

MEDICARE COST REPORT

Checklist

PRM Chapter
and Section

Done

N/A

GENERAL AND PLANNING PROCEDURES

1. Review prior year report, workpapers, and correspondence			_____	_____
2. Determine if Provider is a member of Chain Organization	PRM-2	112	_____	_____
3. Determine whether Provider is eligible to file a Low-Utilization Cost Report. If so, consider the impact of your filing choice on Medicaid reimbursements from the state.	PRM-1	110	_____	_____
4. Determine if there has been a change in ownership requiring a <i>Provider Tie-In Notice - HCFA 2007</i> .	PRM-1	15	_____	_____

Section I - Home Health

COMPLIANCE AND DISCLOSURE PROCEDURES

5. Prepare a Worksheet A-5 adjustment for the following items as applicable:			_____	_____
a. Accelerated depreciation	PRM-1	1	_____	_____
b. Interest expense	PRM-1	2	_____	_____
c. Late fees	PRM-1	2110	_____	_____
d. Investment income	PRM-1	2	_____	_____
e. Bad debt expense and recoveries	PRM-1	3	_____	_____
f. Educational activities	PRM-1	4	_____	_____
g. Purchase discounts, allowances and refunds	PRM-1	8	_____	_____
h. Costs for services, facilities or supplies furnished by owners or related organizations	PRM-1	10	_____	_____
i. Amortization of non-compete agreement	PRM-1	2105	_____	_____
j. Employee travel and meals	PRM-1	2105	_____	_____
k. Entertainment	PRM-1	2105	_____	_____
l. Personal use of vehicles	PRM-1	2105	_____	_____
m. Fines and penalties	PRM-1	2105	_____	_____
n. Income taxes, sales taxes and special assessments	PRM-1	2122	_____	_____
o. Owner/key employees life insurance premiums	PRM-1	2130	_____	_____
p. Organization costs	PRM-1	2134	_____	_____
q. Advertising	PRM-1	2136	_____	_____
r. Political and lobbying activities	PRM-1	2139	_____	_____
s. Gains and losses	PRM-1	2160	_____	_____
t. Legal and other fees	PRM-1	2183	_____	_____
6. Determine that all related organization transactions and relationships have been properly disclosed on Worksheet A-6.	PRM-1	10	_____	_____

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COST REPORT PREPARATION PROCEDURES

- | | | | |
|---|-------|-----------------------|--|
| 7. Prepare workpapers to support amounts and disclosures in the Cost Report | | | |
| 8. Prepare the Cost Report using chosen software | PRM-2 | 130.2 | |
| 9. Prepare CMS Form 339 with required attachments | PRM-2 | 11 | |
| 10. Clear all Error messages, warnings, etc. provided by Cost Report software | PRM-2 | 140 | |

REVIEW PROCEDURES

11. Worksheet S3

Part I - Confirm the statistical data is for home health services only

Part II - Confirm employment data is for the home health care agency only

Part II - Confirm that all CBSAs are listed

12. Worksheet A

Confirm all non-reimbursable cost centers identified by the client are accounted for

Confirm total costs, Line 29 column 6, ties to the Medicare cost report entry sheet Worksheet A, Reconciliation to financial statements

13. Worksheet A5

Scan types of adjustments for consistency with prior year, scan the trial balance for additional adjustments

14. Worksheet A6

Confirm all related entities are disclosed

Confirm expenses are either diminimus in relationship to the related entity, or are properly reduced to cost for purposes for home health care agency cost reports

15. Worksheet B1

If square footage is allocated, confirm that support exists for allocation method

If movable equipment is allocated, confirm support exists for the allocation method

If mileage is allocated, confirm support exists for the allocation method

16. Worksheet C

Review the average cost per visit for reasonableness

Worksheets F, F1 and F2

17. F Confirm Total assets = total liabilities

F1 Confirm other income/other expense items are accounted for on Worksheet A5 where appropriate

F2(a) Review unusual adjustments to capital accounts and confirm adjustments do not require a current period A5 adjustment to reduce covered costs

F2(b) Confirm fund balance on F2 agrees to fund balance on F1

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Section II - Hospice

1. Worksheet K

Confirm total costs agree to hospice costs in the Medicare cost report entry sheet

Confirm the appropriateness of adjustments

Section III - Form 339

1. Review 339 for consistency with the cost report representations

Final Procedures

1. Draft transmittal letter to intermediary.

2. Send Cost Report by due date to avoid recoupments or withheld payments

PRM Chapter
and Section

Done

N/A

PRM-2

[104](#)
