

**STATE OF MAINE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
INSTRUCTIONS FOR COMPLETING THE COST REPORT
FOR NURSING CARE FACILITIES – MULTI-LEVEL WITH BRAIN INJURY UNIT**

All Nursing Facilities in the State of Maine are required to submit an annual cost report and financial statements 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. Utilize the Department's approved file transfer program to upload the completed cost report in .xlsx format, along with the required supporting documents. If you do not have access to the internet, mail the information to the State of Maine DHHS, Division of Audit, 11 State House Station, Augusta, Maine 04333-0011. If a provider fails to file an acceptable cost report by the due date, the Division of Audit may send the provider a notice by certified mail advising the provider that all payments are suspended until an acceptable cost report is filed. These instructions are intended to offer guidance in completing the cost report. These instructions are not intended to offer interpretation or clarification of the Principles of Reimbursement for Nursing Facilities (10-144 Chapter 101, MaineCare Benefits Manual (MBM), Chapter III, Section 67). **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. Providers are required to file cost reports using the accrual basis of accounting, unless the Provider is a State or municipal institution that operates on a cash basis. 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
Error Report	
Schedule A	Calculation of Final Settlement for a Nursing Facility
Schedule B	Calculation of Allowable Direct Care Reimbursement
Schedule C	Calculation of Allowable Room & Board Reimbursement
Schedule D	Revenue Summary
Schedule E	Schedule of NF MaineCare Utilization Allowance

Schedule F	Schedule of Allowable Costs
Schedule G	Summary of Allowable NF Costs
Schedule H	Explanation of Adjustments to Schedule F
Schedule I	Schedule F / Trial Balance Reconciliation
Schedule J	NF Days and Payments for State Residents
Schedule K	Total NF Resident Days
Schedule L	Payroll Distribution – Salaries & Wages
Schedule M	Reconciliation of Payroll Wages and Taxes
Schedule N	Payroll Distribution – Payroll Taxes & Benefits
Schedule O	Intentionally Omitted
Schedule P	Semi-Private Charge to the General Public
Schedule Q	Intentionally Omitted
Schedule R	Schedule of Allocated Allowable Costs
Schedule S	Methods of Allocation
Schedule T	Allocation of Nursing Salaries
Schedule U	Allocation of Non-Nursing Hours
Schedule V	Calculation of Final Settlement for Brain Injury Rehabilitation NF Services
Schedule AC	NF-BI State Days, Payments & Total Days
Schedule GG-2-NF	LTC Supplemental Payment #2 Reconciliation – Nursing Facility
Schedule GG-3-NF	LTC Supplemental Payment #3 Reconciliation – Nursing Facility
Schedule GG-2-BI	LTC Supplemental Payment #2 Reconciliation – NF Brain Injury
Schedule GG-3-BI	LTC Supplemental Payment #3 Reconciliation – NF Brain Injury
Schedule ECA	Nursing Facility ECA Reconciliation

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 need to 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, Telephone Number, Email Address, Cost Report Status (as-filed or revised), the Fiscal Year Begin date, the Fiscal Year End date, the facility's 10-digit NPI+3 ID's used for Medicaid billing for all levels of care, and the Number of Licensed Beds.

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 who served as the facility's administrator during the fiscal period, including from/to dates, identify if the administrator served as an administrator at another facility, and list the names for all persons who participated in an Administrator in Training program including the start/completion dates.

Note: It is necessary to answer the question regarding whether or not the administrator served as an administrator for more than one level of care. This answer is referenced in conditional statements in multiple formulas throughout the cost report template.

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. A supplemental schedule must be submitted to support the actual cost of the service, product or property supplied by a related party.

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.

Error Report

The error report is used to flag errors on various schedules of the cost report. Once you have completed the data entry on the other schedules of the cost report and before submitting the cost report to the Division of Audit, check the error report for warnings. If a warning is visible, correct the errors on the identified schedules. No manual entry is required on this schedule.

Schedule A – Calculation of Final Settlement for a Nursing Facility

Schedule A is used to calculate the final settlement amount due to the Provider or the State for nursing facility services. No manual entry is required on this schedule.

Schedule B – Calculation of Allowable Direct Care Reimbursement

Schedule B is used to compare the average direct care rate paid to the allowable direct care cost per day, determine the lesser of the two amounts, and calculate the allowable direct care reimbursement. Schedule B also identifies any direct care disallowance for the cost reporting period. An average direct care rate is calculated for the cost report period based on direct care days paid and payments received.

In note ‘a’, enter the average direct care add-on, supplemental wage allowance, and Section AAAA-5 add-on from the rate letter computation. The extraordinary circumstance allowance outbreak rate increase in the direct care add-on section of the rate letter does not get included on Schedule B as these funds related to a COVID-19 outbreak which will be settled separately from the cost report. If there is more than one rate computation for the audit period, calculate the average rate, weighted by the applicable NF total days from Schedule K, column 5.

Schedule C – Calculation of Allowable Room & Board Reimbursement

The purpose of this schedule is to compare the prospective routine rate per day to the actual routine cost per day, determine the lesser of the two amounts, and calculate the allowable room & board reimbursement. If there is any routine cost savings it is compared to the direct care disallowance and the lesser of the two amounts is allowed as routine cost savings.

In note ‘a’, enter the prospective routine rate per day (a/k/a the routine cost component) and the aggregate funding adjustment, if applicable, from the rate letter computation. If there is more than one rate computation for the audit period, calculate the average rate, weighted by the applicable NF total days from Schedule K, column 5.

Schedule D – Revenue Summary

The purpose of this schedule is to report the facility revenue. Revenues are entered from the provider’s records. The primary source for this schedule should be the provider’s financial statements or trial balance.

If column 1, lines 1 through 9, do not include all the facility’s revenue categories, enter a description of the “other” revenues in lines 10 through 13. In column 2, enter the trial balance account numbers associated with the revenue and contractual adjustments in the corresponding lines. In column 3, enter the dollar amount of the revenue and contractual adjustments, rounded to the nearest dollar.

Schedule E – Schedule of NF MaineCare Utilization Allowance

The purpose of this schedule is to determine if a NF provider is eligible for a MaineCare utilization payment. This is a two-part schedule. The first part is used to test for high MaineCare utilization. The second part is used to determine if there is a savings or disallowance when allowable combined direct care and routine costs are compared to the combined direct care and routine cost caps.

For the MaineCare utilization over 70% calculation, allowable combined direct care and

routine costs must exceed the combined direct care and routine cost caps in order to be eligible to receive and retain the MaineCare utilization payments.

Schedule F – 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 must be 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 F 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 I and reference Schedule I in column 1. If one T/B account is allocated to more than one expense line in column 2, document this on Schedule I and reference Schedule I in column 1 for each applicable expense line.

Complete the Salaries & Wages expense lines with the amounts from Schedule L, column 6. Complete the expense lines for Payroll Taxes & Benefits with the amounts from Schedule N, column 9. In column 1, reference Schedule L for all the Salaries and Wages lines, and reference Schedule N for all the Payroll Taxes & Benefits 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 H.

On line 149, enter the total expenses per the trial balance. Explain any material variance identified on line 150. A separate work paper may be attached, if necessary, to explain the variance.

Schedule G – Summary of Allowable NF Costs

The purpose of this schedule is to summarize the allowable costs claimed on Schedule R, column 2 and determine the cost per resident day for the cost components. No manual entry is required on this schedule.

Schedule H – Explanation of Adjustments to Schedule F

The purpose of this schedule is to explain the provider's adjustments on Schedule F. 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 applicable Principles of Reimbursement reference to support the individual adjustments. In column 4, enter the amount associated with each adjustment. All adjustments on Schedule F must be

included on Schedule H. Any expenses included with the extraordinary circumstance allowance (ECA) outbreak reconciliation due to a COVID-19 outbreak need to be removed from the allowable expenses on the cost report. The ECA Outbreak will be settled separately from the cost report.

Schedule I – Schedule F / Trial Balance Reconciliation

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

Sch F Line #	Schedule F Line Description	Amount	T/B Acct #	Acct. Description	Amount
			6520	Plowing/Sanding	\$1,300
			6530	Rubbish Removal	\$1,575
60	Snow & Rubbish Removal	\$2,875			\$2,875
27	Motor Vehicle Insurance	\$1,525			
97	Motor Vehicle Operating Expense	\$600			
		\$2,125	9050	Motor Vehicle Expense	\$2,125

Additional pages may be added if necessary.

Schedule J – NF Days and Payments for State Residents

The purpose of this schedule is to report the MaineCare room and board and direct care resident days, and the MaineCare non-case mix and direct care payments received.

Enter the appropriate year next to the corresponding month. In column 1, enter the NF MaineCare room and board resident days billed for each month. In column 2, enter the authorized non-case mix adjusted rate (a/k/a the total direct add-on, routine, fixed, aggregate funding adjustment (if applicable) and MaineCare Utilization) from the rate letter for each month. In column 3, enter the amount of the non-case mix adjusted payments received each month for MaineCare reimbursement. In column 3, line 13, subtract the amount received, if any, for the extraordinary circumstance allowance (ECA) outbreak rate increase due to a Maine Centers for Disease Control (CDC) confirmed COVID-19 outbreak. The ECA Outbreak funds will be settled separately from the cost report. In column 4, enter the NF MaineCare direct care resident days billed for each month. In column 5, enter the MaineCare direct care payments received for each month.

Schedule K – Total NF Resident Days

The purpose of this schedule is to summarize the total NF resident days by payment category.

In column 2 enter the resident days paid as MaineCare Days Waiting Placement (DWP). DWP are for NF residents not eligible for NF benefits that are awaiting placement in an RCF. In column 3, enter the resident days paid by Medicare. In column 4, enter the resident days paid by other sources such as private or 3rd party payers.

Schedule L – Payroll Distribution: Salaries & Wages

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

In column 1, enter the actual hours worked for each staff position. This column must not include any benefit hours. In column 2, enter any adjustments to the hours worked. In column 4, enter the actual worked wages paid for each staff position. This column must not include any benefit wages. In column 5, enter any adjustments to the worked wages paid for each staff position.

Schedule M – 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 L and N.:

- Form 941: Employer's Quarterly Federal Tax Return
- Form 940: Employer's Annual Federal Unemployment Tax Return
- Form 941ME: Quarterly Filing for Income Tax Withholding
- Form ME UC-1: Quarterly Unemployment Contributions Report

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. In column 2, enter any tax-exempt wages paid during each quarter. In column 3, enter the total FICA taxable wages paid during each quarter per Form 941. In column 4, enter the total FICA tax reported on Form 941 for each quarter. In column 5, enter the Maine State unemployment (SUTA) taxable wages reported on Form ME UC-1 for each quarter. In column 6, enter the SUTA tax paid for each quarter. In column 7, enter the Federal unemployment (FUTA) tax paid for each quarter per Form 940. In column 8, enter the employer's share of the FICA tax reported in column 4 for each quarter.

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 L. Line 8 is for the total tax-exempt wages reported in column 2. On line 9, enter 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 gross payroll reported on Schedule L, line 26. If line 15 does not equal line 14, a variance is calculated on line 16. If a material variance exists, explain the variance (see note).

On line 12b, enter the prior year payroll tax accrual as a negative (-) amount. 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 N, column 1, line 23. If line 15b

does not equal line 14b, a variance is calculated on line 16b. If a variance exists, 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.

Schedule N – Payroll Distribution: Payroll Taxes and Benefits

The purpose of this schedule is to identify the payroll taxes and fringe benefits 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 adjustments to the payroll taxes and benefits for each staff position. The payroll taxes and benefits in column 9 are transferred to the appropriate lines in column 2 of Schedule F.

Schedule P – Semi-Private Charge to the General Public

The purpose of this schedule is to maintain statistical data of the lowest semi-private room charges to the general public by nursing facilities.

Enter in the “Lowest Semi-Private Rate” column the lowest semi-private room charge to the general public for each month.

Schedule R – Schedule of Allocated Allowable Costs

The purpose of this schedule is to allocate the allowable costs claimed from Schedule F among the various levels of care (including direct-billed therapies).

In column 5, enter the line number reference from Schedule S for the allocation method used. If reporting direct costs for each level of care, reference line 32 from Schedule S indicating that the cost is a direct NF, NF-BI or Other program cost. The provider’s financial records must support any direct costs claimed.

Schedule S – Methods of Allocation

The purpose of this schedule is to report the methods used to allocate costs among the levels of care (including direct-billed therapies) on Schedule R.

In line 10, enter the total square feet occupied by each level of care excluding common or shared areas. In line 12, enter the meals provided. In line 14, enter the total resident days for the Other level of care. In lines 20 and 33, enter the data for any other method of allocation not specified on Schedule S.

Schedule T – Allocation of Nursing Salaries

The purpose of this schedule is to report the worked hours for nursing positions and the nursing salaries for each level of care.

In lines 1 through 6, enter the actual amounts of worked hours, worked wages, and payroll taxes and benefits applicable to the NF level of care. In lines 8 through 13, enter the actual amounts of worked hours, worked wages, and payroll taxes and benefits applicable to the NF-BI level of care. In lines 15 through 20, enter the actual amounts of worked hours, worked wages, and payroll taxes and benefits applicable to the Other level of care.

Schedule U – Allocation of Non-Nursing Hours

The purpose of this schedule is to allocate total worked hours for non-nursing cost centers to the nursing, brain injury and other operations. No manual entry is required on this schedule.

Schedule V – Calculation of Final Settlement for Brain Injury Rehabilitation NF Services (NF-BI) Schedule V is used to calculate the final settlement amount due to the Provider or the State for nursing facility brain injury services. No manual entry is required on this schedule.

Schedule AC – NF-BI State Days, Payments & Total Days

The purpose of this schedule is to report State NF-BI days, total NF-BI days, and the MaineCare amounts received for the cost reporting period.

In column 1, enter the State NF-BI days billed. In column 2, enter the authorized NF-BI rate for each month from the rate letter. In column 3, enter the amount received for each month. In column 3, line 13, subtract the amount received, if any, for the extraordinary circumstance allowance (ECA) outbreak rate increase due to a Maine Centers for Disease Control (CDC) COVID-19 outbreak. The ECA Outbreak funds will be settled separately from the cost report. In column 4, enter the NF-BI days paid by other sources such as private or 3rd party payers. On line 15, column 4, enter the direct care price from the rate letter.

Schedule GG-2-NF – LTC Supplemental Payment #2 Reconciliation-Nursing Facility

The purpose of this schedule is to reconcile the amount of long-term care (LTC) supplemental payments received for round #2 and the COVID related expenses covered by the payments.

In column 2, enter the COVID related total expense. In column 4, line 5, enter the total amount of LTC supplemental payments received in August 2022. In column 4, line 6, enter the amount of LTC supplemental payments used in the prior period, if applicable.

The offset identified in column 7 needs to be transferred to Schedule H. The offset will automatically transfer to Schedule F. The adjustment for the nursing unit needs to be a separate adjustment from the NF brain injury unit.

Schedule GG-3-NF – LTC Supplemental Payment #3 Reconciliation-Nursing Facility

The purpose of this schedule is to reconcile the amount of long-term care (LTC) supplemental payments received for round #3 and the COVID related expenses covered by the payments.

In column 2, enter the COVID related total expense. In column 4, line 5, enter the total amount of LTC supplemental payments received in April 2023. In column 4, line 6, enter the amount of LTC supplemental payments used in the prior period, if applicable.

The offset identified in column 7 needs to be transferred to Schedule H. The offset will automatically transfer to Schedule F. The adjustment for the nursing unit needs to be a separate adjustment from the NF brain injury unit.

Schedule GG-2-BI – LTC Supplemental Payment #2 Reconciliation-NF Brain Injury

The purpose of this schedule is to reconcile the amount of long-term care (LTC) supplemental payments received for round #2 and the COVID related expenses covered by the payments.

In column 2, enter the COVID related total expense. In column 4, line 5, enter the total amount of LTC supplemental payments received in August 2022. In column 4, line 6, enter the amount of LTC supplemental payments used in the prior period, if applicable.

The offset identified in column 7 needs to be transferred to Schedule H. The offset will automatically transfer to Schedule F. The adjustment for the NF brain injury unit needs to be a separate adjustment from the nursing unit.

Schedule GG-3-BI – LTC Supplemental Payment #3 Reconciliation-NF Brain Injury

The purpose of this schedule is to reconcile the amount of long-term care (LTC) supplemental payments received for round #3 and the COVID related expenses covered by the payments.

In column 2, enter the COVID related total expense. In column 4, line 5, enter the total amount of LTC supplemental payments received in April 2023. In column 4, line 6, enter the amount of LTC supplemental payments used in the prior period, if applicable.

The offset identified in column 7 needs to be transferred to Schedule H. The offset will automatically transfer to Schedule F. The adjustment for the NF brain injury unit needs to be a separate adjustment from the nursing unit.

Schedule ECA – NF ECA Payment Reconciliation

The purpose of this schedule is to reconcile the amount of nursing facility extraordinary circumstance allowance (ECA) payments received and the expenses covered by the payments.

In column 2, enter the total expense covered with the NF ECA payment. In column 4, line 5, enter the total amount of NF ECA payments received in December 2023. In column 4, line 6, enter the amount of NF ECA payments used in the prior period, if applicable.

The offset identified in column 7 needs to be transferred to Schedule H. The offset will automatically transfer to Schedule F.