

957 CMR: Center for Health Information and Analysis

957 CMR 6.00: Cost Reporting Requirements

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6.01: General Provisions

(1) Scope and Purpose. The purpose of 957 CMR 6.00 is to establish the filing requirements for certain Providers to report their costs and other data to the Center for Health Information and Analysis.

(2) Applicability. This regulation is applicable to Type I, Type II, Type III Providers, Intermediate Care Facilities and any other Provider determined by CHIA as subject to this regulation, whether or not that Provider is of a type specifically listed in 957 CMR 6.00.

(3) Authority. This regulation is issued pursuant to M.G.L. c. 12C, including but not limited to, §§ 3, 5, and 22.

6.02: Definitions

All defined terms in 957 CMR 6.00 are capitalized. Any other term used in this regulation but not defined herein shall have the meaning given to the term by M.G.L. c. 12C, other CHIA regulations, or Sub-Regulatory Guidance.

As used in 957 CMR 6.00, unless the context otherwise requires, the following words shall have the following meanings:

Audited Financial Statements. A complete set of Financial Statements of an entity, including the notes to the Financial Statements, which are subject to an independent audit in accordance with Generally Accepted Auditing Standards (GAAS). The independent

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auditor issues an opinion as to whether or not the accompanying Financial Statements are presented fairly in accordance with Generally Accepted Accounting Principles (GAAP).

Center or CHIA. The Center for Health Information and Analysis (CHIA) established under M.G.L. c. 12C.

Cost Report. The document used to report cost and other financial and statistical data in a format requested by and approved by the Center.

EOHHS. The Executive Office of Health and Human Services established under M.G.L. c. 6A.

Financial Review. An examination of the Provider's cost report and supporting documentation to evaluate the accuracy of the financial statements, reported costs, and identification of Medicaid patient-related costs.

Financial Statement. An audited, reviewed, or compiled record prepared and completed using generally accepted accounting principles (GAAP) that illustrates the business activities and the financial performance of a company, which shall include, among other things, a balance sheet and a statement of operations.

Governmental Unit. The Commonwealth, any department, agency, board, division, or commission of the Commonwealth, and any political subdivision of the Commonwealth.

OSD. The Operational Services Division established by M.G.L. c. 7 § 4A.

Provider. Any person, corporation, partnership, Governmental Unit, state institution or any other entity qualified under the laws of the commonwealth to perform or provide health care services that receives reimbursement or payment for treatment of injured workers under chapter 152 and any provider of health care services other than an acute or non-acute hospital that receives reimbursement or payment from any Governmental Unit for general health supplies, care and rehabilitative services and accommodations.

Publicly-aided Individual. A person for whose medical care and other services a Governmental Unit is in whole or in part liable for under a statutory program.

Related Party. An individual or organization associated or affiliated with, or that has control of, or is controlled by, the Provider; or any director, stockholder, trustee, partner or administrator of the Provider by common ownership or control or in a manner specified in §§ 267(b), 267(c), and 318 of the Internal Revenue Code of 1954 as amended provided, however, that 10% must be the operative factor as set out in §§ 267(b)(2) and (3). Related individuals include spouses, parents, children, spouses of children,

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grandchildren, siblings, fathers-in-law, mothers-in-law, brothers-in-law, and sisters-in-law.

Sub-Regulatory Guidance. An Administrative Bulletin, notice, manual, guide, or other document, that specifies deadlines, technical submission requirements, or contains methodological explanations and examples to facilitate understanding of and compliance with adopted regulations.

Type I Provider. Any Provider of the type listed in 957 CMR 6.03: Reporting Requirements for Type I Providers.

Type II Provider. Any Provider of the type listed in 957 CMR 6.04: Reporting Requirements for Type II Providers.

Type III Provider. Any Provider of the type listed in 957 CMR 6.05: Reporting Requirements for Type III Providers.

Uniform Financial Report (UFR). A Uniform Financial Statement and Independent Auditor's Report as defined in 808 CMR 1.00.

6.03: Reporting Requirements for Type I Providers

Each Type I Provider shall submit the following information to the Center:

- (1) An annual Uniform Financial Report (UFR) completed in accordance with:
 - (a) The filing requirements and schedule of 808 CMR 1.00: Compliance, Reporting and Auditing for Human and Social Services; and
 - (b) Any special instructions appearing in the UFR Audit & Preparation Manual, or other Sub-Regulatory Guidance issued by OSD, which may require that certain providers distinguish between their cost centers or programs by filing separate UFR-Schedule Bs for each cost center or program; and
- (2) Any supplemental schedule or any additional information requested by the Center, including through Sub-Regulatory Guidance, within the timeframe specified by the Center on the request.

Type I Providers: Providers whose rates are governed by the following regulations

- (a) 101 CMR 305.00: *Rates of Payment for Behavioral Health Services Provided in Community Behavioral Health Centers*
- (b) 101 CMR 306.00: *Rates of Payment for Mental Health Services Provided in Community Health Centers and Mental Health Centers*
- (c) 101 CMR 307.00: *Rates for Psychiatric Day Treatment Center Services*

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- (d) 101 CMR 309.00: *Rates for Certain Services for the Personal Care Attendant Program*
- (e) 101 CMR 348.00: *Rates for Day Habilitation Services*
- (f) 101 CMR 352.00: *Rates of Payment for Certain Children's Behavioral Health Services*
- (g) 101 CMR 358.00: *Rates of Payment for Applied Behavior Analysis*
- (h) 101 CMR 362.00: *Rates for Community Support Program Services*
- (i) 101 CMR 444.00: *Rates for Certain Substance Use Disorder Services*
- (j) and any other Provider required by CHIA or EOHHS by statute, regulation, or Sub-Regulatory Guidance to report as a Type I Provider.

6.04: Reporting Requirements for Type II Providers

Each Type II Provider shall submit the following information to the Center:

- (1) Cost Report. A complete Cost Report for the prior Fiscal Year;
- (2) Financial Statements. Providers must submit copies of Audited Financial Statements and other external documentation supporting the accuracy of the data reported on the Cost Report. If no Audited Financial Statements are available, Providers must file reviewed or compiled Financial Statements. Other forms of acceptable documentation will be provided through Sub-Regulatory Guidance; and
- (3) Any supplemental schedule or any additional information requested by the Center, including through Sub-Regulatory Guidance, within the timeframe specified by the Center on the request.

Type II Providers: Providers whose rates are governed by the following regulations

- (a) 101 CMR 204.00: *Rates of Payment to Resident Care Facilities*
- (b) 101 CMR 304.00: *Rates for Community Health Centers*
- (c) 101 CMR 310.00: *Rates for Adult Day Health Services*
- (d) 101 CMR 345.00: *Rates for Temporary Nursing Services*
- (e) 101 CMR 350.00: *Rates for Home Health Services*
- (f) 101 CMR 351.00: *Rates for Certain Adult Foster Care Services (Includes AFC and GAFC providers)*
- (g) 101 CMR 361.00: *Rates for Continuous Skilled Nursing Agency and Independent Nursing Services*
- (h) and any other Provider required by CHIA or EOHHS by statute, regulation, or Sub-Regulatory Guidance to report as a Type II Provider.

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6.05: Reporting Requirements for Type III Providers

Each Type III Provider shall submit the following information to the Center, upon request:

- (1) Cost Report. A complete Cost Report for the Provider's most recently completed Fiscal Year;
- (2) Financial Statements. Providers must submit copies of Audited Financial Statements and other external documentation supporting the accuracy of the data reported on the Cost Report. If no Audited Financial Statements are available, Providers must file reviewed or compiled Financial Statements. Other forms of acceptable documentation will be provided through Sub-Regulatory Guidance; and
- (3) Any supplemental schedule or any additional information requested by the Center, including through Sub-Regulatory Guidance, within the timeframe specified by the Center on the request.

Type III Providers: Providers whose rates are governed by the following regulations

- (a) 101 CMR 312.00: *Rates for Family Planning Services*
- (b) 101 CMR 313.00: *Rates for Freestanding Clinics Providing Abortion and Sterilization Services*
- (c) 101 CMR 314.00: *Rates for Dental Services*
- (d) 101 CMR 315.00: *Rates for Vision Care Services and Ophthalmic Materials*
- (e) 101 CMR 316.00: *Rates for Surgery and Anesthesia Services*
- (f) 101 CMR 317.00: *Rates for Medicine Services*
- (g) 101 CMR 318.00: *Rates for Radiology Services*
- (h) 101 CMR 319.00: *Rates for Doula Services*
- (i) 101 CMR 320.00: *Rates for Clinical Laboratory Services*
- (j) 101 CMR 322.00: *Durable Medical Equipment, Oxygen, and Respiratory Therapy Equipment*
- (k) 101 CMR 323.00: *Rates for Hearing Services*
- (l) 101 CMR 327.00: *Rates of Payment for Ambulance and Wheelchair Van Services*
- (m) 101 CMR 329.00: *Rates for Psychological and Independent Clinical Social Work Services*
- (n) 101 CMR 330.00: *Rates for Team Evaluation Services*
- (o) 101 CMR 331.00: *Prescribed Drugs*
- (p) 101 CMR 334.00: *Rates for Prostheses, Prosthetic Devices and Orthotic Devices*
- (q) 101 CMR 337.00: *Rates for Chronic Maintenance Dialysis Treatments and Home Dialysis Supplies*
- (r) 101 CMR 339.00: *Rates for Restorative Services*
- (s) 101 CMR 343.00: *Rates for Hospice Services*
- (t) 101 CMR 347.00: *Rates for Freestanding Ambulatory Surgery Centers*
- (u) 101 CMR 355.00: *Rates for Freestanding Birth Centers Services*
- (v) 101 CMR 356.00: *Rates for Money Follows the Person Demonstration Services*

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- (w) 101 CMR 359.00: *Rates for Home and Community Based Services Waivers*
- (x) 114.5 CMR 4.00: *Rates for Certain Social, Rehabilitation and Health Care Services*
- (y) and any other Provider required by CHIA or EOHHS by statute, regulation, or Sub-Regulatory Guidance to report as a Type III Provider.

6.06: Reporting Requirements for Intermediate Care Facilities

- (1) On an annual basis, each ICF shall file with the Center one copy of the ICF Cost Report in portable document format, within 120 days of the close of its fiscal year. The ICF Cost Report is to be completed in accordance with the instructions set forth therein and pursuant to requirements of Administrative Bulletin 97-1 and any pertinent administrative bulletins issued by EOHHS pursuant to 101 CMR 129.09: Administrative Bulletins.
- (2) Each ICF shall file, when required, trial balances and supplemental financial information to support the facility's ICF Cost Report filing.
- (3) Each ICF shall make available all books and records relating to its operation for audit and/or screening, if requested by the Center.

6.07: Additional Information

Each Provider shall also make available all records, books and reports relating to its operations, including such data and statistics as the Center may from time-to-time request, including through Sub-Regulatory Guidance, whether or not that Provider is of a type specifically listed in 957 CMR 6.00.

6.08: Accuracy of Reported Data

Any entity reporting data pursuant to 957 CMR 6.00 (i) certifies that an authorized representative of the entity submitted information and data to the Center, and (ii) attests that information and data submitted to the Center is true, correct, and complete.

6.09: Financial Review

The Center and EOHHS may conduct financial reviews to ensure accuracy and consistency in reporting. Providers must submit additional data and documentation relating to the Cost Report, the operations of the Provider and any Related Party as requested during a financial review even if the Center has accepted the Provider's Cost Reports. All

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Providers must maintain supporting documentation sufficient to demonstrate compliance with all provisions of 957 CMR 6.00.

6.10: Penalties

- (1) The Center may impose a fine of not less than \$100 nor more than \$500 on Providers that knowingly fail to file or that knowingly file falsified data.
- (2) If a Provider has, without just cause, refused to permit any examination or to furnish information to the Center, as required by 957 CMR 6.00, the Center may petition the Superior Court to issue an order directing all Governmental Units to withhold payment to the Provider until further order of the Court.
- (3) The Center may refer delinquent Providers to EOHHS, with recommendations that EOHHS impose penalties, including:
 - (a) Reduction in delinquent Providers' rates;
 - (b) Removal of delinquent Providers from the list of eligible Providers;
 - (c) Any other penalty authorized by M.G.L. c. 118E or applicable regulations.
- (3) The Center may refer a Provider that knowingly fails to file with the Center data, or knowingly falsifies data, to the appropriate licensing authority.

6.11: Sub-Regulatory Guidance

The Center may issue Sub-Regulatory Guidance to clarify its requirements, policies, and procedures under 957 CMR 6.00 and to set forth the required technical information, such as: data file format, record specifications, data elements, definitions, code tables and edit specifications for data and information submitted pursuant to 957 CMR 6.00.

6.12: Severability

The provisions of 957 CMR 6.00 are severable. If any provision or the application of any provision is held to be invalid or unconstitutional, such invalidity shall not be construed to affect the validity or constitutionality of any remaining provisions of 957 CMR 6.00 or the application of such provisions.

REGULATORY AUTHORITY
957 CMR 6:00: M.G.L. c. 12C