STATE OF ILLINOIS

HEALTHCARE AND FAMILY SERVICES

INSTRUCTIONS FOR COMPLETING

THE FQHC COST REPORT

These are the instructions for completing the Medicaid cost reports for Federally Qualified Health Center facilities. In order to maintain program compliance your center must file the following information:

1. Completed FQHC Modified Form 242
2. Certified Financial Statements prepared by an independent Certified Public Accountant.

This cost report must be filed with the Bureau of Health Finance no later than 180 days after the end of your fiscal year.

Questions concerning proper completion of the cost report form may be directed to Deborah Ferguson in the Bureau of Health Finance at 217-782-1630.

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Who Must File

All FQHCs participating in the Medicaid Program must file. The only exception is for new facilities which have the option of filing after 6 months or waiting until the end of their fiscal year. Should the FQHC have more than one site, the FQHC has the option of combining the sites on to one cost report or filing separate reports for all sites.

When Must You File

The cost report must be filed with the Bureau of Health Finance no later than 180 days after the end of the facility's fiscal year.

Form to File

In order to maintain program compliance your center must file the following information:

1. Completed FQHC Modified Form 242
2. Certified Financial Statements prepared by an independent Certified Public Accountant.

Submitted cost report forms must reflect the same fiscal period certified in the accompanying financial statements. It is very important that the cost on the cost report reconcile with the facility's income statements, which has been audited by a certified public accountant. We have included an audit crosswalk in the forms package for this purpose.

All of the cost report pages that apply to your facility must be **completed**. These schedules should be accurate and in as much detail as possible. Attach all supporting documents to the page it pertains to. All schedules must be filed, even if they are not used.

This form must be completed exactly as requested. **No substitute forms** in place of the forms in this package will be accepted. All cost information must be **final audited figures** and trace back to the audited financial reports. All costs must be reported on the accrual basis and only costs for the reporting period must be used, no costs from other periods.

Mailing of the Report

When mailing the completed report, please review the report carefully, check to see that it is signed and that all supporting documents are attached. Also, the audited financial report must be included in the package.

This should be mailed to:

Bureau of Health Finance
Healthcare and Family Services
201 South Grand Avenue East
Springfield, Illinois 62763

Audits

The Bureau of Health Finance may conduct a desk audit or field audit of your cost report. After completion of the audit any adjustments necessary will be made to the cost report.

Maintenance of Records

All accounting, financial, medical and other relevant records of the provider must be kept for a minimum of three years following the date of the filing of the cost report.

Appeals

An FQHC may file an appeal pertaining to an audit adjustment. Any objections to the audit adjustments must be summarized in a letter with all appropriate documentation enclosed to support the requested revision. All documentation and work papers must be clearly presented to allow for efficient review. This letter of objections and all supporting documentation must be received in our office within sixty (60) days of the date of the Bureau of Health Finance's adjustment letter. No further revisions will be made at the request of the facility or its representatives for information submitted after this 60-day period.

Rounding

Please round all dollar amounts to the nearest dollar.

Internet Access

The cost report and instructions can be downloaded from our website at the following address: http://www.hfs.illinois.gov/costreports/. An alternate location if the first site is down is http://www.hfs.illinois.com/costreports/.

SCHEDULE A

Use Schedule A to record the trial balance of expense accounts from your general ledger. This schedule also provides columns for the necessary reclassification and adjustments to certain accounts. All cost centers listed may not apply to all FQHCs using this schedule. For example, a health center that does not incur costs for physician assistants should leave line 10 blank.

Use the line numbers and cost center descriptions exactly as contained on the preprinted form. Do not change these lines or descriptions. If you need additional or different cost centers use the blank lines on the cost report and label them clearly. If additional space is needed, enter the total of several items on a blank line and provide the detail as an attachment to the appropriate Schedule.

Column Descriptions

Columns 1 through 3

Report the expenses in columns 1 and 2 in accordance with your books and records. Enter on the appropriate lines in columns 1 and 2 the total expenses incurred during the reporting period. Distinguish between Compensation (column 1) and Other (column 2). The sum of columns 1 and 2 must equal column 3. You must reconcile the cost in column 3 to your CPA audit report. You will use Schedule F for this reconciliation. Record any needed reclassification and adjustments in columns 4 and 6 as appropriate.

Column 4

Enter any reclassifications that are needed for proper cost allocation. The cost centers affected should be specifically identifiable in the FQHC's records. Reclassifications are used when the expenses applicable to more than one of the cost centers listed on Schedule A are maintained in the facility's accounting books and records in one cost center. For example, if a physician performs administrative duties, the appropriate portion of his or her compensation, fringe benefits and payroll taxes should be reclassified from Health Care Staff costs to Administrative costs. Schedule D is provided to compute and record the reclassifications for proper cost allocation. **Note the net total of entries in column 4 must equal zero on line 75.**

Column 5

Column 5 should contain the sum of the entries in column 3 adjusted (increased or decreased) by the amounts in column 4. Column 5, line 75 must agree with total of column 3, line 75.

Column 6

Enter on the appropriate lines the amounts of any adjustments to expenses. Schedule E is provided to record any adjustments necessary for proper cost allocation. The total of column 6 should equal the total recorded on Schedule E, column 3.

Reductions to allowable costs should be entered as adjustments in column 6. These may include:

- Investment income that should reduce interest expense;
- Grants, gifts and income designated by the donor for specific operating expenses should offset the specified center expenses;
- Recovery of insured loss;
- Sale of medical and surgical supplies and drugs to non-patients;
- Space rented to others;
- Discounts, rebates and refunds of expenses if not calculated in determining cost entered in column 2.

If an adjustment to an expense affects more than one center, the FQHC must record the adjustment to each cost center on the appropriate line on this schedule.

Column 7

Column 7 should contain the sum of the entries in column 5 adjusted (increased or decreased) by the amounts in column 6.

Line Description and Instructions

Line 1-15 Health Care Staff Costs - Schedule A

Enter the costs of the health care provider staff from your trial balance on the appropriate line by type of staff. Include all costs related to physicians, physician assistants, nurse practitioners, specialized nurse practitioners and nurse midwives. Costs for physicians who are employees of the FQHC should be entered in line 2. Record costs for physicians who work under contract as independent contractor on line 3.

All provider compensation from your centers should be recorded in column 1 even if some perform administrative functions. Costs for purely administrative time should be reclassified in column 4 to line 70. If you maintain only one account for different provider types, enter the trial balance figure in column 1 and reclassify the correct amounts for each provider type to column 4.

Total compensation received by members of the National Health Service Corps is an allowable cost. You should show actual payments to NHSC staff in column 1 - Compensation. The difference between the staff's total compensation and what the FQHC actually paid should be shown as an adjustment (increase) in column 6. Attach a complete explanation of any such adjustments. Do not record costs for any other donated goods or service. Imputed values for vacant positions, or fair market value for a position compared to actual cost may not be included. If these costs are included in your trial balance, you must adjust them out, using column 6.
If a contract, job description or employment agreement for physicians or other health care staff includes the requirement and guarantee of payment towards continuing education, these costs should be included in column 2 for the appropriate health care staff.

If the FQHC pays hospital dues or similar costs directly to institutions where health care providers provide care to FQHC clients, these costs should also be included in column 2 for the appropriate health care staff.

Line 16 Subtotal - Health Care Staff Costs

Enter the sum of the amounts on line 1 through 15 for all columns.

Lines 18-26 Non-Provider Health Care Staff

Enter the costs on the non-provider health care staff on the appropriate line by type of staff. Receptionist and appointment clerk functions must be reported on line 62 not in this section. Line 19 Visiting Nurses must be adjusted out using column 6 and Schedule E line 2.

Line 27 Subtotal Non-Provider Health Care Staff

Enter the sum of the amount on lines 18 through 26 for all columns.

Line 29 Total Health Care Staff Costs

Enter the sum of the provider and non-provider staff subtotals from the amounts on lines 16 and 27 for all columns.

Line 31-36 Other Health Care Costs

Other health care costs should include costs directly related to the delivery of medical and other health care services that have been included in any other center. Facility and administrative costs and non-Medicaid-covered services must not be recorded here.

Enter on the appropriate lines cost associated with medical supplies, health care staff transportation, and other services and supplies related to the delivery of FQHC services. If you need to record costs for several cost centers, record the total of the items on the blank line and mark it "other". Include a complete break out of the items and dollar amounts on an attachment.

Purchased ancillary services must be listed here not in supplemental costs. Purchased HMO ancillary services are not an allowable cost and must be removed by an adjustment in column 6. All costs for services to HMO patients provided at the FQHC should be included on the appropriate lines and cost centers.

Line 37 - Total Other Health Care Costs

Enter the sum of the amounts on lines 31 through 36 for all columns.

Line 38 - Outstation Eligibility Workers

Record the costs of Outstation Eligibility Workers calculated on Schedule I, section C, line 8. Costs for certified staff performing eligibility functions will likely be reclassified to this line in column 4.

Line 39 - Total Cost of Medical and Other Health Services

Enter the sum of lines 29, 37 and 38 for all columns.

Lines 40-45 - Medicare Non-Allowable Cost Centers

This section has 3 parts, supplemental cost, dental and non-allowable cost centers. Enter the appropriate totals from Schedule C on the appropriate line. See Schedule C and Schedule J (Dental) for the breakdown of each total.

Definitions:

Supplemental costs are certain costs that Medicaid allows, but Medicare does not. See Schedule C for a listing of these costs.

Dental costs are costs that pertain only to the dental services provided at the FQHC. These costs would consist of the dentist, dental hygienist, supplies and overhead if separate records are kept for dental overhead. The dental costs are listed separately on Schedules C and J. A separate rate is figured for all FQHCs with dental units.

Non-reimbursable costs are costs that are not reimbursed under Medicare or Medicaid. These costs are excluded in determining the total reimbursable health care costs for the FQHC cost based rate. Non-reimbursable costs includes public and community relations, and good will; contributions to or membership in other organizations not related to patient care and political parties; costs for entertainment and amusement, including parties and social activities not related to patient care; interest and penalties imposed by government and court orders; legal expenses resulting from suits against agencies administering the Medicaid program; fundraising expenses for capital items; and gift, flower, coffee shops and vending machine expenses. Healthy Moms/Healthy Kids case management and the W.I.C. program cost are also not allowable because these costs are being reimbursed by other programs. Also included is bad debts, which must be removed by an entry in column 6 on Schedule A and Schedule E line 3. All the other non-reimbursable costs must be listed on Schedule C and the total on Schedule A line 45. Should any of the entries on Schedule C be a total for several items, then you must attach a complete break out of the items and dollar amounts.

Line 46 - Total Medicare Non-Allowable Cost Center

Enter the sum of lines 40 through 45 for all columns.

Line 48 - Total Direct Cost

Enter the sum of lines 39 and 46 for all columns.

Line 49-59 Overhead - Facility Costs

Enter the costs associated with maintaining the FQHC on the appropriate lines. All costs associated with health care staff costs, such as professional liability insurance and workers compensation should be reclassified to the appropriate cost center using column 4.

Line 50 - Rent

Record rent cost in column 2 from your trial balance. Show rental income as an adjustment in column 6. (Rent income is offset against rent expense.) If you rent from a related entity or purchase any other supplies or services from related entities you must attach a schedule to the cost report to explain each type of transaction.

Line 51 - Insurance

The cost of insurance for the building and equipment including the medical equipment must be entered on this line. Note that malpractice insurance to cover professional employees should not be reported on this line.

Line 52 - Interest on Mortgages or Loans

Interest on the mortgage or loans should be entered on this line. Interest income must be shown as an adjustment in column 6. (Interest income is offset against interest expense.) Interest costs must be incurred at a rate not in excess of what a prudent borrower would have paid through a commercial lender.

Line 53 - Utilities

Enter the cost for all utilities on this line.

Lines 54 and 55 - Depreciation - Building and Equipment

An appropriate allowance for depreciation on buildings and equipment, of which the FQHC is the record title holder, used to provide covered services to medical assistance recipients is an allowable cost subject to the following conditions:

1. The assets must be identifiable and recorded in the provider's accounting records.
2. The depreciation must be based on the historical cost of the asset or fair market value at the time of donation in the case of donated assets. Costs should be capitalized in accordance with Generally Accepted Accounting Principles.
3. Depreciation must be prorated over the estimated useful life of the asset using the straight line method. The estimated useful life of a depreciable asset is its normal operating or service life to the provider subject to the provisions in CFR 413.134(b) (7) (1), (ii), and (iii). FQHCs must use the useful life guidelines published by the American Hospital Association, as specified in Medicare HIM 15. FQHCs must provide HFS with acceptable factors that affect an asset's useful life if it wants to use a different useful life.
4. FQHCs that previously did not record depreciation in prior years will be entitled to any straight-line depreciation of the remaining use life of the assets.
5. Leasehold improvements may be depreciated over the lesser of the asset's useful life or the remaining life of the lease.
6. Gains and losses realized from the bona fide sale or scrapping of depreciable assets are included in the determination of allowable depreciation costs. If the total amount of gains or losses realized from bona fide sales or scrapping does not exceed $5,000 within the cost reporting period, the net amount of gains or losses will be allowed as a depreciation adjustment in the period of disposal. Other gains and losses will be treated in accordance with CFR 413.134 (f).

7. The fixed asset records shall include for each asset: a description, the date acquired, estimated useful life, depreciation method, historical cost or fair market value, salvage value, depreciable cost, depreciation for the current reporting period, and accumulated depreciation.
8. Depreciation must be spread over the useful life of the asset using the American Hospital Association guidelines followed by Medicare. Single items of equipment purchased at a cost of $500 or more with an estimated life of over one year are to be depreciated. If items with estimated lives of over one year are acquired in quantity and the cost of the quantity is at least $500, these items must also be depreciated over their useful lives. Single items of repair which cost $1,500 or more and have a life longer than one year are to be considered as capital improvements and must be depreciated over the useful life of the item. Leasehold improvements cost $500 or more are to be depreciated over the useful life of the improvement. Depreciation expense on new fixed assets must be based upon the number of months used in the current year.
9. Depreciation lives must be consistent from year to year. Also, the provider is not allowed to decrease the accumulated depreciation which was originally reported on the first Medicaid cost report.

   Remember the depreciation on lines 54 & 55 is only for the building and equipment, this does not include depreciation for medical equipment which is reported on line 34 or depreciation of office equipment which is reported on line 63.

Line 56 Housekeeping and Maintenance

Enter costs pertaining to cleaning services, equipment maintenance contracts, security costs, repairs and general upkeep of the building and equipment. Note any major repairs must be capitalized and depreciated as indicated in item 8 in the above depreciation section.

Line 57 Property Taxes

Enter only the taxes to property which you have legal title and the FQHC is using for the FQHC operation.

Lines 60 Total - Facility Cost

Enter the sum of lines 49 through 59 for all columns.

Lines 61-71 Overhead - Administrative Costs

Enter the costs associated with managing the FQHC on the appropriate lines. All costs associated with health care staff costs, such as provider professional liability insurance, should be classified to the appropriate cost center in column 4. Enter fringe benefits and payroll taxes on line 69, column 2, rather than on line 62. Enter amounts reclassified from physician salaries on line 2 column 4, on line 70 column 2.

Line 62 - Office Salaries

Enter the total amount of office salaries. Receptionist and appointment clerk functions will be included on this line.

Line 63 - Depreciation-Office Equipment

Enter on this line all the depreciation for office equipment subject to the guidelines listed in lines 54 and 55 of the instructions.

Line 64 - Office Supplies

Enter only the cost of all office supplies.

Line 65 - Medical Records

Enter all costs involved with keeping medical records updated, the cost of office staff, supplies and other costs.

Line 66 - Legal and Accounting

Enter all costs for legal services and accounting services for the FQHC.

Line 67 - Insurance

Enter all insurance costs such as omissions and errors coverage on data processing, office equipment, general liability, employee theft or embezzlement, insurance on FQHC owned vehicle and all other insurance not entered elsewhere in the cost report. DO NOT enter insurance cost for workmen's compensation insurance, building and equipment, medical equipment or malpractice insurance.

Line 68 - Telephone

Enter total costs of all telephone rental, calls and telephone repairs.

Line 69 - Fringe Benefits and Payroll Taxes

Enter the total costs of fringe benefits and payroll taxes on this line in column 2. Then allocate payroll tax and employee benefits to each department using column 4. The reclassification must be based on the compensation on each line in column 1 as divided by total compensation on line 75, column 1. Workmen's compensation insurance is to be included on this line.

Line 70 - Administrative Duties by Physicians

Enter all costs for administrative time by physicians. This figure must agree with Schedule H, total, column (A) under compensation allocation.

Line 72 Total - Administrative Costs
Enter the sum of line 61 through 71 columns 1 through 7.

Line 73 - Total Overhead

Enter the sum of lines 60 and 72 columns 1 through 7.

Line 75 Total Cost

Enter the sum of lines 48 and 73 columns 1 through 7.

SCHEDULE B

Use Schedule B to report the number of full time equivalent (FTE) physician, nurse practitioner, and other health care staff and the number of encounters for which each provider category was responsible for during the reporting period. For rate determination, the state will apply 4,200 encounters for each FTE physician and 2,100 encounters each FTE non-physician practitioner as the minimum standard of productivity.

Column Description

Column 1 - FTE

Calculate FTEs based on your normal hours for full-time. Note 2,080 is the maximum number of paid hours to be considered to be full-time. If a physician is paid 2,080 hours then that is 1 FTE and 4,200 encounters are expected. For example, if you have a physician which is paid for 1,752 hours during the fiscal year and your FQHC considers 1,950 hours to be full-time, then the FTE would be 1752/1950 = .898. This should be done for each physician and each mid-level practitioner. Enter the total FTEs on the appropriate lines on Schedule B, column 1. Hours considered to be full time must be entered in the box at the bottom of the schedule.

Personnel records, contracts and agreements must be maintained and available for review by the HFS auditors.

Non-provider health care staff should also have the FTEs figured for each position using the same method as above.

Column 2 Hours Paid

Record the hours paid during the cost report year. You must enter the number of hours your facility considers to be full-time in the box at the bottom of the page. Your entry must be based upon hours paid for one year, not hours worked. Schedule H FQHC-related hours paid totals should be carried forward to Schedule B hours paid.

Column 3 - Encounters on Site - Billable and Non-Billable - Physician and Mid-Level

A visit is a face-to-face encounter between a clinic patient and a physician, physician assistant, nurse midwife, nurse practitioner, specialized nurse practitioner, clinical psychologist and licensed social worker. Encounters must be reported even if the FQHC is unable to collect a payment or chooses not to bill for the service.

Billable Encounters by a Registered Nurse Are No Longer Allowed

Effective with the cost report (FY2001) RN ENCOUNTERS ARE NOT BILLABLE UNDER ANY CIRCUMSTANCE.

Additional Same Day Visits

Additional visits on the same day with a primary care provider for FQHC services should be treated as a separate, billable encounter if this is for a different illness or injury. Also FQHCs should count visits on the same day if the patient returns for reasons of medical necessity. Visits for services donated by each staff category should also be counted.

Column 4 - Off Site

Record all visits furnished away from the FQHC to all patients by all personnel in each staff position during the reporting period.

Column 5 - Total

Enter the sum of columns 3 and 4.

SCHEDULE C (PAGE 5) SUPPLEMENTAL, DENTAL AND NON-ALLOWABLE

This schedule is used to provide more detail about supplemental costs, dental and non-allowable expenses. Report costs in the proper cost centers that are provided on this schedule. It is very important that the total of Schedule C, line 12, column 7 is entered on Schedule A, line 41, column 7. Also Schedule C, line 13, column 7 is entered on Schedule A, line 43, column 7. Schedule C, line 25, column 7 must be entered on Schedule A, line 45, column 7. The grand total for Schedule C must equal the total figure for Schedule A, line 46, column 7.

SCHEDULE D (PAGE 6) COST RECLASSIFICATIONS

Please use Schedule D to explain any cost reclassifications that were posted to column 4 of Schedule A.

This Schedule provides for the reclassification of certain amounts to affect the proper cost allocation. The cost centers affected should be specifically identifiable in the facility's accounting records. Reclassifications are used in instances in which the expenses applicable to more than one of the cost centers listed on Schedule A are maintained in the facility's accounting books and records in one cost center.

For example, if a physician performs administrative duties, the appropriate portion of his/her compensation, payroll taxes and fringe benefits should be reclassified from "Facility Health Care Staff Cost" to "Overhead-Administrative Costs".

SCHEDULE E (PAGE 7) ADJUSTMENTS TO EXPENSES

This Schedule provides for the adjustments to the expenses listed on Schedule A, column 6. These adjustments, which are required under the Medicare principles of reimbursement, are to be made on the basis of "cost", or "amount received". Enter the total "amount received" (revenue) only if the cost (including the direct cost and all applicable overhead) cannot be determined, but if total direct and indirect cost can be determined, enter the "cost". Once an adjustment to an expense is made on the basis of "cost", the facility may not, in the future cost reporting periods determine the required adjustment to the expense on the basis of "revenue". The following symbols are to be entered in column 1 to indicate the basis for adjustments: "C" for costs and "R" for amount received. Line descriptions indicate the more common activities that affect allowable costs, or result in costs incurred for reasons other than patient care and thus require adjustments.

Types of items to be entered on this Worksheet are (1) those needed to adjust expenses incurred, (2) those items that constitute recovery of expenses through sales, charges, fees, etc., and (3) those items needed to adjust expenses in accordance with the Medicare principles of reimbursement. (See HCFA Pub. 15-1, S2328).

Where an adjustment to an expense affects more than one cost center, the facility must record the adjustment to each cost center on a separate line on this worksheet.

The total on line 34 of Schedule E must agree with the total of Schedule A, line 75, column 6.

SCHEDULE F (PAGE 8) AUDIT CROSSWALK

This schedule was designed to provide a crosswalk between the accompanying CPA certified audit and Schedule A column 3.

Schedule A details costs per the agency's general ledger. The audit report collapses many of these costs into more general expense categories. For this reason it is necessary for the agency to identify how the audit expense categories are shown on Schedule A, column 3.

List each audit expense category on Schedule F, along with the corresponding dollar amount in column 1. Next, each line in Schedule A, column 3 that received costs from the audit expense category should be referenced in column 2 of Schedule F and the corresponding dollar amounts shown in column 3. See the below entry for an illustrative example.

Audit Description of Expenses	Audit Dollar	Schedule A	Schedule A
Nursing Services	$100,000	18	$85,000
		15	10,000
		6	5,000
Insurance	$ 30,000	33	$20,000
		51	5,000
		67	5,000

THE TOTAL OF COLUMN 1 "AUDIT DOLLAR AMOUNT" MUST EQUAL THE COSTS SHOWN ON THE CERTIFIED AUDIT. THE TOTAL OF COLUMN 3 "SCHEDULE A DOLLAR AMOUNT" SHOULD EQUAL THE TOTAL COST SHOWN ON SCHEDULE A, COLUMN 3, LINE 75. THE TOTALS OF COLUMN 1 AND COLUMN 3 OF SCHEDULE F SHOULD AGREE.

SCHEDULE G (PAGE 9) CASE MANAGEMENT ALLOCATION

The FQHC must maintain records that will account for case management costs separately between the Healthy Moms/Healthy Kids case management program and all other case management activities.

- Lines 2-12 are used for staff assigned full time to case management functions. Enter the staff classification in column 1 and total salary cost into column 3. Explain in column 2 the method used to allocate costs between HM/HK case management in column 4 and all other case management in column 5. This allocation must be either based upon numbers of cases served in each category or be based upon a record of hours worked for each category.

- Lines 14-22 are used to report case management salary cost for staff categories that perform case management functions as well as other functions. Report the total salary in column 3. Report the HM/HK portion of the cost in column 4 and all other case management in column 5. Use column 2 to explain the allocation basis to determine the portion of the salary cost to be allocated to case management. (This generally would be based upon a record of hours worked in each function). Also, explain the method used to allocate case management salary cost between columns 4 & 5.

- Lines 24-28 are used to report case management supplies and other case management costs, such as travel. Do not report overhead costs such as rent and administrative costs on these lines.

- Enter totals on line 29. The total of column 4 added to the total of column 5 would be the same as the total in column 3.

- Lines 30-36: The costs for case management are offset by the receipts received from other programs or agencies. This offset is required otherwise the clinic would be double dipping - that is receiving reimbursement for the same cost more than once.

- Lines 33-36 are used to report any <u>other</u> case management revenue the clinic receives that should be used as an offset.

- The total column of column 4 line 37 must agree with Schedule C, line 4.

SCHEDULE H (PAGE 10) ALLOCATION OF PHYSICIAN COMPENSATION

This schedule reports the total salary paid to each physician. Columns are also provided to report the number of hours paid for each physician.

- **In column 1 the physician's name should be recorded and his Medicaid Number on the next line.**

- Attach a schedule of compensation received by the National Health Service Corps. Physicians and allocate as stated above. You must attach a schedule giving a complete list of NHSC physicians and the breakdown of the compensation.

- The total salary cost allocated to administration must be classified on Schedule A, line 70.

- Enter the FTE calculated for each physician. (See instructions for Schedule B, column 1.)

- Any compensation allocated to non-FQHC related functions must be posted as an adjustment on Schedule E and on Column 6 of Schedule A.

- Any other health care staff which also performs functions which are not direct care related must also be reported on Schedule H. For example, if a nurse is loaned to another social service program for 100 hours then a portion of his/her compensation would be reported in the Non-FQHC related column.

SCHEDULE H, PART B (PAGE 10B) MEDICAL ENCOUNTERS AND NURSE ENCOUNTERS

Record all Medical encounters by payer type, by month, for the FY reported on the cost report.

Record all Nurse encounters by billed or not-billed, by month, for the FY reported on the cost report.

SCHEDULE H, PART C (PAGE 10C) DENTAL ENCOUNTERS

Record all Dental encounters by payer type, by month, for the FY reported on the cost report.

SCHEDULE H, PART D (PAGE 10D) BEHAVIORAL HEALTH

Record each psychologist and clinical Social worker license number, FTEs, hours and encounters.

SCHEDULE I (PAGE 11) SUPPORT SCHEDULES

- Section A. This schedule provides details about office salaries reported on line 62 of page 3. List separately on lines 1-6 all employees receiving compensation of $40,000 or more per year. Attach an additional page if more lines are needed. If the total compensation for an employee is allocated to more than one FQHC or to other organizations you must enter the amount allocated to this cost report in the last column. Salaries and other information for all other clerical and accounting staff and appointment clerks is entered onto lines 7 and 8. If fringe benefits are included on Schedule A line 62 the total of fringe benefits may be reported on line 9 of Schedule I. The total on line 10 must agree with Schedule A, line 62, column 7.

- The FQHC may omit the name of the employee in column 1 if the employees receiving compensation of $40,000 or more per year are listed separately and their functional job title is reported in column 2.

- Section B. Use section B to report salaries for administrative staff reported on any line other than line 62 on Schedule A. Employees earning $40,000 or more per year are to be reported

separately. Other staff may be grouped by employee classification. Include salaries allocated from a central office, which were not reported on line 62 of Schedule A.

SECTION C - OUTSTATION ELIGIBILITY COST

- Costs are reported in this section for services pertaining to the completion of Outstationing Report HFS 378. * In most cases staff that provide this function also perform other unrelated functions. Accordingly, the salary must be allocated among these functions based upon a time log or a time study.

- Training cost and travel cost must be directly related to HFS outstationing activities.

- Do not report any overhead costs such as rent, depreciation and utilities in this section.

- The total cost on line 8 of this section must agree with Schedule A, line 38.

- Many FQHCs will not have a separate cost center on their books for HFS Outstationing Eligibility costs. Accordingly, these costs must be reclassified from other cost centers through column 4 on Schedule A.

*** ELIGIBLE APPLICANTS**

- Low-income pregnant women, infants and children under 6 who have incomes up to 133% of the Federal Poverty Level.

- Children ages 6 to 19 that have incomes up to 100% of the Federal Poverty Level.

SECTION D - SUMMARY OF FQHC OUTSTATIONING APPLICATION VERIFICATION

- This is a summary of Schedule L, list the MCH outstationing worker(s) names, the number of applications taken and time involved.

SCHEDULE J (PAGE 12) DENTAL

- This page provides cost and encounter information regarding dental services.

- Total dental cost on line 15, column 7 must agree with Schedule C, line 13.

SCHEDULE J (PAGE 12B)-SUPPORT

List the name, license number, FTEs, hours and number of encounters for each dentist and hygienist.

SCHEDULE K (PAGE 13)

Enter on this schedule the name, homeless site location, type and number of staff, the hours of the facility, total medical encounters and total Medicaid billable encounters.

SCHEDULE L (PAGE 14)

Enter on this schedule the name, date, type, local office and the time involved.