

LINE  
NO.                    DESCRIPTION OF EXPENDITURE

PATIENT CARE

46. Professional Services. Fees paid to a physician acting as the medical director. Consultant fees paid to personnel not on the facility's payroll. This includes consultants for pharmacy, dental, RN, social services, physical therapy, occupational therapy, respiratory therapy, speech therapy, etc. Contracted services for therapies are not reported on this line, but on the lines as described later. Dietary consultants are reported on line 61. Administrative type consultants are reported on line 149.
47. Activities-Salaries. Gross salaries of facility personnel who provide recreational programs for residents such as arts and crafts, and other social activities.
48. Activities-Supplies. Cost of expensed items related to the activities program, i.e. art supplies, games, puzzles, etc.
49. Social Service-Salaries. Gross salary of the social services director and any other personnel responsible for providing social services, i.e., counseling, discharge planning, etc., to residents and their families.
50. Social Service-Supplies. Cost of expensed items, supplies and small equipment related to the social services programs.
51. RN. Gross salaries of RNs directly related to the care of specific residents. This includes the gross salary of an RN acting as the facility's director of nursing in a supervisory position.
52. LPN. Gross salaries of LPNs directly related to the care of specific residents. This includes the gross salary of a LPN acting as the facility's director of nursing in a supervisory position.
53. Aides and Orderlies. Gross salaries of aides, orderlies, certified medication technicians, ward clerks, and other personnel whose primary duties are directly related to caring for specific residents. Ward clerks are reported on this line.
54. Medical Supplies. Cost of items, other than drugs, used in providing nursing care to residents, i.e., adhesives, bandages, catheter care items, cotton balls, skin care creams, disposable incontinence care items, dressings, enemas, swabs, tongue depressors, canes, walkers, wheelchairs, etc., for which a Medical Supplies Continued. (Separate charge is not made)
55. Non-Prescription Drugs. Cost of over the counter drugs and medications, i.e., aspirin, milk of magnesia, rubbing alcohol, laxatives, etc., for which a separate charge is not made. If only one account is maintained for medical supplies and non-prescription drugs, the total should be entered on line 54.
56. Utilization Review. Fees paid to physicians and other professionals who serve on the facility's utilization review committee.

57. Nurse Aide Training. Cost of providing nurse aide training. This includes contracted instructor fees, books, supplies, vocational school fees, certification fees, etc.
58. Contracted Nursing Services. Fees paid to contracted agencies for RN, LPN and aide services for providing patient care. These expenses must be itemized on Schedule B-1.
59. Other Patient Care. Miscellaneous expenses incurred by the nursing department. These expenses must be itemized on Schedule B-1.
60. Dietary Salaries. Gross salaries of those employees involved in food preparation, serving and cleaning up after meals. This includes the salaries for the dietary supervisor, cooks, general helpers, servers and dishwashers. This does not include the salaries of other employees, i.e., aides and orderlies, who may assist in serving but whose main duties are other than dietary.
61. Dietary Consultant. Fees paid to a licensed dietician not on the facility's payroll for dietary consultant services.
62. Raw Food. Cost of all food purchases, including food prepared in the kitchen, liquid diet foods, dietary supplements, etc.
63. Dietary Supplies. Cost of supplies including consumable items, i.e., soap, detergent, napkins, paper cups, plates, straws, kitchen and dining dishes and utensils, etc.
64. Other Dietary. Miscellaneous expenses incurred by the dietary department. These expenses must be itemized on schedule B-1.
65. In-Service Education. Cost of conducting necessary training for employees whose salaries are reported in the patient care component. The training should be directly related to the performance of duties assigned or reasonably anticipated. Cost includes expenses for instructors, other than facility employees, to conduct the training and expenses for supplies In-Service Education Continued. used in the training, i.e., training aids, text books, etc. This does not include expenses related to nurse aide training.
66. Payroll Taxes. Portion of payroll taxes (FICA, state unemployment and federal unemployment) paid by the provider for employees whose salaries are reported in the patient care component.
67. Employee Benefits. The expenses incurred by the provider for employee benefits for employees whose salaries, or a portion thereof, are reported in the patient care component. Employee benefits may include group health insurance, group life insurance, pension plans, etc.
68. Workers' Compensation. The costs to the provider for workers' compensation insurance paid for employees whose salaries or a portion thereof are reported in the patient care component.
69. Blank. To be used to report an expense not specifically delineated above. The expense can be identified by completing the description line.
70. Subtotal. The total amount reported for the patient care component.

## ANCILLARY

71. Physician Service. The cost of physicians' visits to residents. This expense is not reimbursable to nursing facilities. It is the responsibility of the physician to directly bill the Title XIX physician program.
72. Physical Therapy Salaries. Gross salaries of therapists, assistants, aides, and other employees who provide physical therapy services to residents. This excludes any fees paid to outside consultants, which is reported below.
73. Physical Therapy Supplies/Contracted Services. The cost of consumable items used by the physical therapy department. Contracted physical therapy services provided to residents. This excludes fees paid strictly as a consultant.
74. Occupational Therapy Salaries. Gross salaries of therapists, assistants, aides, and other employees who provide occupational therapy services to residents. This excludes any fees paid to outside consultants, which are reported below.
75. Occupational Therapy Supplies/Contracted Services. The cost of consumable items used by the occupational therapy department. The costs of contracted occupational therapy that provides Occupational Therapy Supplies/Contracted Services Continued. (Services to the resident) This excludes fees paid strictly as consultant services.
76. Pharmacy and Drugs Sold. The cost of legend drugs and pharmaceuticals prescribed by a resident's attending physician. This expense is not reimbursable to nursing facilities. It is the responsibility of the pharmacy to directly bill the Title XIX pharmacy program.
77. Medical Supplies Sold. The costs of non-prescription drugs and medical supplies provided to residents who are assessed a separate charge beyond the routine room and board rate charge. The expenses reported on this line should relate to the charges reported on Schedule A, line 15, Medical Supplies.
78. Speech Therapy Salaries. Gross salaries of therapists, assistants, aides, and other employees who provide speech therapy services to residents. This excludes any fees paid to outside consultants, which are reported below.
79. Speech Therapy Supplies/Contracted Services. The cost of consumable items used by the speech therapy department. The cost of contracted speech therapy that provides services to the resident. This excludes fees paid strictly as consultant services.
80. Lab & X-Ray. The cost of laboratory and x-ray services. This expense is not reimbursable to nursing facilities. It is the responsibility of the providing provider to directly bill the Title XIX program under the appropriate program.
81. Inhalation Therapy Salaries. Gross salaries of those therapists, assistants, aides, and other employees who provide inhalation therapy services to residents. This excludes any fees paid to outside

consultants, which are reported below.

82. Inhalation Therapy Supplies/Contracted Services. The cost of consumable items used by the inhalation therapy department. The cost of contracted inhalation therapy that provide services to the resident. This excludes fees paid strictly as consultant services. The cost of oxygen is reported on this line.
83. Nutritional Therapy/PEN Supplies. The cost of supplies and services for nutritional therapy and PEN supplies. These items should relate to the Medicare Part B charges billed through a Medicare carrier.
84. Other Ancillary. Miscellaneous expenses related to the ancillary services provided by the nursing facility. These expenses must be itemized on Schedule B-1.
85. Laundry Salaries. Gross salaries of employees working as laundry personnel. This includes employees who are responsible for the washing and drying of the laundry. This does not include the salaries of other employees, i.e., aides and orderlies, who may assist in gathering laundry but whose main duties are other than laundry.
86. Supplies. Cost of consumable items, i.e., soap, detergent, softeners, starch, bleach, as well as baskets, carts and other minor non-capitalized equipment used primarily by the laundry department.
87. Linen and Bedding. Cost for linen, bedding, sheets, pillowcases, blankets, pillows, gowns, towels, and washcloths. These items are considered inventory and are expensed as they are used.
88. Outside Laundry Service. Cost of outside laundry services including a commercial laundry service.
89. Other Laundry. Miscellaneous expenses incurred by the laundry department. These expenses must be itemized on Schedule B-1.
90. SUBTOTAL - CARRY FORWARD. The subtotal of lines 71 through 89.  
  
SUBTOTAL - CARRIED FORWARD. The amount from line 90.
91. Housekeeping Salaries. Gross salaries of employees working as housekeeping personnel. This includes the supervisor, housekeepers, maids, janitors, etc. This does not include the salaries of maintenance personnel.
92. Housekeeping Supplies. Cost of consumable items, i.e., wax, cleaners, soaps, lavatory supplies, treated sawdust, as well as brooms, mops and other minor non-capitalized cleaning equipment.
93. Other Housekeeping. Miscellaneous expenses incurred by the housekeeping department. These expenses must be itemized on Schedule B-1.
94. Beauty and Barber Shop Salaries. Gross salaries of those employees who are responsible for providing beauty and barbershop services to residents.
95. Beauty and Barber Shop Supplies/Contracted Services. The cost of consumable items used in supplying beauty and barber shop services and any fees paid to persons other than facility

employees for providing beauty and barber shop services.

96. In-Service Education. Cost of conducting necessary training for employees whose salaries are reported in the ancillary component. The training should be directly related to the In-Service Education Continued. (Performance of duties assigned or reasonably anticipated) Cost includes fees for instructors, other than facility employees, conducting the training and expenses for supplies used in the training, i.e., training aids, textbooks, etc.
97. Payroll Taxes. Portion of payroll taxes (FICA, state unemployment and federal unemployment) paid by the provider for employees whose salaries are reported in the ancillary component.
98. Employee Benefits. The expenses incurred by the provider for employee benefits for employees whose salaries, or a portion thereof, are reported in the ancillary component. Employee benefits may include group health insurance, group life insurance, pension plans, etc.
99. Workers' Compensation. The cost to the provider for workers' compensation insurance paid for employees whose salaries, or a portion thereof, are reported in the ancillary component.
100. Blank. To be used to report an expense, not specifically delineated above. The expense can be identified by completing the Description Line.
101. Subtotal. The total amount reported for the ancillary component.

### CAPITAL

102. Amortization. Costs that are expensed over a period of time are recorded as amortization. Allowable amortization costs include loan costs, bond fees, construction period interests, etc. Amortization for acquisition of leasehold interests and amortization of intangible assets, such as goodwill, leasehold rights, covenants, purchased Certificates of Need, etc. are not allowable expenses and an adjustment must be made in column 3 as a non-allowable adjustment. Amortization of organizational and start-up costs are not reported on this line.
103. Rent/Lease (excluding vehicles) Rental amounts paid by the facility for all rented or leased property, furniture and equipment. This includes all items rented or leased by the facility, regardless of use. This does not include expenses for the rent/lease of vehicles, which are included on line 135, vehicle expense.
104. Depreciation (excluding vehicles) Asset costs which are written off over a period of time are recorded as depreciation. Depreciation expense that is reported is limited to the straight line method. If a depreciation method other than straight-line Depreciation (excluding vehicles) Continued. method is used, an adjustment must be made in column 3 to adjust the depreciation expense to the straight-line method.
105. Interest - Real Estate. Interest paid on notes, mortgages and other loans, the proceeds of which were used to purchase the facility's real property (land and buildings) and major equipment or to finance a renovation of the facility. This does not include interest expense on working capital loans, vehicle loans or other short-term loans not related to capitalized equipment purchases.

106. Interest - Other. Interest expense incurred on short term loans. This includes working capital loans and loans to pay operating expenses. This excludes interest on loans for equipment that is capitalized and vehicle loans.
107. Insurance - Property. Cost of fire, casualty, liability, etc. insurance on facility buildings, property and equipment. This excludes vehicle insurance.
108. Real Estate Taxes. Amount of taxes levied on the facility's land buildings and major capitalized equipment.
109. Personal Property Taxes. Amount of taxes levied on the facility's property, vehicles and other moveable equipment.
110. Subtotal - Capital. The total amount reported for capital cost.

#### ADMINISTRATION

111. Plant Operation Salaries. Gross salaries of employees involved in operating and maintaining the physical plant, i.e., building, equipment and grounds. This includes the salaries of security, maintenance, plant engineers, etc. This does not include the salaries of housekeeping personnel.
112. Administrator Salary. Gross salary of the facility's licensed administrator.
113. Assistant Administrator Salary. Gross salary of the facility's assistant administrator who directly assists the licensed administrator.
114. Other Administrative Salaries. Gross salaries of administrative employees, excluding the administrator and assistant administrator.
115. Medical Records Salaries. Gross salaries of the facility employees responsible for maintaining the facility's medical records.
116. Utilities. Cost of heating fuels, electricity, water, sewer, trash removal, and other related services.
117. Maintenance and Repairs. Cost of supplies and services related to normal maintenance and repairs of the building, major equipment, furnaces, air-conditioning units, kitchen, and laundry equipment. This includes the cost of contract labor or other outside services for maintenance and repairs, i.e., electricians, exterminators, plumbers, locksmiths, etc. Material and part costs for repairs and other related items required in a repair are also included. This does not include renovation costs in excess of \$1,000.00, which must be capitalized.
118. Plant Operation Supplies. Cost of supplies and minor equipment used in the routine upkeep of the building and grounds. This includes carpentry tools, nails, lumber, glass, touch-up paint, light bulbs, lawn fertilizer, pesticides, etc.
119. Other Plant Operations. Miscellaneous expenses incurred by the plant or maintenance department.

These expenses must be itemized on Schedule B-1.

120. Medical Records Supplies/Contracted Services. Cost of supplies including forms and small equipment used by the medical records personnel. Cost of contracted medical records services and medical record consultants.
121. Management Fees. Fees paid to an unrelated organization for providing overall facility management and direction.
122. Home Office. Fees paid to a related organization for providing services related to the general and administrative functions of the facility. Related organizations may include but are not limited to, the home office, a division of the same company or a company related by common ownership.
123. Owners' Compensation. Gross salary and other recorded expenses that benefit an owner of the facility. This includes any director's fees paid to owners.
124. Legal. Fees paid to attorneys for advice, litigation, negotiation, etc. This includes the cost of services from an outside firm, not employees of the facility. Attorney fees related to litigation involving the Department of Social Services and attorney fees not related to the provision of nursing facility services are non-allowable costs. An itemized breakdown of legal fees must accompany the cost report. This breakdown should include law firm names, a description of the services provided, and corresponding fees paid.
125. Accounting. Fees paid to outside accounting firms, not employees of the facility, for accounting services, such as preparation of financial reports, audits and other related financial work.
126. Advertising - Employment Ads. Cost of advertising to recruit new employees.
127. Advertising - Promotional and Other. Cost of advertising to promote the name and goodwill of the facility in newspapers, magazines, trade publications, radio, television, yellow pages, etc. This also includes public relations items such as church bulletin ads, yearbooks, matchbook covers, T-shirts, etc.
128. Amortization (organizational costs). Organizational and start-up costs which are expensed over a period of time. These costs should be amortized over sixty (60) months on a straight line method.
129. Telephone. Cost of all telephone use and services, including initial connection, local service and long-distance charges.
130. Travel and Entertainment. Cost of travel by the facility personnel, administrator and other individuals authorized by the facility. This includes the cost of airfare, lodging, meals, mileage allowance, etc. Entertainment expenses include social functions and other incidental expenses of travel. Expenses reimbursed by the facility, to facility personnel for these types of expenses.
131. Seminars. Fees paid for facility employees to attend off-site seminars, continuing education programs and training sessions. In-house training would be considered in-service education.
132. SUBTOTAL - CARRY FORWARD. The subtotal of lines 111 through 131.

SUBTOTAL - CARRIED FORWARD. The amount from line 132.

133. Vehicle Depreciation. The cost of vehicles owned by the facility which are written off over a period of time. Depreciation expense for vehicles is based on a four-year vehicle life using the straight line method. The maximum allowable number of vehicles and the associated depreciation expense is limited to one vehicle per sixty (60) beds.
134. Interest - Vehicle Loans. Interest paid on notes and other loans, the proceeds of which were used to purchase a vehicle used by the facility or facility personnel.
135. Vehicle Expense. Cost of operating and maintaining autos and other vehicles owned or leased by the facility. This includes lease payments, insurance, gas, oil, maintenance, tires, etc.
136. Insurance (other than property and life). Cost of all institutional insurance not related to property or employees. This includes liability, bond, umbrella, malpractice, etc.
137. Office Supplies. Cost of items used in the business and/or administrative offices. This includes minor non-capitalized office equipment, postage, fees paid to outside printers for printing facility forms, stationery, letterhead, pens, pencils, staplers, copier charges, etc.
138. Data Processing. Fees paid to outside organizations for data processing services. This includes payroll processing, medical records processing, etc.
139. Life Insurance. Cost of life insurance policies on employees or owners of the facility that the facility is the beneficiary of. Life insurance offered to all employees where the relative or estate of the employee is the beneficiary is considered an employee benefit. An example of life insurance reported on this line would be life insurance on an owner or officer of the facility required by a mortgage.
140. Dues and Subscriptions. Dues paid for memberships in related professional organizations and the cost of subscribing to professional publications. Cost to the facility for subscribing to newspapers, magazines and other periodicals for residents and employees.
141. Licenses. Fees for licenses paid by the facility. This includes nursing home licenses, state, county, and local business licenses, and professional licenses for facility employees, i.e., administrator, director of nursing, etc.
142. Vending. Cost of supplies and other costs related to vending machines. The vending revenue offset is made on this line.
143. Cable TV. Cost of cable TV services and connection fees. The cable TV revenue offset is made on this line.
144. In-Service Education. Cost of conducting necessary training for employees whose salaries are reported in the administration component. The training should be directly related to the performance of duties assigned or reasonably anticipated. Costs include expenses for instructors, other than facility employees, conducting the training and expenses for supplies used in the training, i.e., training aids, textbooks, etc.



145. Payroll Taxes. Portion of payroll taxes (FICA, state unemployment and federal unemployment) paid by the provider for employees whose salaries are reported in the administration component.
146. Employee Benefits. The expense incurred by the provider for employee benefits for employees whose salaries, or a portion thereof, are reported in the administration component. Employee benefits may include group health insurance, group life insurance, pension plans, etc.
147. Workers' Compensation. The cost to the provider for workers' compensation insurance paid for employees whose salaries, or a portion thereof, are reported in the administration component.
148. Blank. To be used to report an expense, not specifically delineated above. The expense can be identified by completing the Description Line.
149. Other Administrative. Miscellaneous expenses incurred by the administration or general items. This would include items such as flower, seasonal decorations, administrative consultants, etc. These expenses must be itemized on Schedule B-1.
150. Subtotal. The total amount reported for the administration component.

Other

151. Income Tax. Taxes levied or expected to be levied by the federal and/or state government.
152. Contributions. Amounts donated to charitable, political and/or other organizations.
153. Gift Shop. If the facility has a gift shop on the premises, the cost of the products sold and other costs directly associated with the sale of these products. This includes the salaries of employees.
154. Life Insurance. Cost of life insurance on owners, officers, and key employees of the facility, where the facility is the beneficiary, unless required by the facility mortgage. This does not include group life insurance offered to all employees.
155. Penalties. Penalties incurred for late loan payments, taxes, statutory, regulatory or ordinance violations, etc.
156. Nursing Facility Reimbursement Allowance. Cost of the provider tax and other associated administrative costs such as administrative fees, and redistribution fees.
157. Blank. To be used to report a non-allowable expense not specifically delineated above. This expense can be identified by completing the Description Line.
158. Other - Other. Miscellaneous expenses that are non-allowable. This could include such items as direct operating cost of apartment buildings, home health agencies, other non-related activities, etc. These expenses must be itemized on Schedule B-1.
159. Subtotal. The total amount reported for other expenses.

160. Total Expenses. Grand total of expenses recorded for all cost components.