

STATE OF MAINE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
INSTRUCTIONS FOR COMPLETING THE COST REPORT
FOR PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES

All Psychiatric Residential Treatment Facilities (PRTF's) in the State of Maine are required to submit an annual cost report within five (5) months of the end of each fiscal year to the State of Maine Department of Health and Human Services, Division of Audit. Please email the completed cost reports in .xlsx format, along with the required supporting documents to DHHS.Audit@maine.gov. If you do not have access to email, please mail the information to the State of Maine DHHS, Division of Audit, 11 State House Station, Augusta, ME, 04333. These instructions are intended to offer guidance in completing the cost report for a PRTF. These instructions are not intended to offer interpretation or clarification of the Principles of Reimbursement for PRTF Services (10-144 Chapter 101 MaineCare Benefits Manual (MBM), Chapter III, Section 107). **If any conflict arises out of the interpretation of these instructions versus the interpretation of the Principles of Reimbursement, the Principles of Reimbursement will take precedence.**

The annual cost report must be completed and filed on forms prescribed by the Division of Audit. These forms will not be acceptable if they are changed in any way without prior approval by the Department or if they are not completed in accordance with these instructions. The Principles of Reimbursement in effect during the fiscal year of the cost report will determine allowable cost. All schedules must be filled out completely and legibly in accordance with these instructions. Failure to complete all forms could result in an unacceptable cost report.

A copy of the provider's financial statements must be submitted with the cost report, along with a copy of the financial statements of any related real estate entity or any other type of related organization involved in transactions with the facility.

Index of Cost Report Schedules

General Info	Cost Report/Facility/Ownership Information
Attestation	Certification by Officer or Administrator of Provider
Schedule A	Calculation of Final R&B Settlement for a Psychiatric Residential Treatment Facility
Schedule B	Calculation of Allowable Room & Board Rate
Schedule C	Schedule of Allowable Costs
Schedule D	Explanation of Adjustments to Schedule C
Schedule E	Schedule C / Trial Balance Reconciliation
Schedule F	Room & Board State Occupied & Leave Days, Payments, & Total Days
Schedule G	Payroll Distribution – Salaries & Wages
Schedule H	Payroll Distribution – Payroll Taxes & Benefits
Schedule I	Reconciliation of Payroll Wages and Taxes

Specific Instructions

The following includes specific instructions for each cost report schedule in the order that they appear in the cost report. It is important to note that this is not necessarily the order in which the forms should be completed. **In general, cells highlighted in blue contain formulas. The formulas in these cells should not be altered. A cell that is highlighted in yellow indicates that the cost report preparer must enter that information manually into that particular cell.**

General Info – Cost Report/Facility/Ownership Information

This section of the cost report provides general information about the provider and the operating period.

In Part I, enter the Facility Name, Facility Address, a Contact Name, Telephone Number, Email Address, the facility's 10-digit NPI+3 ID used for Medicaid billing, the Number of Licensed Beds, Cost Report Status (as-filed or revised), the Fiscal Year Begin date, and the Fiscal Year End date.

In Part II, enter the name of the facility's Corporation or Central Office, Corporate Address, Telephone Number, and Email Address. Select the Ownership Type from the dropdown list. List the names of all owners/corporate officers and provide their title and number of shares or percentage of ownership.

In Part III, enter the name of the Accounting Firm providing accounting services to the facility, the Firm's address, Telephone Number, and Email Address.

In Part IV, list the names for all persons whom served as the facility's administrator during the fiscal period, including from/to dates, and identify if the administrator served as an administrator at another facility.

In Part V, list the Business Name, Address, Type, Service Rendered, Property Leased, Product Supplied, Amount of Charges, Applicable Trial Balance Account, and the Actual Cost of the service, property, or product to the related organization with which the facility conducts business transactions.

In Part VI, list the names of all persons living in the facility who are not residents, and their reason for living in the facility. Also, identify any buildings on the grounds or areas within the facility that are not directly related to resident care, including a description of the building/area, the associated square footage, and the functional use of the building/area.

Attestation – Certification by Officer or Administrator of Provider

Print this form **after** completing all other cost report schedules. Ensure that the name of the facility and the reporting period are displayed correctly at the top of the form. Print the provider's name, license number and period beginning and end dates in the appropriate fields within the certification statement. Print the Preparer's Name, Accounting Firm, Telephone Number, the Officer's/Administrator's Name and Title, and the Date completed. Both the cost report preparer and Officer/Administrator must sign on the appropriate lines. This form bearing original signatures must be mailed to the State of Maine DHHS, Division of Audit, 11 State House Station, Augusta, Maine 04333-0011.

Schedule A – Calculation of Final R&B Settlement for a Psychiatric Residential Treatment Facility

Schedule A is used to calculate the final room and board settlement for a PRTF. No manual entry is required on this schedule.

Schedule B – Calculation of Allowable Room & Board Rate

Schedule B is used to calculate the allowable room and board rate for the PRTF. No manual entry is required on this schedule.

Schedule C – Schedule of Allowable Costs

The purpose of this schedule is to determine allowable costs. Expenses are entered from the provider's records, and then adjusted to the Principles of Reimbursement. The primary source for this schedule should be the trial balance of expenses that ties to the provider's financial statements. This trial balance is submitted with the cost report.

Columns 1 and 2:

In column 2 labeled "Expenses per Provider's Records", enter each amount from the facility's trial balance (T/B). The T/B expense should correspond with the Schedule C expense line that matches it the closest. Input each entry rounded to the nearest dollar. In column 1, enter the T/B account number corresponding to the expense in column 2.

If more than one T/B account is included on an expense line in column 2, document this on Schedule E and reference Schedule E in column 1. If one T/B account is allocated to more than one expense line in column 2, document this on Schedule E and reference Schedule E in column 1 for each applicable expense line.

Complete the Salaries & Wages expense lines with the amounts from Schedule G, column 2. Complete the expense lines for Payroll Taxes & Benefits with the amounts from Schedule H, column 7. Complete the expense lines for the Direct and Routine Workers' Compensation Insurance Expense amounts with the amounts from Schedule H, column 8, lines 12 and 20, respectively. In column 1, reference Schedule G for all the Salaries and Wages lines, and reference Schedule H for all the Payroll Taxes & Benefits and Workers Compensation lines.

Columns 3 and 4:

For any adjustment to the provider's expenses in column 2, the adjustment number is entered in column 3 and the amount of the adjustment is entered in column 4. For adjustments intended to reduce the amount of the expense, enter a minus sign (-) before the number. The negative number will be displayed in parentheses. The adjustments to the provider's expenses are explained on Schedule D.

Schedule D – Explanation of Adjustment to Schedule C

The purpose of this schedule is to explain the provider's adjustments on Schedule C. Each individual adjustment is assigned a number in column 1. In column 2, provide a brief description of the adjustment for each individual adjustment. In column 3, enter the amount associated with each adjustment. All adjustments on Schedule C must be included on Schedule D.

Schedule E – Schedule C / Trial Balance Reconciliation

The purpose of this schedule is to reconcile any line item on Schedule C that consists of more than one trial balance account or if one trial balance account is allocated to more than one line item on Schedule C.

Sch C

<u>Line #</u>	<u>Sch. C line Description</u>	<u>Amount</u>	<u>T/B Acct #</u>	<u>Acct. Description</u>	<u>Amount</u>
			6520	Plowing/Sanding	1,300
			6530	Rubbish Removal	<u>1,575</u>
21	Rubbish & Snow Removal	2,875			<u>2,875</u>
09	Direct Workers' Comp	6,650			
64	Routine Workers' Comp	<u>2,310</u>			
		<u>8,960</u>	9050	Workers' Comp Ins	8,960

Additional pages may be added if necessary.

Schedule F – Room & Board State Occupied & Leave Days, Payments, & Total Days

The purpose of this schedule is to report MaineCare room and board occupied and leave days and MaineCare payments received, as well as total room and board days for all payers.

Enter the appropriate year next to the corresponding month. In column 1, enter the State R&B occupied days billed. In column 2 enter the authorized R&B rate for each month from the rate letter. In column 3, enter the amount received per month in MaineCare reimbursement. In column 4, enter the State R&B leave days billed. In column 5, enter the payments received for leave days by month. In column 6, enter the number of all other non-MaineCare days for each month.

Schedule G – Payroll Distribution – Salaries & Wages

The purpose of this schedule is to identify the salaries and wages reported on Schedule C by position, and to identify the hours worked, worked wages and average rate of pay for each staff person.

In column 1, enter the actual hours worked for each staff position. This column must not include any benefit hours. In column 2, enter the actual worked wages paid for each staff position. This column must not include any benefit wages.

Schedule H – Payroll Distribution – Payroll Taxes & Benefits

The purpose of this schedule is to identify the payroll taxes, benefits, and workers' compensation for each staff position.

In columns 1 through 6 enter the applicable payroll taxes and benefits for each staff position. In column 8 enter any workers' compensation for each staff position.

The payroll taxes and benefits in column 7 are transferred to the appropriate lines in column 2 of Schedule C.

Schedule I – Reconciliation of Payroll Wages and Taxes

The purpose of this schedule is to reconcile the total payroll wages and taxes reported on the following Federal and State tax forms to the total payroll wages and taxes reported on Schedules G and H:

- Form 941: Employer's Quarterly Federal Tax Return
- Form 940: Employer's Annual Federal Unemployment Tax Return
- Form 941/C1-ME: Quarterly Combined Filing for Income Tax Withholding and Unemployment Contributions

List the quarters that are contained within the cost reporting period in column 1. There are six lines to list the quarter ending dates to account for facilities with unique year-ends such as May 31. Column 2 is for any tax-exempt wages paid during each quarter. Column 3 is for the total taxable wages paid during each quarter per Form 941. Column 4 is for the total FICA tax reported on Form 941 for each quarter.

Column 5 is for the Maine State unemployment (SUTA) taxable wages reported on Form 941/C1-ME for each quarter. Column 6 is for the SUTA tax paid for each quarter. Column 7 is for the Federal unemployment (FUTA) tax paid for each quarter per Form 940. Column 8 is for the employer's share of the FICA tax reported in column 4 for each quarter. Column 8 is calculated by dividing column 4 by 2. Column 9 is the sum of columns 6 through 8.

Line 7 is the sum of lines 1 through 6. Lines 8 through 16 are used to reconcile total payroll reported on the tax forms to total payroll reported on Schedule I. Line 8 is for the total tax-exempt wages reported in column 2. Line 9 is for any third-party disability wages not reported as wages in columns 2 or 3. On line 10, enter the prior year payroll accrual as a negative (-) amount. On line 11, enter the current year payroll accrual. On line 12, enter the prior year earned time accrual as a negative (-) amount. On line 13, enter the current year earned time accrual. Line 14 is the sum of column 3, lines 7 through 13. Line 15 is the total salaries and wages reported on Schedule G, line 24. If line 15 does not equal line 14, a variance is calculated on line 16. If a variance exists, explain the variance (see note).

On line 12b, enter the prior year payroll tax accrual. On line 13b, enter the current year payroll tax accrual. Line 14b is the sum of column 9, lines 7 through 13b. Line 15b is the total payroll taxes reported on Schedule H, column 1, line 22. If line 15b does not equal line 14b, enter the variance on line 16b and explain the variance (see note).

Note: An explanation that the variance is due to "other programs, entities, or cost centers" is not sufficient. If the variances on lines 16 and 16b are due to additional wages and taxes paid for other programs, entities, or cost centers reported on the 941s but not claimed on this cost report, the provider must include a supplemental schedule reconciling the total payroll and payroll taxes on lines 15 and 15b to the provider's consolidated financial statements.