

July 21, 2022

To Whom it May Concern:

I am a Reimbursement Manager for a multi-hospital organization and have been working on Medicare Cost Reports for the past seven years. Over this time, I have seen many of the cost report schedules grow in complexity requiring more and more detailed information causing us to spend countless additional hours to be able to meet all requirements. I am sure we cannot be the only organization that feels this way.

In my opinion, the new proposals for 2552-10 requiring standard templates for Medicaid Eligible Days, Medicare Bad Debts, and S-10 Uncompensated Care will, again, require more time for hospitals to prepare. I am not sure how this can be part of the Paperwork Reduction Act when it seems to be doing the opposite.

While the Medicare Bad Debt template is definitely of concern to me with the number of fields and detailed information requested, my comments are more related to the S-10 requirements at this time. As mentioned, it currently takes us a substantial amount of time to complete worksheet S-10. Further breaking the data down by CCN, filling out Parts I and II, and calculating separate cost to charge ratios just adds more steps to the process. I would like to stress that it is extremely difficult for hospitals to separate insured and uninsured charity. It sounds like an easy task, but identifying charity write offs related to coinsurance, deductible, and copay compared to charity write offs for non-covered services, exhausted benefits, and days exceeding length of stay limits is extremely challenging and time consuming. Furthermore, I don't know what the benefit is in taking the time to do this is. I understand that insured charity is not multiplied by the cost to charge ratio, but we could easily streamline S-10 and eliminate a lot of the confusion by not separating insured and uninsured charity for any hospitals and multiplying all charity write offs by the cost to charge ratio like we do for bad debt. Has any analysis been done to see the effect by hospital if insured charity is broken out or not broken out? Does CMS have any interest in completing such an analysis to possibly save a substantial amount of time for every DSH hospital in the country?

I also think it is important to note that hospitals are still required to calculate DSH payments under the old methodology as well (25%). Although we have moved forward with utilizing worksheet S-10 for Medicare DSH purposes and added a considerable amount of time to our cost report preparation, we still have to complete the DSH calculation under the old methodology as well. There seems to be no relief.

Assuming we continue breaking out insured and uninsured charity, I'd also like to comment that including Medicaid days exceeding the length of stay limit and insured, non-covered charges in the insured column further complicates the schedule as it appears the amounts will not be reduced by the cost to charge ratio even though they actually will.

Another difficulty in preparing the data behind S-10 relates to some columns being qualified by post-date while others are regardless of post-date. In theory, I understand what was intended, but it requires us to run multiple reports based on different qualifications and consolidate them into one report. Also, it still leads to timing differences that we would not otherwise have. For example, let's say we write off bad debt in our 2022 fiscal year (ends 6/30/22). In August 2022, the patient makes a payment at which point the bad debt write off is essentially reversed. If we run our reports in September 2022 and pick up payments regardless of post-date, the template will show the amount written off to bad debt and paid until the reversal shows in the following year.

I would also like to point out that increased complexity in regulations and reporting requirements leads to a more detailed, time consuming audit for the hospitals as well as for CMS contractors. In addition, many organizations have multiple facilities that file which multiplies the entire process. Preparing cost reports and working through all the various related audits has become a year round endeavor. While I would like to see a more efficient, streamlined process, I fear we are moving in the opposite direction. Thank you for your consideration.