

4901.42 Part II - SNF Wage Index Information -- Direct Salaries.

This part provides for the collection of SNF data to in accordance with the Social Security Act Amendments of 1994 (P.L. 103-432). This data may be used to develop a SNF wage index and must be completed by all SNFs.

**NOTE:** Any line reference for Worksheets A and A-6 includes all subscripts of that line.

Line 1.--Enter the sum of salaries and wages paid to employees from Worksheet A, column 1 , line 100.

Line 2.--Enter physician Part A salaries paid to employees which are included on Worksheet A, column 1, line 100.

Line 3.--Enter physician Part B and physician Part B assistant salaries and wage related costs that are related to patient care and are included on line 1. Under Medicare, these services are billed separately under Part B.

Line 4.--If you are a member of a chain or other related organization, as defined in CMS Pub. 15-1, §2150, enter the allowable wages and salaries and wage related costs for HO/CO personnel from your records that are included in line 1.

Line 5.--Enter the sum of lines 2 through 4.

Line 6.--Subtract line 5 from line 1 and enter the result.

Line 7.--Enter the total of Worksheet A, column 1, *line 70*. If this line is subscripted to accommodate more than one HHA, also enter the total of the subscripted lines.

Line 8.--Enter the amount from Worksheet A, column 1, *line 72*. If this line is subscripted to accommodate more than one hospice, also enter the total of the subscripted lines.

Line 9.—Enter the sum of amounts from Worksheet A, *column 1*, lines 73, 74, 81, 90, 91, 92, and 93.

Line 10.--Enter the sum of lines 7 through 9.

Line 11.--Enter the result of line 5 minus line 10.

Line 12.--Enter the amount paid (include only those costs attributable to services rendered in the SNF), rounded to the nearest dollar, for contracted direct patient care services, i.e., nursing, therapeutic, rehabilitative, or diagnostic services furnished under contract rather than by employees and management contract services as defined below. For example, you have a contract with a nursing service to supply nurses for the general routine service area on weekends. Report only those personnel costs associated with these contracts. Eliminate all supplies and other miscellaneous items. Do not apply the guidelines for contracted therapy services under §1861(v) (5) of the Act and 42 CFR 413.106. Contracted labor for purposes of this worksheet does **NOT** include the following services: consultant contracts, billing services, legal and accounting services, Part A CRNA services, clinical psychologists and clinical social worker services, housekeeping services, planning contracts, independent financial audits, or any other service not directly related to patient care.

Include the amount paid (rounded to the nearest dollar) for contract management services, as defined below, furnished under contract rather than by employees. Report only those personnel costs associated with the contract. Eliminate all supplies, travel expenses, and other miscellaneous items. Contract management is limited to the personnel costs for those individuals who are working at the facility in the capacity of chief executive officer, chief operating officer, chief financial officer, or nursing administrator. The titles given to these individuals may vary from the titles indicated above. However, the individual should be performing those duties customarily given these positions.

For purposes of this worksheet, contract labor does **NOT** include the following services: other management or administrative services, consultative services, unmet physician guarantees, physician services, clinical personnel, security personnel, housekeeping services, planning contracts, independent financial audits, or any other services not related to the overall management and operation of the facility.

Contract labor is reported on Worksheet A, column 2. If you have no contracted labor as defined above or management contract services; enter a zero in column 1. If you are unable to accurately determine the number of hours associated with contracted labor, enter a zero in column 1.

Line 13.--Enter from your records the amount paid under contract for physician services for Part A only related directly to the SNF. This includes Part A physician services from the home office allocation and/or from related organizations.

Line 14.--Enter the salaries and wage related costs (as defined on lines 15 and 16) paid to personnel who are affiliated with a home office and/or related organization, who provide services to the SNF, and whose salaries are not included on Worksheet A, column 1. In addition, add the home office salaries excluded on line 4. This figure is based on recognized methods of allocating an individual's home office salary to the SNF and/or NF. If no home office/related organization exists or if you cannot accurately determine the hours associated with the home office/related organization salaries that are allocated to the SNF and/or NF, then enter a zero in column 1. All costs for any related organization must be shown as the cost to the related organization.

**NOTE:** All wage-related costs, including amounts related to excluded areas and physician services, should be included on lines 15 and 16.

Line 15.--Enter the total core wage related costs as described in Part IV. Only the total cost of the wage related costs that are considered fringe benefits may be directly charged to each cost center provided the costs are reported in column 5 and not column 1, of Worksheet A. For purposes of determining the wage related costs for the wage index, a facility must use generally accepted accounting principles (GAAP). Continue to use Medicare payment principles on all other areas to determine allowable fringe benefits. Do not include wage-related costs applicable to the excluded areas reported on line 10. Instead, these costs are reported on line 16. Also, do not include the wage-related costs for physician Parts A and B, non-physician anesthesiologists Parts A and B, interns and residents in approved programs, and home office personnel.

Line 16.--Enter the total wage-related costs applicable to the excluded areas reported on line 10.

Line 17.--Enter the total wage-related costs applicable to Part A physicians. Do not include wage-related costs for excluded areas reported on line 16.

Line 18.--Enter the total wage-related costs applicable to Part B physicians. Do not include wage-related costs for excluded areas reported on line 16.

Line 19.--Enter the total adjusted wage related costs, line 15, minus lines 16 through 18.

Column 2.--Enter on each line, as appropriate, the **salary** portion of any reclassification made on Worksheet A-6.

Column 3.--Enter on each line, as appropriate, the **salary** portion of any adjustment made on Worksheet A-8.

Column 4.--Enter the result of column 1 plus or minus columns 2 and 3.

Column 5.--Enter on each line the number of **paid** hours corresponding to the amount reported in column 4. The hours must reflect any change reported in columns 2 and 3. On-call hours are not included in the total paid hours. Overtime hours are calculated as one hour when an employee is paid time and a half.

Column 6.--Enter on line 1 through line 14 the average hourly wage resulting from dividing column 4 by column 5.