

4031.2 Part II - Calculation of Reimbursement Settlement for Health Information Technology--

THIS PART IS COMPLETED BY THE CONTRACTOR FOR STANDARD COST REPORTING PERIODS AND BY THE CONTRACTOR FOR NONSTANDARD COST REPORTING PERIODS. Hospitals that qualify for the HIT incentive payment under ARRA 2009, §4120, complete this worksheet for cost reporting periods ending on or before September 30, 2016; do not complete this worksheet for cost reporting periods beginning on or after October 1, 2016. Hospitals that qualify for the HIT incentive payment under CAA 2016, §602, complete this worksheet for cost reporting periods ending on or before September 30, 2021; do not complete this worksheet for cost reporting periods beginning on or after October 1, 2021.

In accordance with the ARRA of 2009, §4102, inpatient acute care services under IPPS for providers subject to §1886(d) of the Act, and CAHs are eligible for HIT payments. The CAA 2016, §602, added subsection (d) hospitals in Puerto Rico as hospitals eligible for HIT payments. Puerto Rico hospitals may begin participation for EHR reporting periods in 2016.

This part captures relevant data used to compute the HIT payment and records the single HIT initial payment paid by the contractor to the provider and any corresponding adjustments to this initial payment.

Data Collection Required for the Health Information Technology Calculation--

NOTE: Lines 1 through 7 must transfer data as indicated below for reporting periods which cover exactly 12 months (referred to as standard cost reporting periods and covers a range of 360 through 371 days). For cost reporting periods which cover other than exactly 12 months (less than or greater than 12 months) (referred to as non-standard cost reporting periods and covers a range of less than 360 days or greater than 371 days), lines 1 through 8 must be directly input by the contractor.

NOTE: For standard cost reporting periods, the provider will complete lines 30 and 31 in the “as filed” cost report, and the amount computed on line 32 will be transferred to Worksheet S, Part III, column 4. For non-standard cost reporting periods, the “as filed” cost report will display zeroes on all lines, and a zero will be transferred from line 32 to Worksheet S, Part III, column 4. The contractor must complete this worksheet for non-standard cost reporting periods at cost report settlement.

Line 1--As defined in ARRA, §4102, transfer the total hospital discharges from Worksheet S-3, Part I, column 15, line 14.

Line 2--Transfer the Medicare days from Worksheet S-3, Part I, column 6, sum of lines 1, 8 through 12, and, for cost reporting periods beginning on or after October 1, 2013, line 32.

Line 3--Transfer the Medicare HMO days from Worksheet S-3, Part I, column 6, line 2.

Line 4--Transfer the total inpatient days from Worksheet S-3, Part I, column 8, sum of lines 1, 8 through 12, and, for cost reporting periods beginning on or after October 1, 2013, line 32.

Line 5--Transfer the hospital charges from Worksheet C, Part I, column 8, line 200.

Line 6--Transfer the hospital charity care charges from Worksheet S-10, column 3, line 20.

Line 7--CAHs only, transfer the reasonable costs to purchase certified HIT technology from Worksheet S-2, Part I, line 168.

Line 8--Calculate and enter the HIT payment in accordance with ARRA, §4102, as indicated below. This line can be overridden by the contractor in instances where the provider's circumstances require a customized HIT calculation. The HIT payment calculation uses a Medicare share calculation defined as follows:

EHR Medicare share: $(\text{Part A days} + \text{Part C days}) \div [(\text{total inpatient days}) \times ((\text{total hospital charges} - \text{charity care charges}) \div \text{total hospital charges})]$.

The EHR Medicare share is expressed as $\{(H1/(\text{line 4} \times H2))\}$ in the CAH HIT calculation (see following paragraphs), and as $\{(H2/(\text{line 4} \times H3))\}$ for the IPPS hospital HIT calculation (see following paragraphs). The EHR Medicare share calculation is rounded to four decimal places, with no rounding of the imbedded calculations.

For CAHs, if Worksheet S-2, lines 105 and 167, are both "Y" for yes, enter the result of $\{(H1/(\text{line 4} \times H2))\}$ rounded to four decimal places + .20 times the amount on Worksheet S-2, Part I, line 168. (Note: the result of $\{(H1/(\text{line 4} \times H2))\} + .20$ cannot exceed 100 percent.) The resulting amount must be fully expensed in the current reporting period. H1 = line 2 plus line 3. H2 = total charges from Worksheet C, Part I, column 8, line 200, minus charity care charges from Worksheet S-10, column 3, line 20, divided by Worksheet C, Part I, column 8, line 200.

OR

For an acute care IPPS hospital (§1886(d) of the Act), or a subsection (d) hospital in Puerto Rico (eligible for the HIT payment under §602 of the CAA 2016), if Worksheet S-2, line 105, is "N" for no and line 167 is "Y" for yes, enter the result of $\{(\$2,000,000.00 + H1) \times \{(H2/(\text{line 4} \times H3))\}$ rounded to four decimal places $\times H4\}$. If line 1 is less than 1,150 discharges, then H1 equals 0 (zero). If line 1 equals 1,150 through 23,000 discharges, then H1 equals the result of line 1 minus 1,149 times \$200. If line 1 is greater than or equal to 23,000 discharges, then H1 = \$4,370,200 [that is: 23,000 minus 1,149 times \$200]. H2 = line 2 plus line 3. H3 = total charges from Worksheet C, Part I, column 8, line 200, minus charity care charges from Worksheet S-10, column 3, line 20, divided by Worksheet C, Part I, column 8, line 200. H4 = the transition factor from Worksheet S-2, Part I, line 169.

Line 9--If the EHR reporting period ending date on Worksheet S-2, line 170, column 2, is on or after April 1, 2013, enter the sequestration adjustment amount as follows: [2 percent times line 8].

If the EHR reporting period ending date on Worksheet S-2, line 170, column 2, is on or after April 1, 2013, calculate the sequestration adjustment amount as follows: [(2 percent times (total days in the cost reporting period that occur during the sequestration period, divided by total days in the entire cost reporting period, rounded to six decimal places), rounded to four decimal places) times line 8]. In accordance with §3709 of the CARES Act, as amended by §102 of the CAA of 2021, §1 of Public Law 117-7, and §2 of the PAMA 2021, do not apply the sequestration adjustment to the period of May 1, 2020, through March 31, 2022. In accordance with §2 of the PAMA 2021, for cost reporting periods that overlap or begin on or after April 1, 2022, calculate the sequestration adjustment amount for the period of April 1, 2022, through June 30, 2022, as follows: [(1 percent times (total days in the cost reporting period that occur from April 1, 2022, through June 30, 2022, divided by total days in the entire cost reporting period, rounded to six decimal places), rounded to four decimal places), times line 8]; and for cost reporting periods that overlap or begin on or after July 1, 2022, calculate the sequestration adjustment amount as follows: [(2 percent times (total days in the cost reporting period that occur on or after July 1, 2022, through the end of the cost reporting period, divided by total days in the entire cost reporting period, rounded to six decimal places), rounded to four decimal places) times line 8].

Line 10--Calculate and enter the HIT payment after application of the sequestration adjustment by entering the result of line 8 minus line 9.

Lines 11 through 29--Reserved for future use.

Inpatient Hospital Services Under the IPPS & CAH--

Line 30--Enter the initial (first) payment received for HIT assets for this cost reporting period. This initial payment is a single payment for the cost reporting period rather than a series of periodic interim payments during the period. This line must be completed by the providers for standard cost reporting periods and by the contractors for nonstandard cost reporting periods.

Line 31--Enter the sum of all additional initial payment adjustments, as applicable for this cost reporting period. Enter a positive amount on this line if the sum of the initial payment adjustments represents an increase to the initial payment. Enter a negative amount on this line if the sum of the initial payment adjustments represents a decrease to the initial payment.

Line 32--Balance Due Provider/(Program)--Calculate and enter the result of line 8 minus the sum of lines 30 and 31. Effective for cost reporting periods that overlap or begin on or after April 1, 2013, calculate and enter the result of line 10 minus the sum of lines 30 and 31. Transfer this amount to Worksheet S, Part III, column 4, line 1.

4032. WORKSHEET E-2 - CALCULATION OF REIMBURSEMENT SETTLEMENT - SWING-BEDS

This worksheet provides for the reimbursement calculation for swing-bed services rendered to program patients under titles V, XVIII, and XIX. It provides for an accumulation of reimbursable costs determined on various worksheets within the cost report package. It also provides (under Part B) for the computation of the lesser of 80 percent of reasonable cost after deductibles or reasonable cost minus coinsurance and deductibles. These worksheets have been designed so that components must prepare a separate worksheet for swing-bed SNF title XVIII, Parts A and B, and separate worksheets for swing-bed NF for title V and title XIX. Use column 1 only on the worksheets for title V and title XIX. Indicate the use of each worksheet by checking the appropriate boxes.

For IPPS hospitals participating in the PARHM demonstration during this cost reporting period and (1) the hospital participated in the PARHM demonstration for the entire cost reporting period, select the "PARHM CAH Swing-Bed SNF" box and complete this worksheet; or (2) the hospital participated in the PARHM demonstration for a portion of the cost reporting period, select the "PARHM CAH Swing-Bed SNF" box and complete Worksheet E-2, for the portion of the cost reporting period included in the demonstration. Select the "Swing-Bed SNF" box and complete a separate Worksheet E-2, for the portion of the cost reporting period not included in the demonstration.

Lines 1 through 9--Enter in the appropriate column on lines 1 through 7, the indicated costs for each component of the health care complex.

Line 1--Post-hospital swing-beds in rural hospitals (other than CAHs) are paid in accordance with SNF PPS. Enter the total SNF PPS payments in column 1 or 2, as applicable, from the provider's books and records or the PS&R. (See 42 CFR 413.114(a)(2).) For CAHs, transfer 101 percent of the cost of swing-bed SNF inpatient routine services from Worksheet D-1, Part II, line 66.

Do not use lines 2 and 3, column 1, for swing-bed SNF PPS providers.

Line 2--Enter the cost of swing-bed NF inpatient routine services from Worksheet D-1, Part II, line 69 (titles V and XIX only). Make no entry on line 2 when Worksheet E-2 is used for swing-bed SNF.