

# **CENTER FOR HEALTH INFORMATION AND ANALYSIS**

## **COST REPORT INSTRUCTIONS: NURSING SERVICES COST REPORT FOR CONTINUOUS SKILLED NURSING AGENCIES**

July 2025



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## IMPORTANT NOTICE

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

## REMINDERS FOR THE NURSING SERVICES COST REPORT (NSR)

- 1) Providers are required to submit completed cost reports through CHIA's online submission portal, CHIA Submissions. Please note, CHIA Submissions works best in Google Chrome. Separate cost reports must be submitted for CSN and HH services.
- 2) Financial statements and reconciliation of differences documents must be emailed to [data@chiamass.gov](mailto:data@chiamass.gov), not uploaded through CHIA Submissions.

## 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 (HH) agencies, 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(s), and (2) its relevant financial data.**

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 361.00.

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

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.

## SUBMISSION DEADLINE

**FY 2024 NSR filings are due on September 15th**

## WHO MUST FILE

CHIA is collecting cost reports for the fiscal year (FY) ending in 2024 from all CSN agencies.

**Please note: Providers will have to complete separate cost reports for each nursing service they provide (i.e. CSN & HH). If CSN providers ALSO provide HH services, two separate cost reports will need to be completed to meet the filing requirements. Revenues and expenses for each cost report must be reported accurately.**

## Exemption Criteria:

Providers who meet the criteria below may request an exemption:

1. The agency was in business for less than 6 months during its FY 2024;
2. The agency was owned by the current owner for less than 6 months during its FY 2024;
3. The agency did not participate in the MassHealth program in the cost report year or received less than \$50,000 in MassHealth revenue in its FY 2024 (gross charges minus contractual adjustments).

If you believe your agency is exempt from filing for any of the above reasons, you must claim exemption using the FY 2024 NSR Exemption Request Form, available as a Word document at <http://www.chiamass.gov/nsr>. Email the completed form to [data@chiamass.gov](mailto:data@chiamass.gov).

**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, HH, & 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.
  - **Please note: Agencies that provide both CSN and HH services must file separate cost reports to cover each type of service, even if these services are under one agency with one 9-digit MassHealth Provider ID.**
- 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, HH, 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.**

## WHAT TO FILE

**A. Cost Report.** Annually, agencies must file a cost report(s) for the fiscal year ending in the year prior to the filing date with the Center. Agencies can file online through the CHIA Submissions site: <https://chiasubmissions.chia.state.ma.us/>. The reporting period shall be consistent between the cost reports and 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, MassHealth ID, and document type. For example, financial statements can be labeled as **AgencyName\_MassHealthID\_CSN\_FS\_FY2024.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 [data@chiamass.gov](mailto:data@chiamass.gov).
- 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.

## WHEN TO FILE

All agencies must file the NSR and corresponding financial data, and any supporting documentation, no later than **September 15, 2025**.

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

- The extension request must be submitted to [data@chiamass.gov](mailto:data@chiamass.gov);
- The request must demonstrate a reasonable cause for the filing extension; and
- The written request must be received at the Center **prior to September 15, 2025**.

## HOW TO FILE

- First, complete and submit the FY 2024 NSR on CHIA Submissions. More information on completing this step can be found below.
- Second, email the following documents to [data@chiamass.gov](mailto:data@chiamass.gov):
  - Financial statement(s) saved as an Excel file or PDF. File(s) should be saved using the following naming convention:  
**AgencyName\_MassHealthID\_FY24FS\_CSN.xlsx**

**In the email subject line, please write CSN FY2024 NSR from [Agency Name and MassHealth ID]**

### Using CHIA Submissions

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](#).
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.
3. Please submit all completed and signed forms to CHIA: [DL-Data-Submitter-HelpDesk@chiamass.gov](mailto:DL-Data-Submitter-HelpDesk@chiamass.gov). Please allow up to several days for CHIA to process these forms.
4. Once these forms are processed, you will be able to access CHIA Submissions at <https://chiasubmissions.chia.state.ma.us/> using the credentials provided to you by CHIA.

### Clear Your Cache

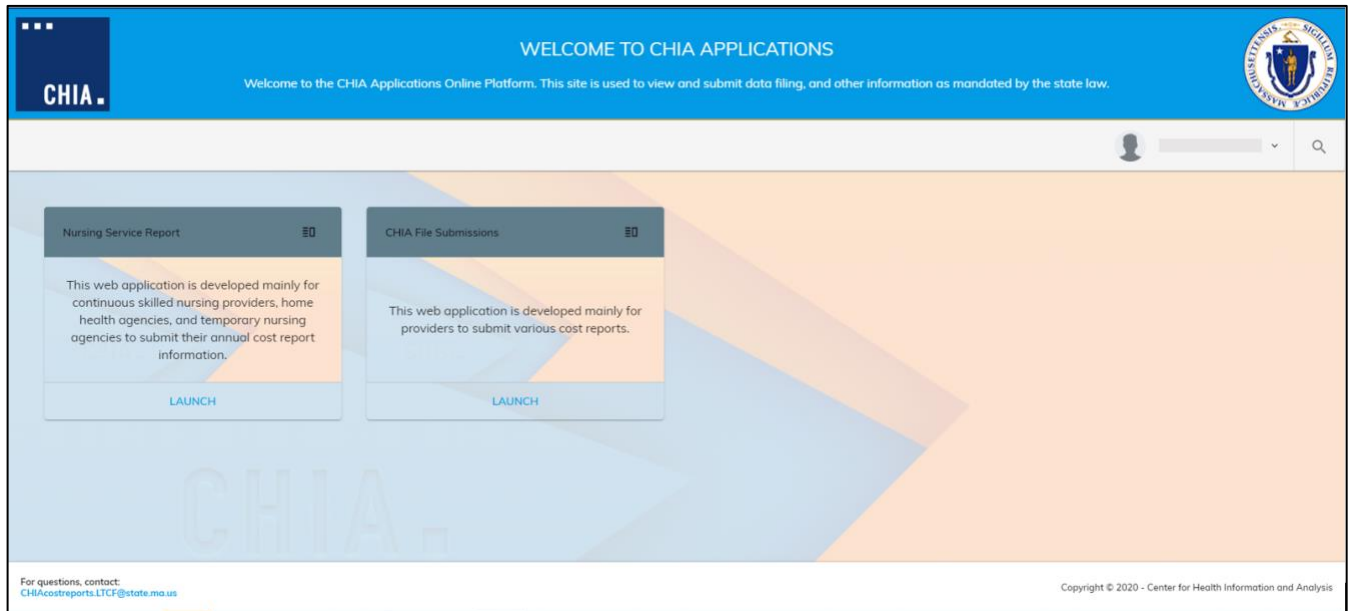
As part of continuous improvement of the NSR, changes and upgrades have been implemented. In order for the system to function properly, all users should clear their web browser cache.

Clearing your web browser cache will ensure that you are viewing the most recent version of NSR. If you do not clear your cache, your browser may display older versions of the reports and generate error messages.

Instructions on how to clear your cache can be found at <https://www.mass.gov/guides/clear-your-browser-cache>.

## 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 [CostReports.Pricing@chimass.gov](mailto:CostReports.Pricing@chimass.gov).

## 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.

LIST OF PROVIDERS			
<input checked="" type="checkbox"/>	24 Hour Care	TNS 2016-05-10T00:00:00	Unlocked
<input type="checkbox"/>	360 Healthcare Staffing, LLC	TNS 2016-05-10T00:00:00	In Process
<input type="checkbox"/>	A Helping Hand	TNS 2016-05-10T00:00:00	In Process
<input type="checkbox"/>	A Plus Medical Group	TNS 2016-05-10T00:00:00	In Process

## Cost Report Year Selection:

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

Reporting Year

Select Reporting Year ▼

### 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 between schedules.**

☰ 1. AGENCY INFORMATION : ██████████ (2015)

Next Schedule

Jump to ▶

Request Unlock

Unlock Report

Save as Draft ◀

Validate Cost Report

Submit Cost Report

Print/Export ▶

State  
Massachusetts

Agency Fax  
( )

### Color coding:

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

Blue (Editable): User Entry

0.00 Green (Not Editable): Sum from a user-defined field within the same schedule

0.00 Pink (Not Editable): Sum or other formula referencing cells the same schedule

Yellow (Not Editable): Link to cell(s) from another schedule in this Cost Report

### 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.

1	Officer/Owner Compensation			Line 4A - Administrative Personnel : Parent/Management
2	Administration Salaries			
3	Board Director's Fees			
4	Parent/ Management Company Allocation	0.00		
5	Other Administration Support Salaries	0.00		
6	Total Administration Personal	0.00		

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.

Administration Personnel				
1	Officer/Owner Compensation			Line 4A - Administrative Personnel : Parent/Management Company Allocation
2	Administration Salaries			
3	Board Director's Fees			
4	Parent/ Management Company Allocation	0.00		
5	Other Administration Support Salaries	0.00		
6	Total Administration Personal	0.00		

## 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, HH, 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 HH 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.

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.

<u>Address</u>	Report the street name and number of the agency for which the cost report is filed.
<u>City</u>	Report the city of the agency for which the cost report is filed.
<u>State</u>	Report the state of the agency for which the cost report is filed. Note that you must select the state from the drop-down menu to avoid submission errors.
<u>Zip Code</u>	Report the zip code of the agency for which the cost report is filed.
<u>Agency Telephone Number</u>	Report the telephone number of the agency for which the cost report is filed.
<u>Agency Fax Number</u>	Report the fax number of the agency for which the cost report is filed.
<u>Agency Email Address</u>	Report the primary email address of the agency for which the cost report is filed.
<u>Preparer Other than Owner, Partner or Officer Information</u>	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.
<u>Identifiers for HH and CSN Programs</u>	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 HH providers must report a MassHealth Number.
<u>Owner, Partner, or Officer Information</u>	Enter the name, title, and 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.
<u>Multiple Sites</u>	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 unique 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 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 registered nurses, licensed practical nurses, certified nursing assistants, home health aides, and therapists.

Only enter costs for direct care staff that provide CSN services. All other direct care staff costs should be reported in Schedule 5 "Summary of Expense", Column 5 "Total All Other Business", Line 1 "Salaries" through Line 8 "Staff Training".

- 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, consisting of 30 hours per week providing 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) = <b>0.375</b>	\$50,000	\$18,750
Administrator	0.5 (% of year worked) * 0.25 (% of total hours worked dedicated to administration) = <b>0.125</b>	\$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	<u>Type of Program</u>	This should automatically populate as the type of agency (CSN) for which the cost report is being filed.
2	<u>Salary</u>	Report the base gross wages by staff position. Indicate the staff position type by selecting the appropriate position from the drop-down menu. Do not include overtime or shift differential payments in the salary column.
3	<u>Health/Life Benefits</u>	Report the expenses for the employer share of insurance benefits for direct care workers.
4	<u>Payroll Taxes</u>	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	<u>Workers' Compensation</u>	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	<u>Other Benefits</u>	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	<u>Travel</u>	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	<u>Contracted Services</u>	Report expenses for any direct care contracted services. 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	<u>Overtime &amp; Shift Differentials</u>	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 specific 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.

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.

Please report overhead costs related ONLY to providing CSN services in Massachusetts. If necessary, an allocation may be performed based on revenue by state. Please contact [CostReports.Pricing@chiamass.gov](mailto:CostReports.Pricing@chiamass.gov) if you require further assistance with these calculations.

<u>Line</u>	<u>Description</u>	<u>Definition</u>
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#### **Administrative Personnel**

##### **Administrative 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 of directors members
- Support staff for the above-listed personnel

1	<u>Officer/Owner Compensation</u>	Report the amount earned by officers and/ 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 also 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 other applicable sections later in this schedule.
2	<u>Administration Salaries</u>	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	<u>Board Directors' Fees</u>	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	<u>Parent/ Management Company Allocation</u>	This line references user-defined field Line 4A - <u>Administrative Personnel: Parent Management Company Allocation</u> .
4A	<u>Administrative Personnel: Parent/Management Company Allocation</u>	List each type of administrative 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	<u>Other Administration Support Salaries</u>	This line references user-defined field Line 5A - <u>Administrative Personnel: Other Staff Salaries</u> .
5A	<u>Administrative Personnel: Other Staff Salaries</u>	Report the gross wages and bonuses of staff that provide support to administrative personnel. NOTE: this is a user-defined field, and expands to accommodate multiple entries.

### Fringe Benefits – Administration Personnel

7	<u>Health/ Life Benefits</u>	Report the employer expenses for health, life, or dental insurance for administrative personnel accounted for in Lines 1, 2, 3, and 5 above.
8	<u>Workers' Compensation</u>	Report the expense of workers' compensation insurance for administrative personnel accounted for in Lines 1, 2, 3, and 5 above. Report only the amount related to administrative personnel (i.e. an allocation may be necessary to apportion the cost among direct care, administrative, and indirect care staff).
9	<u>Payroll Taxes</u>	Report the employer expenses for payroll-related taxes for administrative 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 here.
10	<u>Other Benefits</u>	This line references user-defined field Line 10A – <u>Admin. Fringe Benefits: Other Benefits</u> .
10A	<u>Admin. Fringe Benefits: Other Benefits</u>	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	<u>Parent/ Management Company Allocation</u>	This line references user-defined field Line 11A – <u>Admin. Fringe Benefits: Parent/Management Company Allocation Detail</u> .
11A	<u>Admin. Fringe Benefits: Parent/Management Company Allocation Detail</u>	List each type of fringe benefit for administrative 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	<u>Finance/ Billing/ Payroll/ Miscellaneous/ Intake</u>	Report the gross wages and bonuses of staff whose primary duties involve billing and fiscal support activities.
14	<u>Care Coordination</u>	Report the gross wages and bonuses of staff whose primary duties involve coordinating or scheduling assignments of direct care staff.
15	<u>Quality Improvement /Medical Records</u>	Report the gross wages and bonuses of staff whose primary duties involve documenting and assessing patient care.
16	<u>Other Indirect Care Admin. Support Salaries</u>	This line references user-defined field Line 16A – <u>Indirect Care Personnel: Other Admin. Support Detail</u> .
16A	<u>Indirect Care Personnel: Other Admin. Support Detail</u>	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	<u>Parent/ Management Company Allocation</u>	This line references user-defined field Line 17A – <u>Indirect Care Personnel: Parent/Management Company Allocation Detail</u> .
17A	<u>Indirect Care Personnel: Parent/Management Company Allocation Detail</u>	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	<u>Health/ Life Benefits</u>	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	<u>Workers' Compensation</u>	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, administrative, and indirect care staff).
21	<u>Payroll Taxes</u>	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 expenses and should not be reported.
22	<u>Other Benefits</u>	This line references user-defined field Line 22A – <u>Indirect Care Personnel Fringe Benefits: Other Benefits Detail</u> .
22A	<u>Indirect Care Personnel Fringe Benefits: Other Benefits</u>	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	<u>Parent/ Management Company Allocation</u>	This line references user-defined field Line 23A – <u>Indirect Care Personnel Fringe Benefits: Parent/Management Company</u> .

23A	<u>Indirect Care Personnel Fringe Benefits: Parent/Management Company Allocation</u>	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.
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#### Insurance

26	<u>General and Building Insurance</u>	Report the expense of property, general liability, or other business-related insurance.
27	<u>Malpractice Insurance</u>	Report the expense of malpractice insurance if readily identifiable. If not readily identifiable, include this expense in account "General and Building Insurance".

#### Taxes

29	<u>Property Taxes</u>	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	<u>Income Taxes</u>	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	<u>Other Taxes</u>	This line references user-defined field Line 31A – <u>Other Taxes Detail</u> .
31A	<u>Other Taxes Detail</u>	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	<u>Interest Expense</u>	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	<u>Depreciation and Amortization</u>	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	<u>Indirect Staff Education and Training</u>	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. Travel expenses to conferences should be reported in the "Travel Expenses" line item.
36	<u>Indirect Staff Travel</u>	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	<u>Recruitment/Help Wanted Advertising</u>	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	<u>Promotional Advertising</u>	Report expenses incurred for advertising that promotes the business. Such expenses include phone book, newspaper, and radio or television advertisements.
39	<u>Payroll/ Accounting Service</u>	Report expenses incurred for contracted payroll and bookkeeping/accounting services. Payroll and accounting software should be depreciated and reported in the "Depreciation and Amortization" account.
40	<u>Legal Services</u>	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	<u>Other Professional Consultant Fees</u>	This line references user-defined field Line 41A – <u>Other Admin.: Other Professional Consultant Fees Detail</u>
41A	<u>Other Admin.: Other Professional Consultant Fees Detail</u>	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	<u>Rent</u>	Report expenses incurred for rental of office space or equipment.
43	<u>Utilities</u>	Report expenses incurred for utilities including heat, electricity, water, and gas.
44	<u>Telecommunications</u>	Report expenses incurred for telephone service, DSL service, cable internet service, and non-depreciable communication equipment.
45	<u>Repairs and Maintenance</u>	Report non-depreciable expenses incurred for repairs or maintenance to office facilities and equipment.
46	<u>Licenses, Dues, Accreditation Fees</u>	Report expenses incurred for dues to professional organizations, required licenses and accreditation fees.
47	<u>Office Supplies, Postage, and Printing</u>	Report expenses incurred for routine office supplies, such as stationery.
48	<u>Automobile Expenses</u>	Report expenses incurred for business-related automobile expenses, such as maintenance and repairs.
49	<u>Other Administrative</u>	This field references user-defined field Line 49A – <u>Other Admin.: Other Admin Detail</u> .
49A	<u>Other Admin.: Other Admin Detail</u>	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	<u>Interpreter Services</u>	Report expenses incurred for providing interpreter services for home health patients. This entry may include salaries and benefits if your agency employs interpreters.

51	<u>Security Escort Services</u>	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	<u>Parent/Management Company Allocation</u>	This line references user-defined field Line 52A – <u>Other Admin.: Parent/Management Company Allocation Detail</u> .
52A	<u>Other Admin.: Parent/Management Company Allocation Detail</u>	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 collects data on the gross revenue an agency received for providing CSN, HH, 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, HH, and TNS services should be reported on Schedule 6 ("Income Statement")

Each type of provider (CSN, HH, and TNS) is listed on this schedule. Please report total gross revenue (billed or pending charges) as applicable for providing CSN, HH 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, HH, and TNS): please make sure to report these figures separately on the "Total Discounts or Contractual Adjustments" lines (Line 5, Line 10, 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, HH, and TNS) in the appropriate lines:

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

**NOTE:** TNS services are purchased by hospitals and nursing facilities. Therefore, all revenue should be reported in the "Other Revenue" account.

## Schedule 5: Summary of Expense

This schedule includes expenses pertaining to the entire agency, differentiating between expenses for the CSN, HH, 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:

- If the agency has direct staff costs for CSN, HH, 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, HH).

**For example, your agency provides both CSN and HH services. You are in the process of filing the CSN cost report and have already completed Schedule 2. Then, the CSN Column in Schedule 5 will already be auto-populated. However, you are also required to report the HH expenses in the blue highlighted fields in Column 3, HH.**

- b. If the agency has **any other business portions** besides CSN, HH, or TNS services, please provide costs related to any of these operations in Column 5 (“Total All Other Business”).

### **A Reminder for the FY 2024 NSR**

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

<u>Line</u>	<u>Description</u>	<u>Definition</u>
1	<u>Salaries</u>	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	<u>Fringe Benefits</u>	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	<u>Payroll Tax</u>	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	<u>Workers' Compensation</u>	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	<u>Contracted Services</u>	Report expenses for any direct care contracted services.
6	<u>Travel</u>	Report the total expense for <b>direct care employee travel</b> . 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	<u>Subtotal (Lines 1 Through 6)</u>	This line sums values from Line 1 “Salaries” through Line 6 “Travel”. No input needed.
8	<u>Direct Staff Training</u>	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	<u>Medical Supplies and Drugs</u>	Report expenses incurred for medical supplies and drugs used in the provision of patient care. Do not include items that may be billed separately under MassHealth program regulations. These expenses will be added to Subtotal Direct Costs.
10	<u>Subtotal Direct Costs (Lines 7, 8, And 9)</u>	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	<u>Total Admin Costs (Schedule 3)</u>	This line is generally pre-populated by allocating values from the above lines or referencing the total value from Schedule 3. For the “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	<u>Bad Debt Expense</u>	Bad Debt Expense for each provider type should be reported on Line 12 (Bad Debt Expense) for TNS (Column 1), CSN (Column 2), HH (Column 3) and Total All Other Business (Column 5). Total Bad Debt for TNS, CSN, and HH will sum automatically in Program Total (Column 4), and Total Bad Debt for all business will sum automatically in Total (Column 6).
13	<u>Total Program Costs</u>	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, <u>without accounting for bad debts</u> . No input needed.
14	<u>Grand Program Total Including Bad Debt</u>	This line sums Line 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

<u>Line</u>	<u>Description</u>	<u>Definition</u>
1	<u>Total Gross Service</u>	This line references the value on Schedule 4 “Summary of Expense Schedule” Line 16 “Grand Total Revenue”. No input needed.
2	<u>Discounts / Contractual Adjustments</u>	This line references the value on Schedule 4 “Summary of Expense Schedule” Line 17 “Grand Total Discounts or Contractual Adjustments”. No input needed.
3	<u>Total Net Service Revenue</u>	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	<u>Other TNS, CSN, HH Revenue</u>	This line references user-defined field Line 4A – <u>Other Income Detail</u> .
4A	<u>Other Income Detail</u>	Report any <u>indirect</u> operating revenue other than the <u>primary operations</u> of providing CSN, HH, or TNS services. These revenues should be still indirectly related to providing CSN, HH, 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	<u>Total Revenue</u>	This line sums Line 3 "Total Net Service Revenue" and Line 4 "Other TNS, CSN, HH Income" to determine the agency's total revenue earned from providing CSN, HH, and TNS services. No input needed.
6	<u>Total Income from Other Business</u>	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	<u>Total Agency Revenue</u>	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	<u>Total Expenses (Summary Of Expense Schedule)</u>	This line references Schedule 5 "Summary of Expense", Line 14 "Grand Program Total Including Bad Debt", and Column 6 "Total". No input needed.
9	<u>Net Income / Loss</u>	This line subtracts Line 8 "Total Expenses (Schedule 5)" 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	<u>Current Assets</u>	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	<u>Fixed Assets</u>	Assets of a relatively permanent nature held for long-term use and not expected to be liquidated within the next normal operating cycle.
12	<u>Other Assets</u>	Assets that are not appropriately classified under Current or Fixed accounts.
13	<u>Total Assets</u>	This line sums Line 10 "Current Assets", Line 11 "Fixed Assets", and Line 12 "Other Assets".

#### Balance Sheet Data: Liabilities and Net Worth

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

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

### **Schedule 8: Statistics**

Please include the number of visits, patients, and hours of direct care service for direct care staff, or for supervisors who independently provide care (if applicable). For example: if an RN supervisor independently provided an RN visit, please report this visit under Schedule 8, Line 3 (R.N. (HH)).

**NOTE: Please ensure that for HH providers, the statistics reported on schedule 8 match the statistical data reported on the Home Health Agency Medicare Cost Report (1728).**

#### **CSN Providers**

\* This schedule summarizes statistics (visits, patients, hours) for CSN programs.

<u>Line</u>	<u>Description</u>	<u>Definition</u>
<u>30-32</u>	<u>Number of Visits</u>	Report the number of visits provided in the reporting years by staff and payer type.
<u>33-35</u>	<u>Number of Patients</u>	Report the number of patients that received services in the reporting years by staff and payer type.
<u>36</u>	<u>Unduplicated Census</u>	Report the total number of patients to whom visits were provided during the reporting period.

37-39

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.

### **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.