

## 4148. WORKSHEET I-1 - ANALYSIS OF SNF-BASED RHC/FQHC COSTS

Use this worksheet only if you operate a certified SNF-based RHC/ FQHC. If you have more than one SNF-based RHC/FQHC, complete a separate worksheet for each RHC/FQHC, unless the clinic/center has received prior contractor approval to file a consolidated cost report (see CMS Pub. 100-04, chapter 9, §30). Effective for cost reporting periods beginning on or after October 1, 2014, SNF-based FQHCs do not complete the I series worksheets, *instead all FQHCs must complete the freestanding FQHC cost report, Form CMS-224-14. In addition, effective for cost reporting periods beginning on or after October 1, 2017, SNF-based RHCs do not complete the I series Worksheets, instead all RHCs must complete the freestanding RHC cost report, Form CMS-222-17.*

This worksheet is for the recording of direct SNF-based RHC/FQHC costs from your accounting books and records to arrive at the identifiable clinic/center cost. This data is required by 42 CFR 413.20. It 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 is 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 Compensation (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 RHCs/FQHCs, but is completed only to the extent reclassifications are needed and appropriate in the particular circumstances. See §4114 for examples of reclassifications that may be needed. Submit with the cost report copies of any workpapers used to compute the reclassifications reported in this column. Show reductions to expenses in parentheses ( ).

The net total of the entries in column 4 must equal zero on line 32.

Column 5.--Adjust the amounts in column 3 by the amounts in column 4 (increases or decreases), and extend the net balances to column 5. The total of column 5 must equal the total of column 3 on line 32.

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 §4116.) Submit with the cost report copies of any workpapers 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 RHC/FQHC's 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, (increases or decreases) and extend the net balance to column 7. The total RHC/FQHC costs on line 32 must equal the net expenses for cost allocation on Worksheet A for the RHC (line 61), or FQHC (line 62) cost center.

Line Descriptions

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

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 19.--Enter the expenses of health care costs listed on these lines.

Line 21.--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. Transfer this amount to Worksheet I-2, Part II, line 12.

Lines 23 through 26.--Enter the expenses applicable to services that are not reimbursable under the RHC/FQHC benefit.

Line 27.--Reserved for future use.

Line 28.--Enter the sum of the amounts on lines 23 through 26. Transfer the total amount in column 7 to Worksheet I-2, line 13.

Line 29.--Enter the overhead expenses directly costed to the 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 RHC/FQHC costs reported on this line.

Line 30.--Enter the expenses related to the administration and management of the RHC/FQHC that are directly costed to the clinic/center. 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 7 to Worksheet I-2, Part II, line 16.

Line 32.--Enter the sum of the amounts on lines 22, 28 and 31. This is the total SNF-based RHC/FQHC cost. This cost should agree with the amount reported for the SNF-based RHC/FQHC on Worksheet A, column 7.