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# Medicare

## Provider Reimbursement Manual

### Part 2, Provider Cost Reporting Forms and Instructions, Chapter 42, Form CMS-265-11

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Department of Health and Human Services (DHHS)  
Centers for Medicare and Medicaid Services (CMS)

**Transmittal 2**

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**NEW COST REPORTING FORMS AND INSTRUCTIONS--EFFECTIVE DATE:** This transmittal updates Chapter 42, Independent Renal Dialysis Facility Cost Report (Form CMS-265-11) to clarify existing instructions, incorporate statutory changes and comply with an Executive Order. The effective dates vary.

Revisions include:

- Worksheet S-1, line 14 and line 15 – Are revised to clarify lines 14 and 15 are not used to report erythropoiesis stimulating agent (ESA) statistics for cost reporting periods ending after December 31, 2012.
- Worksheet S-1, line 15.01 – Is added to report ESA statistics for cost reporting periods ending after December 31, 2012.
- Worksheet D, column 4.02 and column 6.02 – Are revised to clarify the use of the columns for cost reporting periods that straddle January 1, 2014.
- Worksheet E, Part I, line 7.03 – Is revised to clarify the amount entered on this line is the lesser of the sum of the amounts entered on lines 7, 7.01 and 7.02, or 20 percent of the amount reported on line 2.03, column 2.
- Worksheet E, Part I, line 15 and line 16 – Are revised to implement section 3201 of the Middle Class Tax Relief and Job Creation Act of 2012 to reduce payments for bad debts.
- Worksheet E, Part I, line 19 – Is revised to apply the 2 percent Medicare sequestration adjustment, as indicated in the Office of Management and Budget (OMB) Report to the Congress on the sequestration for fiscal year (FY) 2013 required by section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended (the "Joint Committee sequestration"). The sequestration adjustment is effective for portions of cost reporting periods that overlap or begin on or after April 1, 2013.
- Updates specifications for Worksheets S-1, A-2, E, Part I.
- Adds edits 1000D, 1000E, 2000F and 2010F.

**REVISED ELECTRONIC SPECIFICATIONS--EFFECTIVE DATE:** Changes to the electronic reporting specifications are effective for cost reporting periods beginning on or after October 1, 2012.

**DISCLAIMER:** The revision date and transmittal number apply to the red italicized material

**only. Any other material was previously published and remains unchanged. However, if this revision contains a table of contents, you will receive the new/revised information only, and not the entire table of contents.**

**CMS Pub. 15-2-42**

## 4200. GENERAL

Form CMS-265-11 must be completed by all independent end stage renal dialysis (ESRD) facilities that are not hospital-based for cost reporting periods ending on or after January 1, 2011. *The Medicare Improvements for Patients and Providers Act (MIPPA) §153(b) required the implementation of a bundled ESRD prospective payment system (ESRD PPS) for services furnished on or after January 1, 2011.* The ESRD PPS provides a single payment to ESRD facilities *that covers* all of the resources used in providing outpatient dialysis treatment, including supplies and equipment used to administer dialysis (in the ESRD facility or at a patient's home), drugs, biologicals, laboratory tests, training, and support services. Submit the form to your fiscal intermediary (FI)/Medicare administrative contractor (MAC) (hereafter referred to as contractor) no later than the last day of the fifth month following the close of your cost reporting year. Round all reported amounts to the nearest dollar (unless specifically stated otherwise in the instructions) with negative figures or reductions in expenses shown in parentheses ( ).

Effective for cost reporting periods ending on and after December 31, 2004, the electronic cost report (ECR) file *is the* official means of cost report submission.

**NOTE:** This form is not used by ESRD facilities that are hospital-based. Hospital-based ESRD facilities continue to use Form CMS-2552.

In addition to completing Form CMS-265-11, submit a copy of your facility's audited (if available) or unaudited financial statement for the accounting period as specified in this cost report.

All facilities providing ESRD services to Medicare patients must meet conditions for coverage before they can qualify for Medicare reimbursement. These criteria are contained in 42 CFR §494.

The final cost report of a facility that voluntarily or involuntarily ceases to participate in the health insurance program is due no later than 150 days following the effective date of the termination of the facility agreement. The final cost report required from a facility that undergoes a change of ownership is due no later than 150 days following the effective date of the change of ownership.

Failure to submit this cost report may result in suspension of future payments until it is submitted, or revocation of your facility's certification to participate in the program.

If your costs have been determined on the cash basis of accounting, make adjustments to conform to the Medicare program requirement that the accrual method of accounting be used.

You are required to report the necessary accounting data in accordance with the Medicare principles of reimbursement. These principles are contained in the Provider Reimbursement Manual (CMS Pub. 15-1).

4200.1 Rounding Standards.--Throughout the ESRD cost report, where computations result in fractions, use the following rounding standards:

1. Round to two decimal places:
  - a. Percentages (e.g., percent ownership of facility, percent of customary work week devoted to business); (see 2b. below for exception)
  - b. Averages;
  - c. Full time equivalents;
  - d. Payment rate; and
  - e. Average cost per treatment.
2. Round to six decimal places:
  - a. Ratios (e.g., unit cost multipliers)
  - b. Facility specific composite cost percentage

If a residual exists as a result of computing costs using a fraction, adjust the residual in the largest amount resulting from the computation. For example, in cost finding, a unit cost multiplier is applied to the statistics in determining costs. After rounding each computation, the sum of the allocation may be more or less than the total cost allocated. This residual is adjusted to the largest amount resulting from the allocation so that the sum of the allocated amounts equals the amount allocated.

4200.2 Acronyms and Abbreviations.--Throughout the ESRD cost report and instructions, a number of acronyms and abbreviations are used. For your convenience, commonly used acronyms and abbreviations are summarized below:

CAPD	Continuous Ambulatory Peritoneal Dialysis
CBSA	Core Based Statistical Area
CCN	CMS Certification Number
CCPD	Continuous Cycling Peritoneal Dialysis
CFR	Code of Federal Regulations
CMS	Centers for Medicare and Medicaid Services
CMS Pub.	Centers for Medicare and Medicaid Services' Publication
ESA	Erythropoiesis Stimulating Agent
ESRD	End Stage Renal Disease
FTE	Full Time Equivalent
IPD	Intermittent Peritoneal Dialysis
MAC	Medicare Administrative Contractor
MCP	Monthly Capitation Method
NPR	Notice of Program Reimbursement

## 4203. METHOD OF PAYMENT

4203.1 Payment for Physician Services.--Physician services are paid differently depending upon whether the service is an administrative service, routine professional service, or a service rendered to patients undergoing self-dialysis and home dialysis training. For a definition of these services and a description of the methods of payment for these services, see 42 CFR §§414.313, 414.314, and 414.316.

A. Administrative Services.--Administrative services are physician services that benefit the facility generally and are supervisory in nature. The services are not directly related to the care of an individual patient, but are supportive of the facility as a whole and of benefit to patients in general. Examples of administrative services include supervision of staff, staff training, participation in staff conferences and in the management of the facility, and advising staff on the procurement of supplies.

B. Physician Routine Professional Services.--Physician routine professional services for outpatient maintenance dialysis are services furnished to individual patients. Physician routine professional services are reimbursed under the monthly capitation payment (MCP) method (see 42 CFR §414.314) unless an election is made by all of the physicians in the facility to be paid under the initial payment method.

Under the MCP method, the physician is paid an amount for each patient to cover all professional services rendered by the physician. The associated costs are not included as part of your cost. They are, however, reported on the cost report as a separate line item.

Under the initial method of payment, the contractor pays the provider for physicians' routine professional services. Payment under this method is in the form of an add-on to the composite rate and is included as part of your costs.

Certain services are not included in either the add-on under the initial method or in the MCP amount under the MCP method. These services are paid under the physician fee schedule and, therefore, are not included in your costs. These services are explained in 42 CFR §§414.313(b) and 414.314(b) respectively.

C. Physician Payment for Self-Dialysis and Home Dialysis Training.-- Payment for physician services rendered to dialysis patients undergoing self-dialysis training is a flat amount per patient. The payment is made in addition to any amounts payable under the initial or MCP methods. It is paid directly to the physician by the carrier and not included in your cost.

4203.2 Facility Payment for Self-Dialysis Training.--The base composite rate applies to outpatient maintenance dialysis furnished in the facility. A higher rate, consisting of the base plus a specified add-on, is paid for self-dialysis training sessions.

The Medicare program pays you for training both the patient and his/her dialysis partner if a partner is required. However, payment does not include travel to the facility or lost wages of the attendant during the training period. (See CMS Pub. 100-04, chapter 8, §50.8 for specific instructions regarding payment for training services.)

**4203.3 Facility Payment for Laboratory Services Included in Composite Rate.**--The costs of certain ESRD laboratory services performed by either the ESRD facility or an independent laboratory (as defined in CMS Pub. 100-04, chapter 8, §50.1) are included in the composite rate calculations. Therefore, payment for all of these tests is included in the composite rate and may NOT be billed separately to the Medicare program. This means that even though these laboratory tests may be furnished one time per month, you are paid for such services over the course of the month through the composite rate.

**4203.4 Facility Payment for Home Dialysis.**--For rules that apply to Medicare beneficiaries dialyzing at home, see CMS Pub. 100-04, chapter 8, §70.1.

**4204. WORKSHEET S - INDEPENDENT RENAL DIALYSIS FACILITY COST REPORT CERTIFICATION**

**4204.1 Part I – Cost Report Status.**--This section is to be completed by the provider and contractor as indicated on the worksheet.

**Lines 1 through 3, column 1.**--The provider must check the appropriate box to indicate on line 1 or 2, whether this cost report is being filed electronically or manually. For electronic filing, indicate on line 1, columns 2 and 3 respectively, the date and time corresponding to the creation of the electronic file. This date and time remains as an identifier for the file by the contractor and is archived accordingly. This file is your original submission and is not to be modified. If this is an amended cost report, enter on line 3 the number of times the cost report has been amended.

**Line 4, Column 1.**--Enter the Independent Renal Dialysis Information System (IRDIS) cost report status code on line 4, column 1 of worksheet S that corresponds to the filing status of the cost report: 1=As submitted; 2=Settled without audit; 3=Settled with audit; 4=Reopened; or 5=Amended.

**Line 5, Column 1.**--Enter the date (mm/dd/yyyy) an accepted cost report was received from the provider.

**Line 6, Column 1.**--Enter the 5 position Contractor Number.

**Lines 7 and 8, Column 1.**--If this is an initial cost report, enter “Y” for yes in the box on line 7. If this is a final cost report, enter “Y” for yes in the box on line 8. If neither, leave both lines 7 and 8 blank. An initial report is the very first cost report for a particular provider CCN. A final cost report is a terminating cost report for a particular provider CCN.

**Line 9, Column 1.**--Enter the Notice of Program Reimbursement (NPR) date (mm/dd/yyyy). The NPR date must be present if the cost report status code is 2, 3 or 4.

**Line 10, Column 1.**--If this is a reopened cost report (response to line 4, column 1 is “4”), enter the number of times the cost report has been reopened.

**Line 11, Column 1.**--Enter the software vendor code for the software used by the contractor to process this cost report. Use the format “X99”, where X is the alpha character representing a specific cost report transmittal and 99 is the two digit software vendor code.

4204.2 Part II - General.--

Line 1.--Enter the name of the facility.

Line 2.--Enter the street address and P.O. Box (if applicable).

Line 3.--Enter the city, State, and *ZIP* code.

Line 4.--Enter the county where the facility is located and the Core Based Statistical Area (CBSA).

Line 5.--Enter the *provider* CCN.

Line 6.--Enter the date the provider was certified.

Line 7.--Enter the name and phone number of the person to be contacted if any questions arise regarding the information in this report.

Line 8.--Enter the inclusive dates covered by this cost report. Generally, a cost reporting period consists of 12 consecutive calendar months or 13 four-week periods with an additional day (two in a leap year) added to the last week in the period to make it coincide with the end of the calendar year or month. See CMS Pub. 15-2, chapter 1, *section 110* for situations where a short period cost report may be filed. A new facility may select an initial cost reporting period of at least one month, but not in excess of 13 months. (See CMS Pub. 15-2, §*102.1(B)*.)

Line 9.--Indicate in column 1 the type of control. Indicate the ownership or auspices of the facility by entering the number below that corresponds to the type of control of the facility.

Voluntary Non Profit	Proprietary	Government
1=Corporation	3=Individual	7=Federal
2=Other (specify)	4=Corporation	8=State
	5=Partnership	9=County
	6=Other (specify)	10=City
		11=Other (specify)

If item 2, 6, or 11 is selected (Other (specify) category), specify the type of control in column 2.

Line 10.--Indicate whether your facility qualified and was approved as a low-volume facility for this cost reporting period. CMS adjusts the base rate for low-volume ESRD facilities. In order to receive this low-volume adjustment, a facility must attest in accordance with 42 CFR §413.232(f).

Line 11.--Indicate whether the physicians providing outpatient maintenance dialysis and other physician services for ESRD patients are paid under the initial method or the MCP method. Indicate the date of election of the initial method if applicable.

Column 1.--Enter the number 1 for the initial method and number 2 for the MCP method.

Column 2.--If the initial method is selected, enter the date of election of the initial method.

Line 12.--Indicate whether you were previously certified as a hospital-based unit. Enter "Y" for yes or "N" for no.

Line 13.--Indicate if your facility elected 100 percent PPS effective January 1, 2011. *Enter "Y" for yes or "N" for no.* This election must have been received by the ESRD facility's contractor by November 1, 2010. Requests received after this date will not be accepted regardless of postmark or delivery date.

New providers: ESRD facilities certified for Medicare participation on or after January 1, 2011, are paid based on 100 percent of the ESRD PPS payment. ESRD facilities certified for Medicare participation on or after January 1, 2011, *must enter "Y" for yes.*

Line 14.--If your facility did not elect to be paid based on 100 percent of the ESRD PPS payment and your cost reporting period is a December 31 fiscal year end, enter the transition period in column 2 as follows: For the fiscal year ending December 31, 2011, enter 1; for the fiscal year ending December 31, 2012, enter 2; for the fiscal year ending December 31, 2013, enter 3; and, for the fiscal year ending December 31, 2014, enter 4 for 100 percent ESRD PPS payment.

If your cost reporting period ends on a date other than December 31, indicate in column 1 the transition period effective for the portion of the cost reporting period prior to January 1. Indicate in column 2 the transition period effective for the portion of the cost reporting period on and after January 1. For example, a cost reporting period with a fiscal year ending October 31 would indicate the applicable transition periods as follows:

Fiscal year ending October 31, 2011: Leave column 1 blank as this would be pre-bundled ESRD PPS, and enter 1 in column 2 for the period of January 1, 2011, through October 31, 2011.

Fiscal year ending October 31, 2012: Enter 1 in column 1 for the period of November 1, 2011 through December 31, 2011, and enter 2 in column 2 for the period of January 1, 2012 through October 31, 2012.

Fiscal year ending October 31, 2013: Enter 2 in column 1 for the period of November 1, 2012 through December 31, 2012 and enter 3 in column 2 for the period of January 1, 2013 through October 31, 2013.

Fiscal year ending October 31, 2014: Enter 3 in column 1 for the period of November 1, 2013 through December 31, 2013 and enter 4 in column 2 for the period of January 1, 2014 through October 31, 2014.

For all cost reporting periods beginning on or after January 1, 2014, enter 4 in column 2 for 100 percent ESRD PPS payment.

Payments during the transition period 1 are a blend of 25 percent case-mix adjusted ESRD PPS and 75 percent basic case-mix adjusted composite rate (25/75). Payments during the transition period 2 are a blend of 50 percent case-mix adjusted ESRD PPS and 50 percent basic case-mix adjusted composite rate (50/50). Payments during the transition period 3 are a blend of 75 percent case-mix adjusted ESRD PPS and 25 percent basic case-mix adjusted composite rate (75/25). Payments for services rendered on and after January 1, 2014 are 100 percent ESRD PPS.

Line 15-17.--Enter the amount of malpractice insurance premiums, paid losses and/or self insurance premiums, respectively.

Line 18.--If malpractice premiums are reported in other than the A&G cost center, enter "Y" for yes and submit a supporting schedule listing the cost centers and amounts contained therein. Otherwise enter "N" for no.

Line 19.--If you are part of a chain organization, enter a "Y" for yes in column 1 and enter the name and address of the organization on lines 20 through 22. Otherwise enter "N" for no in column 1. See CMS Pub. 15-1, §2150 for a definition of a chain organization.

Line 20.--Enter the name of the home office.

Line 21.--Enter the street address and P. O. Box (if applicable) of the home office.

Line 22.--Enter the city, State and *ZIP* code of the home office.

4204.3 Part III - Certification by an Officer or Administrator.--Complete and sign this certification after the cost report has been prepared.

Section 1128B(a) of the Act states that, "Whoever knowingly and willfully makes or causes to be made any false statement or representation of a material fact in any application for any benefit or payment under a Federal health care program...--shall (i) in the case of such a statement, representation, concealment, failure or conversion by any person in connection with the furnishing (by that person) of items or service for which payment is or may be made under the program, be guilty of a felony and upon conviction thereof fined not more than \$25,000 or imprisoned for not more than five years or both, or (ii) in the case of such a statement, representation, concealment, failure, conversion or provision of council or assistance by any other person be guilty of a misdemeanor and upon conviction thereof fined not more than \$10,000 or imprisoned for not more than one year or both..."

4205 **WORKSHEET S-1 - INDEPENDENT RENAL DIALYSIS FACILITY STATISTICAL DATA**

In accordance with 42 CFR §§413.24(a) and 413.24(c), you are required to maintain statistical records for proper determination of costs payable under the Medicare program. The statistics reported on this worksheet pertain to the renal dialysis department. The required data includes patient data, the number of treatments, number of machines, and home program data. In addition, full time equivalent (FTE) data is required for staff employees and contract employees.

Column Descriptions

Column 1--Enter the statistics for Outpatient Hemodialysis patients on lines 1 through 11.

Column 2--Enter the statistics for Outpatient Peritoneal Dialysis patients on lines 1 through 11.

Column 3--Enter the statistics for Training Hemodialysis patients on lines 1 through 11.

Column 4--Enter the statistics for Training Peritoneal Dialysis patients on lines 1 through 11.

Line Descriptions

Report the statistics on lines 1 through 11 for services furnished by you to patients that are in your facility or some other institution. Do not include services furnished to patients in their homes. Identify information as being either maintenance dialysis or training dialysis for either hemodialysis or peritoneal dialysis.

Line 1.--Enter the number of treatments furnished directly at the facility and which were not billed to the Medicare program.

Line 2.--Enter the number of treatments furnished under arrangements and which were not billed directly to the Medicare program by you. An arrangement is an agreement between you and another institution in which you agree to furnish specified services to patients of the other institution, but the other institution retains responsibility for those services and for obtaining reimbursement for services furnished to them.

Line 3.--Enter the number of patients in the dialysis program at the end of the cost reporting period.

The statistics reported in lines 4 through 8 are used to calculate your utilization rate.

Line 4.--Enter the average number of times per week a patient received dialysis at the facility. This is computed by reporting your standard medical practice, if there was one (e.g., if you commonly dialyzed hemodialysis patients 3 times per week, report 3), or by counting the number of patient-weeks in the reporting period and dividing that number into the number of treatments by mode of dialysis.

Line 5.--Enter the average number of days that you furnished dialysis in an average week. This is computed by counting the number of days you were open for business during the period covered by the cost report and dividing this amount by the number of weeks in that period. Normally, the cost reporting period is 12 months, so the number of weeks in the denominator is 52.

Line 6.--Enter the average time of a typical patient dialysis session, including setup time in hours, rounded to the nearest half-hour.

Line 7.--Enter the number of machines regularly available for use.

Line 8.--Enter the number of standby machines held in reserve for patient overflow, emergency, and machine breakdown.

Line 9.--Enter in each column the number of staff shifts in a typical week during the cost reporting period.

Line 10.--Enter in each column the hours per shift in a typical week during the cost reporting period for the first shift on line 10.01, second shift on line 10.02, and the third shift on line 10.03.

Line 11.--Enter on lines 11.01 through 11.04 the total number of treatments (by type of treatment) furnished to patients and the frequency of the treatment. Enter on line 11.01 the total number of treatments (by type of treatment) furnished to patients who received dialysis one time per week. Enter on line 11.02 the total number of treatments (by type of treatment) furnished to patients who received dialysis two times per week. Enter on line 11.03 the total number of treatments (by type of treatment) furnished to patients who received dialysis three times per week. Enter on line 11.04 the

total number of treatments (by type of treatment) furnished to patients who received dialysis more than three times per week. Enter in each column of line 11.05 the sum of the amounts entered on lines 11.01 through 11.04.

Line 12.--

Column 1.--Indicate the type of dialyzers used by entering the number below that corresponds to the type.

1=Hollow Fiber, 2=Parallel Plate, 3=Coil, 4=Other

Column 2.--If the dialyzers were reused, indicate the number of times. If none were reused, enter zero.

Column 3.--If "4, Other" is indicated in column 1, then indicate the type of dialyzer used.

Line 13.--Enter the number of backup sessions furnished to home patients. A backup session is a maintenance dialysis session furnished in the facility to a home patient. A patient who receives backup dialysis is considered a home patient if there is a reasonable expectation that the need for in-facility backup dialysis is only temporary and that the patient will return to home dialysis within a reasonable period of time.

Column 1--Enter the number of back up sessions for CAPD patients.

Column 2--Enter the number of back up sessions for other patients.

Column 3--Enter the number of back up sessions for CCPD patients.

**ESA STATISTICS**--*Effective January 1, 2005 and prior to January 1, 2011, Medicare paid for erythropoiesis stimulating agents (ESAs) based on the Average Sales Price Drug Pricing File. Effective January 1, 2011, payment for ESAs is included in the ESRD PPS payment.*

Line 14.--Enter the total units of epoetin (EPO) furnished by the facility during its cost reporting period divided by 1,000. For example, if a facility furnished 10,255,751 units, it reports 10,256 units on line 14. Round all numbers to whole numbers. *Effective for cost reporting periods ending after December 31, 2012, do not use this line; report ESAs on line 15.01.*

Line 15.--Enter the total units of Aranesp furnished by the facility during its cost reporting period. One unit is equal to 1 microgram (mcg). For example, if a facility furnished 1200 mcg, it reports 1200 units on line 15. Round all numbers to whole numbers. *Effective for cost reporting periods ending after December 31, 2012, do not use this line; report ESAs on line 15.01.*

*Line 15.01.--Effective for cost reporting periods ending after December 31, 2012, identify the ESA furnished to patients during the cost reporting period in column 1 and enter the total units furnished in column 2. If more than one ESA was administered during the cost reporting period, continue subscripting line 15 beginning with line 15.02 to identify each additional ESA and the units furnished.*

Line 16.--Enter the number of patients awaiting transplants at the end of this reporting period.

Line 17.--Indicate the number of patients who received transplants during this reporting period.

Home Program

The data requested on lines 18 and 19 pertain to a home dialysis program.

Line 18.--Enter the number of patients that began home dialysis training during this reporting period.

Line 19.--Enter the number of patients in the home program on the last day of your cost reporting period.

Line 20.--

Column 1.--Type of dialyzers used--Indicate the type of dialyzers used by entering the number below that corresponds to the type.

1=Hollow Fiber, 2=Parallel Plate, 3=Coil, 4=Other

Column 2.--If the dialyzers were reused, indicate the number of times. If none were reused, enter zero.

Column 3.--If column 1 is 4, indicate the type of dialyzer used.

Line 21.--Enter the number of hours in a normal work week in the space provided.

Lines 22 through 31.--The items in this part provide statistical data related to the facility's human resources. The human resource statistics are required for each of the job categories specified in lines 22 through 31. Enter any additional category as needed on line 31.

Column Descriptions

Column 1.--Enter the FTE employees on the payroll. These are staff for which you issued an IRS Form W-2. Staff FTEs are computed as the sum of all hours for which employees were paid during the year divided by 2080 hours, rounded to two decimal places.

Column 2.--Enter the FTEs contracted and consultant staff worked during the year and divide by 2080 hours.

If employees were paid for unused vacation, unused sick leave, etc., exclude hours so paid from the numerator in the calculations.

Personnel involved in more than one activity must have their time prorated among those activities. For example, physicians who provided professional services and administrative services are counted in both the physicians line and the administrative line according to the number of hours spent in each activity (See 42 CFR §414.310). To make this allocation, use the time log records if available, then use the results of time logs kept for a sample period (e.g., for 1 week per quarter, have all employees keep a time log), or use estimates based on personal interviews.

Column 8.--Adjust the amounts in column 6 by the amounts in column 7 (increase or decrease) and extend the net balances to column 8.

The amounts in column 8 marked with an asterisk (\*) in the left and right margins are transferred to the appropriate columns and lines on Worksheets B and B-1. See the instructions for Worksheets B and B-1.

### Line Descriptions

Line 1.--This cost center includes capital-related costs on buildings and fixtures and expenses pertaining to buildings and fixtures such as depreciation, insurance, interest, rent, and property taxes.

Line 2.--This cost center includes capital-related costs on movable equipment and expenses pertaining to moveable equipment, such as depreciation, insurance, interest, personal property taxes, and rent. It includes items such as office furniture and equipment. Moveable equipment does not refer to dialysis machines or support equipment. The costs related to depreciation and/or rental and maintenance on the dialysis machines and support equipment is reported on line 6.

Line 3.--This cost center includes the direct expenses incurred in the operation and maintenance of the plant and equipment and protecting employees, visitors, and facility property. Operation and maintenance of plant includes the maintenance and service of utility systems, such as heat, light, water (excluding water treatment for dialysis purposes), air conditioning, and air treatment; the maintenance and repair of buildings, parking facilities, and equipment; painting; elevator maintenance; and performance of minor renovation of buildings and equipment. The utility cost of water is included on this line. The cost of water treatment for dialysis purposes is not entered on this line, but rather is included in line 6, machine capital-related or rental and maintenance.

Line 6.--This cost center includes capital-related costs for moveable equipment other than those included on line 2. Enter only the capital-related costs of moveable equipment, rented and/or purchased, and maintenance on the dialysis machine and any support equipment. Include the costs of water treatment for dialysis purposes on this line.

Water treatment for dialysis includes the equipment and associated maintenance and repair and installation costs necessary to render the water acceptable for use in dialysis. Examples of such equipment are water softener (resin or deionizer type) and reverse osmosis machines. This equipment prepares the water that is fed directly into the dialysis machine.

Line 7.--This cost center includes direct salaries of all personnel who furnished direct care to dialysis patients. Direct salaries include gross salaries and wages of all such personnel, e.g., registered and licensed practical nurses, nursing aides, technicians, social workers, and dieticians.

Salaries paid to physicians are not included in this cost center but are allocated to cost centers on line 11 and either line 16 or line 19. Administrative costs are reported on line 11 and routine professional costs related to costs of direct patient care are reported on line 16 or 19. To compute this allocation, first separate the costs of physician administrative services versus direct patient care services. Separate these costs by the time spent in each activity. The remainder, costs of direct patient care, is split between routine professional services, line 16 or line 19, and other medical services which may be billed for separately by the physician to the Medicare carrier. If you pay malpractice insurance premiums applicable to physicians, see instructions for malpractice cost adjustments on Worksheet A-2, line 19.

Line 8.--This cost center includes the cost of employee health and wellness benefits for direct patient care.

Line 9.--This cost center includes the direct cost of total dialysis supplies used in furnishing dialysis services. It includes the cost of supplies that are covered under the composite rate payment and separately billable supplies. Exclude the costs of meals served to patients. If these costs are included, adjust them out on Worksheet A-2, line 9.

Line 10.--This cost center includes the cost of all laboratory services (i.e., laboratory services that are either included or not included in the composite rate payment) performed either by your staff or an independent laboratory. Effective for claims with dates of service on or after January 1, 2011, all ESRD-related laboratory services are included in the ESRD PPS base rate. (See *CMS Pub.* 100-04, chapter 8, §50.1)

Line 11.--This cost center is used to record the expenses of several costs incurred in maintaining the facility. Examples are fiscal services, legal services, accounting, recordkeeping, data processing, purchasing, taxes, telephone, home office costs, malpractice costs, and physicians' administrative services. The physicians' administrative services are services rendered by physicians that are directly related to the support of the facility and not directly related to the care of individual patients. (See §4203.1A.) Malpractice costs include allowable insurance premiums, direct losses, and expenses related to direct losses. The cost of malpractice insurance premiums paid by the facility, applicable to physicians, is adjusted out in column 7. If you pay malpractice insurance premiums applicable to physicians, see instructions for malpractice cost adjustments on Worksheet A-2, line 19.

Line 12.--This cost center includes the direct cost of total drugs used in furnishing dialysis services. It includes the costs of parenteral drugs used in the dialysis procedure that are covered under the composite rate payment (see *CMS Pub.* 100-04, Chapter 8, §50.2). In addition to drugs included in the composite rate, this cost center includes separately billable injectable drugs provided to the facility's patients. Effective for claims with dates of service on or after January 1, 2011, ESRD-related injectable drugs and biologicals and oral equivalents of those injectable drugs and biologicals are included and *are* no longer separately billable. Report all drugs, ESRD related and non-ESRD related (*including approved ESAs*), on this line (See *CMS Pub.* 100-04, chapter 8, §50.2). Do not include *on this line* any *ESA drug cost* for dates of service prior to January 1, 2011, as these costs must be reported on line 23.

Line 16.--Enter the cost of physician routine professional services covered under the initial method of physician payment. See 42 CFR §414.310 for a definition of these services.

Line 17.--Use this line to record the cost applicable to any reimbursable cost center not provided for on this worksheet.

Line 18.--Enter the sum of lines 11 and 13 through 17.

Line 19.--This cost center includes compensation (i.e., direct salaries, fringe benefits, etc.) of physicians for professional services that are related to the care of the patient and medical management over the period of time the patient is on dialysis. These costs are adjusted out on Worksheet A-2, line 10, and are not transferred in the cost report because they are not included in the composite rate.

Line 20.--This cost center includes the direct expenses incurred in obtaining blood directly from donors and whole blood and packed red blood cells from suppliers. Include in this cost center in column 3 (Other) the processing fee charged by suppliers. These items are billed separately and reimbursement is not included in the composite rate.

Line 21.--This cost center includes the direct costs associated with hepatitis B, influenza virus and pneumococcal pneumonia virus (PPV) vaccines and their administration when furnished to eligible beneficiaries in accordance with coverage rules. Vaccines remain separately payable under the ESRD PPS. (See *CMS Pub.* 100-04, chapter 8, §60.6)

Line 22.--This non-reimbursable cost center accumulates the cost incurred by you for services related to the physicians' private practices. Examples of such costs are depreciation costs for the space occupied, moveable equipment used by the physicians' offices, administrative services, medical records, housekeeping, maintenance and repairs, operation of plant, drugs, medical supplies, and nursing services.

Line 23.--This cost center includes the cost of *approved ESAs* furnished to both in-facility and home-*program* ESRD patients for services prior to January 1, 2011. These costs are adjusted out on Worksheet A-2, lines 15 through 18 respectively, and are not transferred to any worksheets in the cost report.

Effective January 1, 2011, these costs are reimbursed through the ESRD PPS payment system and are reported on line 12.

Line 24.--This cost center includes the direct cost of support services provided to Method II home patients. Under this option, the patient elects to make his/her own arrangements for securing the necessary supplies and equipment to dialyze at home through a Method II supplier. (See *CMS Pub.* 100-04, chapter 8, §90). Effective January 1, 2011, §153b of the Medicare Improvements for Patients and Providers Act (MIPPA) eliminates Method II and all home dialysis claims must be billed by a renal dialysis facility and paid under the ESRD PPS.

Lines 25 and 26.--Use these lines to record the cost applicable to any nonreimbursable cost centers not provided for on this worksheet, e.g., Supplementary Medical Insurance premiums paid by the facility on behalf of beneficiaries financially unable to pay the premiums. Label the lines used to indicate the purpose of their use.

Line 27.--Enter the sum of the amounts on lines 5, 12, 18, and 19 through 26.

## 4207. WORKSHEET A-1 - RECLASSIFICATIONS

This worksheet provides for the reclassification of certain amounts to effect proper cost allocation under cost finding. Specifically identify the cost centers affected in your accounting records. If more lines are needed than provided on this worksheet, submit additional copies of this worksheet and enter the additional information on them. The following are some examples of costs which are reclassified on this worksheet.

1. If the total employee health and welfare benefits are included in administrative and general on Worksheet A, column 4, line 11, then reclassify these costs to Worksheet A, column 5, line 8. Reclassify employee health and welfare benefits relating to physicians' routine professional services to Worksheet A, column 5, line 16 or 19.

2. Reclassify the insurance expense applicable to the building and/or fixtures, moveable equipment, dialysis machines, and supportive equipment included in administrative and general on Worksheet A, column 4, line 11, to Worksheet A, column 5, lines 1, 2, and 6, respectively.

3. Reclassify any interest expense applicable to funds borrowed for administrative and general purposes (operating expenses, etc.) or for the purchase of buildings and/or fixtures, moveable equipment, dialysis machines, or supportive equipment included in interest on Worksheet A, column 4, line 13, to Worksheet A, column 5, lines 11, 1, 2, and 6, respectively.

4. Reclassify rent expenses applicable to the rental of buildings and fixtures and to moveable equipment included in administrative and general from Worksheet A, column 5, line 11, to Worksheet A, column 5, lines 1 and 2, respectively. See instructions for Worksheet A-3 for treatment of rental expense for related organizations. Reclassify expenses (such as insurance, interest and taxes) applicable to machine depreciation or rental and maintenance of dialysis machines and supportive equipment to Worksheet A, column 5, line 6.

5. Reclassify any taxes (real property taxes and/or personal property taxes) applicable to buildings, fixtures, moveable equipment, dialysis machines, and support equipment included in administrative and general on Worksheet A, column 4, line 11, to Worksheet A, column 5, lines 1, 2, and 6, respectively.

Transfer the amount of increase (column 4) and decrease (column 7) of Worksheet A-1, applicable to the various cost centers, to Worksheet A, column 5.

You may have charged some of these amounts to the proper cost center before the end of the accounting period. Therefore, complete Worksheet A-1 only to the extent that expenses differ from the result that would be obtained using the instructions in the preceding paragraphs.

## 4208. WORKSHEET A-2 - ADJUSTMENTS TO EXPENSES

This worksheet provides for the adjustments to the expenses listed on Worksheet A, column 6. These adjustments, which are required under the Medicare principles of reimbursement, are to be made on the basis of cost, or amount received. Enter the total amount received (revenue) only if the cost (including direct cost and all applicable overhead) cannot be determined. If the total direct and indirect cost can be determined, enter the cost. Once an adjustment to an expense is made on the basis of cost, you may not in future cost reporting periods determine the required adjustment to the expense on the basis of revenue. The following symbols are to be entered in column 1 to indicate the basis for adjustment: "A" for costs and "B" for amount received. Line descriptions indicate the more common activities which affect allowable costs or result in costs incurred for reasons other than patient care and, thus, require adjustments.

Types of items to be entered on Worksheet A-2 are (1) those needed to adjust expenses to reflect actual expenses incurred; (2) those items which constitute recovery of expenses through sales, charges, fees, etc. and (3) those items needed to adjust expenses in accordance with the Medicare principles of reimbursement. (See CMS Pub. 15-1, *chapter 23*, §2328.)

Where an adjustment to an expense affects more than one cost center, you must record the adjustment to each cost center on a separate line on Worksheet A-2.

Line Descriptions

Line 1.--Investment income on restricted and unrestricted funds which are commingled with other funds must be applied together against, but should not exceed, the total interest expense included in allowable costs. (See CMS Pub. 15-1, chapter 2.)

Apply the investment income on restricted and unrestricted funds which are commingled with other funds against the administrative and general, the capital-related - buildings and fixtures, the capital-related - moveable equipment and any other appropriate cost centers on the basis of the ratio that interest expense charged to each cost center bears to the total interest expense charged to all of your cost centers.

Line 5.--Enter any adjustments to the various cost centers which have been included as costs paid directly by the carrier for physician's services which are separately billable, i.e., declotting of shunts for facilities whose physicians are paid under the MCP method.

Line 6.--Enter allowable home office costs which have been allocated to you and which are not already included in your cost report. Use additional lines to the extent that various facility cost centers are affected. (See CMS Pub. 15-1, chapter 21.)

Line 7.--The amount entered is obtained from Worksheet A-3, Part B, column 6, line 5. Note that Worksheet A-3, Part B, lines 1 through 4 represent the detail of the various cost centers to be adjusted on Worksheet A.

Line 8.--Remove the direct cost plus applicable overhead of operating vending machines from allowable cost. If cost cannot be calculated, then income received may be used.

Line 9.--Enter any adjustments to the cost for meals served to patients. Under Part B of Medicare, only medical services are covered in an outpatient setting. Therefore, food costs must be excluded from the total costs.

Line 10.--Enter the total compensation of physician routine professional services which are paid under the MCP method and related to the care of patients. This must equal the amount on Worksheet A, column 7, line 19.

Line 11.--Enter the direct cost including applicable overhead of dialysis services furnished to a hospital under arrangements.

Lines 13 and 14.--Where capital-related expenses computed in accordance with the Medicare principles of reimbursement differ from capital-related expenses per your books, enter the difference on lines 13 and 14. (See CMS Pub. 15-1, chapter 1.)

Line 15.--Enter rebates taken on epoetin purchases prior to January 1, 2011.

Line 16.--Enter the cost of the approved drug epoetin (EPO) furnished to both in-facility and home ESRD patients. This amount must equal the amount on Worksheet A, column 7, line 23 less the amount, if any, entered on line 15 of this worksheet. For services rendered on or after January 1, 2011, do not complete this line as EPO will be paid as part of the ESRD PPS payment.

Line 17.--Enter rebates taken on aranesp purchases prior to January 1, 2011.

Line 18.--Enter the cost of the approved drug aranesp furnished to both in-facility and home ESRD patients. This amount must equal the amount on Worksheet A, column 7, line 23 less the amount, if any, entered on line 17 of this worksheet. For services rendered on or after January 1, 2011, do not complete this line as Aranesp will be paid as part of the ESRD PPS payment.

Line 19.--Enter rebates taken on epoetin purchases on or after January 1, 2011.

Line 20.--Enter rebates taken on aranesp purchases on or after January 1, 2011.

Line 20.01.--*Enter rebates taken on ESA drug purchases on or after January 1, 2012.*

Line 21.--Enter the cost of malpractice insurance premiums paid by the facility specifically identified as physicians' malpractice premiums on this line.

Lines 22 through 99.--Enter any additional adjustments which are required under the Medicare principles of reimbursement. Appropriately label the line to indicate the nature of the required adjustments.

Line 100.--Enter the sum of lines 1 through 99. Transfer the amounts in column 2 to Worksheet A, column 7.

**NOTE:** Drugs and biologicals are reported in column 10 and subsequently allocated into columns 11, 12 and 13 in order to determine basic composite rate costs and ESRD PPS costs. Basic composite rate costs are used in the determination of allowable bad debts.

Column 10.--This column allocates drugs (i.e., ESRD related and *non*-ESRD related) provided to both Medicare and non-Medicare patients to lines 2 through 5. These drugs and biologicals include *ESAs* and any oral form of such agents as well as other drugs and biologicals that are furnished by, billed by and reimbursed to your facility. Do not include any drugs that were billed by physicians as such costs are not part of your facility's costs. To determine the costs allocated to lines 2 through 5, use actual costs if separate expense accounts are maintained, or allocate these costs based on the supplier's charges as reported on the costed requisitions. The cost or costed requisitions used for allocation purposes must bear a consistent relationship to the costs of all items and services. (See *CMS Pub.* 100-04, chapter 8, §50.2)

Columns 11, 12 and 13.--These columns are used to allocate the costs identified on *column* 10, lines 2, 3 and 4 to the various modes of treatment on subscribed lines 8 through 17, based on actual costs or supplier's charges.

#### Line Descriptions

Items and services that are covered under the composite rate are those commonly furnished as part of a typical dialysis service. These costs are reimbursed through your dialysis rate and may not be separately billed. The costs of items and services covered under the composite payment rate are allocated to the various modes of treatment on subscribed lines 8 through 17, Worksheet B. The costs of separately billable items and services are not allocated to various modes of treatment because they are not considered one of the dialysis service costs that are used in computing the composite payment rate.

Effective January 1, 2011, the ESRD PPS provides a single payment to ESRD facilities that will cover all of the resources used in furnishing an outpatient dialysis treatment, including supplies and equipment used to administer dialysis (in the ESRD facility or at a patient's home), drugs, biologicals, laboratory tests, training, and support services.

Line 2.--Drugs included in basic composite rate are ESRD-related drugs and biologicals that were paid under the composite rate payment system prior to January 1, 2011, and are considered in the calculation of the basic case-mix composite rate effective January 1, 2011.

Line 3.--ESAs prior to January 1, 2011, are adjusted on Worksheet A-2. For services rendered on or after January 1, 2011, ESAs (including oral forms) are included in the ESRD PPS payment and are included on line 3 for proper allocation.

Line 4.--ESRD related other drugs are drugs that are reimbursed under the ESRD PPS payment system effective January 1, 2011. DO NOT include oral-only drugs.

Line 5.--Non-ESRD related drugs, supplies and lab services - for dates of service prior to January 1, 2011, these drugs, supplies and lab services are not reimbursed under the composite payment rate and are separately billable. For dates of service on or after January 1, 2011, include on this line drugs and biologicals, supplies, and lab services administered during dialysis for non-ESRD related conditions as well as oral-only drugs. Non-ESRD related drugs, supplies and lab services as well as oral-only drugs, are excluded from the ESRD PPS payment.

Use the following procedures in completing these worksheets.

1. Enter on Worksheet B-1, columns 2 and 4 through 10, line 24, and Worksheet B, columns 3 through 10, line 1, the following costs to be allocated. Obtain these costs from Worksheet A as follows:

<u>FROM</u>		<u>TO</u>
Worksheet A, column 8		Worksheet B-1, line 24 and Worksheet B, line 1
<u>Lines</u>		<u>Column</u>
5	Capital-Related, Operation and Maintenance of Plant and Housekeeping	2 on Wkst. B-1 and 3 on Wkst. B
6	Machine Capital-Related or Rental and Maintenance	4
7	Salaries for Direct Patient Care	5
8	Employee Health and Welfare Benefits for Direct Patient Care	6
9	Supplies	7
10	Laboratory	8
18	Administrative and General and Other	9
12	Drugs	10

2. On Worksheet B, column 1, line 1, enter the total of columns 8A through 10, line 1.

3. On Worksheet B, column 1, lines 6, 7, and 19 through 22, enter the direct costs of the revenue producing and nonreimbursable cost centers which are obtained from Worksheet A, column 8, lines 20 through 22 and 24 through 26 respectively.

4. On Worksheet B, column 1, line 23, enter the total of column 1, lines 1 through 22. This total must equal the amount on Worksheet A, column 8, line 27.

5. On Worksheet B-1, column 2, enter on lines 8 through 22 the portion of the total statistical base over which the expenses of the cost center are to be allocated. The statistical base to be used is cited in the column heading and reflects only those statistics applicable to the revenue producing and nonreimbursable cost centers. Enter in column 2, line 23, the sum of lines 8 through 22.

**4213. WORKSHEET D - COMPUTATION OF AVERAGE COST PER TREATMENT UNDER BASIC COMPOSITE RATE**

This worksheet records the apportionment of basic composite rate cost to the various modalities of Medicare dialysis treatments.

This information is used for overall program evaluation, determining the appropriateness of bad debt reimbursement, and meeting statutory requirements of determining the cost of ESRD basic composite rate. For cost reporting periods that straddle January 1, 2011, report the rates for each modality on Worksheet D as follows: For the portion of the cost reporting period prior to January 1, 2011, enter the average composite rate for each modality in column 6. For the portion of the cost reporting period on and after January 1, 2011, enter the average ESRD PPS payment rate for each modality in column 6.02. For cost reporting periods that straddle January 1, 2012, January 1, 2013, and January 1, 2014, report the average ESRD PPS payment rate for each modality on Worksheet D as follows: For the portion of the cost reporting period prior to January 1, enter the average ESRD PPS payment rate for each modality in column 6.01. For the portion of the cost reporting period on and after January 1, enter the average ESRD PPS payment rate for each modality in column 6.02.

Column 1.--Enter the total number of treatments/patient weeks by modality for all dialysis patients reported on Worksheet C, column 1, lines 8.01 through 17.02 (i.e. Worksheet C, column 1, lines 8.01 plus 8.02, report on Worksheet D, column 1, line 1). These statistics include all treatments furnished to all patients, both Medicare and non-Medicare.

Column 2.--Enter the total cost transferred from Worksheet B, column 11A, by modality, to lines 1 through 10 (i.e., Worksheet B, column 11A, lines 8.01 plus 8.02 report on Worksheet D, column 2, line 1).

Column 3.—Enter the average cost of treatment determined by dividing the cost entered on each line in column 2 by the number of treatments/patient weeks entered on each line in column 1.

Columns 4 through 7.02.--Report treatments furnished to Medicare beneficiaries that were billed to, and reimbursed by the program directly.

Column 4.--For cost reporting periods that straddle January 1, 2011, enter on column 4 the total number of treatments or patient weeks billed to Medicare for services rendered prior to January 1, 2011.

Column 4.01.--For cost reporting periods that straddle January 1, 2012, January 1, 2013 or January 1, 2014, enter the total number of treatments or patient weeks billed to Medicare for services rendered prior to January 1.

Column 4.02.--For cost reporting periods that straddle *or begin* January 1, 2011, January 1, 2012, or January 1, 2013, enter the total number of treatments or patient weeks billed to Medicare for services rendered on and after January 1. *For cost reporting periods that straddle January 1, 2014, enter the total number of treatments or patient weeks billed to Medicare for services rendered on and after January 1.*

For cost reporting periods beginning on or after January 1, 2014, enter the number of ESRD PPS treatments billed to Medicare in column 4 and eliminate columns 4.01 and 4.02.

Column 5.—Enter total expenses determined by multiplying the sum of columns 4, 4.01, and 4.02 by the average cost per treatment entered on each corresponding line in column 3. Transfer the total from column 5, line 11, to Worksheet E, Part I, line 1.

Column 6.--For cost reporting periods that straddle January 1, 2011, report your Medicare payment rates for each modality on Worksheets D as follows: For the portion of the cost reporting period *occurring* prior to January 1, 2011, enter the average composite rate for each modality in column 6.

Column 6.01--For cost reporting periods that straddle January 1, 2012, January 1, 2013, or January 1, 2014, report the average ESRD PPS payment rate for each modality in column 6.01 for the portion of the cost reporting period *occurring* prior to January 1.

Column 6.02.--For cost reporting periods that straddle *or begin* January 1, 2011, January 1, 2012, or January 1, 2013, report the average ESRD PPS payment rate for each modality in column 6.02 for the portion of the cost reporting period *occurring* on and after January 1. *For cost reporting periods that straddle January 1, 2014, report the average ESRD PPS payment rate for each modality in column 6.02 for the portion of the cost reporting period occurring on and after January 1.*

The ESRD composite payment rates and the ESRD PPS payment rates are average payments calculated based on the total Medicare payments (by type of treatment) divided by the total corresponding ESRD treatments per the facility's PS&R data. For example, the total Medicare payment for hemodialysis is divided by the total ESRD hemodialysis treatments.

For cost reporting periods beginning on or after January 1, 2014, enter all ESRD PPS payment rates in column 6, and eliminate columns 6.01 and 6.02.

Column 7.--Enter total payment due amounts determined by multiplying the number of treatments or patient weeks entered on each line in column 4 by the payment rate entered on each corresponding line in column 6. Transfer the total from column 7, line 11, to Worksheet E, Part I, line 2, column 1.

Column 7.01.--Enter total payment due amounts determined by multiplying the number of treatments or patient weeks entered on each line in column 4.01 by the payment rate entered on each corresponding line in column 6.01. Transfer the total from column 7.01, line 11, to Worksheet E, Part I, line 2.01, column 1.

Column 7.02.--Enter total payment due amounts determined by multiplying the number of treatments or patient weeks entered on each line in column 4.02 by the payment rate entered on each corresponding line in column 6.02. Transfer the total from column 7.02, line 11, to Worksheet E, Part I, line 2.02, column 1.

Column 8.--Enter the sum of columns 7, 7.01, and 7.02 into their corresponding line in column 8.

Lines 9 and 10.--Report CAPD and CCPD treatments by patient weeks. Patient weeks are computed by totaling the number of weeks each patient dialyzed at home by CCPD and/or CAPD. Obtain this information from your records.

Line 11.--For columns 1, 4, 4.01, and 4.02, enter the sum of lines 1 through 8. For columns 2, 5, 7, 7.01, 7.02, and 8, enter the sum of lines 1 through 10.

4214. WORKSHEET E - CALCULATION OF REIMBURSABLE BAD DEBTS  
TITLE XVIII - PART B

4214.1 Part I – Calculation of Reimbursable Bad Debts Title XVIII – Part B.--Under the composite rate payment system for services prior to January 1, 2011, the contractor pays the facility its allowable ESRD bad debts, up to the facility's unreimbursed reasonable costs as determined under Medicare principles. Under the ESRD PPS payment system, effective for dates of service on and after January 1, 2011, the contractor pays the facility for allowable ESRD bad debts, up to the facility's unreimbursed reasonable costs for those items and services associated with the basic case-mix adjusted composite rate portion of the ESRD PPS payment rate. Allowable bad debts must relate to specific Medicare deductibles and coinsurance amounts.

Determination of bad debt amounts for the basic case-mix adjusted composite rate payment portion of the ESRD PPS payment, is based on the percentage of basic composite rate payment costs to total costs on a facility specific basis. The facility specific composite rate percentage is applied to the facility's total bad debt amounts associated with the ESRD PPS payment. The resulting bad debt amount is used to determine the allowable Medicare bad debt payment in accordance with 42 CFR §§413.89 and 413.178 of the regulations. During the transition periods, apply the facility specific composite cost percentage to the bad debt amounts associated with the transition portion of the ESRD PPS payment.

The resulting bad debt amount will be added to the bad debt amount associated with the transition portion of the facility's ESRD reasonable costs to determine the total allowable Medicare bad debt (For example, a facility that does not elect 100 percent PPS, will be in transition period 1 for services rendered beginning January 1, 2011 through December 31, 2011. Under transition period 1, services rendered during this period are paid based on 75 percent composite rate and 25 percent ESRD PPS payment rate. The facility specific composite cost percentage will be applied to 25 percent of the bad debts and the resulting bad debt amount will be added to the transitional 75 percent to determine the total allowable bad debt pertaining to services rendered during this period).

**EXCEPTION:** The transition period payment method will not apply to an ESRD for services rendered on and after January 1, 2011, that (1) elected 100 percent of the payment amount to be based on the ESRD PPS payment, or (2) was certified for Medicare participation and began providing dialysis services on or after January 1, 2011.

Column 1.--Enter the total amounts by line description.

Column 2.--This column is used to compute the appropriate reduction to each amount reported in column 1, based on the facility's transition period and application of their facility specific composite cost ratio.

Line 1.--Enter the sum of the amount from Worksheet D, column 5, line 11. The amount reported is reflective of the provider's calculated basic composite rate payment cost.

Line 2.--Enter in column 1, the sum of the amount from Worksheet D, column 7, line 11, minus any applicable Part B deductibles. Enter in column 2, the amount reported in column 1. For cost reporting periods beginning on or after January 1, 2014, enter in column 1, the sum of the amount from Worksheet D, column 7, line 11, minus any applicable Part B deductibles. Enter in column 2, the amount reported in column 1 times the facility specific composite cost ratio from Worksheet E, Part II, line 3. For cost reporting periods beginning on or after January 1, 2014, do not complete lines 2.01 and 2.02.

Line 2.01--Enter in column 1, the sum of the amount from Worksheet D, column 7.01, line 11, minus any applicable Part B deductibles. Enter in column 2, the portion of the amount reported in column 1 as it relates to the ESRD PPS payment times the facility specific composite cost ratio from Worksheet E, Part II, line 3. Add to this amount the composite cost portion of the payment. For cost reporting periods beginning on or after January 1, 2014, do not complete this line.

Line 2.02--Enter in column 1, the sum of the amount from Worksheet D, column 7.02, line 11, minus any applicable Part B deductibles. Enter in column 2, the portion of the amount reported in column 1 as it relates to the ESRD PPS payment times the facility specific composite cost ratio from Worksheet E, Part II, line 3. Add to this amount the composite cost portion of the payment. For cost reporting periods beginning on or after January 1, 2014, do not complete this line.

Line 2.03--Enter the sum of lines 2, 2.01 and 2.02 in columns 1 and 2 accordingly.

Line 3--Enter the amount for *outlier* payments applicable to Medicare (Part B) patients from your records. (Informational only)

Line 4--Reserved for future use.

Line 5--Enter 80 percent of the amount on line 2.03, column 2.

Line 6--Enter the amount on line 1 minus the amount on line 5.

Line 7--Enter in column 1, the amount shown in your records for deductibles and coinsurance billed to Medicare (Part B) patients. Include only deductibles and coinsurance amounts that are related to the payments listed on line 2, column 1, and apply to Medicare beneficiaries under the composite payment rate. Enter in column 2, the amount reported in column 1. For cost reporting periods beginning on or after January 1, 2014, enter in column 1, the amount shown in your records for deductibles and coinsurance billed to Medicare (Part B) patients. Enter in column 2, the amount reported in column 1 times the facility specific composite cost ratio from Worksheet E, Part II, line 3.

For cost reporting periods beginning on or after January 1, 2014, do not complete lines 7.01 and 7.02.

Line 7.01--Enter in column 1, the amount shown in your records for deductibles and coinsurance billed to Medicare (Part B) patients. Include only deductibles and coinsurance amounts that are related to the payments listed on line 2.01, column 1, and apply to Medicare beneficiaries under the ESRD PPS payment rate. Enter in column 2, the portion of the amount reported in column 1, as it relates to the ESRD PPS payment times the facility specific composite cost ratio from Worksheet E, Part II, line 3.

Line 7.02--Enter in column 1, the amount shown in your records for deductibles and coinsurance billed to Medicare (Part B) patients. Include only deductibles and coinsurance amounts that are related to the payments listed on line 2.02, column 1, and apply to Medicare beneficiaries under the ESRD PPS payment rate. Enter in column 2, the portion of the amount reported in column 1, as it relates to the ESRD PPS payment times the facility specific composite cost ratio from Worksheet E, Part II, line 3.

Line 7.03.--Enter the sum of column 2, lines 7, 7.01 and 7.02. *If that sum is less than 20 percent of the amount reported on line 2.03, column 2, enter 20 percent of the amount reported on line 2.03, column 2.*

Line 8.--Enter in column 1, the bad debt amount for deductible and coinsurance, net of recoveries, for services rendered prior to January 1, 2011. Transfer this amount to column 2.

Line 9.--Enter in column 1, the bad debt amount for deductible and coinsurance, net of recoveries for services rendered on or after January 1, 2011, but before January 1, 2012. Enter in column 2, 75 percent of the amount in column 1, plus 25 percent of the amount in column 1 times the facility specific composite cost ratio on Worksheet E, Part II, line 3. If the provider indicated "Y" on Worksheet S, line 13 and elected 100 percent PPS, do not complete this line but complete line 12.

Line 10.--Enter in column 1, the bad debt amount for deductible and coinsurance, net of recoveries, for services rendered on or after January 1, 2012, but before January 1, 2013. Enter in column 2, 50 percent of the amount in column 1, plus 50 percent of the amount in column 1 times the facility specific composite cost ratio on Worksheet E, Part II, line 3. If the provider indicated "Y" on Worksheet S, line 13 and elected 100 percent PPS, do not complete this line but complete line 12.

Line 11.--Enter in column 1, the bad debt amount for deductible and coinsurance, net of recoveries, for services rendered on or after January 1, 2013, but before January 1, 2014. Enter in column 2, 25 percent of the amount in column 1, plus 75 percent of the amount in column 1 times the facility specific composite cost ratio on Worksheet E, Part II, line 3. If the provider indicated "Y" on Worksheet S, line 13 and elected 100 percent PPS, do not complete this line but complete line 12.

Line 12.--Enter in column 1, the bad debt amount for deductible and coinsurance, net of recoveries, for services rendered on or after January 1, 2014. Enter in column 2, 100 percent of the amount in column 1, times the facility specific composite cost ratio on Worksheet E, Part II, line 3. If the provider indicated "Y" on Worksheet S, line 13 and elected 100 percent PPS, DO NOT complete lines 9, 10 or 11, but enter in column 1, the bad debt amount for deductible and coinsurance, net of recoveries for all services rendered on or after January 1, 2011. Enter in column 2, 100 percent of the amount in column 1, times the facility specific composite cost ratio on Worksheet E, Part II, line 3.

Line 13.--Enter in column 1, the sum of lines 8 through 12, column 1. This amount should reconcile to the provider's bad debt listing(s). Enter in column 2, the sum of lines 8 through 12, column 2.

Line 14.--Subtract the amount on line 13, column 2, from the amount on line 7.03 and enter the result.

Line 15.--Subtract the amount on line 14 from the amount on line 6 and enter the result. If the amount on line 14 exceeds the amount on line 6, do not complete line 16. *For cost reporting periods beginning on or after January 1, 2013, do not complete this line.*

Line 16.--*For cost reporting periods ending on or before September 30, 2012, enter the lesser of the amount on line 13, column 2, or the amount on line 15. For cost reporting periods beginning on or after October 1, 2012, enter the lesser of the amount on line 13, column 2 times 88 percent, or the amount on line 15. For cost reporting periods beginning on or after January 1, 2013, enter the amount on line 13, column 2 times 88 percent. For cost reporting periods beginning on or after October 1, 2013, enter the amount on line 13, column 2 times 76 percent. For cost reporting periods beginning on or after October 1, 2014, enter the amount on line 13, column 2 times 65 percent.*

Line 17.--Enter the gross reimbursable bad debts for dual eligible beneficiaries. This amount is reported for statistical purposes only. This amount must also be included in the amount on line **13**, i.e., line 17 is a subset of line **13**.

Line 18.--Your contractor will enter the Part A tentative adjustments from Worksheet E-1, column 2, line 1.99.

Line 19.--Enter *the sequestration adjustment amount. For cost reporting periods that overlap or begin on or after April 1, 2013, enter the sequestration adjustment amount as [(2 percent times (total days in the cost reporting period that occur during the sequestration period beginning on or after April 1, 2013, divided by total days in the entire cost reporting period), rounded to four decimal places) times line 16].*

Line 20.--Enter the *net of the* amount on line 16 minus lines **18 and 19**. Enter a negative amount in parentheses ( ).

4214.2 Part II – Calculation of Facility Specific Composite Cost Percentage.--A facility specific composite cost percentage is applied to the facility's total bad debt amounts and associated cost data necessary to compute the ESRD facility bad debt payments. This percentage is computed by dividing your facility's basic composite rate costs by your total allowable expenses.

Line 1.--Enter total allowable expenses from Worksheet C, column 2, line 18.

Line 2.--Enter total composite costs from Worksheet D, column 2, line 11.

Line 3.--Compute the facility specific composite cost percentage (line 2 divided by line 1).

#### 4215. WORKSHEET E-1 - ANALYSIS OF PAYMENTS TO PROVIDER FOR SERVICES RENDERED

##### 4215.1 Part I – For Contractor Use Only

Line 1.--List the date and amount of each tentative settlement payment for this cost reporting period.

Line 2.--Enter the net settlement amount (balance due to the provider or balance due to the program) for the NPR or, if this settlement is after a reopening of the NPR, for this reopening. Transfer this amount from Worksheet E., Part I, line 20.

Line 3.--Enter the contractor name and the contractor number in columns 1 and 2 respectively.

##### 4215.2 Part II – To be completed by Provider

Line 4.--For cost reporting periods that begin or overlap January 1, 2012, if your response on Worksheet S, Part II, line 10 is "Y", enter the amount of your low volume payments.

#### 4216. WORKSHEETS F - BALANCE SHEET and WORKSHEET F-1 - STATEMENT OF REVENUES AND EXPENSES.

These worksheets are prepared from your accounting books and records. Additional worksheets may be submitted if necessary.

Complete all worksheets in the "F" series. Worksheets F and F-1 are completed by all providers. Cost reports that do not include the "F" series worksheets are considered incomplete and unacceptable.

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS-265-11  
TABLE 1 - RECORD SPECIFICATIONS (Cont.)

FILE NAMING CONVENTION

Name each cost report ECR file in the following manner:  
RDNNNNNN.YYL, where

1. RD (ESRD Electronic Cost Report) is constant;
2. NNNNNN is the 6 digit CMS Certification Number;
3. YY is the year in which the provider's cost reporting period ends; and
4. L is a character variable (A *through* Z) to enable separate identification of files from ESRD facilities with two or more cost reporting periods ending in the same calendar year.

Name each cost report PI file in the following manner: PINNNNNN.YYL, where

1. PI (Print Image) is constant;
2. NNNNNN is the 6 digit CMS Certification Number,
3. YY is the year in which the provider's cost reporting period ends; and
4. L is a character variable (A *through* Z) to enable separate identification of files from ESRD facilities with two or more cost reporting periods ending in the same calendar year.

**RECORD NAME: Type 1 Records - Record Number 1**

	<u>Size</u>	<u>Usage</u>	<u>Loc.</u>	<u>Remark</u>
1. Record Type	1	X	1	Constant "1"
2. For Future Use	10	9	2-11	Numeric only
3. Spaces	1	X	12	
4. Record Number	1	X	13	Constant "1"
5. Spaces	3	X	14-16	
6. ESRD Provider CCN	6	9	17-22	Field must have 6 numeric characters.
7. Fiscal Year Beginning Date	7	9	23-29	YYYYDDD - Julian date; first day covered by this cost report
8. Fiscal Year Ending Date	7	9	30-36	YYYYDDD - Julian date; last day covered by this cost report
9. MCR Version	1	X	37	Constant "6" (for FORM CMS-265-11)
10. Vendor Code	3	X	38-40	To be supplied upon approval. Refer to page 42-502.
11. Vendor Equipment	1	X	41	P = PC; M = Main Frame

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
TABLE 1 - RECORD SPECIFICATIONS (Cont.)

**RECORD NAME: Type 1 Records - Record Number 1 (Cont.)**

	<u>Size</u>	<u>Usage</u>	<u>Loc.</u>	<u>Remark</u>
12.. Version Number	3	X	42-44	Version of extract software, e.g., 001=1st, 002=2nd, etc. or 101=1st, 102=2nd. The version number must be incremented by 1 with each recompile and release to client(s).
13. Creation Date	7	9	45-51	YYYYDDD - Julian date; date on which the file was created (extracted from the cost report)
14. ECR Spec. Date	7	9	52-58	YYYYDDD - Julian date; date of electronic cost report specifications used in producing each file. Valid for cost reporting periods <i>beginning on or after 2012275 (October 1, 2012). Prior approval 2011001 for cost reporting periods</i> ending on or after January 1, 2011.

**RECORD NAME: Type 1 Records - Record Numbers 2 - 99**

	<u>Size</u>	<u>Usage</u>	<u>Loc.</u>	<u>Remark</u>
1. Record Type	1	9	1	Constant "1"
2. Spaces	10	X	2-11	
3. Record Number	2	9	12-13	#2 - Reserved for future use. #3 - Vendor information; optional; left justified in positions 21 <i>through</i> 60. #4 - The time that the cost report is created. This is represented in military time as alpha numeric. Use positions 21 <i>through</i> 25. Example 2:30 pm is expressed as 14:30. #5 <i>through</i> 99 - Reserved for future use.
4. Spaces	7	X	14-20	Spaces (optional)
5. ID Information	40	X	21-60	Left justified to position 21.

**RECORD NAME: Type 2 Records for Labels**

	<u>Size</u>	<u>Usage</u>	<u>Loc.</u>	<u>Remark</u>
1. Record Type	1	9	1	Constant "2"
2. Wkst. Indicator	7	X	2-8	Alphanumeric. Refer to Table 2.
3. Spaces	2	X	9-10	

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
TABLE 1 - RECORD SPECIFICATIONS (Cont.)

Type 2 records for Worksheet B-1, columns 2 *through* 13, for lines 1 *through* 6 are listed below. The numbers running vertical to line 1 descriptions are the general service cost center line designations.

	1	2	LINE 3	4	5	6
2	CAP REL	OP & MAINT	& HOUSE	SQUARE	FEET	1
3	STEP DOWN	OF COL 2		# OF TREAT	MENTS	3
4	MACH CAP	REL OR <i>REN</i>	& MAINT	% TIME		3
5	SALARIES	FOR DIR	PT CARE	HRS OF	SERVICE	3
6	EH&W BENE	FOR DIR	PT CARE	GROSS	SALARIES	3
7	SUPPLIES			CHARGES		3
8	LABORATORY			CHARGES		3
10	DRUGS			CHARGES		3
11	DRUGS	INCLD IN	COMP RATE	CHARGES		3
12	ESA'S			CHARGES		3
13	ESRD	REL DRUGS		CHARGES		3

Examples of type 2 records are below. Either zeros or spaces may be used in the line, sub-line, column, and sub-column number fields (positions 11 *through* 20). However, spaces are preferred. Refer to Table 5 and 6 for additional cost center code requirements.

Examples:

Worksheet A line labels with embedded cost center codes:

2A000000	1	0100CAP REL COSTS-BLDG & FIXT
2A000000	2	0200CAP REL COSTS-MVBLE EQUIP
2A000000	12	1200DRUGS
2A000000	15	1500MEDICAL RECORDS
2A000000	19	1900PHY ROUT PRO SERVICES-MCP METHOD
2A000000	23	2300ESA'S

Examples of column headings for Worksheets B-1 and B; statistical bases used in cost allocation on Worksheet B-1; and statistical codes used for Worksheet B-1 (line 6) are displayed below.

2B10000*	1	2	CAP REL OP
2B10000*	2	2	OF MAINT
2B10000*	3	2	& HOUSE
2B10000*	4	2	SQUARE
2B10000*	5	2	FEET
2B10000*	6	2	1
2B10000*	1	3	MACH CAP
2B10000*	2	3	REL OR REN
2B10000*	3	3	& MAINT
2B10000*	4	3	% TIME
2B10000*	6	3	3

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
TABLE 1 - RECORD SPECIFICATIONS (Cont.)

RECORD NAME: Type 3 Records for Non-label Data

	<u>Size</u>	<u>Usage</u>	<u>Loc</u>	<u>Remarks</u>
1. Record Type	1	9	1	Constant "3"
2. Wkst. Indicator	7	X	2-8	Alphanumeric. Refer to Table 2.
3. Spaces	2	X	9-10	
4. Line Number	3	9	11-13	Numeric
5. Sub-line Number	2	9	14-15	Numeric
6. Column Number	3	X	16-18	Alphanumeric
7. Sub-column Number	2	9	19-20	Numeric
8. Field Data				
a. Alpha Data	36	X	21-56	Left justified. (Y or N for yes/no answers; dates must use MM/DD/YYYY format - slashes, no hyphens.) Refer to Table 6 for additional requirements for alpha data.
b. Numeric Data	4 16	X 9	57-60 21-36	Spaces (optional). Right justified. May contain embedded decimal point. Leading zeros are suppressed; trailing zeros to the right of the decimal point are not. Positive values are presumed; no A+@ signs are allowed. Use leading minus to specify negative values. Express percentages as decimal equivalents, i.e., 8.75 percent is expressed as .087500. All records with zero values are dropped. Refer to Table 6 for additional requirements regarding numeric data.

*Samples* of type 3 records are below.

3A000000	11	1	36000
3A000000	15	2	12064
3A000000	19	1	144000

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
TABLE 1 - RECORD SPECIFICATIONS (Cont.)

The line numbers are numeric. In several places throughout the cost report (see list below), the line numbers themselves are data. The placement of the line and sub-line numbers as data must be uniform.

Worksheet A-1, columns 3 and 6  
Worksheet A-2, column 4  
Worksheet A-3, Part B, column 1

Examples of records (\*) with a Worksheet A line number as data are below.

	3A1000A0	1	0	EMP. HEALTH & WELFARE BENE	
	3A1000A0	1	A		
*	3A1000A0	1	3		8.00
	3A1000A0	1	4		61743
*	3A1000A0	1	6		11.00
	3A1000A0	1	7		82263
	3A1000A0	2	0	EMP HEALTH & WELFARE BENE	
	3A1000A0	2	1	A	
*	3A1000A0	2	3		19.00
	3A1000A0	2	4		20520
	3A200000	20	0	MISC INCOME	
	3A200000	20	1	B	
	3A200000	20	2		-106896
*	3A200000	20	4		21.00
*	3A30000B	1			10.00
	3A30000B	1	3	LABORATORY	
	3A30000B	1	4		18000
	3A30000B	1	5		23121

RECORD NAME: Type 4 Records - File Encryption

This type 4 record consists of 3 records: 1, 1.01, and 1.02. These records are created at the point in which the ECR file has been completed and saved to disk and insures the integrity of the file.

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
TABLE 2 - WORKSHEET INDICATORS

This table contains the worksheet indicators that are used for electronic cost reporting. A worksheet indicator is provided for only those worksheets for which data are to be provided.

The worksheet indicator consists of seven digits in positions 2 *through* 8 of the record identifier. The first two digits of the worksheet indicator (positions 2 and 3 of the record identifier) always show the worksheet. The third digit of the worksheet indicator (position 4 of the record identifier) is always 0. For Worksheets A-1 and A-2, if there is a need for extra lines on multiple worksheets, the fifth and sixth digits of the worksheet indicator (positions 6 and 7 of the record identifier) identify the page number. The seventh digit of the worksheet indicator (position 8 of the record identifier) represents the worksheet or worksheet part.

Worksheets That Apply to the Independent Renal Dialysis Facility Cost Report

<u>Worksheet</u>	<u>Worksheet Indicator</u>
S, Part I	S000001
S, Part II	S000002
S-1	S100000
S-2	S200000
A	A000000
A-1	A100?A0 (a)
A-2	A200000
A-3, Part A	A30000A
A-3, Part B	A30000B
A-3, Part C	A30000C
A-4, Part I	A400001
A-4, Part II	A400002
B-1 (For use in column headings)	B10000*
B	B000000
B-1	B100000
C	C000000
D	D000000
E, Part I	E000001

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
 TABLE 3 - LIST OF DATA ELEMENTS WITH WORKSHEET, LINE, AND COLUMN  
 DESIGNATIONS

<u>DESCRIPTION</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>FIELD SIZE</u>	<u>USAGE</u>
WORKSHEET S-1				
Renal Dialysis Statistics				
Number of treatments not billed to Medicare and furnished directly	1	1-4	11	99
Number of treatments not billed to Medicare and furnished under arrangement	2	1-4	11	99
Number of patients currently in dialysis program	3	1-4	11	9
Average time per week patient receives dialysis	4	1-4	5	9(2).99
Number of days in average week for patient dialysis treatments	5	1-4	4	9
Average time of patient dialysis treatment including set up time	6	1-4	5	9(2).99
Number of machines regularly available for use	7	1-4	11	9
Number of standby machines	8	1-4	11	9
Number of shifts in typical week during regular reporting period	9	1-4	11	9
Hours per shift in typical week during regular reporting period:				
First shift	10.01	1-4	9	9
Second shift	10.02	1-4	9	9
Third shift	10.03	1-4	9	9
Number of treatments provided:				
One (1) time per week	11.01	1-4	11	9
Two (2) times per week	11.02	1-4	11	9
Three (3) times per week	11.03	1-4	11	9
More than three (3) times per week	11.04	1-4	11	9
Total Treatments	11.05	1-4	11	9

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
 TABLE 3 - LIST OF DATA ELEMENTS WITH WORKSHEET, LINE, AND COLUMN  
 DESIGNATIONS

<u>DESCRIPTION</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>FIELD SIZE</u>	<u>USAGE</u>
WORKSHEET S-1 (Cont.)				
Type of dialyzers used: (See Table 3C)	12	1	1	9
If dialyzers are reused, indicate the number of times	12	2	11	9
If other is selected, specify type	12	3	36	X
Number of back-up sessions furnished to home patients:				
CAPD	13	1	11	9
Other	13	2	11	9
CCPD	13	3	11	9
Number of units of Epoetin furnished during cost reporting period	14	1	11	9
Number of units of Aranesp furnished during cost reporting period	15	1	11	9
<i>ESA furnished during cost reporting period</i>	<i>15.01</i>	<i>1</i>	<i>36</i>	<i>X</i>
<i>Number of units of ESA furnished during cost reporting period</i>	<i>15.01</i>	<i>2</i>	<i>11</i>	<i>9</i>
Transplant Statistics:				
Number of patients who are awaiting transplants	16	1	11	9
Number of patients who received transplants during this period	17	1	11	9
Home Program:				
Number of patients commencing home dialysis training during this period	18	1	11	9
Number of patients currently in home program	19	1	11	9
Types of dialyzers used: (See Table 3C)	20	1	1	9
If dialyzers are reused, indicate the number of times:	20	2	11	9
If other is selected, specify type	20	3	36	X
Number of hours in a normal work week	21	1	6	9(3).99

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
 TABLE 3 - LIST OF DATA ELEMENTS WITH WORKSHEET, LINE, AND COLUMN  
 DESIGNATIONS

<u>DESCRIPTION</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>FIELD SIZE</u>	<u>USAGE</u>
WORKSHEET S-2 (Cont.)				
If line 9 or 10 is "Y", were adjustments made to PS&R data for corrections of other PS&R information? (Y/N)	12	1	1	X
If line 9 or 10 is "Y", were adjustments made to PS&R data for Other?(Y/N)	13	1	1	X
If line 13 is "Y", then describe the other adjustments.	13	0	36	X
Was the cost report prepared only using the provider's records? (Y/N) If yes, see instructions	14	1	1	X
WORKSHEET A				
Physicians salaries by department	9-12, 14-17, 19-26	1	9	-9
Total physicians salaries	27	1	9	9
Other salaries by department	3-4, 6-12, 14-17, 20-26	2	9	-9
Total other salaries	27	2	9	9
Other direct costs by department	1-4, 6, 8-17, 19-26	3	9	-9
Total other direct costs	27	3	9	9
Net expenses for allocation by department	1-4, 6-17, 19-26	8	9	-9
Total expenses for allocation	27	8	9	9

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
 TABLE 3 - LIST OF DATA ELEMENTS WITH WORKSHEET, LINE, AND COLUMN  
 DESIGNATIONS

<u>DESCRIPTION</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>FIELD SIZE</u>	<u>USAGE</u>
WORKSHEET A-1				
For each expense reclassification:				
Explanation	1-99	0	36	X
Reclassification identification code	1-99	1	2	X
Increases:				
Worksheet A line number	1-99	3	6	9(3).99
Reclassification amount	1-99	4	9	9
Decreases:				
Worksheet A line number	1-99	6	6	9(3).99
Reclassification amount	1-99	7	9	9
Total Increases	100	4	9	9
Total Decreases	100	7	9	9
WORKSHEET A-2				
Description of adjustment	22-99	0	36	X
Basis (A or B)	1-6, 8-9, 11-15, 17, 19-99	1	1	X
Amount	1-6, 8- <del>100</del>	2	9	-9
Worksheet A line number	<del>1-6</del> , 8, 9, 11, 12, 21-99	4	6	9(3).99

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
TABLE 3 - LIST OF DATA ELEMENTS WITH WORKSHEET, LINE, AND COLUMN DESIGNATIONS

<u>DESCRIPTION</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>FIELD SIZE</u>	<u>USAGE</u>
WORKSHEET E, Part I (Cont.)				
Reimbursable bad debts	16	1	11	9
Reimbursable bad debts for dual eligible beneficiaries	17	1	11	9
<i>Sequestration</i> adjustment amount	19	1	11	9
Balance due provider/(program)	20	1	11	-9

WORKSHEET E, Part II

Part II - Calculation of Facility Specific

Composite Cost Percentage

Total allowable expenses	1	1	9	9
Total composite costs	2	1	9	9
Facility specific composite cost percentage	3	1	9	9.9(6)

WORKSHEET E-1 Part I

Part I – TO BE COMPLETED BY CONTRACTOR

Enter the date of the tentative payment from program to provider (mm/dd/yyyy)	1.01-1.49	1	10	X
Enter the amount of the tentative payment from program to provider	1.01-1.49	2	9	-9
Enter the date of the tentative payment from provider to program (mm/dd/yyyy)	1.50-1.98	1	10	X
Enter the amount of the tentative payment from provider to program	1.50-1.98	2	9	-9
Name of contractor	3	0	39	X
Contractor number	3	1	5	X

WORKSHEET E-1 Part II

Part II - TO BE COMPLETED BY PROVIDER

Low volume payment amount	4	1	9	9
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ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
 TABLE 3 - LIST OF DATA ELEMENTS WITH WORKSHEET, LINE, AND COLUMN  
 DESIGNATIONS

<u>DESCRIPTION</u>	<u>LINE(S)</u>	<u>COLUMN(S)</u>	<u>FIELD SIZE</u>	<u>USAGE</u>
WORKSHEET F				
For all ESRD (end stage renal disease) facilities (see note):				
Balance sheet account balances	1-10, 12-26, 28-31, 34-41, 43-47, 50, 51	1	9	-9
Other (specify)	47	0	36	X

NOTE: For contra accounts (reported on lines 6, 14, 16, 18, 20, 22, and 24), the usage is -9.

WORKSHEET F-1

Total patient revenues	1	1	9	9
Allowances and discounts on patients' accounts	2	1	9	9
Blank lines (specify)	5-10, 11-16	0	36	X
Increases to operating expenses reported on Worksheet A	5-10	1	9	9
Decreases to operating expenses reported on Worksheet A	11-16	1	9	9
Other revenues	19-31	1	9	9
Blank lines (specify)	27-31	0	36	X
Net income or (loss) for the period	33	2	9	-9

TABLE 3A - WORKSHEETS REQUIRING NO INPUT

Worksheet B

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS-265-11  
TABLE 3B - TABLES TO WORKSHEET S

<u>Type of Control</u>	<u>Type of Reimbursement</u>	<u>Transition Period</u>
1 = Voluntary Non Profit, Corporation	1 = Initial Method	1 = FYE 12/31/2011
2 = Voluntary Non Profit, Other	2 = MCP Method	2 = FYE 12/31/2012
3 = Proprietary, Individual		3 = FYE 12/31/2013
4 = Proprietary, Corporation		4 = FYE 12/31/2014
5 = Proprietary, Partnership		
6 = Proprietary, Other	<u>Cost Report Status</u>	
7 = Government, Federal	1 = As Submitted	
8 = Government, State	2 = Settled without Audit	
9 = Government, County	3 = Settled with Audit	
10 = Government, City	4 = Reopened	
11 = Government, Other	5 = Amended	

TABLE 3C - TABLES TO WORKSHEET S-1

Type of Dialyzers Used

- 1 = Hollow Fiber
- 2 = Parallel Plate
- 3 = Coil
- 4 = Other

TABLE 3D - LINES THAT CANNOT BE SUBSCRIBED  
(BEYOND THOSE PREPRINTED)

<u>Worksheet</u>	<u>Lines</u>
S Parts I & II	All
S-1	1-14, 16-30
S-2	1-14
A	1-16, 18-25, 27
A-1	All
A-2	1-21, 100
A-3-Part A	All
A-3, Part B	1-3,5
A-3, Part C	1-3
A-4, Part I	1-9
A-4, Part II	1-9
B	1-20, 23
B-1	1-20,23-25
C	All
D	1-8
E Parts I & II	All
E-1, Parts I & II	1.01-1.03, 1.50-1.52, 2-4
F	All
F-1	1-4, 17-27, 32-33

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS 265-11  
TABLE 5 - COST CENTER CODING

INSTRUCTIONS FOR PROGRAMMERS

Cost center coding is required because there are thousands of unique cost center names in use by providers. Many of these names are peculiar to the reporting provider and give no hint as to the actual function being reported. Using codes to standardize meanings makes practical data analysis possible. The method to accomplish this must be rigidly controlled to assure accuracy.

For any added cost center names (the preprinted cost center labels must be pre-coded), preparers must be presented with the allowable choices for that line or range of lines from the lists of standard and nonstandard descriptions. They then select a description that best matches their added label. The code associated with the matching description, including increments due to choosing the same description more than once, will then be appended to the user's label by the software.

Additional guidelines are:

- Do not allow any pre-existing codes for the line to be carried over.
- Do not pre-code all "Other" lines.
- For cost centers, the order of choice must be standard first, then specific nonstandard, and finally the nonstandard "Other . . ."
- For the nonstandard "Other . . .", prompt the preparers with, "Is this the most appropriate choice?," and then offer the chance to answer yes or to select another description.
- Allow the preparers to invoke the cost center coding process again to make corrections.
- For the preparers' review, provide a separate printed list showing their added cost center names on the left with the chosen standard or nonstandard descriptions and codes on the right.
- On the screen next to the description, display the number of times the description can be selected on a given report, decreasing this number with each usage to show how many remain. The numbers are shown on the cost center tables.
- Do not change standard cost center lines, descriptions and codes. The acceptable formats for these items are listed on page 42-524 of the Standard Cost Center Descriptions and Codes. The proper line number is the first two digits of the cost center code.

INSTRUCTIONS FOR PREPARERS

Coding of Cost Center Labels

Cost center coding standardized the meaning of cost center labels used by health care providers on the Medicare cost reporting forms. The use of this coding methodology allows providers to continue to use their labels for cost centers that have meaning within the individual institution.

The four digit codes that are required to be associated with each label provide standardized meaning for data analysis. Normally, it is necessary to code only added labels because the preprinted standard labels are automatically coded by CMS approved cost report software.

Additional cost center descriptions have been identified. These additional descriptions are hereafter referred to as the nonstandard labels. Included with the nonstandard descriptions is an "Other . . ." designation to provide for situations where no match in meaning can be found. Refer to Worksheet A, line 17, 25 or 26.

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS-265-11  
TABLE 6 - EDITS

Medicare cost reports submitted electronically are subjected to various edits, which are divided into two categories: Level I and Level II edits. These include mathematical accuracy edits, certain minimum file requirements, and other data edits. Any vendor software that produces an electronic cost report file for Medicare ESRD must automate all of these edits. Failure to properly implement these edits may result in the suspension of a vendor's system certification until corrective action is taken. The vendor's software should provide meaningful error messages to notify the ESRD of the cause of every exception. The edit message generated by the vendor systems must contain the related 4 digit and 1 alpha character, where indicated, reject/edit code specified below. Any file containing a level I edit will be rejected by your contractor without exception.

Level I edits (1000 series reject codes) test that the file conforms to processing specifications, identifying error conditions that would result in a cost report rejection. These edits also test for the presence of some critical data elements specified in Table 3. Level II edits (2000 series edit codes) identify potential inconsistencies and/or missing data items that may have exceptions and should not automatically cause a cost report rejection. Resolve these items and submit appropriate worksheets and/or data supporting the exceptions with the cost report. Failure to submit the appropriate data with your cost report may result in payments being withheld pending resolution of the issue(s).

The vendor requirements (above) and the edits (below) reduce contractor processing time and unnecessary rejections. Vendors should develop their programs to prevent their client ESRD facilities from generating either a hard copy substitute cost report or electronic cost report file where level I edits exist. Ample warnings should be given to the provider where level II edit conditions are violated.

**NOTE:** Dates in brackets [ ] at the end of an edit indicate the effective date of that edit for cost reporting periods ending on or after that date. Dates followed by a "b" are for cost reporting periods beginning on or after the specified date. Dates followed by an "s" are for services rendered on or after the specified date unless otherwise noted. [10/31/2000]

I. Level I Edits (Minimum File Requirements)

<u>Reject Code</u>	<u>Condition</u>
1000	The first digit of every record must be either 1, 2, 3, or 4 (encryption code only). [1/1/2011]
1005	No record may exceed 60 characters. [1/1/2011]
1010	All alpha characters must be in upper case. This is exclusive of the encryption code, type 4 record, record numbers 1, 1.01, and 1.02. [1/1/2011]
1015	For micro systems, the end of record indicator must be a carriage return and line feed, in that sequence. [1/1/2011]
1020	The independent renal dialysis facility provider number (record #1, positions 17 <i>through</i> 22) must be valid and numeric. [1/1/2011]
1025	All dates (record #1, positions 23 <i>through</i> 29, 30 <i>through</i> 36, 45 <i>through</i> 51, and 52 <i>through</i> 58) must be in Julian format and legitimate. [1/1/2011]
1030	The fiscal year beginning date (record #1, positions 23 <i>through</i> 29) must be less than the fiscal year ending date (record #1, positions 30-36). [1/1/2011]
1035	The vendor code (record #1, positions 38 <i>through</i> 40) must be a valid code. [1/1/2011]

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS-265-11  
TABLE 6 - EDITS

*I. Level I Edits (Minimum File Requirements) (Cont.)*

<u>Reject Code</u>	<u>Condition</u>
1050	The type 1 record #1 must be correct and the first record in the file. [1/1/2011]
1055	All record identifiers (positions 1 <i>through</i> 20) must be unique. [1/1/2011]
1060	Only a Y or N is valid for fields which require a Yes/No response. [1/1/2011]
1075	Cost center integrity must be maintained throughout the cost report. For subscripted lines, the relative position must be consistent throughout the cost report. [1/1/2011]
1080	For every line used on Worksheets A, there must be a corresponding type 2 record. [1/1/2011]
1090	Fields requiring numeric data (charges, treatments, costs, FTEs, etc.) may not contain any alpha character. [1/1/2011]
1100	In all cases where the file includes both a total and the parts that comprise that total, each total must equal the sum of its parts. [1/1/2011]
1005S	The cost report ending date (Worksheet S, Part II, column 2, line 8) must be on or after January 1, 2011. [1/1/2011]
1010S	The cost report period beginning date (Worksheet S, Part II, column 1, line 8) must precede the cost report ending date (Worksheet S, Part II, column 2, line 8). [1/1/2011]
1015S	The independent renal dialysis facility name, address, city, State, <i>ZIP</i> code, provider CCN, and certification date (Worksheet S, Part II, line 1, column 1; line 2, column 1; line 3, columns 1, 2, & 3; lines 5 and 6, column 1) must be present and valid. [1/1/2011]
1020S	The type of control (Worksheet S, Part II, line 9, column 1) must be present and a valid code of 1 thru 11. If code 2, 6 or 11 is entered, there must be an entry in column 2. [1/1/2011]
1025S	The independent renal dialysis total number of hours per work week must be greater than zero (0) (Worksheet S-1, line 21, column 1). [1/1/2011]
1030S	The total number FTEs for Social Workers must be greater than zero (0) (Worksheet S-1, line 27, sum of columns 1 and 2). [1/1/2011]
1000A	All amounts reported on Worksheet A, columns 1-3, line 27, must be greater than or equal to zero. [1/1/2011]
1020A	For reclassifications reported on Worksheet A-1 the sum of all increases (column 4) must equal the sum of all decreases (column 7). [1/1/2011]
1025A	For each line on Worksheet A-1, if there is an entry in columns 3, 4, 6, or 7, there must be an entry in column 1. There must be an entry on each line of column 4 for each entry in column 3 (and vice versa), and there must be an entry on each line of column 7 for each entry in column 6 (and vice versa). [1/1/2011]
1040A	For Worksheet A-2 adjustments on lines 1 <i>through</i> 6, <i>and</i> 8 <i>through</i> 21, if there is an amount in column 2, there must be an entry in columns 1 and 4, and if any of lines 22 <i>through</i> 99 and subscripts has an entry in column 2, then all columns 0, 1, 2, <i>and</i> 4 must have entries. Only valid line numbers may be used in column 4. [1/1/2011]

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS-265-11  
TABLE 6 - EDITS

*I. Level I Edits (Minimum File Requirements) (Cont.)*

<u>Reject Code</u>	<u>Condition</u>
1045A	If there are any transactions with related organizations or home offices as defined in CMS Pub. 15-1, chapter 10 (Worksheet A-3, Part A, column 1, line 1 is "Y"), Worksheet A-3, Part B, columns 4 or 5, sum of lines 1 <i>through</i> 4 must be greater than zero; and Part C, column 1, any one of lines 1 <i>through</i> 4 must contain any one of alpha characters A through G. Conversely, if Worksheet A-3, Part A, column 1, line 1 is "N", Worksheet A-3, Parts B and C must not be completed. [1/1/2011]
1000B	On Worksheet B-1, all statistical amounts must be greater than or equal to zero. [4/1/2005]
1005B	For each overhead cost center with a net expense for cost allocation greater than zero (Worksheet A, column 8, lines 1 <i>through</i> 4 <i>and</i> 6 <i>through</i> 12.), the corresponding total cost allocation statistics (Worksheet B-1, columns 2 <i>through</i> 13, sum of lines 2 <i>through</i> 22) must also be greater than zero. Exclude from this edit any column that uses accumulated cost as its basis for allocation and any reconciliation column. [1/1/2011]
1010B	Worksheet B, columns 11A and 13A, line 23 must be greater than zero. [1/1/2011]
<i>1000D</i>	<i>Worksheet D, column 1, line 11 must be greater than zero. [1/1/2011]</i>
<i>1000E</i>	<i>Worksheet E, Part I, line 1 must be greater than zero when the sum of Worksheet D, line 11, columns 4, 4.01 and 4.02 are greater than 0. [1/1/2011]</i>

II. Level II Edits (Potential Rejection Errors)

These conditions are usually, but not always, incorrect. These edit errors should be cleared when possible through the cost report. When corrections on the cost report are not feasible, provide additional information in schedules, note form, or any other manner as may be required by your contractor. Failure to clear these errors in a timely fashion, as determined by your contractor, may be grounds for withholding payments.

<u>Edit</u>	<u>Condition</u>
2000	All type 3 records with numeric fields and a positive usage must have values equal to or greater than zero (supporting documentation may be required for negative amounts). [1/1/2011]
2005	Only elements set forth in Table 3, with subscripts as appropriate, are required in the file. [1/1/2011]
2010	The cost center codes (positions 21-24) (type 2 records) must be a code from Table 5, and each cost center code must be unique. [1/1/2011]
2015	Standard cost center lines, descriptions, and codes should not be changed. (See Table 5.) This edit applies to the standard line only and not subscripts of that code. [1/1/2011]
2020	All standard cost center codes must be entered on the designated standard cost center line and subscripts thereof as indicated in Table 5. [1/1/2011]

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS-265-11  
TABLE 6 - EDITS

II. Level II Edits (Potential Rejection Errors) (Cont.)

<u>Edit</u>	<u>Condition</u>
2025	Only nonstandard cost center codes within a cost center category may be placed on standard cost center lines of that cost center category. [1/1/2011]
2030	The standard cost centers listed below must be reported on the lines as indicated and the corresponding cost center codes may only appear on the lines as indicated. No other cost center codes may be placed on these lines or subscripts of these lines, unless indicated herein. [1/1/2011]

<u>Cost Center</u>	<u>Line</u>	<u>Code</u>
Cap Rel-Bldg & Fixt.	1	0100
Cap Rel-Mvble Equip	2	0200
Operation & Maintenance of Plant	3	0300
Housekeeping	4	0400
Machine Cap-Rel or Rental & Maint.	6	0600
Salaries for Direct Patient Care	7	0700
EH&W Benefits for Direct Pt. Care	8	0800
Supplies	9	0900
Laboratory	10	1000
Administrative and General	11	1100
Drugs	12	1200
Interest Expense	13	1300
Laundry and Linen	14	1400
Medical Records	15	1500
Phy Routine Prof Services-Initial Method	16	1600
Phy Routine Prof Services-MCP Method	19	1900
Whole Blood & Packed Red Blood Cells	20	2000
Vaccines	21	2100
Physicians' Private Offices	22	2200
ESA'S	23	2300
Method II Patients (Direct Dealing)	24	2400

ELECTRONIC REPORTING SPECIFICATIONS FOR FORM CMS-265-11  
TABLE 6 - EDITS

*II. Level II Edits (Potential Rejection Errors) (Cont.)*

<u>Edit</u>	<u>Condition</u>
2035	The administrative and general standard cost center code (1100) may appear only on line 11. [1/1/2011]
2040	All calendar format dates must be edited for 10 character format, e.g., 01/01/2011 (MM/DD/YYYY). [1/1/2011]
2045	All dates must be possible, e.g., no "00", no "30" or "31" in February. [1/1/2011]
2005S	If the response on Worksheet S, Part II, line 10 is "Y", the total treatments on Worksheet C, column 1, line 19 must be less than 4000. [1/1/2011]
2010S	If the response on Worksheet S, Part II, line 10 is "Y", effective for cost reporting periods that overlap 1/1/2012, there should be an amount on Worksheet E-1, Part II, line 4 and vice versa. [1/1/2012s].
2015S	The independent renal dialysis facility certification date (Worksheet S, column 1, line 3) should be on or before the cost report beginning date (Worksheet S, column 1, line 5). [1/1/2011]
2020S	The length of the cost reporting period should be greater than 27 days and less than 459 days. [1/1/2011]
2100S	The following statistics from Worksheet S-1, should be greater than zero: a. Total treatments for the independent renal dialysis facility (columns 1 <i>through</i> 4, line 11.05) [1/1/2011]
2000A	Worksheet A-1, column 1 (reclassification code) must be alpha characters. [1/1/2011]
2020A	Worksheet A-3, Part A, must contain a "Y" or "N" response. [1/1/2011]
2000B	At least one cost center description (lines 1 <i>through</i> 3), at least one statistical basis label (lines 4 <i>through</i> 5), and one statistical basis code (line 6) must be present for each general service cost center. This edit applies to all general service cost centers required and/or listed. [1/1/2011]
2005B	The column numbering among these worksheets must be consistent. For example, data in capital related costs - buildings and fixtures is identified as coming from column 1 on all applicable worksheets. [1/1/2011]
<i>2000F</i>	<i>Total assets on Worksheet F (line 33) must equal total liabilities and fund balances (line 51). [01/01/2013b]</i>
<i>2010F</i>	<i>Net income or loss (Worksheet F-1, column 2, line 33) should not equal zero. [01/01/2013b]</i>

**NOTE:** CMS reserves the right to require additional edits to correct deficiencies that become evident after processing the data commences and, as needed, to meet user requirements.

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This report is required by law (42 USC 1395g; 42 CFR 413.20(b)). Failure to report can result in all interim payments made since the beginning of the cost reporting period being deemed overpayments (42 USC 1395g).

FORM APPROVED  
OMB NO: 0938-0236

INDEPENDENT RENAL DIALYSIS FACILITY COST REPORT CERTIFICATION	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET S
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PART I - COST REPORT STATUS

Provider use only	1. <input type="checkbox"/> Electronically filed cost report 2. <input type="checkbox"/> Manually submitted cost report 3. If this is an amended report enter the number of times the provider resubmitted this cost report. _____	Date (mm/dd/yyyy): _____ Time: _____
Contractor use only	4. <input type="checkbox"/> Cost Report Status (1) As Submitted (2) Settled without Audit (3) Settled with Audit (4) Reopened (5) Amended	5. Date Received: _____ 6. Contractor No. _____ 7. <input type="checkbox"/> First Cost Report for this Provider CCN 8. <input type="checkbox"/> Last Cost Report for this Provider CCN 9. NPR Date: _____ 10. If line 4, column 1 is "4", enter number of times reopened _____ 11. Contractor Vendor Code _____

PART II - GENERAL

1	Name:			1
2	Street:		P.O. Box:	2
3	City:	State:	ZIP Code:	3
4	County:	CBSA:		4
5	Provider CCN:			5
6	Date Certified:			6
7	Contact Person Name :		Phone Number:	7
8	Cost reporting period (mm/dd/yyyy)	From:	To:	8
			1	2
9	Type of control (see instructions)			9
10	Is this facility approved as a low-volume facility for this cost reporting period? Enter "Y" for yes or "N" for no.			10
			1	2
11	Type of physicians' reimbursement (see instructions)			11
12	Was this facility previously certified as a hospital-based unit? Enter "Y" for yes or "N" for no.			12
13	Did your facility elect 100% PPS effective January 1, 2011? Enter "Y" for yes or "N" for no. (If certified on/after 1/1/2011, see instructions.)			13
			1	2
14	If you responded "N" to line 13, enter in column 1 the year of transition for periods prior to January 1 and enter in column 2 the year of transition for periods after December 31. (see instructions)			14
15	Malpractice premiums			15
16	Malpractice paid losses			16
17	Malpractice self insurance			17
18	Are malpractice premiums and/or paid losses reported in other than the Administrative and General cost center? Enter "Y" for yes or "N" for no. If yes, submit a supporting schedule listing cost centers and amounts contained therein.			18
19	Are you part of a chain organization? Enter "Y" for yes or "N" for no. If yes, complete lines 20 through 22.			19
20	Name:			20
21	Street:		P.O. Box:	21
22	City:	State:	ZIP Code:	22

PART III - CERTIFICATION BY OFFICER OR ADMINISTRATOR

MISREPRESENTATION OR FALSIFICATION OF ANY INFORMATION CONTAINED IN THIS COST REPORT MAY BE PUNISHABLE BY CRIMINAL, CIVIL, AND ADMINISTRATIVE ACTION, FINE AND/OR IMPRISONMENT UNDER FEDERAL LAW. FURTHERMORE, IF SERVICES IDENTIFIED IN THIS REPORT WERE PROVIDED THROUGH THE PAYMENT DIRECTLY OR INDIRECTLY OF A KICKBACK OR WERE OTHERWISE ILLEGAL, CRIMINAL, CIVIL, AND ADMINISTRATIVE ACTION, FINES AND/OR IMPRISONMENT MAY RESULT.

CERTIFICATION BY OFFICER OR ADMINISTRATOR OF PROVIDER

I HEREBY CERTIFY that I have read the above *certification* statement and that I have examined the accompanying electronically filed or manually submitted cost report and the Balance Sheet and Statement of Revenue and Expenses prepared by \_\_\_\_\_ {Provider Name(s) and Provider CCN(s)} for the cost reporting period beginning \_\_\_\_\_ and ending \_\_\_\_\_ and that to the best of my knowledge and belief, this report and statement are true, correct, complete and prepared from the books and records of the provider in accordance with applicable instructions, except as noted. I further certify that I am familiar with the laws and regulations regarding the provision of health care services, *and that the services* identified in this cost report were provided in compliance with such laws and regulations.

OFFICER OR ADMINISTRATOR OF PROVIDER

Printed Name \_\_\_\_\_ Signed \_\_\_\_\_  
Title \_\_\_\_\_ Date \_\_\_\_\_

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0938-0236. The time required to complete this information collection is estimated 65 hours per response, including the time to review instructions, search existing resources, gather the data needed, and complete and review the information collection. If you have any comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attn: PRA Report Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850.

FORM CMS-265-11 (06/2013) (INSTRUCTIONS FOR THIS WORKSHEET ARE PUBLISHED IN CMS PUB. 15-2, SECTIONS 4204, 4204.1 AND 4204.2)

INDEPENDENT RENAL DIALYSIS FACILITY STATISTICAL DATA	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET S-1
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RENAL DIALYSIS STATISTICS

		OUTPATIENT		TRAINING		
		HEMODIALYSIS	PERITONEAL DIALYSIS	HEMODIALYSIS	PERITONEAL DIALYSIS	
		1	2	3	4	
1	Number of treatments not billed to Medicare and furnished directly					1
2	Number of treatments not billed to Medicare and furnished under arrangements					2
3	Number of patients currently in dialysis program					3
4	Average times per week patient receives dialysis					4
5	Number of days in an average week for patient dialysis treatments					5
6	Average time of patient dialysis treatment including set up time					6
7	Number of machines regularly available for use					7
8	Number of standby machines					8
9	Number of shifts in typical week during regular reporting period					9
10	Hours per shift in typical week during regular reporting period					10
	.01 First shift					.01
	.02 Second Shift					.02
	.03 Third shift					.03
11	Number of treatments provided					11
	.01 One (1) time per week					.01
	.02 Two (2) times per week					.02
	.03 Three (3) times per week					.03
	.04 More than three (3) times per week					.04
	.05 Total					.05
			Type of Dialyzers	Dialyzer Reuse Count	Other Dialyzers	
			1	2	3	
12	Column 1: Type of dialyzers used (see instructions) Column 2: Number of times dialyzers are reused (see instructions) Column 3: If column 1 is "Other," enter type of dialyzer used					12
13	Number of back-up sessions furnished to home patients (see instructions)					13
14	Number of units of Epoetin furnished during cost reporting period					14
15	Number of units of Aranesp furnished during cost reporting period					15
				1	2	
15.01	ESA and units furnished to patients during the cost reporting period (see instructions)					15.01

TRANSPLANT STATISTICS

16	Number of patients awaiting transplants					16
17	Number of patients who received transplants					17

HOME PROGRAM

18	Number of patients commencing home dialysis training during this period					18
19	Number of patients currently in home program					19
			Type of Dialyzers	Dialyzer Reuse Count	Other Dialyzers	
			1	2	3	
20	Column 1: Type of dialyzers used (see instructions) Column 2: Number of times dialyzers were reused (see instructions) Column 3: If column 1 is "Other," enter type of dialyzer used					20

RENAL DIALYSIS FACILITY -- NUMBER OF EMPLOYEES (FULL TIME EQUIVALENTS)

21	Enter the number of hours in your normal work week					21
			Staff	Contract	Total	
			1	2	3	
22	Physicians					22
23	Registered Nurses					23
24	Licensed Practical Nurses					24
25	Nurses Aides					25
26	Technicians					26
27	Social Workers					27
28	Dieticians					28
29	Administrative					29
30	Management					30
31	Other (Specify)					31

INDEPENDENT RENAL DIALYSIS FACILITY REIMBURSEMENT QUESTIONNAIRE	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET S-2
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PROVIDER ORGANIZATION AND OPERATION		Y/N	DATE	V/I	
		1	2	3	
1	Has the provider changed ownership immediately prior to the beginning of the cost reporting period? Enter "Y" for yes or "N" for no in column 1. If yes, enter the date (mm/dd/yyyy) of the change in column 2. (see instructions)				1
2	Has the provider terminated participation in the Medicare Program? Enter "Y" for yes or "N" for no in column 1. If yes, enter in column 2 the termination date (mm/dd/yyyy); and, enter in column 3, "V" for voluntary or "I" for involuntary.				2
3	Is the provider involved in business transactions, including management contracts, with individuals or entities (e.g., chain home offices, drug or medical supply companies) that were related to the provider or its officers, medical staff, management personnel, or members of the board of directors through ownership, control, or family and other similar relationships? Enter "Y" for yes or "N" for no in column 1. (see instructions)				3

FINANCIAL DATA AND REPORTS		Y/N	A/C/R	DATE	
		1	2	3	
4	Column 1: Were the financial statements prepared by a Certified Public Accountant? Enter "Y" for yes or "N" for no. Column 2: If yes, enter in column 2: "A" for Audited, "C" for Compiled, or "R" for Reviewed. Submit complete copy of financial statements or enter date available (mm/dd/yyyy) in column 3. (see instructions) If no, see instructions.				4
5	Are the cost report total expenses and total revenues different from those on the filed financial statements? Enter "Y" for yes or "N" for no in column 1. If yes, submit reconciliation.				5

BAD DEBTS		Y/N	
6	Is the provider seeking reimbursement for bad debts? Enter "Y" for yes or "N" for no. If yes, see instructions.		6
7	If line 6 is yes, did the provider's bad debt collection policy change during the cost reporting period? "Y" for yes or "N" for no. If yes, submit copy.		7
8	If line 6 is yes, were patient deductibles and/or co-payments waived? Enter "Y" for yes or "N" for no. If yes, see instructions.		8

PS&R REPORT DATA		Y/N	DATE	
		1	2	
9	Was the cost report prepared using the PS&R report only? Enter "Y" for yes or "N" for no in column 1. If yes, enter in column 2 the paid-through date (mm/dd/yyyy) of the PS&R report used to prepare the cost report. (see instructions.)			9
10	Was the cost report prepared using the PS&R report for totals and the provider's records for allocation? Enter "Y" for yes or "N" for no in col.1. If yes, enter in col. 2 the paid-through date (mm/dd/yyyy) of the PS&R report used to prepare the cost report. (see instructions)			10
11	If line 9 or 10 is yes, were adjustments made to PS&R report data for additional claims that have been billed but are not included on the PS&R report used to file the cost report? Enter "Y" for yes or "N" for no. If yes, see instructions.			11
12	If line 9 or 10 is yes, were adjustments made to PS&R report data for corrections of other PS&R report information? Enter "Y" for yes or "N" for no. If yes, see instructions.			12
13	If line 9 or 10 is yes, were adjustments made to PS&R report data for Other? Enter "Y" for yes or "N" for no. If yes, describe the other adjustments: _____			13
14	Was the cost report prepared only using the provider's records? Enter "Y" for yes or "N" for no. If yes, see instructions.			14

RECLASSIFICATION AND ADJUSTMENT OF TRIAL BALANCE OF EXPENSES				PROVIDER CCN:	PERIOD: From: To:		WORKSHEET A	
FACILITY HEALTH CARE COSTS	SALARIES		OTHER	TOTAL ( col. 1 through col. 3 )	RECLASS. TO EXPENSES ( from Wkst. A-1 )	RECLASSIFIED TRIAL BALANCE ( col 4. +/- col. 5 )	ADJUSTMENTS TO EXPENSES ( from Wkst. A-2 )	NET EXPENSES FOR COST ALLOCATION ( col. 6+/-col. 7 )
	PHYSICIAN COMPENSATION	OTHER						
	1	2	3	4	5	6	7	8
<b>COST CENTERS</b>								
1	0100	Cap Rel Costs-Bldg & Fixt						1
2	0200	Cap Rel Costs-Mvble Equip						2
3	0300	Operation & Maintenance of Plant						3
4	0400	Housekeeping						4
5		Subtotal (sum of lines 1 through 4)*						5
6	0600	Machine Cap-Rel or Rental & Maint*						6
7	0700	Salaries for Direct Patient Care*						7
8	0800	EH&W Benefits for Direct Pt. Care						8
9	0900	Supplies*						9
10	1000	Laboratory*						10
11	1100	Administrative & General						11
12	1200	Drugs*						12
13	1300	Interest Expense						13
14	1400	Laundry and Linen						14
15	1500	Medical Records						15
16	1600	Phy Rout Prof Svcs-Initial Method						16
17	1700	Other (Specify)						17
18		Subtotal (sum of line 11 plus lines 13 through 17)*						18
19	1900	Phy Rout Prof Svcs-MCP Method						19
20	2000	Whole Blood & Packed Red Blood Cells*						20
21	2100	Vaccines*						21
<b>NONREIMBURSABLE COSTS CENTERS</b>								
22	2200	Physicians Private Offices*						22
23	2300	ESAs (prior to January 1, 2011)						23
24	2400	Method II Patients (prior to January 1, 2011)						24
25	2500	Other Nonreimbursable (Specify)*						25
26	2600	Other Nonreimbursable (Specify)*						26
27		Total						27

\* Transfer the amounts in column 8 to Worksheet B and B-1, as appropriate.

RECLASSIFICATIONS	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET A-1
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EXPLANATION OF ENTRY	CODE (1)	INCREASE			DECREASE			
		COST CENTER	LINE NO.	AMOUNT (2)	COST CENTER	LINE NO.	AMOUNT (2)	
		1	2	3	4	5	6	
1								1
2								2
3								3
4								4
5								5
6								6
7								7
8								8
9								9
10								10
11								11
12								12
13								13
14								14
15								15
16								16
17								17
18								18
19								19
20								20
21								21
22								22
23								23
24								24
25								25
26								26
27								27
28								28
29								29
30								30
31								31
32								32
33								33
34								34
35								35
100	Total Reclassifications (Sum of col. 4 must equal sum of col. 7)							100

- (1) A letter (A, B, etc.) must be entered on each line to identify each reclassification entry.
- (2) Transfer to Worksheet A, col. 5, line as appropriate.

ADJUSTMENTS TO EXPENSES		PROVIDER CCN:	PERIOD: From: To:	WORKSHEET A-2	
DESCRIPTION (1)	BASIS FOR ADJUSTMENT (2)	AMOUNT	Expense classification on Worksheet A from which amount is to be deducted or to which the amount is to be added		LINE NO.
	1		2	COST CENTER 3	
1	Investment income on commingled restricted and unrestricted funds (Chapter 2)				1
2	Trade, quantity and time discounts on purchases (Chapter 8)				2
3	Rebates and refunds of expenses (Chapter 8)				3
4	Rental of building or office space to others				4
5	Physician non-routine professional patient care services				5
6	Home office costs (Chapter 21)				6
7	Adjustment resulting from transactions with related organizations (Chapter 10)	From Wkst. A-3			7
8	Vending machines				8
9	Meals served to patients				9
10	Physicians' professional services--MCP Method	A		Physicians' professional services--MCP M	19 10
11	Services under arrangement				11
12	Provision for doubtful accounts				12
13	Capital Related--Buildings & Fixtures			Capital Related--Buildings & Fixtures	1 13
14	Capital Related--Moveable Equipment			Capital Related--Moveable Equipment	2 14
15	Rebates on Epoetin prior to January 1, 2011			Epoetin	23 15
16	Epoetin	A		Epoetin	23 16
17	Rebates on Aranesp prior to January 1, 2011			Aranesp	23 17
18	Aranesp	A		Aranesp	23 18
19	Rebates on Epoetin on or after January 1, 2011			Epoetin	12 19
20	Rebates on Aranesp on or after January 1, 2011			Aranesp	12 20
20.01	Rebates on ESA drugs on or after January 1, 2012			Drugs	12 20.01
21	Physician malpractice premiums				21
22	Other (specify)				22
23	Other (specify)				23
24	Other (specify)				24
100	Total (transfer to Wkst. A, col. 7, line 27)				100

- (1) Description-all chapter references in this column pertain to CMS Pub. 15-1
- (2) Basis for adjustment (see instructions)
  - A. Costs-if cost, including applicable overhead, can be determined
  - B. Amount Received-if cost cannot be determined

STATEMENT OF COSTS OF SERVICES FROM RELATED ORGANIZATIONS	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET A-3
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A. Are there any costs included on Worksheet A which resulted from transactions with related organizations as defined in CMS Pub. 15-1, Chapter 10?  
 Yes (If yes, complete Parts B and C)  
 No

B. Costs incurred and adjustments required as result of transactions with related organizations:

LOCATION AND AMOUNT INCLUDED ON WORKSHEET A, COL. 6				AMOUNT ALLOWABLE IN COST	AMOUNT INCLUDED IN WKST. A COL. 6	NET ADJUSTMENT (col. 4 minus col. 5)	
LINE NO.	COST CENTER	EXPENSES ITEMS					
1	2	3	4	5	6		
1							1
2							2
3							3
4							4
5	TOTALS (sum of lines 1-4) (Transfer col. 6, lines 1-4 to Wkst. A, col. 7 as appropriate) (Transfer col. 6, line 5 to Wkst. A-2, col. 2, line 7)						5

C. Interrelationship to organizations furnishing services, facilities, or supplies:

The Secretary, by virtue of the authority granted under section 1814(b)(1) of the Social Security Act, requires the provider to furnish the information requested on Part C of this worksheet.

This information will be used by the Centers for Medicare and Medicaid Services and its contractors in determining that the costs applicable to services, facilities, and supplies furnished by organizations related to the facility by common ownership or control, represent reasonable costs as determined under 1861(v)(1)(a) of the Social Security Act. If the provider does not provide all or any part of the requested information, the cost report is considered incomplete and not acceptable for purposes of claiming reimbursement under title XVIII.

	SYMBOL (1)	NAME	PERCENTAGE OF OWNERSHIP	RELATED ORGANIZATION(S)			
				NAME	PERCENTAGE OF OWNERSHIP	TYPE OF BUSINESS	
1	1	2	3	4	5	6	
1							1
2							2
3							3
4							4

(1) Use the following symbols to indicate interrelationship to related organizations:

- A. Individual has financial interest (stockholder, partner, etc.) in both related organization and in the facility
- B. Corporation, partnership, or other organization has financial interest in the facility
- C. Facility has financial interest in corporation, partnership, or other organization(s)
- D. Director, officer, administrator, or key person of the facility or relative of such person has financial interest in related organization
- E. Individual is director, officer, administrator, or key person of the facility and related organization
- F. Director, officer, administrator, or key person of related organization or relative of such person has financial interest in the facility
- G. Other (financial or non-financial) specify \_\_\_\_\_

STATEMENT OF COMPENSATION	PROVIDER CCN:	PERIOD: From:	WORKSHEET A-4
		To:	

**PART I - STATEMENT OF TOTAL COMPENSATION TO OWNERS**  
(Include compensation of employees related to owners)

	TITLE	FUNCTION (A)	SOLE PROPRIETORSHIPS	PARTNERS		CORPORATION OWNERS		TOTAL COMPENSATION INCLUDED IN ALLOWABLE COSTS FOR THE PERIOD (B)	
			PERCENTAGE OF CUSTOMARY WORK WEEK DEVOTED TO BUSINESS	PERCENT SHARE OF OPERATING PROFIT OR (LOSS)	PERCENTAGE OF CUSTOMARY WORK WEEK DEVOTED TO BUSINESS	PERCENTAGE OF PROVIDER'S STOCK OWNED	PERCENTAGE OF CUSTOMARY WORK WEEK DEVOTED TO BUSINESS		
	1	2	3	4A	4B	5A	5B	6	
1									1
2									2
3									3
4									4
5									5
6									6
7									7
8									8
9									9
10									10

**PART II - STATEMENT OF TOTAL COMPENSATION TO ADMINISTRATORS, ASSISTANT ADMINISTRATORS AND /OR MEDICAL DIRECTORS OR OTHERS PERFORMING THESE DUTIES (OTHER THAN OWNERS)** (To be completed by all facilities)

	TITLE	PERCENTAGE OF CUSTOMARY WORK WEEK DEVOTED TO BUSINESS	TOTAL COMPENSATION INCLUDED IN ALLOWABLE COSTS FOR THE PERIOD (B)	
	1	2	3	
1				1
2				2
3				3
4				4
5				5
6				6
7				7
8				8
9				9
10				10

(A) Function or job description of each owner. If employee is related to owner, cite relationship.  
(B) Compensation as used in this worksheet has the same definition as 42 CFR 413.102

COST ALLOCATION - GENERAL SERVICE COSTS

PROVIDER CCN:

PERIOD:

WORKSHEET B

		NET EXPENSE FOR COST ALLOC. ( from Wkst. A, col. 8 )	CAP REL OP & MAINT & HOUSE	STEP DOWN OF OF COL. 2	MACH CAP REL OR <i>REN</i> & MAINT	SALARIES FOR DIR PT CARE	EH&W BENE FOR DIR PT CARE	SUPPLIES	LABORATORY	
		1	2	3	4	5	6	7	8	
1	COSTS TO BE ALLOCATED									1
2	Drugs Included in Composite Rate									2
3	ESAs									3
4	ESRD Related Other Drugs									4
5	Non-ESRD Related Drugs, Supplies & Lab									5
6	Whole Blood and Packed Red Blood Cells									6
7	Vaccines									7
REIMBURSABLE COST CENTERS										
8	Maintenance-Hemodialysis									8
8.01	Maintenance-Hemo Adult									8.01
8.02	Maintenance-Hemo Pediatric									8.02
9	Maintenance -IPD									9
9.01	Maintenance-IPD Adult									9.01
9.02	Maintenance-IPD Pediatric									9.02
10	Training-Hemodialysis									10
10.01	Training-Hemo Adult									10.01
10.02	Training-Hemo Pediatric									10.02
11	Training-IPD									11
11.01	Training-IPD Adult									11.01
11.02	Training-IPD Pediatric									11.02
12	Training-CAPD									12
12.01	Training-CAPD Adult									12.01
12.02	Training-CAPD Pediatric									12.02
13	Training-CCPD									13
13.01	Training-CCPD Adult									13.01
13.02	Training-CCPD Pediatric									13.02
14	Home Program-Hemodialysis									14
14.01	Home Program-Hemo Adult									14.01
14.02	Home Program-Hemo Pediatric									14.02
15	Home Program-IPD									15
15.01	Home Program-IPD Adult									15.01
15.02	Home Program-IPD Pediatric									15.02
16	Home Program-CAPD									16
16.01	Home Program-CAPD Adult									16.01
16.02	Home Program-CAPD Pediatric									16.02
17	Home Program-CCPD									17
17.01	Home Program-CCPD Adult									17.01
17.02	Home Program-CCPD Pediatric									17.02
18	Subtotal (lines 2-17.02)									18
NONREIMBURSABLE COST CENTERS										
19	Physicians' Private Offices									19
20	Method II Patients prior to 1/1/2011									20
21	Other Nonreimbursable									21
22	Other Nonreimbursable									22
23	Totals (see instructions)									23

\*Transfer the amounts to Wkst. C, col. 2, as appropriate

The total of column 1, line 23 must equal the amount on Wkst. A, col. 8, line 27.

FORM CMS-265-11 (06/2013) (INSTRUCTIONS FOR THIS WORKSHEET ARE PUBLISHED IN CMS PUB. 15-2, SECTION 4211)

COST ALLOCATION - GENERAL SERVICE COSTS				PROVIDER CCN:	PERIOD: From: To:		WORKSHEET B		
	SUBTOTAL ( col. 1 through col. 8 )	A & G & OTHER COST CENTERS	DRUGS	DRUGS INCL. IN COMP RATE	SUBTOTAL ( see instructions )	ESA'S	ESRD RELATED DRUGS	TOTAL EXPENSES ALL PAT. SVCS. ( cols. 11A-13 )	
	8A	9	10	11	11A	12	13	13A	
1	COSTS TO BE ALLOCATED								1
2	Drugs Included in Composite Rate								2
3	ESAs								3
4	ESRD Related Other Drugs								4
5	Non-ESRD Related Drugs, Supplies & Lab								5
6	Whole Blood and Packed Red Blood Cells								6
7	Vaccines								7
	REIMBURSABLE COST CENTERS								
8	Maintenance-Hemodialysis								8
8.01	Maintenance-Hemo Adult								8.01
8.02	Maintenance-Hemo Pediatric								8.02
9	Maintenance -IPD								9
9.01	Maintenance-IPD Adult								9.01
9.02	Maintenance-IPD Pediatric								9.02
10	Training-Hemodialysis								10
10.01	Training-Hemo Adult								10.01
10.02	Training-Hemo Pediatric								10.02
11	Training-IPD								11
11.01	Training-IPD Adult								11.01
11.02	Training-IPD Pediatric								11.02
12	Training-CAPD								12
12.01	Training-CAPD Adult								12.01
12.02	Training-CAPD Pediatric								12.02
13	Training-CCPD								13
13.01	Training-CCPD Adult								13.01
13.02	Training-CCPD Pediatric								13.02
14	Home Program-Hemodialysis								14
14.01	Home Program-Hemo Adult								14.01
14.02	Home Program-Hemo Pediatric								14.02
15	Home Program-IPD								15
15.01	Home Program-IPD Adult								15.01
15.02	Home Program-IPD Pediatric								15.02
16	Home Program-CAPD								16
16.01	Home Program-CAPD Adult								16.01
16.02	Home Program-CAPD Pediatric								16.02
17	Home Program-CCPD								17
17.01	Home Program-CCPD Adult								17.01
17.02	Home Program-CCPD Pediatric								17.02
18	Subtotal (lines 2-17.02)								18
	NONREIMBURSABLE COST CENTERS								
19	Physicians' Private Offices								19
20	Method II Patients prior to 1/1/2011								20
21	Other Nonreimbursable								21
22	Other Nonreimbursable								22
23	Totals (see instructions)								23

\*Transfer the amounts to Wkst. C, col. 2, as appropriate

The total of column 1, line 23 must equal the amount on Wkst. A, col. 8, line 27.

FORM CMS-265-11 (12/2011) (INSTRUCTIONS FOR THIS WORKSHEET ARE PUBLISHED IN CMS PUB. 15-2, SECTION 4211)

COST ALLOCATION - STATISTICAL BASIS				PROVIDER CCN:		PERIOD: From: To:		WORKSHEET B-1	
	<i>NET EXPENSES FOR COST ALLOC.</i>	CAP REL OP & MAINT & HOUSE ( SQUARE FEET ) (1)	STEP DOWN OF COL. 2 ( # TREAT MENTS ) (3)	MACH CAP REL OR RENT & MAINT ( % TIME ) (3)	SALARIES FOR DIR PT CARE ( HRS OF SERVICE ) (3)	EH&W BENE FOR DIR PT CARE ( GROSS SALARIES ) (3)	SUPPLIES ( CHARGES ) (3)	LABORATORY ( CHARGES ) (3)	
	1	2	3	4	5	6	7	8	
1	COSTS TO BE ALLOCATED								1
2	Drugs Included in Composite Rate								2
3	ESAs								3
4	ESRD Related Other Drugs								4
5	Non-ESRD Related Drugs, Supplies & Lab								5
6	Whole Blood and Packed Red Blood Cells								6
7	Vaccines								7
REIMBURSABLE COST CENTERS									
8	Maintenance-Hemodialysis								8
8.01	Maintenance-Hemo Adult								8.01
8.02	Maintenance-Hemo Pediatric								8.02
9	Maintenance -IPD								9
9.01	Maintenance-IPD Adult								9.01
9.02	Maintenance-IPD Pediatric								9.02
10	Training-Hemodialysis								10
10.01	Training-Hemo Adult								10.01
10.02	Training-Hemo Pediatric								10.02
11	Training-IPD								11
11.01	Training-IPD Adult								11.01
11.02	Training-IPD Pediatric								11.02
12	Training-CAPD								12
12.01	Training-CAPD Adult								12.01
12.02	Training-CAPD Pediatric								12.02
13	Training-CCPD								13
13.01	Training-CCPD Adult								13.01
13.02	Training-CCPD Pediatric								13.02
14	Home Program-Hemodialysis								14
14.01	Home Program-Hemo Adult								14.01
14.02	Home Program-Hemo Pediatric								14.02
15	Home Program-IPD								15
15.01	Home Program-IPD Adult								15.01
15.02	Home Program-IPD Pediatric								15.02
16	Home Program-CAPD								16
16.01	Home Program-CAPD Adult								16.01
16.02	Home Program-CAPD Pediatric								16.02
17	Home Program-CCPD								17
17.01	Home Program-CCPD Adult								17.01
17.02	Home Program-CCPD Pediatric								17.02
18	Subtotal (lines 2-16.02)								18
NONREIMBURSABLE COST CENTERS									
19	Physicians' Private Offices								19
20	Method II Patients prior to 1/1/2011								20
21	Other Nonreimbursable								21
22	Other Nonreimbursable								22
23	Total (see instructions)								23
24	Total Costs to be Allocated								24
25	Unit Cost Multiplier (Line 24 div. by Line 23)								25

COST ALLOCATION - STATISTICAL BASIS				PROVIDER CCN:		PERIOD: From: To:		WORKSHEET B-1	
		UNIT COST MULTIPLIER	DRUGS  ( CHARGES )	DRUGS INCLD IN COMP RATE ( CHARGES )		ESA'S  ( CHARGES )	ESRD REL DRUGS ( CHARGES )	TOTAL EXPENSES ALL PATIENT SERVICES	
	<i>8A</i>	COMPUTATION	(3)	(3)	<i>11A</i>	(3)	(3)	13A	
1	COSTS TO BE ALLOCATED								1
2	Drugs Included in Composite Rate								2
3	ESAs								3
4	ESRD Related Other Drugs								4
5	Non-ESRD Related Drugs, Supplies & Lab								5
6	Whole Blood and Packed Red Blood Cells								6
7	Vaccines								7
REIMBURSABLE COST CENTERS									
8	Maintenance-Hemodialysis								8
8.01	Maintenance-Hemo Adult								8.01
8.02	Maintenance-Hemo Pediatric								8.02
9	Maintenance-IPD								9
9.01	Maintenance-IPD Adult								9.01
9.02	Maintenance-IPD Pediatric								9.02
10	Training-Hemodialysis								10
10.01	Training-Hemo Adult								10.01
10.02	Training-Hemo Pediatric								10.02
11	Training-IPD								11
11.01	Training-IPD Adult								11.01
11.02	Training-IPD Pediatric								11.02
12	Training-CAPD								12
12.01	Training-CAPD Adult								12.01
12.02	Training-CAPD Pediatric								12.02
13	Training-CCPD								13
13.01	Training-CCPD Adult								13.01
13.02	Training-CCPD Pediatric								13.02
14	Home Program-Hemodialysis								14
14.01	Home Program-Hemo Adult								14.01
14.02	Home Program-Hemo Pediatric								14.02
15	Home Program-IPD								15
15.01	Home Program-IPD Adult								15.01
15.02	Home Program-IPD Pediatric								15.02
16	Home Program-CAPD								16
16.01	Home Program-CAPD Adult								16.01
16.02	Home Program-CAPD Pediatric								16.02
17	Home Program-CCPD								17
17.01	Home Program-CCPD Adult								17.01
17.02	Home Program-CCPD Pediatric								17.02
18	Subtotal (lines 2-16.02)								18
NONREIMBURSABLE COST CENTERS									
19	Physicians' Private Offices								19
20	Method II Patients prior to 1/1/2011								20
21	Other Nonreimbursable								21
22	Other Nonreimbursable								22
23	Total (see instructions)								23
24	Total Costs to be Allocated								24
25	Unit Cost Multiplier (Line 24 div. by Line 23)								25

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COMPUTATION OF AVERAGE COST PER TREATMENT ESRD PPS BUNDLED PAYMENT	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET C
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		TOTAL			
		NUMBER OF TREATMENTS	COSTS (Transferred from Wkst. B, col. 13A)	AVERAGE COST OF TREATMENT (col. 2 divided by col. 1)	
		1	2	3	
8.01	Maintenance-Hemo Adult				8.01
8.02	Maintenance-Hemo Pediatric				8.02
9.01	Maintenance-IPD Adult				9.01
9.02	Maintenance-IPD Pediatric				9.02
10.01	Training-Hemo Adult				10.01
10.02	Training-Hemo Pediatric				10.02
11.01	Training-IPD Adult				11.01
11.02	Training-IPD Pediatric				11.02
12.01	Training-CAPD Adult				12.01
12.02	Training-CAPD Pediatric				12.02
13.01	Training-CCPD Adult				13.01
13.02	Training-CCPD Pediatric				13.02
14.01	Home Program-Hemodialysis Adult				14.01
14.02	Home Program-Hemodialysis Pediatric				14.02
15.01	Home Program-IPD Adult				15.01
15.02	Home Program-IPD Pediatric				15.02
16.01	Home Program-CAPD Adult	Patient Weeks			16.01
16.02	Home Program-CAPD Pediatric	Patient Weeks			16.02
17.01	Home Program-CCPD Adult	Patient Weeks			17.01
17.02	Home Program-CCPD Pediatric	Patient Weeks			17.02
18	Totals (Column 1 - Sum of Lines 8.01 through 15.02) (Column 2 - Sum of Lines 8.01 through 17.02)				18
19	Total provider treatments (informational only)				19

COMPUTATION OF AVERAGE COST PER TREATMENT BASIC COMPOSITE COST	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET D
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	TOTAL			MEDICARE											
	TOTAL NUMBER OF TREATMENTS	COSTS (transfer from Wkst. B, col. 11A)	AVERAGE COST OF TREATMENT (col 2 / col. 1)	NUMBER OF TREATMENTS (see instructions)	NUMBER OF TREATMENTS (see instructions)	NUMBER OF TREATMENTS (see instructions)	TOTAL EXPENSES (see instructions)	AVERAGE PAYMENT RATE (see instructions)	AVERAGE PAYMENT RATE (see instructions)	AVERAGE PAYMENT RATE (see instructions)	TOTAL PAYMENT DUE (col. 4 x col. 6)	TOTAL PAYMENT DUE (col. 4.01 x col. 6.01)	TOTAL PAYMENT DUE (col. 4.02 x col. 6.02)	TOTAL PAYMENT DUE	
	1	2	3	4	4.01	4.02	5	6	6.01	6.02	7	7.01	7.02	8	
1	Maintenance-Hemodialysis	(line 8.01 and line 8.02)													1
2	Maintenance-IPD	(line 9.01 and line 9.02)													2
3	Training-Hemodialysis	(line 10.01 and line 10.02)													3
4	Training-IPD	(line 11.01 and line 11.02)													4
5	Training-CAPD	(line 12.01 and line 12.02)													5
6	Training-CCPD	(line 13.01 and line 13.02)													6
7	Home Program-Hemodialysis	(line 14.01 and line 14.02)													7
8	Home Program-IPD	line 15.02)													8
9	Home Program-CAPD	Patient Weeks (line 16.01 and line 16.02)													9
10	Home Program-CCPD	Patient Weeks (line 17.01 and line 17.02)													10
11	Total (see instructions)														11

CALCULATION OF BAD DEBT REIMBURSEMENT	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET E, PARTS I & II
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## PART I - CALCULATION OF REIMBURSABLE BAD DEBTS TITLE XVIII - PART B

PART I - CALCULATION OF REIMBURSABLE BAD DEBTS TITLE XVIII - PART B			
1	Total Expenses Related to Care of Medicare Beneficiaries (from Wkst. D, col. 5, line 11)		1
		Column 1	Column 2
2	Total payment due net of Part B deductibles (from Wkst. D, col. 7, line 11) (see instructions)		2
2.01	Total payment due net of Part B deductibles (from Wkst. D, col. 7.01, line 11) (see instr.)		2.01
2.02	Total payment due net of Part B deductibles (from Wkst. D, col. 7.02, line 11) (see instr.)		2.02
2.03	Total payment due net of Part B deductibles (see instructions)		2.03
3	Outlier payments		3
4			4
5	Program payments (80% of line 2.03, column 2)		5
6	Amount of cost to be recovered from Medicare patients (line 1 minus line 5)		6
7	Deductibles and coinsurance billed to Medicare Part B patients (see instructions)		7
7.01	Deductibles and coinsurance billed to Medicare Part B patients (see instructions)		7.01
7.02	Deductibles and coinsurance billed to Medicare Part B patients (see instructions)		7.02
7.03	Total deductibles and coinsurance billed to Medicare Part B patients for comparison (see instructions)		7.03
8	Bad debts for deductibles and coinsurance net of bad debt recoveries for services rendered prior to 1/1/2011		8
9	Transition period 1 (75-25%) bad debts for deductibles and coinsurance net of bad debt recoveries for services rendered on or after 1/1/2011 but before 1/1/2012		9
10	Transition period 2 (50-50%) bad debts for deductibles and coinsurance net of bad debt recoveries for services rendered on or after 1/1/2012 but before 1/1/2013		10
11	Transition period 3 (25-75%) bad debts for deductibles and coinsurance net of bad debt recoveries for services rendered on or after 1/1/2013 but before 1/1/2014		11
12	100% PPS bad debts for deductibles and coinsurance net of bad debt recoveries for services rendered on or after 1/1/2014		12
13	Total bad debts (sum of line 8 through line 12)		13
14	Net deductibles and coinsurance billed to Medicare Part B patients (line 7.03 minus line 13, col. 2)		14
15	Unrecovered from Medicare Part B patients (line 6 minus line 14) (If line 14 exceeds line 6, do not complete line 16)		15
16	Reimbursable bad debts (lesser of line 13, <i>col. 2</i> or line 15)		16
17	Reimbursable bad debts for dual eligible beneficiaries (see instructions--informational only)		17
18	Tentative adjustment		18
19	<i>Sequestration</i> adjustment amount		19
20	Balance due provider/program (line 16 minus lines 18 and 19) (Indicate overpayment in parentheses) (see instructions)		20

## PART II - CALCULATION OF FACILITY SPECIFIC COMPOSITE COST PERCENTAGE

PART II - CALCULATION OF FACILITY SPECIFIC COMPOSITE COST PERCENTAGE			
1	Total allowable expenses (from Wkst. C, col. 2, line 18)		1
2	Total composite costs (from Wkst. D, col. 2, line 11)		2
3	Facility specific composite cost percentage (line 2 divided by line 1)		3

ANALYSIS OF PAYMENTS TO PROVIDERS FOR SERVICES RENDERED	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET E-1
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PART I - TO BE COMPLETED BY CONTRACTOR

Description	Part B		Amount
	mm/dd/yyyy		
	1		
1 List separately each tentative settlement payment after desk review. Also show date of each payment. If none, write "NONE," or enter a zero. (1)	Program to	.01	1.01
	Provider	.02	1.02
		.03	1.03
	Provider to	.50	1.50
	Program	.51	1.51
		.52	1.52
SUBTOTAL (sum of lines 1.01 - 1.49 minus sum of lines 1.50 - 1.98) (Transfer to Wkst E, Part I, line 18)		.99	1.99
2 Determine net settlement amount (balance due) based on the cost report. (1)	Program to provider	.01	2.01
	Provider to program	.50	2.50
3 Name of Contractor	Contractor Number		3

(1) On line 2.50, where an amount is due "Provider to Program," show the amount and date on which the provider agrees to the amount of repayment even though total repayment is not accomplished until a later date.

PART II - TO BE COMPLETED BY PROVIDER

4 Low volume payment amount (see instructions)		4
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BALANCE SHEET	PROVIDER CCN:	PERIOD: From: To:	WORKSHEET F
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ASSETS (omit cents)		
CURRENT ASSETS		
		<i>Amount</i>
1	Cash on hand and in banks	1
2	Temporary investments	2
3	Notes receivable	3
4	Accounts receivable	4
5	Other receivables	5
6	Less: allowances for uncollectible notes and accounts receivable	6
7	Inventory	7
8	Prepaid expenses	8
9	Other current assets	9
10	Due from other funds	10
11	<b>TOTAL CURRENT ASSETS (Sum of lines 1 through 10)</b>	<b>11</b>
FIXED ASSETS		
12	Land	12
13	Land improvements	13
14	Less: Accumulated depreciation	14
15	Buildings	15
16	Less Accumulated depreciation	16
17	Leasehold improvements	17
18	Less: Accumulated Amortization	18
19	Fixed equipment	19
20	Less: Accumulated depreciation	20
21	Automobiles and trucks	21
22	Less: Accumulated depreciation	22
23	Major movable equipment	23
24	Less: Accumulated depreciation	24
25	Minor equipment nondepreciable	25
26	Other fixed assets	26
27	<b>TOTAL FIXED ASSETS (Sum of lines 12 through 26)</b>	<b>27</b>
OTHER ASSETS		
28	Investments	28
29	Deposits on leases	29
30	Due from owners/officers	30
31	Other assets	31
32	<b>TOTAL OTHER ASSETS (Sum of lines 28 through 31)</b>	<b>32</b>
33	<b>TOTAL ASSETS (Sum of lines 11, 27, and 32)</b>	<b>33</b>
LIABILITIES AND FUND BALANCES (omit cents)		
CURRENT LIABILITIES		
34	Accounts payable	34
35	Salaries, wages & fees payable	35
36	Payroll taxes payable	36
37	Notes & loans payable (Short term)	37
38	Deferred income	38
39	Accelerated payments	39
40	Due to other funds	40
41	Other current liabilities	41
42	<b>TOTAL CURRENT LIABILITIES (Sum of lines 34 through 41)</b>	<b>42</b>
LONG TERM LIABILITIES		
43	Mortgage payable	43
44	Notes payable	44
45	Unsecured loans	45
46	Other long term liabilities	46
47		47
48	<b>TOTAL LONG TERM LIABILITIES (Sum of lines 43 through 47)</b>	<b>48</b>
49	<b>TOTAL LIABILITIES (Sum of lines 42 and 48)</b>	<b>49</b>
CAPITAL ACCOUNTS		
50	FUND BALANCES	50
51	<b>TOTAL LIABILITIES AND FUND BALANCES (Sum of lines 49 and 50)</b>	<b>51</b>

( ) = contra amount

STATEMENT OF REVENUES AND EXPENSES		PROVIDER CCN:	PERIOD: From: To:	WORKSHEET F-1
		<i>Amount</i>	<i>Amount</i>	
1	Total patient revenues			1
2	Less: Allowances and discounts on patients' accounts			2
3	Net patient revenues (Line 1 minus line 2)			3
4	Operating expenses (From Worksheet A, column 6, line 27)			4
5	Additions to operating expenses (Specify)			5
6				6
7				7
8				8
9				9
10				10
11	Subtractions from operating expenses (Specify)			11
12				12
13				13
14				14
15				15
16				16
17	Less total operating expenses (net of lines 4 through 16)			17
18	Net income from services to patients (Line 3 minus line 17)			18
Other income:				
19	Contributions, donations, bequests, etc.			19
20	Income from investments			20
21	Purchase discounts			21
22	Rebates and refunds of expenses			22
23	Sale of medical and nursing supplies to other than patients			23
24	Sale of durable medical equipment to other than patients			24
25	Sale of drugs to other than patients			25
26	Sale of medical records and abstracts			26
27	Other revenues (Specify)			27
28				28
29				29
30				30
31				31
32	Total Other Income (Sum of lines 19 through 31)			32
33	Net Income or Loss for the period (Line 18 plus line 32)			33