

**INSTRUCTIONS FOR COMPLETING
THE ICF-IID
FINANCIAL AND STATISTICAL REPORT
(FORM ICF-IID-2004)**

PURPOSE

The purpose of this report is to obtain the client-related costs incurred by intermediate care facilities for individuals with intellectual disabilities (ICF-IID) in providing services according to applicable state and federal laws, regulations, and quality and safety standards. The regulation governing the completion of this document is KAR 129-10-200.

SUBMITTAL INSTRUCTIONS

1. Each provider must complete and submit the Cost Report (ICF-IID-2004) and Monthly Census Summary (AU-3902) spreadsheets before the end of that facility's reporting period. The ICF-IID-2004 Cost Report (ICF-IID Financial and Statistical Report) form is available for download on the KDADS.ks.gov website. Providers may also request blank copies of these forms from the Kansas Department for Aging and Disability Services (KDADS) at the e-mail address listed below.
2. Send Excel spreadsheet copies of the completed Cost Report, **and** the Monthly Census Summary form, for each month of the reporting period, to the e-mail address below. Please be advised that all PHI must be sent in compliance with HIPAA guidelines.

KDADS.COSTREPORTS@ks.gov

3. Inquiries regarding the completion of these forms can also be directed to: Steven Hime at (785) 296- 2535 or Steven.Hime@ks.gov.

GENERAL

1. Complete the forms accurately and legibly. Any report that is incomplete, illegible, or has its formulas altered will be returned to the provider. This may postpone the Rate Effective Date and result in additional penalties for late filings, as per K.A.R. 30-10-213.
2. All totals must be rounded to the nearest dollar.
3. Do not add lines to the forms. Use "OTHER" lines for client-related expenses not designated on the Expense Statement, Schedule A. Attach a schedule if necessary.
4. Do not cross out, alter, or retitle lines on the forms. Do not include more than one amount per line. For combined expenses entered on one line, submit an attachment with an explanation.
5. Enter your KMAP Provider ID Number in the blank space provided in the Cover Page Entry sheet. This is the fourteen digit number assigned by KDADS.

6. Use the accrual method of accounting in reporting financial data. Revenues are reported in the period when earned, and not when received, and expenses are reported when incurred, not when paid.
7. Estimates of revenues and expenses are not acceptable.
8. All cost reports, historical or projected, must be for a period of 12 consecutive months except as provided in K.A.R. 30-10-213. Providers who have filed a projected cost report must file a historical report for the projection period and a historical report for the first fiscal year following the end of the projection period.
9. All cost reports must be received by KDADS no later than the close of business on the last day of the third month following the end of the reporting period (Fiscal Year End or Projection). The provider may request a one-month extension of the due date by submitting a signed request via email to KDADS.CostReports@ks.gov during the time period allowed for filing the original cost report. The extension will be granted if KDADS determines that the provider has shown good cause.
NOTE: If a cost report is received after the due date without an approved time extension, the provider is subject to the penalties specified in K.A.R. 30-10-213.
10. Each ICF-IID must maintain adequate accounting and/or statistical records. Inadequate record keeping is cause for suspension of payments or reduction to the lowest rate(s) for the level(s) of care provided. (See K.A.R. 30-10-211 for details.)
11. **Reimbursement Rates (per diem) for ICF-IID facilities:** The per diem rate of reimbursement for those facilities participating in the Medicaid/KanCare program is based on the reported costs and client days as adjusted by a desk review of the cost report. Each cost report is also subject to a field audit to arrive at a final settlement for the period the per diem rate was based upon.
12. **Kansas Administrative Regulations (KARs):** Copies of the regulations governing ICF-IID Medicaid/KanCare reimbursement are available on the [Kansas Secretary of State - KAR \(ks.gov\)](http://www.ks.gov) website. **NOTE: Since the Regulations may be changed, the preparer of the cost report should carefully review the most recent version prior to completing the form ICF-IID-2004 for submission.**

COST REPORT INSTRUCTIONS

COVER PAGE ENTRY: Information entered in this worksheet auto-populates into the **COVER PAGE** worksheet.

A) **Provider Identification**

LINES 10-19: Complete these lines as indicated on the report form.

LINE 21 THROUGH 25: Enter “Y” on Only One Box.

LINE 21 Enter “Y” if the cost date is for the provider’s normal fiscal year and does not include any portion of a projection period.

LINE 22 Applies to projected cost reports for new providers that are not occupying a newly constructed facility.

LINE 23 Applies only to projected cost reports related to newly constructed facilities. If a provider occupies a newly constructed facility, they should enter “Y” in this box. Providers that have increased total beds available through new construction to an existing facility by 25% or more may file a projected cost report and should check this box.

LINE 24 Applies only to providers filing historical cost reports for the same 12-month period as their projection year.

LINE 25 Applies to providers in the process of converting from the projection period to their normal fiscal year and the report period includes a portion of the projection period.

LINE 26 through 32 Enter “Y” in the box next to the type of business organization which most accurately describes your facility or explain on line 32.

B) **Facility Beds:**

LINE 43 through 44 Enter the number of licensed beds available for each category listed. If a change in the number of beds has occurred during the reporting period, show the increase (or decrease) and the date of the change. The total bed counts will automatically populate on line 45. Attach a schedule if additional space is needed to show all changes in the number of licensed beds.

LINE 46 Total Bed Days Available: If the number of beds available throughout the year has not changed, the total number of bed days is computed by multiplying the number of beds times 365 (366 in leap years). If the number of beds changes during the period, compute as shown in the example below.

Assume a home of 20 beds was increased on July 1 to 25 beds, the number of bed days for the period would be determined as follows:

January 1 to June 30 - 181 days x 20 beds = 3,620 bed days

July 1 to December 31 - 184 days x 25 beds = 4,600 bed days

Total = 8,220 bed days for period

LINE 48 Total Client Days: The total number of client days shall be determined in accordance with K.A.R. 30-10-225. A client day means that period of service rendered to a client between the census-taking hours on two successive days and all other days for which the provider receives payment, either full or partial, for any Medicaid/MediKan or non-Medicaid/MediKan client who was not in the home (K.A.R. 129-10-100f). If both the admission and discharge occur on the same day, it shall count as a client day. If the provider does not make refunds on behalf of a client for unused days in the case of death or discharge, and if the bed is available and actually used by another client, these unused days shall not be counted as a client day. Any bed days paid for the client before an admission date shall not be counted as a client day. The total client day count for the cost report period shall be accurate. An estimate of the days of care provided shall not be acceptable.

The total client days must agree with the 12-month total as submitted on the form AU 3902.

Day care and day treatment shall be counted as one client day for 18 hours of service. The clients of day care/treatment shall be listed on the monthly census summary (AU 3902) with the number of hours reflected on the appropriate day column.

OCCUPANCY PERCENTAGE - Agency staff will determine this percentage.

LINE 48a Total Medicaid/KanCare Days - Enter the total number of Medicaid/KanCare days reported on the AU 3902's. Partial as well as full paid days must be included (please refer to K.A.R. 30-10-225).

LINE 49 Enter "Y" if you completed Schedule J.

LINE 51 If the provider is a publicly held entity, provide annual reports and Form 10-K.

COVER PAGE

Declaration by Owner and Preparer: Please read the Declaration Statement before signing. The cost report is not considered complete unless signed and dated by a representative of the facility (e.g., owner, officer, administrator) and the preparer. If the facility representative and the preparer are the same individual, please sign both spaces.

SCHEDULE A - EXPENSE STATEMENT

Attach a copy of the Working Trial Balance used to prepare the Cost Report. .

Column 1 - Per Books or Federal Tax Return: Report the expenses reflected in the accounting records under the appropriate cost center (e.g., Administration, Ownership, Plant Operating, Room and Board, Habilitation and Non-Reimbursable). The total of all the expense lines (Column 1 - Line 210) shall reconcile to the accounting records and/or income tax return.

Column 2 - Provider Adjustments: Enter the necessary adjustments to the expenses reported in Column 1 that are not client-related according to the regulations and/or offset expense recoveries reported in the Revenue Statement (Schedule G). Attach a schedule if necessary.

Column 3 - Client Related Expense: Formula - No entry necessary.

Columns 4 & 5 - KDADS Adjustments/Adjusted Client Related Expenses: Leave blank – FOR AGENCY USE ONLY.

Expense Lines (General): All costs shall be reported on the designated expense lines. If all expense classifications are not addressed, report the amount on the line and in the cost center that most nearly describes the expense. For example, telephone expense is included in the Administration cost center. Therefore, the expense for telephone lines to the nurses' station shall not be reported in the Habilitation cost center. See specific line instructions for more detail. **Do not cross out or use a line designated for a particular type of expense for some other type of expense.**

The specific instructions, which follow, do not cover each line item of the expense statement, but are designed to cover items which may require additional explanation or examples.

All Salaries - Lines - 101, 102, 103, 126, 142, 149, 154, 161, 162, 163, 171 and 173. Salaries are compensation paid for personal services that were reported to the Internal Revenue Service (IRS). These lines, plus the owner/related party compensation lines, shall reconcile to your IRS 941 Report forms as adjusted by benefits or other bonuses.

Each facility must have a licensed administrator or QIDP (“Qualified Intellectual Disabilities Professional”). Non-owner/related party administrator compensation shall be reported on line 101. Owner/related party administrator compensation shall be reported on 107. Salaries of the administrator and co-administrator paid as central office costs shall be reported on lines 101 and 102.

Salaries and benefits of the administrator and co-administrator paid through the central office shall be reported on lines 101 and 102.

Employee Benefits - Lines 104, 127, 141, and 164 - Allocate employee benefits to the benefit lines in each cost center based on the percentage of gross salaries or the actual amount of expense incurred in each center. Employee benefits, if offered to substantially all employees, may include but are not limited to:

- 1) Employer’s share of payroll taxes
- 2) State and federal unemployment contributions
- 3) Workers’ compensation insurance
- 4) Group health and life insurance
- 5) Employee “non-cash” gifts
- 6) Moving/relocation expenses
- 7) Employee retirement plans
- 8) Employee parties - except alcoholic beverages
- 9) Profit sharing
- 10) Physical examinations
- 11) Malpractice insurance that specifically protects employees. This shall be specifically identified on the insurance bill from the agent.
- 12) Employee Uniforms

Employee benefits shall not include:

- 1) Employee cash bonuses and/or incentive awards - these payments shall be considered additional compensation and be reported on salary lines.
- 2) Benefits given to owner/related parties but not to substantially all employees - these benefits shall be treated as additional compensation and be reported on owner/related party compensation lines.

Employee benefits with restrictions include:

- 1) Employee benefits offered to select non-owner/related party employees shall be reported as a benefit in the cost center in which the salary is reported.

Consultants - lines 106, 144, 166, and 175 through 180. Report all fees paid to professionally qualified non-salaried consultants. List the titles of other habilitation consultants on line 180.

NOTE: Line 106 - Management Consulting Fees. Include only cost of arms-length management consultant fees. Owner/related party management fees shall be reported on line 107. Also see instructions to line 108.

Owners and Related Party Compensation - Lines 107, 128, 143, 165, 172 and 193.

Record the amount earned and reported to IRS for client related services of owner/related parties. In order to be allowed, the compensation must be paid within 75 days after close of the fiscal period. The amount reported must be in agreement with entries made in Schedule B. Compensation may be included in allowable cost only to the extent that it represents reasonable remuneration for managerial and administrative functions, professionally qualified habilitation services, and other services related to the operation of the ICF- IID which have been rendered in connection with client care. All compensation paid to an owner/related party shall appear on the appropriate lines above regardless of the label placed on the services rendered. See K.A.R. 30- 10-221. **NOTE:** Line 143 is for reporting owner/related party compensation for Dietary, Laundry and Housekeeping services.

“Other” - Lines 117, 118, 138, 148, 153, 158, 170, 188, and 208. “Other” or blank lines have been provided in each cost center. Types of expense entered on these lines shall be identified and be applicable to the cost center unless further restricted. Attach a schedule to the cost report if necessary. Failure to do so can cause unnecessary delay in the processing of your cost report and can result in a delayed rate effective date of your new rate.

Line 105 - Office Supplies and Printing. Report all office supplies, postage, duplicating and printing expenses on this line. The printing and duplicating of forms are considered to be an administrative expense and shall not be reported in any other cost center. The exception to this rule is habilitation records forms which may be reported on line 168, Habilitation supplies.

Line 108 - Allocation of Central Office Costs. All providers with more than one facility and pooled administrative costs shall report allocated costs on line 108. All facilities, including the central office, must use the same reporting period. (K.A.R. 30-10-213 & 30-10-224). **Attach a detailed schedule listing the central office costs and method of allocation to all facilities and programs.**

Allowable central office costs are subject to the following conditions:

- Purchases from related-party vendors - Costs of client-related goods and services supplied to the central office by related parties will be allowed at the lower of the cost to the vendor or the charge to the central office;
- Management consulting fees - If the management services company is owned or controlled by the company or person(s) that owns or controls the facilities, the management fees must be reported as central office costs subject to the limits of related-party transactions;
- Salaries of owner/related purchases of ICF-IID supplies - These expenses may be allocated to the supplies lines in the appropriate cost centers; and

- Direct care consultants - These costs may be reported on the applicable consultant lines in the appropriate cost centers.

Line 109 - Telephone and Other Communication. Report routine telephone and communications expense on this line regardless of the department or cost center benefit.

Line 110 - Travel - Report administrative and staff travel expenses that are related to client care. **Vehicle costs must be documented by detailed expense and mileage records kept at the time of the travel activity.** Estimates shall not be acceptable.

EXCEPTIONS:

- 1) Long term or recurring vehicle lease expense for business purposes shall be reported on line 123.
- 2) Expenses associated with the personal use of a vehicle are not allowable unless reported within otherwise allowable limits of compensation.
- 3) Costs related to “in town” entertainment are non-allowable.
- 4) Travel expenses related to PROVIDER board meetings are non-allowable.
- 5) Client transportation expense shall be reported on line 182.
- 6) Vehicle maintenance and repair shall be reported in the Plant Operating Cost Center.

Line 111 - Advertising - Report allowable advertising expense on this line. This line shall be used for employment advertisements in media, such as newspaper periodicals, television, and social media platforms. Fundraising, public relations, advertising for client utilization, and sponsorships are not allowable and shall be reported on line 195.

Line 112 - Licenses and Dues - Report all licenses and dues expenses on this line. Personal automobile club memberships are not allowable unless reported as compensation.

Line 113 - Legal, Accounting and Data Processing (DP) - Report legal and accounting expense on this line, except fees paid to owner/related party firms or individuals which must be reported on the owner’s compensation line 107. Data processing expense related to financial management (accounting, payroll, budgeting, etc.) shall be reported on this line.

Line 114 - Insurance - Report property and liability insurance expense on this line. Workers’ compensation and employee health and life insurance expense shall be reported on employee benefit lines. The premium for “Key Employee” life insurance (when the corporation is made the beneficiary of the policy) is not an allowable expense and shall be reported on line 196.

Line 115 - Interest - Report the interest expenses related to operating loans and equipment purchases. Submit copies of each new note for the year originated.

Line 117 or 118 - Other – Report other administrative costs on these lines; specify the type of cost reported. If applicable, include amortization of administrative organizational and/or start-up costs. Also include client related expenses for education of administrative staff.

Line 122 - Interest on Real Estate Mortgage - Report all interest expense incurred for the acquisition or construction of real estate. Describe fully on Schedule D. Include amortization expense for loan costs. The interest for equipment and furnishings purchased along with the building shall be reported on this line.

Line 123 - Rent or Lease Expense - Report all recurring rent and lease expense regardless of the item and use.

Line 124 - Amortization of Leasehold Improvement. Report only amortization of leasehold improvements on this line. Leasehold improvements are defined as betterments and additions made by the lessee to the leased property. Such improvements become the property of the lessor after the expiration of the lease.

Line 125 - Depreciation Expense - This amount must be computed by the straight-line method. Such amounts must be reconciled to a detailed depreciation schedule. The determination of capitalized property must be in conformity with Generally Accepted Accounting Principles. If an item or related items purchased in bulk (beds, chairs, tables, etc.) exceed a cost of \$1,000, they shall be capitalized. **Attach a detailed depreciation schedule to the cost report.**

Line 121 - Real Estate and Personal Property Taxes - Report all real and personal property taxes on this line.

Line 126 - Salaries - Report salaries of maintenance personal who perform carpentry, mechanical, electrical, plumbing, heating, cooling, and painting duties.

Line 129 - Utilities Except Telephone - Report expenses for gas, water, electricity, heating oil, etc. Cablevision may be considered a utility or client activity expense.

Line 130 - Maintenance & Repair - Report all maintenance and repair expenses applicable to the building, grounds, equipment, and vehicles.

Line 131 - Supplies - Report supplies expense incidental to the operation and maintenance of the building, grounds, and equipment.

Line 137 - Small Equipment - Equipment purchases of \$500 to \$1,000 that were not capitalized must be expensed on this line. Equipment purchases of \$1 to \$499 may be reported in the cost center of benefit as a supply expense.

Line 138 - Other - Report miscellaneous expenses incidental to the operation and/or maintenance of the facility and grounds. These include but are not limited to trash hauling, snow removal and lawn care. This line shall be used for training and educational expense for employees with salaries reported in the Plant Operating Cost Center.

Line 141 - Employee Benefits - Report total employee benefits associated with Dietary, Laundry and Housekeeping salaries.

Line 145 - Food - Report all food costs. Nutritional supplements are to be included on this line. The ICF-IID shall be required to keep records on the number of meals served in the ICF-IID including employees, guest, and outside programs as included in the MS-2004 expenses, the expense should be offset against the dietary cost center as follows:

- A. Line 141 - Dietary Portion Employee Benefits
Line 142 - Dietary Salaries
Line 143 - Dietary Owner/Related Party Compensation
Line 144 - Dietary Consultant
Line 145 - Food
Line 146 - Dietary Supplies
Line 148 - Other
Total Dietary Cost divide number of meals served = cost per meal

- B. Cost per meal x number of meals served to employees, guest, and outside programs = amount of offset.

Line 146 - Supplies (Dietary) - Report supplies expense directly related to the preparation and service of food to the clients unless further restricted by another expense line (i.e., printed menus are reported on line 105 - Office Supplies and Printing). Examples include but are not limited to paper goods, kitchen utensils, etc.

Line 148 - Other (Dietary) - Report and specify miscellaneous expenses directly related to the preparation and service of food to the clients unless restricted by another expense line (i.e., all repairs and maintenance are plant operating costs). Report dietary related education and training expense for the dietary employees.

Line 150 - Linen and Bedding Materials - Report linen and bedding materials expenses on this line.

Line 151 - Laundry and Linen Supplies - Report all supplies expense directly related to laundry and linen services for the clients, unless restricted by another line.

Line 153 - Other (Laundry) - Report all other expenses directly related to laundry and linen services for the clients unless restricted by another line. Report laundry employee in service and training costs for employees reported in laundry salaries. In line 149.

Line 154 - Salaries (Housekeeping) - Report the salaries of housekeeping and janitorial staff involved in floor care and in cleaning of the building.

Line 155 - Supplies (Housekeeping) - Report all supplies expense related to keeping the building clean and sanitary. Floor care supplies shall be expensed on this line.

Line 158 - Other (Housekeeping) - Report (and specify) miscellaneous expenses directly related to the provision of housekeeping for the facility, unless restricted by another expense line. Pest extermination may be expensed on this line or in the Plant Operating cost center. Report housekeeping related education and training for employees reported on housekeeping salaries.

Line 163 - Other Habilitation Personnel - Record the compensation of all other salaried habilitation personnel who are involved in direct client care.

Line 167 - Purchased Services - This line shall be used to report all habilitation related contract labor or other services.

Line 168 - Habilitation Supplies - Report expenses of all Routine supplies directly related to the provision of nursing and/or habilitation services for clients, unless further restricted by another expense line. Medical records forms may be expensed on this line.

Line 171 - Therapy/Other Salaries - Report the salaries of therapists and other employees who are directly involved in providing habilitation (i.e., medical records technician).

Line 173 - Client Activities/Social Worker Salaries - Report the salaries of the client activities personnel and/or social workers on this line.

Line 174 - Client Activity Supplies - Report the supplies expense involved in providing client activities. This does not include the cost of newsletters.

Lines 175-180 - Consultants - See page 6.

Line 181 - Employee Training - Report the costs of fees, tuitions, books, etc. for education or training seminars provided to employees who are directly involved in client care and training. Travel, lodging and meals associated with the education/seminars may be reported on this line.

Line 182 - Client Transportation - Report client transportation expense incurred for non-emergency medical, shopping, client activities, etc. in which the clients are the primary passengers. Trip logs must be kept to document the expense. **Do not include vehicle lease, interest, depreciation, insurance, or other expenses restricted to another expense line.**

Acceptable methods of allocating cost to line 182, Client Transportation are as follows:

- (1) Allocated at a set rate per mile. The rate would be determined by dividing total vehicle expense, not restricted to another expense line, by the total miles. The IRS allowed rate per mile is not acceptable because it includes factors for depreciation, insurance, and repairs.
- (2) Allocated directly per the following formula:
$$\frac{\text{Resident Travel Miles}}{\text{Total Miles}} \times \text{Total Vehicle Expenses Not Restricted to Another Expense Line} = \text{Client Travel Expense}$$
- (3) If private vehicles are used to transport clients, the entire amount of the reimbursement paid to the employee for use of the vehicle is allowable as Client Transportation. The rate of reimbursement must, however, be reasonable.

General: Non-Reimbursable & Non-Client Related Items (Lines 191 - 209) Provider adjustments must be made in column 2 that offset column 1 expenses in total. Column 3 will show zero expenses. **NOTE:** The Totals on lines 190 and 210 in column 3 will be the same amount.

Line 195 - Fund Raising/Public Relations/Advertising for Client Utilization - Include non-allowable advertising expenses. See Line 111 - Advertising.

Line 197 - Oxygen Purchases & Supplies - Billing for reimbursement of oxygen, cylinder rental and allowable supplies is to be done by the oxygen supplier to the fiscal agent. Homes with a central supply are to bill the fiscal agent directly.

Line 198 - Drugs - Pharmaceuticals - Report expenses for prescription drugs and other items not covered as a routine item in the Kansas Adult Care Home Medicaid/MediKan Provider Manual on this line.

Line 202 - Client Purchases - Report the expense for items purchased for clients but not listed as routine services or supplies in the Kansas Adult Care Home Medicaid/MediKan Provider Manual - on this line.

Line 204 - Work Activity/Production Costs - Report items specified in K.A.R. 30-10-218.

EXPENSE RECONCILIATION

General: This schedule shall be used to reconcile the expenses reported on the Financial and Statistical reports for ICF-IID (Form ICF-IID-2004) to the provider's financial books and federal tax return.

Column 1 - Books - Reflect the expenses as they appear in the general ledger or other financial records.

Column 2 - Federal Tax Return - Reflect the expenses as they appear on the federal tax return.

Column 3 - Cost Report - Reflects the expenses as they were reported on the cost report Schedule A - Expense Statement (formula - no data entry necessary).

Line 231 - Total Expenses Per Books - Record the total expenses per the general ledger or other financial records in Column 1.

Line 232 - Total Expenses Per Federal Tax Return - Record total expenses from tax return in Column 2.

Line 233 - Total Expenses Per Cost Report - Total expenses from Schedule A - Expense Statement (Column 1 line 210) in Column 3 (formula - no data entry necessary).

Lines 234 & 235 - Expenses on Books or Federal Tax Return Not on Cost Report - Itemize each expense reflected in the books or federal tax return and not included in the cost report. These expenses should be recorded in the appropriate column under books and/or federal tax return as an offset to the total expense in that column. Use an additional schedule if necessary to list expenses.

Lines 237 & 238 - Expenses on Cost Report Not on Books or Federal Tax Return - Itemize the expense reflected in the cost report but not in the total from the books or tax return. These items should be offset to the total expense in Column 3 - Cost Report. Use an additional schedule if necessary.

Line 240 - Totals - The differences between the totals per lines 231 (books), 232 (federal tax return) and 233 (cost report) less the negative adjustments in lines 234-238 in each of the three columns are totaled on line 240. The adjusted totals per the books, federal tax return and cost report shall agree after the applicable offsets to the total expenses reported.

SCHEDULE B - STATEMENT OF OWNERS AND RELATED PARTIES

General: List all owners of the provider entity with 5% or more ownership interest and all related parties (K.A.R. 30-10-221). Fill out Schedule B completely and accurately. Attach an additional schedule if more explanation or space is needed. Providers shall base all allocations on reasonable factual information and make available on request. Such information shall include details of dates, hours worked, nature of work performed, how it relates to client care and the prevailing wage rates for such activities.

ENTER: Name, Social Security Number and Address

Column (1) - % of ownership (if applicable) or state the relationship to owner

Column (2) - % of time devoted to this facility per customary workweek

Column (3) - Total salaries, drawings, consulting fees, and other payments to owners and related parties as defined in K.A.R. 129-10-200 and K.A.R. 30-10-221.

Column (4) - List the titles, functions or descriptions of the jobs performed or transactions made with all owners and related parties. The job titles should correspond with those included in the Owner/Related Party Salary Chart Prepared by KDADS (please refer to K.A.R. 30-10-221).

Column (5) - Enter the distribution by cost report line item of the total compensation incurred for all job functions. Owner/related party compensation shall be reported on the owner compensation expense line (107, 128, 143, 165, 172 and d193) in Schedule A.

Totals - The total compensation in Column 3 and Column 5 should agree. These two totals should also agree with the total on lines 107, 128, 143, 165, 172 and 193 Schedule A.

SCHEDULE C - SALARIES AND WAGES

General: All ICF-IID employee salaries (excluding that of owners and related parties) shall be reported on this schedule (See Schedule B for reporting owners' and related parties' compensation.) Total salaries reported on Schedule C should equal the sum of the non-owner salary lines in Schedule A, Column 1 - Expense Statement. **Round to the nearest dollar.**

Line Number: All salaries (excluding Owner/Related Party Compensation) shall be reported on these lines only.

Position/Title: These are the descriptions of the salary expense lines in Schedule A. No further break-down by job title is needed for salaries reported on lines 103 - other administrative salaries, 126 - Maintenance Salaries, 142 - Dietary Salaries, 149 - Laundry Salaries and 154 - Housekeeping Salaries.

Job titles are required for salaries reported in the Habilitation Cost Center. If a job title is not provided, list it on an "Other" line by the corresponding line number. Habilitation salaries shall be appropriately classified so that the information can be used for analytical purposes.

Column 16 - Total Hours Paid: Enter the total hours paid during the reporting year for each group of salaried and hourly employees. The paid hours include holidays, sick days, vacation, etc.

Column 17 - Salaries & Wages: Enter the total amount paid to each group of employees during the reporting year.

SCHEDULE D - STATEMENT RELATED TO INTEREST ON ALL
BONDS, LOANS, NOTES, AND MORTGAGES PAYABLE

NOTE: Please submit copies of loan agreements and amortization schedules with this cost report for all loans of \$5,000 or more. Failure to document interest expenses is cause for disallowance. K.A.R. 30-10-211. Schedules need to be submitted for related party loans showing the interest paid, check numbers and dates.

Column (1) - Enter the original date and duration of the loan.

Column (2) - Enter the interest rate. If it is a variable rate, provide the range of the interest rates for the cost report period.

Column (3) - Enter the amount of the loan.

Column (4) - Enter the unpaid principal balance at the end of the cost report period. The total of Column 4, Line 311, must agree with the balance sheet, Schedule E.

Column (5) - Enter the total amount of interest and principal payments made during the cost report year.

Column (6) - Enter the total amount of interest incurred during the cost report year. The total of Column 6, Line 311 must agree with the total interest report on Schedule A lines 115 and 122.

Lines 301-310 - Enter each lender's name, address and the items financed.

Line 311 - Enter the totals of Column 4 - Unpaid Balance & Column 6 - Interest Expense, for lines 301-310.

SCHEDULE E - BALANCE SHEET

General: The balance sheet should be prepared from the books of the specific facility for which the cost report is filed. In other words, chain units should report only those balance sheet accounts that relate to the particular facility for which the cost report applies. Subject to the above, the balance sheet must be prepared in conformity with generally accepted accounting principles. Reports all ownership claims that are customarily used by your particular type of entity. A partial listing of these accounts by type of entity follows:

Individual Proprietor ----- Owner's Capital
Partnership ----- Partner's Capital Accounts
Not-for-Profit Entities ----- Fund Balance
Corporation ----- Common Stock, Additional Paid in Capital, Retained Earnings
Chain Unit--All Chain Units ----- Central or Home Office Account
Regardless of Type of Ownership

NOTE: Beginning of period account balances shall be reported for providers allowed to submit projected cost reports.

Lines 355, 356, 357 & 373 - If the amount reported exceeds \$10,000, attach a schedule showing the details.

SCHEDULE F - RECONCILIATION OF BEGINNING AND ENDING RESIDUAL BALANCES

General: This schedule explains the change in owner's equity or the fund balance from the beginning to the end of the cost reporting period.

BEGINNING BALANCE

Line 401 - Enter the beginning owner's equity or fund balance. This is the total of Column 2 lines 377-379 in the balance sheet (Schedule E).

INCREASES TO OWNER'S EQUITY OR FUND BALANCE

Line 402 - Enter total revenue from Schedule G, column 1, Line 449.

Line 403 - Enter the total of cash or other assets transferred or contributed by the owners.

Line 404 - Enter total of cash or other assets transferred or contributed by the central office.

Line 405 - Enter the proceeds from the sale of common stock.

Line 406 & 407 - Enter and specify all other transactions which increase the residual owner equity or fund balance accounts.

Line 408 Total of lines 402-407 (formula - no data entry necessary).

DECREASES TO OWNER'S EQUITY OR FUND BALANCE

Line 411 - Enter the total expenses per Schedule A, Column 1, Line 210.

Line 412 - Enter total of cash or other assets withdrawn by the owners but not reported in Schedule A - Expense Statement.

Line 413 - Enter total cash or other assets withdrawn by the central office.

Line 414 - Enter the total of duly declared dividends paid to stockholders.

Line 415 - Enter the depreciation expense in excess of the straight-line method unless reflected as a negative adjustment in Schedule A, Column 2.

Line 416 & 417 - Enter and specify all other transactions which decrease the residual owner equity or fund balance accounts.

Line 418 - Enter the totals of line 411 - 417.

ENDING BALANCE

Line 419 - The balance at the end of the period (line 419) should equal the total of Column 4, lines 377-379 in the balance sheet (Schedule E) (formula - no data entry necessary).

SCHEDULE G - REVENUE STATEMENT

Column 1 - Enter the revenues from the general ledger accounts on the appropriate lines. Revenues from services not designated on this schedule must be identified and reported on lines 447-448. The amount of the total revenue entered on line 449, Column 1 must also be entered on line 402, Reconciliation of Beginning and Ending Residual Balances, Schedule F.

Column 2 - Enter the amount of the offset to the appropriate expense accounts. NOTE THE FOLLOWING: The amount of the offset should be the lesser of the revenues or cost of reimbursement expenses. Non-reimbursable items (i.e., Beauty & Barber, Vending) are offset at cost.

Column 3 - Enter the line number of the expense reported on the Expense Statement, Schedule A, against which the offset has been made. The amount of the offset must be entered in Column 2, Provider Agreements, on the Expense Statement, Schedule A.

Line 437 - Nursing Supplies Sold to Private Pay Client.

- (1) There is no offset required for items covered under K.A.R. 129-10-210 that are sold to private pay clients; and
- (2) None of the items covered under K.A.R. 129-10-210 can be sold to Medicaid clients.

Line 440 - Client Purchases - Enter the total of all reimbursements for personal purchases not designated as routine items in the Kansas Adult Care Home Provider Manual on this line.

Line 446 - Day Care/Treatment - Enter total revenue from all sources for day care, day treatment and respite care programs.

SCHEDULE H - STATEMENT OF RELATED ICF-IID FACILITY INFORMATION

General: All Kansas facilities operated by common ownership or related parties shall be listed. Common ownership and related parties are defined in K.A.R. 129-10-200. Additional schedules shall be attached as necessary.

SCHEDULE I - FIXED ASSET, DEPRECIATION AND AMORTIZATION QUESTIONNAIRE

General: Each question shall be answered completely and accurately.

Lines 481-489 - Complex Capital Structures:

Attach a complete explanation of the ownership/management structure of the ICF-IID including owners with 5% or more interest in the property and/or business, related parties as defined in K.A.R. 129-10-200, and all relevant contracts, leases, and assignments. This information must be accurate and comprehensive enough to present a true and clear account of the ownership and control of the ICF-IID.

Line 491 - If the facility is leased, a copy of the original lease agreement and subsequent amendments and/or agreements shall be submitted and on file with the agency. A provider making payments under Industrial Revenue Bonds with a nominal purchase upon maturity shall report the cost of ownership versus lease expense.

Line 494 - A new provider which purchases a facility shall submit a copy of the loan agreement(s), and any other pertinent information concerning the transaction.

Line 495 - Submit a copy of the detailed depreciation schedule with the cost report. Each asset shall be listed with the cost, date of purchase, life, salvage value, accumulated depreciation expense and current depreciation expense. Depreciation must be computed using the straight-line method. If the provider has filed a detailed depreciation schedule with the agency, an annual submission of addition and deletion schedules and a summary of depreciation expense is permissible.

SCHEDULE J - PRIVATE PAY RATES

General: Enter the per diem rates charged to private pay clients during the reporting period according to the effective date, type of accommodation and level of care. Please complete the schedule listing first the current room rates and ending with the rates that were in effect at the beginning of the reporting period.