

Kentucky Medicaid Medical Supply Cost Settlement Worksheet Instruction

General Policies and Guidelines

This worksheet provides for the apportionment of home health service costs to Title XIX for disposable medical supply and enteral nutritional product (medical supplies) charges. In addition, this worksheet provides for the application of the Title XVIII and Title XIX cost limitations, if applicable, to each home health agency's allowable cost in determining the Medicaid reimbursable cost.

The computation of Medicaid reimbursable cost shall be determined by utilizing the lower of the average cost for billable medical supplies to the average charge for those items.

This form shall be completed in its entirety and submitted with a copy of the complete Medicare Cost report applicable to the provider (Form CMS 1728-94 or CMS 2553-96). The provider shall also include a copy of their financial statements to support stated costs and charges detail (e.g. working trial balance).

Utilization of this worksheet shall begin with the facility's fiscal year end (FYE) of June 30, 2003 and after.

Instructions:

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| Provider Name... | Enter the corporate name as registered with the Kentucky Secretary of State. Also, enter the "Doing Business As" if applicable. |
| Provider Number... | Enter the Kentucky Title XIX Home Health Agency provider number. |
| Fiscal Year Ending... | Enter the provider's fiscal year ending date. |

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Computation of amount due the Home Health Agency or amount due the Kentucky Medicaid Program:

- Line 1, Column 2: From the most recent Paid Claims Listings Summary (PCL's), received by the provider, enter the total amount of Title XIX paid supply charges.
- Line 2, Column 2: Enter the Medical Supplies Cost to Charge Ratio from CMS-2552, Worksheet H-6 or CMS 1728, Worksheet C.
- Line 3, Column 1: Enter the result of multiplying Line 1, Column 2 by Line 2, Column 2.
- Line 4, Column 2: Enter the Lessor of Line 1, Column 2 and Line 3, Column 1.
- Line 5, Column 1: Enter the Title XIX Medical Supply Payments received by the provider from the most recent PCL's.
- Line 6, Column 1: Enter the total amounts received from third party liability or other sources as stated on the most recent PCL's.
- Line 7, Column 2: Enter the total by adding Line 5 and Line 6 of the worksheet.
- Line 8, Column 2: Enter the difference by subtracting Line 7 from Line 4.

If a positive amount, this is the amount due the agency from the Medicaid Program. If a negative amount, this is the amount due the Medicaid Program from the agency (an overpayment). If an amount is shown as due the Medicaid Program, a check made payable to the Kentucky State Treasurer shall be included with this worksheet.

Certification by Officer or Administrator of Agency:

This section shall be completed and signed, by an officer of the corporation or partnership; or the licensed administrator of the home health agency, certifying that this worksheet was completed in accordance with the instructions and applicable statutes and regulations of the Commonwealth of Kentucky.