment in column 1. Enter in column 2 the worksheet code "4." These post step-down adjustments are applied to Worksheet D, Parts III, and IV. Enter the Worksheet A line number of the NAHE program being adjusted in column 3. Column 3 must be either nursing program (line 20, or a subscript of line 20) or paramedical education/allied health (line 23, or a subscript of line 23). Enter the post step-down adjustment amount in column 4.

For example: The provider qualifies for pass-through payment under 42 CFR 413.85(g)(2) for a nonprovider operated nursing program reported on Worksheet A, line 20. The pass-through cost for the program is limited to a percentage of allowable cost attributable to the clinical training cost in the provider's most recent cost reporting period ending on or before October 1, 1989. The provider's capped percentage in the current cost reporting period, based on the cost reporting period ending on or before October 1, 1989, is 10 percent, calculated in accordance with 42 CFR 413.85(g)(2)(iii). The post step-down adjustment would be calculated as follows:

Current year total allowable costs (W/S A, col. 7, line 118):	\$1,500,000
Times 10 percent (1989 cap):	\$150,000
Current year nursing program clinical training costs (W/S A, col. 7, line 20):	\$180,000
Current year cost in excess of cap (\$180,000-\$150,000):	\$30,000
Percentage of cost in excess of cap (\$30,000/\$180,000):	17%
Current year nursing program clinical training costs (W/S B, Part I, col. 20, line 20):	\$225,000
W/S B-2 post step-down adjustment needed (\$225,000 x 17%):	\$38,250

NOTE: Do not use this worksheet to reduce the total allowable costs that are directly related to the NAHE programs by the revenue received from tuition and student fees. Use Worksheet A-8 to offset NAHE program costs by tuition and student fees (42 CFR 413.85(d)(2)(i)). Do not use a post step-down adjustment.

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