

**Alaska Department of Health and Social Services**  
**Division of Behavioral Health**  
**Cost Survey Pilot**  
**Instructions**  
**General Information**  
**Page 1**

This cost survey pilot is to be used to report costs for use in a Behavioral Health rate study. The survey document is designed for use by both simple and complex providers of Medicaid Behavioral Health and Addiction Support services. It has been constructed to be as simple as possible while providing the Department with the minimum amount of information necessary to evaluate and calculate reimbursement rates. For these purposes all services being provided under the same Employer Identification Number (EIN) are considered one provider and must be reported on one Cost Survey Tool.

A reporting provider must include all of its Behavioral Health and Addiction Support operations on one survey document. Along with the Behavioral Health and Addiction Support operations of a provider, the cost survey and Audited Financial Statements must include other operations or functions which;

- 1) Are managed or supervised by staff who's salaries or expenses are reported on the cost survey; or
- 2) Share space or staff.

Financial and other information necessary for completion of the Cost Survey must be provided from the provider's books and records. When additional information is needed it will be requested and the provider will separately submit.

**Data entry areas are shaded in green.**

A complete cost survey includes:

1. Completed *Cost Survey, 2013* document with all worksheets:
  - a. Certification
  - b. Expenses Worksheet
  - c. Staff Hours Worksheet
  - d. Revenues Worksheet
  - e. Related Party Worksheet
2. Audited Financial Statements (AFS);
3. Post audit working trial balance; and
4. Report of allocated home office costs if appropriate.

**Alaska Department of Health and Social Services**  
**Division of Behavioral Health**  
**Cost Survey Pilot**  
**Instructions**  
**General Information**  
**Page 2**

## **Certification**

Provider Name, Administrative address – Provide the name of the provider and the administrative (business) address in the green shaded box.

Report Period – Indicate the provider’s fiscal year end date of the year being cost surveyed (Month, day, and year).

Certification by Chief Executive Officer – After reviewing the information in the completed cost survey the Chief Executive Officer must certify by signing and dating.

## **Expense Worksheet**

In this worksheet expenses of the provider are reported. All expenses of the consolidated business are reported. Expenses are reported under five sections:

1. General and Administrative Service Costs
  - a. Covered
  - b. Non-Covered
2. Rehabilitation Services (Exclusive of Residential)
3. Clinic Services
4. Residential
5. Other (Not Behavioral Health)

In the right hand column of the worksheet enter the amount of the expense related to the functional area and expense classification. The total reported costs must tie to the Audited Financial Statements (AFS).

## **General and Administrative Service Costs Covered Costs**

Lines 1 through 3:

Report the costs of administering the consolidated providers operations on lines 1 through 3. These costs are allowable costs that apply to the general operations of the business or benefit the organization as a whole. These costs have been incurred for the overall general, executive, and administration of the organization and do not relate solely to any particular service or operation of the provider. They cannot be readily identified with the provision of specific services.

Lines 4 and 5: Building/s and Maintenance.

**Alaska Department of Health and Social Services**  
**Division of Behavioral Health**  
**Cost Survey Pilot**  
**Instructions**  
**General Information**  
**Page 3**

These costs include depreciation, rent, lease, maintenance, and repair. The provider may choose to report **all** of the consolidated providers Building and Maintenance costs on lines 6 and 7 **or** it may choose to separately track and report these costs by function or cost center identified on the worksheet (direct assignment). A blending of reporting methods is not allowable.

Example: A organization with \$300,000 of expense in buildings and maintenance for the consolidated provider's operations may choose to report the entire amount on lines 6 and 7 **or** it may choose to track and report the \$300,000 by each area of usage - General and Administrative Service Costs \$60,000 (lines 4 - 5); Clinic Costs \$150,000 (line 27 - 28); Residential 0 \$70,000 (lines 33 - 34); and Other (Not Behavioral Health) \$20,000 (line 37).

**NOTE:** Costs from lines 1 through 7 will be allocated (distributed) to other cost areas in order to determine the complete cost of each service.

### **General and Administrative Services Non-Covered Costs**

Lines 8 through 17: Non-Covered costs.

Report on these lines costs that are not covered by the Behavioral Health and Addiction Support programs.

### **Rehabilitation Services (exclusive of "residential")**

Lines 18 through 21 are to report expenses that can be directly identified with the provision of rehabilitation services exclusive of residential. These include direct service salary/wage/fringe benefits, program materials and supplies and direct service staff training, If not specifically identified, include expenses in all other. Include expenses for providing services to both Medicaid and Non-Medicaid recipients. If an expense relates to more than one service area it should be allocated or distributed based on records supporting usage.

### **Clinic Services**

Lines 22 through 29 are to report expenses that can be directly identified with the provision of clinic services. These include physician salaries/fringe benefits, direct service salary/wage/fringe benefits, telemedicine expenses, program materials and supplies and direct service staff training. Building and maintenance - Salary/wages/fringe benefits and all other building and maintenance costs for the clinic services should be reported here if the single report options on lines 6-7 was not used. If not specifically identified, include expenses in all other. Include

**Alaska Department of Health and Social Services**  
**Division of Behavioral Health**  
**Cost Survey Pilot**  
**Instructions**  
**General Information**  
**Page 4**

expenses for providing services to both Medicaid and Non-Medicaid recipients. If an expense relates to more than one service area it should be allocated or distributed base on records supporting usage.

### **Residential**

Lines 30 through 35 are to report expenses that can be directly identified with the provision of residential services. These include direct service salary/wage/fringe benefits, program materials and supplies and direct service staff training. Building and maintenance - Salary/wages/fringe benefits and all other building and maintenance costs for the clinic services should be reported here if the single report options on lines 6-7 was not used. If not specifically identified, include expenses in all other. Include expenses for providing services to both Medicaid and Non-Medicaid recipients. If an expense relates to more than one service area it should be allocated or distributed base on records supporting usage.

### **Other - (Not Behavioral Health)**

Lines 36 – 38 are used to report direct cost of all other expenses. These are related to other operations of the consolidated provider that were not reported above. These are non-behavioral health expenses. General or administrative service costs for these centers are reported in lines 1 through 5. Only direct expenses are reported here.

Note: line 37 (Buildings and Maintenance) should only be used if the provider is NOT reporting all Building and Maintenance expense on lines 6 and 7.

Total expenses must tie to the consolidated providers Audited Financial Statements and Working Trial Balance.

### **Revenue and Statistics Worksheet**

This section of the worksheet is used to report revenue (charges) information. All of the consolidated provider's revenues (charges) earned in the survey report year must be reported here. The total reported revenue must tie to the Audited Financial Statements (AFS).

Revenues and units of service must be reported by service category (procedure code). Both total and Medicaid must be reported. Procedure code categories are provided. Units of service and revenues must be reported before any adjustments (bad debt, discounts, other).

**Alaska Department of Health and Social Services**  
**Division of Behavioral Health**  
**Cost Survey Pilot**  
**Instructions**  
**General Information**  
**Page 5**

Revenues generated which are not related to Behavioral Health and Addiction Support Services must be reported in the “Other” section.

### **Staff Hours Worksheet**

This section of the worksheet is used to report the number of hours paid and compensation.

By each position type report:

Column 1) the number of Billable hours by position type listed

Column 2) the number of Administrative and Other Services hours

Column 3) the total paid hours

Column 4) the amount of compensation paid. This is the amount actually paid to individuals. Amounts not paid to individuals such as insurance benefits are not reported here.

### **Related Party Worksheet**

On this worksheet the provider should report amounts of expenditures related to transactions with related parties if they exceeded \$5,000. If more than \$5,000 of expenses is related party expense then all of the related party expenses contained within the Expense Worksheet must be reported. For each related party transaction show:

- 1) the Expense worksheet line number that contains the expense
- 2) the amount of the expense
- 3) the name of the person or organization paid
- 4) the percent of related ownership
- 5) the number of hours worked
- 6) the symbol which best describes the relationship between the parties

Examples of a reportable transaction include:

Payments to the provider’s full or part owners (individual or incorporated) for:

- 1) Salary
- 2) Rent/lease

**Alaska Department of Health and Social Services**  
**Division of Behavioral Health**  
**Cost Survey Pilot**  
**Instructions**  
**General Information**  
**Page 6**

- 3) Contract services
- 4) Supplies

Payments to relatives of the providers full or part owners

Purchase of equipment, supplies, contract services, or other item for the related party when the benefit is intended for the related party and not the operations of the providers

Purchase of equipment, supplies, contract services, or other item for relatives of the related party when the benefit is intended for the relative of the related party and not the provider's operations

For these cost survey purposes - Related to the provider means that the provider to a significant extent is associated or affiliated with or has control of, or is controlled by, the organization furnishing the services, facilities, or supplies. A related party is where the parties are related by common ownership or control. The existence of an immediate family relationship will create the presumption of relatedness through control or attribution of ownership or equity interests. Control exists where an individual or an organization has the power, directly or indirectly, significantly to influence or direct the actions or policies of an organization or institution.