

KANSAS MEDICAID STATE PLAN

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 Instructions
 State ICF-MR
 (Rev. 7/91)

INSTRUCTIONS FOR COMPLETING
 FINANCIAL REPORTS FOR
 STATE ICF-MR FACILITIES

PURPOSE

The purpose of this report is to obtain the client-related costs incurred by State ICF's-MR in providing services according to applicable state and federal laws, regulations, and quality and safety standards. The regulations governing the completion of this report and ICF-MR reimbursement can be found in the Kansas Administrative Regulations, Chapter 30, Part 10, Sections 200-226 effective June 1, 1991.

1. One blank Financial Report for State ICF-MR Facilities is sent by Mental Health and Retardation Services (MH&RS) to each state ICF-MR facility in the Medicaid/Medikan Program before the end of the facility's reporting period.
2. Send two copies of the completed Financial Report for State ICF-MR Facilities to the following address:

Mental Health & Retardation Services
 Department of Social & Rehabilitation Services
 915 SW Harrison
 Docking State Office Building, 5th Floor
 Topeka, KS 66612

Attention: Administrator, ICF-MR Reimbursement

3. All inquiries on completion of these forms should be directed to the Administrator, ICF-MR Reimbursement, MH&RS, at (913) 296-3476.

GENERAL

1. COMPLETE THE FORMS ACCURATELY AND LEGIBLY. ANY REPORT THAT IS INCOMPLETE OR IS NOT LEGIBLE WILL BE PROMPTLY RETURNED TO THE PROVIDER. THIS MAY POSTPONE THE RATE EFFECTIVE DATE AND RESULT IN ADDITIONAL PENALTIES FOR LATE FILINGS. KAR 30-10-213 AND 214.
2. ALL TOTALS MUST BE ROUNDED TO THE NEAREST DOLLAR.
3. DO NOT ADD LINES TO THE FORMS. Use "OTHER" lines for patient-related expenses not designated on the Expense Statement, Schedule A.
4. DO NOT CROSS OUT OR RETITLE LINES ON THE FORMS.
5. USE THE ACCRUAL METHOD OF ACCOUNTING IN REPORTING FINANCIAL DATA. Revenues are reported in the period when they are earned, not when they are received, and expenses are reported in the period in which they are incurred, not when they are paid.

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6. ALL COST REPORTS, HISTORICAL OR PROJECTED, MUST BE FOR A PERIOD OF 12 CONSECUTIVE MONTHS. KAR 30-10-213.
7. ALL COST REPORTS MUST BE FILED BY THE LAST DAY OF THE THIRD MONTH FOLLOWING THE END OF THE REPORTING PERIOD (FISCAL YEAR END OR PROJECTION). KAR 30-10-213. The provider may request a 30-day extension of the due date by submitting the request in writing to the address in the submittal instructions within the time period allowed for filing the original cost report. The extension will be granted if the agency determines that the provider has shown good cause. NOTE: IF A COST REPORT IS FILED AFTER THE DUE DATE WITHOUT AN APPROVED TIME EXTENSION, THE PROVIDER IS SUBJECT TO THE PENALTIES SPECIFIED IN KAR 30-10-213.
8. EACH STATE ICF-MR SHALL MAINTAIN ADEQUATE ACCOUNTING AND/OR STATISTICAL RECORDS. Inadequate recordkeeping is cause for suspension of payments or reduction to the lowest rate(s) for the level(s) of care provided. KAR 30-10-210.
9. REIMBURSEMENT RATES (PER DIEM) FOR STATE ICF-MR. The per diem rate of reimbursement for these facilities is based on the reported costs and client days as adjusted by a desk review of the cost report. An additional factor may be included in determining the prospective rates to account for expected changes in either the costs or resident days during the subsequent fiscal year. Each cost report is also subject to a field audit to arrive at a final settlement for the period the per diem rate was based on the audit cost report.
10. KANSAS ADMINISTRATIVE REGULATIONS. Copies of the regulations governing State ICF-MR reimbursement may be obtained from the address given in the submittal instructions. NOTE: SINCE THE REGULATIONS MAY BE CHANGED ANNUALLY, THE PREPARER OF THE COST REPORT SHOULD CAREFULLY REVIEW THE MOST RECENT VERSION PRIOR TO COMPLETING THE FORM.

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(Rev. 7/91)COST REPORT INSTRUCTIONSCOVER PAGEA) Provider IdentificationLINE 11-19 Complete these lines as indicated on the report form.LINE 21 THROUGH 25: Check Only One Box.LINE 21. Check if the cost data is for the normal fiscal year of the provider and does not include any portion of a projection period.LINE 22. Applies to projected cost reports for new providers that are not occupying a newly constructed facility.LINE 23. Applies only to projected cost reports related to newly constructed facilities. If a provider occupies a newly constructed facility they should check this box. Providers that have increased total beds available through new construction to an existing facility by 10% or more may file a projected cost report and should check this box. KAR 30-10-214.LINE 24. Applies only to providers filing historical cost reports for the same 12 month period as thur projection year.LINE 25. Applies to providers in the process of converting from the projection period to their normal fiscal year and the report period includes a portion of the projection period.LINE 26 THROUGH 32. Check only one box. Check the type of business organization which most accurately describes your facility or explain on line 32.B) Facility Beds:LINE 43 THROUGH 45. Enter the number of beds available for each category listed. If a change in the number of beds has occurred during the reporting period, show the increase (of decrease) and the date of the change. Total the categories on line 45.LINE 46. TOTAL BED DAYS AVAILABLE If the number of beds available throughout the year has not changed, the total number of bed days is computed by multiplying the number of beds times 365 (366 in leap years). If the number of beds changed during the period, compute as shown in the example below.

Assume a home of 20 beds was increased on July 1 to 25 beds, the number of bed days for the period would be determined as follows:

January 1 to June 30	181 days x 20 beds =	3,620 bed days
July 1 to December 31	184 days x 25 beds =	4,600 bed days
		<u>8,220</u> bed days for period

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LINE 48. TOTAL CLIENT DAYS. The total number of client days is the actual days of care rendered to clients for the period. The day of admission is counted but not the day of discharge or death. Paid reserve days must be included as client days. See K.A.R. 30-10-200. The total client days must agree with the 12-month total of client days as submitted on form AU 3902.

OCCUPANCY PERCENTAGE: Agency staff will determine this percentage.

TOTAL MEDICAID/MEDIKAN DAYS: Enter the total number of Medicaid/Medikan days reported on the Au 3902's. Partial as well as full paid days must be included.

LINE 50. AGENCY USE ONLY.

LINE 51. If the provider is a public held entity, provide annual reports and Form 10-K.

C) Declaration by Owner and Preparer: The cost report is not considered complete unless signed by a representative of the facility (i.e. owner, officer, administrator, etc.) and the preparer. PLEASE READ DECLARATION STATEMENT.

SCHEDULE A - EXPENSE STATEMENT

ATTACH A COPY OF THE SUMMARY PAGE OF THE BUDGET.

Report expenses in the AMOUNT column. List the source of the expense in the SOURCE column. The expenses should be referenced to the actual expense column of the budget where possible. Please use the following abbreviations:

O.C. = Object Code
P.C. = Program Code
S.C. = Source Code

If it is not possible to refer directly to the budget, reference to a workpaper and attach a copy.

Fiscal Year Budget. Fill in the fiscal year of the budget referred to in the Source column.

Line 1 - Total Budget Expenditures. Report total expenditures from Line 40 of the budget summary page.

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General Adjustments. Report adjustments used to derive Total Medicaid Expenditures from Total Budget Expenditures.

Lines 2, 3, & 4. Report amounts from the most current Central Office Allocation memo prepared by the Fiscal Management Section of Mental Health & Retardation Services. Attach a copy to the cost report.

Line 5 - Depreciation Expense. Report the amount shown on the Agency Total Line in the Current depreciation (CUR-DEPR) column of the inventory depreciation. If adjustments are required to current depreciation, attach a schedule detailing the adjustment.

Lines 6, 7, & 8. Report any other additions to the Total Budget Expenditures (Example: Laundry expense allocation from Topeka State Hospital to Kansas Neurological Institute).

Lines 11, 12, & 13. Report the amounts from the budget as noted on the cost report.

Lines 14, 15, & 16. Report any other reductions to the Total Budget Expenditures (Example: Meals charged to TSH by KNI).

Line 20 - Total Medicaid Expenditures. Total of Line 1 plus Lines 2 through 8 and less Lines 11 through 16.

Non-Patient Related Expenses. Report non-client related expenses less any revenue offsets.

Line 21 - SRS Area Office. Report any costs associated with the maintenance of a SRS Area Office at the facility.

Line 22 - Sheltered Living. Report any costs associated with the Sheltered Living Program.

Lines 23, 24, & 25. Report any other non-client related expenses.

Line 30 - Client Related Expenditures. Line 20 less Lines 21 through 25.

Line 30A - Client Related Expenditures. Move the amount on Line 30 to the top of Page 2.

Revenues. Report revenues from the General Fee Fund on the appropriate line in the Total Revenue column. Common types of revenue have been listed and their source codes shown. Specify other types on the blank lines and list their sources. If more lines are needed use one blank line as a summary and attach a sheet listing the revenues.

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Report the revenue to be offset in the Revenue Offset Column. The revenue offset is not to exceed the related expense. For example, the facility receives \$1,000 rental income and the expenses related to this income (supplies, repairs, utilities, etc.) total \$750. Therefore report \$1000 in the Total Revenue column and \$750 in the Revenue Offset column. Do not report a revenue offset for expenses disallowed as non-client related. For example, rental revenue received from the SRS Area Office is not to be offset as the cost of maintaining the area office is disallowed as non-client related on Line 21.

Line 49 - Total Revenue Offset. Report the total of the Revenue Offset column.

Line 50 - Net Client Related Expenditures. Line 30A less Line 49.

Non-Reimbursable Expenses. Report non-reimbursable expenses.

Line 51 - Foster Grandparent Program. Report the cost of the Federal portion of the Foster Grandparent Program.

Line 52 - Clothing for Clients. Report the cost of clothing purchased for clients.

Line 53, 54, & 55. Report the percentage of the Barber's Cosmetologist's, and Chaplin's time devoted to non-reimbursable activities. Report that portion of their salaries and fringe in the AMOUNT column.

Line 56 - Religious Items and Services. Report the cost of religious items and services.

Lines 57 & 58. Report any other non-reimbursable expense.

Line 60 - Net Reimbursable Expenditures. Record the total of Line 50 less Lines 51 through 58.

Education Expenses. The education portion of the following expenses are non-reimbursable.

Line 61 - Special Education Contracts. Report cost of special education contracts.

Line 62 - Special Education Non-Contractual. Report non-contractual special education costs.

Line 63, 64, 65, 66, & 67. Calculate the amount to be reported by determining the percentage of the educational square footage to total square footage and reporting this percentage of these expenses. Attach a copy of the workpaper.

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Line 68 - Telephone. Calculate the amount to be reported by determining the percentage of educational telephones to total telephones and reporting this percentage of the telephone expense.

Line 69. Report any other educational expenses. Attach a schedule if additional lines are needed.

Line 70 - Total Education Expenses. Record the total of lines 61 through 69.

Line 75 - Net Non-Educational Expenditure. Line 60 less Line 70.

Line 75A - Net Non-Educational Expenditures. Move the amount on Line 75 to the top of Page 3.

Lines 76, 77, & 78. Report any other adjustments needed.

Line 80 - Total Allowable Expenditures. Line 75A plus or minus Lines 76 through 78.

SRS Office of Audit Services Adjustments. DO NOT WRITE BELOW LINE 80. This section is reserved for AGENCY USE ONLY.

SCHEDULE B - SALARIES & WAGES

Line 1 - Total Salaries and Wages. Report the amount of Object Code 100 from the budget summary page.

Adjustments. Report the amount of salaries and fringe for each of the programs or employees listed. Use the blank lines for any other adjustments to Total Salaries and Wages.

Line 10 - Total Allowable Salaries and Wages. Record the total of Line 1 less Lines 2 through 9.

SRS Audit Section Adjustments. DO NOT WRITE BELOW LINE 10. This section is reserved for AGENCY USE ONLY.