**CENTER FOR HEALTH INFORMATION AND ANALYSIS**

**COST REPORT INSTRUCTIONS: NURSING SERVICES COST REPORT**

J u l y 201 9



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**IMPORTANT NOTICE**

**Please read the instructions thoroughly prior to beginning work on the cost report.**

**What’s New for the Nursing Services Cost Report (NSR)**

**Update on Cost Report Schedules**

1. On Schedule 1 (Agency Information), Continuous Skilled Nursing (CSN) Agencies and Home Health Agencies **are now required to enter their Medicaid/MassHealth Provider ID**. The MassHealth Provider ID is 9 numeric digits followed by 1 character.

2. On Schedule 1 (Agency Information), Temporary Nursing Services (TNS) Agencies **are now required to enter their Department of Public Health (DPH) license number**. The DPH License Number is 4 alphanumeric characters.

3. Training and Travel for **indirect** staff should be reported on Schedule 3 (Administrative Expenses for Non-Direct Care Staff), while Travel for **direct** staff should be reported on Schedule 2 (Direct Care Staff Expenses) and Training for direct staff should be reported on Schedule 5 (Summary of Expenses Schedule).

4. On Schedule 4 (Gross Revenue), new fields (lines 5, 10, and 15) have been added to report discounts and contractual adjustments for each program type (ex: CSN, Home Health or TNS). This data will automatically be pulled through to the Income Statement on Schedule 6.

5. Many fields on Schedule 5 (Summary of Expense Schedule) will now automatically populate direct care staff expenses entered on

Schedule 2 (Direct Care Staff Expenses). For example, on Schedule 5 if you are an HHA, line 1 (Salaries) through line 6 (Travel)

in column 3 (HHA) will be automatically populated with the cost information you entered on Schedule 2.

6. Schedule 6 (Income Statement) automatically populates Total Gross Service (line 1) and Discounts/Contractual Adjustments (line

2) entered on Schedule 4 (Gross Revenue).

**Update on Exemption Criteria**

1. If your agency was in business for less than 6 months during FY18, or if you owned the agency for less than 6 months during

FY18, you are not required to file the 2018 NSR.

2. Exemptions: please fill out the exemption request form found [here](http://www.chiamass.gov/assets/docs/p/nsr-cost-reports/2019/FY18-NSR-Request-for-Exemption.docx) and email this form to[chia.data@state.ma.us](mailto:CHIA.data@massmail.state.ma.us).

**PURPOSE**

The Center for Health Information and Analysis (Center or CHIA), in accordance with its statutory authority under M.G.L. c. 12C, collects cost reports in furtherance of its mission to monitor the health care system in Massachusetts and to provide reliable information and meaningful analysis for those seeking to improve health care quality, affordability, access and outcomes. The data the Center collects through the Nursing Services Cost Report (NSR) is used, among other things, to support the rate-setting obligations of the Executive Office of Health and Human Services (EOHHS) which uses the data to establish rates for continuous skilled nursing providers (CSN), home

health agencies (HHA), and temporary nursing services agencies (TNS). Once filed with the Center, these reports become public documents and will be provided upon request to any interested party.

**PLEASE NOTE**: The NSR Report filing will NOT BE CONSIDERED COMPLETE until the Center receives (1) the cost report, (2) its relevant financial data, and (3) supporting documentation.

In addition, the NSR Report filing will NOT BE CONSIDERED COMPLETE until any and all additional documentation requested by the

Center staff has been provided to the satisfaction of the Center staff.

Agencies that fail to file required data with the Center will be subject to penalties in accordance with the Center’s regulation, 957 CMR 6.00 and EOHHS regulations 101 CMR 345.00 and 101 CMR 350.00.

Specifically, if an agency fails to file a timely and complete NSR together with any additional information required by the Center, including supporting documentation, the Center may:

**For HHA and CSN Providers:** Impose a fine of up to $500.00 on an agency that knowingly fails to file or that knowingly files falsified data; petition the Superior Court to issue an order directing governmental units to withhold payments to the agency if the agency has withheld information without a justifiable cause; refer the delinquent agency to EOHHS with

recommendations that EOHHS impose penalties which include a reduction in the delinquent agency’s rates, removal of the delinquent agency from the list of eligible agencies, and any other penalty authorized by M.G.L. c 118E or applicable regulations.

**For TNS Providers:** Refer the delinquent agency to EOHHS with recommendations that EOHHS notify the Department of Public Health (Department) of the agency’s delinquency with a request for revocation of a delinquent agency's registration; and any other penalty authorized by M.G.L. c. 118E or applicable regulations.

**SUBMISSION DEADLINE**

**FY 2018 NSR filings are due on July 31, 2019**

**WHO MUST FILE**

CHIA is collecting cost reports for the fiscal year (FY) ending in 2018 from all Continuous Skilled Nursing (CSN) providers, Home Health

Agencies (HHA), and Temporary Nursing Agencies (TNS).

**Please note: If HHA providers ALSO provide CSN services, separate CSN and HHA cost reports will need to be completed**.

**Exemption Criteria**: Providers who meet the below criteria are exempt from filing. CSN/HHA Providers:

1. If your agency was in business for less than 6 months during FY18.

2. If you owned the agency for less than 6 months during FY18.

3. If your agency did not participate in the MassHealth program in the cost report year or received less than $50,000 in MassHealth revenue in its FY2018 (gross charges minus contractual adjustments).

TNS Providers:

1. If your agency was in business for less than 6 months during FY18

2. If you owned the agency for less than 6 months during FY18.

3. If your agency only employed fixed-term travel employees as defined in 101 CMR 345.00: Temporary Nursing Services in the cost report year.

o Note: Agencies that ONLY provided the services of fixed-term travel employees are not required to file the cost report.

However, these agencies must file [Fixed-Term Travel Employee Disclosure Form](http://www.chiamass.gov/assets/docs/p/nsr-cost-reports/2019/NSR-orgname-2018-travel.xlsx) with the Center for the fiscal year

ended in the year prior to the filing date. Please see “What to file” for greater details.

If you believe your agency is exempt from filing for any of the above reasons, you must claim exemption using the [FY2018 NSR Exemptio](http://www.chiamass.gov/assets/docs/p/nsr-cost-reports/2019/FY18-NSR-Request-for-Exemption.docx)n

[Request Form](http://www.chiamass.gov/assets/docs/p/nsr-cost-reports/2019/FY18-NSR-Request-for-Exemption.docx), available as a Word document at<http://www.chiamass.gov/nsr>. Email this completed form to[chia.data@state.ma.us](mailto:chia.data@state.ma.us).

**Filing Instructions for Multiple Site Agencies:** A multiple site agency is defined as an agency (1) with more than one location, (2) in the case of providing HHA and CSN services, or (3) that have more than one MassHealth provider identification number.

- Agencies with multiple sites that have **the same** 9-digit MassHealth Provider ID and different one-letter service locations may submit

**one** cost report. Please list all agency sites included in the submission under Schedule 1 (“Multiple Site Information”).

 A parent agency with multiple sites may also file a separate cost report for each site. Allocations of any shared expenses within multiple sites can be reported based upon hours billed at each site or some other reasonable method. If the Center determines upon review of the submitted data that the allocation was done improperly, it may require the agency to file a single report.

- Agencies with multiple sites that have **different** (first) 9-digit MassHealth Provider IDs should submit **separate** cost reports for each

MassHealth Provider ID.

**Agencies with other lines of business or with a parent company:** Report information relative to programs other than CSN, HHA, or TNS in the appropriate sections of the report. (e.g. Schedule 5, Column 5 “Total All Other Business” or Schedule 6 Line 6 “Total Income From other Business”)

**Agencies must report using the accrual basis of accounting.**

**PLEASE NOTE**

**The NSR cost report filing will NOT be considered complete until all relevant financial data and all additional documentation requested by CHIA staff has been provided to the satisfaction of CHIA staff.**

**WHAT TO FILE**

A. Cost Report. Annually, agencies must file a cost report for the fiscal year ended in the year prior to the filing date with the Center. Agencies can file online through the Center Submissions site: [https://chiasubmissions.chia.state.ma.us](https://chiasubmissions.chia.state.ma.us/)/

The reporting period shall be consistent with financial statements.

B. Financial Statements or External Verification. Agencies must submit copies of financial statements and other external documentation supporting the accuracy of the data reported on the cost report. Acceptable documentation includes (in descending order of preference):

 Audited, reviewed, or compiled financial statements prepared by a Certified Public Accountant (CPA);

 A certification from a CPA attesting to the accuracy and validity of the data reported on the cost report. The CPA must not be a related party to the principal owners or partners of the agency; or

 Copies of tax returns filed with the Internal Revenue Service for the reporting year.

**Only one of the above documents is necessary**.

- Reconciliation of any differences between the financial statements and the report. This document should be sent as PDF or Excel spreadsheet to [CHIA.data@state.ma.us](mailto:CHIA.data@massmail.state.ma.us). Label all financial documents with the provider’s name and document type. For example, financial statements can be labeled as **Agencyname\_HHA\_FS\_FY18.pdf**.

- Upon review of the cost report, the Center may determine that additional information is required from the agency. Such additional documentation will be considered a component of the cost report subject to the same certification delivered with the initial filing.

C. Home Health Agency Medicare Cost Report (1728): An HHA must submit a complete copy of its Medicare cost report.

D. Fixed-Term Travel Employee Disclosure Form: Agencies that provided the services of fixed-term travel employees must file this form annually with the Center for the fiscal year ended in the year prior to the filing date. The [certification page](http://www.chiamass.gov/assets/docs/p/nsr-cost-reports/2019/2018-ftted-certification-form.docx) is an integral part of the filing of this form and, therefore, the filing[Fixed-Term Travel Employee Disclosure Form](http://www.chiamass.gov/assets/docs/p/nsr-cost-reports/2019/NSR-orgname-2018-travel.xlsx) is not considered complete without the signed and completed certification.

Please note that pursuant to regulation 101 CMR 345.00, a Fixed-Term Travel Employee must meet  **ALL** three of the following criteria: (1) work exclusively at a particular health care facility for a specified period of at least 90 days pursuant to a contract between the provider and a Temporary Nursing Agency; (2) must relocate a distance of at least 200 miles and establish a temporary residence for the contract term

to work at the contracting provider; and (3) incur expenses for temporary accommodations paid by the agency.

**If an agency fails to file a timely and complete Fixed-Term Travel Employee Disclosure Form and Certification, the Center may seek the penalties referenced above.**

Agencies that **only employed fixed-term travel employees** during the cost report year must submit the following:

1. [Fixed-Term Travel Employee Disclosure For](http://www.chiamass.gov/assets/docs/p/nsr-cost-reports/2019/NSR-orgname-2018-travel.xlsx)m.

2. Certified or Audited Financial Statements.

**WHEN TO FILE**

All agencies must file the NSR and corresponding financial data, as well as supporting documentation, no later than **July 31, 2019**.

**Extension:** Agencies may request an extension for a period of two weeks if the following criteria are met:

 The extension request must be submitted in writing to the attention of NSR Cost Report Submission. E-mail is an acceptable method to request an extension. Please send your request to [chia.data@state.ma.us](mailto:chia.data@state.ma.us);

 The request must demonstrate a good cause or circumstances for the filing extension; and

 The written request must be received at the Center **prior to July 31, 2019**.

**HOW TO FILE**

If you have not registered with CHIA through CHIA Submissions, please follow the following instructions:

1. If your agency is entirely new to the filing process, the agency must submit a [**CHIA INET User Agreement**](http://www.chiamass.gov/assets/docs/p/inetuseragreementotherprovider.pdf) **and**[**Busines**](http://www.chiamass.gov/assets/docs/p/inet/confidential-business-partner-agreement-2018.pdf)**s**

[**Partner Security Agreement.**](http://www.chiamass.gov/assets/docs/p/inet/confidential-business-partner-agreement-2018.pdf) Please allow up to several days for CHIA to process this information.

2. If you are a new user with CHIA, please fill out the [**CHIA INET User Agreement**](http://www.chiamass.gov/assets/docs/p/inetuseragreementotherprovider.pdf). Once this form has been received and processed by CHIA, the registered user will receive a Login ID via email. This may take several days; please plan accordingly.

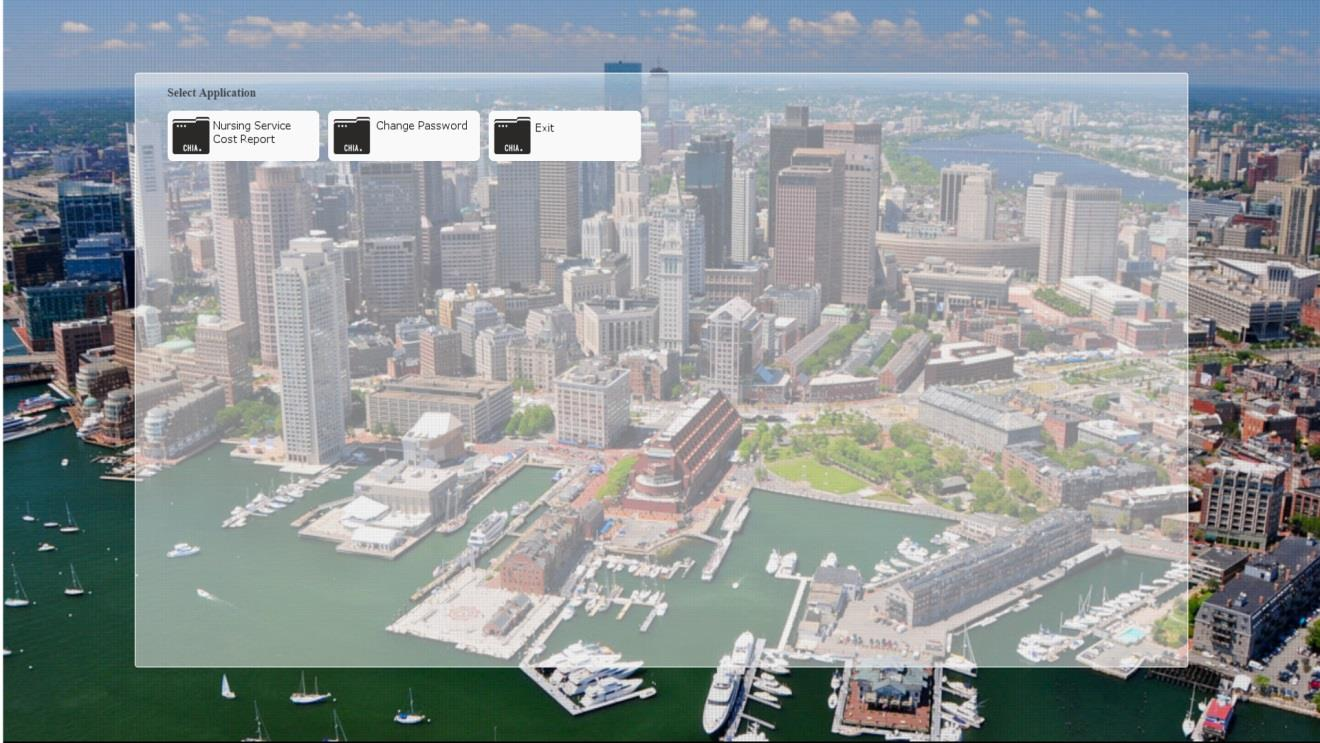
Please submit completed and signed forms to CHIA by email to [CHIA-DL-Data-Submitter-HelpDesk@state.ma.us](mailto:CHIA-DL-Data-Submitter-HelpDesk@state.ma.us).

Once these forms are processed, you will be able to Log into CHIA Submissions at <https://chiasubmissions.chia.state.ma.us/>using the

Login ID provided to you by CHIA in step 1.

**Login through “CHIA Submissions”:**

Please note that **CHIA Submissions works best in Google Chrome**. Providers can access the CHIA Submissions page through this link: [https://chiasubmissions.chia.state.ma.us.](https://chiasubmissions.chia.state.ma.us/) Once logged in, select the Nursing Services Cost Report icon. Below is an example of this screen:



**ADDITIONAL INFORMATION:**

If you have any additional questions regards to this filing, please call the Center’s Pricing Cost Report Helpdesk at (617) 701-8156.

**Home Screen:**

The list of providers or facilities that a user has access is located on the far left side of the screen. By clicking on the provider name on the list, the system will activate that account and display the information entered in Schedule #1 for the Reporting Year selected. Below is an example of a list of providers on the left hand panel.



**Cost Report Year Selection:**

Once you have selected your agency name, select the dropdown menu on the right for the correct cost report year you wish to file. Below is an example of this dropdown menu:

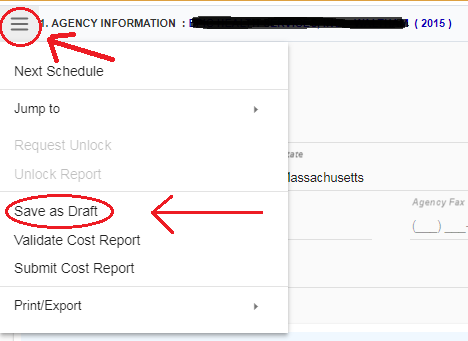


**Saving:**

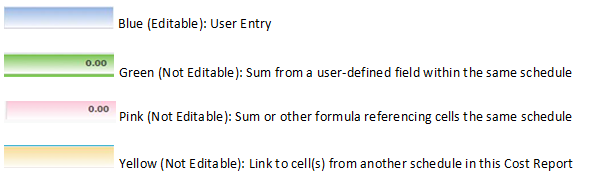
**Please save the report often as you move from schedule to schedule**. The “Save as Draft” command is located in the button pictured below. Once you select this button, a drop down menu will appear. Please select the “Save as Draft” option to save the cost report at that time. **Please ensure that before printing your report, you should save the report.**

**Please Note:** Before submitting the cost report, **please make sure to navigate to Schedule 5, Summary of Expense schedule and save the cost report from this page.** This ensures that the cost report submission is accurate.

**Color coding:**

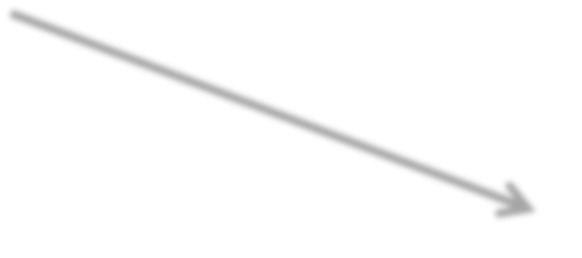
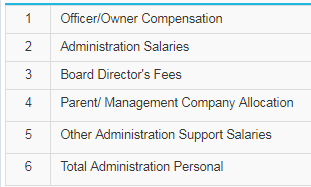
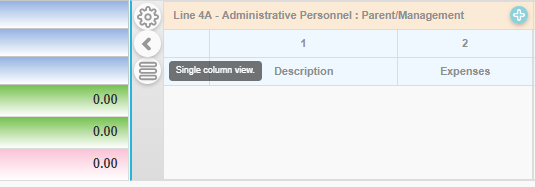


Cells in the cost report have different colors based on the type of value the cell contains. Below is a description of what each color signifies.

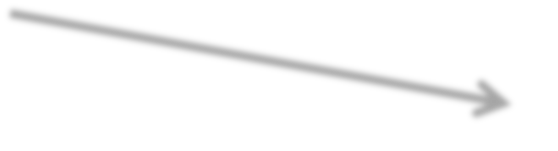
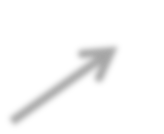
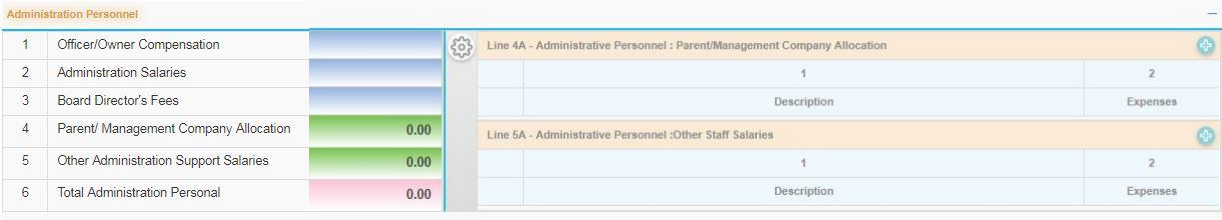


**User-defined fields:**

Cells in the cost report that are shaded green reference user-defined fields. To most effectively interact with user-defined fields, (1) use the Google Chrome browser, (2) hover over the gear icon in the middle of the screen, (3) and click on the three horizontal lines for “Single column view”, as circled below. This will expand the labels of the user-defined fields.



Hover over gear icon



Data for user-defined fields is entered on the right side of the screen. User-defined fields are labeled with an “A” after the line number that references the user-defined field. Below is an example of where to enter data in user-defined fields. As an example, for line 4, “Parent/Management Company Allocation”, enter information in the user-defined field labeled “Line 4A – Administrative Personnel: Parent/Management Company Allocation”.

In order to create an entry in the user-defined field, click the blue plus sign, as circled below.

**DATA EXPLANATIONS AND DEFINITIONS**

**Non-Allowable Expenses**

Certain expenses are not allowable and will not be included in the determination of rates. The following expenses are **not** allowable and should **not** be reported for CSN, HHA, or TNS programs on the NSR Report:

 Expenses related to other business activities that are not related to either (1) the provision of CSN or HHA services by an agency that participates in the MassHealth program or (2) the provision of TNS to Massachusetts health care facilities.

o Instead, these expenses **should** be reported on schedule 5: Summary of Expense under “Total All Other Business”.

 Payments to related parties that exceed the lower of the cost to the related party or the price of comparable goods or

services that could be purchased elsewhere.

 Penalties and interest incurred because of late payment of taxes, loans or other obligations.

 Fines or penalties paid pursuant to a legal judgment against an agency by a court of last resort.

**Again, please note that expenses related to other business activities should be reported under “Total All Other Business” in**

**Schedule 5, Summary of Expenses**.

All data submitted by the agency is subject to audit by the Center. The Center may disallow certain expenses if it determines that the cost was not allowable as noted above. Further, the Center may disallow expenses that it determines are excessive or unreasonable based on the price of comparable services that could be purchased elsewhere.

**Schedule 1: Agency Information**

This schedule describes the agency(s) whose expenses are covered by the cost report submission.

**Description Definition**

Agency Name The name of the agency for which the cost report is filed. This field is automatically populated and cannot be edited by the user.

Address Report the street name and number of the agency for which the cost report is filed. City Report the city of the agency for which the cost report is filed.

State Report the state of the agency for which the cost report is filed.

Zip Code Report the zip code of the agency for which the cost report is filed.

Agency Telephone Report the telephone number of the agency for which the cost report is filed.

Agency Fax

Agency Email

Address

Report the fax number of the agency for which the cost report is filed.

Report the primary email address of the agency for which cost report is filed.

Preparer Other than Owner, Partner or Officer Information

If the cost report is being prepared by someone other than an owner, partner, or officer of the agency, enter the name of the preparer’s firm, name and title of the preparer, address of the preparer’s firm, telephone of the preparer, email of the preparer, and the date the preparer signed the cost report submission.

Identifiers for **HHA and CSN** Programs

List the Medicare and Medicaid (MassHealth) provider number, if applicable. The Medicaid (MassHealth) provider number consists of a 9 digit number for the Provider ID# and 1 Letter for the Location (i.e. 123456789A). CSN and HHA providers must report a MassHealth Number. (Please note that this typically does not apply to TNS providers.)

Identifiers for **TNS**

Programs

For each provider type, list the Massachusetts Department of Public Health (DPH) license number, if applicable. This consists of four alphanumeric characters. TNS providers must report a DPH number.

Owner, Partner, or

Officer Information

Enter the name, title, email of the Owner, Partner, or Officer overseeing the cost report submission, and enter the date this person signs the cost report submission. This field is required for all cost report submissions.

Multiple Sites If you are filing for multiple sites on a single cost report, select "Yes" on the right-hand side of the screen where prompted. Failing to report the multiple site information may cause the Center to presume that some of your sites have failed to file cost reports and prompt mailing of delinquency notices. For each additional site being included in the submission, enter the site’s DPH License Number or MassHealth ID, the name of the additional agency, and the street address, city, state, and zip code of the other agency. Please provide a unique MassHealth ID/DPH license number and street address for each additional site.

**Schedule 2: Direct Care Staff Expenses**

This schedule includes expenses for employees that deliver patient care, such as nurses, certified nursing assistants, home health aides, and therapists. **Administrative and indirect staff expenses should be reported on schedule 3: Administrative Expenses for Non- Direct Care Staff.**

Only enter costs for direct care staff that provide CSN, HHA, or TNS services. All other direct care staff costs should be reported on

Schedule 5 “Summary of Expense Schedule” Column 5 “Total All Other Business”, Line 1 “Salaries” through Line 8 “Staff Training”.

 Include within the appropriate discipline the expense of contractors whose services are billable to or on behalf of patients.

 Direct staff training costs should be reported on schedule 5, line 8 (“Direct Staff Training”). Any staff training to direct care staff, or related to delivering direct patient care should be reported on schedule 5.

If a person’s time is split between direct care, indirect care and/or administrative duties, the expenses could be allocated based on hours worked among the appropriate accounts and schedules.

Example: Registered Nurse was hired halfway through the cost report year, working 40 hours per week, which consists of 30 hours per week to provide patient care and 10 hours per week as an administrator with an annual salary of $50,000.

|  |  |  |  |
| --- | --- | --- | --- |
| Position | Proportion of Year in Role | Total Annual Costs for  Employee | Costs Allocated to Position for  Cost Report Year |
| Registered Nurse | 0.5 (% of year worked) \* 0.75 (% of total hours worked dedicated to nursing) = **0.375** | $50,000 | $18,750 |
| Administrator | 0.5 (% of year worked) \* 0.25 (%  of total hours worked dedicated to administration) = **0.125** | $50,000 | $6,250 |

In this example, $18,750 should be reported on Schedule 2 (“Direct Care Staff Expenses”) and $6,250 should be reported on Schedule 3 (“Administration Expenses for Non-Direct Care Staff”).

|  |  |  |
| --- | --- | --- |
| **Column**  1 | **Description**  Type of Program | **Definition**  The type of agency for which the cost report is being filed. This column is automatically |
|  |  | populated with CSN, HHA, or TNS, depending on the type of agency for which the cost  report is being filed. |
| 2 | Salary | Report the base gross wages by staff position. Indicate the type of staff position by selecting the appropriate description from the drop-down menu. Do not include overtime or shift differential payments in the salary column. |
| 3 | Health/Life Benefits | Report the expenses for the employer share of insurance benefits for direct care workers. |
| 4 | Payroll Taxes | Report the employer expenses for payroll-related taxes including payments required under the Federal Insurance Contributions Act (FICA), and the Federal/State Unemployment Tax Acts (FUTA/SUTA). Penalties and interest for late payment of taxes are not allowable expenses and should not be reported here. Include any applicable Employer Medical Assistance Contribution (EMAC) assessments in this column. |
| 5 | Workers’ Compensation  Insurance | Report the expenses for workers’ compensation insurance. Report only the amount related  to direct care workers (i.e. an allocation may be needed to apportion the cost between |

|  |  |  |
| --- | --- | --- |
| 6 | Other Benefits | direct care and other staff duties).  Report the total expense incurred by the employer for additional benefits. Additional |
|  |  | benefits may include, but are not limited to, tuition remission, employer match of 401(k)  contributions, and pension contributions. |
| 7 | Travel | Report the total expense for direct care employee travel. Such expenses may include but are not limited to, mileage reimbursement, lodging, and travel allowances. The expense must be work-related such as travel to a worksite or training/conference facility. |
| 8 | Contracted services | Report expenses for any direct care contracted services. The hours related to these contracts should also be reported on the “Billed Hours” schedule (TNS only). Contractors whose services are billable as direct care and are for a discipline other than those listed in the drop down box should also be included here. |
| 9 | Overtime and Shift  Differentials | Report the total expense of any differentials for overtime work or for working specific shifts that command differential pay. This item should not include the base pay. For instance an employee who makes $20.00 per hour, but earns an additional $5.00 per hour for working a second shift, makes a total wage of $25.00 per hour. The $20.00 is included under account named “Salaries”; the $5.00 is included under account named “Overtime and Shift Differentials”. This provision is optional for those agencies that pay employees on a basis other than hourly for time worked on off shifts. |

**Schedule 3: Administrative Expenses for Non-Direct Care Staff**

This schedule includes salary and benefit expenses for personnel that are not involved in the provision of direct patient care. In addition, capital-related expenses, supplies, maintenance of facilities and other overhead expenses are reported on this schedule.

Please report overhead costs ONLY related to providing CSN, HHA, and TNS services. Please note that **total administrative expenses of CSN, HHA and TNS should be added and reported together in schedule 3**.All other overhead costs should be reported on Schedule 5 “Summary of Expense Schedule” Column 5 “Total All Other Business” Line 11 “Total Admin Costs”.

**Line Description Definition**

**Definition:** Administration Personnel include:

**Administration Personnel**

o Owners with more than 5% ownership interest

o Corporate officers (president, treasurer, or clerk)

o Senior administrative staff (e.g. vice-presidents, senior management)

o Board Directors

o Support staff for the above-listed personnel

|  |  |  |
| --- | --- | --- |
| 1 | Officer/Owner Compensation | Report the amount earned by officers or owners, including gross wages, bonuses, and |
|  | | owner’s draw. Any person with an ownership interest of more than 5% is an "Owner" for |
| the purposes of this report. Chief Executive Officers, Chief Financial Officers and Chief |
| Operating Officers are not reported here unless these individuals are corporate officers |
| (president, treasurer, or clerk), or owners. Benefits for Owners/Officers should be |
| reported in the “Health/Life Benefits” section, “Other Benefits” section, or any other |
| applicable sections later in this schedule. |

|  |  |  |
| --- | --- | --- |
| 2 | Administration Salaries | Report the gross wages and bonuses of senior administrative staff that do not have an ownership interest of 5% or more. Such staff includes, but is not limited to, vice- presidents (who are not corporate officers) or other managers. |
| 3 | Board Directors’ Fees | Report any fees or expenses for individuals serving on the Board of Directors. Such fees include compensation for time, travel, or other costs incurred. |
| 4 | Parent Management Company  Allocation | This line references user-defined field line 4A - Administrative Personnel: Parent  Management Company Allocation. |
| 4A | Administrative Personnel: Parent/Management Company Allocation | List each type of administration personnel expense at the parent/management company and the amount allocated to the agency from the parent/management company. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 5 | Other Administration Support  Salaries | This line references user-defined field line 5A - Administrative Personnel: Other Staff  Salaries. |
| 5A | Administrative Personnel: Other Staff  Salaries | Report the gross wages and bonuses of staff that provide support to administration personnel. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| **Fringe Benefits – Administration Personnel** | | |
| 7 | Health/Life Benefits | Report the employer expenses for health, life or dental insurance for administration personnel accounted for in lines 1, 2, 3, and 5 above. |
| 8 | Workers’ Compensation | Report the expense of workers’ compensation insurance for administration personnel accounted for in lines 1, 2, 3, and 5 above. Report only the amount related to administration personnel (i.e. an allocation may be necessary to apportion the cost among direct care, administration and indirect care staff). |
| 9 | Payroll Taxes | Report the employer expenses for payroll-related taxes for administration personnel accounted for in lines 1, 2, 3, and 5 above, including payments required under the Federal Insurance Contributions Act (FICA), and the Federal/State Unemployment Tax  Acts (FUTA/SUTA). Also include any relevant Employer Medical Assistance Contribution (EMAC) assessments. Penalties and interest for late payment of taxes are not allowable expenses and should not be reported. |
| 10 | Other Benefits | This line references user-defined field line 10A – Admin. Fringe Benefits: Other Benefits. |
| 10A | Admin. Fringe Benefits: Other  Benefits | Report the expense of additional non-health, pension, or 401(k) benefits incurred for administration accounted for in lines 1, 2, 3, and 5 above. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 11 | Parent/Management Company  Allocation | This line references user-defined field line 11A – Admin. Fringe Benefits: Parent/Management Company Allocation Detail. |
| 11A | Admin. Fringe Benefits: Parent/Management Company Allocation Detail | List each type of fringe benefit for administration personnel at the parent/management company accounted for in line 4 above, and the amount of the benefit allocated to the agency. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |

**Definition:** Indirect Care Personnel include:

o Billing and Fiscal Support Staff

o Care Coordination Staff

o Quality Improvement/Medical Records Staff

**Indirect Care Personnel**

o Other Miscellaneous Administrative Support Staff

13 Finance/Billing/Payroll/Misc./Intake Report the gross wages and bonuses of staff whose primary duties involve billing and

|  |  |  |
| --- | --- | --- |
| 14 | Care Coordination | fiscal support activities.  Report the gross wages and bonuses of staff whose primary duties involve coordinating |
|  |  | or scheduling assignments of direct care staff. |
| 15 | Quality Improvement/Medical  Records | Report the gross wages and bonuses of staff whose primary duties involve documenting and assessing patient care. |
| 16 | Other Indirect Care Admin. Support  Salaries | This line references user-defined field line 16A – Indirect Care Personnel: Other Admin. Support Detail. |
| 16A | Indirect Care Personnel: Other  Admin. Support Detail. | Report the gross wages and bonuses of staff that provide administrative support to direct and indirect care activities. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 17 | Parent/Management Company  Allocation | This line references user-defined field line 17A – Indirect Care Personnel: Parent/Management Company Allocation Detail. |
| 17A | Indirect Care Personnel: Parent/Management Company Allocation Detail | List each type of indirect care personnel expense at the parent/management company and the amount allocated to the agency from the parent/management company. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
|  |  | **Fringe Benefits – Indirect Personnel** |
| 19 | Health/Life Benefits | Report the employer expenses for health, life, or dental insurance for indirect care personnel accounted for in lines 13, 14, 15, and 16 above. |
| 20 | Workers’ Compensation | Report the expense of workers’ compensation insurance for indirect care personnel accounted for in lines 13, 14, 15, and 16 above. Report only the amount related to indirect care personnel (i.e. an allocation may be necessary to apportion the cost among direct care, administration and indirect care staff). |
| 21 | Payroll Taxes | Report the employer expenses for payroll-related taxes for indirect care personnel accounted for in lines 13, 14, 15, and 16 above, including payments required under the Federal Insurance Contributions Act (FICA), and the Federal/State Unemployment Tax Acts (FUTA/SUTA). Also include any relevant Employer Medical Assistance Contribution (EMAC) assessments. Penalties and interest for late payment of taxes are not allowable expense and should not be reported. |
| 22 | Other Benefits | This line references user-defined field Line 22A – Indirect Care Personnel Fringe  Benefits: Other Benefits Detail. |
| 22A | Indirect Care Personnel Fringe  Benefits: Other Benefits | Report the expense of additional non-health, pension, or 401(k) benefits incurred for indirect care employees accounted for in lines 13, 14, 15, and 16 above. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |

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| --- | --- | --- |
| 23 | Parent/Management Company  Allocation | This line references user-defined field Line 23A – Indirect Care Personnel Fringe  Benefits: Parent/Management Company. |
| 23A | Indirect Care Personnel Fringe Benefits: Parent/Management Company Allocation | List each type of fringe benefit for indirect care personnel at the parent/management company accounted for in line 17 above and its amount allocated to the agency. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 26 | General and Building Insurance | **Insurance**  Report the expense of property, general liability, or other business-related insurance. |
| 27 | Malpractice Insurance | Report the expense of malpractice insurance if readily identifiable. If not readily  identifiable include this expense in account “General and Building Insurance”. |
| 29 | Property taxes | **Taxes**  Report federal, state, or local taxes for property used for business-related purposes. Examples include excise or other similar taxes paid on vehicles owned by the company. |
|  |  | Penalties and interest for late payment of taxes are not allowable expenses and should  be reported with the other business data. |
| 30 | Income taxes | Report federal, state, or local taxes on income earned from business-related activities. The State corporate excise tax should be included in account named “Other Taxes”. Penalties and interest for late payment of taxes are not allowable expenses and should be reported with the other business data. |
| 31 | Other Taxes | This line references user-defined field Line 31A – Other Taxes Detail. |
| 31A | Other Taxes Detail | Report federal, state, or local taxes and fees that are not otherwise classified in accounts named “Property Taxes” or “Income Taxes”. Penalties and interest for late payment of taxes are not allowable expenses and should be reported with the other business data. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 33 | Interest Expense | **Other Administration**  Report interest on debt. Interest and penalties for late payment of any obligation are not allowable expenses and should be reported with the other business data. |
| 34 | Depreciation and Amortization | Agencies may report depreciation expense by amortizing the cost of an asset over its useful life. Depreciation expense is allowed based on generally accepted accounting principles using the straight line method, with useful lives and depreciation rates consistent with Medicare principles of reimbursement. |
| 35 | Indirect Staff Education and Training | Report the expenses for providing staff development, training and other professional education to staff other than direct care staff. Allowable costs include, but are not limited to, conference fees and tuition for specific job-related programs for staff. Travel expenses to conferences should be reported in account named “Travel Expenses”. |
| 36 | Indirect Staff Travel | Report expenses incurred for staff other than direct care staff for travel to meetings and seminars. Allowable expenses include mileage, air/train transit and lodging. |

|  |  |  |
| --- | --- | --- |
| 37 | Recruitment/Help Wanted  Advertising | Report expenses incurred for recruiting employees and for help wanted advertising. Hiring bonuses should not be included in this line (report those bonuses as part of gross wages in the related salary account). |
| 38 | Promotional Advertising | Report expenses incurred for advertising that promotes the business. Such expenses include phone book, newspaper, and radio or television advertisements. |
| 39 | Payroll/Accounting Service | Report expenses incurred for contracted payroll and bookkeeping/accounting services. Payroll and accounting software should be depreciated and reported in account named “Depreciation and Amortization”. |
| 40 | Legal Services | Report expenses incurred for contracted legal services and court filing fees. Fees paid for debt collection services should be reported with the other business data. |
| 41 | Other Professional Consultant Fees | This line references user-defined field Line 41A – Other Admin.: Other Professional  Consultant Fees Detail |
| 41A | Other Admin.: Other Professional  Consultant Fees Detail | Report expenses incurred for other consultant fees whose services are not billable as direct care. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 42 | Rent | Report expenses incurred for rental of office space or equipment. |
| 43 | Utilities | Report expenses incurred for utilities including heat, electricity, water, and gas. |
| 44 | Telecommunications | Report expenses incurred for telephone service, DSL service, cable internet service, and non-depreciable communication equipment. |
| 45 | Repairs and Maintenance | Report non-depreciable expenses incurred for repairs or maintenance to office facilities and equipment. |
| 46 | Licenses, Dues, Accreditation Fees | Report expenses incurred for dues to professional organizations, required licenses and accreditation fees. |
| 47 | Office Supplies, Postage, and  Printing | Report expenses incurred for routine office supplies, such as stationery. |
| 48 | Automobile Expenses | Report expenses incurred for business-related automobile expenses, such as maintenance and repairs. |
| 49 | Other Administrative | This field references user-defined field Line 49A – Other Admin.: Other Admin Detail. |
| 49A | Other Admin.: Other Admin Detail | Report any other administrative expenses that could not be classified into other accounts in this schedule. A description of each item must be provided, including dollar amounts for each listed category. Expenses claimed without an explanation may be disallowed. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 50 | Interpreter Services | Report expenses incurred for providing interpreter services for home health patients. This entry may include salaries and benefits if your agency employs interpreters. |

|  |  |  |
| --- | --- | --- |
| 51 | Security Escort Services | Report expenses incurred for providing security escorts for home health nurses, aides, or therapists. This entry may include salaries if your agency employs escort personnel. |
| 52 | Parent/Management Company  Allocation | This line references user-defined field Line 52A – Other Admin.: Parent/Management  Company Allocation Detail. |
| 52A | Other Admin.: Parent/Management  Company Allocation Detail | List each type of overhead expense and the amount allocated to the agency from the parent/management company. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |

**Bad Debt Write-Offs**

**NOTE: This section is only accessible to TNS providers.**

This section includes salary and benefit expenses for personnel that are not involved in the provision of direct patient care. In addition, capital-related expenses, supplies, maintenance of facilities and other overhead expenses are reported on this schedule.

|  |  |  |  |
| --- | --- | --- | --- |
| **Line**  61 | **Column** | **Description**  Subtotal: Claimed Bad  Debt | **Definition**  This field references user-defined field Line 61A: Claimed Bad Debt. |
| 61A | 1 | Payer Name | Report the name of the facility or organization that failed to remit payment. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |
| 61A | 2 | City (if facility) | Report the city where the client is located. NOTE: this is a user-defined field, and expands to accommodate multiple entries. |

|  |  |  |  |
| --- | --- | --- | --- |
| 61A | 3 | Total Bad Debt | Report the total uncollected accounts receivable that have been written off as bad debts |
|  |  | Claimed | during the reporting year. Allowances, provisions, or estimates of bad debt are not |
|  | | | allowable. The bad debt must be related to a particular payer for a specific amount. To be |
| claimed as a bad debt the agency must have initiated reasonable collection activities |
| including multiple invoices and dunning calls. If the Center determines that reasonable |
| collection efforts have not been made the amount will be disallowed. NOTE: this is a user- |
| defined field, and expands to accommodate multiple entries. |

62 Less Recovery of Bad Debt Claimed in Prior Year

Report amounts that were reported as bad debt on the prior years’ cost report(s) that were

collected in the reporting year.

**Schedule 4: Gross Revenue**

This schedule collects data about gross revenue each agency received for providing CSN, HHA, and TNS services.

Please report revenue and contractual adjustments **only** for the agency listed on Schedule 1, “Agency Information”. If multiple agencies are listed under Schedule 1, “Multiple Site Information”, report the revenues and contractual adjustments for all these agencies.

**NOTE:** Revenue from any other operations besides CSN, HHA, and TNS services should be reported on Schedule 6 (“Income

Statement”)

Each type of provider (CSN, HHA, and TNS) is listed on this schedule. Please report total gross revenue (billed or pending charges) as applicable for providing CSN, HHA and TNS services. **When reporting the Revenue lines (lines 1-3, lines 6-8, and lines 11-13) on this**

**schedule, DO NOT offset discounts and contractual adjustments accounted to billed or pending charges for each type of service (CSN, HHA, and TNS): please make sure to report these figures separately on the “Total Discounts or Contractual Adjustments” lines (line 5, line10, and line 15)**.

The amounts reported on this schedule will be used to populate the “Total Gross Service” and “Discounts / Contractual Adjustments” fields on Schedule 6: “Income Statement”.

Please report gross revenues and contractual adjustments/discounts for each type of service (CSN, HHA, and TNS) in the appropriate lines:

|  |  |  |
| --- | --- | --- |
| **Line**  1, 6, 11 | **Description**  Medicare Revenue | **Definition**  Revenues from Medicare |
| 2, 7, 12 | Medicaid (MassHealth) Revenue | Revenues from MassHealth |
| 3, 8, 13 | Other Revenue | Revenues from any other payers |
| 5, 10, 15 | Total Discounts or Contractual Adjustments | Any difference between gross charges and actual received payments |

**Schedule 5: Summary of Expenses**

This schedule collects the expenses of the entire agency, differentiating between expenses for the CSN, HHA and TNS portions of the

agency’s services, and all other business.

Please note that **Schedule 5 is newly revised to automatically populate direct care staff expenses entered in Schedule 2, “Direct**

**Care Staff Expenses”**. For example, if Schedule 2 reflects expenses for direct care staff providing HHA services, the “HHA” column (line

1-6) on Schedule 5 will automatically populate with these values.

In addition, please report costs for  **all other portions of the agency’s business** in Schedule 5:

a. If the agency has direct staff costs for CSN, HHA or TNS services that are not covered by Schedule 2, “Direct Care Staff

Expenses”, please provide these additional direct staff costs in columns 1-3 (TNS, CSN, HHA).

For example, your agency provides both CSN and HHA services. You are in the process of filing the HHA cost report and have already completed schedule 2. Then, HHA column (line 1-6) in schedule 5 will be already auto-populated. However, you are also required to report the CSN expenses in the blue highlighted fields in column 2, CSN.

b. If the agency has **any other business portions** besides CSN, HHA, or TNS services, please provide costs related to any of

these operations in column 5 (“Total All Other Business”).

|  |  |  |
| --- | --- | --- |
| **Line**  1 | **Description**  Salaries | **Definition**  Report the base gross wages for the provider type. Include any overtime or shift differential |
|  |  | payments (differentials for overtime work or for working specific shifts that command differential  pay). |
| 2 | Fringe Benefits | Report expenses for the employer share of insurance benefits for direct care workers. Include any additional benefits such as tuition remission, employer match of 401(k) contributions, and pension contributions. |

|  |  |  |
| --- | --- | --- |
| 3 | Payroll Tax | Report the employer expenses for payroll-related taxes including payments  required under the Federal Insurance Contributions Act (FICA), and the Federal/State Unemployment Tax Acts (FUTA/SUTA). Include any applicable Employer Medical Assistance Contribution (EMAC) assessments. Penalties and interest for late payment of taxes are not allowable expenses and should not be reported here. |
| 4 | Workers’ Comp | Report expenses for workers’ compensation insurance. Report only the amount related to direct care workers (i.e. an allocation may be needed to apportion the cost between direct care and other staff duties). |
| 5 | Contracted Services | Report expenses for any direct care contracted services. |
| 6 | Travel | Report the total expense for **direct care employee travel**. Such expenses may include but are not limited to, mileage reimbursement, lodging, and travel allowances. The expense must be work- related such as travel to a worksite or training/conference facility.  \*Please note that Travel expense for indirect care personnel should be reported in schedule 3, line  36 ‘Indirect Staff Travel’. |
| 7 | Subtotal (Lines 1 Through  6) | This line sums values from Line 1 Salaries through Line 6 Travel. No input needed. |
| 8 | Direct Staff training | Report any expenses for direct staff training other than salaries reported in Schedules 2. These expenses should include educational conference fees, speakers for internal training programs, etc. These expenses will be added to Subtotal Direct Costs. |
| 9 | Medical Supplies and Drugs | Report expenses incurred for medical supplies and drugs used in the provision of patient care. Do not include in this amount items that may be billed separately under MassHealth program regulations. These expenses will be added to Subtotal Direct Costs. |
| 10 | Subtotal Direct Costs (Lines  7,8, And 9) | This line sums Line 7 Subtotal (Lines 1 Through 6), Line 8 Staff Training, and Line 9 Medical  Supplies and Drugs, to determine total direct costs. No input needed. |
| 11 | Total Admin Costs  (Schedule 3) | This line is generally pre-populated by allocating values from the above lines or referencing the total value from Schedule 3. For Total All Other Business column, please enter all administrative expenses for programs other than those reported in Schedule 2: Direct Care Staff Expenses and Schedule 3: Administrative Expenses for Non-Direct Care Staff. |
| 12 | Bad Debt Expense | When applicable, input in Column 6 (Total) the provision for bad debts that was expensed in the reporting period and reflected in the financial statements. |
| 13 | Total Program Costs | This line sums Line 10 Subtotal Direct Costs (Lines 7,8, and 9) and Line 11 Total Admin Costs  (Schedule 3) to determine total expenses, without accounting for bad debts. No input needed. |
| 14 | Grand Program Total  Including Bad Debt | This line sums Lines 10 Subtotal Direct Costs (Lines 7,8, and 9), Line 11 Total Admin Costs  (Schedule 3), and Line 12 Bad Debt Expense. No input needed. |

**Schedule 6: Income Statement and Balance Sheet Data**

This schedule includes common financial data as defined below. Agencies that have audited financial statements must be certain that these amounts match the audited financial statements or that a reconciliation of the differences accompanies the NSR Report.

**Income and Expense Data**

|  |  |  |
| --- | --- | --- |
| **Line**  1 | **Description**  Total Gross Service | **Definition**  This line references the value on Schedule 4 “Summary of Expense Schedule” |
|  |  | Line 16 “Grand Total Revenue”. No input needed. |
| 2 | Less: Discounts / Contractual Adjustments | This line references the value on Schedule 4 “Summary of Expense Schedule” Line 17 “Grand Total Discounts or Contractual Adjustments”. No input needed. |
| 3 | Total Net Service Revenue | This line subtracts Line 2 “Less: Discounts/Contractual Adjustments” from Line 1 “Total Gross Service” to determine the actual amount of revenue the agency earned, after adjusting for discounts and contractual adjustments. No input needed. |
| 4 | Other TNS, CSN, HHA Income | This line references user-defined field Line 4A – Other Income Detail. |
| 4A | Other Income Detail | Report any indirect operating revenue other than the primary operations of providing CSN, HHA, or TNS services. These revenues should be still indirectly related to providing CSN, HHA, or TNS services. Examples could include medical record fees and interest income on operating funds. List the amount for each source of other income and provide an apt description. NOTE: this is a user- defined field, and expands to accommodate multiple entries. |
| 5 | Total Income | This line sums Line 3 Total Net Service Revenue and Line 4 Other TNS, CSN, HHA Income to determine the agency’s total revenue earned from providing CSN, HHA, and TNS services. No input needed. |
| 6 | Total Income from Other  Programs | Report all other revenue from any other business operations. For example, investment income or income from operating other programs, such as a hospice, or clinics could be included. |
| 7 | Total Agency Income | This line sums Line 5 Total Income and Line 6 Total Income to determine the total revenue the agency earned for its entire business. No input needed. |
| 8 | Total Expenses (Summary  Of Expense Schedule) | This line references Schedule 5 Summary of Expense Schedule, Line 14 Grand  Program Total Including Bad Debt, Column 6 Total. No input needed. |
| 9 | Net Income/Loss | This line subtracts Line 8 Total Expenses (Summary of Expense Schedule) from Line 7 Total Agency Income to determine the net income (profit) or net loss of the agency. No input needed. |

**Balance Sheet Data: Assets**

10 Current Assets Cash and other assets that the agency expects to liquidate within the next normal operating cycle. Current assets include cash, marketable securities, receivables, and current pre-payments.

11 Fixed Assets Assets of a relatively permanent nature held for long-term use and not expected

to be liquidated within the next normal operating cycle.

12 Other Assets Assets that are not appropriately classified under Current or Fixed accounts.

**Balance Sheet Data: Liabilities**

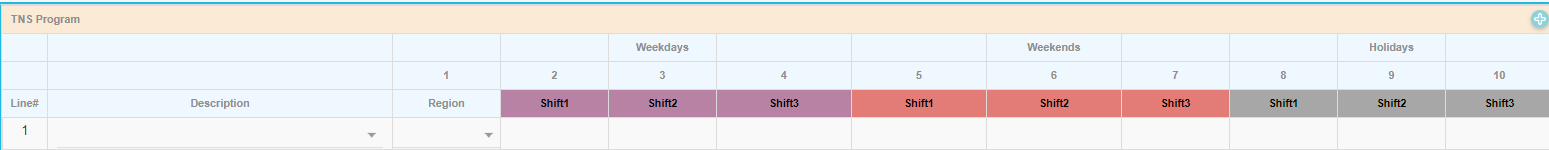
|  |  |  |
| --- | --- | --- |
| 14 | Current Liabilities | Debts or obligations that will be satisfied within one year. |
| 15 | Long -Term Liabilities | Debts or obligations that will be paid over a period of time longer than one year  (e.g. a mortgage). |
| 16 | Net Worth | Assets minus liabilities (e.g. owners’ equity or fund balance). |

**Schedule 7: Related Party Disclosures**

Any services provided by a related party, must be detailed on this schedule. Not-for-profit parent organizations are not considered related parties for purposes of this schedule assuming that allocations of expenses made to the agency were premised on cost to the parent.

Related Party: An individual or organization associated or affiliated with, or which has control of, or is controlled by the agency; or is related to the agency or any director, stockholder, trustee, partner or administrator of the agency by common ownership or control or in a manner specified in sections 267(b) and (c) of the Internal Revenue Code of 1954 as amended provided, however, that 10% is the operative factor as set out in sections 267(b) (2) and (3). Related individuals include spouses, parents, and children, spouses of children, grandchildren, siblings, fathers-in-law, mothers-in-law, brothers-in-law, and sisters-in-law.

|  |  |  |
| --- | --- | --- |
| **Column**  1 | **Description**  Entity/Person | **Definition**  Report the name of the individual or organization that qualifies as a Related |
|  |  | Party. |
| 2 | Goods/Services | Describe the goods and/or services provided by the Related Party. |
| 3 | Markup | Report the difference between the agency’s expense and the actual cost of the  related party. |
| 4 | % Ownership | If the Related Party owns a share of the agency, report the percentage owned. |
| 5 | Billing/Compensation | Report the amount billed by the related party. |
| 6 | Costs of Goods/Services | Report the cost of the goods/services provided by the related party. |
| 7 | Expenses reported in Account | Select the account in which the expenses for the goods/services from the related party are reported. |



**Description Definition**

**Schedule 8: Statistics**

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| --- | --- | --- |
|  |  | **CSN and HHA Providers**  **\*** This schedule summarizes statistics (visits, patients, hours) for continuous skilled nursing or home health programs. |
|  | |

|  |  |  |
| --- | --- | --- |
| **Line**  1- 9 (HHA) | **Description**  Number of visits | **Definition**  Report the number of visits provided in the reporting years by staff and |
| 30-32 (CSN) |  | payer type. |
| 10-18 (HHA)  33-35 (CSN) | Number of patients | Report the number of patients that received services in the reporting years by staff and payer type. |
| 19 (HHA)  36 (CSN) | Unduplicated census | Report the total number of patients to whom visits were provided during the reporting period. |
| 20-27 (HHA)  37-39 (CSN) | Hours of service | Report the hours of service provided in the reporting year by staff and type of hours. Direct care hours worked include hours provided in direct service to patients. Other Hours Worked are those that are not billable. Hours Paid Not Worked include time for which the employee earned pay but did not work. Billable hours are total hours for direct care. |
| 28 (HHA) | Total Hours in HHA Work Week | Report how many hours per week are considered as one full time equivalent for home health agency staff. |

**TNS Providers**

This schedule summarizes the total number of hours billed to health care facilities by type of staff, region and facility type. Only agencies that provide temporary nursing services to health care facilities should complete this schedule.

In order to enter data on this schedule, click on the blue plus sign on the top right corner of the schedule, as shown below:

Description Select from the drop-down menu the applicable type of staff.

Region Select the region of the facility where the service was provided. The regions correspond to the Health Service Areas (HSA's) used in setting rates under

101 CMR 345.00: Temporary Nursing Services. Please find a description of these regions here: [https://www.mass.gov/files/documents/2017/10/18/101](https://www.mass.gov/files/documents/2017/10/18/101-cmr-345-appendix.pdf)-[cmr-345-appendix.p](https://www.mass.gov/files/documents/2017/10/18/101-cmr-345-appendix.pdf)df

Shift 1-3 Report the total hours in FY18 by shift billed for services provided. Include overtime hours in total hours. Separate hours by shifts, as well as by Weekdays, Weekends, and Holidays.

**Schedule 9: Other Business Information**

This schedule requires the agency to describe other business operations, relationships and allocation methods. Provide detailed information regarding each of these elements.

**Schedule 10: Certification:**

The authorized submitter for the agency should read the paragraph regarding the accuracy of the report. If a person other than the authorized submitter completes this report, the box with all of the preparer’s required information must be completed in the same manner.

The authorized submitter accepts the dating of the report and the submission of this data to the Center as certification under penalties of perjury to be true, correct and accurate.

**FREQUENTLY ASKED QUESTIONS**

1. What is the correct way to report overhead staffing costs?

It may be helpful to clarify what kind of specific cost categories you are referencing to. Please reference the below information for guidance:

a. Costs for staff who directly deliver patient care, such as nurses or home health aides, should be primarily reported on schedule 2 (Direct Care Staff Expenses), or on schedule 5 (Summary of Expenses Schedule).

b. Costs for staff who do not provide direct patient, such as administrators, should be reported on schedule 3 (Administrative

Expenses for Non-Direct Care Staff).

c. For staff who split their time between direct care and indirect care, please allocate all costs associated with these personnel by the proportion of time they spend in each role.

2. What does “gross revenue” mean on schedule 4 (Gross Revenue)?

a. In Schedule 4, Gross Revenue refers to the total amount of gross billed or pending charges during the cost report’s fiscal

year.

b. Gross Revenue does not include any discounts or contractual adjustments to billed or pending charges.

3. What is the difference between Administrative Personnel and Indirect Care Personnel in schedule 3 (Administrative Expenses for

Non-Direct Care Staff)?

a. Administrative Personnel are senior personnel who may oversee the overall operations of one or multiple agency location(s), such as owner, president, senior management personnel, or executive assistant. Indirect Care Personnel tend to focus on their own specific task, such as billing specialist or program coordinator.

4. Where should costs for educating and training direct care staff be reported?

a. Education and Training for direct care staff should be reported on schedule 5 (Summary of Expenses Schedule), line 8

(“Direct Staff Training”).

b. Education and training for staff other than direct care staff should be reported on schedule 3 (Administrative Expenses for

Non-Direct Care Staff), line 35 (“Indirect Staff Education and Training”).

5. Where should EMAC assessments and family/medical leave be reported?

a. Any applicable Employer Medical Assistance Contributions should be reported under payroll taxes. b. Family/medical leave should be reported under salary.

6. Where should paid sick and vacation time be reported?

a. Paid sick and vacation time should be reported together with salary on schedule 2 (Direct Care Staff Expenses) and/or schedule 3 (Administrative Expenses for Non-Direct Care Staff).

7. Do health/life benefits include all benefits, such as dental and disability?

a. Health/life benefits do include benefits such as dental and disability.

8. Where should direct care subcontracted expenses be reported?

a. All contract direct staff expenses should be reported in schedule 2 (Direct Care Staff Expenses), column 8 (Contracted

Services).

9. What are non-allowable expenses?

a. Non-allowable expenses are any of the following:

1. Expenses related to other business activities that are not related to either (1) the provision of CSN or HHA services by an agency that participates in the MassHealth program or (2) the provision of TNS to Massachusetts health

care facilities

**\*NOTE: These expenses should be reported on Schedule 5 (Summary of Expense Schedule), Column 5**

**(“Total All Other Business”).**

2. Payments to related parties that exceed the lower of the cost to the related party or the price of comparable goods or services that could be purchased elsewhere.

3. Penalties and interest incurred because of late payment of taxes, loans or other obligations.

4. Fines or penalties paid pursuant to a legal judgment against an agency by a court of last resort.

10. Who is required to file the NSR when an agency has merged with another agency or had a change of ownership during the cost report fiscal year?

a. If you owned the agency for less than six months of its FY18, the agency’s owner is exempt from filing the Nursing

Services Cost Report.

11. How should expenses for home health services, continuous skilled nursing services, or temporary nursing services be reported when a company has multiple lines of business?

a. The parent company should file distinctive cost reports for respective services.

b. Expenses specific to providing CSN, HHA, or TNS services should be reported on schedule 2 (Direct Care Staff Expenses) and on schedule 3 (Administrative Expenses for Non-Direct Care Staff). Do not report any “Non-Allowable Expenses” in these schedules. An allocation should be made for providing CSN, HHA, or TNS services.

c. Report expenses for any other lines of business in schedule 5 (Summary of Expense Schedule) under column 5, “Total All

Other Business”.

12. How to separate overhead costs when an agency has multiple lines of business that share overhead costs?

a. Please only report overhead costs related to providing CSN, HHA, and TNS services in Massachusetts in schedule 3. Total administrative expenses of CSN, HHA and TNS should be added and reported together in schedule 3. Administrative costs reported on schedule 3 will be automatically pulled into schedule 5, and allocated across the CSN, HHA, and TNS lines of business based on the direct care costs in each program, if applicable. If your agency has other lines of business besides CSN, HHA, or TNS, any other overhead costs related to these other business activities should be reported on Schedule 5 “Summary of Expense Schedule”, Column 5 “Total All Other Business”, Line 11 “Total Admin Costs (Schedule 3)”.

13. How should one submit the cost report for agencies with multiple site locations with the same MassHealth Provider ID/DPH ID?

a. Agencies with multiple sites that have the same 9-digit MassHealth Provider ID and different one-letter service locations may submit one cost report. However, if your agency provides more than one service (CSN, HHA and/or TNS services), you should file distinctive cost reports for respective services.

b. Please list all agency sites included in the submission under Schedule 1 (Agency Information), section “Multiple Site

Information”. A parent agency with multiple sites may file a single cost report that includes data for all sites. An agency may file a separate cost report for each site.

14. How should one submit the cost report for different entities with different MassHealth IDs/DPH IDs under one parent company?

a. Agencies with multiple sites that have different 9-digit MassHealth Provider IDs should submit separate cost reports for each

MassHealth Provider ID.