

PCA- Process Critical Access Hospital (CAH) Cost Report and Perform Cost Settlement

Purpose: Review the cost report using desk review procedures to determine if reported costs are allowable and reasonable and calculate amount of tentative and final settlement for Critical Access Hospitals (CAH). CMS 2552-10, Hospital and Healthcare Complex Cost Report is due to the Iowa Medicaid Enterprise 150 days after the provider's fiscal year end.

Identification of Roles:

1. Accounting Assistant – reviews the cost report to determine if all the necessary information was completed and received. Imports/data enters cost report. Also reviews the reported items to make sure it foots and ties out to supporting documentation.
2. Staff Accountant – performs desk review procedures to determine reasonable and allowable costs and calculates tentative and final settlement.
3. Senior Accountant – may perform desk review procedures and perform reviews.
4. Supervisor – perform review.
5. Manager – may perform review.

Performance Standards:

Settle cost reports for all institutional providers within three months after receipt of the final Title XVIII Medicare cost report.

Path of Business Procedure:

- Step 1: Generate IAMM3500-R002, IAMM3500-R003, IAMM3500-R004, and IAMM3500-R005 reports from the Medicaid Management Information System (MMIS).
- Step 2: Retrieve IAMM3500-R002, IAMM3500-R003, IAMM3500-R004, and IAMM3500-R005 reports saved in OnBase.
- Step 3: Mail blank Cost Report and IAMM3500-R002, IAMM3500-R003, IAMM3500-R004, and IAMM3500-R005 reports to provider.
- Step 4: Cost reports are submitted by Critical Access Hospital (CAH) providers. Mailroom receives Cost Report and scans into On-Base. If electronic version, then disk is sent to Provider Cost Audit.
- Step 5: Postmark date of Cost Report is scanned into On-Base.
- Step 6: Receive notification from On-Base that cost report is ready for processing.

- Step 7: Receive hard copy or electronic version of Cost Report from mailroom.
- Step 8: Perform preliminary review for compliance, validity, and completion of certification statement.
- Step 9: Log receipt of Cost Report in status log in Access.
- Step 10: Send letter to provider to acknowledge receipt of Cost Report via mail.
- Step 11: Cost Report information is data entered/imported into the critical access hospital Access database.
- Step 12: Review Cost Report for mathematical accuracy and completeness.
- Step 13: Log support staff review complete date in status log in Access.
- Step 14: Perform tentative cost settlement.
- Step 15: Calculate tentative settlement.
- Step 16: Prepare Interim Rate Calculation Worksheet and Cost to Charge Ratios
- Step 17: Log accountant review complete date in status log in Access.
- Step 18: Perform final review.
- Step 19: Log final review complete date in status log in Access.
- Step 20: Send tentative settlement report to provider including notice of any over/underpayment and changes in base rate.
- Step 21: If overpayment, set up invoice in accounts receivable system. See Operational Procedure "PCA- Overpayment and Collection" detailing overpayment and collection procedures.
- Step 22: If necessary, work with provider to set up payment plan based on "repayment" policy. See Operational Procedure "PCA- Overpayment and Collection" detailing overpayment and collection procedures.
- Step 23: Update base rates and effective date in MMIS.
- Step 24: If underpayment, complete Gross Adjustment Request Form and send to Core. This will be an E-form on OnBase and transferred to Core's appropriate queue for processing.
- Step 25: Log tentative settlement complete date in status log in Access.
- Step 26: Receive finalized Medicare Cost Report from Medicare Fiscal Intermediary via mail.
- Step 27: Log receipt of finalized Medicare Cost Report in status log in Access.
- Step 28: Generate IAMM3500-R002, IAMM3500-R003, IAMM3500-R004, and IAMM3500-R005 reports from MMIS
- Step 29: Retrieve IAMM3500-R002, IAMM3500-R003, IAMM3500-R004, and IAMM3500-R005 reports in COLD format saved in OnBase.
- Step 30: Review Medicare Audit Report.
- Step 31: Prepare final cost settlement.
- Step 32: Log accountant complete date in status log in Access.
- Step 33: Perform final review.
- Step 34: Log final review complete date in status log in Access.
- Step 35: Send final settlement report to provider including any notice of over/underpayment.
- Step 36: If overpayment, set up invoice in accounts receivable system. See Operational Procedure "PCA- Overpayment and Collection" detailing overpayment and collection procedures.

Step 37: If necessary, work with provider to set up payment plan based on “repayment” policy. See Operational Procedure “PCA- Overpayment and Collection” detailing overpayment and collection procedures.

Step 38: If underpayment, complete Gross Adjustment Request Form and send to Core. This will be an E-form on OnBase and transferred to Core’s appropriate queue for processing.

Step 39: Log final settlement complete date in status log in Access.

Forms/Reports:

1. CMS 2552-96, Hospital and Healthcare Complex Cost Report.
2. IAMM3500-R002, IAMM3500-R003, IAMM3500-R004, and IAMM3500-R005 reports from Core MMIS
3. Cost Settlement Program.
4. Finalized Cost Report from Medicare.
5. Tentative Settlement Report.
6. Final Settlement Report.
7. Notice of program reimbursement.
8. Gross Adjustment Request Form

RFP References:

6.7.1.1b

Interfaces:

OnBase
IME Core Unit
MMIS

Attachments:

N/A