Adult Care Cost Report Training

By Susan Kesler

Office of the Controller

Overview

I. Some Basics
So Why Are We Here?

* In Session Law 2016-94, section 12G.2 significant changes were made to the adult care home cost reporting requirements set forth in GS 131D-4.2.

  * Report now due every two years
  * Due date requirement taken out
  * Reporting date requirements taken out

I. Some Basics

* **Cost reports are due on odd numbered years: 2021, 2023, 2025, 2027 etc.**

* **The due date is September 30th of that odd number year**

* **Cost report should be based on facilities most recently closed fiscal/accounting year end**

* **For homes with 7 beds or more, Agreed Upon Procedures (AUPs) will be required whenever a cost report is due (2021, 2023, 2025 etc.)**

I. Some Basics

* **Yes, Mental Health homes under Chapter 122C with 6 beds or less are still required to file a cost report when it is due.**
  * **Not required to send audited reports**

* **Yes, combined Nursing Homes also still required to file a cost report when it is due**

* **IF facility <u>ONLY</u> provides PCS and <u>DOES NOT</u> receive any State/County Special Assistance funds, <u>an Exemption form still must be submitted!!!!!!!!</u>**

I. Some Basics

* **Family Care Homes, licensed as FCL-000-000, by the Division of Health Service Regulations <u>ARE NOT </u> required to do this cost report**

II. Chart of Accounts

* **Reporting Period**

    * **Nursing Homes – use the same reporting period as their most recently completed Medicare cost report.**

    * **All other homes – the most recently completed fiscal/accounting year end. A few examples:**
        * **Oct 1, 2019 through Sep 30, 2020**
        * **Jan 1 through Dec 31, 2020**
        * **Apr 1, 2020 through Mar 31, 2021**
        * **Jul 1, 2020 through Jun 30, 2021**

II. Chart of Accounts

* **Can be found on the DHHS Office of the Controller's web site.**

* **It contains all the line item expenses in the cost report and gives examples of the expenses that go on each line**

* **Homes with both HA and SCU beds need to capture revenue & expenses separately**
  * **Not required for nursing homes with both HA and SCU beds**

II. Chart of Accounts

* **For any employee working in more than one cost center (example dietary & housekeeping) a timesheet could be used. Or a percentage could be used to split out their time between both cost centers. Reminder salary, taxes and benefits would also need to be split between both cost centers.**

* **Need to keep up with contract hours too. Contract with a service to do housekeeping? How many hrs. of work did the contract cover?**

* **No change for PCS expenses, a one-line total on the Miscellaneous Line of the cost center is all that can be entered**
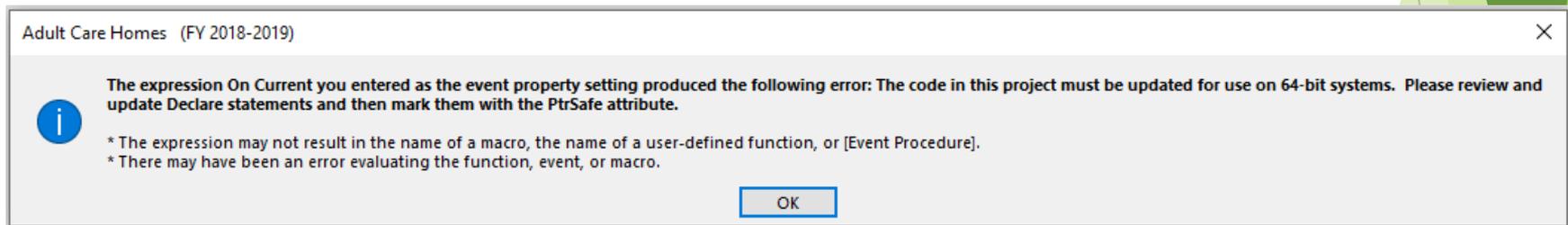
III. Cost Report Program

1. **Web based program has been delayed and is not available this year. Hopefully, it will be ready for the 2023 cost reporting cycle.**

2. **On the Office of the Controller's webpage**
   a) **www.ncdhhs.gov/about/administrative-offices/office-controller/adult-care-facilities**
   b) **Click '2020-2021 Cost Report-AUPs' link**
   c) **Save the 2 files on computer in: C:/Adultcare**

3. Please (please, please) print off a copy of the download instructions!! Detailed instructions with pictures are given

III. Cost Report Program

4. 64 verses 32 bit

a) *Cost report program was written using a 32 bit processor/software. It will use current versions of Microsoft Access but the program needs to be for a 32 bit.*

b) *If 64 bit software is on machine, when the cost report program is opened an error like this may pop up:*

Adult Care Homes (FY 2018-2019)   ✕

ⓘ   The expression On Current you entered as the event property setting produced the following error: The code in this project must be updated for use on 64-bit systems. Please review and update Declare statements and then mark them with the PtrSafe attribute.

* The expression may not result in the name of a macro, the name of a user-defined function, or [Event Procedure].
* There may have been an error evaluating the function, event, or macro.

[OK]

If you get this message, **stop and call** either Susan or Peyton!

III. Cost Report Program

4. 64 verses 32 bit – continued

There are two possible solutions:

- ➢ *Try downloading the 32 bit free runtime Access from Microsoft website and see if it will work… or*
- ➢ *Call to get pdf copies of schedules emailed, then handwrite or type information into schedules.*

5. For those with a full version of Microsoft Access (32 bit), please make sure to follow the additional instructions related to Security.

III. Cost Report Program

6. Need the free runtime, the link can be found on the website.

> *Use the one called – AccessRuntime_x86_en-us.exe*

Choose the download you want

File Name	Size
AccessRuntime_x64_en-us.exe	284.6 MB
AccessRuntime_x86_en-us.exe	212.3 MB

III. Cost Report Program

6. Free runtime - continued

> *When using the free runtime, nothing can be done concerning security as the security screen is not accessible. You will get a message similar to this every time the program is opened. Click open and continue*
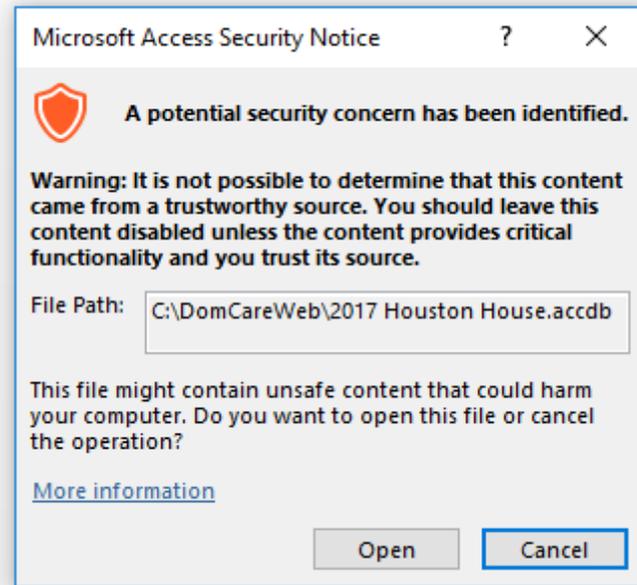
III. Cost Report Program

▶ Please <u>do not</u> uninstall 64 bit Microsoft Office if used by the facility for other things.

▶ Computer may or may not let your run a 32 bit program.

> **Setup Error**   ✕
>
> We can't install the 32-bit version of Office because we found the following 64-bit programs on your PC:
>
>   Office 16 Click-to-Run Extensibility Component
>
> Please uninstall all 64-bit Office programs, then retry installing 32-bit Office. If you want to install 64-bit Office instead, please run the 64-bit setup.
>
>   [OK]
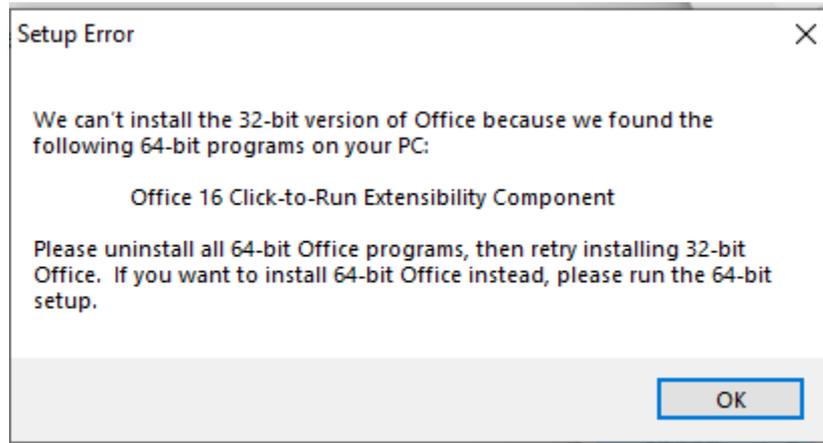
▶ Call Susan or Peyton for pdf copies of Schedules!

IV. Completing the Cost Report

Schedule A

- **Contains basic information**
    - ○ **Mailing address, physical address of the home, phone number, contact person, Medicaid #, NPI #, etc.**

    - ○ **Please use license number given by DHSR (Dept. of Health Service Regulations)**

    - ○ **Line 13 -Input licensed bed capacity given by DHSR. If home has SCU beds indicate the # of SCU beds and the # of other beds**

    - ○ **In box 16 use the dates discussed earlier**

    - ○ **Give total # of Resident days and SA Days**

IV. Completing the Cost Report

Schedule A

FID:		DHR License:		Facility:	

Schedule A

Reporting Basis:	○ Cash ○ Accrual	Status:	9
DSS Received:		Date Closed:	

Consolidated Report? ○ Yes ○ No	# of homes:	Page	of	Group ID #:

General Information

1. Mailing Address:
   City: State: NC Zip:
   Facility Phone:

2. Physical Address:
   City: State: NC Zip:
3. Original Date Licensed
4. Issued Name:
5. County: NPI Number:
6. Medicaid provider #: Medicaid Number If Changed:
7. Owner(s):
   a. Contact Person: b. Phone:

Tax Information

8. Tax Status

a. Voluntary Nonprofit	b. For Profit
○ Church	○ Sole Proprietorship ○ Partnership
○ Other (Non Profit)	○ Corporation ○ Other (Profit)

Home Information

9. Do You Own the Facility?: ○ Yes ○ No
10. Ownership Changed?: ○ Yes ○ No
    a. Previous Owner:
       Address:
       City: State: NC Zip:
    b. Date: c. Old License Number:

11. Date Home Built:
11a. Date home was Renovated:
12. Home Fully Depreciated: ○ Yes ○ No
13. Licensed Bed Capacity:
14. Bed Capacity Changed: ○ Yes ○ No
15. # of Beds Before Change:
    First Date Changed:
    Second Date Changed:

16. Number of Months in Operation:
    From Through
    Is this a New Facility?: ○ Yes ○ No
17. Total Licensed Beds Available:
18. Total of Available Bed Days:
19. Total Resident Days:
20. Total State/County SA Days:

IV. Completing the Cost Report

Schedule A

- **Most common errors:**

  - **Reminder: 2020 was a leap year so if Feb/2020 was part of the reporting year, use 366 days.**

  - **Line 17 – program calculated. If doing manually it is figured by taking the number of beds listed in Line 13 times 366 days of the year (example 3 x 366 = 1,098)**

  - **Line 18 – 9 times out of 10 should be the same number as shown on line 17. Only should be different if a bed(s) was unusable.**

IV. Completing the Cost Report

Schedule A

- **Most common errors:**

  o **Line 19 – how many days were all the usable beds full? For home licensed for 3 beds, all three beds were full all year = 1,098 (3 x 366). Only 2 beds were full all year long = 732 (2 x 366).**

  o **Difference between lines 18 & 19. Line 18 a bed couldn't be filled because of damage to a room/bed. Line 19 a bed was usable but was empty/not being used.**

IV. Completing the Cost Report

Schedule A

- **Most common errors:**

  - **Line 20 – how many residents received SA? For a 3 bed home – all residents received SA 1,098... 2 residents received SA, 1 was private pay 732 (2 x 366).**

    Summary
    - **Lines 17, 18 = number of beds times 366.**
    - **Lines 19, 20 = number of residents in the home all year times 366.**

IV. Completing the Cost Report

- **Reminder**

  o **Be careful if using the rollerball on the mouse. Things can get deleted and then you need to rekey**

  o **Error checks have been added to Schedule A, lines 18, 19 and 20. Cannot leave Sched A until these three lines have numbers in them!!**

IV. Completing the Cost Report

Schedule B

- **Revenue Information**
  - **Revenue related to Special Assistance (SA) residents**
  - **Revenue related to private pay residents**
  - **Revenue related to non-residents**

- **Net Profit or Loss**

IV. Completing the Cost Report

Schedule B

- **Reminder:**
  - ○ **11a – 100% Private Pay – funds received from non-SA residents to pay for residential services**

  - ○ **The difference between Line 11 and 11a:**
    - ➤ **Line 11 should be used for insurance, SSI, social security payments**
    - ➤ **Line 11a should be used for any cash/check payments received, not related to insurance**

IV. Completing the Cost Report

Schedule B

- **Reminder:**
  - ○ **15a – SA Financial Asst – due to COVID-19 there were two different amounts paid out to help facilities with Special Assistants residents.**
    - ❖ **The first amount was a one-time payment of $1,325 for each SA resident between March 10th through July 31, 2020.**
    - ❖ **The second amount was $250 per month per SA resident beginning August 1, 2020 thru December 30, 2020.**

IV. Completing the Cost Report

Schedule B

North Carolina
Department of Health and Human Services
Office of the Controller

Adult Care Homes (FY 2016-2017)
Schedules
Printed: 5/9/2017 02:03 PM

FID: ___ DHR License: ___ Facility: ___

Schedule B

Revenues	(Receipts on behalf of state/county special assistance residents)	Revenues	Revenues
	1. State/County Special Assistance:		
	2. Social Security:		
	3. Supplemental Security Income:		
	4. Personal Care Services:		
	5. Medical Transportation:		
	6. Mental Health Revenues:		
	7. Other (Insurance, Veterans Benefits, Railroad, Etc):		
	8. Less Refunds:		
	9. Less PCS overpayments or recoupments:		
	10. Total SA Resident Revenues:		
Receipts from Private Pay residents	11. Private Pay Receipts: (Social Security, SSI, Insurance, Veteran Benefits, Railroad, Etc) :		
	11.a 100% Private Pay (Non-SA eligible residents):		
	12. Mental Health Revenues:		
	13. Less Refunds:		
	14. Total Private Pay Revenues:		
Non-Resident Related Revenue	15. Receipts From Other Sources:		
	15.a SA Financial Assistance:		
	16. Less Refunds:		
	17. Total Non-resident Revenues: (Subtract Line 16 from Line 15)		
	18. Total Revenues (add lines 10, 14 and 17):		
	19. Less Total Expenses: From Schedule C,Line 240,Column 3 or from Schedule C1,Line 160,Column 3		
	20. Net Profit or Loss: (Subtract Line 19 from Line 18)		

IV. Completing the Cost Report

Schedule C1 – for 6 beds or less

- PCS section is the first cost center: Personal Care Services

- The Miscellaneous line 13, is the only line where data can be keyed

- All other cost centers need to be completed with both hours paid, unpaid and total expenditures.

IV. Completing the Cost Report

Schedule C1 – for 6 beds or less

Schedule C1

		Paid Hours	Unpaid Hours	Expenses
Personal Care Services	1. Salaries and Wages Aides:			
	2. Salaries and Wages Others:			
	3. Casual Labor:			
	4. Payroll Taxes:			
	5. Employee Benefit Program:			
	6. Meetings/Seminars/Training:			
	7. Travel Costs:			
	8. Contract Services:			
	9. Non-Legend Drugs Medical Sevices:			
	10. Legend Drugs:			
	11. Beauty and Barber Shop:			
	12. Bloodborne Pathogens:			
	13. Miscellaneous:			
	13a. Miscellaneous Related Party Adj. from Schedule D:			
	20. Total of Personal Care:			
Housekeeping/Laundry, Dietary and Recreation	21. Salaries and Wages:			
	22. Casual Labor:			
	23. Payroll Taxes:			
	24. Employee Benefit Program:			
	25. Meetings/Seminars/Training:			
	26. Travel Costs:			
	27. Contract Services:			
	28. Linen Bedding:			
	29. Food:			
	30. Supplies:			
	31. Miscellaneous:			
	31a. Miscellaneous Related Party Adj. from Schedule D:			
	40. Total of Housekeeping/ Laundry, Dietary and Recreation:			

Schedule C1

		Paid Hours	Unpaid Hours	Expenses
Property / Ownership/ Use	41. Depreciation - Land Improvements:			
	42. Depreciation - Buildings:			
	43. Depreciation - Equipment:			
	44. Depreciation - Automobiles:			
	45. Rent for Facility:			
	46. Rent for Other - Buildings / Land:			
	47. Rent for Other - Auto/Equipment:			
	48. Real Estate Taxes:			
	49. Interest - Mortgage / Fixed Assets:			
	50. Interest - Other Capital:			
	51. Insurance - Fixed Assets:			
	52. Miscellaneous:			
	52a. Miscellaneous Related Party Adj. from Schedule D:			
	60. Total of Property/Ownership/Use:			
Medically Related Patient Transportation	61. Salaries and Wages:			
	62. Casual Labor:			
	63. Payroll Taxes:			
	64. Employee Benefit Program:			
	65. Meetings / Seminars / Training:			
	66. Travel Costs:			
	67. Contract Services:			
	68. Depreciation - Automobiles:			
	69. Rent - Equipment:			
	70. Auto Truck Maintenance and Upkeep:			
	71. Repairs and Maintenance - Equipment:			
	72. Interest - Automobile:			
	73. Insurance - Automobile:			
	74. Miscellaneous:			
	74a. Miscellaneous Related Party Adj. from Schedule D:			
	80. Total of Medical Related Patient Transportation:			

IV. Completing the Cost Report

Schedule C-Direct and C-Ind/Oth – 7+ beds

- **PCS section is made up of 3 cost centers: Personal Care, Health Services, Initial/Orientation Aide Training**

- **Data can only be keyed on the Miscellaneous lines (59, 72 & 88)**

- **All other cost centers need to be completed with both hours paid, unpaid and total expenditures.**

IV. Completing the Cost Report

Schedule C-Direct and C-Ind/Oth – 7+ beds

Left page:

FID: DHR License: Facility:

Schedule C Direct

Direct Cost Centers

		Paid Hours	Unpaid Hours	Expenses
Housekeeping/ Laundry	1. Salaries and Wages:			
	2. Casual Labor:			
	3. Payroll Taxes:			
	4. Employee Benefit Program:			
	5. Meetings/Seminars/Training:			
	6. Travel Costs:			
	7. Housekeeping/Laundry:			
	8. Linen and Bedding:			
	9. Contract Services:			
	10. Miscellaneous:			
	10a. Miscellaneous Related Party Adj. from Schedule D:			
	20. Total Housekeeping/Laundry:			
Dietary	21. Salaries and Wages:			
	22. Casual Labor:			
	23. Payroll Taxes:			
	24. Employee Benefit Program:			
	25. Meetings/Seminars/Training:			
	26. Travel Costs:			
	27. Contract Services:			
	28. Dietary Supplies:			
	29. Food:			
	30. Miscellaneous:			
	30a. Miscellaneous Related Party Adj. from Schedule D:			
	40. Total Dietary:			
Recreation Activities	41. Salaries and Wages:			
	42. Casual Labor:			
	43. Payroll Taxes:			
	44. Employee Benefit Program:			
	45. Meetings/Seminars/Training:			
	46. Travel Costs:			
	47. Contract Services:			
	48. Supplies:			
	49. Miscellaneous:			
	49a. Miscellaneous Related Party Adj. from Schedule D::			
	50. Total Recreational Activities:			

Right page:

FID: DHR License: Facility:

Schedule C Direct

PCS Cost Centers

		Paid Hours	Unpaid Hours	Expenses
Personal Care	51. Salaries and Wages Aides:			
	52. Salaries and Wages Others:			
	53. Casual Labor:			
	54. Payroll Taxes:			
	55. Employee Benefit Program:			
	56. Meetings/Seminars/Training:			
	57. Travel Costs:			
	58. Contract Services:			
	59. Miscellaneous:			
	59a. Miscellaneous Related Party Adj. from Schedule D:			
	60. Total Personal Care:			
Health Services	61. Salaries and Wages:			
	62. Casual Labor:			
	63. Payroll Taxes:			
	64. Employee Benefit Program:			
	65. Meetings/Seminars/Training:			
	66. Travel Costs:			
	67. Contract Services:			
	68. Non-legend Drugs and Medical Supplies:			
	69. Legend Drugs:			
	70. Beauty and Barber Shop:			
	71. Bloodborne Pathogens (OSHA):			
	72. Miscellaneous:			
	72a. Miscellaneous Related Party Adj. from Schedule D:			
	80. Total Health Services:			
Initial/Orientation Aide Training	81. Salaries and Wages:			
	82. Casual labor:			
	83. Payroll Taxes:			
	84. Employee Benefit Program:			
	85. Meetings/Seminars/Training:			
	86. Travel Costs:			
	87. Contract Services:			
	88. Miscellaneous:			
	88a. Miscellaneous Related Party Adj. from Schedule D:			
	90. Total Initial/Orientation:			

IV. Completing the Cost Report

Schedule C-Direct and C-Ind/Oth – w/SCU beds

IV. Completing the Cost Report

Schedule D

- **Related Party Transactions**

  - **Nursing Homes are exempt from reporting**

  - **Related party – meaning the home is associated or affiliated with an organization or individual furnishing the services, facility or supplies.**

  - **The cost report expense line item where this happens needs to be listed on Sch D along with the expense.**
    - **If expense is related to PCS use the Miscellaneous line (13, 59, 72 or 88) as that is where the expense has been keyed**

IV. Completing the Cost Report

Schedule D

SCHEDULE OF RELATED PARTY TRANSACTIONS	SCHEDULE D

Nursing Homes are not required to fill out Schedule - D

Home Name _____ FID _____ License ID _____ Cost Report Period 2013-2014

Line Item Number	Line Item Description	Cost Center Name	Related PartyName	Relationship	Expense Amount	Number of Paid Hrs	Related Party Expenses

IV. Completing the Cost Report

Schedule E

- **Only used by homes with Special Care Unit (SCU) beds**

- **Allocation Method**
  - o **Explains how expense allocated between SCU beds and non SCU beds within the home**

  - o **Allocation basis are: Direct, Resident Days, Square Footage or Other. If other is used, an explanation is required**
    - ▪ **These are the only basis allowed**
    - ▪ **Other could mean a combination of Direct, Resident Days and/or Square Footage**

IV. Completing the Cost Report

Schedule E

Basis of allocating expenses between Special Care and Adult Care Beds			Schedule E

Home Name	FID	License ID	Cost Report Period	2013-2014

Total Square Footage of Special Care Unit:		Total Square Footage of Adult Care Beds Unit:	
Total of All Other Square Footage:		Total Square Footage of SNF/ICF Beds Unit:	
(Administration, Kitchen, Laundry, Janitorial, Common areas, etc.)		Total Square footage of Facility:	
SCU Sq ft:	Adult Care Sq ft:	SCU Res days:	Adult Care Res Days:

| CostCenter	Allocation By	Information
20. HouseKeeping / Laundry		
40. Dietary		
50. Recreation Activites		
60. Personal Care		
80. Health Services		
90. Initial/Orientation Aide Training		
120. Administration General		
140. Operation / Maintenance		
160. Medically Related Patient Transportation		
170. Mental Health Costs		
190. Property / Ownership / Use		
200. Non-Reimbursable		

V. Cost Modeling

- ☑ **A brief history**

  - ☑ **Department staff along with industry associations and provider groups came up with a Cost Model methodology. It was approved and published in December 2004. The current SCU rate was set based on the committee findings.**

  - ☑ **Specific criteria also needs to be applied to facilities selected for the modeling process.**

  - ☑ **Cost Model Criteria**

    - ☑ **Geographical and Urban/rural representation**

    - ☑ **Mixture of both private pay & public funding**

    - ☑ **Occupancy rate at a minimum of 80%**

    - ☑ **Include SCUs within facilities and those that are stand-alone**

V. Cost Modeling

- ☑ **Cost Model Criteria continued**

  - ☑ **Representation from the following size categories: 31-60 beds, 61-90 beds and 91+**

  - ☑ **Must have been in business (by the same owner) for at least a year**

  - ☑ **Minimum of 3 facilities per group**

  - ☑ **No disproportionately high indirect cost ratios comparted to direct cost**

  - ☑ **No history of penalties and fines**

  - ☑ **Facilities meeting above criteria are reviewed/approved by industry representatives as efficient and respected facilities with a good reputation for serving residents**
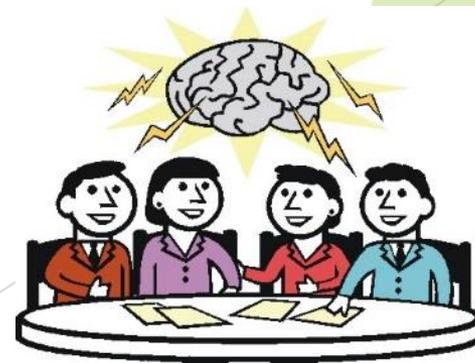
V. Cost Modeling

☑ **Per letter dated Nov 21, 2016 by the Division of Aging and Adult Services, "Cost modeling will also be performed every two years." and "Facilities chosen for cost modeling will be required to submit addition information."**

☑ **The cost model is based off the cost report expenses except for labor. A small additional step of mapping out FTEs to specific position titles is needed. Then in the cost model, salary and benefit costs from the US Department of Labor are substituted in for the listed positions.**

☑ **Hoping to make things easier, the cost model step has been added into the cost report program. Now ALL HAL licensed facilities with 31+ beds will participate.**

V. Schedule F

☑ **Schedule F – Cost Modeling**

    ☑ **This schedule will only come up for those facilities with a HAL license AND are licensed for <u>31 or more</u> beds.**

    ☑ **This schedule <u>will not</u> come up if the HAL facility is licensed for <u>30 beds or less</u>**

    ☑ **This schedule <u>will not</u> come up for facilities with a <u>MHL or NH</u> license!**

    ☑ **Schedule F should be filled out at the very, very end after Schedules A, B, C, D, and E (if applicable) are done.**

    ☑ **A procedure has been added to the AUPs to validate the position titles listed on Schedule F against the job descriptions of the facility.**

V. Schedule F

☑ **Schedule F – Cost Modeling**

    ☑ **On Sched C-Direct and C-Indirect the hours listed on "Salaries and Wages" and "Casual Labor" lines are in <u>total hours</u> for the whole cost center no matter what kind of job is being performed. Whether it be supervision, administrative, manual task, etc.**

    ☑ **On Sched F those total hours need to be broken down to the individual positions working in each cost center.**

    ☑ **A list of positions and their basic descriptions, per the US Dept. of Labor, can be found on the Office of the Controller's webpage. These descriptions need to be matched up to the positions within the facility as close as possible.**

V. Schedule F

☑ **Completing - Schedule F – Cost Modeling**

    ☑ **Use the list to find the best fitting description that matches the job(s) being performed within each cost center.**

        ❑ **Use the drop-down arrow to pick that position title from the list**

    ☑ **Use the drop-down arrow to pick the cost center where that job is being done.**

    ☑ **Key the total number of paid hours and/or unpaid hours worked by each position in that cost center.**

        ❑ **For example: in the Housekeeping Cost Center there are a total of 5 maids that work for the facility. Each individual maid does not need to be listed on Sched F. The total hours for all 5 maids need to be combined and listed on one line for "Maids & Housekeeping Cleaners".**

        ❑ **For facilities with SCU beds the paid hours and/or unpaid hours for each position needs to be broken out between the time working the regular ACH beds and time working the SCU beds**

V. Schedule F

☑ **Completing - Schedule F – Cost Modeling**

    ☑ **There can be more than one position that works in each cost center, so please list each position.**

        ❑ **For example in the Admin Cost Center there are 3 different positions working. There is a "Bookkeeping, Accounting & Auditing Clerks", "General & Operations Managers" and "Payroll & Timekeeping Clerk". Say the total hours keyed on Sched C-Indirect for the Admin Cost center was 4,050 hrs. Then 4,050 hours needs to broken up between the 3 positions.**

    ☑ **Important Note: Sched F <u>will not</u> let you leave the schedule if the total hours listed are less than or greater than the total hours listed on Sched C-Direct and C-Indirect.**

        ❑ **That's why it is best to do Sched F after Sched A, B, (specifically) Sched C-Direct and C-Indirect, D and E (if applicable) are done. I strongly encourage to have a printed copy of the cost report in front of you as you fill Sched F out.**

        ❑ **An error message will come up letting the user know if to many hours or to few hours were keyed.**

V. Schedule F

Schedule F

V. Schedule F

Schedule F – facility with SCU beds

VI. Agreed Upon Procedures (AUPs)

- Per GS 131D-4.2 adult care homes are required to submit audited reports.

- AUPs are used to satisfy the audit requirement and generally are less expensive
  - Because they only look at specific cost report related info and are not a full audit with an opinion

- AUPs have to be done by an outside, independent accountant or CPA

VI. Agreed Upon Procedures (AUPs)

- **Based on changes made to the General Statute – Homes with 7 beds or more need to submit AUPs every time a cost report is due.**

- **Homes with 6 beds or less are <u>not required</u> to submit AUP; cost report yes, AUPs no.**

- **AUP workpapers are available online at the Office of the Controller's website**

VI. Agreed Upon Procedures (AUPs)

- **AUPs remain consistent with those from prior reporting periods but a procedure was added concerning the Sched F for HAL facilities**

- **ONLY AUPs questions should be addressed via email to AUP.Questions@dhhs.nc.gov**
  - **Cost Report or program issues should be directed to me! Never to the above email address**

- **If an alternative procedure is needed, it must be approved by DHHS. Please email the address listed above with the request**

- **Please submit AUP writeup, not procedure worksheet**

VII. Sending in Cost Report

- ☑ Finished entering cost report data
  - ☑ Make sure the box is green
    - ☑ Hint: sometime need to click on another schedule for it to turn green
    - ☑ Never a bad idea to click the Save/Refresh button every now and then
    - ☑ Print off a copy of the finished report

  - ☑ Have to export the finished cost report
    - ☑ Click on Administrator Option button
    - ☑ Use the drop-down arrow and choose facility to export, then click the Export Data button
    - ☑ Even if only one home is entered in the program please follow the same procedure
    - ☑ Clicking export <u>DOES NOT</u> automatically send the cost report to me. It is still on your computer
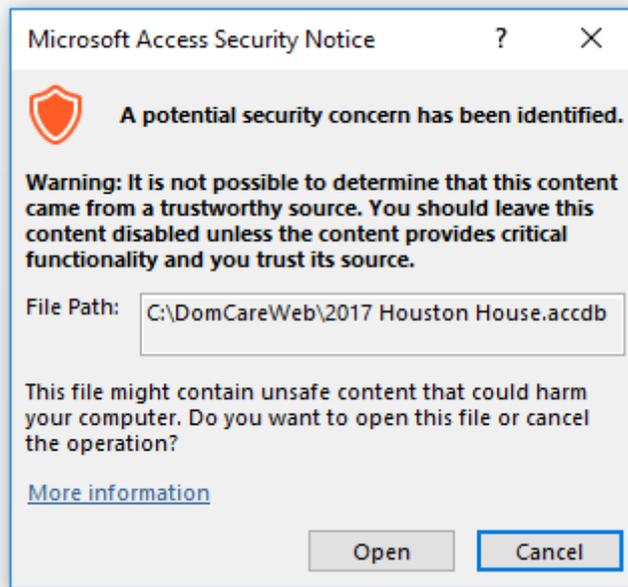
VII. Sending in Cost Report

☑   **When using Access free runtime version**

    ☑   **Because security issues can not be bypassed this message box will come up when trying to export**

Microsoft Access Security Notice   ? ✕

A potential security concern has been identified.

Warning: It is not possible to determine that this content came from a trustworthy source. You should leave this content disabled unless the content provides critical functionality and you trust its source.

File Path: C:\DomCareWeb\2017 Houston House.accdb

This file might contain unsafe content that could harm your computer. Do you want to open this file or cancel the operation?

More information

    Open   Cancel

Keep clicking the "Open" button until the message "Exported successfully" comes up. That may mean clicking that "Open" button up to 47 times. Don't stop clicking until you get the exported messaged!!!

    ☑   **Again, detailed instructions with pictures are available on how to export and send cost report information. PLEASE read and follow the instructions!!**

VII. Sending in Cost Report

☑   **Home is exported out of database**

    ☑   **DomCareWeb subdirectory is created on the computer's C drive**

        ☑   **Access 2016 (or higher) users will also need to make this subdirectory a trusted location (see download instructions)**

        ☑   **File name will be "2021 *FacilityName*.accdb", facility name used on Schedule A of cost report. The file size should be over 500kb. If it isn't call me, there is a problem.**

        ☑   **This is the file that needs to be saved on a flash drive/CD or attached to an email.**
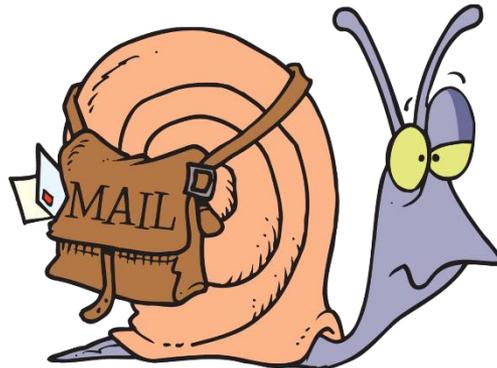
VII. Sending in Cost Report

☑ **Submitting the Cost Report**

    ☑ **Required to be considered complete**

        ☑ **Electronic copy of database file for each home/license #.**

        ☑ **A signed Sch A.**

        ☑ **Include a printed copy of cost report.**

            ☑ **This is used to double check the import worked correctly and in case there are issues with importing on this end our office will already have a backup copy**

        ☑ **For homes with 7 beds or more a signed copy of their AUPs.**

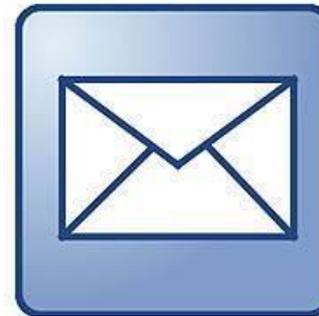   ☑ **Send all above information ONE WAY!! Please do not send it multiple ways**

Send by Fax or

Send by
Postal Mail or

Send by Email

VII. Sending in Cost Report

☑ **Submitting information by email, please do one email per home/license #**

    ☑ **Please try to send all files related and needed to complete the cost report in one email**

    ☑ **It is okay to send providers with multiple homes grouped together**

    ☑ **Will use secure portholes**

☑ **If you want verification the cost report has been received and processed, then email all information. It is easy to hit reply, type "processed" and hit send. Faxed and cost reports sent through USPS do not get notifications back. Also, there is a risk of mailed cost reports getting misdirected within the office building.**
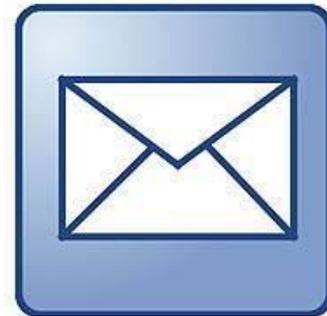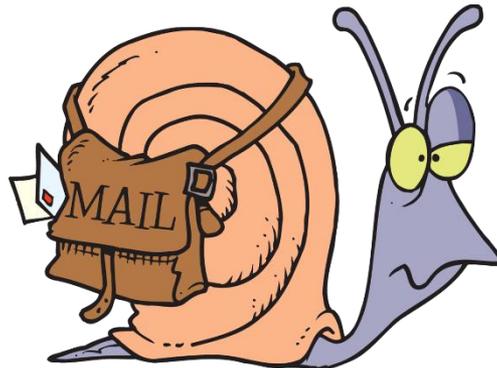
Email submittion is the preferred method

VIII Cost Report Program Reminders

▶ **Program uses 32 bit version of Access.**
  ▶ **Access 2016 or higher**
  ▶ **Whether that is a full version of Access**
    ▶ **Remember security steps**
  ▶ **Or using the free runtime version**
    ▶ **Link can be found on Office of Controller's webpage.**

- **2 files need to be downloaded to the computer C:/Adultcare**

- **If 32 bit program will not work on computer, call Susan or Peyton.**

VIII. Reminders

- Please call if you don't understand how to figure days for Schedule A, lines 18, 19 and 20. You will get a call or email if these don't make sense.

- Remember that 2020 was a leap year with 366 day instead of 365

VIII. Reminders

- ✓ **Cost Reports are due September 30, 2021**

- ✓ **Make sure the box is green**

- ✓ **Cost Report not considered complete until all required information has been received**

VIII. Reminders

- ✓ **Strongly recommend cost report and AUPs be submitted electronically**

- ✓ **Had to use pfd copies to fill out schedules, it <u>must be legible!!</u>**

- ✓ **Cost report and AUPs must be signed!**

VIII. Reminders

✓ **Send a printed copy of the cost report along with the electronic file. The printed copy can be a scanned electronic pdf file, paper or faxed.**

Finalize Package to Submit

Electronic media: flash drive, CD, email

1. **Export home into an individual file. Click the Admin Options button.**

2. **Exported file found C:\DomCareWeb**

3. **Attach file to an email**

4. **Electronic pdf file of signed cost report**

5. **Electronic pdf file of signed AUP (if required)**

Finalize Package to Submit

Hard Copy: Printed

1. **A complete printed cost report. Sch A <u>has to be signed</u>.**

2. **Printed and <u>signed</u> copy of the AUP (if required) also required**

Remember to keep a copy for your own records

Final Reminders

✓ **Please check the web site often!**

✓ **The web site address is:**

https://www.ncdhhs.gov/about/administrative-offices/office-controller/adult-care-facilities

New information will be posted here as soon as it is available.

If required cost report is not submitted

- **Per GS 131D-4.2 (g) – if a facility fails to submit a cost report by the due date the Office of the Controller will notify DHSR and they will suspend admission to the facility**

- **If a facility continues to refuse to submit a cost report the statute also allows for licenses to be suspended or even revoked.**

- **As soon as the late cost report with all required documentation is received DHSR is notified and the suspend admissions is lifted.**

Hot Button Issues

- **If information is missing our office will call or email to get the information**

- **Susan Kesler & Susan Sibbett… same person, me. Both emails will also work and get your information to me. Susan.Kesler@dhhs.nc.gov or Susan.Sibbett@dhhs.nc.gov. Please note: Kesler has 1 S and Sibbett has 2 B & 2 Ts.**

- **As soon as Cost Report information and program are released, cost reports can be submitted. Why wait until 9/30? Beat the rush, submit early. Especially for clients with 9/30 and 12/31 year ends.**

- **And again, if you want verification a cost report has been received and processed, send it by email!**

- **My backup person is Peyton Wheeler. His email address is Peyton.wheeler@dhhs.nc.gov**

Questions

Contact Info
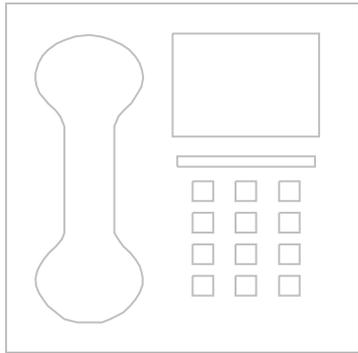
Points of contact:

Susan Kesler – 919.855.3680
susan.kesler@dhhs.nc.gov

Fax number is 919.715.3095

Peyton Wheeler – 919.855.3682
Peyton.wheeler@dhhs.nc.gov

https://www.ncdhhs.gov/about/administrative-offices/office-controller/adult-care-facilities