DHB Provider Audit Section

ICF-IID Group Homes
Guidance for Cost Report Preparation

FYE: June 30, 2019

Revised April 1, 2019

NC DEPARTMENT OF
HEALTH AND
HUMAN SERVICES
Division of Health Benefits

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
DAVE RICHARD • Deputy Secretary, NC Medicaid

April 1, 2019

Dear Group Home:

In accordance with the Reimbursement Plan for Intermediate Care Facilities for Individuals with Intellectual Disabilities, we are furnishing the software for the 2019 Medicaid cost reporting forms.

The downloadable Excel software will enable you to input and generate your 2019 Medicaid cost report. The User's Guide includes instructions for generating a blank cost report and inputting data to generate your completed cost report. **The furnished software is not to be modified in any manner**.

The cost report for the fiscal year ended June 30, 2019 is **due to be filed by Monday, September 30, 2019**. We do not plan to issue any extensions from this due date. The cost report may be filed electronically on a thumb drive, compact disc (CD-ROM) or e-mailed along with a signed copy of the Information/Certification Form, diskette, and the working trial balance to:

US Mail
Desk Audit Section
Division of Health Benefits
2501 Mail Service Center
Raleigh, NC 27699-2501

Alternate Shipping
Division of Health Benefits
Provider Audit Section
820 South Boylan Avenue – McBryde South
Raleigh, NC 27603

If a settlement is due the Medicaid Program, make check payable to Division of Health Benefits for the amount due and remit it under separate cover to:

DHHS-Controller's Office
Accounts Receivable - Health Benefits
2022 Mail Service Center
Raleigh, NC 27699-2022

Below, we have furnished guidance to assist you in preparing the cost reporting forms in accordance with our requirements. Also, Frequently Asked Questions (FAQs) can be accessed on the website page. If you have questions regarding the cost reporting forms, please contact the DHB Audit Section via e-mail at Medicaid.LTCCostReport@dhhs.nc.gov or by telephone at (919) 527-7160.

Sincerely,

Jim Flowers
Associate Director of
Provider Audit

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COMPLETION OF SCHEDULES

A new Consolidated Health Care Assessment Tax Schedule has been created to provide easier filing of the tax assessment for group homes with no Medicaid Days in FY19**.** These schedules can be accessed via the DHB Audit Section web site. To complete the schedules, on the Main tab go to Line 1 "PRIMARY HOME" and select the name of the facility from the drop-down list and then complete the C-Census tab. For providers with more than one group home, complete the Main tab for the group home with the Lowest Provider Number and complete the C-Census tab for that home. Select the additional homes on the Facility tab by choosing the name of each home from the drop-down list. Enter the census data for the additional homes on the More Census tab. An originally signed copy of the Certification form for the main group home must be mailed to DHB. Also required is an electronic or hard copy of each facility's Monthly Census summary.

For FY19 cost reports, all providers are required to furnish copies of existing, renewed, or amended facility and day program lease agreements which support any lease expense identified in the cost report. Failure to support lease agreements with proper documentation may result in disallowance of lease expense.

{NEW} **Sch. G - Revenues** – Beginning with FY19, providers must complete Sch. G to show a computation of their Net Patient Revenues, which is total revenue from all sources less allowable expenses.

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Fire Protection Sprinkler System Schedule – This schedule will have to be completed by those group homes that have received partial reimbursement for the installation of a fire protection sprinkler system. This schedule can be completed by accessing the DHB Provider Audit Section web site. For further information on reimbursement of fire protection sprinkler systems, please call David Lentz at (919) 527-7121.

Limitations

The established cost limitations for ICFIID group home cost reports for fiscal year ended June 30, 2019, are as follows:

Medical Director:	**$250 per bed annually**
Management Fees:	**$7.13 per patient day**
Capital/Lease Costs:	**$6,546 annually per bed**
Director's Fees:	**$2,400 annually or $200 per meeting**
Owner or Administrator Salary:	
	$57,570 (1-50 beds)
	$69,912 (51-99 beds)
	$74,024 (100-149 beds)
	$79,660 (150-199 beds)
	$90,469 (200-249 beds)

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Prior Year Cost Reports

ICFIID cost report preparers are required to review the prior year desk and field audited cost reports and incorporate all applicable adjustments and/or recommendations into the 2019 cost reports. (CMS Pub 15-1, Section 2905.2)

Cost reports filed for fiscal year ended June 30, 2019 without all schedules properly completed will be considered incomplete and subject to suspension of all payments until schedules are properly completed.

Field Audits

If your ICFIID facility is selected for a field audit, financial records supporting the cost report must be made available to the field auditors on an agreed upon timetable. **Failure to furnish requested financial records might result in the repayment of all Medicaid payments**.

Other Questions About Cost Report Preparation?

If you have questions about the preparation of the cost reporting forms, please contact the DHB Audit Section at (919) 527-7160 or email Medicaid.LTCCostReport@dhhs.nc.gov.

ICFIID Cost Report Checklist
FYE: June 30, 2019

The following items must be received by DHB by September 30, 2019:

_____ One CD or Thumb Drive containing the Combined Cost Report for the Audit Section

_____ Signed and dated copy of the Information/Certification Form

_____ Signed and dated copy of the Provider Health Care Assessment Certification Form, if these forms are completed by the individual Group Home

_____ Working Trial Balance for the ICFIID facility (preferably in Excel).

_____ Copy of contracts for new or renewed lease agreements