

## Highlights of Changes to ICF/ID Cost Report for Fiscal Year 2019-20

Note: Extraordinary Costs incurred as a result of the 2019 Novel Coronavirus (COVID-19) pandemic will be separated or 'carved out' of routine operating costs for Fiscal Year 2019-20. Extraordinary COVID-19 costs will be reimbursed via a Gross Adjustment. The remaining routine costs will serve as the basis for approved funding determinations for the FY 19-20 and FY 20-21 periods. The majority of the cost report changes this year were made to achieve those objectives. The cost report changes from the prior year version are:

1. There is only 1 version of the cost report this year. All facilities will use what previously was referred to as the 'Expanded version'. Since the cost report changes for FY 2019-20 are for this year only, it was not deemed efficient or necessary to continue to develop two versions of the cost report.
2. Concepts to keep in mind when reviewing these changes and when preparing the cost report:
  - a. Total costs including extraordinary COVID-19 costs will be included on Schedule 1 (and therefore the supporting schedules which feed Schedule 1) through Section VI, line F.
  - b. Extraordinary COVID-19 costs will be summarized on a new Schedule 19 and then flow to the bottom of Schedule 1 to be removed from 'Routine' costs.
  - c. Not all costs incurred as a result of the COVID-19 pandemic are considered *Extraordinary* COVID-19 costs. Those costs which will continue to be incurred as increased disease prevention measures for the foreseeable or indefinite future (such as PPE) should not be included on Schedule 19. Doing so would reduce the provider's cost basis that is carried forward for FY 2020-21 rate setting. Costs incurred to as a result of confirmed or suspected positive cases, along with temporary pay incentives should be considered Extraordinary to each year in which they are incurred.
  - d. Salary cost detail reflected on Schedule 11's should exclude the extraordinary COVID-19 costs. The COVID-19 salary costs will be accumulated on Schedule 19-A and then flow to Schedule 11's as one line item per cost center.
  - e. Non-salary extraordinary COVID-19 costs will be separately identified on Schedule 19-B, and also included within the costs reflected on Schedule 1, so that section VI, Line A matches the provider's General Ledger, just like in past years.
3. Protection settings were changed this year so that you may click on a protected cell and view the formula (but still not make changes to it). This may make the flow of the cost report clearer to the user. As in past years, cells that are unlocked that will allow entry are highlighted in yellow. (This change will also affect how the cursor moves after pressing the Enter key. In prior years the cursor would jump between only unlocked/data entry fields. The user will now have to use the arrow keys or mouse click to move to the next column of cells to be completed.)

4. Excel worksheet tabs were renamed to remove 'Sch' from each one so that more fit on the screen and navigating from one schedule to another is quicker. The new tab names simply include the number of the schedule.
5. Certification Page – Note above remit address was changed to indicate only 1 printed copy of the cost report will be required for submission.
6. Schedule 1, Section VI, Lines G & H have been added to remove extraordinary COVID-19 costs from total costs to arrive at 'routine' costs which will be used for rate setting purposes.
7. Schedule 1A – Footnote added to clarify that total employee benefits must be reflected on Sch 1A, including the Extraordinary COVID-19 benefits which are reflected on Schedule 19, Part B.
8. Schedule 2 – New Section V has been added for COVID-19 Statistics.
9. Schedule 3 – Footnote (c) was modified to accommodate Therapeutic Leave days over 75 per year for those who received waiver approval due to COVID-19 considerations.
10. Schedule 4 – New Section III has been added for COVID-19 Funding received from ODP or other government programs. (Also line numbers were updated.)
11. Schedule 11's – The top line of the first page for each cost center includes a line for the extraordinary COVID-19 salary costs from Schedule 19, Part A.
12. Schedule 11's – The asterisk which was previously added to the end of a job title in column 1 has been moved to a separate column 1A. All positions which are considered Direct Care should have the asterisk designation added.
13. Schedule 12's - Footnote added to clarify that total miscellaneous personnel / contracted service costs must be reflected on Sch 12's, including the Extraordinary COVID-19 contracted services which are reflected on Schedule 19, Part B.
14. Schedule 12-HC(A) – Line numbers were added for the statistics at the bottom. Also 2 new lines were added for dates that Day Program participation ceased and resumed due to COVID-19 mitigation efforts.
15. Schedule 14 – 2 new columns (6C and 6D) were added to permit reporting of interest costs for the total loan as well as the portion allocated to the ICF. Whether the borrowing is exclusive to the ICF site or shared by the larger provider organization, columns 6A/6B and 6C/6D will be required for all sites with interest expense.
16. Schedule 19, Part A – New Schedule for reporting Extraordinary Salary and Wage costs associated with COVID-19.
17. Schedule 19, Part B – New Schedule for reporting Extraordinary Non-Wage costs associated with COVID-19. This part of the schedule will also:
  - a. Combine the Wage and Non-Wage costs by cost center to determine the amount of extraordinary COVID-19 costs which will be removed from Schedule 1.
  - b. Determine the amount of additional extraordinary COVID-19 costs to be paid or recovered via Gross Adjustment.