
SCHEDULE A: UNIT COST INFORMATION

Column #9 - Sub-Total - Add the information from column 3 through column 8 for each cost center.

Column #10 - Reclassifications & Allocations - Enter in this column the total of all "Local" reclassifications or allocations for each cost center which have been explained on Schedule A-1. (Indicate decreases or subtractions in brackets.)

Column #11 - Total - Add the information from column 9 to that from column 10 for each cost center.

Column #12 - Schedule B (Line # Reference) - Enter in column 12, the line number from Schedule B into which the cost of each individual cost center shall be forwarded. NOTE - It is neither necessary nor desirable to reclassify all similar cost centers to a single line prior to forwarding the cost information on to Schedule B.

SCHEDULE A-1: LOCAL RECLASSIFICATIONS AND ALLOCATIONS

302. Schedule A-1 shall be to provide for the adjustments which may be necessary to properly allocate the expenses which have been accumulated in local support activity cost centers to those service activity cost centers which they benefit. This schedule also provides for the allocation of service activity costs which may have been accumulated in a common cost center but which shall be separated to identify the cost of providing each service independently.

Instructions:

Line # - This column shall be available for the cost report preparer to manually number each line of information consecutively for as many lines of information as shall be necessary.

Cost Center/Explanation - (Column 1) - Enter in this column, first, the titles of those cost centers which shall be affected by the adjustment and then, immediately below the titles, provide sufficient explanation of the purpose of the adjustment and the basis which was used for any allocations of cost.

WP Ref - (Column 2) - This column shall be for the cost report preparer to manually cross-reference (index) workpapers which he shall have developed to explain all adjustments.

SCHEDULE A-1: LOCAL RECLASSIFICATIONS AND ALLOCATIONS

Schedule A - Line & Column - (Columns 3 & 4) - These columns refer to the line and column numbers of Schedule A into which the adjustment shall be forwarded.

Increase-(Decrease) - (Columns 5 & 6) - These columns shall contain the amount of the adjustment relating to each cost center.

SCHEDULE B: TOTAL ALLOWABLE EXPENSES

303. Schedule B shall be to summarize the cost information presented on Schedule A, to apportion region-wide administrative and clinical support costs and to further adjust the provider's expenses to recognize non-reimbursable items of cost.

Instructions:

Column #1 - Total Costs - Enter in this column the summary total of costs from Schedule A, column 11, for each cost center as indicated in Schedule A, column 12. Example: the total cost of all cost centers from Schedule A, column 11 which also have line #20 indicated in Schedule A, column 12, are to be added together and their sum placed on Schedule B, line #20, column 1.

Column #2 - Adjustments - Enter in this column the total of all adjustments to cost from Schedule C, column 8 for each cost center.

Column #3 - Administrative Allocation - This column shall provide for the allocation of total allowable indirect region-wide administrative costs as determined by adding the information contained on Schedule B, line 1, column 1 with that on Schedule B, line 1, column 2 and placing this sum in brackets on Schedule B, line 1, column 3.

The allocation shall be accomplished by dividing the total allowable indirect region-wide administrative costs (Schedule B, Line 1, Column 3)

SCHEDULE B: TOTAL ALLOWABLE EXPENSES

by the total of Schedule B, column 1, less the information on lines 1, 2 and on any line(s) designated as "pass-through". This will produce a "factor" which shall be entered in the space at the top of column #3 and which shall then be multiplied against each amount listed in Schedule B, column 1, except for those lines omitted above, with the product of each of those multiplications being placed on the corresponding line in Schedule B, column 3, so that the total of column 3 will equal zero (0).
Column #4 - Clinical Support Allocation - This column shall provide for the allocation of total allowable region-wide clinical support costs as determined by adding the information contained on Schedule B, line 2, column 1 with that on Schedule B, line 2, column 2, and placing this sum in brackets on Schedule B, line 2, column 4.

The allocation shall be accomplished by dividing the total allowable clinical support costs (Schedule B, line 2, column 4) by the total of Schedule B, column 1, less the information on lines 1, 2, and on any line(s) designated as "pass-through". This shall produce a "factor" which shall be entered in the space at the top of column #4 and which shall then be multiplied against each amount listed in Schedule B, column 1, except for those lines omitted above, with the product of each of those multiplications being placed on the corresponding line in Schedule

SCHEDULE B: TOTAL ALLOWABLE EXPENSES

B, column 4, so that the total of column 4 will equal zero (0).

Column #5 - Total Allowable Expenses - Add the information from columns 1 through 4 for each cost center.

SPECIAL NOTE: Line numbers above 88 have been left blank intentionally. Each cost report preparer shall be provided a list of the DMH-MRS grant or expense reimbursement projects and "pass-through" funds by the Division of Administration and Financial Management, Department for Mental Health and Mental Retardation Services, on or about the beginning of each year. This list shall be updated by DMH-MRS, as additional projects are developed.

The cost report preparer shall use the DMH-MRS list in completing the "Blank" sections of the cost report, manually numbering the necessary lines consecutively beginning again with line number 89 and titling the grant or expense reimbursement cost centers exactly as they appear on the DMH-MRS list.

SCHEDULE C: ADJUSTMENTS TO COST

304. Schedule C shall be to recognize those items of a provider's cost which shall not be reimbursable by the Cabinet and to summarize them by service cost center for subsequent adjustment on Schedule B.

The column descriptions indicate the more common activities which require adjustment. Types of items to be entered on Schedule C include: (1) those needed to adjust cost to reflect actual expenses incurred; (2) those items which constitute recovery of expenses; (3) those items specifically addressed in the Principles of Reimbursement (see: Part II of this manual); (4) those items specifically addressed by contract(s); and (5) those required to comply with applicable federal and state laws or regulations.

Instructions:

Column #1 - Out-of-State Travel - Enter in this column those expenses which shall be considered to be non-reimbursable based on Section 201(B)(11) of this Manual.

Column #2 - Bad Debts - Enter in this column those expenses which shall be considered to be non-reimbursable based on Section 208 of this Manual.

Column #3 - Interest - Enter in this column those expenses which shall be considered to be non-reimbursable based on Section 207 of this Manual.

Column #4 - Management Vehicles - Enter in this column those expenses

SCHEDULE C: ADJUSTMENTS TO COST

which shall be considered to be non-reimbursable based on Section 201(B)(13) of this Manual.

Column #5 - Program Income - Enter in this column those revenues which shall be off-set against expenses based on Section 201(B)(15) of this Manual.

Column #6 - Restricted Donations - Enter in this column those grants or gifts which have been donor restricted (See: Section 211 of this Manual).

Column #7 - Other Non-Allowables - Self-Explanatory.

Column #8 - Total - Add the information from columns 1 through 7 for each cost center; and forward this sum to Schedule B, column 2 for each respective cost center.

SCHEDULE D: TOTAL UNITS OF SERVICE

305: Schedule D shall be to serve as the initial entry point for the units of service statistical information into the Annual Cost Report. With the exception of those services provided through sub-contractors, the units of service placed on Schedule D shall reflect the total number of services provided by the provider. In the case of sub-contractors, only the number of services purchased shall be placed on Schedule D.

Instructions:

Column #1 - Title XIX - Enter in this column those units of service which were provided under the Medicaid Community Mental Health Center Program and the Medicaid Targeted Case Management Program for Children and Adults administered by the Department for Medicaid Services.

Column #2 - AIS-MR - Enter in this column those units of service which were provided under the Medicaid Waiver Program of Alternative Intermediate Services-Mental Retardation administered by the Department for Medicaid Services.

Column #3 - DMH-MRS - Enter in this column only those units of service which were billed to the Department for Mental Health and Mental Retardation Services.

Column #4 - Others - Enter in this column those units of service which have been provided for all payors that have not been previously

SCHEDULE D: TOTAL UNITS OF SERVICE

reported in either columns 1, 2 or 3.

Column #5 - Total - Add the information from columns 1 through 4 for each
fee for service cost center.

SCHEDULE E: TITLE XIX AND AIS-MR: COST PER SERVICE

306. Schedule E shall be: (1) to adjust DMS expenses to reflect certain "high intensity" AIS-MR client costs; and (2) to calculate the cost per service for each of the prescribed fee-for-service cost centers.

Instructions.

Column #1 - Total DMS Cost (Apportioned) - Enter in this column the total DMS apportioned cost from Schedule E-1, column 5, for each respective cost center.

Column #2 - Allowable AIS-MR High Intensity Client Costs - Enter in this column, the amount of any "Special Needs" costs which shall have been incurred by the provider and approved for ancillary payment by the DMS.

Column #3 - Total DMS Allowable Expenses - Subtract the information in column 2 from that in column 1 for each fee-for-service cost center.

Column #4 - Total DMS Units of Service - Add the information on Schedule D, column 1 to that on Schedule D, column 2 and place the sum in column 4 for each cost center.

Column #5 - Cost per Unit of Service - Divide the allowable expenses shown in column 3 by the units of service shown in column 4 and place the resulting product in column 5 for each cost center.

SCHEDULE E-1: TITLE XIX AND AIS-MR: APPORTIONMENT

307. Schedule E-1 shall be to apportion the total allowable expenses reported on Schedule B, column 5 in order to identify the allowable expenses associated with Title XIX and AIS-MR Services.

Instructions:

Column #1 - DMS Units of Service - Enter in this column, those units of service contained on Schedule D, column 1 for each Title XIX service and those units of service contained on Schedule D, column 2 for each AIS-MR service.

Column #2 - Total Units - Enter in this column the total units of service for each respective cost center from Schedule D, column 5.

Column #3 - DMS% - Divide column 1 by column 2 for each cost center, and place the product of each calculation in column 3.

Column #4 - Total Allowable Cost - Enter in this column, the total allowable cost for each respective cost center from Schedule B, column 5.

Column #5 - DMS Cost Apportioned - Multiply the total allowable cost in column 4 by the DMS percentage in column 3 and place the product in column 5. NOTE: This information shall be forwarded to Schedule E, column 1.

SCHEDULE F: DMH-MRS: COST PER SERVICE

308. Schedule F shall be: (1) to adjust DMH-MRS expenses to reflect uncollectible third party receivables associated with services which shall have been billed to DMH-MRS; and (2) to calculate the cost per unit of service for each of the prescribed fee-for-service cost centers.

Instructions:

Column #1 - Total DMH-MRS Cost (Apportioned) - Enter in this column the total DMH-MRS apportioned cost from Schedule F-1, column 5, for each respective cost center.

Column #2 - DMH-MRS Adjustments - Enter in this column the amount of all adjustments from Schedule F-2.

Column #3 - Total DMH-MRS Allowable Expenses - Add the information from column 1 to that from column 2 for each fee-for-service cost center.

Column #4 - Total DMH-MRS Units of Service - Enter the information from Schedule D, column 3 into column 4 for each cost center.

Column #5 - Cost per Unit of Service - Divide the allowable expenses shown in column 3 by the units of service shown in column 4 and place the resulting product in column 5 for each cost center.

SCHEDULE F-1: DMH-MRS APPORTIONMENT

309. Schedule F-1 shall be to apportion the total allowable expenses reported on Schedule B, column 5 in order to identify the allowable expenses associated with DMH-MRS services.

Instructions:

Column #1 - DMH-MRS Units of Service - Enter in this column, those units of service contained on Schedule D, column 3 for each cost center.

Column #2 - Total Units - Enter in this column the total units of service for each respective cost center from Schedule D, column 5.

Column #3 - DMH-MRS% - Divide column 1 by column 2 for each cost center, and place the product of each calculation in column 3.

Column #4 - Total Allowable Cost - Enter in this column, the total allowable cost for each respective cost center from Schedule B, column 5.

Column #5 - DMH-MRS Cost Apportioned - Multiply the total allowable cost in column 4 by the DMH-MRS% in column 3 and place the product in column

5. NOTE: This information shall be forwarded to Schedule F, column 1.

SCHEDULE F-2: DMH-MRS ADJUSTMENTS

310. Schedule F-2 shall be to provide for those adjustments which may be necessary to properly identify allowable expenses which may have been associated solely with DMH-MRS funding. Adjustments shall be limited to uncollectible third party receivables associated with services which shall have been billed to DMH-MRS.

Instructions:

Line # - This column shall be for the cost report preparer to manually number each line of information consecutively for as many lines of information as shall be necessary.

Services-Explanation - (Column 1) - Enter in this column, the title of those services which shall be affected by the adjustment and then, immediately below the services, provide sufficient explanation of the purpose of the adjustment and the basis which was used for any allocations.

WP Ref - (Column 2) - This column shall be available for the cost report preparer to manually cross-reference (index) workpapers which he or she shall have developed to explain all adjustments.

Schedule F - Line # - (Column 3) - This column refers to the line numbers of Schedule F Column 2, into which an adjustment shall be forwarded.

Increase-(Decrease) - (Columns 4 & 5) - These columns shall contain the amount of the adjustment relating to each service.

SCHEDULE Z: STATEMENT OF COSTS OF SERVICES
FROM RELATED ORGANIZATIONS

311. (A) Schedule Z Section A shall be completed by all providers to show whether any of the costs to be reimbursed by the Cabinet include any transactions for services, facilities, and supplies furnished to the provider by organizations related to the provider by common ownership or control.
- (B) Section B shall be completed by all providers to show the total compensation paid for the period to corporate officers. Compensation shall be defined as the total benefit received (or receivable) for the services rendered to the institution. It shall include salary paid for managerial, administrative, professional and other services; amounts paid by the agency for the personal benefit of corporate officers; and the cost of the assets and services which corporate officers receive from the agency and deferred compensation. List each administrator or assistant administrator who has been employed during the fiscal period. List the name, title, percent of customary work week devoted to business, percent of the fiscal period employed, and total compensation for the period.
- (C) Section C - Certification by Officer or Director of the

SCHEDULE Z: STATEMENT OF COSTS OF SERVICES
FROM RELATED ORGANIZATIONS

Agency. This form shall be read and signed by an officer or director of the provider. Penalties may apply as stated in 42 USC Section 1320a-7b(a): Criminal penalties for acts involving Medicare or State health care programs.