

Progressive Provider Services  
Presents:  
Skilled Nursing Facilities  
Medicare Cost Reporting  
Form 2540-24

Presenter: Temi Unger

**WORKSHEET S-2**

- Line 3, column 7 – Date certified for Medicaid
- Note several lines for home offices
- Pg 2, line 20: CLIA certification and ID number
- Line 21: Radiology
- Line 22: Ambulance
- Line 29: Professional services

### **WORKSHEET S-3, Part I**

- New lines breaking out FFS and HMO for both SNF and NF
- For all information – Census, Discharges, and Admits
- Worksheet G-2 has similar categories

### **WORKSHEET S-3, Part V**

- Fairly similar to 2540-10, with two major differences
  - There are wage-related costs that can be reported for contract labor, should these costs be separately identifiable. Otherwise, all costs should be included in column 1.
  - There is a separate section for home office/ chain organization employees.
- Note the “Therapy Aides and Students” lines – 10, 24, and 38. This would include all PT and OT aides which, on the 2540-10, were separately reported.

### Series A, B and C Cost Center Changes

- **Line 15 – Q&A Performance Improvement Program –**
  - This cost center includes the cost incurred to operate a Quality Assurance and Performance Improvement (QAPI) program described in 42 CFR 483.75 and the SNF Quality Reporting Program (QRP) required by Section 1899B of the Act; the cost incurred for the medical director required by 42 CFR 483.70(h), and allowable costs incurred for provider-based physicians determined on Worksheet A-8-2.
- **Line 17 - Patient Transportation Part A – for Part A ambulance**
  - This cost center includes the cost incurred for patient transportation covered under Part A that is the responsibility of the SNF. Ambulance services covered under Part B are not included in this cost center. Ambulance services covered under Part B are reported on line 71. This cost center is not applicable to NFs or ICF/IID's.

### Series A, B and C Cost Center Changes (cont.)

- Note that there is no longer a separate line for assisted living facilities.
- Lines 30 and 31 – Radiology is broken out between diagnostic and therapeutic/ chemotherapy
- Lines 37 and 38 – Speech is broken out into Speech and Audiology

### Series A, B and C Cost Center Changes (cont.)

- Lines 41 and 42 – Separate cost centers for **Drugs Charged to Patients** and **Drugs: IV Solutions**.
  - Note that cost of vaccine drugs for preventive pneumococcal, influenza, COVID-19, and hepatitis B vaccines and monoclonal antibody products used in treatment of COVID-19 are reported separately on line 80
- Line 44 – **Appliances and Equipment**
  - Similar to 2540-10 line 51 for Support Surfaces, but also includes Complex Medical Equipment
- Line 45 – **Blood and Blood Products**
  - The cost center includes the cost incurred for un-replaced blood (after satisfaction of the 3 pint blood deductible) beginning with the first pint or unit.

### Series A, B and C Cost Center Changes (cont.)

- Line 46 – **Blood Transfusion/Processing/Storage**
  - This cost center includes the costs associated with blood transfusions and processing and storage of blood and blood components.
- Line 60 – **Screening and Preventive Services**
  - This cost center includes the cost of medical supplies and labs, that can be traced to individual patients, used in administering preventive (not therapeutic) influenza, pneumococcal, hepatitis B and COVID-19 vaccines paid under Medicare Part B. This cost center does not include the cost incurred for preventive (not therapeutic) pneumococcal, influenza, hepatitis B, and COVID-19 vaccines reported on line 80.
- Line 61 – **Outpatient Laboratory**
  - This cost center only includes costs incurred by a Medicare approved laboratory with its own CLIA number or CLIA certificate of waiver that is owned and operated by the SNF for laboratory services provided to residents whose benefit days are exhausted, or who are not entitled to have payment made for services under Part A, as well as those residents who are no longer inpatients of the SNF (i.e. outpatients).

### Series A, B and C Cost Center Changes (cont.)

- **Line 62 – Portable X-Ray Services**
  - This cost center only includes costs incurred by a radiological department that meets the same standards required of furnishing such services under the program or the standards to provide portable x-ray services that is owned and operated by the SNF for portable x-ray services provided to residents whose benefit days are exhausted, or who are not entitled to have payment made for services under Part A, as well as those residents who are no longer inpatients of the SNF (i.e., outpatients).
- **Line 63 – Outpatient Durable Medical Equipment**
- **Line 71 – Ambulance –**
  - Where the ambulance is owned and operated by the SNF and paid under Part B.

### Series A, B and C Cost Center Changes (cont.)

- **Line 80 – Preventive Vaccines**
  - As reported above regarding lines 41 & 42 and line 60.
  - Note that cost of vaccine drugs for preventive pneumococcal, influenza, COVID-19, and hepatitis B vaccines and monoclonal antibody products used in treatment of COVID-19 are reported separately on line 80.
- **Removed – you may report on line 93 Other Nonreimbursable**
  - Barber and Beauty
  - Patient Laundry

**Remember that many line numbers have changed.**

**Refer to our TB Crosswalk for specifics.**

## **WORKSHEET A**

### **New Columns**

- Column 2 for contract labor costs
  - In the past, contract labor was reported in column 2 together with "Other" (non-salary) costs.
- Column 3 now is a subtotal of labor costs
- All non-labor costs get reported in column 4

**WORKSHEET A-7**

- Note reconciliation of capital costs on Part II.
- You will need to refer to the trial balance in order to identify costs.
- The line totals for each of line 1 and line 2 in column 7 will match Worksheet A column 9, lines 1 and 2 respectively.
- If there are reclasses or adjustments to costs on lines 1 or 2, those must be reflected in the costs entered on A-7 Part II.

**WORKSHEET A-8-1**

- Note Part I column 4, where each expense needs to report the corresponding line number on A-8-1 Part II where the related party is detailed.
- There are edits in place for A-8-1 Part II requiring that information be reported accurately and completely, depending on the interrelationship indicator in column 1. See CMS instructions for details.

## WORKSHEET C

- New – reporting of inpatient revenue charges on lines 25, 26, and 27. On the 2540-10, these were reported only on G-2.
- Note new cost centers described above.
- Make sure to fill out line 80 vaccine charges in order to get proper reimbursement.
- **Worksheet D:** cost centers mirror C, except for lines 25, 26, and 27. Make sure that PS&R vaccine charges get imported.

## WORKSHEET C-6

- Used for reclassifying charges from one Worksheet C cost center to another. Note new cost centers described above.
- Note that charges may also be reclassified to/ from inpatient revenues

## **WORKSHEET E Pt A and E Pt B**

- Worksheet E,I has now been split into two separate worksheets, where in the past there were two sections on the same worksheet.
- E Pt A is for Part A reimbursement, and E Pt B is for Part B reimbursement, including, but not limited to, vaccines.

## **WORKSHEET G-2**

- New: G-2 revenues broken out by Medicare, Medicare HMO, Medicaid, Medicaid HMO and Other. This matches revised reporting of patient days, admits, and discharges on S-3, Part I.
- Ancillary revenues broken out into Inpatient Medicare FFS, Medicare HMO, Medicaid, Medicaid HMO, Other and Outpatient Medicare FFS, Medicare HMO, Medicaid, Medicaid HMO, Other.

## Welcome to the Med-Calc 2540-24

We are happy to present you with the new and improved Med-Calc cost report software for Skilled Nursing Facilities. The software features have been enhanced for accuracy, reliability and an enhanced user experience.

## Med-Calc 2540-24 Features

- Visit tab 2540-24 New Items – this will highlight some of the changes to the form.
- Visit tab TB Code List to view a list of trial balance codes for the new cost centers.
- Visit tab TB Crosswalk to reference a parallel between the codes from 2540-10 and 2540-24.
- When importing an ECR from 2540-10, only basic template information will be imported. The import ECR window will show an option of importing a full ECR but this is really not an option when choosing an SN file that was created on 2540-10.

### Med-Calc 2540-24 Features (cont.)

- You will notice that some cost center lines were removed from the cost report. If there was square footage on the previous cost report, you will not get an alert that the information wasn't imported. You will need to review manually to determine if the items are transferred properly. For example: Barber and Beauty is not a cost center on the current form. If there was square footage on B-1 line 91, it would be omitted when using the automatic ECR import. You can manually enter that amount on line 93 for Other Non-reimbursable Costs.
- Creating the ECR has a new back-end process. If you are a long-time user of Med-Calc you may notice some different nuances.
- New feature: Validation tab. This feature will get activated when creating the ECR file.

# THANK YOU

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