

TITLE XIX (MEDICAID)
NURSING FACILITY COST REPORT CHECKLIST

This form was developed by MHD to expedite the audit process and minimize additional questions; therefore, it is to be completed and submitted with the Medicaid cost report. Authenticated copies of the following documents and breakdowns must be submitted with the annual cost report as required by 13 CSR 70-10.015 Prospective Reimbursement Plan for Nursing Facility Services. Any information requested that is not provided may be adjusted as undocumented.

- Is your cost report year the same 12-month fiscal period as is used for federal income tax reporting? **If it is not the same, please stop here and contact MSLC at (800) 374-6858.**

- 1. **Original copy of page 1 of the Medicaid Cost Report.** Must be signed by the authorized facility representative and notarized by a licensed notary public.
- 2. **Working trial balance used to prepare cost report.** Include line number tracings or similar notations to easily identify where expenses are included in the cost report.
- 3. **Certified Public Accountant Independent Audit Report and Management Letter.** Any time the cost of an independent audit is included in the cost report as a covered expense, a copy of the independent audit must be provided. If the audit is not complete at the time the Medicaid Cost Report is due, please indicate the estimated time of completion on the Supplemental Information tab of the Cost Report. ***Please Note: Nursing Facilities new to the MO HealthNet program are required to have an independent audit performed on the first two (2) full years.***
- 4. **Medicare (Title XVIII) Cost Report.** If the Medicare Cost Report is not complete at the time the Medicaid Cost Report is due, please indicate the estimated time of completion on the Supplemental Information tab of the Cost Report.
- 5. **Contracts and Agreements.** Any and all contracts and agreements must be provided if requested by Myers and Stauffer. **For 2019 cost report submissions, new significant dollar contracts must be submitted with the cost report to Myers and Stauffer LC, even if they have previously been submitted to MHD.** For subsequent cost report years, only new or renewed contracts or agreements must be filed with the cost report if they have not previously been provided or if they have changed from the previous year. Contracts and Agreements include, but are not limited to, the following:
 - a. **Lease Agreements**
 - b. **Management Contracts**
 - c. **Consultant Contracts**
 - d. **Other Contracts and Agreements.** Any other contracts and agreements should be provided and may include, but is not limited to, staffing contracts, pharmacy contracts, related party contracts, therapy contracts, etc.
- 6. **Schedule H, Statement of Owners/Directors Compensation.** Schedule H must be completed for all owners and/or directors which include persons with direct and indirect ownership, Board of Directors, officers, any other related parties serving in any position at the facility, etc. that receive compensation from the facility. See nursing facility state regulation 13 CSR 70-10.015, Subsection (4)(UU) Related Parties for full definition.

- 7. **Worksheet 2 - Related Party Lease.** If the facility has a lease with a related party Worksheet 2 must be completed and report all costs incurred by the related party.
- 8. **Home Office.** If the facility reports expenses related to a home office or a related party management company, the Home Office information noted below must be provided.
 - a. The Statement of Owners/Directors Compensation must be completed for all owners and/or directors which include persons with direct and indirect ownership, Board of Directors, officers, any other related parties serving in any position at the Home Office, etc. that receive compensation from the Home Office. See nursing facility state regulation 13 CSR 70-10.015, Subsection (4)(UU) Related Parties for full definition.
 - b. If the requested breakout is not provided an adjustment may be made for the salaries and associated fringes.

The following documents must be completed and submitted with the cost report:

- a. **Worksheet 3 - Home Office Cost Report** – Must include all Worksheet 3 schedules including the Statement of Owners/Directors Compensation.

OR

- b. **Medicare Home Office Cost Report, AND
Worksheet 3 - Statement of Owners' Directors Compensation**

- 9. **Real Estate Tax Receipt(s).** A copy of the Real Estate Tax Receipt(s) or detailed documentation to support the expense reported on Schedule B, line 108, has been included with the cost report submission. If not, please indicate why on the Supplemental Information tab of the Cost Report.
- 10. **Personal Property Tax Receipt(s).** A copy of the personal property tax receipt(s) or documentation to support the expense reported on Schedule B, line 109, has been included with the cost report submission. If not, please indicate why on the Supplemental Information tab of the Cost Report.
- 11. **Payroll Taxes, Employee Benefits, Workers' Compensation.** The amount of each of these should be included in the cost center in which the corresponding salaries and wages were paid.
 - a. Please indicate if the amounts reported are allocated, actual, or both on the Supplemental Information tab of the Cost Report.
- 12. **Audit Adjustments made by MO HealthNet Division.** The Division's audit adjustments from the most recently completed cost report audit must be incorporated into subsequent cost reports.
- 13. **Breakdowns.** Please provide a breakdown of the following items by completing the tables on the Supplemental Information tab of the Cost Report:
 - a. **Grants & Gifts.** Complete the table for any grant or gift revenue your facility received during the fiscal year
 - b. **Insurance.** Please provide a breakdown of the insurance expense reported on Schedule B, lines 107 and 136.
 - c. **Legal & Accounting Fees.** Provide a breakdown of legal and accounting fees reported on Schedule B, lines 124 and 125.
 - d. **Inventory at Fiscal Year End for Rate Setting Cost Reports.** Facilities whose prospective rate will be set on the cost report being submitted must complete this table. Include a breakdown, by item, of the amount of inventory at the end of the facility's fiscal year.