

3625. WORKSHEET D-6 - COMPUTATION OF ORGAN ACQUISITION COSTS AND CHARGES FOR HOSPITALS WHICH ARE CERTIFIED TRANSPLANT CENTERS

Only certified transplant centers (CTCs) are reimbursed directly by the Medicare program for organ acquisition cost. This worksheet provides for the computation and accumulation of organ acquisition costs and charges for CTCs. Check the appropriate box (heart, liver, lung, pancreas, intestine, kidney, islet, or other organs - specify) to determine which organ acquisition cost is being computed. Use a separate worksheet for each type of organ.

Hospitals that are not CTCs are not reimbursed by the Medicare program for organ acquisition costs and do not complete this worksheet. Such hospitals have to obtain revenue by the sale of any organs excised to an organ procurement organization (OPO) or CTC.

Worksheet D-6 consists of the following four parts:

- Part I - Computation of Organ Acquisition Cost (Inpatient Routine and Ancillary Services)
- Part II - Computation of Organ Acquisition Cost (Other than Inpatient Routine and Ancillary Service Costs)
- Part III - Summary of Costs and Charges
- Part IV - Statistics

3625.1 Part I - Computation of Organ Acquisition Costs (Inpatient Routine and Ancillary Services).--

Lines 1 through 7--These lines provide for the computation of inpatient routine service costs applicable to organ acquisition and for the accumulation of inpatient routine service charges for organ acquisition.

Column 1--Enter on lines 1 through 6, as appropriate, the inpatient routine charges applicable to organ acquisition. Enter on line 7 the sum of the amounts reported on lines 1 through 6.

Column 2--Enter on lines 1 through 6, as appropriate, the average per diem cost from Worksheet D-1:

<u>Description</u>	<u>To Worksheet D-6, Part I, Col. 2</u>	<u>From Worksheet D-1, Part II</u>
Adults & Pediatrics	line 1	col. 1, line 38
Intensive Care	line 2	col. 3, line 43
Coronary Care	line 3	col. 3, line 44
Burn Intensive Care Type Unit	line 4	col. 3, line 45
Surgical Intensive Care Type Unit	line 5	col. 3, line 46
Other Intensive Care Type Unit	line 6	col. 3, line 47

Column 3--Enter from your records on lines 1 through 6, as appropriate, total organ acquisition days (Medicare and non-Medicare). An organ acquisition day is an inpatient day of care rendered to an organ donor patient who is hospitalized for the surgical removal of an organ for transplant or a day of care rendered to a cadaver in an inpatient routine service area for the purpose of surgical removal of its organs for transplant. Enter on line 7 the sum of the days on lines 1 through 6.

Column 4--Enter on lines 1 through 6, as appropriate, the amount in column 2 multiplied by the amount in column 3. Enter on line 7 the sum of lines 1 through 6.

Lines 8 through 34--These lines provide for the computation of ancillary service cost applicable to organ acquisition. These lines also provide for the accumulation of inpatient and outpatient organ acquisition ancillary charges.

Column 1--Enter on lines 8 through 34 the "cost or other" cost to charges ratio from Worksheet C, Part I, column 9.

Column 2--Enter from your records inpatient and outpatient organ acquisition ancillary charges. Enter on line 35 the sum of lines 8 through 34.

Column 3--Enter on lines 8 through 34 the organ acquisition costs. Compute this amount by multiplying the ratio in column 1 by the amount in column 2 for each cost center. Enter on line 35 the sum of lines 8 through 34.

3625.2 Part II - Computation of Organ Acquisition Costs (Other Than Inpatient Routine and Ancillary Service Costs).--

Lines 36 through 41--Use these lines to apportion the cost of inpatient services attributable to organ acquisitions rendered in each of the inpatient routine areas by interns and residents not in an approved teaching program.

Column 1--Enter on the appropriate lines the average per diem cost of interns and residents not in an approved teaching program in each of the inpatient routine areas. Obtain these amounts from Worksheet D-2, Part I, column 4, lines as indicated.

Column 2--Enter the number of organ acquisition days in each of the inpatient routine areas from Part I, column 3, lines 1 through 6, as appropriate.

Column 3--Multiply the per diem amount in column 1 by the number of days in column 2 for each cost center.

Line 42--For columns 2 and 3, enter the sum of lines 36 through 41.

Lines 43 through 46--These lines provide for the computation of the cost of outpatient services attributable to organ acquisitions rendered in each of the outpatient service areas by interns and residents not in an approved teaching program.

Column 1--Enter on the appropriate lines the organ acquisition charges in each of the outpatient service areas. Obtain these amounts from Part I, column 2, lines 31 through 34, as appropriate.

Column 2--Enter the ratio of the outpatient costs of interns and residents not in an approved teaching program to the hospital outpatient service charges in each of the outpatient service areas. Obtain these ratios from Worksheet D-2, Part I, column 4, lines as indicated.

Column 3--Multiply the charges in column 1 by the ratios in column 2 for each cost center. Enter the sum of lines 43 through 46 on line 47.

3625.3 Part III - Summary of Costs and Charges.--

Line 48--Enter in column 1 the sum of the costs in Part I, column 4, line 7 and column 3, line 35. Enter in column 3 the sum of the charges in Part I, column 1, line 7 and column 2, line 35.

Line 49--Enter in column 1 the cost of inpatient services of interns and residents not in an approved teaching program from Part II, column 3, line 42. Enter in column 3 your charges for the services for which the cost is entered in column 1. If you do not charge separately for the services of interns and residents, enter zero in column 3.

Line 50--Enter in column 1 the cost of outpatient services of interns and residents not in an approved teaching program from Part II, column 3, line 47. Enter in column 3 the provider charges for the services for which the cost is entered in column 1. If you do not charge separately for the services of interns and residents, enter zero in column 3.

Line 51--Enter in column 1 the direct organ acquisition costs and allocated general service costs from Worksheet B, Part I, column 27, lines 82, 83, 84, or 85, whichever is applicable.

These direct costs include, but are not limited to, the cost of services purchased under arrangements or billed directly to you for:

- o Fees for physician services (preadmission donor and recipient tissue typing),
- o Costs for organs acquired from other providers or organ procurement organizations,
- o Transportation costs of organs,
- o Organ recipient registration fees,
- o Surgeon's fees for excising cadaveric organs, and
- o Tissue typing services furnished by independent laboratories.

NOTE: Transportation costs to ship organs outside of the United States are not an allowable cost.

If you have a schedule of charges which represents the various direct organ acquisition costs included in column 1, enter in column 3 the total of the charges which are applicable to the costs in column 1. However, if you have no such schedule of charges, enter the amount from column 1 in column 3.

Line 52--If you have elected to be reimbursed for the services of teaching physicians on the basis of cost, enter in columns 1 and 3 the amount from Worksheet(s) D-9, Part II, column 3, lines 20, 21, 22, and 23.

Line 53--Enter in columns 1 and 3 the sum of lines 48 through 52. This amount must be equal to or greater than the amount reported on line 58 (revenues for organs sold).

For cost reporting periods beginning on or after September 15, 1997 there is no distinction to be made regarding the payment for kidney acquisition and all other organs.

For Kidney Acquisition Only (For cost reporting periods beginning on or after September 15, 1997 all organ acquisition costs are calculated similarly).

Line 54--Enter the number of total usable organs (this includes all kidneys except those that could not be transplanted).

Line 55--Enter total usable organs (line 54) less the sum of organs sent to military hospitals (without a reciprocal sharing agreement with the Organ Procurement Organization (OPO) in effect prior to March 3, 1988 and approved by the intermediary), to veterans' hospitals, organs sent outside the United States, and organs transplanted into non-Medicare beneficiaries. Include organs that had partial payments by a primary insurance payer in addition to Medicare. Do not include organs that were totally paid by primary insurance other than Medicare, as they are non-Medicare. Do not include organs procured from a non-certified OPO.

Line 56--Enter line 55 divided by line 54.

Line 57--Enter in column 1 the amount in column 2, line 56 multiplied by the amount in column 1, line 53. Enter in column 3 the amount in column 2, line 56 multiplied by the amount in column 3, line 53.

Line 58--Enter in columns 1 and 3 the total revenue applicable to:

- o Organs (included on line 55) furnished to other providers and organs sent to procurement organizations and others;
- o Organs sent to OPOs, military hospitals with a reciprocal sharing agreement with the OPO in effect prior to March 3, 1988, and approved by the intermediary, and organs sent to transplant centers; and
- o Organs that were partially reimbursed by another primary insurer other than Medicare and were included on line 55.

NOTE: When the primary payer makes a single payment for the transplant and acquisition, it is necessary to prorate the amount received between the transplant and the acquisition based on the charges submitted to the payer. Report the primary payer amounts applicable to organ transplants on Worksheet E, Part A, line 17. Report the primary payer amounts applicable to organ acquisition on this line.

Line 59--Enter the amount entered on line 57 minus the amount on line 58.

For Other Than Kidney Acquisitions (For cost reporting periods beginning on or after September 15, 1997, all organ acquisition costs are calculated similarly.) Refer to the instructions identified as kidney only for the reporting of all other organ acquisition costs and disregard the instructions for lines 53 through 59 below.

Lines 54 through 57--Do not complete these lines.

Line 58--Enter in columns 1 and 3 the total revenue applicable to organs furnished to other providers, to organ procurement organizations and others, and for organs transplanted into non-Medicare patients. Such revenues must be determined under the accrual method of accounting. If organs are transplanted into non-Medicare patients who are not liable for payment on a charge basis, and as such there is no revenue applicable to the related organ acquisitions, the amount entered on line 58 must also include an amount representing the acquisition cost of the organs transplanted into such patients. Determine this amount by multiplying the average cost of organ acquisition by the number of organs transplanted into non-Medicare patients who are not liable for payment on a charge basis.

Compute the average cost of organ acquisition by dividing the total cost of organ acquisition (including the inpatient routine service costs and the inpatient ancillary service costs applicable to organ acquisition) by the total number of organ transplanted into all patients and furnished to others. If the average cost cannot be determined in the manner described, then use the appropriate standard organ acquisition charge in lieu of the average cost.

Line 59--Enter line 53 minus line 58.

For All Organ Acquisitions

Line 60--Enter in all columns the total amount of organ acquisition charges billed to Medicare under Part B. This occurs when organs are transplanted into Medicare beneficiaries who, on the day of transplantation, are not entitled to Part A benefits. This computation reflects an adjustment between Medicare Part A and Part B costs and charges so that the amount added under Part B is the same amount subtracted under Part A.

Line 61--For columns 1 and 3 subtract line 60 from line 59. For columns 2 and 4 transfer that amount from line 60.

3625.4 Part IV - Statistics--

Lines 62 through 76--The data entered are data applicable to living donors (column 1) and cadaveric donors (column 2). Use column 1 (living related) for kidney, partial liver, and partial lung transplants. If you complete this worksheet for hearts, pancreases, intestines, whole livers, or whole lungs do not complete column 1.

Line 66--Enter the sum of lines 62 through 65.

Lines 67 through 74--Enter in columns 1 and 2 the appropriate number of organs sold (or transplanted). Enter in column 3 the revenue applicable to organs furnished to other providers, organ procurement organizations and others, and for organs transplanted into non-Medicare patients. Such revenues must be determined under the accrual method of accounting. If organs are transplanted into non-Medicare patients who are not liable for payment on a charge basis, and as such there is no revenue applicable to the related organ acquisitions, the amount entered on these lines must also include an amount representing the acquisition cost of the organs transplanted into such patients. Determine this amount by multiplying the average cost of organ acquisition by the number of organs transplanted into non-Medicare patients not liable for payment on a charge basis.

Compute the average cost of organ acquisition by dividing the total cost of organ acquisition (including the inpatient routine service costs and the inpatient ancillary service costs applicable to organ acquisitions) by the total number of organs transplanted into all patients and furnished to others. If the average cost cannot be determined in the manner described, then use the appropriate standard organ acquisition charge in lieu of the average cost.

Line 75--Enter in columns 1 and 2 the applicable number of unusable organs.

Line 76--Enter the sum of lines 67 through 75. These totals equal the totals on line 66, columns 1 and 2.