**INTENSIVE CRISIS STABILIZATION SERVICES COST REPORT INSTRUCTIONS**

MARCH 30, 2022

## CONTENTS

1. General Instructions 1

[─ Introduction 1](#_bookmark0)

[─ Instructions for Completing the Cost Report 1](#_bookmark1)

1. Provider Information Tab 4
   * [PART 1 – PROVIDER INFORMATION (Consolidated) 4](#_bookmark3)
2. Trial Balance Tab 8
   * [PART 1 – DIRECT ICSS EXPENSES 8](#_bookmark5)

[─ Column Descriptions 8](#_bookmark6)

[─ Line Descriptions 9](#_bookmark7)

* + [PART 2 – INDIRECT COSTS 9](#_bookmark8)
  + [PART 3 – DIRECT COSTS FOR NON-ICSS 10](#_bookmark9)

1. Trial Balance Reclassifications Tab 11
2. Trial Balance Adjustments Tab 12

[─ Certain Line Descriptions 12](#_bookmark10)

* + [PART 1 – COMMON ADJUSTMENTS 12](#_bookmark11)
  + [PART 2 – COSTS NOT ALLOWED 13](#_bookmark12)

1. Indirect Cost Allocation Tab 14

[─ Line Descriptions 14](#_bookmark15)

1. Allocation Descriptions Tab 17
2. Daily Visits Tab 18

[─ PATIENT DEMOGRAPHICS CONSOLIDATED 18](#_bookmark16)

─ Column Descriptions 18

─ Line Descriptions 18

1. Services Provided Tab 19
   1. PART 1 – SERVICES PROVIDED (Consolidated) 19

─ Column Descriptions 19

─ Line Descriptions 19

* 1. PART 2 – SERVICES PROVIDED BY SITE 19

─ Column Descriptions 19

─ Line Descriptions 19

1. Comments Tab 20
2. Cost Report-Based Daily Rate Tab 21
   1. PART 1 – DETERMINATION OF TOTAL ALLOWABLE COST APPLICABLE TO THE PROVIDER OF ICSS 21
   2. PART 2 – DETERMINATION OF ICSS COST REPORT-BASED DAILY RATE 21
3. Certification Tab 22

# 1

## General Instructions

#### Introduction

This document provides guidance to ICSSs on how to use the Intensive Crisis Stabilization Services (ICSS) cost report for the two ICSS bundled daily rate methodologies— the Default Bundled Daily Rate and the optional Cost Report-Based Bundled Daily Rate. The cost report may be used to determine the ICSS- specific bundled rate and to annually report ICSS service costs. Costs and visits cannot be counted in more than one cost category for providers providing more than ICSS.

#### Instructions for Completing the Cost Report

The cost report contains tabs as described in Table 1: Worksheet Contents:

**Table 1: Worksheet Contents**

|  |  |  |
| --- | --- | --- |
| **Tab Name** | **Purpose** | **Requirement Information** |
| Provider Information | Provider Data | Required |
| Trial Balance | Reclassified and adjusted trial  balance expenses | Required |
| Trial Balance  Reclassifications | Reclassification entries and  explanations | Required |
| Trial Balance  Adjustments | Adjustment entries and  explanations | Required |
| Indirect Cost  Allocation | Method for allocation of indirect  costs to ICSS | Required |
| Allocation Descriptions | Narrative describing justification for allocation of direct costs | Required |
| Daily Visits | Visit data for ICSSs for the actual allowable total costs and visits | Required |
| Services Provided | Services provided and FTEs by position for ICSS | Required |
| Cost Report-Based Daily Rate | Determination of rates for the Cost Report-Based Bundled Daily Rate method using actual total allowable ICSS Costs and visits | Required for Cost Report-Based Bundled Daily Rate |
| Comments | Additional considerations in developing PPS rates | Optional |
| Certification | Certification statement | Required |

Abbreviations: ICSS, Intensive Crisis Stabilization Services; FTE, full-time equivalent

This document provides instructions for completing each tab of the cost report. These instructions are not intended to be all-encompassing. The cost report should be based on the ICSS financial and statistical records. All reported amounts must allow for reconciliation to the ICSS’s general ledger and audited financial statements.

When reporting costs, the ICSS must adhere to the 45 Code of Federal Regulations (CFR) §75 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for the U.S. Department of Health and Human Services (HHS) Awards and 42 CFR §413 Principles of Reasonable Cost Reimbursement. The ICSS records must be detailed, orderly, complete, and available for review or audit. It is important that supporting documentation be maintained for all costs reported; the cost report package and source documentation (e.g., invoices, patient records, cancelled checks) must adhere to federal and state record retention requirements.

A Comments worksheet is built into the cost report. This tab is not formatted; instead, it provides ICSSs with an opportunity to submit comments in any format. For example, narrative text, small tables, or exhibits can be included here. In addition to the cost report, documentation that provides additional information is encouraged in order to support full disclosure.

The recommended order for completing the cost report is in Table 2: Recommended Order:

**Table 2: Recommended Order**

|  |  |
| --- | --- |
| **Schedule** | **Instructions** |
| Provider Information | Read section 2, and complete entire tab |
| Trial Balance (columns 1 through 3) | Read section 3, and complete columns 1 and 2 for all  lines |
| Trial Balance Reclassifications | Read section 4, and complete entire tabs |
| Trial Balance (columns 4 and 5) |  |
| Trial Balance Adjustments | Read section 5, and complete entire tab |
| Trial Balance (columns 6 and 7) |  |
| Trial Balance (columns 8 and 9) |  |
| Indirect Cost Allocation | Read section 7, and complete entire tab |
| Allocation Description | Read section 8, and complete entire tab |
| Daily Visits | Read section 9 or 10, and complete applicable tab |
| Services Provided | Read section 11, and complete entire tab |
| Comments (as needed) | Read section 12, and complete entire tab |
| Default Bundled Daily Rate or Cost Report-Based Bundled Daily Rate | Read section 13 or 14, and complete applicable tab |
| Certification | Read section 15, and complete entire tab |

If the ICSS’s records are maintained on an accounting basis other than accrual, adjustments to convert to an accrual basis of accounting are required. The accrual basis of accounting is considered the most accurate method for determining costs during a period of time.

All information requested in the tabs must be furnished unless the information does not apply to a specific ICSS because of organizational structure or the choice of ICSS bundled payment methodology. Failure to complete applicable tabs properly will result in rejection of the cost report and its return to the ICSS for correction and resubmission. ICSSs should round monetary amounts to the nearest whole dollar; round amounts of $0.50 or more up to the next dollar, and round amounts of $0.49 or less down. Standard (i.e., preprinted) line numbers and expense category descriptions cannot be changed.

# 2

## Provider Information Tab

Use the Provider Information tab to report ICSS-identifying information for all of the ICSS’s primary locations that provide ICSS. The ICSS must complete every applicable item in this tab. Part 1 includes information about single sites or, for ICSS entities filing under consolidated cost reporting, about the central office.

**MEDICAID ID:** Enter the primary center’s Medicaid Identification Number. This will be either the Centers for Medicare & Medicaid Services (CMS) Certification Number (CCN) or other ID assigned.

**NATIONAL PROVIDER IDENTIFIER:** Enter the primary center’s National Provider Identifier (NPI).

*Note: The purpose of the Medicaid ID and NPI is to identify the cost report information for each individual ICSS, regardless of the number of satellites or services associated with that clinic.*

**REPORTING PERIOD:** After “From:” enter the beginning date of the reporting period for which the current information is being provided. Use the MM/DD/YYYY format (e.g., 07/01/2013). After “To:” enter the ending date of the period for which the current information is being provided. Use the MM/DD/YYYY format (e.g., 06/30/2014).

**RATE PERIOD:** After “From:” enter the beginning date on which the ICSS bundled daily rate will take effect. Use the MM/DD/YYYY format (e.g., 07/01/2013). After “To:” enter the date the on which ICSS bundled daily rate will expire. Use the MM/DD/YYYY format (e.g., 06/30/2014).

*Note: The identifying information (Medicaid ID, NPI, Reporting Period, and Rate Period) in the Provider Information tab will automatically populate items in the other tabs on the basis of the entries made on this page.*

**Select Type of Oversight:** This section is for documenting the level of oversight and is for state use only. Do not make any entries in this section.

### PART 1 – PROVIDER INFORMATION (Consolidated)

For central office locations not providing services, skip questions 6, 7, and 10–14. For single sites or central offices providing services, complete all questions.

**Line 1:** Enter the official name as it appears on the license or official ICSS letterhead.

**Line 2:** Enter the official street address or P.O. Box as it appears on the license or official ICSS letterhead.

**Line 3:** Enter the official city, state, and ZIP Code as they appear on the license or official ICSS letterhead.

**Line 4:** Enter the county as it appears on the license or official ICSS letterhead.

**Line 5:** The Medicaid ID for the primary center or headquarters will populate automatically from the Medicaid ID entered at the top of this worksheet.

**Line 6:** The NPI for the primary center or headquarters will populate automatically from the NPI entered at the top of this worksheet.

**Line 7:** Enter the description that reflects the ICSS’s location designation as Urban or Rural.

**Line 8:** Enter the names and the NPI of all behavioral health professionals who provide services directly at the ICSS. Enter the names in column 1 and the corresponding NPI in column 2. Use lines 9a–9o for this information. If additional behavioral health professionals are needed, in 9o, enter “see additional information in the comments

tab” and continue listing the names and NPIs in the comments tab until all behavioral health professionals are identified. A clinic must report all provider NPIs to the extent available. If no NPI is available, leave column 2 blank.

**Line 9:** Enter “Yes” if the site operates as other than an ICSS. Otherwise, enter “No.”

**Line 10:** If the answer to line 10 is Yes (the site operates as other than an ICSS), describe the type of operation by entering Clinic, FQHC (for Federally Qualified Health Clinic), or Other. If the answer to line 10 is No, skip this line.

# 3

## Trial Balance Tab

Use the Trial Balance tab (1) to record amounts from the trial balance expense accounts from your books and records, (2) to perform the necessary reclassification and adjustments to adhere to Medicare and Medicaid cost principles, and (3) to record estimates of anticipated changes in costs. All expense categories listed do not apply to all ICSSs using this worksheet. Where expense categories are not applicable, enter 0.

If the cost elements of an expense category are maintained separately on your books, you must reconcile the costs on your accounting books and records to those on this worksheet and maintain documentation of that reconciliation. These materials are subject to review or audit.

Also, submit the working trial balance of the site with the cost report. A *working trial balance* is a listing of the balances of the accounts in the general ledger to which adjustments are appended in supplementary columns. It is used as a basic summary for financial statements.

### PART 1 – DIRECT ICSS EXPENSES

#### Column Descriptions

**Columns 1–2:** Enter total expenses incurred during the reporting period on the appropriate lines in columns 1 and 2. Categorize the expenses as Compensation (column 1) and Other (column 2). The expenses listed in these columns must agree with those listed in your accounting books and records. Total compensation for an individual would include their total compensation package and not any type of proration of fringe benefits based on salary costs.

**Column 3:** “Total,” which is calculated by adding the entries in columns 1 and 2 to the left, is automatically populated in this column.

**Column 4:** Enter any reclassification among expense category expenses that are needed to achieve proper cost allocation. List information about the reclassification entries in column 4 on the Trial Balance Reclassifications tab.

*Note: The net total of the entries in column 4 must equal zero on line 49.*

**Column 5:** “Reclassified trial balance,” which is calculated by using column 3 totals and column 4 reclassifications, is automatically populated in this column. The total on line 49 in column 5 must equal the total on line 49 in column 3.

**Column 6:** Enter the amounts of any adjustments to expenses indicated on the Trial Balance Adjustments tab on the appropriate lines in column 2. The total on the Trial Balance tab on line 49 in column 6 must equal the amount on the Trial Balance Adjustments tab on line 24 in column 2.

**Column 7:** “Adjusted amount,” which is calculated by adjusting the amounts in column 5 by the amounts in column 6 (increases or decreases), is automatically populated in this column.

#### Line Descriptions

##### PART 1A – Provider of ICSS STAFF COSTS

**Lines 1–15:** Enter the cost information for health care staff on the appropriate line by type of staff in columns 1–7, as described above.

**Line 16:** Enter a subtotal of costs for all other appropriate staff not listed on lines 1–15, and specify in the Comments tab.

**Line 17:** “Subtotal staff costs,” which is calculated by adding the amounts on lines 1–16 above, is automatically populated on this line.

##### PART 1B – OTHER DIRECT Provider of ICSS COSTS

**Lines 18–22:** Enter direct expenses related to providing covered ICSS. Leave column 1 blank. In column 2, enter all costs related to the expenses specified. If these costs are used to provide both ICSS and non-ICSS, reclassify the non- ICSS cost apportionment under column 4 to lines 46 or 47, as appropriate.

Include the allocation description on the Trial Balance Reclassifications tab.

**Line 23:** Enter a subtotal of all net costs for other categories not listed on lines 18–22, and specify in the Comments tab.

**Line 24:** “Subtotal other direct ICSS costs,” which is calculated by adding the amounts on lines 18–23 above, is automatically populated on this line.

**Line 25:** “Total cost of Provider of ICSS,” which is calculated by adding the amounts on lines 17 and 24 above, is automatically populated on this line.

### PART 2 – INDIRECT COSTS

##### PART 2A: SITE COSTS

**Lines 26–33:** Enter the overhead expenses related to the site.

**Line 34:** Enter a subtotal of all other overhead facility expenses and describe the expenses with amounts in the Comments tab.

**Line 35:** “Subtotal other site costs,” which is calculated by adding lines 26-34 above, is automatically populated on this line.

##### PART 2B: ADMINISTRATIVE COSTS

**Lines 36–42:** Enter the overhead expenses related to administration and management of the clinic.

**Line 43:** Enter a subtotal of all other overhead administrative expenses and describe the expenses with amounts in the Comments tab.

**Line 44:** “Subtotal administrative costs,” which is calculated by adding the amounts in lines 36–43, is automatically populated in this line.

**Line 45:** “Total overhead,” which is calculated by adding lines 35 and 44, is automatically populated on this line.

### PART 3 – DIRECT COSTS FOR NON-ICSS

##### PART 3A: DIRECT COSTS FOR SERVICES OTHER THAN ICSS

**Line 46:** Enter the subtotal of direct costs for non-ICSS covered by Medicaid, excluding overhead and specify in the Comments tab.

##### PART 3B: NON-REIMBURSABLE COSTS

**Line 47:** Enter the subtotal of direct costs for non-covered ICSS not reimbursable by Medicaid, and specify in the Comments tab.

**Line 48:** “Subtotal costs for non-covered ICSS,” which is calculated by adding the amounts on lines 46 and 47 above, is automatically populated on this line.

**Line 49:** “Total costs,” which is calculated by adding Lines 25, 45, and 48 above, is automatically populated on this line.

# 4

## Trial Balance Reclassifications Tab

Use the Trial Balance Reclassifications tab for reclassifying certain amounts to determine the proper cost allocation. The expense categories that are affected (listed under the Description column in the Trial Balance tab) must be specifically identifiable in your accounting records. Use reclassifications when expenses that are applicable to more than one of the expense categories listed in the Trial Balance tab are maintained in your accounting books and records under a single expense category.

For example, if a psychiatrist performs administrative duties, the appropriate portion of his or her compensation, payroll taxes, and fringe benefits must be reclassified from "Psychiatrist" on line 1 to "Office salaries" on line 36 on the Trial Balance tab. On the Trial Balance Reclassifications tab, the amount on line 36 in column 3 must be equal to the amount on line 36 in column 6.

When reclassifying costs for allocation purposes, add a narrative detailing the calculations and methods to support the allocation methodology in the Allocation Descriptions tab (See Section 8, the Direct Costs Allocation tab, for more information).

The totals from column 3 and column 6 should be transferred to the appropriate line items in column 4 of the Trial Balance tab when completed.

# 5

## Trial Balance Adjustments Tab

Use the Trial Balance Adjustments tab for adjusting the expenses listed in the Trial Balance tab in column 6 (Adjustments). Make these adjustments on the basis of either cost or amount received. To indicate the basis for adjustments in column 1, enter “A” for cost; if cost cannot be determined, enter “B” for amount received. Once an adjustment to an expense is made on the basis of cost, you may not adjust the expense on the basis of revenue in future cost-reporting periods. If total direct and indirect cost can be determined, use cost for the basis of the adjustment. Enter revenue

as the basis for the adjustment only if the cost (including the direct cost and all applicable overhead) cannot be determined.

Types of items to be entered on this table include (1) those that are needed to adjust expenses incurred; (2) those that constitute recovery of expenses through sales, charges, fees, and so forth; and (3) those that are needed to adjust expenses in accordance with cost principles described in 45 CFR §75.

If an adjustment to an expense affects more than one expense category, record the adjustment to each expense category on a separate line on this worksheet. For example, if the ICSS leases space or equipment from a related party, the lease expenses must be adjusted to reflect only the depreciation expenses related to the leased asset.

Home office adjustments must be described in the Allocation Descriptions tab (if applicable).

#### Certain Line Descriptions

Most line descriptions are self-explanatory. However, guidance is provided for selected lines below.

### PART 1 – COMMON ADJUSTMENTS

**Line 1:** Investment income on restricted and unrestricted funds that are commingled with other funds must be applied together against the total interest expense included in allowable costs. Apply these commingled investment funds against appropriate expense categories such as administrative, depreciation of buildings and fixtures, or depreciation of equipment on the basis of the ratio of the interest expense charged to each expense category to the total interest expense charged to all of your expense categories.

**Line 5:** Enter the allowable home office costs allocated to the site.

**Line 8:** Enter the amount of allowable cost of the services furnished by National Health Service Corps (NHSC) personnel.

**Lines 9–10:** If depreciation expenses computed in accordance with the cost principles at 45 CFR

§75 differ from depreciation expenses in your books, enter the difference on line 9 (building and fixtures) or line 10 (equipment).

**Line 11:** Enter a subtotal of all other adjustments and describe the adjustments and amounts in the Comments tab.

**Line 12:** “Subtotal of common adjustments,” which is calculated by adding lines 1 through 11, is automatically populated on this line.

### PART 2 – COSTS NOT ALLOWED

**Lines 13–21:** Enter expenses not allowed from federal funding as identified in 45 CFR §75. These costs should be subtracted from the applicable line items in the Trial Balance tab.

An example of other costs not allowed are certain costs associated with related parties, such as rent expense. Rent expense from a related party must be adjusted to the depreciable amount for the building, as per 45 CFR 75.465.

**Line 22:** Enter a subtotal of all other costs not allowed and describe the costs not allowed with amounts in the Comments tab.

**Line 23:** “Subtotal of costs not allowed adjustments,” which is calculated by adding lines 13 through 22, is automatically populated on this line.

**Line 24:** “Total adjustments,” which is calculated by adding lines 12 and 23, is automatically populated on this line.

When complete, transfer the amounts from column 2 in this tab to the appropriate line in column 6 in the Trial Balance tab.

# 6

## Indirect Cost Allocation Tab

Use the Indirect Cost Allocation tab to identify the method used for calculating allocable indirect costs to ICSS. This cost report allows a clinic to identify indirect cost using (1) an indirect rate approved by a cognizant agency, (2) a 10 percent rate, (3) calculated indirect cost allocable to ICSS, or (4) other method.

#### Line Descriptions

**Lines 1–2:** If the organization has an indirect rate approved by a cognizant agency, enter “Yes,” and enter the cognizant agency on line 2. The following rules apply to the use of approved indirect cost rate agreements:

* Non-profit organizations with no Federal funding are not required to negotiate a federally approved rate. Pass-through entities, such as state governments, are required to either negotiate a rate with the non-profit or provide the minimum rate of 10% described in line 7.
* Non-profit organizations with Federal funding should either use the rate negotiated with the agency that provides the most funding or, if they qualify, the minimum rate of 10% described in line 7.
* State governments, local governments, or tribal agencies with less than $35 million in direct Federal funding are required to prepare an annual indirect cost rate proposal and keep it on file. If a Federal rate agreement has never been filed, the state or local government may opt for the minimum rate of 10% described in line 7.
* State or local governments with at least $35 million in direct Federal funding must obtain a federally approved rate agreement and use the agreed upon rate here.

If the organization does not have an approved indirect cost rate, enter “No” and proceed to line 7.

**Line 3:** Describe the basis for calculating the indirect cost rate. Identify the line numbers from the Trial Balance tab used in determining the base. If more space is needed for a complete description, include additional information in the Comments tab.

**Line 4:** Enter the cost basis described on line 3 above as a whole dollar amount.

**Line 5:** Enter the allocation rate percentage subject to the agreement.

**Line 6:** “Calculated indirect costs allocable to provider of ICSS,” which is calculated by multiplying lines 4 and 5 above, is automatically populated on this line. If line 6 is greater than zero, no additional information is needed in this tab.

**Line 7:** If the organization is qualified and chooses to use the minimum rate, enter “Yes” and review lines 8–10. If not, enter “No” and go to question 11.

Pursuant to 45 CFR 75.414(f), to qualify for the minimum rate, the organization must be a nonfederal entity that has never received a negotiated indirect cost rate and that receives less than $35 million in direct federal funding. The organization may then elect to use the minimum rate of 10 percent of modified total direct costs, which may be used indefinitely. Costs must be consistently charged as either indirect or direct,

and costs may not be double charged. Once chosen, the methodology must be used consistently for all federal awards until such time as a nonfederal entity chooses to negotiate for a new rate, which the nonfederal entity may apply to do at any time.

As described in lines 1-2, organizations that qualify for the 10% minimum rate include:

* Non-profits with no direct Federal funding and who have never negotiated an indirect cost rate with a Federal agency1, or
* State governments, local governments, or tribal entities that receive less than

$35 million in Federal funding and have never negotiated an indirect cost rate with a Federal agency may all elect to use the minimum rate of 10%.

**Line 8:** “Direct costs for ICSS” is automatically populated on this line from line 25, column 7, of the Trial Balance tab.

**Line 9:** If Yes is entered on line 7, the minimum rate of 10 percent will appear automatically on this line. Otherwise, the rate will remain blank.

**Line 10:** “Calculated indirect costs allocable to ICSS,” which is calculated by multiplying lines 8 and 9 above, is automatically populated on this line. If line 10 is greater than zero, no additional information is needed in this tab.

**Line 11:** Organizations without indirect rate agreements that do not choose or are not qualified for the minimum rate may allocate indirect costs by taking the ratio of direct costs for providing ICSS covered services to total allowable costs less indirect costs.

If the organization chooses this method for allocating direct costs, enter “Yes” and review lines 12 - 14. Otherwise, enter “No” and proceed to question 15.

**Line 12:** If Yes is entered on line 11, the calculated indirect allocation rate is automatically populated on this line.

The formula for the calculation is described in Table 5: Ratio of Direct Costs.

**Table 5: Ratio of Direct Costs**

|  |
| --- |
| Direct ICSS Cost |
| (Direct ICSS Cost + Total Cost for non-covered ICSS) |

**Line 13:** If Yes is entered on line 11, the indirect cost to be allocated is automatically populated on this line from line 49, column 7 of the Trial Balance tab.

**Line 14:** “Calculated indirect costs allocable to ICSS,” which is calculated by multiplying lines 12 and 13 above, is automatically populated on this line. If line 14 is greater than zero, no additional information is needed in this tab.

**Line 15:** If none of lines 1, 7, or 11 are entered as “Yes,” provide a thorough description of the indirect costs allocated to ICSS in the Allocation Descriptions tab. This detailed description should include references to line items in the Trial Balance tab that describe the basis as well as the calculation of the indirect cost.

1 Additionally, non-profits that receive pass through funds may use a 10% rate in lieu of negotiating an indirect cost rate with the pass through entity.

**Line 16:** “Total Indirect Costs allocated to ICSS,” which is calculated from the total indirect costs allocated to ICSS from line 6, 10, 14, or 15, is automatically populated on this line.

# 7

## Allocation Descriptions Tab

Use the Allocation Descriptions tab for describing calculations and methods that support the allocation methodology of direct and indirect costs. Each allocation should be referenced to the applicable adjustment or reclassification on the appropriate tabs. If the trial balance contained the adjustments or reclassifications prior to importing into the cost report, note the methodologies and calculations used. This information can be summarized and should contain occupational grouping, allocation statistics, and the allowable adjustments or reclassifications as applicable.

Additional documentation supporting the summarized allocations should be kept on file for review. Documentation should be sufficient to permit the preparation of reports required by general and program-specific terms and conditions, as well as to permit the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and terms and conditions of the federal award.2

If an allocation is used for direct costs, describe the allocation method in detail on this tab. For example, direct costs for psychiatrists may be summarized as an occupational group with the allocation percentages from the day log or a Random Moment Time Study applied to the total salary for the group. *If a Random Moment Time Study was performed, it should follow a CMS-approved methodology.* The allocation method likely creates a reclassification amount that should be described in the Trial Balance Reclassification tab. The ICSS should offset salary costs by applicable revenues, such as grants received.

The allocation of home office adjustments must be described in detail. Home offices usually furnish central management and administrative services, such as centralized accounting, purchasing, personnel services, management direction and control, information technology and other costs. To the extent that the home office furnishes services related to patient care to a provider, the reasonable costs of such services are included in the ICSS’s direct costs. If the home office of the organization does not provide services related to patient care, the home office may be included in the indirect facility costs allocated to ICSS.

If completing line 15 of the Indirect Cost Allocations tab, describe the indirect cost allocation method in detail on this tab. For example, a portion of the facility is directly attributable and exclusively used to provide ICSS. For each expense, describe the method for allocating related costs, such as percentage of square footage. The total of all indirect expenses allocable to ICSSs should equal the amount on line 15 of the Indirect Cost Allocations tab.

2 45 CFR §75.302

# 8

## Daily Visits Tab

The Daily Visits tab to summarize the visits furnished by your health care staff and by physicians under agreement with you that apply specifically to ICSS.

Include days with visits from both Medicaid-covered and non-Medicaid-covered recipients. Consolidate visits for all facilities reported for the ICSS.

### PATIENT DEMOGRAPHICS CONSOLIDATED

This section is for reporting consolidated patient demographics. Visits by one patient to multiple locations on the same day should be counted only once.

#### Column Descriptions

**Column 1:** Enter the total number of days with patient visits for ICSS during the reporting period.

#### Line Descriptions

**Line 1:** Enter the counts of unique patient visit days for patients who receive ICSS directly from ICSS staff.

**Line 2:** Enter the total number of additional anticipated unique patient visit days for patients irrespective of payer receiving ICSS demonstration services not included above.

**Line 3:** “Total daily visits for patients receiving ICSS,” which is calculated by adding the amounts on lines 1 through 3 above, is automatically populated on this line

# 9

## Services Provided Tab

Use the Services Provided tab to provide information about the number of full-time equivalents (FTEs) and the number of services provided for ICSS for each type of practitioner. The number of services provided should reflect the actual number of services provided from all encounters. This number represents the total quantity (units) of services provided, as opposed to the number of days that each patient received services as described in section 9.

### PART 1 – SERVICES PROVIDED (Consolidated)

#### Column Descriptions

**Column 1:** Enter the number of FTEs for each staff position; these numbers should correspond to the expenses listed in Trial Balance tab.

**Column 2:** Enter the total number of services provided for ICSS actually furnished to all patients for each staff position.

**Column 3:** “Direct cost,” is automatically populated on this line from the Trial Balance tab, column 7.

**Column 4:** “Average cost per service by position,” which is calculated by taking the net cost from column 3, and dividing it by the number of services provided as listed in column 2, is automatically populated on this line.

#### Line Descriptions

##### ICSS STAFF SERVICES

**Lines 1–15:** Enter the number of FTEs and services provided by the health care staff on the appropriate line by type of staff in columns 1 and 2, as described above.

**Line 16:** Enter a subtotal of the number of FTEs and services for all other appropriate staff not listed on lines 1–15, and specify details in the Comments tab.

**Line 17:** “Subtotal staff services,” which is calculated by adding the amounts on lines 1–16 above, is automatically populated on this line.

# 10

## Comments Tab

Use this worksheet to explain any considerations (such as cost anomalies or explanations for deviations from accrual accounting principles) to inform further the justification of expenses used to determine the payment rate.

# 11

## Cost Report-Based Daily Rate Tab

Use the Cost Report-Based Daily Rate tab to calculate the daily rate to be finalized by the state. The cost-based daily bundled rate will be calculated using actual costs on the ICSS cost report submitted after the end of year one or requested fiscal year as approved by DHCFP, the rate effective date will be aligned with the start date of the subsequent State Fiscal Year. .

### PART 1 – DETERMINATION OF TOTAL ALLOWABLE COST APPLICABLE TO THE PROVIDER OF ICSS

If the suggested order of completion described in Table 2: Recommended Order is followed, the information on lines 1–3 will be auto populated from data entered from other areas of the cost report and does not need to be re-entered here.

**Line 1:** “Total direct ICSS costs” is automatically populated on this line from the Trial Balance tab, line 25, column 7.

**Line 2:** “Indirect costs allocated to ICSS” is automatically populated on this line from the Indirect Cost Allocation tab, line 16.

**Line 3:** “Total allowable ICSS costs,” which is calculated by adding lines 1 and 2 above, is automatically populated on this line.

### PART 2 – DETERMINATION OF COST REPORT-BASED DAILY RATE

**Line 4:** “Total allowable ICSS costs” is automatically populated on this line from line 3 above**.**

**Line 5:** “Total ICSS visits” is automatically populated on this line from the Daily Visits tab, line 3, column 1. The total ICSS visits number should include visits from all patients for ICSS, not just Medicaid visits.

**Line 6:** “Unadjusted Cost Report-Based Daily rate” (the total allowable cost per visit during the reporting period), which is calculated by dividing line 4 by line 5 above, is automatically populated on this line.

**Line 7:** Enter the applicable Medicare Economic Index (MEI). The MEI should trend the costs from the midpoint of the cost period to the midpoint of the rate period. The MEI may be found here by downloading “actual regulation market basket updates” file that provides applicable rates: <https://www.cms.gov/data-research/statistics-trends-and-reports/medicare-program-rates-statistics/market-basket-data>

**Line 8:** “Cost Report-Based Daily Rate” for ICSS, which is calculated by adjusting the amount on line 6 by the MEI on line 7 above, is automatically populated on this line. Please note according to state plan a provider's rebased ICSS cost based bundled rate will be capped so that the rebased bundled rate will be no more than 150% or less than 75% of the provider's current rate. A provider’s rebased bundled rate will not be lower than 75% or exceed 150% of the provider’s current rate, based on the cost report. Rebased rates will be determined utilizing the most recent full fiscal year of performing services.

# 12

## Certification Tab

Prepare and sign the certification statement after the worksheets have been completed. The individual signing this statement must be an officer or other authorized administrator. Cost reports should include certification from the chief executive officer (CEO), the chief financial officer (CFO), or an authorized delegate who reports to the CEO or CFO.