

4017. WORKSHEET A-8-1 - STATEMENT OF COSTS OF SERVICES FROM RELATED ORGANIZATIONS AND HOME OFFICE COSTS

In accordance with 42 CFR 413.17, costs applicable to services, facilities, and supplies furnished to you by organizations related to you by common ownership or control are includable in your allowable cost at the cost to the related organization, except for the exceptions outlined in 42 CFR 413.17(d). This worksheet provides for the computation of any needed adjustments to costs applicable to services, facilities, and supplies furnished to the hospital by organizations related to you or costs associated with the home office. In addition, it shows certain information concerning the related organizations with which you have transacted business as well as home office costs. (See CMS Pub. 15-1, chapter 10, and §2150, respectively.)

Part A--Cost applicable to home office costs, services, facilities, and supplies furnished by organizations related to you by common ownership or control are includable in your allowable cost at the cost to the related organizations. However, such cost must not exceed the amount a prudent and cost conscious buyer pays for comparable services, facilities, or supplies that are purchased elsewhere. Costs for services provided by a home office or related party, including employee or contract labor, must be assigned to the most closely matched cost centers on Worksheet A (lines 4 through 17). When portions of home office or related party costs, including employee or contract labor costs, pertain to more than A&G, assign the applicable costs to the corresponding most closely matched cost centers on lines 4 through 17 of Worksheet A. For example, if the home office cost included contracted housekeeping services, the contract labor costs must be reported on Worksheet A, line 9, and reflected on Worksheet A-8-1, referencing Worksheet A, line 9, in column 1.

Columns 1, 2, and 3--Enter in columns 1 and 3, respectively, the worksheet A line number and specific expense category from your books and/or records associated with the acquisition of services, facilities, and/or supplies from related organizations. Column 2 (Worksheet A cost center description) is automatically completed based on the cost center in column 1.

Column 4--Enter the allowable cost from the books and/or records of the related organization which includes only the actual cost incurred by the related organization for services, facilities, and/or supplies and excludes any markup, profit or amounts that otherwise exceed the acquisition cost of such items.

Column 5--Enter the amount included on Worksheet A for services, facilities, and/or supplies acquired from related organizations.

Column 6--Enter the result of column 4 minus column 5.

Column 7--Enter the specific column of Worksheet A-7, Part III, columns 9 through 14, impacted by the adjustment.

Part B--Use this part to show your relationship to organizations for which transactions were identified in Part A. Show the requested data relative to all individuals, partnerships, corporations, or other organizations having either a related interest to you, a common ownership with you, or control over you as defined in CMS Pub. 15-1, chapter 10, in columns 1 through 6, as appropriate.

Complete only those columns which are pertinent to the type of relationship which exists.

Columns 1 and 2--Enter in column 1, the appropriate symbol which describes your relationship to the related organization. If the symbol A, D, E, F, or G is entered in column 1, enter the name of the related individual in column 2.

Column 3--If the individual indicated in column 2 or the organization indicated in column 4 has a financial interest in you, enter the percent of ownership as a ratio.

Column 4--Enter the name of the related corporation, partnership, or other organization.