CENTER FOR HEALTH INFORMATION AND ANALYSIS

COST REPORT INSTRUCTIONS:

NURSING SERVICES COST REPORT FOR TEMPORARY NURSING SERVICES (TNS) AGENCIES

September 2020

CHIA.

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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)

1. On Schedule 5 (Summary of Expense Schedule), Bad Debt Expense for each provider type should be reported on Line 12 (Bad Debt Expense) for TNS (Column 1), CSN (Column 2), HHA (Column 3) and Total All Other Business (Column 5). Total Bad Debt for TNS, CSN, and HHA will sum automatically in Program Total (Column 4), and Total Bad Debt for all business will sum automatically in Total (Column 6).

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 (CSN) agencies, home health agencies (HHA), and temporary nursing services (TNS) agencies. 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 the (1) 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 is 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 regulation 101 CMR 345.00.

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

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 2019 NSR filings are due on December 15, 2020

WHO MUST FILE

CHIA is collecting cost reports for the fiscal year (FY) ending in 2019 from all Temporary Nursing Services (TNS) Agencies.

Please note: Providers will have to complete separate cost reports for each and every nursing service they provide (i.e. TNS, Continuous Skilled Nursing (CSN) & Home Health Agencies (HHA))

Exemption Criteria: Providers who meet the below criteria are exempt from filing.

TNS Providers:

1. If your agency was in business for less than 6 months during FY19
2. If you owned the agency for less than 6 months during FY19.
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.
    - 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 the Fixed-Term Travel Employee Disclosure Form 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 FY2019 NSR Exemption Request Form, available as a Word document at http://www.chiamass.gov/nsr. Email this completed form to chia.data@state.ma.us.

If Applicable: Filing Instructions for Multiple Site Agencies: A multiple site agency is defined as an agency that (1) has more than one location, (2) provides more than one type of nursing service (i.e. CSN, HHA, & TNS), or (3) has more than one MassHealth provider identification number.

- Multiple site agencies with **the same** 9-digit MassHealth Provider ID and corresponding MassHealth ID suffix may submit **one** cost report. Please list all agency sites included in the submission under Schedule 1 ("Multiple Site Information").
    - If necessary, 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 is provided to the satisfaction of CHIA staff.

WHAT TO FILE

A. Cost Report. Annually, agencies must file a cost report for the fiscal year ending 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/
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. Label all financial documents with the provider's name and document type. For example, financial statements can be labeled as **Agencyname_TNS_FS_FY19.pdf.**

- Of the acceptable financial statement-related documents below, only one is necessary to submit (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.
- Reconciliation of any differences between the financial statements and the report. This document should be sent as a PDF or an Excel spreadsheet to CHIA.data@state.ma.us.
- 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. 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 is an integral part of the filing of this form and, therefore, the filing Fixed-Term Travel Employee Disclosure Form is not considered complete without the signed and completed certification.

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 Form.
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 **December 15, 2020.**

Extension: Agencies may request an extension for a two-week period if the following criteria are met:

- The extension request must be submitted in writing to the attention of NSR Cost Report Submission. Please send your request to chia.data@state.ma.us;
- The request must demonstrate a reasonable cause for the filing extension; and
- The written request must be received at the Center **prior to December 15, 2020.**

HOW TO FILE

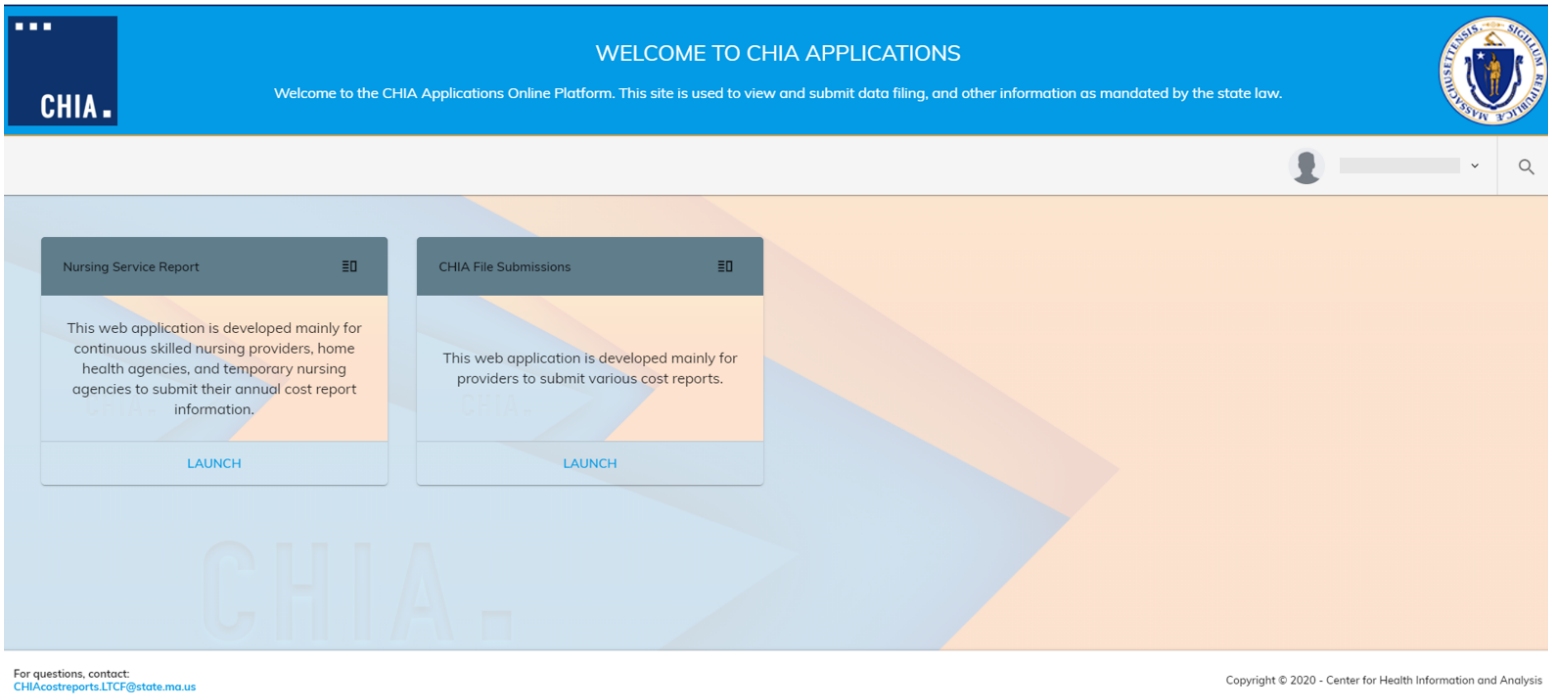
Agencies registered with CHIA can Log In to CHIA Submissions at https://chiasubmissions.chia.state.ma.us/.

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

1. If your agency is entirely new to the filing process, your agency must submit a **CHIA INET User Agreement** and **Business Partner Security Agreement.** 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.** Once this form is received and processed by CHIA, the registered user will receive a Login ID via email. This may take several days; please plan accordingly.
3. Please submit all completed and signed forms to CHIA: CHIA-DL-Data-Submitter-HelpDesk@state.ma.us.
4. Once these forms are processed, you will be able to Log In to CHIA Submissions at https://chiasubmissions.chia.state.ma.us/ using the Login ID provided to you by CHIA.

Logging In to "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. Once logged in, select "LAUNCH" under the Nursing Services Cost Report icon. Below is an example of this screen.



ADDITIONAL INFORMATION:

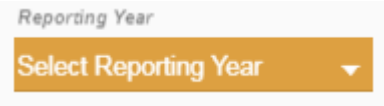
If you have additional questions with regards to filing, please email CHIA-DL-Data-Submitter-HelpDesk@MassMail.state.ma.us or call the Center's Pricing Cost Report Helpdesk at (617) 701-8156.

Home Screen:

The list of providers or facilities that a user has access to is located on the far left side of the screen. Click a provider name to activate the account of interest. Below is an example of a list of providers on the left hand panel.

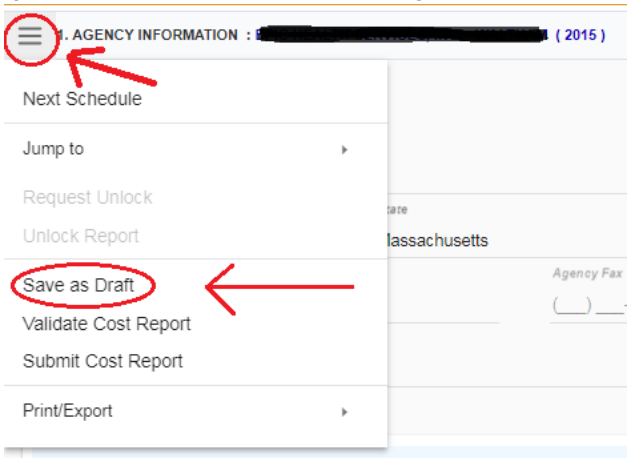
Cost Report Year Selection:

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



Saving:

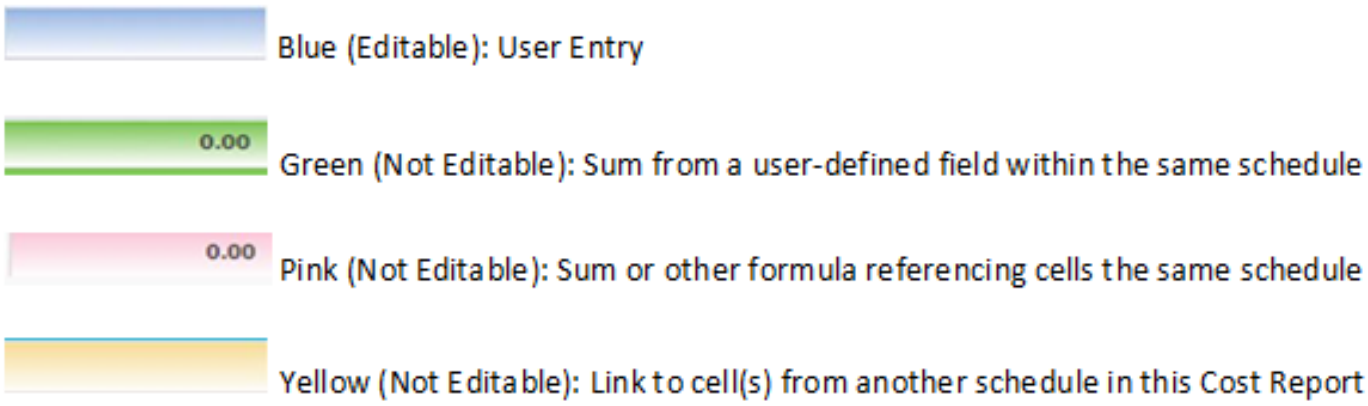
Please select "Save as Draft" to save the cost report, which is shown in the picture below. Click ≡ to access the "Save as Draft" option in the drop down menu. **Please ensure that you save the report before selecting the "Print/Export" option.**



Recommendation: please save the cost report as you move from schedule to schedule.

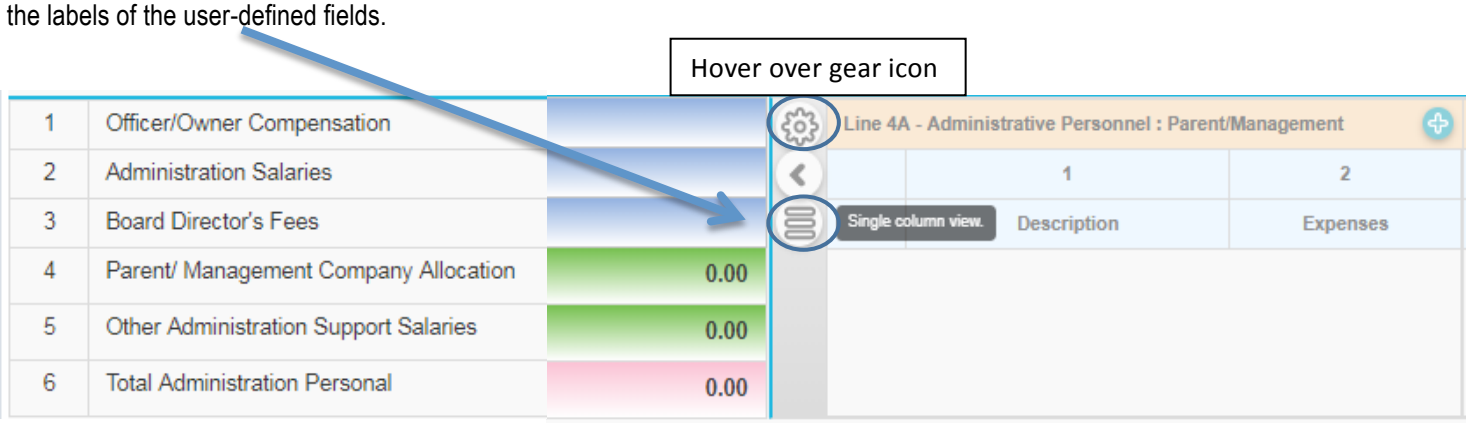
Color coding:

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



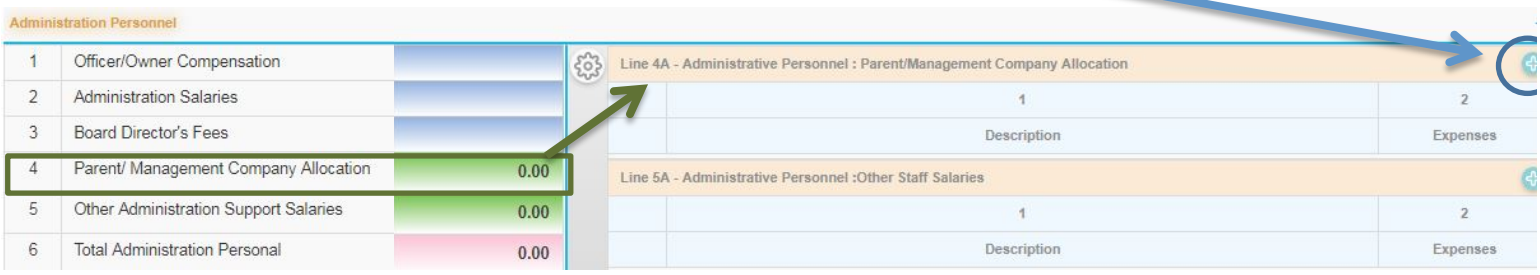
User-defined fields:

Cells in the cost report that are shaded green reference user-defined fields. To most effectively interact with user-defined fields, hover over the gear icon in the middle of the screen and click on the three horizontal lines for "Single column view.", as circled below. This will expand the labels of the user-defined fields.



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. 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.
    - 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 includes agency-related information.

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 Number	Report the telephone number of the agency for which the cost report is filed.
Agency Fax Number	Report the fax number of the agency for which the cost report is filed.
Agency Email Address	Report the primary email address of the agency for which cost report is filed.
Preparer Other than Owner, Partner or Officer	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

Information	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 one 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 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 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 in 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 in Schedule 5, Line 8 "Direct Staff Training". Any staff training to direct care staff, or related to delivering direct patient care should be reported in 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: A 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 in Schedule 2 ("Direct Care Staff Expenses") and $6,250 should be reported in Schedule 3 ("Administration Expenses for Non-Direct Care Staff").

Column	Description	Definition
1	Type of Program	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	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 direct care and other staff duties).
6	Other Benefits	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 & 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
		Administration Personnel
Administration Personnel include: ○ Owners with more than 5% ownership interest ○ Corporate officers (i.e. president, treasurer, or clerk) ○ Senior administrative staff (e.g. vice-presidents, senior management) ○ Board directors ○ 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.

Indirect Care Personnel

Indirect Care Personnel include:

- Billing and Fiscal Support Staff
- Care Coordination Staff
- Quality Improvement/Medical Records Staff
- Other Miscellaneous Administrative Support Staff

13	Finance/ Billing/ Payroll/ Miscellaneous/ Intake	Report the gross wages and bonuses of staff whose primary duties involve billing and fiscal support activities.
14	Care Coordination	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.
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.
	Insurance	
26	General and Building 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".
	Taxes	
29	Property 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.
	Other Administration	
33	Interest Expense	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.

Schedule 4: Gross Revenue

This schedule includes gross revenue data that 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 of 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 in 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	Description	Definition
1, 6, 11	Medicare Revenue	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 includes expenses pertaining to the entire agency, differentiating between expenses for the CSN, HHA, and TNS portions of the agency's services and all other business.

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 already be 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	Description	Definition
1	Salaries	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' Compensation	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	Bad Debt Expense for each provider type should be reported on Line 12 (Bad Debt Expense) for TNS (Column 1), CSN (Column 2), HHA (Column 3) and Total All Other Business (Column 5). Total Bad Debt for TNS, CSN, and HHA will sum automatically in Program Total (Column 4), and Total Bad Debt for all business will sum automatically in Total (Column 6).
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	Description	Definition
1	Total Gross Service	This line references the value on Schedule 4 "Summary of Expense Schedule" Line 16 "Grand Total Revenue". No input needed.
2	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 "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 Business	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 From Other Business" 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.
13	Total Assets	This line sums Line 10 "Current Assets", Line 11 "Fixed Assets", and Line 12 "Other Assets".
	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).
17	Total Liabilities and Net Worth	This line sums Line 14 "Current Liabilities", Line 15 "Long-Term Liabilities", and Line 16 "Net Worth".

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	Description	Definition
1	Entity/Person	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 Applicable)	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.

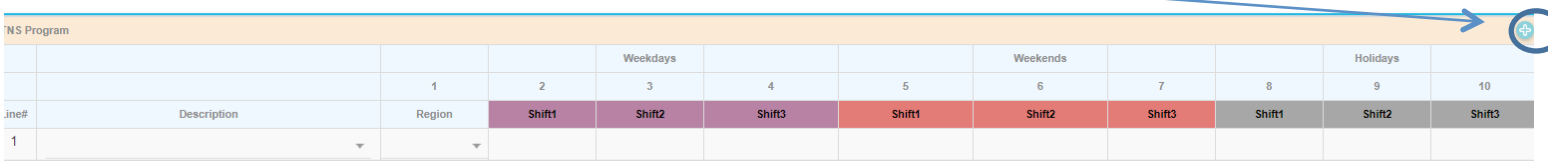
7	Expenses reported in Account	Select the account in which the expenses for the goods/services from the related party are reported.

Schedule 8: Statistics

TNS Providers

This schedule summarizes the total number of hours billed to health care facilities by shift, 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:



Note: This schedule asks providers to report total number of hours that all nursing staff worked during each shift: Shift 1 (generally 7 AM to 3 PM), Shift 2 (generally 3 PM to 11 PM), and Shift 3 (generally 11 PM to 7 AM).

Description	Definition
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-cmr-345-appendix.pdf
Shift 1-3	Report the total hours in FY19 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 FY19, 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.