



## THE POWER OF BEING UNDERSTOOD

# CRITICAL ACCESS HOSPITAL REIMBURSEMENT MODELING

Critical Access Hospitals (CAHs) and other provider types with cost-based reimbursement under the Medicare program are often challenged with quantifying the impact to their future reimbursement from modifications made to their charge practices, cost structure and other related items. Changes to a CAH's square footage, chargemaster design or staffing can have a significant impact on future Medicare reimbursement that may not be identified until after the annual cost report is prepared. To assist CAHs in this effort, RSM health care consultants have developed a customizable, user-friendly tool for clients to test the reimbursement impact of potential changes to their operations, as well as allow for more accurate reserve-setting through more frequent cost report settlement calculations.

### Cost report model tool

Created in an easy-to-use Excel® spreadsheet format, RSM's cost report modeling tool is designed with a layout and flow that is similar to the Medicare cost report. Users can quickly update the cost report model with their most up-to-date trial balance and facility statistics to generate an updated cost report settlement for their CAHs, allowing users to better manage cash flow, analyze margins, assess cost-to-charge ratios and more, all within the ease of a straightforward spreadsheet that's simple to navigate and can be customized to your organization's unique needs.

The other benefit of the cost report model includes the ability to run forecasting scenarios to test the impact of adding new service lines or making changes to existing operations. Users can modify their current trial balance and change statistics to model a hypothetical scenario and receive guidance on how future planning could impact their organization's Medicare reimbursement.

### Tool benefits

- Enhances an organization's overall reimbursement process efficiency
- Provides the ability to make informed decisions around reimbursement and addresses errors and challenges in a quick, consistent and efficient way
- Enables the organization to review scenarios, forecast and make knowledgeable future strategic decisions around service offerings and planning
- Allows an organization to meet compliance objectives, while improving performance

### Other reimbursement services

In addition to the reimbursement modeling tool, RSM's health care reimbursement professionals provide the following services to CAHs:

- Cost reporting and compliance review
- Chargemaster and revenue assurance analysis
- Strategic pricing model analysis
- Revenue cycle management assistance
- Feasibility studies and implementation assistance
- Evaluation of nonreimbursable and non-cost-based cost centers and their impact on reimbursement
- Evaluation of cost allocation methods

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