

3514. WORKSHEET S-7 - NHCMQ DEMONSTRATION AND PPS STATISTICAL DATA

NOTE: Public Law 105-33 (Balanced Budget Act of 1997) requires that all SNFs be reimbursed under PPS for cost reporting periods beginning on and after July 1, 1998. Therefore, SNFs will not be reimbursed under demonstration procedures for cost reporting periods beginning on and after that date. An expansion to Worksheet S-7 was needed to accommodate cost reporting periods which begin on and after July 1, 1998. This expansion is designated as Part II. Part I will continue as the original form as published in June 1996, and updated with Transmittal # 3, and will be in effect for providers with cost reporting periods which begin PRIOR to July 1, 1998. Part II will be used for ALL SNFs with cost reporting periods beginning on and after July 1, 1998.

3514.1 Part I - NHCMQ Demonstration Statistical Data.-- Complete this part for cost reporting periods beginning prior to July 1, 1998.

The statistics reported on this worksheet pertain to SNF facilities participating in the NHCMQ demonstration. 42 CFR 413.30 provides waivers to enable the use of the Resource Utilization Group (RUG-III) case mix adjusted prospective payment rate setting methodology for routine costs and Part A ancillary rehabilitation services in place of the routine systems of cost finding/payment determination and/or prospective payment option for low utilization providers.

Only facilities in Kansas, Maine, Mississippi, New York, South Dakota, and Texas are eligible to participate in the NHCMQ demonstration. The data to be maintained for title XVIII demonstration days include, by group, the M3PI revenue code, the rate, the number of inpatient days, and the dollar amount for Medicare residents during this cost reporting period.

Column Descriptions

Column 1.--The case mix group designations are already entered in this column.

Column 2.--The M3PI revenue code designations are already entered in this column.

NOTE: Worksheet S-7 was designed to accommodate one RUG group rate applicable for the entire year. However, since this rate could change each calendar year, this worksheet needs to be modified to accommodate TWO rates. This form has been revised to reflect heading changes published in Transmittal #3. Column headings are as follows:

| Services Prior To January 1st | | Services On Or After January 1st | |
|-------------------------------|------|----------------------------------|------|
| Rate | Days | Rate | Days |
| 3 | 3.01 | 4 | 4.01 |

Columns 3 and 4.--Enter the rate assigned to the provider for each applicable group. This rate is effective as of January 1 and may be changed each January 1. Providers with fiscal years other than the calendar year could have two rates to report. The second rate is entered in column 4. If your fiscal year begins January 1 and ends December 31, enter your rate in column 4, and do not use column 3.

Column 3.01.--Enter the number of demonstration inpatient days applicable to each group, associated with the rate in place at the beginning of your fiscal year. This column is not used for calendar year providers. Enter the total on line 46.

Column 4.01.--Enter the number of demonstration inpatient days applicable to each group associated with the rate in effect January 1 through the end of your fiscal year. Enter the total on line 46.

Add the amounts on line 46, columns 3.01 and 4.01, and enter the result on Worksheet E, Part V, line 2.

Column 5.--Calculate the total for each revenue group by multiplying the rate by the days covered by that rate. Where you must report two rates and two sets of days for each group, multiply the rate in column 3 by the days in column 3.01. Multiply the second rate in column 4 by the days in column 4.01. For each line (group), add the product of column 3 multiplied by the 3.01 plus the product of columns 4 multiplied by 4.01, and enter the result in column 5 on the same line. Add lines 1 through 45, column 5, and enter the total on line 46. Transfer column 5, line 46, to Worksheet E, Part V, line 6.

3514.2 Part II - PPS Statistical Data. --Complete this part for cost reporting periods beginning on and after July 1, 1998. Use this part to report the Medicare days of the provider by RUG. The total on line 46 must agree with the amount on Worksheet S-3, column 4, line . This part has been revised with the issuance of Transmittal # 5. As of the issuance of Transmittal # 5, Part II has been replaced with Part III, and should not be completed.

3514.3 Part III - PPS Statistical Data.-- **Complete Part III for cost reporting periods beginning on or after July 1, 1998.** Use this part to report the Medicare days of the provider by RUG. **Do not use Part III for cost reporting periods ending on and after February 28, 2001.**

Transition Period.--Indicate the applicable transition period. Your fiscal intermediary will provide you with this status. Example: If your cost report year begins on July 1, 1998, check the box for year number 1. For the next fiscal year beginning on July 1, 1999, check the box for year number 2. For the following fiscal year beginning on July 1, 2000, check the box for year number 3. For the last fiscal year in the transition period beginning on July 1, 2001, check the box for year number 4.

EXCEPTION: THE TRANSITION PERIOD PAYMENT METHOD WILL NOT APPLY TO A SNF THAT (1) ELECTED FOR IMMEDIATE TRANSITION TO FEDERAL RATE UNDER SECTION 102 OF THE BALANCED BUDGET REFINEMENT ACT OF 1999, OR (2) FIRST RECEIVED MEDICARE PAYMENTS (INTERIM OR OTHERWISE) ON OR AFTER OCTOBER 1, 1995 UNDER PRESENT OR PREVIOUS OWNERSHIP. THESE FACILITIES WILL BE PAID BASED ON ONE HUNDRED PERCENT (100%) OF THE FEDERAL RATE. Enter this rate in column 5.

For the first year of the provider's transition period, the PPS rate will be twenty-five percent (25%) of the Federal Case Mix Rate and seventy-five percent (75%) of the Facility Specific Rate. In the second year of the Provider's transition period, the PPS rate will be fifty percent (50%) of the Federal Case Mix Rate and fifty percent (50%) of the Facility Specific Rate. For the third year of the Provider's transition period, the PPS rate will be seventy-five percent (75%) of the Federal Case Mix Rate and twenty-five percent (25%) of the Facility Specific Rate. For the fourth and final year of the Provider's transition period, the PPS rate will be one hundred percent (100%) of the Federal Case Mix Rate. See columns 9 and 10 below.

Column 2.--Enter the Federal Specific Rate on each applicable RUG line.

Column 3.--Enter the Federal Case Mix rate applicable to each RUG for services from the beginning of the fiscal year through September 30.

Column 4.--Enter the number of days applicable to each RUG for services from the beginning of the fiscal year through September 30.