Worksheet M-2 - Allocation of Overhead to Hospital-Based RHC/FQHC Services

Use this worksheet only if you operate a certified hospital-based RHC/FQHC as part of your healthcare complex. If you have more than one hospital-based RHC/FQHC, complete a separate worksheet for each hospital-based RHC/FQHC.

Visits and Productivity--Worksheet M-2 summarizes the number of hospital-based RHC/FQHC visits furnished by the health care staff and calculates the number of visits to be used in the rate determination. Lines 1 through 9 list the types of practitioners (positions) for whom hospital-based RHC/FQHC visits must be counted and reported.

Column descriptions

Column 1--Record the number of all FTE personnel in each of the applicable staff positions in the hospital-based RHCs/FQHCs practice. (See CMS Pub. 100-04, chapter 9, §40.3 for a definition of FTEs).

Column 2--Record the total visits actually furnished to all patients by all personnel in each of the applicable staff positions in the reporting period. Count visits in accordance with instructions in 42 CFR 405.2463(a) defining a visit.

Column 3--Productivity standards established by CMS are applied as a guideline that reflects the total combined services of the staff. Apply a level of 4200 visits for each physician and a level of 2100 visits for each non-physician practitioner. You are not subject to the productivity standards if you answered “Yes” to question 12 of Worksheet S-8. If so, then enter the revised standards established by you and your contractor.

Column 4--For lines 1 through 3, enter the product of column 1 and column 3. This is the minimum number of hospital-based RHC/FQHC visits the personnel in each staff position are expected to furnish.

Column 5--On line 4, enter the greater of the subtotal of the actual visits in column 2 or the minimum visits in column 4.

Contractors have the authority to waive the productivity guideline in cases where you have demonstrated reasonable justification for not meeting the standard. In such cases, the contractor will substitute your actual visits if an exception is granted.

On lines 5 through 7, and 9, enter the actual number of visits for each type of position.

Line descriptions

Line 1--Enter the number of FTEs and total visits furnished to hospital-based RHC/FQHC patients by staff physicians working at the hospital-based RHC/FQHC on a regular ongoing basis. Also include on this line, physician data (FTEs and visits) for services furnished to hospital-based RHC/FQHC patients by staff physicians working under contractual agreement with you on a regular ongoing basis in the hospital-based RHC/FQHC facility. These physicians are subject to productivity standards. (See 42 CFR 405.2468(d)(2)(v.).)

Line 4--Enter the total of lines 1 through 3, for columns 1, 2 and 4.

Line 5--Enter the number of FTEs and total visits furnished to hospital-based RHC/FQHC patients by visiting nurses working at the hospital-based RHC/FQHC. Visiting nurses provide skilled nursing services to the homebound for services which require the skills of a nurse based on the complexity of the service, e.g., intravenous or intramuscular injections or insertions of catheters. (See CMS Pub. 100-02, chapter 13, §180.)
Line 6--Enter the number of FTEs and total visits furnished to hospital-based RHC/FQHC patients by clinical psychologists working at the hospital-based RHC/FQHC. Clinical psychologist services may include the diagnosis, treatment and consultation of a patient. (See CMS Pub. 100-02, chapter 13, §140.)

Line 7--Enter the number of FTEs and total visits furnished to hospital-based RHC/FQHC patients by clinical social worker working at the hospital-based RHC/FQHC. Clinical social worker services may include the diagnosis, treatment and consultation of a patient. (See CMS Pub. 100-02, chapter 13, §140.)

Line 7.01--Enter the number of FTEs for registered dieticians or nutritional professionals and total visits furnished to hospital-based FQHC patients for medical nutrition therapy (MNT) services provided in hospital-based FQHCs. MNT services apply to hospital-based FQHCs only. (See CMS Pub. 100-02, chapter 13, §210.2.4).

Line 7.02--Enter the number of FTEs for registered dieticians or nutritional professionals and total visits furnished to hospital-based FQHC patients for diabetes self-management training (DSMT) services provided in hospital-based FQHCs. DSMT services apply to hospital-based FQHCs only. (See CMS Pub. 100-02, chapter 13, §210.2.4.)

Line 8--Enter the total of lines 4 through 7 (and subscripts).

Line 9--Enter the number of visits furnished to hospital-based RHC/FQHC patients by physicians under agreement with you who do not furnish services to patients on a regular ongoing basis in the hospital-based RHC/FQHC. Physicians’ services under agreements with you are (1) all medical services performed at your site by a non-staff physician who is not the owner or an employee of the facility, and (2) medical services performed at a location other than your site by such a physician for which the physician is compensated by you. While all physician services at your site are included in RHC/FQHC services, physician services furnished in other locations by physicians who are not on your full time staff are paid to you only if your agreement with the physician provides for compensation for such services.

Determination of Total Allowable Cost Applicable To Hospital-Based RHC/FQHC Services.--Use lines 10 through 18 to determine the amount of overhead costs incurred by both the parent provider and the hospital-based RHC/FQHC.

Line 10--Enter the cost of health care services from Worksheet M-1, column 7, line 22.

Line 11--Enter the total nonreimbursable costs from Worksheet M-1, column 7, line 28.

Line 12--Enter the sum of lines 10 and 11 for the cost of all services (excluding overhead).

Line 13--Enter the percentage of hospital-based RHC or FQHC services. This percentage is determined by dividing the amount on line 10 (the cost of health care services) by the amount on line 12 (the cost of all services, excluding overhead).

Line 14--Enter the total hospital-based RHC/FQHC overhead costs incurred from Worksheet M-1, column 7, line 31.

Line 15--Enter the overhead costs incurred by the parent provider allocated to the hospital-based RHC/FQHC. This amount is the difference between the total costs after cost allocation on Worksheet B, Part I, column 26 and Worksheet B, Part I, column 0. If GME costs are claimed on line 20 of Worksheet M-1, do not include the GME costs allocated to the RHC/FQHC in columns 21 and 22 of Worksheet B, Part I.

Line 16--Enter the sum of lines 14 and 15 to determine the total overhead costs related to the hospital-based RHC/FQHC.
Line 17--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 18--Enter the amount from line 16.

Line 19--Enter the overhead amount applicable to hospital-based RHC/FQHC services. It is determined by multiplying the amount on line 13 (the ratio of hospital-based RHC/FQHC services to total services) by the amount on line 18 (total overhead costs).

Line 20--Enter the total allowable cost of hospital-based RHC/FQHC services, the sum of line 10 (cost of hospital-based RHC/FQHC health care services) and line 19 (overhead costs applicable to hospital-based RHC/FQHC services).

4068. WORKSHEET M-3 - CALCULATION OF REIMBURSEMENT SETTLEMENT FOR HOSPITAL-BASED RHC/FQHC SERVICES

This worksheet applies to title XVIII only and provides for the reimbursement calculation for services rendered. Use this worksheet to determine the interim all inclusive rate of payment and the total program payment for the cost reporting period for each hospital-based RHC/FQHC reported.

Determination of Rate For Hospital-Based RHC/FQHC Services--Worksheet M-3 calculates the cost per visit for hospital-based RHC/FQHC services and applies the screening guideline established by CMS on your health care staff productivity.

Line descriptions

Line 1--Enter the total allowable cost from Worksheet M-2, line 20.

Line 2--Report vaccine costs on this line from Worksheet M-4.

Line 3--Subtract the amount on line 2 from the amount on line 1 and enter the result.

Line 4--Enter the greater of the minimum or actual visits by the health care staff from Worksheet M-2, column 5, line 8.

Line 5--Enter the visits made by physicians under agreement from Worksheet M-2, column 5, line 9.

Line 6--Enter the total adjusted visits (sum of lines 4 and 5).

Line 7--Enter the adjusted cost per visit. This is determined by dividing the amount on line 3 by the visits on line 6.

For services rendered from January 1, 2010, through December 31, 2013, the maximum rate per visit entered on line 8 and the outpatient mental health treatment service limitation applied on line 14 both correspond to the same time period (partial calendar year). Consequently, both are entered in the same column and no further subscripting of the columns is necessary.

Lines 8 and 9--The payment limits are updated every January 1; however, the possibility exists that payment limits may also be updated other than on January 1. Complete columns 1, 2, and 3, if applicable (add column 3 for lines 8 through 14 if the cost reporting period overlaps three payment limit periods) for lines 8 and 9, to identify costs and visits affected by different payment limits within a cost reporting period. If only one payment limit is applicable during the cost reporting period (calendar year reporting period), complete column 2 only.