

## Budget

- WS A, Part I, Column 1 - A&G allocation will now be included in each Cost category. Instructions say to use allocation from Column 5 of WS E, however if adjustments, including removing non-allowable A&G, were made to A&G in Column 3 of WS E, won't tie back to Trial balance (WS E, Column 1).
- WS A, Part III, Line 4 - the label should read that the number comes from Line 10 instead of 11.
- Instructions - Clarify how to upload Certification Statement in HPMS. Will the format be pdf? Will the Excel report be loaded first and then the certification statement?
- Instructions - WS A, Part II, Column 5, Line 11 - need to keep "minus Lines 13 and 14" in formula
- Crosswalk grid may have some errors in issue #'s referred to in the Changes to Application and Reason for change columns. e.g. Issue #10 refers to issue #10, but should it be #9 instead?

## Cost Report

- WS E, line 16a was added to split Coinsurance from Deductible and Coinsurance on claims already paid by the Carrier/Intermediary. Running Coinsurance through column 6 of WS E to feed WS L, line 18, will allocate some A&G to these services. Is this change necessary, since WS N, line 8c is pulling directly from WS G, line 23+ line 24?
- WS E, line 19 was added to identify Part B Services not Subject to Coinsurance and needs to be Medicare only costs in column 6, since it feeds WS L, line 25. Since these services sometimes are provided by related party, there may be adjustments to get to allowable costs.  
  
Would it make sense to run these claims for both Medicare and non-Medicare through WS E, column 6 and then create a separate section of WS K, which uses ratio of Medicare to Total and applies to total allowable costs to calculate Medicare allowable labs and covered vaccines. The Medicare costs could then feed WS L.
- There seems to be a formula error on line 21, col 2, WS L which pulls through onto WS M (it seems to be pulling from the old mental health location on WS K) It

appears the label may be wrong since it says pulling from line 19, but formula links to line 23.

- It appears the proposed changes should have included a change to the cost report that was not made. In WS L, Column 2, Line 22, the Medicare beneficiary payment of coinsurance on Outpatient Mental Health Treatment limitation was supposed to be reduced over a 5 year period, per the attached document (“CMS Memo - Outpatient Mental Health Services Coinsurance”). CMS stated that they would correct this in their template going forward, but it appears that they have not. The percentage still remains at 37.5%, and it should be down to 25% for the 2012 cost report (should have been 31.25% for 2010 and 2011).
- Instructions - There appears to be a typo in the dates on 2303.1 at the bottom of page 6 and top of page 7 of the redlined instructions. We believe that the dates should either be 2014, 2012, 2012 or 2012, 2010, 2010. I think the rest of the instructions use 2012 and 2010 dates.
- Instructions - The WS N instructions seem to be changing which year budget report the line 10 amount pulls from. Is this intentional, and if so is there any additional step that will be taken once these revised instructions go into effect to avoid double counting a year? There seems to be an inconsistency between the instructions and the form on this item, so perhaps the year changing is just a typo? E.g. For the 2012 Final Cost report, WS N, line 10 will be over-collection from 2010, however that was already used in the calculation of 2011 Final Cost report WS N, line 10.
- WS N is confusing since WS N and WS B (from budget) are inter-related. One year carries over and impacts another, so as one gets finalized and adjusted, it could change result of the other.  
E.g. 2013 Budget, completed in Oct 2012, references WS N from 2011 Final Cost report. If 2011 Final Cost report gets finalized after 2013 Budget is submitted, could change over/undercollection calculation.

Perhaps this will be part of CMS’ re-computation process of Over/Under Collections for Medicare covered services?

There is a significant concern regarding inconsistencies on worksheet N line 10 related to the current instructions and the new ones. When calculating the Over/Under collection of Premiums there are inconsistencies between how the budget calculates it vs. worksheet N. The concern is that, if the new budget starts to use the previous worksheet N totals which are believed to be incorrect due to line 10, this will create an ongoing issue from year to year.

