



# Critical Access Hospital Reimbursement Model

For Effective, Efficient Financial Management



# Robust Model Designed Specifically for CAH Accounting

Eide Bailly's CAH Reimbursement Model is designed to assist CAHs with the unique accounting and reimbursement issues associated with a cost-based reimbursement system. It provides timely, accurate, hospital-specific reimbursement data essential for interim financial reporting, budgeting, cash management, and operating and capital expenditure decision making.

## Interim Financial Reporting Made Easy

The CAH Reimbursement Model allows you to reasonably estimate Medicare settlement amounts on an interim basis. It is customized to your facility's unique operations based on your current utilization statistics and costs. Designed for monthly calculations, it is also a powerful year-end audit tool to estimate cost report settlement amounts.

Features include:

- Current year-to-date operations data that flexes accordingly when you experience a significant swing in utilization or costs during the current year.
- Monthly inputs into the Excel®-based model include the current period trial balance, interim rates and patient statistics.
- Annual updates reflect changes in regulations and adjust for the most recent filed cost report.



## Powerful Multi-Financial Management Intelligence

The CAH Reimbursement Model provides efficient calculations for:

- **Annual Budgeting:** utilizes budgeted statistics and costs to project reimbursement rates. These rates may be used to calculate anticipated Medicare contractual adjustments related to budgeted volumes and revenue.
- **Cash Management:** calculates interim rates based on current year volumes and costs to determine whether your Medicare interim payment rates reflect your current operations and ensures proper cash flows meet current expenditures. These calculations are accepted by many Medicare Administrative Contractors for interim rate adjustments and lump sum settlements for its ability to reflect current data.
- **Reimbursement Scenarios:** estimates additional reimbursements and illustrates true cash flow related to increased capital or operating expenditures, based on specific departmental Medicare utilization. These scenarios reflect financial impact and reimbursement implications related to adding or discontinuing certain operating costs.
- **Board and Management Reporting:** presents cost reimbursement impact and implications of strategic, operational, capital and facility decisions.

## Backed by Eide Bailly's CAH Expertise

Eide Bailly has a dedicated team of 200 professionals serving 1,900 health care clients nationwide. Since our involvement with the first CAH conversion in the country, we have assisted more than 200 CAHs in 43 states with a wide range of needs, including Medicare cost report preparation and strategy development, operational performance issues, revenue cycle performance and compliance, organizational strategy development, and interim staffing assistance. We work closely with critical access hospital CFOs, management teams and boards to facilitate accurate financial reporting, independent audits and consultation. Specifically, we provide CAH Reimbursement Model services to more than 90 CAHs.

Contact us today at 855.557.6149 to learn how the CAH Reimbursement Model can enhance your financial reporting and management.



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