

The accumulated cost center line number must match the reconciliation column number. Include in the column number the alpha character "A" (i.e., if the accumulated cost center for A&G is line 6 (A&G), the reconciliation column designation must be 6A).

Worksheet K-4, Part II, Column 6--The A&G expenses are allocated on the basis of accumulated costs. Therefore, enter the amount from Worksheet K-4, Part I, column 5A.

#### 4062. WORKSHEET K-5 - ALLOCATION OF GENERAL SERVICE COSTS TO HOSPICE COST CENTERS

This worksheet distributes the hospital's overhead to the specific cost centers of the hospice.

4062.1 Part I - Allocation of General Service Costs to Hospice Cost Centers--Worksheet K-5, Part I, provides for the allocation of the expenses of each general service cost center of the hospital to those cost centers which receive the services.

Obtain the direct total expenses (column 0, lines 2 through 33) from Worksheet K-4 Part I, lines 7 through 38. The amounts on columns 0 through 23 and column 25, line 34, must agree with the corresponding amounts on Worksheet B, Part I, columns 0 through 23, and column 25, line 116.

Complete the amounts entered on lines 1 through 33, columns 1 through 23, and column 25, in accordance with the instructions in §4062.2.

**NOTE:** Worksheet B, Part I, established the method used to reimburse direct GME cost (i.e., reasonable cost or the per resident amount). Therefore, this worksheet must follow that method. If Worksheet B, Part I, column 25, excluded the costs of interns and residents, column 25 on this worksheet must also exclude these costs.

In column 24, enter the total of columns 4A through 23.

In column 27, for lines 2 through 33, multiply the amount in column 26, by the unit cost multiplier on line 35, and enter the result in this column. The total of the amounts on lines 2 through 33 must equal the amount in column 26, line 1.

In column 28, enter on lines 2 through 33, the sum of columns 26 and 27. The total on line 34 equals the total in column 26, line 34.

4062.2 Part II - Allocation of General Service Costs to Hospice Cost Centers - Statistical Basis--Worksheet K-5, Part II, provides for the proration of the statistical data needed to equitably allocate the expenses of the hospital's general service cost centers on Worksheet K-5, Part I. To facilitate the allocation process, the general format of Worksheet K-5, Parts I and II, is identical.

The statistical basis shown at the top of each column on Worksheet K-5, Part II, is the recommended basis of allocation of the cost center indicated and must be consistent with the statistical basis utilized on Worksheet B, Part I.

Lines 1 through 33--On Worksheet K-5, Part II, for all cost centers to which the general service cost center is being allocated, enter that portion of the total statistical base applicable to each.

Line 34--Enter the total of lines 1 through 33, for each column. The total in each column must be the same as shown for the corresponding column on Worksheet B-1, line 116.

Line 35--Enter the total expenses for the cost center allocated. Obtain this amount from Worksheet B, Part I, columns as indicated, line 116.

Line 36--Enter the unit cost multiplier which is obtained by dividing the cost entered on line 35, by the total statistic entered in the same column on line 34. Round the unit cost multiplier to six decimal places.

Multiply the unit cost multiplier by that portion of the total statistic applicable to each cost center receiving the services. Enter the result of each computation on Worksheet K-5, Part I, in the corresponding column and line.

After the unit cost multiplier has been applied to all the cost centers receiving the services, the total cost (Part I, line 34) must equal the total cost on Part II, line 34.

Perform the preceding procedures for each general service cost center.

4062.3 Part III - Computation of the Total Hospice Shared Costs--This worksheet provides for the shared therapy, drugs, or medical supplies from the hospital to the hospice.

#### Column Description

Column 1--Where applicable, enter in column 1 the cost to charge ratio from Worksheet C, Part I, column 9, lines as indicated.

Column 2--Where hospital departments provide services to the hospice, enter on the appropriate lines the charges, from the provider's records, applicable to the hospital-based hospice.

Column 3--Multiply the amount in column 2 by the ratios in column 1, and enter the result in column 3.

Line 11--Sum of column 3, lines 1 through 10.

#### 4063. WORKSHEET K-6 - CALCULATION OF HOSPICE PER DIEM COST

Worksheet K-6 calculates the average cost per day for a hospice patient. It is only an average and should not be misconstrued as the absolute.

Line 1--Transfer the total cost from Worksheet K-5, Part I, column 28, line 34 less column 28, line 33, plus Worksheet K-5, Part III, column 3, line 11. This line reflects the true cost including shared cost and excluding any non-hospice related activity.

Line 2--Enter the total unduplicated days from Worksheet S-9, column 6, line 5.

Line 3--Calculate the aggregate cost per day by dividing the total cost from line 1 by the total number of days from line 2.

Line 4--Enter the unduplicated Medicare days from Worksheet S-9, column 1, line 5.

Line 5--Calculate the aggregate Medicare cost by multiplying the average cost from column 4, line 3, by the number of unduplicated Medicare days on column 1, line 4, to arrive at the average Medicare cost.

Line 6--Enter the unduplicated Medicaid days from Worksheet S-9, column 2, line 5.