



Home Care Cost Report - 2022 Lessons Learned Webinar

March 28, 2024



Webinar protocols

Protocols

- Please note that participants will be on mute for the duration of the session.
 - If you have questions during the presentation, please enter them via the Q&A feature in Webex. DOH and KPMG will answer the questions during this session or add the question and response to the list of FAQs on the DOH website, if applicable.
 - Note that questions should be limited to Home Care Cost Report matters only.
-

Agenda

Topic	Speaker	Time
Introduction and recap of the 2022 Home Care Cost Report	DOH	5 minutes
Lessons learned	KPMG	35 minutes
Future cost report year updates	KPMG	10 minutes
Closing remarks and next steps	KPMG	5 minutes
Q&A period	DOH/KPMG	5 minutes
		Total time: 60 minutes



Introduction and recap of the 2022 Home Care Cost Report

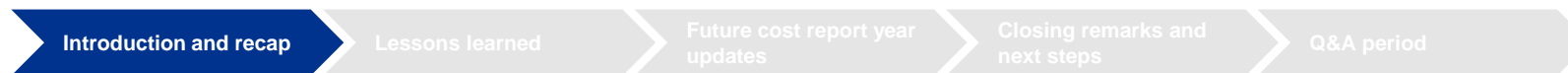
Introduction and recap of the 2022 Home Care Cost Report

Introduction

- During today's session, we plan to highlight common issues and errors that were identified throughout the 2022 Home Care Cost Report submission and audit process.
- Our goal is to identify areas of the cost report that may have been unclear during the submission and audit process and clarify how to properly report these items so that providers may increase their compliance in future cost report years.

2022 Home Care Cost Report recap

- KPMG LLP (KPMG) and the NYS Department of Health (DOH) conducted a live kickoff webinar in June when the 2022 Cost Report submission period began. Another live webinar was held in September ahead of the audits. Based on provider feedback, several webinars on cost reporting topics were pre-recorded in lieu of additional live webinars and posted to the web-based tool (the Tool). This allowed providers the ability to access webinar content by topic to review as needed during their completion of the cost report submission.
- The 2022 Home Care Cost Report submissions were due on August 30, 2023. DOH reviewed the submitted cost reports and selected a sample of agencies for audit.
- KPMG conducted audit procedures from September 13, 2023 through January 10, 2024.
- We would like to thank all the providers who participated in the outreach sessions, cost report submission, and audit process for the 2022 cost report year. DOH and KPMG recognize that many providers demonstrated an eagerness to learn and showed significant improvement throughout the audit process.



Introduction and recap of the 2022 Home Care cost report (continued)

Provider resources and materials

- DOH and KPMG made the following resources available in Instructions tab of the Tool to support providers in completing their cost report submission:
 - **Cost report instructions** (both in the Instructions tab drop-downs and as a PDF download)
 - DOH updated the Home Care Cost Report Instructions prior to the 2022 cost report year to add more detail based on feedback from the 2021 cost report year. Some examples included guidance on the documentation that should be used for each schedule, updated guidance on Schedule 4 cost reporting, updated guidance and information related to offsetting costs covered by Workers' Recruitment and Retention (WR&R) revenue, additional clarification on the treatment of negative values, and additional guidance on the reporting of non-reimbursable services.
 - **PDF presentations and recordings of the 2019, 2020, 2021, and 2022 cost report year outreach sessions**, including the 2019, 2020, and 2021 Lessons Learned webinars
 - **Supporting documentation templates:**
 - Updated supporting documentation templates (CHHA, LHCSA, and FI) to demonstrate how costs and service statistics should be captured within the templates.
 - Introduced a new, dynamic template that auto-populates data and tables based on the user's inputs. Agencies can use this template to assist in streamlining their supporting documentation for the cost report process.

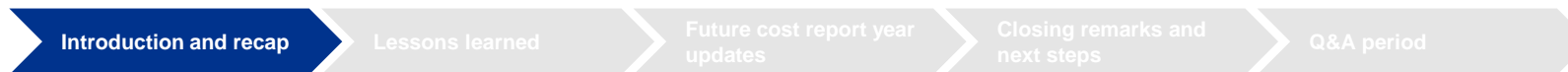


Introduction and recap of the 2022 Home Care cost report (continued)

- **Excel template of the cost report schedules** (for reference; not submission)
- **Information buttons** throughout the Tool to provide helpful reporting links and guidance on specific items.
- **Automatic Tool Checks** triggered by errors made when completing the Cost Report.
- Most materials are also posted to the DOH website: https://health.ny.gov/facilities/long_term_care/reimbursement/hccr/.
 - Additionally, DOH and KPMG reviewed the Q&A and chat questions from the 2022 outreach sessions and created FAQ documents, which are also available on the DOH website.

Impact of 2022 cost report

- The 2022 cost report data is expected to be used by DOH to set the 2024 Medicaid reimbursement rates.



Lessons learned

Lessons learned summary

Lessons learned topics

01

Supporting documentation

02

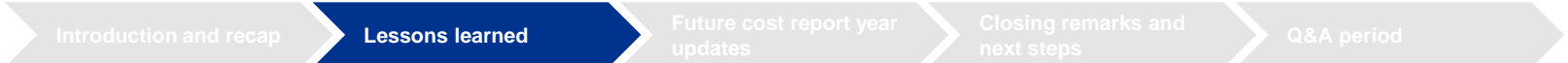
Cost report schedules

03

General questionnaire/Agency Representation tab

04

Audit process



Lessons learned: Supporting documentation

Supporting documentation

Common errors

- There were several instances during the 2022 audit where the **supporting documentation provided was not sufficient** to allow audit teams to reconcile the information reported on the cost report or determine completeness or accuracy of the data.
- Some errors included providing hard-coded Excel files (no formula links) and agencies not providing clear explanations for how the cost report numbers tied back to supporting documentation (e.g., general ledger, trial balance, and statistical report).
- Other errors included providing numerous supporting documentation files for one schedule without links or explanations between the different files. This makes it difficult to trace cost report values back to a reliable source, such as a trial balance.

Lessons learned

- Agencies should provide supporting documentation that clearly verifies the completeness and accuracy of the data submitted in the cost report. Helpful tips include:
 - Use formulas to link tabs within Excel files.
 - Demonstrate underlying calculations for the data, including any reconciliations or crosswalks for information on the cost report that do not tie directly to the supporting documentation (e.g., financial statement reconciliation).
 - Provide credible third-party supporting documentation to validate the cost report and Excel files (e.g., trial balance, system-generated statistical reports, audited financial statements, etc.).
 - Avoid submitting handwritten or hard-coded/PDF documentation. This data is difficult to decipher and reconcile.
- DOH recommends that providers leverage the supporting documentation templates when compiling their support for the 2023 cost report.

Useful Links

2022 Links

- [2022 Home Care Cost Report Instructions](#)
- [2022 Home Care Cost Report Outreach Program](#)

Supporting Documentation Templates

- [Cost Report Policy and Procedure Template](#)
- [LHCSA Supporting Documentation Template](#)
- [CHHA Supporting Documentation Template](#)
- [FI Supporting Documentation Template](#)
- [CHHA R&R/RT&R revenue estimation template](#)
- [LHCSA WR&R revenue estimation template](#)
- [FI WR&R revenue estimation template](#)
- [Pilot Program Template](#)

Introduction and recap

Lessons learned

Future cost report year updates

Closing remarks and next steps

Q&A period



Supporting documentation (continued)

Common errors

- Some agencies **did not provide a clear allocation methodology** to demonstrate or explain the allocation percentages used to allocate costs across entities and service types. This made it difficult for audit teams to conclude on the accuracy of the information reported in the cost report.
- There were many instances where agencies submitted their cost reports and/or supporting documentation past the deadlines set by DOH.

Lessons learned

- Agencies should provide a clear allocation methodology and explanation. For example, allocation methodologies should include specific formulas that were used to arrive at the percentages in the supporting documentation as well as an explanation as to why that allocation basis was used (e.g., percentage of total visits).
- Agencies should plan accordingly with their internal teams and/or any vendors hired to assist with the cost report process to help ensure that the cost report and supporting documentation files are submitted timely and in accordance with the format outlined by DOH.
- Inaccurate or incomplete cost report submissions can lead to an inaccurate Medicaid rate calculation. As such, it is important that agencies submit their cost reports timely and accurately.

2022
Top
Audit
Finding

SUM				
A	B	C	D	E
1 County Allocation Percentages				
Summary of Hours (from system generated support)				
2				
3		County #1	County #2	County #3
4	PC: Level I	2,200.00	990.00	910.00
5	PC: Level II	5,070.00	1,820.00	1,580.00
6	Live-In	3,250.00	650.00	780.00
7	Nursing Supervision	575.00	175.00	-
8	NHTD (Non-reimbursable)	750.00	600.00	-
9	Total	11,845.00	4,235.00	3,270.00
10				
11				
12				
13	Allocation Percentages	County #1	County #2	County #3
14	PC: Level I	=B4/\$E\$9	5.12%	4.70%
15	PC: Level II	26.20%	9.41%	8.17%
16	Live-In	16.80%	3.36%	4.03%
17	Nursing Supervision	2.97%	0.90%	0.00%
18	NHTD (Non-reimbursable)	3.88%	3.10%	0.00%
19	Total	61.21%	21.89%	16.90%

This image is referencing a better practice for the first error described above regarding allocation methodologies.

Lessons learned: Cost report schedules

General cost reporting

Common errors	Lessons learned
---------------	-----------------

- | | |
|--|--|
| <ul style="list-style-type: none">There were several instances where agencies did not report the accurate number of entities within section I.3 of the Reporting Hierarchy tab within the web-based tool. | <ul style="list-style-type: none">Agencies should report all CHHA, LHCSA, and FI entities they operated under one Federal Tax-ID in a given year, in Question I.3 of the Reporting Hierarchy.If an entity was not in operation during the cost report year being reported or provides home care services that are not required to be submitted (e.g., Private-pay only, etc.) then the entity is not required to be reported. However, the agency must provide an explanation for why the entity was omitted from the cost report and provide a reconciliation of its total expenses that includes the nonreported entities in the Financial Reconciliation tab of the Tool.<ul style="list-style-type: none">Agencies that operate CHHA entities should be reporting entities based on the Operating Certificate.Agencies that operate LHCSA and FI entities should be reporting entities based on the county served and not the office location.All entities reported in the cost report should have data reported within each entity-level schedule. |
|--|--|

Reporting Hierarchy Tab

Question: I.3

Please enter the total quantity of CHHA, LHCSA, and FI entities operated by the above agency.

If an agency does not operate any of the below entity types, please enter a value of 0.

CHHA

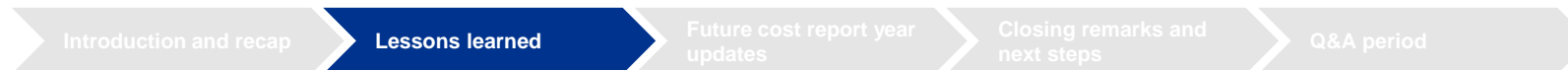
0

LHCSA

8

FI

8



Reporting costs on Schedules 3 and 4

Common errors

- There was **confusion regarding the types of costs** that should be reported on Schedules 3 and 4.



Pro-tip!

Lessons learned

- **Schedule 3 should include the agency's total costs**, including direct care personnel (e.g., personal care aide salary and benefits), administrative personnel (e.g., administrative worker salary and benefits), nonpersonnel (e.g., rent, office supplies, insurance, etc.), and non-reimbursable (e.g., meal expenses and political contributions) costs.
 - The total costs on Schedule 3 should reconcile to the total expenses per the agency's financial statements.
- **Schedule 4 should only include administrative personnel and Direct Care nonpersonnel costs.**
 - Direct care worker wages and benefits should not appear on Schedule 4.
- **As such, the "Total Entity Costs" amount should be greater on Schedule 3 than on Schedule 4.**
- Costs from the trial balance should first be categorized into 1 of the 10 columns on Schedule 3 and allocated by service type (e.g., Direct Care salary to be reported in the Program Aide column on Schedule 3). They should also be categorized into 1 of the 2 columns on Schedule 4 and allocated by each general service cost center.
- Direct care personnel expenses should be omitted from Schedule 4 **entirely**.
 - **This rule excludes costs related to medical supplies, which should also be reported on Schedule 4, row 018, column 002, in addition to Schedule 3, column 006**
 - **This rule excludes costs related to employee physicals and immunizations. These types of costs for both direct care and administrative personnel should be reported only as administrative on Schedules 3 and 4.**

Note: Examples of Schedules 3 and 4 reporting are included on the following slides.

Introduction and recap

Lessons learned

Future cost report year updates

Closing remarks and next steps

Q&A period

Reporting costs on Schedule 3 step-by-step:

Step One: Identify all costs on TB or GL.

Supporting Documentation: Trial Balance

		Categorization (Schedule 3 column)	Categorization (Schedule 4 column)
700 Wages	4,551,024.00		
Salary RN	1,440,750.00	006	N/A
Physical Therapy Assistant	93,750.00	006	N/A
Licensed Practical Nurse	250,000.00	006	N/A
Salary PT	1,016,021.00	006	N/A
Salary ST	31,700.00	006	N/A
Salary OT	555,637.00	006	N/A
Salary HHA	28,666.00	006	N/A
Salary Nutritionist	3,500.00	006	N/A
Salary Adm	963,000.00	005	001
Salary Clerical	140,000.00	005	001
Salary Maintenance	20,000.00	005	001
Vacation RN	7,000.00	006	N/A
Vacation LPN	1,000.00	006	N/A

Step Two: Allocate costs by county.

Supporting Documentation: Allocation Methodology

County Allocation Percentages		Program Aide		Program Administration	
Summary of Hours (from system generated support)	Dutchess	Total	Column 006	Column 005	
PC: Level I	2,200.00	2,200.00			
PC: Level II	5,070.00	5,070.00			
Live-In	3,250.00	3,250.00			
Shared Aide Level I	575.00	575.00			
Total	11,095.00	11,095.00	\$ 3,428,024.00	\$ 1,123,000.00	

Allocation Percentages	Dutchess	Check	Allocation Percentages	Dutchess	Total	Allocation Percentages	Dutchess	Total
PC: Level I	19.83%	19.83%	PC: Level I	\$ 679,734.37	679,734.37	PC: Level I	\$ 222,676.88	222,676.88
PC: Level II	45.70%	45.70%	PC: Level II	\$ 1,566,478.75	1,566,478.75	PC: Level II	\$ 513,169.00	513,169.00
Live-In	29.29%	29.29%	Live-In	\$ 1,004,153.04	1,004,153.04	Live-In	\$ 328,954.48	328,954.48
Shared Aide Level I	5.18%	5.18%	Shared Aide Level I	\$ 177,657.85	177,657.85	Shared Aide Level I	\$ 58,199.64	58,199.64
Total	100.00%	100.00%	Total	\$ 3,428,024.00	3,428,024.00	Total	\$ 1,123,000.00	1,123,000.00

Schedule 3

LHCSA Name LHCSA County	Abc Dutchess										
	Total Entity Costs (002 + 003 + 004)	Non-Reimbursable Costs (Adjustment to Expense)	Non-Reimbursable WR&R Costs	Total Reimbursable Costs (Sum of 004 through 011)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services	Other
	001	002	003	004	005	006	007	008	009	010	011
Direct Care											
PC: Level I	001	902,411.25	0.00	0.00	902,411.25	222,676.88	679,734.37	0.00	0.00	0.00	0.00
PC: Level II	002	2,079,647.75	0.00	0.00	2,079,647.75	513,169.00	1,566,478.75	0.00	0.00	0.00	0.00
PC: Level II - Hard to Serve	003	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Live-in	004	1,333,107.52	0.00	0.00	1,333,107.52	328,954.48	1,004,153.04	0.00	0.00	0.00	0.00
Nursing Supervision	005	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nursing Assessment	006	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Shared Aide: Level I	007	235,857.49	0.00	0.00	235,857.49	58,199.64	177,657.85	0.00	0.00	0.00	0.00
Shared Aide: Level II	008	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Subtotal (reimbursable services)	009	4,551,024.01	0.00	0.00	4,551,024.01	1,123,000.00	3,428,024.01	0.00	0.00	0.00	0.00
Other Non-Reimbursable Services	010	0.00	0.00		0.00						
Subcontractor Services	011	0.00			0.00		0.00				
Home Health Aide	012	0.00	0.00		0.00						
GRAND TOTAL	013	4,551,024.01			4,551,024.01	1,123,000.00	3,428,024.01				

Step Three: Categorize costs by columns and Service Type rows on Schedule 3 for each county.

Example: Direct Care Salary and benefit expenses from the TB are reported in Column 006 Program Aide (Direct Care) and service type rows (001, 002, 004, 007).



Reporting costs on Schedule 3 (continued)

“Total Entity Costs” on Schedule 3 should reconcile to the total expenses per financial statements.

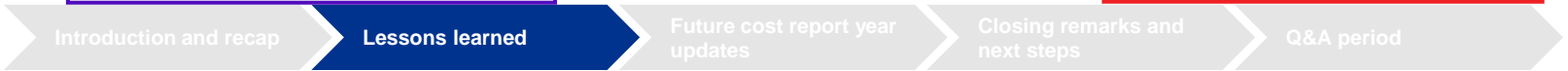
Administrative costs should be reported in Column 005 and should equal the total Program Administration costs reported on Schedule 4, Column 001 .

Schedule 3

LHCSA Name	LHCSA County	Abc Dutchess										
		Total Entity Costs (002 + 003 + 004)	Non-Reimbursable Costs (Adjustment to Expense)	Non-Reimbursable WR&R Costs	Total Reimbursable Costs (Sum of 004 through 011)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services	Other
		001	002	003	004	005	006	007	008	009	010	011
Direct Care												
PC: Level I	001	1,256.00	3.00	11.00	1,242.00	305.00	919.00		13.00	1.00	0.00	4.00
PC: Level II	002	3,574,823.00	8,080.00	31,359.00	3,535,384.00	868,832.00	2,615,896.00		36,594.00	1,568.00	0.00	12,494.00
PC: Level III - Hard to Serve	003	50,652.00	114.00	444.00	50,094.00	12,311.00	37,065.00		519.00	22.00	0.00	177.00
Live-in	004	1,065,959.00	2,409.00	9,351.00	1,054,199.00	259,073.00	780,022.00		10,912.00	467.00	0.00	3,725.00
Nursing Supervision	005	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Nursing Assessment	006	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Shared Aide: Level I	007	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Shared Aide: Level II	008	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Subtotal (reimbursable services)	009	4,692,690.00	10,606.00	41,165.00	4,640,919.00	1,140,521.00	3,433,902.00	0.00	48,038.00	2,058.00	0.00	16,400.00
Other Non-Reimbursable Services	010	0.00	0.00		0.00							
Subcontractor Services	011	0.00			0.00		0.00					
Home Health Aide	012	0.00	0.00		0.00							
GRAND TOTAL	013	4,692,690.00	10,606.00	41,165.00	4,640,919.00	1,140,521.00	3,433,902.00		48,038.00	2,058.00		16,400.00

Non-Reimbursable costs should be reported in Column 002.

Direct care costs should be reported in Columns 006–011.



Reporting costs on Schedule 4

No direct care personnel expenses should be reported on Schedule 4 except for costs related to medical supplies.

Schedule 4

LHCSA Name	Abc	
LHCSA County	Dutchess	
	Program Administration	Direct Care Non-personnel Costs
	001	002
GENERAL SERVICE COST CENTERS		
Criminal Background Check & Fingerprinting	001	0.00
Capital Related - Building & Fixtures	002	0.00
Capital Related - Movable Equipment	003	189.00
Plant Operations & Maintenance	004	5,802.00
Rent-Building	005	22,653.00
Rent-Furnishings	006	1,377.00
Rent-Vehicles	007	0.00
Interest-Property	008	0.00
Depreciation-Plant	009	0.00
Depreciation-Equipment & Furnishings	010	7,520.00
Depreciation-Vehicles	011	0.00
Transportation	012	9,664.00
Utilities	013	8,998.00
Office Supplies & Materials	014	7,248.00
Insurance	015	44,192.00
Administration & General	016	1,036,704.00
Employee physicals/uniforms/immunizations	017	0.00
Medical Supplies	018	0.00
Other	019	0.00
GRAND TOTAL	020	1,144,347.00

Within column 002 (Direct Care Non-personnel costs), all rows are greyed out with the exception of medical supplies to prevent erroneous costs.

Direct Care Non-Personnel costs to be reported in row 018, column 002.

Total Program Administration Costs on Schedule 4, Column 001 should equal the Program Administration Costs reported on Schedule 3, Column 005



Reporting costs on Schedules 3 and 4

Common errors

- There were many instances where **agencies did not properly estimate and offset the WR&R** revenue received through the WR&R rate add-on from their WR&R costs, and as a result, a portion of WR&R costs were incorrectly reported as reimbursable costs on Schedule 3.

Lessons learned

- All WR&R costs covered by the WR&R rate add-on should be reported as non-reimbursable costs in Column 003 on Schedule 3. Only WR&R costs in excess of the WR&R revenue received through the WR&R rate add-on should be reported as reimbursable.
 - The non-reimbursable WR&R costs (portion covered by the revenue) should be offset from the column where the WR&R expenses are reported. For example, if your WR&R costs relate to direct care salaries or benefits, the non-reimbursable WR&R costs should be offset from Column 006 on Schedule 3.
- Prior to the 2022 cost report, DOH provided updated instructions on how agencies can identify WR&R revenue on their FFS rate sheet or estimate their WR&R revenue using the DOH-estimation calculation in the Cost Report Instructions. DOH also created three WR&R revenue estimation templates that providers may leverage, as well as a pre-recorded WR&R webinar module for reference. Providers are encouraged to use these materials to properly estimate WR&R revenue in future years.
 - WR&R revenue should be calculated using both Medicaid Managed Care and Medicaid FFS units of service, as applicable.

Examples of WR&R costs:

- Overtime pay
- Retention or hiring bonuses
- Wellness programs
- Employee referral awards

2022
Top
Audit
Finding

Useful Links

2022 Links

- 2022 Home Care Cost Report Instructions
- 2022 Home Care Cost Report Outreach Program

Supporting Documentation Templates

- Cost Report Policy and Procedure Template
- LHCSA Supporting Documentation Template
- CHHA Supporting Documentation Template
- FI Supporting Documentation Template
- CHHA R/R/RT&R revenue estimation template
- LHCSA WR&R revenue estimation template
- FI WR&R revenue estimation template
- [Pilot Program Template](#)

Pre-recorded webinar

- Module: Home Care Cost Report Overview and Background (10 minutes)
- Module: Home Care Cost Report Terminology (9 minutes)
- Module: Home Care Cost Report Web-based Tool Walkthrough (24 minutes)
- Module- Cost Report Schedules Walkthrough (53 minutes)
- Module: Reporting Guidance for Contracting Relationships on Schedules 3 and 4 (12 minutes)
- Module: Allocating costs on Schedules 3 and 4 (17 minutes)
- Module: Supporting Documentation and the SFTP site (32 minutes)
- [Worker's Recruitment & Retention Reporting Guidance \(19 minutes\)](#)

Introduction and recap

Lessons learned

Future cost report year updates

Closing remarks and next steps

Q&A period

Reporting costs on Schedules 3 and 4 (continued)

2022
Top
Audit
Finding

Common errors

- There were several instances where agencies included non-reimbursable Medicaid services within their estimation of WR&R revenue.
- There were several instances where agencies did not offset the full amount of their estimated WR&R revenue or offset a portion of their estimated WR&R revenue with costs associated with non-reimbursable services.
- Some agencies were incorrectly estimating and offsetting Medicaid Fee-for-Service WR&R revenue.

Lessons learned

- Per the Home Care Cost Report instructions, only reimbursable Medicaid services or revenue should be used to estimate WR&R revenue. WR&R revenue on non-reimbursable Medicaid services or non-Medicaid services should not be estimated and offset.
- The full amount of the estimated WR&R revenue received must be offset with WR&R costs associated with reimbursable services.
- Per the Home Care Cost Report instructions, WR&R rate add-ons are not applicable to any entities (LHCSA, or FI) that are contracted with the City of New York (i.e., Medicaid FFS rates that are set by the NYC HRA). WR&R rate add-on revenue is included in the rates for New York City agencies contracted with MLTCs/MCOs, and as such, WR&R revenue is required to be offset from costs on Schedule 3 for NYC Managed Care services.

WR&R Guidance from Instructions Tab in the Tool:

3. **Column 003: Non-reimbursable WR&R costs**— The expenses which were funded by the Workers' Recruitment & Retention (WR&R) revenue received through the WR&R rate add-on in accordance with Section 367-q of the Social Services Law and Public Health Law 3614 (Sections 8 and 9) should be included in Column 003 [1]. The WR&R rate add-on is additional revenue for home care agencies to spend on recruitment, training, and retention costs. WR&R add-ons are included in the Medicaid rates for both Medicaid Fee-for-service and Medicaid Managed Care. WR&R costs are any costs incurred for the purposes of recruiting and retaining the agency's staff. Some examples of WR&R costs include, but are not limited to:

- Overtime pay
- Retention or hiring bonuses
- Incentive pay
- Salary increases
- Wellness programs
- Mental health and stress management resources
- Childcare assistance/benefits
- Recruitment tools
- Employee referral awards
- Sabbatical

The WR&R rate add-on percentage differs by entity type. A summary of the WR&R rate add-on percentages for the 2022 Medicaid Fee-for-service rates is included below:

- LHCSA and FI entities receive a 4.56% WR&R rate add-on.
- CHHA pediatric entities receive a 2.25% rate add-on for R&R and 4.70% rate add-on for RT&R (6.95% total).
- CHHA pediatric entities do not receive additional WR&R revenue (0%).

Examples of WR&R costs:

- Overtime pay
- Retention or hiring bonuses
- Wellness programs
- Employee referral awards

Useful Links

2022 Links

- 2022 Home Care Cost Report Instructions
- 2022 Home Care Cost Report Outreach Program

Introduction and recap

Lessons learned

Future cost report year updates

Closing remarks and next steps

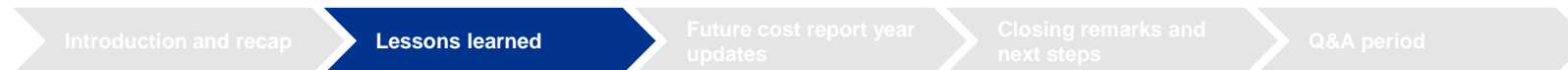
Q&A period



Reporting of non-reimbursable services (direct care)

Common errors	Lessons learned
<ul style="list-style-type: none">• There were instances where agencies reported non-reimbursable costs and service statistics in the incorrect non-reimbursable service type row on Schedules 3 and 5.	<ul style="list-style-type: none">• Services that are reimbursed through a program other than Medicaid CHHA, Personal Care, or Consumer Directed Programs (e.g., Hospice, PACE, NHTD) should be reported in the “Other Non-Reimbursable Services” row (010) on Schedule 3 and Schedule 5. On Schedule 3, the costs associated with these services should be reported in the “Non-Reimbursable Costs (Adjustment to Expense)” Column (002).• LHCSA agencies providing Home Health Aide services should report the costs and service statistics associated with the services in the “Home Health Aide” row (012) on Schedule 3 and Schedule 5. On Schedule 3, the costs associated with these services should be reported in the “Non-Reimbursable Costs (Adjustment to Expense)” Column (002).• See slide 23 for guidance on reporting subcontracting services expenses.

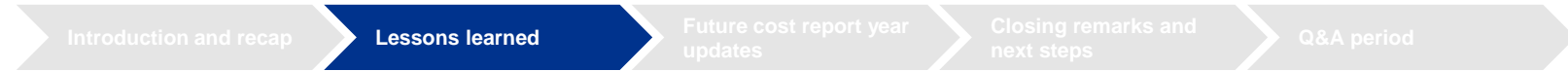
Note: Examples of the reporting of non-reimbursable services are included on the next slide.



Reporting of non-reimbursable services (Direct care) (continued)

Proper reporting for Home Health Aide and other non-reimbursable services on Schedule 3:

LHCSA Name	LHCSA County	Abc Westchester										
		Total Entity Costs (002 + 003 + 004) ?	Non-Reimbursable Costs (Adjustment to Expense) ?	Non-Reimbursable WR&R Costs ?	Total Reimbursable Costs (Sum of 004 through 011)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services ?	Other
		001	002	003	004	005	006	007	008	009	010	011
Direct Care												
PC: Level I	001	2,000.00	0.00	0.00	2,000.00	0.00	0.00		0.00	0.00	2,000.00	0.00
PC: Level II	002	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
PC: Level II - Hard to Serve	003	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Live-in	004	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Nursing Supervision	005	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Nursing Assessment	006	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Shared Aide: Level I	007	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Shared Aide: Level II	008	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Subtotal (reimbursable services)	009	2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00
Other Non-Reimbursable Services	010	0.00	0.00		0.00							
Subcontractor Services	011	0.00			0.00		0.00					
Home Health Aide	012	0.00	0.00		0.00							
GRAND TOTAL	013	2,000.00			2,000.00						2,000.00	



Reporting of contracted services (direct care)

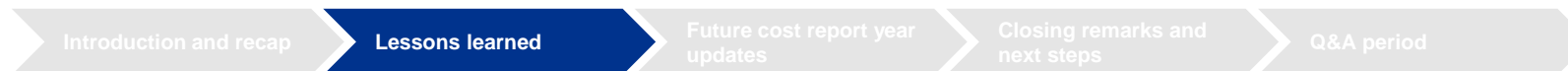
Common errors

- There were instances where agencies reported direct care contracted services incorrectly on Schedule 3 or omitted them entirely from the cost report.

Lessons learned

- The agency acting as the subcontractor should report the expenses they incurred performing the direct care services (e.g., paying the direct care worker for the hours worked providing the service, transportation for the worker to get to the patient to provide the subcontractor services, etc.) in the “Subcontractor Services” row (011) in the “Program Aide (Direct Care)” Column (006) on Schedule 3.
- The agency contracting out the direct care services should report the costs they incurred purchasing the service (e.g., the amount they paid the subcontractor) in the “Contracted Purchased Services” Column (010), within the applicable service type row on Schedule 3.

Note: Examples of the reporting contracted services are included on the following slides.



Reporting of contracted services (Direct care) (continued)

Proper reporting for the agency acting as the subcontractor for the provision of direct care services on Schedule 3:

LHCSA Name		Abc										
LHCSA County		Westchester										
		Total Entity Costs (002 + 003 + 004) ?	Non-Reimbursable Costs (Adjustment to Expense) ?	Non-Reimbursable WR&R Costs ?	Total Reimbursable Costs (Sum of 004 through 011)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services ?	Other
		001	002	003	004	005	006	007	008	009	010	011
Direct Care												
PC: Level I	001	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
PC: Level II	002	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
PC: Level II - Hard to Serve	003	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Live-in	004	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Nursing Supervision	005	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Nursing Assessment	006	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Shared Aide: Level I	007	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Shared Aide: Level II	008	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Subtotal (reimbursable services)	009	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Non-Reimbursable Services ?	010	0.00	0.00		0.00							
Subcontractor Services ?	011	2,000.00			2,000.00		2,000.00					
Home Health Aide ?	012	0.00	0.00		0.00							
GRAND TOTAL	013	2,000.00			2,000.00		2,000.00					

Introduction and recap

Lessons learned

Future cost report year
updates

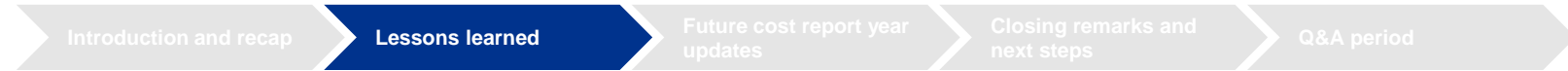
Closing remarks and
next steps

Q&A period

Reporting of contracted services (Direct care) (continued)

Proper reporting for the agency contracting direct care services on Schedule 3:

LHCSA Name	LHCSA County	Abc Westchester										
		Total Entity Costs (002 + 003 + 004) ?	Non-Reimbursable Costs (Adjustment to Expense) ?	Non-Reimbursable WR&R Costs ?	Total Reimbursable Costs (Sum of 004 through 011)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services ?	Other
		001	002	003	004	005	006	007	008	009	010	011
Direct Care												
PC: Level I	001	2,000.00	0.00	0.00	2,000.00	0.00	0.00		0.00	0.00	2,000.00	0.00
PC: Level II	002	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
PC: Level II - Hard to Serve	003	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Live-in	004	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Nursing Supervision	005	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Nursing Assessment	006	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	0.00
Shared Aide: Level I	007	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Shared Aide: Level II	008	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00
Subtotal (reimbursable services)	009	2,000.00	0.00	0.00	2,000.00	0.00	0.00	0.00	0.00	0.00	2,000.00	0.00
Other Non-Reimbursable Services ?	010	0.00	0.00		0.00							
Subcontractor Services ?	011	0.00			0.00		0.00					
Home Health Aide ?	012	0.00	0.00		0.00							
GRAND TOTAL	013	2,000.00			2,000.00						2,000.00	



Reporting consistent costs and service statistics on Schedules 3 and 5

2022
Top
Audit
Finding

Common errors

- Several agencies incorrectly reported costs for service types on Schedule 3 that did not have any statistics reported on Schedule 5, or vice versa.

Lessons learned

- If patients received a particular service type, costs should be allocated to that service type on Schedule 3 and statistics should be reported on Schedule 5. Therefore, all service type rows with allocated costs on Schedule 3 should have corresponding statistics reported on Schedule 5 for each entity. See example below.

Schedule 3

LHCSA Name LHCSA County	LHCSA-1 Albany									
	Total Excess Costs (902 - 903) (?)	Non-Allowable Costs (Adjustment to Expense) (?)	Allowable Costs (Sum of 904 through 910)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services (?)	Other
	901	902	903	904	905	906	907	908	909	910
Direct Care										
PC Level I	001	0	0	0	0	0	0	0	0	0
PC Level II	002	0	0	0	0	0	0	0	0	0
PC Level II - Hard to Serve	003	0	0	0	0	0	0	0	0	0
Live-in	004	400,000	10,000	400,000	50,000	400,000	0	0	0	0
Nursing Supervision	005	0	0	0	0	0	0	0	0	0
Nursing Assessment	006	0	0	0	0	0	0	0	0	0
Shared Aide Level I	007	0	0	0	0	0	0	0	0	0
Shared Aide Level II	008	150,000	0	150,000	100,000	50,000	0	0	0	0
Other non-allowable services	009	0	0	0	0	0	0	0	0	0
GRAND TOTAL	010	610,000	10,000	600,000	150,000	400,000	50,000	0	0	0

Schedule 5

LHCSA Name LHCSA County	Albany Dutchess																			
	FF3			Medicaid MC			Total Medicaid (FF3 + MC)			Dual-eligible			Medicare			Private Pay				
	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours		
	001	002	003	004	005	006	007	008	009	010	011	012	013	014	015	016	017	018	019	
Direct Care																				
PC Level I	001	1.00	0.00	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
PC Level II	002	237.00	155,804.00	237.00	155,804.00	474.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,202.00	
PC Level II - Hard to Serve	003	2.00	2,240.00	2.00	2,240.00	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Live-in	004	18.00	3,407.00	18.00	3,407.00	32.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	204.00	
Nursing Supervision	005	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	
Nursing Assessment	006	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	7.00	
Shared Aide Level I	007	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.00	
Shared Aide Level II	008	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Subtotal (reimbursable services)	009	256.00	3,407.00	157,753.00	256.00	3,407.00	157,809.00	512.00	8,814.00	318,622.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.00	
Other Non-Reimbursable Services	010																			204.00
Subcontractor Services	011																			3.00
Home Health Aide	012																			7.00
GRAND TOTAL	013	256.00	3,407.00	157,753.00	256.00	3,407.00	157,809.00	512.00	8,814.00	318,622.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	19.00	

Costs of Live-In services reported in Row 004 and costs of Shared Aide: Level II reported in Row 008 on Schedule 3 correspond to Live-In service statistics reported in Rows 004 and Shared Aide: Level II service statistics reported in Row 008 on Schedule 5.



Reporting consistent costs and service statistics on Schedules 3 and 5 (continued)

Common errors

- Several agencies did not report all statistics on Schedule 5.

- Several agencies reported service statistics in the incorrect service type row on Schedule 5.
- Several agencies reported service statistics in the incorrect payor type column on Schedule 5.
- Several agencies reported patient count incorrectly on Schedule 5.

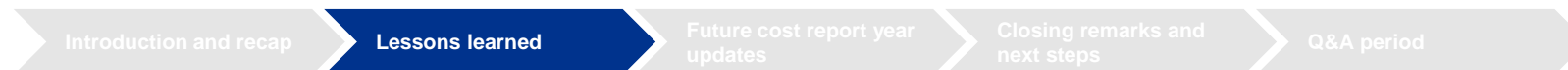
Lessons learned

- Statistics should be reported on Schedule 5 regardless of whether reimbursement was received.
- If costs are reported for non-reimbursable services on Schedule 3, statistics for those non-reimbursable services should be reported within the “Other non-reimbursable services” row on Schedule 5.

- Agencies should have a reconciliation of their supporting documentation to Schedule 5 to support the service statistics reported by service type row, payor type, patient count, and all other categories included on Schedule 5.



Note: Examples of the reporting of service statistics on Schedule 5 are included on the next slide.



Reporting consistent costs and service statistics on Schedules 3 and 5 (continued)

Schedule 5

Payor Type

Service Type Row

Patient Counts

LHCSA Name		Abc														
LHCSA County		Dutchess														
		Medicaid						Dual-eligible			Medicare					
		FFS			MC			Total Medicaid (FFS + MC)								
		Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours
		001	002	003	004	005	006	007	008	009	010	011	012	013	014	015
Direct Care																
PC: Level I	001	1.00		0.00	1.00		56.00	2.00	0.00	56.00						
PC: Level II	002	237.00		155,504.00	237.00		155,504.00	474.00	0.00	311,008.00						
PC: Level II - Hard to Serve	003	2.00		2,249.00	2.00		2,249.00	4.00	0.00	4,498.00						
Live-in	004	16.00	3,407.00		16.00	3,407.00		32.00	6,814.00	0.00						
Nursing Supervision	005	0.00	0.00		0.00	0.00		0.00	0.00	0.00						
Nursing Assessment	006	0.00	0.00		0.00	0.00		0.00	0.00	0.00						
Shared Aide: Level I	007	0.00		0.00	0.00		0.00	0.00	0.00	0.00						
Shared Aide: Level II	008	0.00		0.00	0.00		0.00	0.00	0.00	0.00						
Subtotal (reimbursable services)	009	256.00	3,407.00	157,753.00	256.00	3,407.00	157,809.00	512.00	6,814.00	315,562.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Non-Reimbursable Services	010							0.00	0.00	0.00						
Subcontractor Services	011							0.00	0.00	0.00						
Home Health Aide	012							0.00	0.00	0.00						
GRAND TOTAL	013	256.00	3,407.00	157,753.00	256.00	3,407.00	157,809.00	512.00	6,814.00	315,562.00						



Reporting Medicaid revenue on Schedule 19

Common errors

- There were several instances where agencies misreported their Medicaid revenue on Schedule 19.

Lessons learned

- Medicaid revenue should be reported in rows 002 – 003 on Schedule 19.
- The type of Medicaid revenue Fee-for-service (reimbursed by NYS DOH) or Managed Care (via contracts with MCOs/MLTCs) reported on Schedule 19 should be consistent with the Medicaid statistics reported on Schedule 5.

2022
Top
Audit
Finding

Schedule 19

LHCSA Name	Example LHCSA								
LHCSA County	County #1								
	Medicaid						Total Medicaid (FFS + MC)		
	FFS			MC			Patients	Units of Service: Visits/Days	Units of Service: Hours
	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours
	001	002	003	004	005	006	007	008	009
Direct Care									
PC: Level I	001	1.00		1.00	1.00	1.00	2.00	0.00	2.00
PC: Level II	002	1.00		1.00	1.00	1.00	2.00	0.00	2.00
PC: Level II - Hard to Serve	003	1.00		1.00	1.00	1.00	2.00	0.00	2.00
Live-in	004	1.00	1.00		1.00	1.00	2.00	2.00	0.00
Nursing Supervision	005	1.00	1.00		1.00	1.00	2.00	2.00	0.00
Nursing Assessment	006	1.00	1.00		1.00	1.00	2.00	2.00	0.00
Shared Aide: Level I	007	1.00		1.00	1.00	1.00	2.00	0.00	2.00
Shared Aide: Level II	008	1.00		1.00	1.00	1.00	2.00	0.00	2.00
Subtotal (reimbursable services)	009	8.00	3.00	5.00	8.00	3.00	16.00	6.00	10.00
Other Non-Reimbursable Services	010	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Subcontractor Services	011	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00
Home Health Aide	012	1.00		1.00	1.00	1.00	2.00	0.00	2.00
GRAND TOTAL	013	11.00	5.00	8.00	11.00	5.00	22.00	10.00	16.00

Row 001 automatically sums rows 002 (Fee-for-Service) and row 003 (Managed Care)

		001
Home Care Service Revenue:		
Medicaid	001	\$ 100,000
Fee-for-service	002	\$ 50,000
Managed Care	003	\$ 50,000
Medicare	004	\$ 0
Private Pay	005	\$ 0
Commercial	006	\$ 0
Other Government Programs	007	\$ 0
Other	008	\$ 0
TOTAL HOME CARE SERVICE REVENUE	009	\$ 100,000



Lessons learned: Audit process

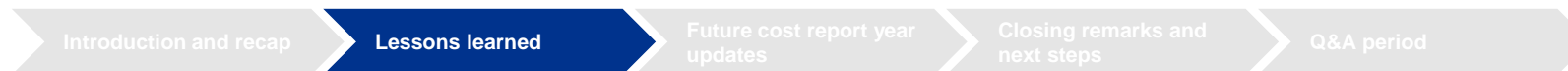
Audit process

Common errors

- In some instances, sufficient supporting documentation was not initially provided, and additional support was required for the audit team to gain comfort over the information reported in the Home Care Cost Report. Additional documentation was also required if the agency was selected by DOH for field audit procedures.

Lessons learned

- Agencies should upload **all documentation necessary to support the inputs** in the Home Care Cost Report.
- Agencies should provide a crosswalk from their general ledger or trial balance to indicate how costs were categorized on Schedules 3 and 4.
- Agencies should provide a crosswalk from their statistical reports to indicate how statistics were categorized on Schedule 5.
- Agencies **should not** provide supporting documentation that is hardcoded. Instead, agencies should provide supporting documentation that is formula-driven to ensure that values can be traced back to the agencies' source documentation.
- **Agencies should be prepared to provide additional supporting documentation as requested by the assigned auditors.**
- **Providers should have the following documentation prepared if they are selected for field audit procedures:**
 - **Provide transaction detail for selected trial balance accounts from rows 002-003, 005-011 (Capital cost center rows) and row 019 ("Other" row) of the Program Administration column 001 on Schedule 4.**
 - **Patient-level statistical reports (system generated)**



Audit process (continued)

Common errors

- In some instances, agencies did not submit their cost report adjustments within the “Adjusted Cost Report Schedules” tab of the Tool or approve/deny the audit team to make minor adjustments on their behalf within the timeframe communicated by the audit team.

Lessons learned

- Agencies should make adjustments by the due date requested by the audit team within the “Adjusted Cost Report Schedules” tab of the Tool or request a reasonable extension. Additionally, agencies should approve or deny audit teams making minor adjustments within a timely manner.
- For both minor and wholesale adjustments, agencies will be required submit the “Adjusted Cost Report Schedules” tab once the adjustments are made. In order to submit this tab, agencies will need to provide their sign-off on this tab that indicates that the adjustments are complete and accurate to the best of their knowledge.
 - Please note that if an agency approves adjustments made by the audit team, the agency will remain responsible for submitting the “Adjusted Cost Report Schedules” tab.

Adjusted Cost report Schedules

Adjusted Cost Report Submission

In the Adjusted Cost Report schedules below, please execute the necessary adjustments to Agency ABC's original cost report submission. Once all adjustments have been entered, the Adjusted Cost Report Schedules will be submitted. Note that by submitting the Adjusted Cost Report Schedules, you are confirming the following:

I HEREBY CERTIFY THAT I HAVE EXAMINED THE INFORMATION CONTAINED IN THE ADJUSTED HOME CARE COST REPORT FOR THE PERIOD BEGINNING 1/1/2022 AND ENDING 12/31/2022. TO THE BEST OF MY KNOWLEDGE AND BELIEF, IT IS A TRUE, CORRECT, AND COMPLETE STATEMENT PREPARED FROM THE BOOKS AND RECORDS OF THE AGENCY IN ACCORDANCE WITH APPLICABLE INSTRUCTIONS, EXCEPT AS NOTED.

Please provide the name and title of the official taking responsibility for the confirmation and associated submission. This individual should be an officer of the home care agency or an agency's senior management team, not a staff-level person or consultant.

Copy Cost Report Submission Schedules Allow provider to adjust Cost Report Schedules here

Schedule	Status	Agency Information
Schedule 1	✓	Schedule 1: General Information - Agency
Schedule 2	✓	
Schedule 3b		
Schedule 3c		
Schedule 4b	✓	
Schedule 4c	✓	

Agency Information	Agency Type	Address Line 1
Name of Agency	001	Agency ABC
Federal Tax ID	002	123
Agency Type (Proprietary, Voluntary, or Public)	003	Proprietary
Address Line 1	004	123



Future cost report year updates

Future cost report year updates

Future cost report impact

- DOH expects all applicable Home Care agencies to make every effort to comply with all aspects of the cost report requirements as the cost report data will be used to set the Medicaid reimbursement rates.

Provider responsibility for consultants

- For the 2022 Home Care Cost Reports, a high volume of providers hired CPA firms and industry consultants to assist with the cost report submission and audit process. DOH has observed that some consultants have had issues preparing and submitting accurate cost reports. DOH would like to reiterate that it is acceptable to hire vendors to support the Home Care Cost Report submission and audit; however, the provider is ultimately responsible for accurate and timely submissions and encourages every provider to be engaged throughout the process.

Additional guidance materials

- Based on the lessons learned from the 2022 audit year, KPMG and DOH will be updating the cost report instructions for the 2023 cost report submission period to include detail related to reporting areas that were challenging during the 2022 cost report process.



Future cost report year updates (continued)

2023 Tool updates

- DOH will be deploying updates to the web-based Tool to help streamline the cost report submission and audit process in future cost report years. These updates include the following:
 - **Checks and reminders**
 - New automatic tool checks that will flag common errors with a warning message within the Tool.
 - Automatic email reminders (such as Cost Report Submission due date reminders, etc.)
 - **Structural changes**
 - DOH expects to add a new schedule to assess compliance with Minimum Wage Law § 3614f for home care aides.
 - Edits to CHHA Schedules 3a, 4a, 5a.1 and 5a.2 to show both Episodic and Pediatric costs and statistics.
 - New questions added to the Reporting Hierarchy tab.
 - A new provider-facing milestone tab (primarily for use during audit).
 - A new YOY column to Schedule 5 of the Cost Report Schedules tab to compare the total cost per unit from the previous cost report year to the current cost report year.
 - DOH expects to make changes and additions to the General Questionnaire, which includes new questions relating to rate setting.
 - Additional columns added to Schedule 11 and Schedule 12 to align the hours and wages reported.



Future cost report year updates (continued)

2023 Tool updates

- Checks and reminders

- **Additional edit checks:** During the 2022 cost report year, DOH implemented an additional 9 new automatic checks in the Tool, which triggered a warning message to appear that notified the provider of the potential error on its cost report. Additionally, the message included links to helpful guidance materials related to the error that providers could leverage to correct it prior to submission. In the 2022 cost report year, 12 automatic checks that were deemed critical for accurate reporting and prevented cost report submission if not corrected.
- **Providers have shared feedback that these checks have been the most helpful resource in submitting an accurate cost report. As such, at least 7 additional checks will be added to the 2023 cost report.**

Schedule Validation

Some schedules are incomplete or contain inconsistent data. These may be resolved as you complete additional schedules.

Related Schedule(s)	Message
Schedule 4a	Program Administration (Column 004) totals do not match on Schedule 3a and Schedule 4a. Please correct this error so that the program administration totals are equal at both the agency and entity level on Schedule 3a and Schedule 4a. For additional instructions on how to correct this error, click here.



Future cost report year updates (continued)

2023 Tool updates

- **Checks and reminders**
- **Additional edit checks:** DOH expects to add a feature to the automatic checks that identifies errors that prevent submission (i.e., those that are required) and those that do not prevent submission (i.e., those that are recommended, but not required). For any errors that are recommended, but not required, DOH will request an explanation from the agency to describe why the agency is not correcting the error or why it is not applicable to the agency.
 - **This new feature will appear in table format as shown below once an agency marks a schedule as complete.**

Recommended, but not required corrections.	
NOTE: All possible errors are listed below. Please select the "View validation warnings for this schedule and all submitted schedules" button to view the errors that are outstanding for your specific agency. Please provide a written explanation in the text boxes below for only those errors applicable to your agency. Thank you.	If applicable to your agency, please provide an explanation
No data has been entered for one or more entities on <insert Schedule 7a, 7b, or 7c>. If private-pay patients were served for a particular service type, a public charge should be reported for that service type on Schedule 7. On the Home Care Cost Report, only entities that were in operation during the given cost report year should be reported. If an entity was not in operation during the given cost report year, please remove it from the Reporting Hierarchy tab by selecting the "unlock" button.	<free fill text box>
No data has been entered in Column 002 "Non-reimbursable costs." On Schedule 3, all agency costs should be reported, including direct care costs, program administration costs, non-personnel costs, and non-reimbursable costs. Please review the costs reported on Schedule 3 to confirm that all non-reimbursable costs have been appropriately reported in Column 002, except for non-reimbursable WR&R costs which should be reported in Column 003 "Non-reimbursable WR&R costs." Please see pages 14 through 16 of the Home Care Cost Report Instructions for a list of non-reimbursable costs. For additional guidance on reimbursable versus non-reimbursable costs, click here.	<free fill text box>



Future cost report year updates (continued)

2023 Tool updates

- Structural changes

- The existing Cost report contains 19 schedules. DOH expects to add a 20th schedule to help assess compliance with New York State's Minimum Wage Law § 3614f for home care aides.
- This schedule will ask agencies to submit a certification verifying compliance with the Law.

Test Organization 2 [Select new organization] [Log out]

is	Frequently Asked Questions (FAQ)	Reporting Hierarchy	Cost Report Schedules	Financial Reconciliation	General Questionnaire	Cost Report Submission	Budgeted Cost Report Schedules	Budgeted Cost Report Submission	Budgeted Agency Representation	Documentation Requests
ation	Extensions	Adjusted Cost Report Schedules	Contact Information	Audit / Questions	Data Representation	Rate Certification	Provider Questions	Reporting		

Report Submission

e 1	✔	Minimum Wage Law Certification
e 2	✔	Public Health Law § 3614f increased the minimum wage for home care aides in New York State. According to the Law, "home care aide" means a home health aide, personal care aide, home attendant or other licensed or unlicensed person whose primary responsibility includes the provision of in-home assistance with activities of daily living, instrumental activities of daily living or health-related tasks; provided, however, that home care aide does not include any individual (i) working on a casual basis, or (ii) who is a relative through blood, marriage or adoption of: (1) the employer; or (2) the person for whom the worker is delivering services, under a program funded or administered by federal, state or local government.
e 3a	⚠	
e 3b	⚠	
e 3c	✔	Home care aides may be owed extra pay in addition to minimum wage rates for:
e 4a	✔	<ul style="list-style-type: none"> • Overtime - Home care aides must be paid 1½ times their regular rate of pay for weekly hours over 40 (or 44 for residential employees). • Call-in pay - If home care aides go to work as scheduled and their employer sends them home early, they may be entitled to extra hours of pay at the minimum wage rate for that day.
e 4b	✔	<ul style="list-style-type: none"> • Spread of hours - If a home care aides workday lasts longer than ten hours, they may be entitled to extra daily pay. The daily rate is equal to one hour of pay at the minimum wage rate.
e 4c	✔	<ul style="list-style-type: none"> • Uniform maintenance - If home care aides clean their own uniform, they may be entitled to additional weekly pay.
e 5a.1	✔	The only time an employer may reduce wages below minimum wage is to claim a limited allowance for meals and lodging, provided they do not charge for those services. For additional information about the minimum wage for home care aides, please see the Home Care Aide Minimum Wage fact sheet (P105).
e 5a.2	✔	
e 5b	✔	Using the options below, please certify whether your agency was in compliance with Public Health Law § 3614f Home Care Minimum Wage for the 2022 Cost Report Year. If your agency indicates that it was not in compliance, it must provide an explanation and provide a corrective action plan.
e 5c	✔	The Department requires that the certification be completed by an officer of the home care agency or a member of the home care agency's senior management team. It is strongly recommended that this individual be the agency's CEO, CFO, VP of Finance, or equivalent. Please provide the name and title of the official certifying compliance with the Minimum



Future cost report year updates (continued)

2023 Tool updates

- Structural changes (continued from previous slide)

- This schedule will also ask agencies to answer five “Yes/No” questions regarding the applicable employees.

Test Organization 2 [Select new organization] [Log out]

Instructions	Frequently Asked Questions (FAQ)	Reporting Hierarchy	Cost Report Schedules	Financial Reconciliation	General Questionnaire	Cost Report Submission	Budgeted Cost Report Schedules	Budgeted Cost Report Submission	Budgeted Agency Representation	Documentation Requests
Agency Representation	Extensions	Adjusted Cost Report Schedules	Contact Information	Audit / Questions	Data Representation	Rate Certification	Provider Questions	Reporting		

Schedule 10c ✓

Schedule 11a ✓

Schedule 11b ✓

Schedule 11c ✓

Schedule 12a ✓

Schedule 12b ✓

Schedule 12c ✓

Schedule 13a ✓

Schedule 13b ✓

Schedule 13c ✓

Schedule 14a ✓

Schedule 14b ✓

Schedule 14c ✓

Schedule 15 ✓

Minimum Wage Questions

In accordance with section 4.(a) of Public Health Law § 3614f, the Department is authorized to request wages paid to home care aides, including individually identifiable data and payroll reports. Employers shall provide any documents or materials in the employer's possession to support or verify the employer's submission. Schedule 20 serves as the Department's request. This Schedule requires the reporting of wages and hours for a sample of 30 hourly paid (non-exempt) direct care employees. The agency may select the sample of employees. Information entered is subject to audit. Supporting documentation must be provided for 100% of the agency's employee population for the 2022 Cost Report Year along with the Cost Report submission, such as a detailed payroll register. If your agency did not employ at least 30 non-exempt direct care workers, please respond to question #1 accordingly and enter the requested information in Schedule 20 for all non-exempt direct care employees at your agency. Note that the sample size of 30 is subject to change at the discretion of the Department.

Minimum Wage Questions

Question: 1.

Did your agency employ at least 30 FTE or PTE direct care hourly paid employees during the 2023 Cost Report Year? (For CHHAs, this does not include Direct Care employees with a Job Type of "Nursing Supervision/Assessment," "Supervisor," "Home Health Registered Nurse," "Home Health Nutritionist/Dietician," "Home Health Speech Therapist, or "Home Health Social & Environmental Support Worker" as these are not available Job Types in the drop-down menu in Schedule 20.)

Yes, and I selected a sample of 30 employees to include in Schedule 20.

No, but I included 100% of all FTE and PTE direct care hourly paid employees in Schedule 20.

Question: 2.

In the sample of employees selected, did your agency include an employee who worked in two different minimum wage locations for this cost report year? If yes, please enter this employee on two separate rows with the same employee ID using the wages and hours from the two different minimum wage locations. One location includes employees who served New York City, Long Island, or Westchester and the second location includes employees who served the remainder of New York State.

Introduction and recap

Lessons learned

Future cost report year updates

Closing remarks and next steps

Q&A period



Future cost report year updates (continued)

2023 Tool updates

- Structural changes (continued from previous slide)

- The final component of Schedule 20 requires agencies to self identify a sample of up to 30 direct care, non-exempt employees and enter wage and hour information for each.
- **Important:** Supporting documentation, such as a payroll register containing wage and hour details for **all** agency employees, will be required along with the agency's cost report submission.
- In this first year of data collection, the Department is requesting a sample of 30 employees. *Please note this is subject to change in future submissions.*

Minimum Wage Cost Report Schedule 20: Sample of 30 Hourly (Non-Exempt) Direct Care Employees								Minimum Wages	
No.	Unique Employee ID (no PII, e.g. SSNs)	Entity Type	Direct Care Job Type	Total Employee Base Wages (does not include OT, Call-in Pay, Spread of Hours Pay, or Uniform Maintenance Pay) A	Total Employee Base Hours (does not include OT Hours) B	Employee Average Hourly Pay Rate C = A/B	Employee's Location	Was employee paid minimum wage?	Minimum Wage for Home Care Aides
1	<input type="text"/>	-- Select a type -- v	-- Select a type -- v	<input type="text"/>	<input type="text"/>		-- Select a type -- v		
2	<input type="text"/>	-- Select a type -- v	-- Select a type -- v	<input type="text"/>	<input type="text"/>		-- Select a type -- v		
3	<input type="text"/>	-- Select a type -- v	-- Select a type -- v	<input type="text"/>	<input type="text"/>		-- Select a type -- v		
4	<input type="text"/>	-- Select a type -- v	-- Select a type -- v	<input type="text"/>	<input type="text"/>		-- Select a type -- v		



Future cost report year updates (continued)



CHHA Pediatric & Episodic Cost Report Schedule Changes

- DOH expects to make structural changes to Schedule 3, Schedule 4, and Schedule 5 for agencies that operate CHHA Pediatric and Episodic entities. This update will consolidate these Schedules to allow agencies to report their CHHA Pediatric and Episodic costs and service statistics in one distinct table instead of two tables.
 - The following updates are expected to Schedule 3a:**
 - Schedule 3a will capture both CHHA Pediatric & Episodic costs. The top portion of this schedule will be used to capture CHHA Pediatric costs and the bottom portion will be used to capture CHHA Episodic costs. The Schedule will populate based on agency's responses in the Reporting Hierarchy.

Schedule 3a: CHHA

Schedule 3: CHHA Costs & Expenses by Service Type	Total Entity Costs (002 + 003+ 004)	Non-reimbursable Costs (Adjustment to Expense)	Non-reimbursable WR&R costs	Total reimbursable Costs (Sum of columns 005 through 011)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services	Other
	001	002	003	004	005	006	007	008	009	010	011
Direct Care: CHHA Pediatric Costs & Expenses by Service Type											
Home Health Aide	001	\$ -		\$ -							
Home Health Physical Therapy	002	\$ -		\$ -							
Home Health Occupational Therapy	003	\$ -		\$ -							
Home Health Registered Nurse	004	\$ -		\$ -							
Home Health Medical Social Services	005	\$ -		\$ -							
Home Health Nutrition	006	\$ -		\$ -							
Home Health Speech Therapy	007	\$ -		\$ -							
Home Health Respiratory Therapy	008	\$ -		\$ -							
Home Social & Environmental Support	009	\$ -		\$ -							
Home Health Sign Language/Oral Interpreter	010	\$ -		\$ -							
Nursing Supervision	015	\$ -		\$ -							
Nursing Assessment	016	\$ -		\$ -							
SUBTOTAL (reimbursable Pediatric services)	017	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Direct Care: CHHA Episodic Adult Costs & Expenses by Service Type											
Home Health Aide	018	\$ -		\$ -							
Home Health Physical Therapy	019	\$ -		\$ -							
Home Health Occupational Therapy	020	\$ -		\$ -							
Home Health Registered Nurse	021	\$ -		\$ -							
Home Health Medical Social Services	022	\$ -		\$ -							
Home Health Nutrition	023	\$ -		\$ -							
Home Health Speech Therapy	024	\$ -		\$ -							
Home Health Respiratory Therapy	025	\$ -		\$ -							
Home Social & Environmental Support	026	\$ -		\$ -							
Home Health Sign Language/Oral Interpreter	027	\$ -		\$ -							
Nursing Supervision	028	\$ -		\$ -							
Nursing Assessment	029	\$ -		\$ -							
SUBTOTAL (reimbursable Adult services)	030	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other non-reimbursable services*	031	\$ -		\$ -							
Personal care services	032	\$ -		\$ -							
GRAND TOTAL	033	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Agencies that have Pediatric and Episodic costs will be required to allocate costs between Pediatric and Episodic services.



Future cost report year updates (continued)

CHHA Pediatric & Episodic Cost Report Schedule Changes

- **The following updates are expected to Schedule 4a:**
 - Schedule 4a will be consolidated into one schedule that captures both CHHA Pediatric & Episodic general service cost centers. The top portion of this schedule will be used to capture CHHA Pediatric costs and the bottom portion will be used to capture CHHA Episodic costs. The Schedule will populate based on agency's responses in the Reporting Hierarchy.

Agencies that have Pediatric and Episodic costs will be required to allocate costs between Pediatric and Episodic services.

Schedule 4a: CHHA

Schedule 4a: CHHA General Service Cost Centers		Program Administration	Direct Care non-personnel Costs
		001	002
GENERAL SERVICE COST CENTERS: PEDIATRIC SERVICES COSTS			
Criminal Background Check & Fingerprinting	001		
Capital Related - Building & Fixtures	002		
Capital Related - Movable Equipment	003		
Plant Operations & Maintenance	004		
Rent-Building	005		
Rent-Furnishings	006		
Rent-Vehicles	007		
Interest-Property	008		
Depreciation-Plant	009		
Depreciation-Equipment & Furnishings	010		
Depreciation-Vehicles	011		
Transportation	012		
Utilities	013		
Office Supplies & Materials	014		
Insurance	015		
Administration & General	016		
Employee physicals/uniforms/immunizations	017		
Medical Supplies	018		
Other	019		
Subtotal: Pediatric General Service Costs	020	\$ -	\$ -
GENERAL SERVICE COST CENTER: EPISODIC ADULT SERVICES COSTS			
Criminal Background Check & Fingerprinting	021		
Capital Related - Building & Fixtures	022		
Capital Related - Movable Equipment	023		
Plant Operations & Maintenance	024		
Rent-Building	025		
Rent-Furnishings	026		
Rent-Vehicles	027		
Interest-Property	028		
Depreciation-Plant	029		
Depreciation-Equipment & Furnishings	030		
Depreciation-Vehicles	031		
Transportation	032		
Utilities	033		
Office Supplies & Materials	034		
Insurance	035		
Administration & General	036		
Employee physicals/uniforms/immunizations	037		
Medical Supplies	038		
Other	039		
Subtotal: Adult General Service Costs	040	\$ -	\$ -
Grand Total	041	\$ -	\$ -

Introduction and recap

Lessons learned

Future cost report year updates

Closing remarks and next steps

Q&A period



Future cost report year updates (continued)

CHHA Pediatric & Episodic Cost Report Schedule Changes

- **The following updates are expected to Schedule 5a:**
 - Schedule 5a.1 and 5a.2 will be consolidated into one schedule that captures both CHHA Pediatric & Episodic service statistics. The top portion of this schedule will be used to capture CHHA Pediatric service statistics and the bottom portion will be used to capture CHHA Episodic service statistics. The Schedule will populate based on agency's responses in the Reporting Hierarchy.

Schedule 5a: CHHA

Schedule 5a: CHHA Service Statistics	Medicaid									Dual-eligible			Medicare		
	FFS/EPS			MC			Total Medicaid (FFS/EPS + MC)			Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours
	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours						
	001	002	003	004	005	006	007	008	009	010	011	012	013	014	015
CHHA Pediatric Direct Care															
Home Health Aide	001						0.00	0.00	0.00						
Home Health Physical Therapy	002						0.00	0.00	0.00						
Home Health Occupational Therapy	003						0.00	0.00	0.00						
Home Health Registered Nurse	004						0.00	0.00	0.00						
Home Health Medical Social Services	005						0.00	0.00	0.00						
Home Health Nutrition	006						0.00	0.00	0.00						
Home Health Speech Therapy	007						0.00	0.00	0.00						
Home Health Respiratory Therapy	008						0.00	0.00	0.00						
Home Social & Environmental Support	009						0.00	0.00	0.00						
Home Health Sign Language/Oral Interpreter	010						0.00	0.00	0.00						
Nursing Supervision	011						0.00	0.00	0.00						
Nursing Assessment	012						0.00	0.00	0.00						
SUBTOTAL (reimbursable Pediatric services)	013	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CHHA Adult Episodic Direct Care															
Home Health Aide	014						0.00	0.00	0.00						
Home Health Physical Therapy	015						0.00	0.00	0.00						
Home Health Occupational Therapy	016						0.00	0.00	0.00						
Home Health Registered Nurse	017						0.00	0.00	0.00						
Home Health Medical Social Services	018						0.00	0.00	0.00						
Home Health Nutrition	019						0.00	0.00	0.00						
Home Health Speech Therapy	020						0.00	0.00	0.00						
Home Health Respiratory Therapy	021						0.00	0.00	0.00						
Home Social & Environmental Support	022						0.00	0.00	0.00						
Home Health Sign Language/Oral Interpreter	023						0.00	0.00	0.00						
Nursing Supervision	024						0.00	0.00	0.00						
Nursing Assessment	025						0.00	0.00	0.00						
SUBTOTAL (reimbursable Adult services)	026	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other non-reimbursable services	027						-	-	-						
Personal care services	028						-	-	-						
GRAND TOTAL	029	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Future cost report year updates (continued)

Schedule 4 Cost Report Changes

- **The following updates are expected to Schedule 4:**
 - Schedule 4 general cost center rows 005 to 007 for Rent-Buildings, Rent-Furnishings, and Rent-Vehicles will be consolidated into one “Rent” row, and rows 009 to 011 for Depreciation-Plant, for Depreciation-Equipment & Furnishings, and Depreciation-Vehicles will be consolidated into one “Depreciation” row.

This change will apply to CHHA, LHCSA, and FI Schedules 4a, 4b, and 4c.

Agencies that have Pediatric and Episodic services will be required to allocate statistics between Pediatric and Episodic services.

Schedule 4

Schedule 4a: CHHA General Service Cost Centers		Program Administration	Direct Care non-personnel Costs
		001	002
GENERAL SERVICE COST CENTERS: PEDIATRIC SERVICES COSTS			
Criminal Background Check & Fingerprinting	001		
Capital Related - Building & Fixtures	002		
Capital Related - Movable Equipment	003		
Plant Operations & Maintenance	004		
Rent-Building	005		
Rent-Furnishings	006		
Rent-Vehicles	007		
Interest-Property	008		
Depreciation-Plant	009		
Depreciation-Equipment & Furnishings	010		
Depreciation-Vehicles	011		
Transportation	012		
Utilities	013		
Office Supplies & Materials	014		
Insurance	015		
Administration & General	016		
Employee physicals/uniforms/immunizations	017		
Medical Supplies	018		
Other	019		
Subtotal: Pediatric General Service Costs	020	\$ -	\$ -
GENERAL SERVICE COST CENTER: EPISODIC ADULT SERVICES COSTS			
Criminal Background Check & Fingerprinting	021		
Capital Related - Building & Fixtures	022		
Capital Related - Movable Equipment	023		
Plant Operations & Maintenance	024		
Rent-Building	025		
Rent-Furnishings	026		
Rent-Vehicles	027		
Interest-Property	028		
Depreciation-Plant	029		
Depreciation-Equipment & Furnishings	030		
Depreciation-Vehicles	031		
Transportation	032		
Utilities	033		
Office Supplies & Materials	034		
Insurance	035		
Administration & General	036		
Employee physicals/uniforms/immunizations	037		
Medical Supplies	038		
Other	039		
Subtotal: Adult General Service Costs	040	\$ -	\$ -
Grand Total	041	\$ -	\$ -

Future cost report year updates (continued)

Schedule 4 Cost Report Changes (continued)

- **The following updates are expected 4:**
 - Schedule 4 general cost center rows 016 (Administration & General) and 019 (Other) will be consolidated into one row that captures both Administration & General in row 016.

This change will apply to CHHA, LHCSA, and FI Schedules 4a, 4b, and 4c.

Agencies that have Pediatric and Episodic services will be required to allocate statistics between Pediatric and Episodic services.

Schedule 4

Schedule 4a: CHHA General Service Cost Centers		Program Administration	Direct Care non-personnel Costs
		001	002
GENERAL SERVICE COST CENTERS: PEDIATRIC SERVICES COSTS			
Criminal Background Check & Fingerprinting	001		
Capital Related - Building & Fixtures	002		
Capital Related - Movable Equipment	003		
Plant Operations & Maintenance	004		
Rent-Building	005		
Rent-Furnishings	006		
Rent-Vehicles	007		
Interest-Property	008		
Depreciation-Plant	009		
Depreciation-Equipment & Furnishings	010		
Depreciation-Vehicles	011		
Transportation	012		
Utilities	013		
Office Supplies & Materials	014		
Insurance	015		
Administration & General	016		
Employee physicals/uniforms/immunizations	017		
Medical Supplies	018		
Other	019		
Subtotal: Pediatric General Service Costs	020	\$ -	\$ -
GENERAL SERVICE COST CENTER: EPISODIC ADULT SERVICES COSTS			
Criminal Background Check & Fingerprinting	021		
Capital Related - Building & Fixtures	022		
Capital Related - Movable Equipment	023		
Plant Operations & Maintenance	024		
Rent-Building	025		
Rent-Furnishings	026		
Rent-Vehicles	027		
Interest-Property	028		
Depreciation-Plant	029		
Depreciation-Equipment & Furnishings	030		
Depreciation-Vehicles	031		
Transportation	032		
Utilities	033		
Office Supplies & Materials	034		
Insurance	035		
Administration & General	036		
Employee physicals/uniforms/immunizations	037		
Medical Supplies	038		
Other	039		
Subtotal: Adult General Service Costs	040	\$ -	\$ -
Grand Total	041	\$ -	\$ -



Closing remarks and next steps

Closing remarks and next steps

Closing remarks

DOH and KPMG would like to thank all the Home Care providers that participated in the 2022 Home Care Cost Report submissions and audit processes. We look forward to continuing to work with the NYS Home Care agencies as we approach the 2023 Home Care Cost Report process.

Next steps

- DOH and KPMG have begun preparing for the 2023 Home Care Cost Report submission and audit process. The 2023 submission launch date has not yet been finalized, but the cost report will likely open by the end of May or early June.
 - Once determined, a communication will be distributed to providers with the relevant dates and timeline for the 2023 Home Care Cost Report activities. Please be on the lookout for communications from DOH (PersonalCare-Rates@health.ny.gov) and KPMG (us-advrisknyshc@kpmg.com) regarding the launch of the 2023 Home Care Cost Report. These communications will include:
 - The kickoff date and timeline for the submission of the cost report
 - The kickoff webinar information
- If your agency requires any additional contributors to be added to the web-based tool prior to the launch, please reach out to us-advrisknyshc@kpmg.com with the agency name and names and emails of the new contributors needing to be added.



Q&A period

Q&A Period



Introduction and recap	Lessons learned	Future cost report year updates	Closing remarks and next steps	Q&A period
------------------------	-----------------	---------------------------------	--------------------------------	-----------------------



Thank you

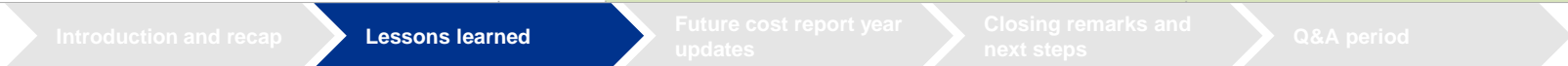
Appendix: Recurring lessons learned from previous audits

Reporting costs on Schedules 3 and 4 (continued)

Common errors	Lessons learned
<ul style="list-style-type: none"> There were several instances where agencies incorrectly reported medical supply expenses (e.g., gloves and masks) as program administration costs on Schedules 3 and 4 instead of as direct care costs. 	<ul style="list-style-type: none"> All medical supply expenses (e.g., gloves and masks) are considered direct care costs and should be reported within the "Program Aide (Direct Care)" Column (005) on Schedules 3 and 4. Supplies and materials should be broken out into two separate rows on Schedule 4, row 014 "Office Supplies & Materials" and row (018) "Medical Supplies" to clarify the proper reporting locations of administrative versus medical supplies.

Schedule 4

Schedule Totals (sum of all like columns from each table)		Program Administration		Direct Care Non-personnel Costs
			13,725,440	
LHC SA Name LHCSA County		Program Administration	Abc Dutchess	Direct Care Non-personnel Costs
		001	002	
GENERAL SERVICE COST CENTERS				
Criminal Background Check & Fingerprinting	001	0.00		
Capital Related - Building & Fixtures	002	0.00		
Capital Related - Movable Equipment	003	189.00		
Plant Operations & Maintenance	004	5,802.00		
Rent-Building	005	22,653.00		
Rent-Furnishings	006	1,377.00		
Rent-Vehicles	007	0.00		
Interest-Property	008	0.00		
Depreciation-Plant	009	0.00		
Depreciation-Equipment & Furnishings	010	7,520.00		
Depreciation-Vehicles	011	0.00		
Transportation	012	9,664.00		
Utilities	013	8,995.00		
Office Supplies & Materials	014	7,248.00		
Insurance	015	44,192.00		
Administration & General	016	1,036,704.00		
Employee physicals/uniforms/immunizations	017	0.00		
Medical Supplies	018	0.00		0.00
Other	019	0.00		0.00
GRAND TOTAL	020	1,144,347.00		



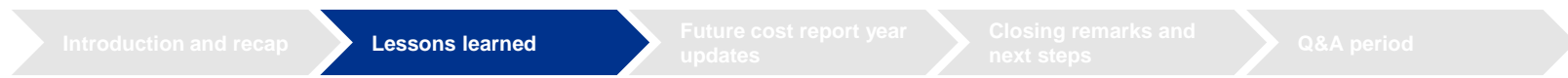
Reporting costs on Schedules 3 and 4 (continued)

Common errors	Lessons learned
---------------	-----------------

- There were several instances where agencies incorrectly reported medical supply expenses (e.g., gloves and masks) as program administration costs on Schedules 3 and 4 instead of as direct care costs.
- All medical supply expenses (e.g., gloves and masks) are considered direct care costs and should be reported within the “Program Aide (Direct Care)” Column (005) on Schedules 3 and 4.
 - Supplies and materials should be broken out into two separate rows on Schedule 4, row 014 “Office Supplies & Materials” and row (018) “Medical Supplies” to clarify the proper reporting locations of administrative versus medical supplies.

Schedule 4

Schedule Totals (sum of all like columns from each table)		Total Entity Costs (002 + 003)	Non-Allowable Costs (Adjustment to Expense)	Allowable Costs (Sum of 004 through 010)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services	Other
		1,510,000	40,000	1,470,000	1,470,000						
LHCSA Name LHCSA County		LHCSA 1 Albany									
		Total Entity Costs (002 + 003)	Non-Allowable Costs (Adjustment to Expense)	Allowable Costs (Sum of 004 through 010)	Program Administration	Program Aide (Direct Care)	Program RN Supervision/ Assessment (Direct Care)	Program Staff Training	Transportation	Contracted Purchased Services	Other
		001	002	003	004	005	006	007	008	009	010
GENERAL SERVICE COST CENTERS											
Criminal Background Check & Fingerprinting	001	10,000	0	10,000	10,000						
Capital Related - Building & Fixtures	002	0		0							
Capital Related - Movable Equipment	003	0		0							
Plant Operations & Maintenance	004	200,000		200,000	200,000						
Rent-Building	005	200,000		200,000	200,000						
Rent-Furnishings	006	0		0							
Rent-Vehicles	007	0		0							
Interest-Property	008	0		0	0						
Depreciation-Plant	009	10,000	10,000	0							
Depreciation-Equipment & Furnishings	010	0		0	0						
Depreciation-Vehicles	011	0		0							
Transportation	012	30,000		30,000	30,000						
Utilities	013	0		0	0						
Office Supplies & Materials	014	0		0	0						
Insurance	015	0		0	0						
Administration & General	016	1,030,000	30,000	1,000,000	1,000,000						
Employee physicals/uniforms/immunizations	017	0		0	0						
Medical Supplies	018	30,000		30,000	30,000						
Other	019	0	0	0							
GRAND TOTAL	020	1,510,000	40,000	1,470,000	1,470,000						



Reporting costs on Schedules 3 and 4 (continued)

Common errors

Lessons learned

- There were instances where taxes and benefits were not allocated between program administration and direct care workers. Rather, the agencies lumped these costs in one group or the other.
 - Some agencies incorrectly reported bad debt as a reimbursable cost (resulted in a Finding).
 - Other agencies reported bad debt as a non-reimbursable cost (resulted in an Observation).
 - Some agencies incorrectly reported meal expenses and advertising costs (for the purposes of attracting patients) as reimbursable.
- Taxes and benefits should be allocated across direct care and program administration workers and reported in the Direct Care (006 and 007) and Program Administration (005) columns, respectively.
 - Bad debt should be treated as an offset to revenue. Therefore, bad debt should not be reported with costs on Schedule 3 or Schedule 4.
 - Meal expenses and advertising costs (for the purposes of attracting patients) are non-reimbursable costs and should be reported in Column 002 on Schedule 3 and Schedule 4.

Introduction and recap

Lessons learned

Future cost report year updates

Closing remarks and next steps

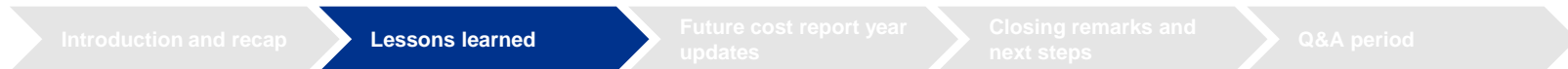
Q&A period



Reporting of service statistics on Schedule 5

Common errors	Lessons learned
<ul style="list-style-type: none"> There was confusion regarding how Medicaid Fee-for-Service and Medicaid Managed Care statistics should be allocated and reported on Schedule 5. 	<ul style="list-style-type: none"> Before reporting Medicaid statistics on Schedule 5, agencies should review the services they provide to understand the difference between Medicaid Fee-for-Service and Medicaid Managed Care. Helpful tips include the following: <ul style="list-style-type: none"> Review all data fields in system-generated statistical reports, such as HHAeXchange. Many of these reports identify the source of admission. Understand the source of your Medicaid reimbursement. Direct reimbursement from New York State relates to Fee-for-Service, while reimbursement from MCOs/MLTCs relates to Managed Care. Fully review and understand the structure of the Medicaid section of Schedule 5. There are columns created for Fee-for-Service and Managed Care. It is critical that statistics are reported properly in these locations as they have a direct impact on reimbursement.

LHCSA Name	Example LHCSA									
LHCSA County	County #1									
	Medicaid						Total Medicaid (FFS + MC)			
	FFS			MC			Total Medicaid (FFS + MC)			
	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	Patients	Units of Service: Visits/Days	Units of Service: Hours	
	001	002	003	004	005	006	007	008	009	
Direct Care										
PC: Level I	001	1.00	1.00	1.00		1.00	2.00	0.00	2.00	
PC: Level II	002	1.00	1.00	1.00		1.00	2.00	0.00	2.00	
PC: Level II - Hard to Serve	003	1.00	1.00	1.00		1.00	2.00	0.00	2.00	
Live-in	004	1.00	1.00	1.00	1.00		2.00	2.00	0.00	
Nursing Supervision	005	1.00	1.00	1.00	1.00		2.00	2.00	0.00	
Nursing Assessment	006	1.00	1.00	1.00	1.00		2.00	2.00	0.00	
Shared Aide: Level I	007	1.00	1.00	1.00		1.00	2.00	0.00	2.00	
Shared Aide: Level II	008	1.00	1.00	1.00	1.00		2.00	0.00	2.00	
Subtotal (reimbursable services)	009	8.00	3.00	5.00	8.00	3.00	5.00	16.00	6.00	10.00
Other Non-Reimbursable Services	010	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	
Subcontractor Services	011	1.00	1.00	1.00	1.00	1.00	2.00	2.00	2.00	
Home Health Aide	012	1.00		1.00		1.00	2.00	0.00	2.00	
GRAND TOTAL	013	11.00	5.00	8.00	11.00	5.00	8.00	22.00	10.00	16.00





kpmg.com/socialmedia

The information contained herein is of a general nature and is not intended to address the circumstances of any particular individual or entity. Although we endeavor to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act upon such information without appropriate professional advice after a thorough examination of the particular situation.

© 2023 KPMG LLP, a Delaware limited liability partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved. NDP445745-1A

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organization.