

INSTRUCTIONS - ICF/ID Cost Reports – Form ID-46

Financial and Statistical Report for the Non-State Intermediate Care Facilities
For the Intellectually Disabled & Other Related Conditions
For Fiscal Year 2019-2020

GENERAL INSTRUCTIONS

PLEASE READ EVERY PAGE OF THESE INSTRUCTIONS CAREFULLY BEFORE COMPLETING AND SUBMITTING THE COST REPORT.

Also see the Highlights of Changes to ICF/ID Cost Report for Fiscal Year 2019-20 document for changes made since the prior year cost report.

These instructions are for use in the preparation of the Financial and Statistical Report (ID-46) to the Commonwealth of Pennsylvania, Department of Human Services. The ID-46 Cost Report (C/R) is to be used by any facility licensed and certified as a non-State Intermediate Care Facility for the Intellectually Disabled (ICF/ID) under the Medical Assistance (MA) Program. Please refer to 55 PA Code, Chapter 6211, as a guide in identifying allowable costs for an ICF/ID facility.

REGULATORY REFERENCES

Throughout this document, references to Section 6210.### or 6211.### refers to:

Title 55 of the Pennsylvania Code,

Part VIII-Intellectual Disability and Autism,

Subpart C-Administration and Fiscal Management,

Chapter 6210-Participation Requirements for the Intermediate Care Facilities for the Intellectual Disability Program,

or

Chapter 6211- Allowable Cost Reimbursement for Non-State Operated Intermediate Care Facilities for Individuals with an Intellectual Disability

These regulations may be viewed at:

<https://www.pacode.com/secure/data/055/chapter6210/chap6210toc.html> or

<https://www.pacode.com/secure/data/055/chapter6211/chap6211toc.html>

ANNUAL REPORTING

Annual reports are to be filed with the Department's Office of Developmental Programs (ODP) within 90 days following the close of a fiscal year. Unless a written extension of time is granted by ODP, in accordance with Section 2413 of the Medicare Provider Reimbursement Manual (HIM-15), failure to file a timely cost report could result in the termination of participation in the program.

Updated
FY 19-20

ONE copy of the printed cost report and an electronic copy of the report Excel file on disk/CD or USB flash drive (preferred filename syntax: ID46-ProviderName_SiteName_FY2019-20.xlsx) must be submitted to:

Bolded line
required

Via U.S. Postal Service:
Commonwealth of Pennsylvania
Department of Human Services
Office of Developmental Programs
Forum Place, 8th Floor, ODP Suite
P.O. Box 2675
Harrisburg, Pennsylvania 17105

Via Other Carriers (FedEx, UPS, etc.):
Commonwealth of Pennsylvania
Department of Human Services
Office of Developmental Programs
8th Floor, ODP Suite
555 Walnut Street
Harrisburg, Pennsylvania 17101

DUE DATE

In accordance with 55 Pa Code, Section 6210.76(a), each facility shall submit a cost report to the Department within 90 days following the close of each fiscal year. Per Section 6210.91 the fiscal year for MA purposes is July 1 through June 30. Therefore, the cost report must be postmarked by **September 30th**. If September 30 falls on a Saturday or Sunday, the due date will be extended to the next business day (N/A for FY 2019-2020).

PENALTY FOR LATE SUBMISSION

In accordance with 55 Pa Code, Section 6210.76(a), each facility shall submit a cost report to the Department within 90 days following the close of each fiscal year.

Per 55 Pa Code, Section 6210.111(a), failure to file a cost report, other than a final cost report, may result in the termination of the provider's agreement and shall result in the suspension of interim payments to the provider until the reports are filed in an acceptable form.

In accordance with 55 Pa Code, Section 6211.15, if a provider does not submit a cost report by September 30 of each year (or later if an extension is granted by the Department) ODP will establish an interim per diem rate for the provider equal to the lowest interim per diem rate for any non-State operated ICF/ID issued for the current fiscal year.

REPORT PERIOD

This Cost Report is an annual report and must cover a prior fiscal period of 12 consecutive months. Facilities beginning operations during a fiscal period will prepare an annual report from the date of Federal Title XIX Medicaid Program certification for participation through June 30.

USE OF ELECTRONIC FORMS

The ID-46 Cost Report Excel template, instructions and checklist are made available to providers in electronic format by email. Providers must use the most current emailed Excel template to complete the cost report, which contain formulas and edits to simplify the completion and review process.

Formulas in the cost report EXCEL file are protected. **Cells which permit data entry are highlighted in light yellow.** Do not attempt to alter these forms. The Excel template

worksheets have been password protected. The user may select the protected cells, but not make changes to the formulas.

Please do not use EXCEL's CUT & Paste functions to correct entry errors, as that will alter the formulas. Use of COPY & Paste functions are fine (although minor formatting changes could result).

Change for
FY 19/20

The template provided for FY 2019-2020 should contain enough blank lines to accommodate all ICF/ID providers. It will not be necessary to choose between 2 template versions as occurred in prior years.

SAVING YOUR EXCEL COST REPORT FILE

SAVE FREQUENTLY.

Updated
FY 19/20

For submission to ODP, File > Save As > Choose CD drive which has a blank CDR in it or your USB Flashdrive.

Preferred Filename Syntax: ID46-ProviderName_SiteName_FY2019-20.xlsx

File type: Excel Workbook (.xlsx);

Do not choose Excel Macro Enabled Workbook (.xlsm);

Excel 97-2003 Workbook (.xls) is acceptable, but not preferred.

PRINTING

All pages are set up to print on 8 ½ x 11" paper, single sided.

Updated
FY 19/20

To print the entire cost report at once, choose File > Print > under Setting, choose PRINT ENTIRE WORKBOOK to print all 42 pages.

SUPPORTING INFORMATION

Reports must be based upon financial and statistical records maintained by the program, as referenced in 55 Pa Code, Section 6211.44(a) through (b)(13). Cost information must be current, accurate, and in sufficient detail to support the claim for cost reimbursement. Reports must also be capable of being audited. Required support includes all ledgers, books, records and original evidence of cost (such as purchase requisitions, purchase orders, vouchers, requisitions for supplies, inventories, time cards, payrolls, bases for apportioning costs, etc.) which pertain to the determination of costs reimbursable under the program for a period of four (4) years from the end of the fiscal year, or until audited.

ORIGINAL SIGNATURES

Updated
FY 19/20

The original signature and printed name of the program administrator or executive director is required on the Certification Schedule and on the letter requesting a waiver of Section 6211.64, Minimum Occupancy, if occupancy falls below 98%.

SUBMISSION INSTRUCTIONS

Providers must complete the report using the supplied Excel file. The name of the facility, site name, Master Provider Index (MPI) number and reporting period will be carried forward from the Certification Schedule to all other schedules. Use this format for the 13 digit MPI Number: 100001234-0123.

DO NOT STAPLE THE COPIES OF THE REPORT. Please use binder clips or rubber bands.

Do not put the report in a binder or have it professionally bound.

The Cost Report should be loose to allow for substitution of corrected pages, scanning and photocopying.

All documentation should be on 8 ½" x 11" paper, one side only. Legal size documents must be reduced to 8 ½" x 11" paper, single sided.

INCLUDE ONE COPY OF THE CURRENT YEAR CHECKLIST WITH THE REPORT. Two copies of the checklist are not necessary. The provider should check each question carefully to ensure the accuracy of the Cost Report and not rely on memory or past experience since the instructions may have changed.

COST REPORT SCHEDULES MUST BE IN THE CORRECT ORDER as shown below:

- Certification Schedule
- Schedule 1 – Program Expenditure Schedule
- Schedule 1A – Benefits
- Schedule 1C – "Other" and Miscellaneous Operating Costs
- Schedule 2 – Summary of Statistical Data
- Letter Requesting a Waiver of Minimum Occupancy Requirement, if applicable
- Schedule 3 – Summary of Census Records
- Schedule 4 – Income and Offsets to Allowable Costs
- Schedule 5 – Adjustments to Costs
- Schedule 5A – General Administrative Allowance Computation
- Schedule 6 – Depreciation and Amortization
- Schedule 6A – Capitalized Assets - Additions/Deletions
- Schedule 7 – Statement of Compensation of Owners
- Schedule 8 – Facility Transactions with Related Parties
- Schedule 9 – Statement of Changes in Funded Depreciation
- Schedule 10 – Annual Financial Report of Resident Personal Fund Management
- Schedule 11's – Staffing:
 - Schedule 11 – Staffing - Room & Board
 - Schedule 11 – Staffing - Health Care (2 or 3 pages)
 - Schedule 11 – Staffing - Ancillary Services
 - Schedule 11 – Staffing - General Administrative
- Schedule 12's – Miscellaneous Personnel Costs:
 - Schedule 12-RB – Miscellaneous Personnel Costs - Room & Board

- Schedule 12-HC – Miscellaneous Personnel Costs - Health Care
- Schedule 12-HC (A) – Day Program Costs
- Schedule 12-AS – Miscellaneous Personnel Costs - Ancillary Services
- Schedule 12-GA – Miscellaneous Personnel Costs - General Administrative
- Schedule 13 – Leases
- Copies of New Leases, if applicable
- Schedule 14 – Schedule of Loans
- Copies of New Debt Agreements, if applicable
- Schedule 19, Part A – Extraordinary COVID-19 Expenditures – Salaries & Wages
- Schedule 19, Part B – Extraordinary COVID-19 Expenditures – Non-Wage Expenses

New for
FY 19/20

RECONCILIATION TO GENERAL LEDGER

In addition to the cost report, copies of the following are also required to ensure the cost report agrees to your General Ledger:

1. Trial Balance – Expense Section
 - a. Either a complete Trial Balance (without General Ledger activity), or if the provider is able to query and print the Expense Accounts Only so that a total will be generated, that is preferred.
 - b. Reconciliation workpaper of T/B (per item 1.a.) to Schedule 1, §VI., **Line A. (not to Line F.)** -- If the two are not identical, the provider should submit a schedule reconciling the cost report to the Trial Balance.
 - c. Chart of Accounts – If the Trial Balance descriptions are not complete for both the department and the account item, please include a legend for the codes.
2. Cost Report 'Mapping' or 'Cross-walk' workpaper – Most providers prepare an excel workpaper that combines expense accounts from the Trial Balance to arrive at the cost center line items as reflected on Schedule 1. Please include a copy of such a workpaper with your submission.
3. Trial Balance – Income Section
 - a. Either a complete Trial Balance (without General Ledger activity), or if the provider is able to query and print the Income Accounts Only so that a total will be generated, that is preferred.
 - b. Reconciliation workpaper of T/B (per item 3.a.) to Schedule 4, Column 2, Line 23 -- If the two are not identical, the provider should submit a schedule reconciling the cost report to the Trial Balance.

Updated
FY 19/20

REJECTION OF A SUBMITTED COST REPORT

A report will be rejected and is not considered filed if any of the following general conditions are NOT met:

Updated
FY 19/20

The Certification Schedule must contain the original signature of the Administrator or Executive Director of the facility. Facsimiles and photocopies of the signatures are not acceptable.

All schedules must be completed (with the exception of the letter of minimum occupancy). If there is no information to be reported, the schedule must be marked: "Not Applicable". Look for the Not Applicable checkbox near the top right corner of the schedule to click on to enter a checkmark. Only one entry per line is acceptable. Do not alter these forms.

All forms and photocopies must be legible. Schedules which cannot be easily read will be considered as not having been received and the provider will be required to resubmit the report.

The cost report is determined to be accurate via ODP staff desk review procedures to ensure year-end figures from the prior year flow to the current year beginning figures, and expenses and income can be traced to general ledger documentation supplied, and other questions have been resolved.

USER COMMENTS

Users of these schedules, instructions and the checklist are encouraged to provide feedback, both positive and negative, as well as suggestions for schedule, instruction and checklist improvements. These comments should be in writing or email and directed to the same address as the submission of the Cost Report.

INSTRUCTIONS FOR CERTIFICATION SCHEDULE

The Audit Number in the upper right-hand corner will be completed by ODP after the desk review of the Cost Report. The provider should leave this space blank.

Updated
FY 19/20

The Certification Schedule must contain the Facility Name, the Site Name (which must be consistent with the site name used by DOH for Certifications and ODP on rate setting, budget, and cost report correspondence), the thirteen-digit Master Provider Index (MPI) Number, address, and the reporting period at the top of the form. Once this information is entered on the Certification Schedule it will automatically be carried to every other schedule.

The provider must complete the address of the program. This is to be the actual street address of the program, not the address of the main provider agency.

The necessary information in the certification paragraph will automatically carry forward from the top of the page.

Updated
FY 19/20

The Certification Schedule must have an original signature and printed name (no facsimile or photocopy) of the authorized officer or administrator of the facility. Please also include the person's correct title and the date the Certification Schedule was signed. If someone other than the administrator has completed the report, the name of that person and their telephone number and e-mail address should also be included. If the person who has prepared the report is other than an employee of the facility, please include the original signature of that person, as well as their printed name and the name of the agency by whom they are employed and email address.

FAILURE TO SUBMIT A PROPERLY COMPLETED CERTIFICATION SCHEDULE WILL RESULT IN THE REJECTION OF THE COST REPORT.

INSTRUCTIONS FOR SCHEDULE 1

PROGRAM EXPENDITURE SCHEDULE

Cost centers as defined in Section 6211.123, are identified in Col. 1 through Col. 6. The major objects of expenditure as defined in Section 6211.123(a)(1) through (5) are the five categories listed on the left side of the schedule: I - Personnel Costs; II - Operating Costs; III - Equipment/Other Fixed Assets; IV - Depreciation/Interest; and V - Apportioned Costs.

Rent or real estate taxes paid for a facility are listed under Occupancy Costs - Other, Section II, Line A, Col. 5. Exceptions to rent classification are (1) rent paid for facilities used in people's treatment (i.e., a gymnasium for physical/recreational therapy) should be charged to Occupancy - Ancillary Services, Section II, Line A, Col. 3); (2) rent for general office space should be charged to Occupancy - General Administration, Section II, Line A, Col. 4; and (3), per Section 6211.72(e)(3), rent paid for an office used for administrative purposes must be charged to Occupancy - General Administration, Section II, Line A, Col. 4. However, in programs of 15 beds or less, if the office is located within a program unit, these costs may be reported under Occupancy - Health Care, Section II, Line A, Col. 2, of that specific program unit.

All **utilities** paid for by the ICF/ID facility (excluding office utilities, which appear under General Administration) should be recorded under Occupancy - Room and Board, Section II, Line A, Col. 1. It is not necessary to apportion these costs to various cost centers.

COST CENTERS

The following are examples of costs that are included in each of the cost centers. It is not a list of all costs to be included in each cost center; it is merely an example of the most common costs.

<u>Room and Board</u>	<u>Health Care</u>
dietary and food services	nursing salaries - staff and contracted
laundry services	related clerical services
housekeeping services	contracted practitioners
plant operations/maintenance	social workers salaries
property insurance	people's activities
resident's personal telephones	day programming
repairs	direct care salaries
clothing	utilization and medical review
haircuts	
utilities	

<u>Ancillary</u>	<u>General Administration</u>
therapy - physical	administrator's salary
therapy - speech	office personnel
therapy - physical	management fees
therapy - occupational	legal fees
therapy - recreational	office telephone
laboratory services	rental of office equipment
x-ray services	office rent
over-the-counter drugs	
<u>Other</u>	<u>Depreciation & Capital Interest</u>
equipment rental (other than office equipment)	depreciation (including amortization of start-up costs from Schedule 6)
facility rent	interest on capital indebtedness
real estate taxes	
other interest	
ICF/ID Assessment	

The facility heading information will automatically be completed from the Certification Schedule.

OBJECTS OF EXPENDITURE

New for
FY 19/20

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 or 'carry-forward' costs will be settled following the usual tentative and final settlement process and will serve as the basis for approved funding determinations for the FY 19-20 and FY 20-21 periods. **Total costs including extraordinary COVID-19 costs must be included on Schedule 1 through Section VI, line F.**

Section I - Personnel Costs

There is no need to enter information in this section. The Excel template will automatically carry forward to this section the subtotals for each cost center as calculated for Schedule 11--Wages and Salaries; Schedule 12--Miscellaneous Personnel; and Schedule 1A--Benefits. The Excel template will also automatically calculate the totals for each cost center as well as the total for each major object of expenditure.

Section II - Operating Costs

On each line, in each cost center and under the appropriate major object of expenditure, enter the corresponding figure from your General Ledger. Charge costs to each line item in accordance with the information below:

New for
FY 19/20

NOTE for FY 19-20: Non-salary extraordinary COVID-19 costs, which will be separately identified on Schedule 19-B, still **need to be included** within the costs reflected on Schedule 1, so that section VI, Line A matches the provider's General Ledger. Also keep in mind the extraordinary COVID-19 costs will be subtracted from the amounts on Schedule 1; therefore, they must be included in Section II to avoid removing them twice.

Enter the amount for each cost center. The Excel template will automatically calculate the total for the cost center and for the major object of expenditure.

A. Occupancy Costs: Charge to this account the costs of all building expenses, such as rent, housekeeping supplies, utilities (ex. heating fuel, water, gas, electricity, sewer), property taxes, etc.

B. Communications: Charge to this account the costs of telephone services, beeper services, postage, printing (other than administrative), audio-visual materials, newspapers, magazines, etc.

C. Insurance: Charge to this account the cost of all insurance premiums other than auto insurance and employee benefit insurances.

D. Office Supplies: Charge to this account the costs of all office supplies used in the administration of this program.

E. Service Supplies: Charge to this account the costs of medical supplies, supplies for activities related to social and vocational rehabilitation or recreational purposes, as well as over-the-counter drugs.

F. Food: Charge to this account any costs for food for both regular and special diets for all people living at the facility.

G. Purchased Services: Charge to this account the cost of all purchased services (other than contracted professional personnel costs) such as laundry, laboratory services, lawn maintenance services, snow removal services, and other similar services. DAY PROGRAM SERVICES must be reported as a contracted service on schedule 12, miscellaneous personnel costs, unless operated directly by the provider.

H. Clothing: Charge to this account the cost of clothing for all people living at the facility.

I. Transportation: Charge to this account the cost of transportation provided to people living at the facility and the cost of employee travel including allowances for meals, lodging and other related expenses; the cost of renting vehicles, auto insurance

premiums, and supplies for the operation and maintenance of provider-owned vehicles for employee use for business purposes.

Updated
FY 19/20

J. Interest Non-Capital: Charge to this account any working and noncapital interest costs. Note that the total in column 7 for this line must agree with the total operating interest indicated on Schedule 14. An **edit check** has been added in column L of the EXCEL template to make that comparison. After completion of Schedule 14, ensure the edit check indicates 'ok' ensuring a match. If not, make necessary corrections to either Schedule 1, §II. Line J or Schedule 14, Column 6D until they agree. (Note: Non-Capital interest will also be reflected on Schedule 1C.)

K. Miscellaneous Operating Costs: Charge to this account the operating costs that cannot be properly charged to one of the above objects. ANY AMOUNT REPORTED MUST BE ENTERED ON SCHEDULE 1C, which will flow to this line of Schedule 1.

NOTE: Act 69 Assessment amount should be entered on Schedule 1C, Section II.

Section III - Equipment/Other Fixed Assets

Enter the amount for each cost center. The Excel template will automatically calculate the total for the cost center and for the major object of expenditure.

New for
FY 19/20

NOTE for FY 19-20: Extraordinary COVID-19 repairs and non-depreciable equipment will be separately identified on Schedule 19-B, but still **need to be included** within the costs reflected on Schedule 1, so that section VI, Line A matches the provider's General Ledger. Also keep in mind the extraordinary COVID-19 costs will be subtracted from the amounts on Schedule 1; therefore, the total non-depreciable purchases and repairs must be included in Section III to avoid removing them twice.

A. Purchase-Non Depr Assets: Charge to this account the cost of non-depreciable fixed assets. A non-depreciable fixed asset is an item that has a purchase price of \$5,000 or less and is expected to have a useful life of less than one year.

B. Repairs: Charge to this account the cost of all minor repairs (for the definition of minor repairs, reference HIM-15).

Section IV - Depreciation/Interest:

A. Depreciation: The Excel template will automatically carry forward to this line, the amount computed on Depreciation/Amortization, Schedule 6, Col. E, Line 10. Depreciation can only be reported in the Depreciation/Capital Interest Cost Center.

New for
FY 19/20

NOTE: If a tangible asset which meets your capitalization policy criteria was purchased due to the COVID-19 pandemic, that asset should be capitalized and depreciated over the appropriate useful life. Since the asset's cost and functionality extends beyond the current fiscal year, it should not be considered an extraordinary COVID-19 cost for Schedule 19.

B. Capital Interest: Charge to this account the direct cost incurred for capital purposes. Interest on capital indebtedness includes acquisition of facilities, equipment, and capital improvements. Generally, loans for capital purposes are long-term loans. This line, column 6 will be completed automatically after completion of Schedule 14.

Section V - Apportioned Costs

Enter the amount for each cost center. The Excel template will automatically calculate the total for the cost center and for the major object of expenditure.

Charge to this account all costs which have been apportioned in accordance with a cost apportionment plan which clearly shows the methodology by which the costs of service provision and centralized administrative support are apportioned to this facility. IF THE COST BASIS OR METHODOLOGY HAS CHANGED SINCE THE PREVIOUS FISCAL YEAR, A NEW COST APPORTIONMENT PLAN MUST HAVE BEEN SUBMITTED FOR APPROVAL PRIOR TO THE START OF THE FISCAL YEAR.

The requirements for the cost apportionment plan are stated in Chapter 6211, Sections 6211.45, 6211.46, 6211.47 and 6211.48.

Section VI - Computation/Allowable Costs

A. Gross Costs – Total per the General Ledger: The Excel template will automatically subtotal the gross costs for each cost center, as well as the total in Col. 7, after the completion of Schedules 1A, 1C, 6, 11, 12, 14 and 19. **The total on this line, column 7 must agree to total expenses per the General Ledger, or be reconciled to it. Supporting documentation must be submitted with the cost report. (Reference General Instructions, page 5.) All costs incurred by the provider should be reported on Schedule 1. If some costs are non-allowable, they should then be removed via an adjustment on Schedule 5. Non allowable costs should not simply be excluded from the cost report.**

B. Adjustments to Costs: Enter the amount of unallowable costs AS A NEGATIVE NUMBER for each cost center. Note that the total in column 7 for this line must agree with the total adjustments to costs per Schedule 5, Section I, Total. An **edit check** has been added in column L of the EXCEL file to make that comparison. After completion of Schedule 5, ensure the edit check indicates 'ok' ensuring a match. If not, make necessary corrections to either Schedule 1, §VI. Line B or Schedule 5, Section I. until they agree.

Note: It is not possible for ODP to add formulas for this line since different providers have different adjustments that are applied to different cost centers. However, cell references are preferred since as changes are made Schedule 1 will automatically update and errors will be avoided. If the provider is comfortable with Excel, the provider may enter cell references to carry the data from Schedule 5 to Schedule 1 in the following manner:

Acceptable Options	Example
+cell reference	+ 'Sch5'!H16
=cell reference	= 'Sch5'!H17
=cell reference+cell reference	= 'Sch5'!H28+ 'Sch5'!H26
=SUM(cell range)	=SUM('Sch5'!H21:H24)
=SUM(cell ref, cell ref, cell ref)	=SUM('Sch5'!H16,'Sch5'!H21,'Sch5'!H25)
Note: It is best to start on Schedule 1 in the cell you wish to create a formula. Start your entry per above, but where it says 'cell reference', POINT and CLICK to enter your cell references rather than trying to type them with Tab references.	
Warning: Any non-numeric characters, even a single space, in the referenced data on Schedule 5 will return an error message on Schedule 1.	

C. Subtotal: The Excel template will automatically subtotal the cost centers and total column.

D. Income Offsets to Allowable Costs: Enter the amount of income to be offset against costs for each cost center. Note that the total in column 7 for this line must agree with the total income offsets per Schedule 4, Column 3, Line 23. An **edit check** has been added in column L of the EXCEL file to make that comparison. After completion of Schedule 4, ensure the edit check indicates 'ok' ensuring a match. If not, make necessary corrections to either Schedule 1, §VI. Line D or Schedule 4, Section II. until they agree.

Note: If the provider is comfortable adding Excel cell references from Schedule 4 to Schedule 1, the provider may do so following the same guidelines as above for Ln B.

E. Excess Gen Admin Adjustment: The Excel template will automatically carry forward the amount for Excess General Administrative Costs from Schedule 5A, Line 3.

F. Total Allowable Costs: The Excel template will automatically calculate the totals for each cost center and for each major object of expenditure.

G. Extraordinary COVID-19 Costs: These costs will automatically flow from Schedule 19, Part B. They will be subtracted from the costs on Schedule 1; therefore, it is important that the figures above already include the extraordinary COVID-19 costs.

H. Allowable Costs-Carryforward: This line will be calculated by the Excel template as line F minus line G. This amount will be used to calculate the FY 19-20 per diem rates and the amount will be carried forward as the starting point for FY 20-21 rate setting activity.

Updated
FY 19/20

New for
FY 19/20

New for
FY 19/20

INSTRUCTIONS FOR SCHEDULE 1A – BENEFITS

The facility heading information will automatically be completed from the Certification Schedule.

New for
FY 19/20

NOTE: Costs of Benefits incurred as the result of COVID-19 care/prevention for FY 2019-20 will be identified on Schedule 19, Part B. Those COVID-19 benefit costs are a subset of all benefit costs and therefore must still be included on Schedule 1A in order for the proper flow of costs on Schedule 1.

Section I - Mandatory Benefits

Enter the total of mandatory benefits for each cost center from your General Ledger. Enter amounts for those benefits, which are required by law, such as FICA, Social Security and Worker's Compensation. The provider should add to this Excel template any mandatory benefits not already identified on this schedule.

Section II - Non-Mandatory Benefits

Enter the total of non-mandatory benefits for each cost center from your General Ledger. Enter amounts for those benefits that the provider voluntarily provides for its employees such as medical coverage, hospitalization, pension or life insurance. The provider should add to this Excel template any non-mandatory benefits that have not been identified on this schedule.

Totals

The Excel template will automatically calculate the subtotal for both mandatory and non-mandatory benefits for each cost center as well as the total for each line in Column 5. These totals will then automatically carry forward to the corresponding cost center on Schedule 1, Section I, Line B.

Column 6 – Percentage of Salaries

Column 6 will automatically calculate each benefit as a percentage of total salaries. This amount will be used as a basis of comparison for future waiver requests. **Note** that these percentages will not display properly until after Schedule 11's are completed.

SCHEDULE 1B

COMPUTATION AND ALLOCATION OF ALLOWABLE COSTS

This former schedule has been eliminated and removed from the excel file. (A footnote has been added to the print settings for Schedule 1A to indicate Schedule 1C will now follow Schedule 1A.)

INSTRUCTIONS FOR SCHEDULE 1C

"OTHER" AND MISCELLANEOUS OPERATING COSTS

This schedule is used to provide additional information and description of costs reported in the "Other" cost center (**Schedule 1, Column 5**) and as Miscellaneous Operating Costs (**Schedule 1, Section II, Line K.**). Any amount reported in the "Other" cost center, as any object of expenditure, must be identified on this schedule. Costs which may be reported in the "Other" cost center include: facility rent, real estate taxes, other interest and equipment rental (other than office equipment). Miscellaneous operating costs should be those costs which cannot properly be charged to any other line item. ODP will monitor these reported costs closely to ensure the costs cannot be charged to another line item.

Section I - "Other" Operating Costs

In Column 1, please enter a description of the costs reported on Schedule 1, Program Expenditure Schedule, "Other" cost center. Please be specific and clearly state what those costs are. Include rent, real estate taxes, etc. Please use a separate line for each entry as you would in a budget narrative.

DO NOT REPORT ANY AMOUNT UNDER MISCELLANEOUS OPERATING COSTS REPORTED IN THE "OTHER" COST CENTER IN SECTION I. ALL MISCELLANEOUS OPERATING COSTS REPORTED IN THE "OTHER" COST CENTER SHOULD BE REPORTED IN SECTION II, LINE K, COL. 5.

The total for the "Other" cost center will carry back to Schedule 1, Program Expenditure Schedule. If the total on Schedule 1 for the "Other" cost center and the total on Schedule 1C, Section I, do not match, the provider must determine what the correct amount should be.

Section II - Miscellaneous Operating Costs

Note: A line has been established for the Act 69 Assessment Amount.

In Column 1, please enter a description of the costs reported on Schedule 1, Program Expenditure Schedule, Section II, Operating Costs, Line K, Miscellaneous Operating Costs. Please be specific and clearly state what those costs are. Include any cost reported on Schedule 1, in the corresponding cost center, on this form. Please use a separate line for each entry as you would in a budget narrative.

The total for Miscellaneous Operating Costs will carry back to Schedule 1, Program Expenditure Schedule. If the total on Schedule 1 for Miscellaneous Operating Costs (§II. line K) and the total on Schedule 1C, Section II. for Miscellaneous Operating Costs do not match, the provider must determine what the correct amount should be.

INSTRUCTIONS FOR SCHEDULE 2

SUMMARY OF STATISTICAL DATA

The facility heading information will automatically be completed from the Certification Schedule.

Section I - Type of Organization

Indicate the type of organization by placing a check mark in the appropriate space. Place the cursor in the appropriate block and click it on and a checkmark should appear. If the provider is a nonprofit organization, do not check any blocks in Section I, Line 2. If "Other" is applicable, please specify the type of organization in the space provided.

Section II - Total Program Population

- Line 1. A. Enter the number of certified beds as of the first day of the fiscal year.
- Line 1. B. Enter the number of certified beds as of the last day of the fiscal year.
- Line 1. C. Enter the date that the certified capacity was officially changed as identified in the correspondence from the PA Department of Human Services. If no changes were approved, leave this line blank. Enter the date in the following format: XX/XX/XX. Example: 08/10/19.
- Line 1. D. If the number of certified beds were changed a second time during the fiscal year, enter the second date that the certified capacity was officially changed as identified in the correspondence from the PA Department of Human Services on line 1.D. If no additional changes were approved, leave this line blank. Enter the date in the following format: XX/XX/XX. Example: 09/10/19.
- Line 2. Enter the total number of certified bed days available.
- Line 3. The Excel template will automatically calculate the actual days by carrying forward the **number of days** reported on Schedule 3, Summary of Census Records, Col 6, Total Line.
- Line 4. The Excel template will automatically calculate the number of private pay days by carrying forward the number of days reported on Schedule 3, Summary of Census Records, Col. 5, Total Line.
- Line 5. The Excel template will automatically calculate the percentage of occupancy (line 3 / line 2). Any percentage 97.5% or greater meets the 98% occupancy requirements as stated in Section 6211.61, and no Waiver of Minimum Occupancy is needed.

NOTE: If occupancy is less than 98%, in accordance with Section 6211.64, a provider may request a waiver of the minimum occupancy requirement at the time the cost report is submitted to the Department. The request for the waiver of minimum occupancy shall be addressed (BUT NOT MAILED) to the Deputy Secretary for Developmental Programs and INCLUDED AS A PART OF THE COST REPORT IN THE PROPER ORDER, following Schedule 2. The letter should have an original signature.

It should not be mailed separately. The letter shall identify which one or more of the following conditions have been met:

1. The facility is in its first year of operation.
2. The facility is increasing or decreasing the number of certified beds.
3. The facility has a certified capacity of less than 16 beds.

The letter shall include an explanation of the specific circumstances which occurred and caused the provider to fall below 98% occupancy. Please give SPECIFIC details.

Section III - Program Data

Line 1. - Enter the amount of square feet used for the ICF/ID program.

Line 2. A. - Enter the appropriate number of people in each category according to the age group as of the year-end. The Excel template will automatically calculate the total.

Line 2. B. - Enter the number of people in each category according to the appropriate level of functioning as of the year-end. The Excel template will automatically calculate the total.

Section IV - Private Pay Rates

Enter all the established private pay rates in effect during the fiscal year. If there are no established rates, click on the N/A checkbox and a checkmark should appear. DO NOT LEAVE BLANK. Remember that a private pay rate MUST be equal to or higher than the approved interim per diem rate for the facility.

New for
FY 19/20

Section V – COVID-19 Statistics

Complete the 5 lines of statistics for the cost report period.

INSTRUCTIONS FOR SCHEDULE 3

SUMMARY OF CENSUS RECORDS

These instructions are used to calculate the total number of days that all people are served in an ICF/ID facility. This includes actual days, hospital reserve bed days and therapeutic leave days, in accordance with Section 6211.71, all of which are counted as census days.

The facility heading information will automatically be completed from the Certification Schedule.

An actual day is a period of service for one day of care. An actual day is any day of service at the facility, including a medical or therapeutic leave day. The day of the person's admission to the facility is counted as an actual day but the day a person is discharged from the facility is not counted as an actual day. If a person is admitted and discharged from the facility on the same day, the period must be counted as one resident day. The total actual days provided must include all days of service plus reserve bed days including therapeutic leave and medical leave days in full up to the limits allowed by Section 6210.71.

The columns are divided into MA days and Private Pay days.

Column 1 This column contains the month of the fiscal year.

Column 2 MA Resident Days - Enter the total number of days the people were actually served at the ICF/ID facility during the reporting period.

Column 3 MA Therapeutic Leave Days - Enter the total number of days for the reporting period the facility utilized therapeutic leave days up to the limits allowed by Section 6210.71. DO NOT INCLUDE EXCESS THERAPEUTIC LEAVE DAYS IN THIS COLUMN – **UNLESS A WAIVER WAS GRANTED DUE TO COVID-19.**

Column 4 MA Hospital Leave Days - Enter the total number of days for the reporting period the facility utilized hospital reserve bed days up to the limits allowed by Section 6210.71. DO NOT INCLUDE EXCESS HOSPITAL RESERVE BED DAYS IN THIS COLUMN.

Column 5 Private Pay Days - Enter the total number of private pay days for reporting period. This total will automatically carry forward to Schedule 2, Section II, Line 4.

Column 6 Total - The total number of days reported for each month will automatically be calculated. The total for column 6 will transfer to Schedule 2, Section II, Line 3.

Total Line The total amount for each column will automatically be calculated.

New for
FY 19/20

INSTRUCTIONS FOR SCHEDULE 4

INCOME AND OFFSETS TO ALLOWABLE COSTS

All General Ledger revenue is to be entered in Column 2.

Revenues that are to be offset against allowable costs should also be reported in Column 3.

The facility heading information will automatically be completed from the Certification Schedule.

Section I - Routine Revenue:

Lines 1-3 Enter all routine revenue that is reported on the General Ledger as being received by this program.

Updated
FY 19/20

Line 1 is labeled for Medical Assistance interim payments. If the provider's bookkeeping permits, interim payments should be distinguished here from accrued revenue which should be reported on line 5.

Line 4 This Other line has been pre-formatted with 'Adjustments pertaining to Prior Periods' and should be used for that, if the provider maintains that information separately from current year service revenue. (Negative values will be accepted.)

Updated
FY 19/20

Lines 5 thru 8 Four lines have been provided for Other routine revenue. (Negative values will be accepted.) **Do not report COVID-19 Funding here.**

Line 5 is labeled for Accrued Anticipated Funding (Revenue Reimbursement) -- If the provider has accrued additional funding that is expected to be received via Tentative or Final Settlement (and it is separately identifiable from the M.A. revenue reflected on line 1), that amount should be reflected on line 5.

Line 6 should be used for Rounding (or other if the line is needed)

Lines 7 & 8 should have a description added, if used.

Section II - Other Income:

Updated
FY 19/20

Lines 10-18, Column 2 Enter all miscellaneous or 'other' income.

If an amount is entered on Line 12.C., 14, 15, or 16, provide a description of the item. Note that Lines 14-16 will accept negative values if appropriate.

Lines 10-17, Column 3 Enter other revenue that is an offset against allowable costs. Reference 55 Pa Code Section 6211.85. These amounts will also have to be manually entered in the appropriate columns of Schedule 1, Section VI, Line D.

Section III - COVID-19 Funding

Line 19 If the provider applied for a COVID-19 waiver by 5/31/20 and was paid a Gross Adjustment by ODP, reflect that amount on line 19, column 2.

New for
FY 19/20

Lines 20 through 22 Use these lines to report any other COVID-19 funding received, such as: CARES Act Funding, Public Health and Social Services Emergency Fund Payments, FEMA, Forgiven SBA loan amounts, Coronavirus Relief Funds, Paycheck Protection Program, Health Care Enhancement Act Revenue, Other PPPHCEA Revenue, DHS Act 24 Funding, CHC-MCO PPE, Donations, etc.

The amount should be shown in column 2 with the name of the specific source in column 1.

Line 23,
Column 2 **The Total Income per the G/L should match or be reconciled to the amount per the submitted Trial Balance as noted on page 5 of these instructions.**

Line 23,
Column 3 This amount will also automatically be carried forward to Schedule 1, for comparison to Section VI, Line D, Col. 7 via the edit check on that schedule.

INSTRUCTIONS FOR SCHEDULE 5

ADJUSTMENTS TO COSTS

The facility heading information will automatically be completed from the Certification Schedule.

The Program Expenditure Schedule (Schedule 1) through section V. should contain all costs incurred by the provider that are recorded on their books. The Adjustments to Costs Schedule (Schedule 5) is a summary of adjustments required to convert Booked Expenses to Allowable Costs. These adjustments include, **but are not limited to**, the following:

1. Costs pertaining to the operation of other programs (per §6211.47),
2. Nonstandard Fringe Benefits (per §6211.72(e)(2)),
3. Excess General Administrative Costs - As defined in Section 6211.72(e)(4),
4. Compensation in excess of prevailing Commonwealth salaries for functionally equivalent positions (per §6211.73 (a)),
5. Unsupported staffing in excess of a 1:1 ratio to beds (per §6211.73 (b)),
6. Cost of Pharmacy Drugs for which payment will be made under the MA Program or that are non-compensable under the MA program (per §6211.77 (d)),
7. Depreciation in excess of the Straight-Line methodology (per §6211.79(e)),
8. Interest in excess of what a prudent buyer would pay (per §6211.81(e)),
9. Excess Rent from Nonrelated Parties (per §6211.82)
10. Excessive Leased Vehicle Costs (per §6211.83)
11. Major purchases which did not adhere to the required bid process (per §6211.84)

12. Nonreimbursable Costs per §6211.101:

- (1) Nonworking officers' salaries.
- (2) Fundraising expenses.
- (3) Free care or discounted services. (also per §6211.42(c))
- (4) Parties and social activities not related to client care.
- (5) Personal telephone service.
- (6) Personal radio and television service.
- (7) Direct and indirect costs related to nonallowable cost centers including gift, barber, beauty, flower and coffee shops, homes for administrators or pastors, convent areas and nurses' quarters.
- (8) Guest meals.
- (9) Pennsylvania Capital Stock and Franchise Tax.
- (10) Income tax.
- (11) Ambulance costs.
- (12) Promotional advertising including a Yellow Page listing that is greater than the minimum insert.
- (13) Late payment penalties.
- (14) Penalties, fines, or late charges assigned by any source, whether or not related to the facility.
- (15) Life insurance for officers and directors of the governing board, including life insurance premiums necessary to obtain mortgages and other loans.
- (16) Bad debts or contractual adjustments.
- (17) Collection expenses associated with bad debts.
- (18) Travel expenses for members of the board of directors unrelated to the program.
- (19) Depreciation and interest on capital indebtedness for costs in excess of the limitations specified in §6211.79(s) (relating to depreciation allowance).
- (20) Expenses not necessary for client care.
- (21) Basic education for eligible school-age children.
- (22) Vocational rehabilitation services.
- (23) Personal travel for employees, including personal use of facility vehicles.
- (24) Meals for employees, except for employee meals provided as part of client training activities.
- (25) Living expenses for live-in employees, including lodging, meals and personal laundry.
- (26) Membership fees for social, fraternal, and other organizations involved in activities unrelated to the program or an organization defined as a lobbying group under the Lobbying Registration and Regulation Act (46 P. S. §§ 148.1—148.9).
- (27) Expenses payable from another public agency, insurance program or health program.
- (28) Net operating or capital cost, including legal fees, accounting and administrative costs, travel costs and the costs of feasibility studies, attributable to the negotiation or settlement of the sale or purchase of a capital asset (by acquisition

or merger) for which payment has previously been made under Title XIX of the Social Security Act (42 U.S.C.A. §§ 1396—1396q) if the sale or purchase was made on or after July 18, 1984.

13. Costs in violation of the Conflict of Interest precautions stated in §§6211.111—6211.113,
14. Costs from Related Organizations in excess of actual costs to the related organization (per §6211.114(a)). Note: If billings from Related Organizations (R.O.) were at less than actual costs to the R.O., an adjustment could be made via Schedule 5 to INCREASE costs.
15. Interest Expense paid to a Related Organization (per §6211.114(b)),

Section I – Adjustments to Allowable Costs

Lines 1- 14: Enter the amount for each specific type of adjustment. Unallowable cost adjustments should be entered as a NEGATIVE number. Adjustments to “gross up” costs (e.g., undercharged costs from a related organization) should be entered as a positive figure. "Other" lines must be clearly and specifically identified.

Line 5 is preformatted for an adjustment of Day Program services obtained from a related party. This adjustment will flow from Schedule 12-HC (A).

Total Section I:

The Excel template will automatically total the costs reported. This amount will automatically be compared to Schedule 1, Section VI, Line B, Col. 7 via the **edit check** on that Schedule. If the total amount above does not equal the amount reported for all cost centers on Schedule 1, the provider must go back and check both schedules to determine the correct amount.

Section II - Excessive Administrative Costs

The Excel template will automatically carry forward from Schedule 5A the amount of excess administrative costs. This amount will also carry forward to Schedule 1, Section VI, Line E, Col. 4.

INSTRUCTIONS FOR SCHEDULE 5A

GENERAL ADMINISTRATIVE ALLOWANCE COMPUTATION

The facility heading information will automatically be completed from the Certification Schedule.

The 13% Limitation on General Administrative costs is per 55 Pa Code §6211.72(e)(4).

THERE IS NOTHING TO ENTER ON THIS SCHEDULE. WHEN ALL OTHER SCHEDULES ARE COMPLETED, THE EXCEL TEMPLATE WILL AUTOMATICALLY BE CALCULATED USING INFORMATION FROM SCHEDULE 1 AND SCHEDULE 6.

Note that continuing since FY 2018/19 lines B and C were combined and the reference changed for the source of the Depreciation and Capital Interest. Previously all Depreciation and Capital Interest per Schedule 1, section IV was subtracted from costs which were used to determine the 13% administrative limit. The reference was changed to allowable Depreciation and Capital Interest. This change was made to correct the possibility of subtracting any adjustment to depreciation or capital interest twice from the maximum administrative cost calculation (once by having it already out of allowable costs on line 2, and a second time by having an overstated amount removed via line 2.B or 2.C.). This correction will reduce any possible Excess Administrative Adjustment and therefore benefit the provider.

INSTRUCTIONS FOR SCHEDULE 6
DEPRECIATION AND AMORTIZATION

The facility heading information will automatically be completed from the Certification Schedule.

NOTE: It is advisable to complete Schedule 6A before completing Schedule 6 since some of the amounts will automatically carry forward from Schedule 6A.

A detailed fixed asset log (or Plant Ledger) with annual depreciation expense must be maintained by the provider and made available to ODP upon request. This log should account for assets reported on Schedule 6, Depreciation and Amortization. The following information must be included for each asset:

- Item Description
- Date Acquired
- Cost or Other Depreciable Basis
- Current Annual Depreciation (Straight Line only)
- Accumulated Depreciation.

Description of Property: There are two general categories of property: Fixed Property (Buildings and Fixtures), and Movable Equipment.

Fixed Property includes: Buildings and their structural components, including detached buildings (garages, etc); fixed equipment (walk-in-refrigerators, heat ventilation and air conditioning systems (HVAC); land improvements (any item relatively permanent in nature and more or less permanently affixed to the building, such as sprinkler systems).

Depreciable costs of construction such as site surveys, architectural and engineering fees, site supervision, inspections, overhead, site preparation, and capitalized construction contingencies, are generally allocated among Fixed Equipment and Building Costs. Interest charges incurred during construction are generally allocated among all assets purchased with loan proceeds.

Movable Equipment includes: All other assets such as transportation equipment, furniture fixtures, and any other movable items such as wheelchairs, typewriters, copiers, computers, etc.

New in
FY 18/19

NOTE: The November 19, 2018 memo from ODP Acting Deputy Secretary Kristin Ahrens conveys a waiver of the 55 PA. Code § 6211.4 definition application of depreciable assets threshold of \$500 and allows ICF/ID providers to depreciate assets over \$5,000. (i.e., expense items less than \$5,000).

Schedule 6

Column 1 Capital Asset Type: Add any provider specific additional categories on line 3, 6, or 8, as explained below.

- Column 2 Enter the year the asset category was acquired. Use "Various" if items were acquired in many different years.
- Column 3 The Cost or Basis will be automatically carried forward from Column H of Schedule 6A.
- Column 4 Enter the total amount of depreciation taken by all prior owners of the asset.
- Column 5 The Excel template will automatically subtract Column 4 from Column 3.
- Column 6 Enter the amount of accumulated depreciation recorded on the General Ledger, **as of the end of the prior fiscal year**. This amount should agree with the prior year's cost report Schedule 6, Column 10.
- Column 7 Accumulated Depreciation (A/D) for any assets which were disposed and removed from the Plant Ledger (or Fixed Asset Listing) during this fiscal year should be removed via column 7. Note that any reductions to A/D should be entered here as a negative number. (Corresponding asset cost removal should be reflected on Schedule 6A, column C.)
- Column 8 Enter the number of years over which the assets are being depreciated. In the case of many different lives in any classification of assets, enter "Various". Do Not list a range such as 2 to 5 years.
- Column 9 Enter the amount of depreciation expense for the current fiscal year as recorded on the General Ledger. This column should include the amount of depreciation for all new assets and exclude the amount for all assets that are now fully depreciated.
- Column 10 Accumulated Depreciation (A/D) as of the Fiscal Year End will be calculated as Column 6 plus Column 7 plus Current Year Depreciation Expense (column 9). The provider should ensure this result agrees with their records. If not, necessary corrections should be made to the supporting columns.
- Edit Check** If Accumulated Depreciation as of year-end (column 10) exceeds the Depreciable Basis (column 5), a warning will appear in red on the screen to the right of column 10. If the 'Over Depr Warning' appears, double check your entries and correct as necessary.
- A common error which has occurred is that providers may have removed the asset cost of disposed or fully depreciated assets but retained the associated accumulated depreciation. **Note that fully depreciated assets should not be removed from the cost report unless the item has genuinely been sold, scrapped or otherwise retired and removed from the provider's books.** In all cases, the accumulated depreciation should be handled the same as the asset. This may be a change from past practices but should result in reporting which is consistent with and reconcilable to your data included in your organization's financial statements.

Revised
FY 18/19

New for
FY 18/19

Line 1 Enter the information described above for Buildings.

- Line 2 Enter the information described above for Fixed Equipment.
- Line 3 Enter on this line only the costs associated with other fixed asset costs.
- Line 4 The Excel template will automatically calculate this Subtotal line.
- Line 5 Enter the amount described above for all Movable Equipment.
- Line 6 Identify the category of equipment that does not belong in any other movable equipment category and enter the information described above for that category.
- Line 7 Enter the information described above for all Transportation Equipment.
- Line 8 Identify the category of equipment that does not belong in any other category and enter the information described above for that category.
- Line 9 Enter the amount of approved start-up costs that were identified in the rate setting correspondence reflecting the total approved funding level at the time of certification. Start Up costs are amortized over a 5 year period. If this line is used, enter the date the site was certified in Column A.
- Line 10 The Excel template will automatically calculate the total amount of allowable depreciation. This amount will be carried forward to General Administrative Computation Allowance, Schedule 5A, Line B, and to Schedule 1, Program Expenditure Schedule, Section IV, Col. 6, Line A.
- Line 11 Answer the Yes or No question as to whether the provider maintains a complete Plant Ledger for all assets.
-
-

INSTRUCTIONS FOR SCHEDULE 6A

ADDITIONS AND DELETIONS TO DEPRECIATION

The facility heading information will automatically be completed from the Certification Schedule.

NOTE: The November 19, 2018 memo from ODP Acting Deputy Secretary Kristin Ahrens conveys a waiver of the 55 PA. Code § 6211.4 definition application of depreciable assets threshold of \$500 and allows ICF/ID providers to depreciate assets over \$5,000. (i.e., expense items less than \$5,000).

NOTE: If a tangible asset which meets your capitalization policy criteria was purchased due to the COVID-19 pandemic, that asset should be capitalized and depreciated over the appropriate useful life. Since the asset's cost and functionality extends beyond the current fiscal year, it should not be considered an extraordinary COVID-19 cost for Schedule 19.

New for
FY 19/20

FY 18/19
clarification

Column A	For each item, enter the appropriate cost basis for the previous year, as reported on the prior year Cost Report, Schedule 6, Col B2, in Column A next to the word Beginning Balance for Line Items 1, 2, 3, 5, 6, 7, 8, and 9. If P/Y Col B2 is zero, enter 0.
Column B	Enter the actual cost of any new purchase using a separate line for each item.
Column C	Enter the actual cost of any disposed assets, using a separate line for each item. (Report the associated Accumulated Depreciation on Sch. 6, column 7.) Note that Fully Depreciated assets should <u>not</u> be removed from the cost report unless they were truly sold or disposed and removed from the providers books. (i.e., reporting should be consistent with Financial Statements, except for Start Up costs.)
Column D	Enter the date the asset was purchased for additions. Enter the date in the following format: 10/22/19.
Column E	Enter the date the asset was sold, retired, or otherwise deleted. Enter the date in the following format: 10/22/19.
Column F	Enter the depreciable life of the asset per the AHA Useful Life Guidelines – 2018 edition (or later).
Column G	Enter the amount of current year depreciation expense.
Column H	The Excel template will automatically calculate the new cost basis in Column H and carry it forward to the corresponding line on Schedule 6.
Line 10	Totals will automatically calculate.
Line 11	Total Assets. This line will automatically calculate. The provider does not have to enter any amounts on this line.

FY 16/17
clarification

For each purchase over \$5,000, documentation should be available to show compliance with Section 6211.84 regarding Bid requirements. This may be requested by ODP upon check-in or desk review (or subsequent audits) of the submitted cost report.

INSTRUCTIONS FOR SCHEDULE 7

STATEMENT OF COMPENSATION OF OWNERS

The facility heading information will automatically be completed from the Certification Schedule.

This schedule should be submitted as a part of the ID-46 cost report by all agencies, but the schedule should be completed by **"for profit"** agencies only. **All other agencies should mark the schedule 'Not Applicable'** by clicking on the N/A checkbox where a check should appear. Failure to complete this form may result in the rejection of the cost report.

If an owner or stockholder is compensated directly (salary, wage, normal fringe benefits, etc.) or indirectly (no salary or wage but fringe benefits, goods or services, housing, etc.), this information must be included.

Column A: Enter the names of all owners or directors who were compensated during the past fiscal year by the agency.

Column B: For each individual listed in Column A, enter their Social Security Number.

Column C: Place an X in the appropriate column to indicate if the business organization is a sole proprietorship, partnership, Subchapter S Corporation, or Corporation.

Column D: For each individual listed, enter the percentage of the normal workweek devoted to the ICF.

Column E: Enter the actual amount of paid and/or deferred direct or indirect compensation (including but not limited to any fringe benefits, bonuses, perquisites, maintenance dividends, or interest free loans) included in the cost report.

Column F: Enter where on Schedule 1 the compensation has been reported.

Column G: For each individual, enter their Title & brief description of job performed.

Column H: If a partnership, enter the ownership percentage and the profit and loss percentage, if different.

Column I: If a Subchapter S Corporation, enter the percentage of stock owned by each owner

Column J: If a corporation, enter the number of shared and unexercised stock options owned.

Column K: Enter the actual weekly hours worked at the facility.

INSTRUCTIONS FOR SCHEDULE 8

FACILITY TRANSACTIONS WITH RELATED PARTIES

The facility heading information will automatically be completed from the Certification Schedule.

If no information is reported on this schedule, submit it marked 'Not Applicable' by clicking on the N/A checkbox and a checkmark should appear.

This schedule is to summarize all transactions, INCLUDING RENTAL AGREEMENTS, between related parties.

Related Party - An organization related to the provider by common ownership or control. Related to the provider means that a provider is associated with, affiliated with, has control of, or is controlled by the organization furnishing services. Common ownership or equity in the provider and the institution or organization serving the provider. Control exists where an individual or organization has the power, directly or indirectly, to significantly influence or direct the actions or policies of an organization or institution.

Examples of related parties would include, but not be limited to, members of the board of directors, ICF/ID Administrators, sister/brother/parent/subsidiary corporations or partnerships.

Combine all common transactions. For example, if the same related party provides medical supplies, add the cost for all such supplies and enter the amount in the appropriate cost column.

Column A: Enter the Section, Line and Column of Schedule 1 where the related party expense is reported. Example: I,C,2.

Column B: Enter the annual amounts charged and included in this fiscal year's costs.

Column C: Describe the service provided.

Column D: Enter the legal name(s) of the related party/business and include the Federal ID number or social security number.

Column E: Enter the names of all the owners of the related business.

Column F: Enter the ownership percentage in the ICF/ID facility for each owner listed in Column E.

Column G: Enter the ownership percentage in the related business for each owner listed in Column E. (The percentage amount must total 100% for each business listed in Column D. e.g., All owners must be listed.)

If any of the transactions were for the rental of property, plant or equipment, on the lines indicated, enter the actual straight-line depreciation, taxes, interest or insurance. Additional supporting schedules and documents as if the property, plant or equipment were owned by the agency, must be available at the time of audit.

INSTRUCTIONS FOR SCHEDULE 9

STATEMENT OF CHANGES IN FUNDED DEPRECIATION

The facility heading information will automatically be completed from the Certification Schedule.

THIS SCHEDULE MUST BE COMPLETED. IF DEPRECIATION IS NOT FUNDED, THIS SCHEDULE SHOULD BE MARKED 'Not Applicable'. (Click on the N/A checkbox and a checkmark should appear.)

The schedule should be a reconciliation of the beginning balance of the Funded Depreciation account with the ending balance. The beginning balance for the current fiscal year on this schedule must agree with the ending balance on this schedule for the previous fiscal year.

Line 1	Enter all investment income that was deposited in the fund during the cost report period. Investment income includes interest, dividends and net realized gains and losses on marketable security transactions.
Line 2	Enter all interest resulting from an interfund loan.
Line 3	The Excel template will automatically calculate this subtotal.
Line 4	Enter the dates, the amounts, and the nature of any deposits other than those identified on Line 3.
Line 5	Enter the total of assets purchased. Attach a detailed list of assets purchased. The list should indicate the cost and date of acquisition of each asset.
Line 6	Enter the mortgage principle payments made from the fund.
Line 7	Enter the total of all loans. Attach a detailed list that identifies the balance of each individual loan.
Line 8	Enter all withdrawals of a noncapital nature. The dates, total and purpose of each withdrawal should be identified. If interfund loans (line 7) and withdrawals of a noncapital nature exist, a more detailed list of deposits than required on Line 2 is necessary. In addition to the information provided on Line 2, interest earned on each of the deposits must be identified. The list should also be expanded to include all deposits made in the six months immediately preceding the reporting period.
Ending Balance	The Excel template will automatically calculate the total for this schedule.

INSTRUCTIONS FOR SCHEDULE 10

ANNUAL FINANCIAL REPORT OF RESIDENT PERSONAL FUND MANAGEMENT

The facility heading information will automatically be completed from the Certification Schedule.

The ICF/ID program may not require people to deposit their personal funds with the agency. However, if a person provides written authorization, the agency must hold, safeguard, and account for the person's personal funds. This schedule may be completed on an agency-wide basis. Financial data reported must be on an accrual basis consistent with generally accepted accounting principles.

NOTE: If the agency separately and routinely reports the financial status of people's personal funds under GAAP and financial statements reporting requirements, those reports may be substituted in lieu of Parts A and B of this schedule. All programs must complete the Compliance Questions in Part C.

If the agency does not maintain people's personal funds, mark the schedule 'Not Applicable' **and complete the question at the bottom of the page.**

Cents may be entered into Parts A & B of Schedule 10, which will be shown on the schedule. This will avoid a provider from having to make any minor entries to eliminate rounding errors.

Part A - Statement of Revenues, Expenditures and Changes in Fund Balance

Line 1	The beginning balance must be the same as the ending balance shown on this schedule in the cost report for the previous year.
Line 2	Report all residents' receipts to this fund. This includes social security payments, pensions and annuity payments, VA benefit payments, insurance payments, etc.
Line 3	Report all interest earned by the fund.
Line 4	The Excel template will automatically add Line 2 and 3 to show Total Revenues.
Line 5	The Excel template will automatically calculate the subtotal (Lines 1 & 4).
Line 6	Report expenditures or disbursements from the fund for payments made to the agency for services provided for individual people. This includes room and board and ancillary charges.
Line 7	Report expenditures or disbursements from the fund made to the individual residents for their personal needs.
Line 8	Individual expenditure transactions in excess of \$500 must be explained on a separate attachment to this Schedule.
Line 9	The Excel template will automatically calculate the subtotal (Lines 6, 7, & 8).
Line 10	The Excel template will automatically calculate the Ending Fund Balance (Ln 5 - Ln 9).

Checkbox	Indicate whether the figures presented here are for residents of this site only or agency wide.
----------	---

Part B - Balance Sheet at End of Period

Line 11-17	Assets as described on each line.
Line 18-20	Assets (not described elsewhere) in excess of \$1,000 in value must be explained on a separate attachment to this Schedule.
Line 21	Total Assets - The Excel template will automatically calculate this amount.
Line 22-25	Liabilities as described on each line.
Line 26-28	Liabilities (not described elsewhere) in excess of \$1,000 in value must be explained on a separate attachment to this Schedule.
Line 29	Total Liabilities - The Excel template will automatically calculate this amount.
Line 30	The Excel template will automatically calculate this amount (Line 21 minus Line 29).
Line 31	The Excel template will automatically calculate the Total Liabilities and Fund Balance.

Part C - Compliance Questions for Federal Requirements

The requirements in Part C specifically address Federal requirements (OBRA 1987) concerning agency management of people's personal funds.

Answer all questions by typing 'Yes' or 'No' in the appropriate blank space.

Be sure to complete Question II.

If this schedule is marked N/A, indicate in the blank space provided who manages the residents' funds.

INSTRUCTIONS FOR SCHEDULE 11

STAFFING

The facility heading information will automatically be completed from the Certification Schedule.

If there are no entries on this schedule, it should be marked 'Not Applicable' by clicking on the N/A checkbox and a checkmark should appear.

EACH COST CENTER HAS ITS OWN SHEET.

New for
FY 19/20

It is recommended that Schedule 19, Part A be completed before Schedule 11's.

The Extraordinary Salary and Wage costs for COVID-19 should **NOT** be included in the wage data reported on Schedule 11's. (This is different than how non-wage COVID-19 costs are being handled on Schedules 1, 1A, & 12.) This is so that salary costs by position can be viewed without distortion by the extraordinary amounts paid for COVID-19 work. The Extraordinary Salary and Wage costs from Schedule 19 will flow as one line item to the top line of each cost center's Schedule 11. Ensure that the total of Schedule 11 will result in flow to Schedule 1 that will agree with the provider's trial balance.

List all job titles used by the facility. Group job titles according to the appropriate cost center - Room and Board, Health Care, Ancillary Services, or General Administration. The subtotal for each cost center is automatically calculated and carried forward to the corresponding cost center on Schedule 1, Program Expenditure Schedule, Section I, Line A.

Column 1 - Job Title - List all job titles used by the facility. List each job title under one of the cost centers. Positions will be repeated for each different Pay Type that is necessary per column 2 instructions.

New for
FY 19/20

Column 1A – Direct Care Designation - Identify all direct care positions with an asterisk in column 1A. (Previously this was added to the job title in column 1.) Refer to the definition of direct care staff in Section 6211.4 to determine the relevant positions.

Column 2 – Pay Type – For each job title listed in column 1, indicate the type of pay as follows:

Regular – Normal pay, including 1:1 staffing and shift differentials. (ODP desires to see a uniform overall average of actual pay paid.)

Overtime – Overtime pay should be segregated on its own line since the pay per hour is much greater than the base pay rate, the amount of O.T. fluctuates dramatically, and because including it with the regular pay would skew the average pay rate in columns 4 and 7.

VHST or PTO - Vacation/Holiday/Sick Time (VHST) or Paid Time Off (PTO) should be reflected on a separate line. This is important to establish how much of these items are included in the approved funding. Depending on your payroll system data, VHST/PTO

may be reported for each position or simply as a collective cost item (1 line for all positions). Hours and Pay Rates should **not** be reported for VHST/PTO.

Incentive – Arrangements where an employee works a set number of hours but is paid for a greater number of hours. (See the example under the instruction for column 2A below.)

Other – If any other types of pay are separated, please add a legend on the schedule explaining the item. **Vacancy or Vacant FTE's should NOT be reported on this schedule.**

Column 3 - State Equivalent Position - Enter the NAME of the State Equivalent Position for each job title from the DPW Personnel Manual, Attachment 1 to Subsection 7104.3, Position Classification. Do not use only the position number. The most commonly used positions are:

- Residential Services Aide, MR – class code 31421
- Residential Services Aide Supervisor, MR – 31431
- Residential Services Worker – 31460
- Therapeutic Activities Services Worker – 31920
- Residential Services Supervisor – 31460
- MR Program Specialist – 48750
- Residential Services Manager – 31480
- Residential Services Unit Manager – 30211

This is not a complete list. The referenced manual is currently posted on an internal DHS intranet site; therefore, ODP staff can email the report to any provider who requests a copy of it. Duties and qualifications of the positions are available from <http://classweb.state.pa.us/select.asp>. (Ref. 2/28/18 ICF/ID Task Force meeting handout for detailed steps.)

Column 4 – Annual Full Time Hours for this position – Fill in the number of normal hours per year that are considered to be full time. For instance, if the normal workweek is 37.5 hours x 52 weeks = 1,950. For a 40-hour workweek, the amount to fill in would be 2,080. If different arrangements exist for the same position title, it may be necessary to use multiple lines for the same position. See the following example, which includes one scenario (#4) of an individual who works two 12-hour days and is paid for a 40-hour week:

Column 1	Col. 2	Col. 4	Col. 5	Col. 6	Col. 7	Col. 8
Job Title (A), (B)	Pay Type (e.g., Regular, Overtime, VHST, PTO, Other) (C), (D)	Annual Full Time Hrs for this position (F)	FTE units (D), (G)	ACTUAL CURRENT YEAR EXPENSE		
				--- OR (H) ---		Actual Expense (K)
				Calculated AVG Hourly Rate (I)	Calculated AVG Annual Salary (J)	
Example 1 \$25K yr position (40hrs / wk)	Regular	2,080	6.00	\$12.02		\$150,000
Example 2 \$25K yr position (Salaried)	Regular	2,080	1.50		\$25,000	\$37,500
Example 3 \$25K yr position (37.5hrs / wk)	Regular	1,950	2.00	\$12.82		\$50,000
Example 4 \$25K yr position (work 24, pd for 40)	Incentive	1,248	1.00	\$20.03		\$25,000
Example 5 \$25K yr position (Part Time)	Regular	2,080	0.50	\$12.02		\$12,500
(use titles - these descriptions are for illustration only) (column 3 hidden for illustration)						

Note: ODP would prefer a fewer number of lines of detail but realizes calculating a weighted average for column 4 for the above positions would be more tedious than reporting multiple lines of data. Use the amount of detail separation necessary to suit your data sources which will result in accurate FTE counts and accurate average hourly rates.

COLUMNS 5 THROUGH 8 PERTAIN TO ACTUAL BOOKED EXPENSE

Column 5 - Number of FTEs - List the total number of Actual Full Time Equivalents (FTEs). The FTE is measured by the total workweek considered to be full time. Do not report the number of actual employees. For example: for a 40-hour workweek, 2 employees who each work 20 hours per week equal 1 FTE since the total number of hours worked is 40. This amount can be calculated as Total Hours worked per payroll records for each position divided by the standard hours per year for a full-time position (column 4).

Note: Either Column 6 or 7 may be filled in for each position listed. Two different lines should be used if the same position has both salaried and hourly personnel. (e.g., DO NOT FILL IN BOTH COLUMNS 6 AND 7 FOR THE SAME LINE.)

Column 6 – Average Hourly Rate – For positions that are paid an hourly wage, this column should be calculated as Column 8 divided by Column 5 divided by Column 4.

Column 7 – Average Salary – For positions that are paid a salary, this column should be calculated as Column 8 divided by Column 5.

Column 8 – Actual Expense – Enter the total actual expense for this fiscal year for each position. The total of this column for each cost center will automatically be carried forward to Schedule 1. Modest negative numbers may be entered into column 8 if necessary for accruals or other reconciling entries so that payroll data agrees to the General Ledger.

Optional Edit Checks have been added to the right of column 8 on the Excel screen. (Depending on the width of your monitor, you may need to use the right arrow at the bottom of the excel screen to see the edit checks.) These will not print but should be useful to the preparer to ensure realistic data has been entered. Column 8 will be calculated using the data entered in columns 4 through 7 and then the actual column 8 entry will be subtracted. The variance which will be shown should be very small. (ODP has no concern with immaterial variances caused by rounding.) If a large variance is shown, it is recommended that the preparer double check the validity of the entries made for that line and make necessary corrections.

INSTRUCTIONS FOR SCHEDULE 12

MISCELLANEOUS (Contracted) PERSONNEL COSTS

The facility heading information will automatically be completed from the Certification Schedule.

If there are no entries on this schedule it should be marked 'Not Applicable' by clicking on the N/A checkbox and a checkmark should appear.

This schedule details the amounts shown on Schedule 1 for Miscellaneous (Contracted) Personnel Costs. The costs for purchased personnel services, fees for professional practitioners and consultants, attorney fees, external auditing fees, and day program costs are some of the examples of costs that should be identified on this schedule. Please provide an assurance of compliance with applicable portions of Section 6211.73, 6211.74 and 6211.75. Submit adjustments if necessary, on Schedule 5.

The Health Care cost center has an additional worksheet for contracted Day Program/Habilitation costs, Schedule 12-HC (A). The first line of the Schedule 12 Health Care worksheet automatically records the information and costs from the Day Program sub-schedule. If the provider has no costs reported on the sub-schedule, \$0 will be carried forward on the first line.

New for
FY 19/20

NOTE: Extraordinary Costs of Miscellaneous/Contracted Personnel incurred as the result of COVID-19 care/prevention for FY 2019-20 will be identified on Schedule 19, Part B. Those COVID-19 contracted personnel costs are a subset of all contracted personnel costs and therefore must still be included on Schedule 12 in order for the proper flow of costs on Schedule 1.

Column 1 - Name of Consultant/Firm - Enter the complete name of the consultant or firm with whom the provider contracted for services.

Column 2 - Relationship to Provider - Enter information in this column if there is ANY relationship between the facility and the provider of the services and, if one exists, explain the relationship. If the two are not involved in any way, enter "None" in this column.

Column 3 - Rate - Enter the dollar amount as identified in the contract with the consultant/firm. Please be specific. This block MUST contain a dollar amount. It cannot be shown as varied. If there are several rates, an average of the rates should be used.

Column 4 - Rate Unit (Period of Time) - Enter the Unit (e.g., each, per hour, per day, per service) applicable to the rate in Column 3 as specified in the contract with the consultant/firm. Please be specific.

Column 5 - Total Amount of Contract - Enter the total amount of the contract charged to this site. The Excel template will automatically total this column for each cost center and carry the subtotal forward to the appropriate cost center on Schedule 1, Program Expenditure Schedule.

Column 6 - Type of Contract - Enter the type of contract, either "US" for Unit of Service, or if it is a service contract, enter "SC".

Columns 7 & 8 – Employee Equivalent Hours – Use these columns for when contracted staff are used to fill employee absences or vacancies. Segregate the types as:

Direct Care Workers (column 7)

Other positions (column 8)

If the contractor is paid on a per hour basis, the data required should be readily available by dividing the total amount paid (col. 5) by the contracted rate (col. 4). An overall average is acceptable. The provider does not need to separate lines for rate changes which occurred during the year or for different shift billing rates.

If the contracted service is never filled by an employee (Ex. Pharmacist), indicate N/A in both columns 7 and 8.

Columns 9 & 10 – Calculated Employee Equivalent FTE's - Columns 9 and 10 will automatically convert the hours in columns 7 and 8 to FTE's based on 2080 hours per year. (Note: If 'N/A' is entered in cols 7/8, 'N/A' will appear in col 9/10. If anything other than a numeric figure or 'N/A' is entered into column 7 or 8, an error of '#VALUE!' will appear, which indicates a correction to column 7 or 8 is required.)

Column 11 - Description of Services - For each consultant or firm identified, provide a brief description of the service or function purchased. Each service must be clearly described individually and specifically (ex. 'Physical Examinations', as opposed to 'Medical Services').

INSTRUCTIONS FOR SCHEDULE 12-HEALTH CARE (A)

DAY PROGRAM COSTS

Day program services provided by any entity other than the site itself (i.e., Contracted) must be reported on this separate schedule.

Column 1 - Day Program Agency - Enter the name of each agency from which the provider has purchased day program services during the past fiscal year, including those services which were less than full year. Be sure and include any related party agencies.

Column 2 - MPI Number - Enter the MPI number of the agency entered in Column 1.

Column 3 - SLC - Enter the Service Location Code for the location where the day program services were provided.

Column 4 - Related Party - Enter "Y" if the day program provider is a related party to the provider completing the cost report. Enter "N" if the day program provider is not a related party to the provider completing the cost report.

Column 5 - Number of ICF Residents Attending - Enter the unduplicated number of people served by each day program over the course of the fiscal year. Include any person who attended the day program for even a portion of one day. This number may be compared to the certified capacity of the program.

Column 6 - Total Cost – Indicate the ACTUAL EXPENSE PAID for Day Program Services (by agency) that is included in the General Ledger.

The amount reported in Column 6 will be carried forward to Schedule 12-Health Care, Line 1.

NOTE: If the services were provided by a related party, the booked expense must be adjusted to the lesser of the actual costs to the related party or market value (in accordance with 55 Pa. Code §6211.114.(a), and HIM 15 Sections 1000 and 1005).

Column 7 – Actual Cost to Related Party – If any Day Program services were provided by a related party, the actual costs of those services to the related party must be reported in column 7. Actual costs are not the same as the amounts billed according to the waiver program fee schedule. The provider's workpapers supporting these calculations may be requested upon cost report check-in or desk review. Due to different staffing ratios for different individuals within a Day Program, it is not acceptable to allocate costs simply based on total units. Acceptable methods include:

- Cost to Charge Ratio
- Income Statement Profitability
- Allocate costs based on weighted units (units must be weighted for different staffing ratios)
- More complex provider specific approaches, approved by ODP

Please contact a member of the ODP Financial Mgmt Bureau if you would like more information or assistance developing a methodology.

Column 8 – Adjustment to Cost – For Day Program services from a related party, the amount billed from the related party (column 6) must be adjusted to the actual cost of the related party (column 7) or to market value, whichever is less.

Column 8 is pre-populated with a formula to subtract column 7 from column 6, IF column 6 is completed. This formula is not protected and may be overwritten if the market rate is less. The provider should ensure the accuracy of the result of column 8.

Line 1, Column 8 Total - will flow to Schedule 5 to be included with other cost adjustments and then ultimately applied to Schedule 1.

Statistical Questions:

Updated
FY 19/20

Note: Questions on lines 2, 3, and 4 pertain to before Day Program participation was stopped due to Coronavirus mitigation efforts.

Line 2. - How many of your residents attend your own operated (not related party) day program on your own campus? – This question is directed towards the residents of this service location who attend a day program on the campus of this service location. The costs for such a program would not be contracted or broken out on this cost report, rather included within the salaries that are reflected on Schedules 11 and ultimately on line 1 of Schedule 1.

Line 3. - Total Number of ICF Residents Attending Day Programs – This will be calculated by the Excel template as the sum of lines 1. (contracted Day Programs) & line 2 (in-house Day Programs)

Line 4. - Total number of ICF residents NOT attending day programs – If you have a situation where a resident is not attending any day program (prior to COVID pandemic), a count of those people should be indicated in this box.

New for
FY 19/20

Line 5. - Date that Day Program participation was ceased due to COVID-19 mitigation efforts – Enter the date from the Spring of 2020 when all residents stopped attending Day Programs.

New for
FY 19/20

Line 6. - Date that Day Program participation resumed – Indicate the date residents began attending day programs again, EVEN IF IT WAS AFTER 6/30/20. If no residents have returned to Day Programs, indicate 'Not Yet' in the box.

Informational Data:

To the right of the printed range of the Schedule 12-HC(A) cost report page there are a few statistical calculations which are visible on the screen of the EXCEL file. These are for ODP for informational purposes and should not print.

INSTRUCTIONS FOR SCHEDULE 13

LEASES

The facility heading information will automatically be completed from the Certification Schedule.

For each lease, documentation must be available to show compliance with Section 6211.82 for buildings, Section 6211.83 for vehicles, and Section 6211.84 for all leases over \$5,000. This may be requested by ODP upon check-in or desk review (or subsequent audits) of the submitted cost report.

If there are no entries on this schedule it should be marked 'Not Applicable' by clicking on the N/A checkbox and a checkmark should appear.

Only Leases with a total expense (all years) of at least \$5,000 need to be included on this schedule. If the provider has a master lease with many items which individually are less than \$5,000, but collectively exceed \$4,999, that lease should be included.

Column 1 - Leased Assets - Enter the name of each asset being leased.

Column 2 - Leaseholder - Enter the name of the bank, firm, or person holding the lease of the item identified in Column 1.

Column 3 - Related Party - Enter "Yes" if the leaseholder qualifies as a related party as defined in Section 6211.4 and provide documentation for all new leases that the lease complies with Section 6211.114. If the leaseholder does not qualify as a related party, enter "No".

Column 4 - Lease Term - Enter the time period for which the lease is effective, for example, 60 months, 3 years, etc.

Column 5 - Date First Payment - Enter the date of the first payment made for each lease.

Column 6 - Fixed Monthly Payment - Enter the amount of the fixed monthly payment stated in the lease agreement.

Column 7 - Variable Monthly Payment - Enter the amount of the variable monthly payment stated in the lease agreement. For example, a copier lease states a fixed monthly payment of \$225.00 plus \$.005 per copy made.

Column 8 - Variable Basis - Enter the basis for the variable rate. For example, in the example in Column 7, the variable basis was the cost per copy made.

Column 9 - Payment This Fiscal Year - Enter the total amount this fiscal year.

Column 10 - Lease Previously Submitted? - Enter "Yes" if a copy of the lease has already been submitted. If this is a new lease and no copy has been submitted, enter "No" and attach a copy of the lease.

Column 11 - FY Lease Previously Submitted - The provider should enter the Fiscal Year the Lease was previously submitted using the following format: FY 18/19

INSTRUCTIONS FOR SCHEDULE 14

SCHEDULE OF LOANS

The facility heading information will automatically be completed from the Certification Schedule.

This schedule is for the reporting of all loans currently held by the provider. All loans, including capital loans, should be reported on this schedule. If the provider currently holds no loans, the schedule should be marked 'Not Applicable' by clicking on the N/A Checkbox and a checkmark should appear.

Column 1 - Creditor - Enter the name of the bank, firm or person holding the debt.

Column 2 - Related Party - Enter "Yes" if the debt holder qualifies as a related party as defined in Section 6211.4 and provide documentation for all new loans to show they comply with Section 6211.114. If the debt holder does not qualify as a related party, enter "NO".

Column 3 - Term - Enter the term of the loan as identified in the loan agreement (e.g., 60 months, 3 years).

Column 4 - Principal - Enter the total amount borrowed. If a credit line, enter only the amount of the credit line used.

Column 5 - Interest Rate - Enter the applicable interest rate. If the rate is variable, give the most recent rate for the fiscal year.

Repurposed
FY 19/20

Column 6A – TOTAL LOAN CAPITAL Interest Payments This Fiscal Year – Use this column for borrowings for a capital purpose. Enter the total amount of interest paid during the fiscal year for each borrowing. The interest in this column should correspond to the total borrowing per the loan documentation. This column (or column 6B) should be completed regardless of whether the loan is for this facility site only as well as if the borrowing pertains to a larger organization with pieces distributed to multiple entities. (For capital interest costs, both columns 6A and 6C must be completed.)

Repurposed
FY 19/20

Column 6B – TOTAL LOAN OPERATING Interest Payments This Fiscal Year – Use this column for borrowings for operating (non-capital) purposes. Enter the total amount of interest paid during the fiscal year for each borrowing. This column (or column 6A) should be completed regardless of whether the loan is for this facility site only as well as if the borrowing pertains to a larger organization with pieces distributed to multiple entities. (For operating interest costs, both columns 6B and 6D must be completed.)

New for
FY 19/20

Column 6C – SITE PORTION of Capital Interest Payments This Fiscal Year – Use this column for borrowings for a capital purpose. For each borrowing, enter the amount of interest paid during the fiscal year that was expensed by this facility site. (For capital interest costs, both columns 6A and 6C must be completed.) The total of this column will flow to Schedule 1, section II, Line J; therefore, all capital interest expense per the General Ledger must be accounted for on this schedule.

New for
FY 19/20

Column 6D – SITE PORTION of Operating Interest Payments This Fiscal Year – Use this column for borrowings for operating (non-capital) purposes. For each borrowing, enter the total amount of interest paid during the fiscal year that was expensed by this facility site. (For operating interest costs, both columns 6B and 6D must be completed.) The total of this column will be compared to Schedule 1, section II, Line B; therefore, all operating interest expense per the General Ledger must be accounted for on this schedule.

Updated
FY 19/20

Column 7 - Principal Payments This Fiscal Year - Enter the total amount of principal payments paid during the fiscal year, July 1 through June 30. Where there is a borrowing by the larger organization which is shared with the site, the payments of the total loan should be reported, so that they could be traced to the loan documentation.

Updated
FY 19/20

Column 8 - Total Payments This Fiscal Year - The Excel template will automatically add Columns 6A, 6B and 7 to calculate this total. This amount should agree with the loan amortization schedule for a fixed rate loan.

Column 9 - Debt Instrument Previously Submitted - Enter "Yes" if a copy of the signed debt instrument has been previously submitted. Enter "NO" if a copy of the signed debt instrument has not been previously submitted and provide a copy of the loan document, added to the printed cost report behind this schedule.

Column 10 - Fiscal Year Instrument Previously Submitted: - The provider should enter the Fiscal Year the Debt Instrument was previously submitted using the following format: FY 18/19.

INSTRUCTIONS FOR SCHEDULE 19

EXTRAORDINARY COSTS OF COVID-19

The facility heading information will automatically be completed from the Certification Schedule.

Due to the unique nature of additional costs incurred in FY 2019-2020 to care for residents who tested positive or were suspected positive for COVID-19 and for the implementation of mitigation efforts to prevent the spread of COVID-19, Schedule 19 was created to capture the extraordinary costs. It is not known for how long COVID-19 prevention measures will be required; therefore, *extraordinary* COVID-19 costs will be segregated or 'carved-out' from the routine costs to be reimbursed separately via Gross Adjustment. This segregation will also establish allowable (non-extraordinary COVID-19) costs to be carried forward as the basis for FY 2020-2021 rate setting.

Some costs for COVID-19 mitigation efforts will continue into FY 2020-2021, such as the use of masks and other Personal Protective Equipment (PPE). These ongoing costs are therefore not considered extraordinary to FY 2019-2020 and therefore should not be included on Schedule 19. The provider will have to make determinations as to whether increased COVID-19 costs are extraordinary (i.e., unique) to FY 2019-20 or more likely ongoing. Only those costs deemed extraordinary should be reflected on Schedule 19.

For providers who experienced COVID-19 positive cases among their residents or staff, the incremental costs should definitely be considered extraordinary (and included on Schedule 19), since hopefully positive cases this year do not equate to positive cases next year at the same facility site.

Schedule 19 is divided into two parts which appear as separate Excel worksheet tabs in the cost report template:

- Part A – Extraordinary COVID-19 Expenditures - Salary and Wages
- Part B – Extraordinary COVID-19 Expenditures – Non-Wage Expenses

The Schedule 19 cost report forms mirror the waiver request for gross adjustment forms which were sent to providers on 5/22/20. Note that providers may, and should, report extraordinary COVID-19 costs on Schedule 19 even if they did not make a request for immediate funding during the fiscal year.

Part A – Salary and Wages

Unlike other schedules of the cost report Excel template, the line descriptions on Schedule 19 may be changed. The provider should attempt to use the categories of pay which are given in column B, but if more lines are needed for a particular group, they may be changed. Note that it is not necessary to report small dollar amounts (less than \$50 per position) individually; those amounts should be grouped together on one line.

Column A – Expenditure Classification on Schedule 1 – For Part A of Schedule 19, this column will be completed as 'Wages/Salaries' for all lines.

Column B – Description – Modify the pre-populated descriptions as needed to match the types of occurrences which involved additional salary costs at your facility due to COVID-19. Remember these should be the costs that are deemed extraordinary for this fiscal year; therefore, those functions which are expected to continue indefinitely should not be included.

Column C – Position – Indicate the title of position receiving the additional compensation. Note that if the amount per position to be reflected in column G is less than \$1,000, multiple positions within the same cost center may be combined, especially if the number of available lines is insufficient.

Column D – Cost Center – Enter the Cost Center for the position abbreviated as follows:

R&B – Room and Board

HC – Health Care

ANC – Ancillary

GA – General Administrative

These are the only abbreviations which will be accepted, and the data validation edit check is case-sensitive. There is a drop-down menu option with these choices for each cell of the column. Data entry will permit either typing the cost center abbreviations (in caps) or selection from the drop-down.

It is important that this column is completed for each line with values in column G in order for the totals by cost center to flow to the proper Schedule 11.

Column E – Hours – Enter the number of hours associated with the amounts in column G. This data is necessary since totals will flow to Schedule 11. It is possible for some lines to have zero hours for bonus-type payments.

Column F – Average Hourly Wage – This column will automatically calculate after values are entered into column G.

Column G – COVID-19 Total Wage Costs – Enter the total actual wage costs incurred during the fiscal year which are deemed extraordinary.

(There is no column H or J – This schedule was designed to have the printed column letters match the Excel column.)

Column I – Gross Adjustment Received – Enter the detail which supports the early funding for COVID-19 that was provided by ODP via gross adjustment. The amounts paid were derived as 100% of the actual-to-date plus 50% of the projected costs from the original requests submitted by providers. For your convenience ODP has created a worksheet of these figures which will be distributed to the providers who received COVID-19 gross adjustments.

Totals by Cost Center – After completion of this schedule, check the totals at the bottom by cost center. Pay particular attention to the line labeled Unassigned. That line should have zeros. If an amount shows up on the Unassigned line, review the entry above and ensure every line with values in column G has an acceptable cost center entry in column D.

Because the salary costs from Schedule 19 will flow to Schedule 11's as a total by cost center, extraordinary COVID-19 wage expenses will not need to be also input on Schedule 11's.

INSTRUCTIONS FOR SCHEDULE 19

EXTRAORDINARY COSTS OF COVID-19

Part B – Non-Wage Expenses

The line descriptions on Schedule 19 of the cost report Excel template may be changed. The provider should attempt to use the categories of expenses which are given in column B, but if more lines are needed for a particular group, they may be changed.

Unlike Part A, the costs reflected on Part B of Schedule 19 will also need to be included in the figures reported on Schedules 1, 1A, and 12. The purpose of Schedule 19 is two-fold:

1. To determine total COVID-19 costs which are extraordinary to this fiscal year to be removed on the bottom of Schedule 1 from routine costs which will carryforward to FY 2020-21 rate setting.
2. To determine the amount of additional extraordinary COVID-19 costs compared to the amount already paid to be settled via an additional gross adjustment.

Column A – Expenditure Classification on Schedule 1 – For Part B of Schedule 19, this column will be completed with the corresponding line where the costs are classified on Schedule 1. Each possible classification from Schedule 1 has been listed at least once on the prepopulated template, however classifications may be repeated as many times as necessary to accommodate different descriptions in column B.

Column B – Description – All lines with values require a description in column B. Modify the pre-populated descriptions as needed to match the types of additional costs at your facility due to COVID-19. Remember these should be the costs that are deemed extraordinary for this fiscal year; therefore, costs which are expected to continue indefinitely should not be included. (It is possible that costs were claimed during the initial COVID-19 gross adjustment funding, that now are realized to be on-going and not extraordinary. If such a situation exists, reflect the description and amount in column I, with a zero in column G, creating a negative in column K.)

(There is no column C, D, or E for Part B.)

Column F – Cost Center – Enter the Cost Center for the position abbreviated as follows:

R&B – Room and Board

HC – Health Care

ANC – Ancillary

GA – General Administrative

Other – Other

D&I – Depreciation and Capital Interest*

These are the only entries which will be accepted, and the data validation edit check is case-sensitive. There is a drop-down menu option with these choices for each cell of the column.

Data entry will permit either typing the cost center abbreviations or selection from the drop-down.

It is important that this column is completed for each line with values in column G in order for the totals by cost center to flow to the proper Schedule 11.

* While Depreciation and Capital Interest is a cost center that mechanically is allowed by the schedule, it is not expected to be used. As noted in the instructions for Schedule 6A, if a tangible asset which meets your capitalization policy criteria was purchased due to the COVID-19 pandemic, that asset should be capitalized and depreciated over the appropriate useful life. Since the asset's cost and functionality extends beyond the current fiscal year, it should not be considered an extraordinary COVID-19 cost for Schedule 19. Likewise, any borrowing for COVID-19 expenses would likely be for operating (non-capital) purposes and therefore not belong in this cost center of the cost report.

Column G – COVID-19 Total Costs – Enter the total actual costs incurred during the fiscal year which are deemed extraordinary.

(There is no column H or J – This schedule was designed to have the printed column letters match the Excel column.)

Column I – Gross Adjustment Received – Enter the detail which supports the early funding for COVID-19 that was provided by ODP via gross adjustment. The amounts paid were derived as 100% of the actual-to-date plus 50% of the projected costs from the original requests submitted by providers. For your convenience ODP has created a worksheet of these figures which will be distributed to the providers who received COVID-19 gross adjustments.

The following instructions refer to the lines that are numbered at the bottom:

Line 1. – Total Increased Cost due to COVID-19 – Non-Salary – This line will automatically calculate the total of all lines of Schedule 19, Part B.

Line 2. – Total Increased Cost due to COVID-19 – Wages & Salaries – This line will automatically flow from Schedule 19, Part A.

Line 3. – Grand Total Increased Cost due to COVID-19 – This line will automatically calculate the total of lines 1 and 2. Note that the result in column I (Gross Adjustment Received) will be compared to that reported on Schedule 4, Col 2, Line 19. If the two do not agree a message will appear in the red box in column L stating 'Note = Sch 4'. If this message appears, review the two sources and make corrections until they both agree to the total that was paid.

Totals by Cost Center – After completion of this schedule, check the totals at the bottom by cost center. Pay particular attention to the line labeled Unassigned. That line should have zeros. If an amount shows up on the Unassigned line in the Other column, review the entry above and ensure every line with values in column G has an acceptable cost center entry in column F. If an amount shows on the Unassigned line in the Salary column, review Sch 19, Part A.

Line 4. – COVID-19 Funding from other Programs – This line will automatically flow from Schedule 4, Column 2, Lines 20 through 22. Any funding from other government programs received for COVID-19 will reduce the amount to be paid by ODP.

Line 5. - TOTAL Unreimbursed Extraordinary COVID-19 Expenditures to be Reimbursed via Gross Adjustment – This line will automatically be calculated as the total of column K, line 3 less any COVID-19 funding from other government programs. A new gross adjustment will be issued for this amount after ODP staff's review of the cost report. It is possible that the amount on this line could be negative, resulting in a credit gross adjustment, if the provider over-estimated the amount of extraordinary COVID-19 costs at the time of the initial gross adjustment.
