

## 4909 H SERIES

On the H series of worksheets, the SNF reports the cost incurred by its SNF-based HHA to provide patient related services to Medicare beneficiaries, including an allocation of general service costs from the SNF, in order to calculate the SNF-based HHA reimbursement settlement. Complete separate H series worksheets for each SNF-based HHA. The series consists of the following worksheets:

- Worksheet H - Analysis of SNF-Based HHA Costs
- Worksheet H-1 - Part I - Allocation of SNF-Based HHA General Service Costs
- Worksheet H-1 - Part II - Allocation of SNF-Based HHA General Service Costs - Statistical Basis
- Worksheet H-2, Part I - Allocation of SNF General Service Costs to SNF-Based HHA
- Worksheet H-2, Part I - Allocation of SNF General Service Costs to SNF-Based HHA - Statistical Basis
- Worksheet H-3 - Apportionment of SNF-Based HHA Patient Service Costs
- Worksheet H-4 - Calculation of SNF-Based HHA Reimbursement Settlement
- Worksheet H-5 - Analysis of Payments to SNF-Based HHA for Services Rendered to Program Beneficiaries

## 4909.10 WORKSHEET H - ANALYSIS OF SNF-BASED HHA COSTS

This worksheet provides for the recording of direct SNF-based HHA costs such as salaries, fringe benefits, transportation, and contracted/purchased services, as well as other costs from your accounting books and records to arrive at the identifiable agency cost. This data is required by 42 CFR 413.20. This worksheet also provides for the necessary reclassifications and adjustments to certain accounts prior to the cost finding calculations. Include on Worksheet H, all expenses incurred for only those visits completed in the current cost reporting period, when the episode of care overlaps the cost report year end. On Worksheet H, in the appropriate cost centers, enter the total expenses for Salaries (column 1), Employee Benefits (column 2), Transportation (column 3), Contracted/Purchased Services (column 4), and Other Costs (column 5). Obtain these direct costs from your accounting books and records. Not all of the cost centers listed may apply to all agencies.

The SNF-based HHA must maintain the records necessary to determine the split in salary (and employee-related fringe benefits) between two or more cost centers, and must adequately substantiate the method used to split the salary and employee-related fringe benefits. These records must be available for audit by your contractor. Your contractor can accept or reject the method used to determine the split in salary. Any deviation or change in methodology to determine splits in salary and employee fringe benefits must be requested in writing and approved by your contractor before any change is effectuated. Where approval of a method has been requested in writing and this approval has been received (prior to the beginning of the cost reporting period), the approved method remains in effect for the requested period, and all subsequent periods, until you request in writing to change to another method, or until your contractor determines that the method is no longer valid due to changes in your operations.

Column 1.--Enter all salaries and wages (a salary is the gross amount paid to the employee before taxes and other items are withheld, including deferred compensation, overtime, incentive pay, and bonuses (see CMS Pub. 15-1, chapter 21)) for the SNF-based HHA in this column for the actual work performed within the specific area or cost center. For example, if the administrator spends 100 percent of his/her time in the SNF-based HHA and performs skilled nursing care which accounts for 25 percent of that person's time, then 75 percent of the administrator's salary is entered on line 6 (Administrative and General) and 25 percent of the administrator's salary is entered on line 16 (Skilled Nursing Care - RN). Enter the sum of lines 1 through 49 on line 100.

Column 2.--Enter all payroll-related employee fringe benefits for the SNF-based HHA in the appropriate cost center in this column. See CMS Pub. 15-1, chapter 21, §§2144-2145, for a definition of fringe benefits. Enter amounts using the same basis as that used for reporting salaries and wages in column 1. For example, 75 percent of the administrator's payroll-related fringe benefits is entered on line 6 (Administrative and General) and 25 percent of the administrator's payroll-related fringe benefits is entered on line 16 (Skilled Nursing Care - RN). Enter the sum of lines 1 through 49 on line 100.

Report payroll-related employee fringe benefits in the cost center where the applicable employee's compensation is reported. This assignment is performed on an actual basis or upon the following basis:

- FICA based on actual expense by cost center;
- Pension and retirement and health insurance (non-union) based on gross salaries of participating individuals by cost centers;
- Union health and welfare based on gross salaries of participating union members by cost center; or
- All other payroll-related fringe benefits based on gross salaries by cost center.

Include non-payroll-related employee fringe benefits in line 6, the Administrative and General cost center. Costs for such items as personal education, recreation activities, and day care are included in line 6.

Column 3.--If the transportation costs, i.e., owning or renting vehicles, public transportation expenses, or payments to employees for driving their private vehicles can be directly assigned to a particular cost center, enter those costs in the appropriate cost center. If these costs are not identifiable to a particular cost center, enter them on line 4 (Transportation). Enter the sum of lines 1 through 49 on line 100.

Column 4.--Enter the contracted and purchased services amounts in the appropriate cost center in this column. If a contracted/purchased service covers more than one cost center, then include the amount applicable to each cost center on each affected cost center line. Enter the sum of lines 1 through 49 on line 100.

Column 5.--From your books and records, enter on the applicable lines all other identifiable costs not reported in columns 1 through 4. Enter the sum of lines 1 through 49 on line 100.

Column 6.--For each line, enter the sum of columns 1 through 5. Enter the sum of lines 1 through 49 on line 100.

Column 7.--For each line 1 through 49, enter reclassifications needed to effect proper cost allocation among the cost center expenses in column 6. Enter reductions as negative amounts. The total of all entries, line 100, must equal zero. This column need not be completed by all agencies, but is completed only to the extent reclassifications are needed and appropriate in the particular circumstance.

Column 8.--For each line 1 through 49, adjust the amounts entered in column 6 by the amounts entered in column 7 (increase or decrease) and report the net expenses in column 8. The total of column 8 must equal the total of column 6 on line 100.

Column 9.--For each line 1 through 49, enter any adjustments to the expenses listed in column 8 needed to effect proper cost allocation under the Medicare principles of reimbursement (see 42 CFR 413ff), including any adjustments to expenses included on Worksheet A-8, column 2. Enter reduction as negative amounts. Enter the sum of lines 1 through 49 on line 100.

Column 10.--For each line, enter the sum of columns 8 and 9 (increase or decrease) and report the net balances in column 10. Enter the sum of lines 1 through 49 on line 100. Transfer the amounts on lines 1 through 49 to the corresponding lines on Worksheet H-1, Part I, column 0.

Line DescriptionsGeneral Service Cost Centers

Lines 1 and 2 - Capital Related - Buildings and Fixtures and Capital Related - Movable Equipment.--Capital related buildings and fixtures and capital related moveable equipment costs include depreciation, leases and rentals for the use of buildings and/or equipment, interest incurred in acquiring land or depreciable assets used for patient care, insurance on depreciable assets used for patient care, and taxes on land or depreciable assets used for patient care.

Line 3 - Plant Operations & Maintenance.--Enter the direct expenses incurred in the operation and maintenance of the physical plant and equipment, maintaining general cleanliness and sanitation of the physical plant, and protecting employees, visitors, and SNF-based HHA property.

Line 4 - Transportation.--Enter all of the cost of transportation except those costs previously directly assigned in column 3. This cost is allocated during the cost finding process.

Line 5 - Telecommunication Technology.--Enter allowable administrative costs related to the use of telecommunication technology (other than audio-only telephone calls) in the provision of home health care as described in 42 CFR 409.46(e). This can include: remote patient monitoring defined as the collection of physiologic data (for example, ECG, blood pressure, glucose monitoring) digitally stored and/or transmitted by the patient or caregiver or both to the SNF-based HHA, teletypewriter (TTY) technology, and two-way audio-video telecommunication technology that allows for real-time interaction between the patient and clinician. If remote telecommunication technologies are used by the SNF-based HHA, the costs of the equipment, set-up, and service related to these systems are allowable only as administrative costs. Visits to a beneficiary's home for the sole purpose of supplying, connecting, or training the patient on the equipment, without the provision of a skilled service are not separately billable.

Line 6 - Administrative & General.--Enter all A&G costs, including services that are allowable as administrative costs as described in 42 CFR 409.46 (a) through (d). A&G costs are general service costs that benefit the entire SNF-based HHA that are not included on lines 1 through 5. Examples include fiscal services, legal services, accounting, data processing, taxes, and malpractice costs. If the option to componentize A&G costs into more than one cost center is elected, eliminate line 6. Componentized A&G lines must begin with subscripted line 6.01 and continue in sequential order (e.g., 6.01 A&G shared costs). See §4909.20 for additional information on componentized A&G costs.

Line 7 - Nursing Administration.--Enter the cost of overall management and direction of the nursing services. Do not include the cost of direct nursing services including nursing supervisor services assigned on lines 16 through 30, and lines 39 through 49.

Line 8.-- Use this line to identify expenses for other general service costs not identified on lines 1 through 7. Provide a description for the amount reported on this line. If more than one other general service is offered, subscript this line as necessary.

Lines 9 through 15.--Reserved for future use.

#### HHA Reimbursable Services

Line 16 - Skilled Nursing Care - RN.--This cost center includes skilled nursing care which is a service that must be provided by, or under the supervision, of a registered nurse for the purpose of assessing a beneficiary's health needs, determining if the SNF-based HHA can meet those health needs, and formulating a plan of care for the beneficiary.

Line 17 - Skilled Nursing Care - LPN.--This cost center includes the costs of nursing care furnished by licensed practical nurses. Do not include costs for home health aide services on this line; report the costs for home health aide services on line 24.

Line 18 - PT - Physical Therapist.--This cost center includes the direct costs of physical therapy services provided by a qualified physical therapist, as prescribed by a physician. The physical therapist provides evaluation, treatment planning, instruction, and consultation. These services meet the individual's medical needs, promote recovery, and ensure medical safety for the purpose of rehabilitation.

Line 19 - PT - Physical Therapy Assistant.--This cost center includes the costs of the performed under the direct supervision of a qualified physical therapist as prescribed by a physician. These services are planned, delegated and supervised by the qualified physical therapist. The physical therapy assistant also provides support to the physical therapist as they assist in preparing clinical notes and progress reports, and participates in educating the patient and family, and in-service programs.

Line 20 - OT - Occupational Therapist.--This cost center includes the cost of occupational therapy services provided by a qualified occupational therapist, as prescribed by a physician. This includes: (1) teaching of compensatory techniques to permit an individual with a physical impairment or limitation to engage in daily activities; (2) evaluation of an individual's level of independent functioning; (3) selection and teaching of task-oriented therapeutic activities to restore sensory-integrative function; and (4) assessment of an individual's vocational potential, except when the assessment is related solely to vocational rehabilitation.

Line 21 - OT - Occupational Therapy Assistant.--This cost center includes the costs of occupational therapy assistant services provided under the direct supervision of a qualified occupational therapist, as prescribed by a physician. These services are planned, delegated, and supervised by the occupational therapist. The occupational therapy assistant also provides support to the occupational therapist as they assist in preparing clinical notes and progress reports, and participate in educating the patient and family.

Line 22 - Speech Language Pathologist.--This cost center includes the costs of physician-prescribed services provided by or under the direction of a qualified speech-language pathologist to those with functionally impaired communications skills. This includes the evaluation and management of any existing disorders of the communication process centering on the reception and production of speech and language related to organic and/or nonorganic factors. Speech-language pathology services may be provided for purposes of symptom control or to enable the individual to maintain activities of daily living and basic functional skills.

Line 23 - Medical Social Services.--Enter the cost of medical social services. These services include: (1) assessment of the social and emotional factors related to the individual's illness, need for care, response to treatment, and adjustment to care furnished by the agency; (2) casework services to assist in resolving social or emotional problems that may have an adverse effect on the beneficiary's ability to respond to treatment; and (3) assessment of the relationship of the individual's medical and nursing requirements to his or her home situation, financial resources, and the community resources available upon discharge from the agency's care.

Line 24 - Home Health Aide.--Enter the cost of home health aide services. The primary function of a home health aide is the personal care of a patient. The services of a home health aide are given under the supervision of a registered professional nurse and, if appropriate, a qualified physical, speech, or occupational therapist. The assignment of a home health aide to a case must be made in accordance with a written plan of treatment established by a physician that indicates the patient's need for personal care services. The specific personal care services to be provided by the home health aide must be determined by a registered professional nurse and not by the home health aide. Include the cost of CNAs that meet the criteria for an aide in this cost center.

Line 25 - Medical Supplies Charged to Patients.--The cost of medical supplies reported in this cost center are those costs which are directly identifiable supplies furnished to individual patients and for which a separate charge is made. These supplies are specified in the patient's plan of treatment and furnished under the specific direction of the patient's physician.

Medical supplies that are not reported on this line are those minor medical and surgical supplies that would not be specifically identified in the plan of treatment or for which a separate charge is not made. These supplies (e.g., cotton balls, alcohol prep) are items that are frequently furnished to patients in small quantities (even though in certain situations, these items may be used in greater quantity), and are reported in the A&G cost center.

Line 26 - Drugs Charged to Patients.--Enter only the cost incurred for preventative pneumococcal, influenza, hepatitis B, and COVID-19 vaccines and monoclonal antibody products for treatment of COVID-19, and osteoporosis drugs. Do not include the cost of administering vaccines and drugs on this line.

Line 27 - Cost of Administering Vaccines.--Enter only the cost of administering preventative pneumococcal, influenza, hepatitis B, COVID-19 vaccines, and osteoporosis drugs. The cost of administering these vaccines is reimbursable only under Part B if administered in the course of an otherwise covered home health visit. Accordingly, the cost and charges for the vaccine and its administration must be excluded from the cost and charges of the visit.

A visit by an SNF-based HHA nurse for the sole purpose of administering a vaccine is not covered as an HHA visit under the home health benefit, even though the patient may be an eligible home health beneficiary receiving services under a home health plan of treatment. Section 1862(a)(1)(B) of the Act excludes Medicare coverage of vaccines and their administration other than the Part B coverage contained in §1861 of the Act.

Submit a schedule detailing the methodology employed to develop the cost of administering these vaccines. The cost of travel is not permissible as a cost of administering vaccines, nor is the travel cost includable in the A&G cost center. The travel cost is nonreimbursable.

The cost of administering pneumococcal, influenza, and hepatitis B vaccines and COVID-19 vaccines and monoclonal antibody products for treatment of COVID-19, is reimbursed under the outpatient prospective payment system (OPPS). The cost of administering osteoporosis drugs is reimbursed under the home health benefit.

Line 28 - Durable Medical Equipment/Oxygen.--Enter the direct expenses incurred in renting or selling durable medical equipment (DME) items to the patient for the purpose of carrying out the plan of treatment. Also, include all the direct expenses incurred in requisitioning and issuing DME to patients.

Line 29 - Disposable Devices.--Enter the cost of disposable devices, i.e., negative pressure wound therapy (NPWT) devices.

Line 30.--Use this line and subscripts of this line to identify expenses for other reimbursable services not identified on lines 16 through 29. Provide a description for each amount reported on this line and its subscripts.

Lines 31 through 38.--Reserved for future use.

#### HHA Non-Reimbursable Services

Line 39 - Home Dialysis Aide Services.--Enter the cost of home dialysis aide services furnished in connection with a home dialysis program.

Line 40 - Respiratory Therapy.--For RT services enter the cost incurred for the assessment, diagnostic evaluation, treatment, management, and monitoring of patients with deficiencies or abnormalities of cardiopulmonary function.

Line 41 - Private Duty Nursing.--Enter the costs of private duty nurses, who may be licensed as RNs, LPNs, or CNAs that provide private duty care working one-on-one with individual beneficiaries.

Line 42 - Clinic.--Enter the nonreimbursable clinic costs. A clinic is a facility that is primarily focused on the care of outpatients.

Line 43 - Health Promotion Activities.--Enter the costs of health promotion and disease prevention programs focused on keeping people healthy.

Line 44 - Day Care Program.--Adult day care programs provide frail seniors and persons with Alzheimer's with supervision and care in a structured setting during daytime hours allowing their primary caregivers to work or take a break from their caregiving responsibilities. Medicare does not cover adult day care programs.

Line 45 - Home Delivered Meals Program.--Home health coverage does not include home delivered meals or personal care as part of its coverage. Enter the costs of the HHA's home delivered meals program on this line.

Line 46 - Homemaker Service.--Services such as shopping, cleaning, laundry, etc. are considered homemaker services and they are not reimbursed by Medicare. Enter the costs of homemaker services on this line.

Line 47 - Advertising.--Enter the costs associated with nonallowable community education, business development, marketing and advertising. (See CMS Pub. 15-1, chapter 21, §2136)

Line 48 - Fundraising.--Enter the costs associated with nonallowable fundraising. (See CMS Pub. 15-1, chapter 21, §2136)

Line 49.--Use this line and subscripts of this line to identify expenses for other nonreimbursable services not identified on lines 39 through 48. Provide a description for each amount reported on this line and its subscripts.

Lines 50 through 98.--Reserved for future use.

Line 100.--Enter the total of lines 1 through 49.