Line 16--Enter line 10 less line 13. This is the physical therapy indirect cost for the entire reporting unit.

Line 17--Enter line 11 less line 14. This is the occupational therapy indirect cost for the entire reporting unit.

Line 18--Enter line 12 less line 15. This is the speech therapy indirect cost for the entire reporting unit.

Line 19--Enter the charge to charge ratio for physical therapy. To obtain this figure, divide the amount on Worksheet D-4, column 2, line 50 by the amount on Worksheet C, Part I, column 8, line 50.

Line 20--Enter the charge to charge ratio for occupational therapy. To obtain this figure, divide the amount on Worksheet D-4, column 2, line 51 by the amount on Worksheet C, Part I, column 8, line 51.

Line 21--Enter the charge to charge ratio for speech therapy. To obtain this figure, divide the amount on Worksheet D-4, column 2, line 52 by the amount on Worksheet C, Part I, column 8, line 52.

Line 22--Calculate the physical therapy demonstration indirect cost by multiplying line 16 by line 19.

Line 23--Calculate the occupational therapy demonstration indirect cost by multiplying line 17 by line 20.

Line 24--Calculate the speech therapy demonstration indirect cost by multiplying line 18 by line 21.

Line 25--Enter the sum of lines 6, 9, 22, 23, and 24. Transfer this amount to Worksheet E-3, Part III, line 24.

3633.6 Part VI – Direct GME and IME Payments related to MMA section 422 (Public Law 108-173) “Redistribution of Unused Residency Slots” --Use this worksheet in conjunction with Worksheet E-3, Part IV and Worksheet E, Part A to calculate payment for direct GME as determined under 42 CFR 413.75 through 413.83 and IME as determined under 42 CFR 412.105 for hospitals that received an adjustment (reduction or increase) to their FTE resident caps for direct GME and/or IME under Section 422 of Public Law 108-173. Do not use this worksheet if the cost reporting period ends prior to July 1, 2005 or if the cost reporting period ends after July 1, 2005 but the hospital did not receive an adjustment to either the GME or IME cap under Section 422 of Public Law 108-173.

Line 1--Enter the ratio of the number of days from July 1, 2005 to the end of the cost reporting period divided by the total number of days in the cost reporting period. For example, for a cost reporting period of October 1, 2004 to September 30, 2005, enter .252055 (i.e., 92 days from July 1, 2005 to September 30, 2005 divided by 365 days in the cost reporting period). For cost reporting periods which do not overlap July 1, 2005, enter 1 on this line.

Lines 2-4 --Computation of reduced direct GME cap under 42 CFR §413.79(c)(3). Complete lines 2 through 4, only where Worksheet S-2, line 25.05, column 1, is “Y”.

Line 2--Reduced Direct GME FTE Cap. Effective for cost reporting periods ending on or after July 1, 2005, enter the reduced direct GME cap as specified under 42 CFR §413.79(c)(3). However, if the resulting reduced direct GME cap is less than zero (0), enter zero on this line.

Line 3--Unadjusted Direct GME FTE Cap. Enter the unadjusted direct GME FTE Cap from
Worksheet E-3, Part IV, sum of lines 3.01 and 3.02.

**Line 4** --For cost reporting periods that overlap July 1, 2005, enter the ratio on line 1 multiplied by the count on line 2. Add to this count the count on line 3 multiplied by the result of “1” minus line 1. This is the prorated cap for that fiscal year. For cost reporting periods beginning on or after July 1, 2005, enter the count on line 2. This is the hospital’s reduced direct GME FTE cap.

**Lines 5-12** --Computation of additional direct GME payments for unweighted allopathic and osteopathic direct GME FTE resident cap slots received under 42 CFR §413.79(c)(4). Complete lines 5 through 12, only where Worksheet S-2, line 25.06, column 1, is “Y”.

**Line 5** --Section 422 Direct GME FTE Cap. Enter the number of unweighted allopathic and osteopathic direct GME FTE resident cap slots the hospital received under 42 CFR §413.79(c)(4).

**Line 5.01** --Prorated Direct GME FTE Cap. For cost reporting periods that overlap July 1, 2005, enter the result of multiplying the ratio on line 1 by the number on line 5 in order to establish the cap for the portion of the cost reporting period occurring after July 1, 2005. Use this line only when the cost reporting period overlaps July 1, 2005.

**Line 6** --Direct GME FTE Resident Count Over the Cap: Subtract line 3.06 on Worksheet E-3, Part IV from line 3.05 on Worksheet E-3, Part IV and enter the result here. If the result is zero or negative, the hospital does not need to use the direct GME 422 cap and lines 7 through 12 do not need to be completed.

**Line 7** --Section 422 Allowable Direct GME FTE Resident Count: If the count on line 6 is greater than the count on line 5, divide line 3.09 of Worksheet E-3, Part IV by line 3.05 of Worksheet E-3, Part IV, and multiply the resulting ratio by the amount on line 5 of this worksheet. If the count on line 6 is less than or equal to the count on line 5, divide line 3.09 of Worksheet E-3, Part IV by line 3.05 of Worksheet E-3, Part IV, and multiply the resulting ratio by the amount on line 6 of this worksheet. For cost reporting periods that overlap the July 1, 2005 effective date, substitute line 5.01 for line 5, in the calculation of line 7.

**Line 8** --Enter the locality adjusted national average per resident amount as specified at 42 CFR section 413.77(g), inflated to the hospital’s cost reporting period.

**Line 9** --Enter the product of Line 7 and Line 8. This is the allowable section 422 GME cost.

**Line 10** --Enter the Medicare program patient load from Line 6 of Worksheet E-3, Part IV.

**Line 11** --Enter the product of line 9 and line 10. This is the section 422 direct GME payment for non-managed care days.

**Line 12** --Determine the direct GME payment for managed care days by multiplying line 9 by the managed care patient load computed from worksheet E-3, Part IV: [(line 6.02 + line 6.06)/line 5]. Reduce this amount by the Nursing Allied Health Medicare advantage factor. (See Worksheet E-3, Part IV, line 6.08).

**Lines 13-15** --Computation of reduced IME cap under 42 CFR §412.105(f)(1)(iv)(B). Complete lines 13 through 15, only where Worksheet S-2, line 25.05, column 2, is “Y”.

**Line 13** --Reduced IME FTE Cap. Effective for cost reporting periods ending on or after July 1, 2005, enter the reduced IME FTE resident cap for allopathic and osteopathic residents as specified under 42 CFR §412.105(f)(1)(iv)(B). However, if the resulting reduced direct GME cap is less than zero (0), enter zero on this line.
Line 14 -- Unadjusted IME FTE Cap. Enter the unadjusted IME FTE Cap from Worksheet E, Part A, sum of lines 3.04 and 3.05.

Line 15 -- For cost reporting periods that overlap July 1, 2005, enter the ratio on line 1 multiplied by the count on line 13. Add to this count the count on line 14 multiplied by the result of “1” minus line 1. This is the reduced cap for that fiscal year. For cost reporting periods beginning on or after July 1, 2005, enter the count on line 13. This is the hospital’s reduced IME FTE cap.

Lines 16 - 23 -- Computation of IME payments for additional allopathic and osteopathic resident cap slots received under 42 CFR §412.105(f)(1)(iv)(C). Complete lines 16 through 23 only where Worksheet S-2, line 25.06, column 2, is “Y”.

Line 16 -- Section 422 IME FTE Cap -- Enter the number of allopathic and osteopathic IME FTE residents cap slots the hospital received under 42 CFR §412.105(f)(1)(iv)(C).

Line 17 -- IME FTE Resident Count Over the Cap -- Subtract Line 3.07 on Worksheet E, Part A from Line 3.08 on Worksheet E, Part A and enter the result here. If the result is zero or negative, the hospital does not need to use the 422 IME cap. Therefore, do not complete lines 18 through 23.

Line 18 -- Section 422 Allowable IME FTE Resident Count -- If the count on line 17 is greater than zero, enter the lower of Line 16 or Line 17.

Line 19 -- Resident to Bed Ratio for Section 422 -- Divide Line 18 by Line 3 of Worksheet E, Part A.

Line 20 -- IME Adjustment Factor for Section 422 IME Residents -- Enter the result of the following: .66 * [(1 + Line 19) to the .405 power] – 1].

Line 21 -- For cost reporting periods that overlap July 1, 2005, enter the amounts reported on Worksheet E, Part A, lines 1, 1.01 and 1.02, relating to discharges occurring on or after July 1, 2005. For cost reporting periods beginning on or after July 1, 2005, enter the sum of Worksheet E, Part A, lines 1 through 1.02.

Line 22 -- For cost reporting periods that overlap July 1, 2005, enter the amounts reported on Worksheet E, Part A, lines 1.03, 1.04 and 1.05, relating to discharges occurring on or after July 1, 2005. For cost reporting periods beginning on or after July 1, 2005, enter the sum of Worksheet E, Part A, lines 1.03 through 1.05.

Line 23 -- Enter the sum of lines 21 and 22, multiplied by the factor on line 20 and transfer to Worksheet E, Part A, line 3.24.