

## **Your Cost Report Deadline is Approaching – Accurate Cost Report Data is Essential**

*An excerpt from a recent NAHC Press Release*

As the Chairman of the Cost Report Task Force for the NAHC Home Care & Hospice Financial Managers Association (HHFMA), I would like to take this opportunity to reinforce the importance of the data being submitted to the government via the home health and hospice cost report. Healthcare reform has taken center stage, and home care providers are facing continued cuts in Medicare reimbursement. In this environment, it is critical that agencies prepare a cost report that is both accurate and complete. Below, we have included an excerpt from a recent NAHC press release. Download the complete version at [www.boydandnicholas.com](http://www.boydandnicholas.com).

Sincerely,  
Tom Boyd  
Principal, Boyd and Nicholas

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### **FOR IMMEDIATE RELEASE**

NAHC and HHFMA have launched a campaign to coordinate with industry associations, trade press, and consulting professionals who prepare cost reports to inform them of the critical importance of proper cost report preparation.

MedPAC recommendations affecting future payment decisions for all home health are being made based on erroneous Medicare cost report data being submitted by more than 20% of home health agencies across the country. Reports by the Center for Medicare and Medicaid Services (CMS) and NAHC reveal that nearly one of every four cost reports cannot be used for the purpose of collecting or evaluating data for the home health prospective payment system (PPS). Congress places great reliance on MedPAC in determining a course of action for Medicare provider payment rates. MedPAC has recommended that payment rates be rebased using cost report data.

This is a critical issue for our industry as the cost report is the *only* source of cost, charge, profit, and visit information that government agencies have available for the home health industry. The cost report not only influences payment rates, it can be a source of valuable industry benchmarking data when properly prepared. Data derived from the cost report includes Direct Cost Per Visit by Discipline, Indirect Cost Per Visit by Discipline, Total Cost Per Visit by Discipline, Average Cost Per Episode, and more...

Act today!

1. Send the NAHC Press Release to the person who prepares your cost report – download the complete copy at [www.boydandnicholas.com](http://www.boydandnicholas.com).
2. Review your cost report data and take responsibility for its content
3. Contact NAHC (202-547-7424) or HHFMA for additional information.  
[www.nahc.org](http://www.nahc.org)
4. Contact your state association and ask them to endorse the campaign and include this information in their publications
5. Review the Provider Reimbursement Manual (PRM 15-1) and Medicare Cost Report Instructions (PRM 15-2) provided by CMS

6. If your fiscal year end is December 31, 2009, you have a cost report due to be filed by the end of May 2010. Work on a proper and correct filing now and avoid the “need” to submit incomplete or incorrect information at the last minute.

Every Medicare certified provider must file a cost report. Every filing of a cost report requires the signature of an HHA official certifying that the report is prepared in accordance with the law and the signer is responsible for its contents. It is the responsibility of that person to insure that the filing is 100% accurate and in compliance with all Federal Laws and Regulations.

Download the complete NAHC Press release at [www.boydandnicholas.com](http://www.boydandnicholas.com).