

Column 4--Enter on each line the appropriate title V; XVIII, Part A; or XIX, inpatient charges from Worksheet D-3, column 2. For title XVIII, enter on line 92, the observation bed charges applicable to title XVIII patients subsequently admitted after being treated in the observation area. Enter on line 96, the Medicare charges for medical equipment rented by an inpatient. The charges are reimbursed under the DRG. However, you are entitled to the capital-related cost pass-through applicable to this medical equipment.

NOTE: Program charges for PPS providers are reported in the cost reporting period in which the discharge is reported. TEFRA providers report charges in the cost reporting period in which they occur.

Do not include in Medicare charges any charges identified as MSP/LCC.

Column 5--Multiply the capital ratio in column 3 by the program charges in column 4 to determine the program's share of capital costs applicable to titles V; XVIII, Part A; or XIX, inpatient ancillary services, as appropriate.

4024.3 Part III - Apportionment of Inpatient Routine Service Other Pass-Through Costs--This part computes the amount of pass-through costs other than capital applicable to hospital inpatient routine service costs. Complete only one Worksheet D, Part III, for each title (*). Report hospital, subprovider, hospital-based SNF and NF/ICF-IID (if applicable) information on the same worksheet, lines as appropriate.

* Hospitals that participated in the PARHM demonstration must complete Worksheet D, Part III, for the portion of the cost reporting period not included in the PARHM demonstration and a separate Worksheet D, Part III, for the portion of the cost reporting period included in the PARHM *demonstration*.

Column 1A--For each cost center, enter the amount of the applicable nursing program post step-down adjustments from Worksheet B-2. Apportion the post step-down adjustments using the respective program allocation statistics and unit cost multiplier reported on Worksheet B-1, column 20, or its subscripts. Do not complete this column if the response on Worksheet S-2, Part I, line 60, is no.

Column 1--For each applicable line, transfer the nursing program cost from Worksheet B, Part I, the sum of column 20, and its subscripts, minus post step-down adjustments reported in column 1A, if applicable, when Worksheet S-2, Part I, line 60, is yes, except do not transfer subscripts of line 60 with a criterion code of "4" in column 3. Do not transfer the costs if the response on Worksheet S-2, Part I, line 60, is no.

Column 2A--For each cost center, enter the amount of the applicable allied health/paramedical education program post step-down adjustments from Worksheet B-2. Apportion the post step-down adjustments using the respective program allocation statistics and unit cost multiplier reported on Worksheet B-1, column 23, or its subscripts. Do not complete this column if the response on Worksheet S-2, Part I, line 60, is no.

Column 2--For each applicable line, transfer the allied health/paramedical education program cost from Worksheet B, Part I, the sum of column 23, and its subscripts, minus post step-down adjustments reported in column 2A, if applicable, when Worksheet S-2, Part I, line 60, is yes, except do not transfer subscripts of line 60 with a criterion code of "4" in column 3. Do not transfer the costs if the response on Worksheet S-2, Part I, line 60, is no.

Column 3--For cost reporting periods beginning prior to December 27, 2020, transfer from Worksheet B, Part I, the sum of columns 21 and 22, for each applicable line, plus or minus post step-down adjustments (reported on Worksheet B-2), the applicable medical education costs for

interns and residents when Worksheet S-2, Part I, line 57, column 1, is yes, and column 2, is no. Otherwise do not transfer the costs. For cost reporting periods beginning on or after December 27, 2020, do not transfer the costs.

NOTE: For cost reporting periods beginning prior to December 27, 2020, if you qualify for the exception in 42 CFR 413.77(e)(1), because this is the first cost reporting period in which you are training residents in approved programs and the residents were not on duty during the first month of this cost reporting period, then all direct GME costs are reimbursed as a pass-through based on reasonable cost. For cost reporting periods beginning on or after December 27, 2020, this exception for reasonable cost payment for direct GME no longer applies.

Column 4--Compute the amount of the swing-bed adjustment. If you have a swing-bed agreement, determine the amount for the cost center in which the swing-beds are located by multiplying the sum of the amounts in columns 1 through 3 by the ratio of the amount entered on Worksheet D-1, Part I, line 26, to the amount entered on Worksheet D-1, Part I, line 21.

Column 5--Enter the sum of columns 1, 2, and 3, minus column 4.

Column 6--Enter on each line the total patient days, excluding swing-bed days, for that cost center. Transfer these amounts from the appropriate Worksheet D, Part I, column 4. For SNFs enter total patient days from Worksheet S-3, Part I, column 8, line 19.

Column 7--Enter the per diem cost for each line by dividing the cost of each cost center in column 5 by the total patient days in column 6.

Column 8--Enter the program inpatient days for the applicable cost centers. Transfer these amounts from the appropriate Worksheet D, Part I, column 6. For SNF (line 44), enter the program days from Worksheet S-3, Part I, column 6, line 19.

For a provider that participated in the PARHM demonstration during this cost reporting period complete a separate Worksheet D, Part III, for the portion of the cost reporting period the provider participated in the PARHM demonstration. For the PARHM demonstration, transfer from the appropriate Worksheet D, Part I, column 6, lines 30 through 35, and line 43, *respectively*.

Column 9--Multiply the per diem cost in column 7 by the inpatient program days in column 8 to determine the program's share of pass-through costs applicable to inpatient routine services, as applicable. Transfer the sum of the amounts on lines 30 through 35 and 43 to Worksheet D-1, Part I, line 50, for the hospital *or* PARHM demonstration, *as* applicable. If you are a title XVIII hospital paid under the IPPS, also transfer this sum to Worksheet E, Part A, line 57, accordingly. Transfer the amounts on lines 40 through 42 to the appropriate Worksheet D-1, line 50, for the subprovider. Also transfer the amount on line 40 to Worksheet E-3, Part II, line 28, and the amount on line 41, to Worksheet E-3, Part III, line 29. For hospital-based SNF, NF or ICF/IID that follow Medicare principles, transfer the amount in column 9, line 44, to Worksheet E-3, Part VI, line 2, or for NF or ICF/IID to Worksheet E-3, Part VII, line 26, as applicable.

4024.4 Part IV - Apportionment of Inpatient/Outpatient Ancillary Service Other Pass-Through Costs--This part computes the amount of pass-through costs other than capital applicable to hospitals, SNFs, NFs, ICF/IIDs, and effective for cost reporting periods beginning on or after April 1, 2019, CRNA pass-through costs for swing-bed SNFs. Hospitals and subprovider components subject to the IPPS and/or the Outpatient Prospective Payment System (OPPS) must exclude direct medical education costs as these costs are reimbursed separately. TEFRA hospitals are subject to the TEFRA rate of increase limitation for inpatient operating costs. In order to determine inpatient operating costs, it is necessary to exclude capital-related and medical education costs as these costs are reimbursed separately.