

4039. WORKSHEET E-95 - SUPPLEMENTAL TO FORM CMS-2552-10: PAYMENT ADJUSTMENT FOR DOMESTIC NIOSH-APPROVED SURGICAL N95 RESPIRATORS

This supplemental form calculates the inpatient and outpatient payment adjustments for domestically-made National Institute for Occupational Safety and Health (NIOSH)-approved surgical N-95 respirators purchased by an 1886(d) hospital (IPPS hospital) and/or a hospital paid for outpatient services under the hospital outpatient prospective payment system (OPPS hospital) for cost reporting periods beginning on or after January 1, 2023. Only an 1886(d) hospital and/or a hospital paid for outpatient services under the hospital OPPS completes this supplemental form; the hospital must complete and submit this supplemental form as part of its Medicare cost report, Form CMS-2552-10.

Definitions.--

Domestic NIOSH-approved surgical N-95 respirator (domestic respirator)--For purposes of this policy, a domestic NIOSH-approved surgical N-95 respirator is domestic if all of its components are grown, reprocessed, reused, or produced in the United States.

Non-domestic NIOSH-approved surgical N-95 respirator (non-domestic respirator)--For purposes of this policy, any other NIOSH-approved surgical N-95 respirator is non-domestic.

4039.1 Part I - Domestic NIOSH-Approved Surgical N-95 Respirators Payment Adjustment Eligibility and Data.--On this part, the hospital identifies its eligibility to receive a payment adjustment for the purchase of domestic respirators. The hospital reports the cost and quantity of domestic respirators and non-domestic respirators, and, if eligible, uses this data to compute a payment adjustment amount.

Line 1--If the hospital purchased domestic respirators, enter "Y" for yes in column 1; otherwise, enter "N" for no. If the hospital purchased non-domestic respirators, enter "Y" for yes in column 2; otherwise enter "N" for no. If either column 1 or 2 is "Y", complete line 2.

Line 2--If line 1, column 1 or column 2, is "Y", complete columns 1 through 4, from the hospital's books and records, by entering:

- in column 1, the total cost of domestic NIOSH-approved surgical N-95 respirators purchased by the hospital or hospital healthcare complex, excluding the cost of domestic respirators for nonreimbursable cost centers; if none purchased, enter zero.
- in column 2, the number of domestic NIOSH-approved surgical N-95 respirators purchased by the hospital or hospital healthcare complex, excluding the number of domestic respirators for nonreimbursable cost centers; if none purchased, enter zero.
- in column 3, the total cost of non-domestic NIOSH-approved surgical N-95 respirators purchased by the hospital or hospital healthcare complex, excluding the cost of domestic respirators for nonreimbursable cost centers; if none purchased, enter zero.
- in column 4, the number of non-domestic NIOSH-approved surgical N-95 respirators purchased by the hospital or hospital healthcare complex, excluding the number of domestic respirators for nonreimbursable cost centers; if none purchased, enter zero.

**4039.2 Part II - Calculation of Cost Differential for Domestic NIOSH-Approved Surgical N-95 Respirators.**--This part calculates the additional cost incurred by the hospital for purchasing domestic respirators.

Line 1--Transfer the cost of domestic respirators purchased from Part I, line 2, column 1, to column 1; and transfer the cost of non-domestic respirators purchased from Part I, line 2, column 3, to column 2.

Line 2--Transfer the number of domestic respirators purchased from Part I, line 2, column 2, to column 1; and transfer the number of non-domestic respirators purchased from Part I, line 2, column 4, to column 2.

Line 3--For columns 1 and 2, calculate the average cost per respirator by dividing line 1 (the total cost of respirators purchased) by line 2 (the number of respirators purchased), rounding the result to two decimal places. If the hospital purchased no domestic or non-domestic respirators, enter zero in the respective column.

Line 4--Calculate the hospital-specific unit cost differential for domestic respirators as line 3, column 1, (the average cost per domestic respirator), minus line 3, column 2, (the average cost per non-domestic respirator). If the result is less than zero, enter zero.

Line 5--Calculate the total cost differential for the purchase of domestic respirators by multiplying line 2, column 1, (the number of domestic respirators purchased) by line 4, column 3, (the hospital-specific unit cost differential), rounding the result to zero decimal places.

**4039.3 Part III - Calculation of Domestic NIOSH-Approved Surgical N-95 Respirators Payment Adjustment.**--This part calculates the domestic N95 respirator payment adjustment.

Line 1--Transfer Medicare costs of the hospital and hospital healthcare complex as follows:

- In column 1, transfer Medicare inpatient costs from the hospital Worksheet D-1, Part II, line 49, plus Medicare inpatient costs from the PARHM Worksheet D-1, Part II, line 49, if the hospital participated in PARHM.
- In column 2, transfer Medicare outpatient costs from the hospital Worksheet D Part V, line 202, sum of columns 5, 6, and 7, plus Medicare outpatient costs from the PARHM Worksheet D, Part V, line 202, sum of columns 5, 6, and 7.
- In column 3, transfer Medicare outpatient costs from the IPF subprovider Worksheet D, Part V, line 202, sum of columns 5, 6, and 7.
- In column 4, transfer Medicare outpatient costs from the IRF subprovider Worksheet D, Part V, line 202, sum of columns 5, 6, and 7.

Line 1.01--Effective for cost reporting periods beginning on or after October 1, 2023, transfer Medicare acquisition costs of the hospital and hospital healthcare complex from Worksheet E, Part A, and Worksheet E, Part B, as follows:

- In column 1, transfer the sum of:
  - the hospital Worksheet E, Part A, line 55, plus
  - the hospital Worksheet E, Part A, line 55.01, plus
  - if a PARHM demonstration participant, the PARHM Worksheet E, Part A, line 55, plus
  - if a PARHM demonstration participant, the PARHM Worksheet E, Part A, line 55.01.
- In column 2, transfer the sum of:
  - the hospital Worksheet E, Part B, line 10, plus
  - if a PARHM demonstration participant, the PARHM Worksheet E, Part B, line 10.

Line 1.02--Effective for cost reporting periods beginning on or after October 1, 2023, transfer Medicare cost of physicians' services in a teaching hospital from Worksheet E, Part A, and Worksheet E, Part B, as follows:

- In column 1, transfer the sum of:
  - the hospital Worksheet E, Part A, line 56, plus
  - if a PARHM demonstration participant, the PARHM Worksheet E, Part A, line 56.
- In column 2, transfer the sum of:
  - the hospital Worksheet E, Part B, line 23, plus
  - if a PARHM demonstration participant, the PARHM Worksheet E, Part B, line 23.
- In column 3, transfer the amount from the hospital based IPF Worksheet E, Part B, line 23
- In column 4, transfer the amount from the hospital based IRF Worksheet E, Part B, line 23

Line 1.15--Effective for cost reporting periods beginning on or after October 1, 2023, sum lines 1, 1.01, and 1.02 for each column 1 through 4.

Line 2--In column 5, transfer the total facility costs from Worksheet C, Part I, line 202, column 5.

Line 3--For cost reporting periods beginning prior to October 1, 2023, for each column 1 through 4, calculate the percentage of Medicare costs to total facility costs as line 1 divided by line 2, column 5, rounding the result to six decimal places. For cost reporting periods beginning on or after October 1, 2023, for each column 1 through 4, calculate the percentage of Medicare costs to total facility costs as line 1.15 divided by line 2, column 5, rounding the result to six decimal places.

Line 4--Calculate the domestic NIOSH-approved surgical N-95 respirators payment adjustment for columns 1, 2, 3, and 4, by multiplying the domestic respirators cost differential from Part II, line 5, column 3, by the Medicare percentage from Part III, line 3, of each column, rounding the result to zero decimal places. In column 5, enter the sum of columns 1, 2, 3, and 4. Transfer the payment adjustments as follows:

- For a hospital Part A, payment adjustment in column 1, transfer the hospital Part A payment adjustment to Worksheet E, Part A, line 70.75.
- For a hospital Part B, payment adjustment in column 2, transfer the hospital Part B payment adjustment to the hospital Worksheet E, Part B, line 39.75.
- For an IPF subprovider Part B, payment adjustment in column 3, transfer the IPF subprovider Part B payment adjustment to the IPF subprovider Worksheet E, Part B, line 39.75.
- For an IRF subprovider Part B, payment adjustment in column 4, transfer the IRF subprovider Part B payment adjustment to the IRF subprovider Worksheet E, Part B, line 39.75.