

Health Care

Critical Access Hospital Services



“The Eide Bailly Staffing and Operational Analysis provided industry benchmarks that assisted us in improving staffing, productivity, and efficiency throughout the hospital. The changes brought about by improving operational processes and staffing to benchmarks has had a positive financial impact for Queen of Peace Hospital.”

*~Mary Klimp, CEO
Queen of Peace Hospital*



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PEOPLE. PRINCIPLES. POSSIBILITIES.



“We recently went through an Operational Review by Eide Bailly. This was a very worthwhile process for our hospital. Each of the members of Eide Bailly who came on site was very knowledgeable and easy to work with.”

*~ David D. Rasmussen, CEO
Okmulgee Memorial Hospital*

Eide Bailly is uniquely qualified to assist with Critical Access Hospital conversion. Our Firm has been involved in the Medicare Rural Hospital Flexibility Program since its beginning. Our staff has been called upon to advise, inform and assist with the development of the program at the national and state levels. National, regional and state-based organizations involved in the Medicare Rural Hospital Flexibility Program frequently request our Firm’s involvement in educating hospital staff about key issues regarding CAH conversion and assisting with the conversion process.

Since our involvement with the first CAH conversion in Minnesota in 1998, Eide Bailly staff has assisted more than 200 hospitals in 20 states with the CAH financial feasibility analysis, application for participation, and/or survey preparation. Collectively, Eide Bailly staff has worked with more than 20% of the CAHs nationwide on CAH conversion issues.

Critical Access Hospital Designation

Critical Access Hospital status can result in significant reimbursement enhancements from the Medicare program and, if the state adopts Medicare’s reimbursement methodology, significant increases in Medicaid reimbursement. Critical Access Hospital inpatient and outpatient reimbursement is based on cost, with the exception of professional fees, which are based on Resource Based Relative Value Scale (RBRVS). Eide Bailly can help you explore the benefits of CAH status with the following services.

Financial Feasibility Study

We can assist in determining the impact of conversion to CAH status. We will review the past three submitted Medicare Cost Reports to determine the impact on Medicare reimbursement if your facility would have been reimbursed as a CAH facility during those years vs. how your facility was actually reimbursed under Medicare. The review also estimates the impact of the therapy fee schedules and swing bed reimbursement. The study can be adapted to look at only one prior year or at forecasting future years based on anticipated future facility events such as facility expansion, equipment purchases, and adding physicians. We provide a report that includes a recommendation on whether or not the facility should go CAH or if further analysis is necessary.

Submission of the Application

We will prepare and submit all of the necessary paperwork associated with the application for designation as a CAH to the appropriate state agency. This includes assisting you with a rural health network agreement with a tertiary facility, developing the necessary EMS coordination policies, writing the community assessment portion of the application, and compiling all policies needed.

Survey Preparation

The survey preparation consists of a two-day on-site visit to assist you in preparing the required policy manual to meet all the regulations related to CAH status. We will go through the regulations one by one and inform your staff on what needs to be in a policy manual. We will review your current manuals and copy pertinent sections into the CAH manual. If there are components missing, we can provide template policies on-site. Upon completion of the on-site work, the facility will have a manual containing all of the required information. The benefits include survey readiness and time saved by passing the survey the first time.

Review of Interim Rates

We recommend CAH facilities prepare a mini-cost report at least once or twice a year to verify the interim payment rates received from Medicare. Depending on the accuracy of variation in expenses, patient day activity and Medicare utilization, there could be major swings in Medicare reimbursement that result in either a major payable or receivable on the cost report. We can help complete the interim cost reports and recommend adjustments to the interim payment rates.

CAH Reimbursement Analysis

Cost reimbursement rules create opportunities for hospitals licensed as CAH facilities to review current operations and examine how the Medicare cost report is completed. Opportunities may exist that could impact the amount of reimbursement received from the Medicare program. We conduct a thorough review of your most recently filed Medicare cost report, complete an extensive tour of the facility and work with your accounting personnel regarding recording of expenses in the general ledger. We complete other analyses to determine whether you are receiving the appropriate reimbursement from the Medicare program.

Assurance and Tax Services

Eide Bailly has consistently provided clients with quality assurance services. We will perform various procedures and substantive tests of balances, concentrating on those areas most critical to the financial statements, and review selected income and expense items. To keep management informed, we involve them and financial personnel from the planning stages through the completion of the audit. We complete the financial statements and management letter and make suggestions regarding other services that may benefit your facility.

Our full range of tax services include preparation of 990s and 990-Ts, assistance with applications for tax-exempt status, preparation of Medicaid Human Service Reports and researching unrelated income situations. We also provide individual and corporate tax services.

Business Office Focus Analysis

To help you increase patient satisfaction and better manage your accounts receivable, Eide Bailly offers a business office focus analysis that looks at your accounts receivable management process. This includes reviewing your entire revenue cycle with emphasis on improving the bottom line by decreasing days in A/R and increasing cash flow, thus lessening your bad debt. We combine this service with implementation of all recommendations through the re-design aspect of the program.

Chargemaster and Cost Report Review

For a CAH facility, the chargemaster and cost report are two of the most vital components for proper cost reimbursement from Medicare. Our review will also help validate compliance with third-party payer regulations and appropriate reimbursement for a facility. We review each chargemaster section to ensure proper code usage and adherence to pricing and compliance issues. We check for proper revenue and expense matching for the Medicare cost report and educate facility staff on the impact the chargemaster and the cost report have on reimbursement.

Collection of Self-Pay Accounts

We can provide an alternative to an aged portfolio of self-pay accounts. Whether you want to outsource full management of your self-pay accounts, or you just need help getting your system organized and your staff trained, we can provide the level of assistance you need. When workload, lack of available staff or staff inexperience keeps you from making collections a top priority in your facility, Eide Bailly can help fill the void. We preserve your patient satisfaction while increasing your cash collected.

HIPAA Security Audit

Eide Bailly technology consultants will work with you to make certain your computer system is compliant with HIPAA regulations. We perform an audit to check the security of your system and users' access to sensitive information. Many health care facilities cannot afford, and probably don't need, a full-time Information Security Manager and using the consulting services offers you a good alternative. Our experienced professionals understand information systems and the impact of HIPAA on your facility. With appropriate security measures in place, your patients, staff and providers have peace of mind, knowing their privileged medical information is secure.

Home Health Services

An on-site home health review includes a risk assessment for compliance, cost analysis under PPS, staffing and productivity review, and an in-depth study of the operational work processes. Following the on-site assessment, we provide a comprehensive report encompassing our findings, suggestions and the financial impact of our recommendations.

Medicare Reimbursement Services

Eide Bailly prepares more than 400 cost reports a year for hospitals, nursing homes, rural health clinics, home health agencies, CORFs and Home Office. Related services include reviews of Medicare audit adjustments, Medicare geographic reclassification, disproportionate share hospital analysis, wage index reviews, Medicare contractual estimates, OPPS transitional payments and interim payment reviews. We can also help your facility analyze the impact of hospital operational changes and keep you updated on the effects of the latest changes to Medicare regulations and other reimbursement issues.

Operational Analysis

Cost reimbursement and flexible staffing rules for CAH facilities create opportunities for rural hospitals. We conduct a thorough review of your facility's operations, meet with key medical and hospital staff, and make recommendations regarding staffing, service additions, swing bed usage, and long term cost reductions.

Pre-Admission and Up-Front Collection Program

Eide Bailly can help you implement a comprehensive program that will simplify the admitting process, provide ease of access to the system, and improve patient satisfaction while helping you achieve better cash flow and lower days in accounts receivable.

Service Offerings

Financial Services

We understand that each individual's financial situation is unique; our approach is to provide clients with effective financial solutions based on each client's needs. Our services consist of financial planning, estate and retirement income planning, asset management and insurance services.

Forensic Services

With Access to Certified Fraud Examiners, Certified Forensic Interviewers, former law enforcement officers, licensed private investigators and forensic CPAs, our clients receive assistance with their fraud prevention, detection and investigation needs. Our forensic services team has the specialized knowledge needed to investigate both simple and complex fraud schemes, as well as the investigative techniques and technical skills to resolve your situation.

Technology Consulting

For more than 25 years, clients have benefited from our proactive approach to information technology. Our collective technology services result in valuable solutions which impact the performance and profitability of our customers, not just their systems. Our services include infrastructure services, IT risk management, consulting and advisory services, custom application development and staffing services.

Experience the Difference

Serving a wide range of clients, including:

- nursing homes
- senior housing alternatives
- physicians
- clinics
- hospitals
- home health agencies
- hospices
- other related health care entities

When you do business with Eide Bailly, we believe your experience will be different from other CPA firms: you will work with professionals who are passionate about their work—and your success.

You will experience attentive service from your primary service provider, as well as have access to specialists throughout our Firm. You will receive genuine advice that is insightful and useful. You will also receive tailored solutions to your business needs to help you achieve your objectives.

We look forward to working with you.



"We use Eide Bailly for our audit and have also utilized the firm for a variety of other needs. Regardless of the type of service we are getting, from the audit to reimbursement consulting to information technology solutions, we are impressed with the quality of professionals that work with us."

*~ Larry Lee, Chief Financial Officer
Minidoka Memorial Hospital*



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