

Introduction

NYS DEPARTMENT OF HEALTH INSTRUCTIONS PERSONAL CARE PROVIDER COST REPORT

Agencies are reminded that all underlying books, records and documentation, which form the basis of these reports must be maintained by the provider for a period of time not less than six years from the date of filing or the date upon which the fiscal and statistical records were to be filed, whichever is the later date.

Before you begin, please read these instructions carefully. Your cooperation in attending to the following will help facilitate the process:

- Enter all amounts in whole dollars. All amounts of 50 cents or more should be rounded up to the nearest dollar.
- Enter statistics in whole numbers. All statistics of one half hour or more should be rounded up to the nearest hour.

The forms listed below must be completed by the provider based on actual costs and certified by the owner of a proprietary agency, an officer of a voluntary agency or the public official responsible for the operation of the public personal care program. All agencies must also file an independent Certified Public Accountant's opinion and balance sheet with this cost report.

Rates will be set for the following services only:

1. Personal Care Level I - all inclusive, 1 hour rate and 1/4 hour rate
2. Personal Care Level II - all inclusive, 1 hour rate, 1/4 hour rate
3. Personal Care Level II - Hard to Serve, all-inclusive, 1 hour rate, 1/4 hour rate
4. Personal Care Level I, 2 or more clients – all-inclusive, 1 hour rate and 1/4 hour rate

5. Personal Care Level II, 2 or more clients – all-inclusive 1 hour rate, 1/4 hour rate
6. Personal Care Level II, Hard to Serve 2 or more clients, all-inclusive 1-hour rate, 1/4 hour rate

7. Shared Aide Level I, All inclusive - DOH approval required 1 hour rate and 1/4 hour rate
8. Shared Aide Level II, All-inclusive - DOH approval required 1 hour rate and 1/4 hour rate
9. Live-in - All inclusive, 1 Client
10. Live-in - All-inclusive, 2 or more clients
11. Nursing Supervision Visit - LDSS contract required

12. Nursing Assessment Visit - LDSS contract required
13. Consumer Directed, all-inclusive, 1 hour, 1 client
14. Consumer Directed, all-inclusive, 1 hour, 2 clients

15. Consumer Directed, all-inclusive, enhanced, 1 hour, 1 client

16. Consumer Directed, all-inclusive, enhanced, 1 hour, 2 clients

17. Consumer Directed Live-In, 1 client

18. Consumer Directed Live-In, 2 or more clients

No exceptions to the stipulated rate codes will be granted.

Forms

Part I - GENERAL INFORMATION

Part II - STATISTICS

SCHEDULE A - STATEMENT OF OPERATING EXPENSES

SCHEDULE B - SUMMARY OF COSTS AND CALCULATION OF PERSONAL CARE COSTS

SCHEDULE C - STATEMENT OF BUDGETED OPERATING EXPENSES (if applicable)

SCHEDULE D - BALANCE SHEET

SCHEDULE E - CERTIFICATION OF CHIEF EXECUTIVE OFFICER

SCHEDULE F - REPORT OF INDEPENDENT ACCOUNTANTS

General accepted accounting principles are to be used in completing this financial statement. The accrual basis of accounting is required for all agencies for 1992 and beyond. The straight - line method of computing depreciation (use charges) on owned property, plant and equipment is required in conformity with the useful lives stated in the latest edition of the "American Hospital Association Estimated Useful Lives of Depreciable Hospital Assets", latest edition.

INSTRUCTIONS

A separate cost report must be filed for **each county** that you will contract with for the rate year.

Part I - General Information

· Complete this part as it pertains to your agency.

· Agency Information:

Column 0, Line 98 – Rate add-on calculated in accordance with Chapter 1 of the Laws of 2002,
which added Section 367-q of the Social Services Law.

· Public Fee schedule:

Column 2 – State the dollar amount for each service level utilizing the most currently available public fee information.

Column 5 – State the date that the charge became effective for each service level.

Column 0, Line 0105- Report Total Cost of Non-Reimbursable NYS Gross Receipt Assessment. Indicate on Schedule A 00202 Line 0440 this Non- Reimbursable amount.

Part 1 - General Reimbursement Information

Line 0001 - Worker Recruitment and Retention Revenue. Report all revenue accrued from the rate add-on calculated in accordance with Chapter 1 of the Laws of 2002 which added Section 367-q of the Social Services Law.

Lines 0002 through 00012 – Allowable costs shall not include the expenses funded by the Worker Recruitment and Retention add-on Revenue. Identify amounts offset on Schedule A. For any entry on lines 8 through 12, provide a description and the line number location on Schedule A.

See Schedule A instructions for additional information.

Part II - Statistics

Use Part II Statistics to enter the actual report year services hours/visits/days for each of the levels shown on the chart for this county. Enter a Letter A in column 4 to indicate the reporting of actual report year statistics. Medicaid statistics should be entered in the 1st column titled Medicaid.

Enter all other personal care hours for this county in the "All Other" column. This includes services as defined in New York State Department of Health Regulations as personal care services provided to clients of Managed Long Term programs, NYS Long Term Home Health Care programs, NYS Office of the Aging, all other third party payers and private pay clients (do not include companion services). Costs associated with actual statistics appear on Schedule A- Statement of Operating Expenses.

If you have no actual expenses in the county or you expect to add a new service level in the rate year in the county, use Part II to enter the estimated statistics for the rate year. Enter a letter "B" in column 4 to indicate the report will be used with the budgeted costs appearing on Schedule C – Statement of Budgeted Operating Expenses.

The statistics reported in Part II will be used with Schedule B - "Summary of Costs and Calculation of Personal Care Costs".

Schedule A & C

SCHEDULE A - STATEMENT OF OPERATING EXPENSES SCHEDULE C - STATEMENT OF BUDGETED OPERATING EXPENSES

Schedules A and C detail the cost centers and line item expenditures. Provider agencies who had more than one county contract in the report year regardless of MMIS ID number must submit a separate Schedule A for each county where they provided service in the report year. If you do not have a calendar year of experience in a county or you plan to add a new service level such as shared aide in the rate year complete a separate Schedule C with budget projections for that county.

Column 1 -Total All Agency Costs: The total costs for operating this agency within this county. Includes both Medicaid and non-Medicaid costs if applicable for all programs operated by this agency. Column 2 plus Column 3 will equal the amount in this column.

Column 2 - Adjustments to Agency Costs: Include in this column the reconciliation of interest offsets and recoveries of expense and non-allowable costs, which have been deducted in Columns 4-9. To be considered as allowable in determining reimbursement rates, costs shall be properly chargeable to necessary patient care. Allowable costs shall be determined by the application of the principles of reimbursement developed for determining payments under Title XVIII of the Federal Social Security Act (Medicare) program. Items to be considered in determining the adjustments in Columns 4-9 include, but are not limited to, the following:

(a) Allowable costs shall include a monetary value assigned to services provided by religious orders and for services rendered by an owner or an operator of a personal care agency.

(b) Allowable costs shall not include amounts in excess of reasonable or maximum title XVIII of the Federal Social Security Act (Medicare) costs or in excess of customary charges to the general public. This provision shall not apply to services furnished by public providers free of charge or at a nominal fee.

(c) Allowable costs shall not include expenses or portions of expenses reported by individual personal care agencies which are determined by the commissioner not to be reasonable related to the efficient production of personal care services because of either the nature or the amount of the particular item.

(d) Allowable costs shall not include costs not properly related to patient care or treatment which principally afford diversion, entertainment or amusement to owners, operators or employees of agencies.

(e) Allowable costs shall not include any interest charged related to rate determination or penalty imposed by governmental agencies or courts, and the costs of policies obtained solely to insure against the imposition of such a penalty.

(f) Allowable costs shall not include costs of contributions or other payments to political parties, candidates or organizations.

(g) Allowable costs shall include only that portion of the dues paid to any professional association which has been demonstrated, to the satisfaction of the commissioner, to be allocable to expenditures other than for public relations advertising or political contributions.

(h) For costs incurred on or after January 1, 1992, allowable costs shall not include the interest paid to a lender related through control, ownership, affiliation, or personal relationship to the borrower, except in instances where the approval of the Commissioner of Health has been obtained.

(i) Allowable costs shall be reduced by income earned for Medicare Part B eligible services.

(j) Allowable costs shall include those costs allocated to the personal care agency from a related organization to the extent that:

1. Those costs are reasonably related to the efficient production of personal care services; and
2. The base of allocation of such costs are consistent with regulations applicable to the cost reporting of the related organization.

Allowable costs shall not include the expenses which were required to be funded from the Accessibility Quality and Efficiency revenue received through the rate-add-on calculated in accordance with section 3614.11 of the Public Health Law.

Offsets for worker recruitment expenses should be reflected in the appropriate expenditure account on Schedule A, as determined from the "Chart of Accounts and Definition of Expenditures" below.

(k) Allowable costs shall not include the expenses which were required to be funded from the Worker Recruitment and Retention Revenue received through the rate add-on calculated in accordance with Chapter 1 of the Laws of 2002, which added Section 367-q of the Social Services Law.

Offsets for Worker Recruitment and Retention expenses should be reflected in the appropriate expenditure account on Schedule A, as determined from the "Chart of Accounts and Definition of Expenditures" below.

(l) Amounts for Non-Reimbursable NYS Gross Receipts Assessments should be reflected as adjustments on Schedule A column 00202 Line 0440 to correspond to the amount reported on Part I General Information page Column 00000 Line 0105.

Net all adjustments from Columns 4 - 9.

Column 3 - Total All Allowable Agency Costs Adjusted: Sum of Columns 4 + 5.

Column 4 -Total All Non Personal Care Program Costs: Report the total costs for operating all programs except the personal care program. Report both Medicaid and Non- Medicaid costs for these programs.

Column 5 - Personal Care Program Costs: The total costs for operating the Personal Care Program. Includes all costs Medicaid and Non- Medicaid. This includes services provided to clients of Managed Long Term Care plans, the Long Term Home Health Care Program, the New York State Office for the Aging, all other third party payers and private pay clients who received personal care level services as defined in the regulations of the New York State Department of Health. Do not include companion services in this column. Columns 6 -9 will total this column.

Column 6 -Personal Care Program Administration: Report expenditures for general administrative salaries, other direct administrative costs and general costs. Also recorded here should be the proportional expenditures for administrative services of professional staff (i.e. nurses) who spend less than 100 percent of their time performing administrative services that apply to the total personal care program. Included in this cost center are the expenditures for administrative supervision of aides.

Column 7 - Personal Care Program Aide (Direct Care): Report expenditures exclusively charged to direct provision of personal care services by personal care aides. **DO NOT** include nursing supervision or nursing assessment expenditures in this column.

Column 8 - Personal Care Program RN Supervision/Assessments: Report expenditures exclusively charged to nursing supervision; nursing assessment. **DO NOT** include the mandated administrative supervision of the Aide in this column.

Column 9 - Personal Care Program Staff Training: Report expenditures associated with the training of staff who provide direct care to clients.

Column 10 - Allocation Basis - Any expenditures which cannot be directly charged to a specific cost center must be allocated to all centers which benefit from the expenditure. The four acceptable methods for allocating expenditures which cannot be directly charged are:

- I Hours of Service
- II Total Operating Expenses
- III Square Feet Occupied
- IV Time Study

Revenue allocation may not be used as a basis for allocation. Complete this column only when the expenditure cannot be directly charged to a single cost center. Complete by stating the Roman Numeral(s) of the method(s) used for allocation in column 10.

Chart of Accounts and Definition of Expenditures

Personal Expenses

01 Personnel Services: Enter all taxable and non-taxable salaries and wages paid or accrued to employees on the agency payroll.

Include "Tax Shelter" annuity premiums paid by the agency for employees participating in the program. Also include severance pay to regular employees. Credit this account with Worker's Compensation awards, jury duty fees and disability claims received.

Do not include consultant fees, donated services, or the wages paid to agency personnel who are paid by a source other than the agency. Account 01 is separated into five sub-accounts or classifications. A brief description of each sub-component and a partial list of job titles for each of these sub-accounts follows. Employees who spend the majority of their time working in one of the five classifications should be reported in that classification.

A. Owner/Operator: Total compensation includes salaries (paid or imputed) for services actually performed and required to be performed by the person(s) who is legally responsible for the operation of the agency.

B. Other Administrative:

Persons whose primary function is the general management and daily administration and operation of the agency in accordance with applicable rules and regulations of the State Department of Health and all other applicable requirements of law and of the policies of the governing board.

Examples of administrative job titles:

Assistant Executive
Director of Personnel
Assistant Director
Director of Purchasing
Assistant Administrator
Financial Director
Controller
Associate Director
Accountant
Co-Administrator
Business Manager
Director of Division
Office Manager, Clerical Supervisor
Chief Executive
Bookkeeper
Executive Director
Statistician
Statistical Analyst
Administrator
Business Machine Operator
Program Director
Clerk
Office Worker
Assistant to Executive
Receptionist
Assistant to Co-Administrator
Stenographer
Typist
Assistant to Director
Telephone Operator
Executive Assistant
Messenger
Vice President of Nursing
MIS Director
Vice President of Operations
Secretaries
Coordinator

C. Nurses: Salary expenditures for the services of registered nurses.

D. Persons Providing Personal Care Services: Salary expenditures for the services of personal care aides.

E. Other: Salary expenditures for other persons employed by the agency.

F. Personal Services - Contracted/Purchased Services: Include only the costs of services provided to patients by other agencies or individuals who are not employees of the Agency. Costs associated with services provided by contractors on behalf of the Agency are to be included here.

Do not include services such as cleaning, bookkeeping, administrative computer services and other services not related to direct patient care. Include these costs on line 03.

02. Fringe Benefits and Payroll Taxes

A. Social Security: Employer portion of FICA taxes.

B. Insurance--Life/Health: Agency cost of life, dental, and health insurance premiums.

C. Pension and Retirement: Agency cost of employee retirement benefit plan.

D. Worker's Compensation/U.I.B./Disability- Agency cost of Worker's Compensation, Unemployment Insurance Benefits and N.Y.S. Disability premiums. Offset credits for premium refunds and employee contributions.

E. Employee Physicals- Agency cost of employee physicals.

F. Vacation Accrual- Accrued vacation expense.

G. Other

Non-Personnel Expenses

Definition- All items in this section deal largely with non- personnel expenses. Please be sure to maintain this distinction from Wages and Salaries listed above.

03 Purchased Services- Expenditures for services provided by agencies or individuals who are not employees of the Agency, such as cleaning, bookkeeping, administration or computer services. Do not include audit, legal and advisory fees.

04 Postage- Expenditures for postage stamps, postage meter rentals and mailing permits.

05 Recruitment and Advertising- Allowable costs shall include costs of advertising, public relations or promotion where the advertising, public relations or promotion is specifically related to the operation of the personal care program and is not for the purpose of attracting patients. Advertising for attracting patients should be recorded as a non-allowable expense.

06 Office Supplies and Printing- Expenditures for consumable office supplies such as pencils/pens, folders, note pads, and the printing of office forms, letterhead and envelopes.

07 Equipment and Furnishings- In this category report the acquisition cost, freight, delivery and installation charges of minor equipment and furnishings, such as typewriters, adding machines, chairs, tables. Minor equipment and furnishings are defined as costing less than \$1000. Individual items costing \$1000 or more are to be capitalized and the resultant depreciation charged to Account 23. This account is restricted to items necessary for the operation of the provider agency's facility.

08 Uniforms- Expenditures for uniforms purchased for staff.

09 Utilities- Expenditures for items such as gas, electricity, fuel and water necessary for the operation of the provider agency's facility.

10 Telephone- Include in this category regular billings from the local telephone companies, answering services, fax machines, etc. Include the cost for installation of the telephone system if the expenditure is reported in Account 23.

11 Insurance- Include in this category insurance costs including liability, fire and theft, burglary, plate glass, automobile, etc. Credit this account with any dividends, refunds, and rebates received from insurance carriers or agents. Insurance relating to employees' benefits should be entered in Account 02B.

12 Rent-Building - Rental charges as specified in the lease agreement are to be reported in this account.

13 Rent-Equipment and Furnishings - Include in this category all rental costs, including installation charges, if any, of leased equipment or furnishings, such as desks, chairs, computers, and copier machines. This account is restricted to items that are necessary for operating the provider agency.

14 Rent-Vehicles- Include in this category rental costs of agency vehicles used in the provision of personal care services. Include any service or maintenance expenses if they are part of the rental/lease agreement.

15 Travel-Administrative- Expenditures for travel expenses incurred for administrative purposes only.

16 Transportation- Expenditures incurred providing transportation for personal care aides, or nurses providing supervision/assessment. Include both mileage payments and public transportation costs. If charges are included in this category you must complete # 6 in Part-1 of the General Information.

17 Repairs and Maintenance-Plant- Include in this category all costs of maintenance and repairs to the provider agency's facility. Expenditures for repairs costing \$1000 or more, which prolong the useful life of an asset, increase its value, or adapt it to a different use shall be capitalized with the allowable depreciation and reported in Account 22.

18 Repairs and Maintenance-Equipment and Furnishings- Include in this category all expenditures for maintenance and repairs to agency equipment and furnishings, including stationary and movable equipment and furnishings. Expenditures for repairs that extend the useful life of the equipment and furnishings and cost \$1000 or more shall be capitalized with the allowable depreciation reported in Account 23. This account is restricted to items necessary to the operation of the provider agency facility.

19 Repairs and Maintenance-Vehicles- Include in this category all agency vehicles used for the direct provision of personal care services. If an agency rents its vehicles, only include those repairs and maintenance expenses not covered by the rental/lease agreement in this account.

20 Audit, Legal and Advisory Fees- Include in this category the cost of audit and legal services and advisory fees.

21 Interest- Interest expense is allowable and should be included in this category if the interest rate is not in excess of the amount a prudent borrower would pay at the time that the loan was incurred. It is to be reported in the two subcategories listed below:

A. Property- Interest expense on bank loans, bonds, mortgages, or similar instruments is allowable if such expense was incurred to finance the purchase of fixed assets, major equipment, furnishings, or vehicles for providing personal care services.

B. Operations- Interest expense incurred to solve cash flow problems are allowable to the extent that the proceeds were used to benefit the personal care program. The operational interest expense is to be offset by any interest income generated by the agency's investment portfolio, including board-restricted funds.

22 Depreciation-Plant- An allowance for depreciation of buildings based on accepted accounting principles using the original acquisition cost or donated value, if title is held by the provider agency. The straight line method should be used in conformity with the useful lives stated in "American Hospital Association Estimated Useful Lives of Depreciable Hospital Assets" latest edition.

23 Depreciation-Equipment and Furnishings- An allowance for depreciation of equipment and furnishings using the same guidelines as stated above for buildings.

24 Depreciation-Vehicles- An allowance for depreciation of vehicles using the same guidelines as stated above for buildings.

25 Taxes- Water, school, property and other taxes paid by the agency. Include the New York State Corporation franchise tax. Not for profit agencies must apply for tax-exempt status for property taxes. If an agency does not apply for tax-exempt status for property taxes, these taxes are not allowable. Generally, property taxes will be considered allowable the first year a building is obtained by an agency or when a lease agreement specifies that the agency is responsible for the payment of such taxes.

Payments for Federal, State, or City income taxes are not allowable. Payments in lieu of taxes are not allowable and must be reported in the non-allowable cost center. Payment for the mandated Health Facility Assessment should be reported in the non-allowable cost center.

26 Home Office Charges- Report the cost of support services provided by the agency's parent organizations. Examples are clerical staff, supplies, duplication services, technical consultants, bookkeeping services, etc.

Charges from parent organizations are allowable only if they are reasonable and charged to all related agencies on the same basis. This line is not to be used where a franchise relationship exists. Use Line 30 - Franchise Fees for amounts paid to Franchiser.

27 Professional Dues/Fees- Include in this category the portion of costs of memberships in national or local industry organizations that is not allocated to public relations.

28 Subscriptions/Publications- Report the cost of books, periodicals, magazines, newspapers, etc. related to personal care.

29 Conference Expense- Include in this category the cost of outside conferences related to agency business. Include registration fees, transportation, lodging and meals.

30 Franchise Fee- Report franchise fee paid if applicable.

31 Bank Charges- Report bank charges such as checking account fees.

32 Criminal Checks/Finger Printing- Report charges for criminal checks and finger printing.

33 Other

Schedule B - Summary of Costs and Calculations

This schedule summarizes the total operating expenses and/or budgeted operating expenses from Schedules A and/or C and provides for the allocation of Administrative, Aide, RN Supervision/Assessment and staff training components to each service level. It also provides the total cost per unit of service (hour/visit/day) for each service level.

Service levels are listed in Column 1. Please note that rates will be promulgated for each of the levels to which expenses are allocated. Formula derived rates will also be promulgated for the following services:

15 Minutes for: 2 or More Clients

Level I Level I - 1 hr and 1/4 hr

Level II Level II - 1 hr and 1/4 hr

Hard to Serve Hard to Serve - 1 hr and 1/4 hr

Shared Aide I Live-in - daily

Shared Aide II Consumer Directed – 1hr

Consumer Directed Enhanced – 1hr

Consumer Directed Live-In - daily

To complete this schedule, follow the instructions listed here. Schedule A and C (if applicable) must be completed as well as Part II - Statistics before completing this schedule.

1. Allocate the Personal Care expenses for Administration, Aide or RN Supervision/Assessment and staff training to each applicable service level.
2. Indicate in Column 2 on which Schedule A or C the expenses for each service level appears.

Schedule C

Use Schedule C to enter the estimated rate year costs for agencies with no actual report year experience in a county or for agencies who expect to add a new service level in the rate year, such as shared aide, and who have report year actual experience in other levels reported on Schedule A. Statistics associated with Schedule C should have the letter B for budget entered in Column 4 of Part II – Statistics.

Use Schedule A instructions.

Schedule D - Balance Sheet

Balance sheets must be submitted by voluntary and proprietary agencies. A composite Balance Sheet may be submitted for each corporate or business entity operating as a personal care agency. (Balance Sheets are not required by county.) Governmental agencies are not required to complete Schedule D - Balance Sheet. Use generally accepted accounting principles to complete this schedule.

Schedule E - Certification of CEO

This must be electronically signed through the Health Commerce System (HCS) by the owner of a proprietary agency, an officer of a voluntary agency, or the public official responsible for the operation of the public personal care program.

Schedule F - Report of Independent Accountants

This must be electronically signed through the Health Commerce System (HCS) by the certified public accountant and it must be submitted for all agencies that have actual costs and statistics reported on Schedule A and Part II, respectively. Voluntary, Proprietary and Public-Governmental agencies are required to complete Schedule F.

