

This worksheet is for the recording of direct hospital-based RHC/FQHC costs from your accounting books and records to arrive at the identifiable RHC/FQHC cost. This data is required by 42 CFR 413.20. The worksheet also provides for the necessary reclassifications and adjustments to certain accounts prior to the cost finding calculations.

Column Descriptions

Columns 1 through 3--The expenses listed in these columns must be in accordance with your accounting books and records. If the cost elements of a cost center are maintained separately on your books, a reconciliation of costs per the accounting books and records to those on this worksheet must be maintained by you and are subject to review by your contractor.

Enter on the appropriate lines in columns 1 through 3, the total expenses incurred during the reporting period. Detail the expenses as Salaries (column 1) and Other (column 2). The sum of columns 1 and 2 must equal column 3.

Column 4--Enter any reclassifications among the cost center expenses listed in column 3 which are needed to effect proper cost allocation. This column need not be completed by all hospital-based RHCs/FQHCs, but is completed only to the extent reclassifications are needed and appropriate in the particular circumstances. See §4014 for examples of reclassifications that may be needed. Submit with the cost report copies of any work papers used to compute the reclassifications reported in this column. The net total of the entries in column 4 must equal zero on line 30 if no reclassifications were reported on Worksheet A, column 4, of the appropriate line 88 and/or 89.

Column 5--Add column 4 to column 3, and extend the net balances to column 5. The total of column 5 must equal the total of column 3 on line 30, if no reclassifications were reported on Worksheet A, column 4, of the appropriate line 88 and/or 89.

Column 6--In accordance with 42 CFR 413.9(c)(3), enter on the appropriate lines the amounts of any adjustments to expenses required under the Medicare principles of reimbursement. (See §4016.) Submit with the cost report copies of any work papers used to compute the adjustments reported in this column.

NOTE: The allowable cost of the services furnished by Public Health Service personnel may be included in your hospital-based RHCs/FQHCs costs. Obtain this amount from your contractor, and include this as an adjustment to the appropriate lines on column 6.

Column 7--Adjust the amounts in column 5 by the amounts in column 6, and extend the net balance to column 7. The total facility costs on line 32 must equal the net expenses for cost allocation on Worksheet A for the hospital-based cost center.

Line Descriptions

Lines 1 through 9--Enter the costs of your health care staff.

Lines 7.10 and 7.11--Effective for services rendered on or after January 1, 2024, enter the costs for marriage and family therapists (MFT) on line 7.10 and the costs for mental health counselors (MHC) on line 7.11.

Line 10--Enter the sum of the amounts on lines 1 through 9.

Line 11--Enter the cost of physician medical services furnished under agreement.

Line 12--Enter the expenses of physician supervisory services furnished under agreement.

Line 14--Enter the sum of the amounts on lines 11 through 13.

Lines 15 through 20--Enter the expenses of other health care costs.

Line 20--Do not complete this line. Per 42 CFR 413.78(a), the GME payment to the hospital includes all residents working in the hospital healthcare complex; therefore, no separate payment is made to the hospital-based RHC/FQHC for GME costs.

Line 21--Enter the sum of the amounts on lines 15 through 20. For cost reporting periods ending on or after October 1, 2014, enter the sum of the amounts on lines 15 through 19.

Line 22--Enter the sum of the amounts on lines 10, 14, and 21. Reduce that result by the amount reported on line 20 if you are entitled to claim GME costs on line 20. Transfer this amount to Worksheet M-2, line 10.

Lines 23 through 27--Enter the expenses applicable to services that are not reimbursable under the RHC/FQHC benefit.

Line 25.01 - Telehealth--This cost center includes the cost of telehealth distant-site services as described in CMS Pub. 100-02, chapter 13, §190.

Line 25.02 - Chronic Care Management (CCM)--This cost center includes the structured recording of patient health information, an electronic health care plan addressing all health issues, access to chronic care management services, managing care transitions, and coordinating and sharing patient information with practitioners and providers outside the practice. CCM services are reimbursed as an add-on payment based on the Medicare Physician Fee Schedule (MPFS). See 80 FR 71080 (November 16, 2015).

Line 26--Enter the cost applicable to other than RHC services (excluding overhead) not entered on lines 23 through 25.02.

Line 27--Do not complete this line.

Line 28--Enter the sum of the amounts on lines 23 through 27. For cost reporting periods ending on or after October 1, 2014, enter the sum of the amounts on lines 23 through 26. Transfer the total amount in column 5 to Worksheet M-2, line 11.

Line 29--Enter the overhead expenses directly costed to the hospital-based RHC/FQHC. These expenses may include rent, insurance, interest on mortgage or loans, utilities, depreciation of buildings and fixtures, depreciation of equipment, housekeeping and maintenance expenses, and property taxes. Submit with the cost report supporting documentation to detail and compute the facility costs reported on this line.

Line 30--Enter the expenses related to the administration and management of the hospital-based RHC/FQHC that are directly costed to the facility. These expenses may include office salaries, depreciation of office equipment, office supplies, legal fees, accounting fees, insurance, telephone service, fringe benefits, and payroll taxes. Submit with the cost report supporting documentation to detail and compute the administrative costs reported on this line.

Line 31--Enter the sum of the amounts on lines 29 and 30. Transfer the total amount in column 5 to Worksheet M-2, line 14.

Line 32--Enter the sum of the amounts on lines 22, 28, and 31. This is the total hospital-based RHC/FQHC cost. This amount should agree with the amount reported for the hospital-based RHC/FQHC on Worksheet A, column 7, reduced by any amounts claimed on line 20 above.