HFS
Illinois Department of
Healthcare and Family Services

MYERS AND STAUFFER LC
CERTIFIED PUBLIC ACCOUNTANTS

Illinois Medicaid Certified Community Behavioral Health Clinic (CCBHC) Initiative

Frequently Asked Questions
December 8, 2023[1]

Questions related to Cost Report Process

Notice – an email was sent to providers on 12/1/2023 concerning an update to cost report instructions. HFS is updating its guidance for cost reporting so that TOTAL costs reported should agree to the entity's trial balance and financial statements. This will not alter the direct CCBHC costs reported, as that reported amount should still be just the direct costs of the CCBHC being certified. However, the indirect and direct non-CCBHC costs should now include the costs that would agree back to the trial balance and financial statements. This means that all sites that are not the site of the CCBHC being certified should be reported in the direct non-CCBHC or the indirect section of the cost report. Administrative or indirect sites should be reported in the indirect section, while sites that perform direct services at non-CCBHC locations will be reported in the direct non-CCBHC section.

Question	Subject Area	Question	Response
1	Cost Report Instructions	Where can I find more of a description of the CCBHC cost report line items?	Please see link for CCBHC cost report instructions: https://www.hhs.gov/guidance/sites/default/files/hhs-guidance-documents/ccbhc-cost-report-instruction.pdf
2	Providers with Multiple Sites	For agencies that have more than one CCBHC, will we complete entirely separate cost reports or we will complete an added worksheet on a single cost report for additional CCBHCs (the added worksheet was referenced in an earlier webinar)?	HFS requires that a separate cost report be completed for each entity/location being certified.
3	Providers with Multiple Sites	We have one location proposed as a CCBHC. On the occupancy expenses we only count the expenses for that location, correct? We have multiple locations including multiple residential sites, we wouldn't count those expenses, correct?	Direct expenses should only be reported for the location that is moving forward with being certified as a CCBHC. Other sites that perform services should be reported in the direct non-CCBHC section of the cost report.

[1] *Responses provided as of December 8, 2023 are based on information available based on the current demonstration guidance, and may be modified dependent upon the release of any new guidance.*

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4	DCO	For agencies that have other sites that are included as a DCO of the CCBHC, will you be providing guidance on how we will "reimburse ourselves" for the DCOs and how that will be reflected in the cost report?	If the DCO site is a related party site, then the actual costs incurred should be reported on the cost report in the DCO section for the DCO services. If the DCO is not a related party, the provider should report the cost to the CCBHC to collaborate with the DCO (e.g. what the DCO charges the CCBHC to perform the services).
5	DCO	How does a CCBHC enter a DCO agreement with itself to cover these costs/services?	A formal agreement would be expected to be in place, similar to a DCO with a non-related party. Note, actual costs would be utilized to report related party DCO expenses. Please note, SAMHSA/CMS may issue guidance at a later date regarding related party DCO arrangements. Guidance on working with DCOs is available at: https://www.samhsa.gov/certified-community-behavioral-health-clinics/section-223/care-coordination/designated-collaborating-organization. See also Question 18 of the SAMHSA 2016 Expansion Grant FAQs: "*Question 18: Can one clinic in a larger non-profit organization be a CCBHC and another part of the non-profit organization be a DCO for the CCBHC? Answer 18: Yes, as long as the clinic meets the CCBHC criteria and the relationship between the clinic and the other component of the non-profit meets the DCO requirements in the criteria. For example, if a large non-profit organization has only one clinic that is a CCBHC but the non-profit also operates a state-sanctioned, certified or licensed crisis behavioral health crisis system, the crisis system may be a DCO for the CCBHC as long as the requirements of that relationship are satisfied."* https://www.samhsa.gov/sites/default/files/grants/pdf/faq/sm-16-001-faq_1.pdf
6	DCO	If DCO agreement is arranged to provide "enhanced" crisis services sooner than required 12-24 months, are we able to receive PPS reimbursement?	If you anticipate being able to provide the enhanced services for mobile crisis, (and it is an allowable CCBHC service), then the costs and visits would be included in the cost report. Crisis stabilization units should not be implemented sooner than currently indicated, until further notification is given. To clarify, CCBHCs can provide any of the crisis services if ready to do so before the required 12-24 months with the exception of crisis stabilization. Costs for crisis stabilization units should not be included on the cost report, however, a separate schedule should be submitted

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			to document expected costs and units anticipated for consideration of future implementation.
7	DCO	Does the CCBHC have to enter a DCO agreement with an Individual Placement Support (IPS) provider to provide this service?	Yes
8	DCO	How does the CCBHC calculate the cost for these services if the IPS does not charge the CCBHC nor the consumer?	There would be $0 costs to include, you cannot add the value of the expense for in-kind/volunteer expenses.
9	Anticipated Costs	Please confirm that you only want us to include anticipated costs for Year 1, even if that means leaving out the cost for a crisis stabilization unit entirely?	Crisis stabilization unit costs should not be included as anticipated costs for the first year rate, as they will not yet be incurred during the first rate year. There will be an opportunity to rebase the rate after the first demonstration year, to consider costs for future rate setting periods.
10	Anticipated Costs	We're still experiencing confusion related to the crisis services. Are you saying that we don't include crisis services (MCR and crisis stabilization) on the cost report at all, but that we submit separate documentation delineating those costs?	Any costs from the historic reporting period (7/1/22-6/30/23) and any anticipated costs expected to occur from 7/1/24-6/30/25 for Mobile Crisis Response and Crisis Stabilization (as defined in the Community-Based Behavioral Services (CBS) Handbook), and urgent care treatment service should be included in the cost report. These costs should also be included on a separate supporting workpaper to document the costs for each of these services on their own. Any expected costs for providing crisis stabilization unit (aka crisis observation), should not be included on the cost report, but should also be broken out separately in a supporting workpaper.
11	Grants	How to account for grants in cost report?	Total costs and total visits (regardless of payor) for CCBHC allowable services should be used to set the rate. Grant revenues should be reported, but are not required to be offset *at this time*. A list of the grant revenue, and explanation where related expenses are reported should be submitted with the cost report. Cost report adjustments may be made upon further review. Providers would still utilize grant funds to help cover the costs of the uninsured or other expenses not covered within the rate, and may need to show support after a particular rate period to demonstrate need for the full amount of grant funds. The goal is to not duplicate federal funding, however, to calculate the cost of doing the service using the PPS, and utilize grant funding for expenses not covered within the PPS rate/non- Medicaid members. If you have received grants funds for which the expense will not be recurring then these costs should be offset and not duplicated.

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12	Rebase	Can you please confirm that the plan is to re-base after the first year? In other words, we should only include costs (including anticipated costs) for Year 1?	HFS currently anticipates rebasing after demonstration year (DY1), which will allow for an update to more current costs. Historic costs should be reported based on the reporting period (7/1/22 – 6/30/23). Anticipated costs should only be included for DY1.
13	Staff Cost	On the provider information tab you want all of our staff that will provide CCBHC services as of end of FY23 or currently?	You should include all of the staff who provided a service directly at the CCBHC during the reporting period.
14	Staff Cost	For CCBHC staff costs we are only counting staff that work at the CCBHC location, correct?	Only the costs of staff at the CCBHC location who provide CCBHC services should be reported in the direct CCBHC section. Staff costs for other locations, or staff at the CCBHC location who do not perform CCBHC services, should be reported in either the Indirect or Direct non-CCBHC sections of the cost report. Staff that serve administrative functions are reported in Part 2, while staff who do not work at the CCBHC, or that don't provide CCBHC services, will be reported in Part 3.
15	Staff Cost	I read we need to re-class staff time spent doing administrative functions. Are there any examples of administrative functions? Is training an administrative function?	Examples of administrative functions could be serving as a director, or other management type positions, that result in spending time performing duties other than direct service care. To determine if training is an administrative cost, or a direct cost, we need more detail like the setting, purpose, and are they trainee or trainer.
16	Staff Cost	We have an LCSW, Director over all behavioral health services. Do we include her salary on line 10 but then have to reclassification it out because she doesn't provide any direct care? Or is there no reclassification? Or does her salary go in the line 40 Administrative Salaries?	If you have a Director that spends 100% of their time performing administrative duties and not providing direct care, their costs should be reported in the indirect section of the CCBHC cost report. If they spend time providing direct care, while also performing administrative duties, the costs could be reported in column 1 of the Trial Balance tab in whichever line is more appropriate based on your trial balance. The portion of costs that should be reclassified to the other line, should be based on allocation statistics like time spent or utilization.
17	Staff Cost	On the trial balance, where would you report any staff fringe benefits? It does not appear there is a spot for these costs.	According to the cost report instructions: *"Categorize the expenses as Compensation (column 1) and Other (column 2). The expenses listed in these columns must agree with those listed in your accounting books and records. Total compensation for an individual would include their total*

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			compensation package and not any type of proration of fringe benefits based on salary costs." Based on this, it appears that fringe benefits should be reported in column 1 if directly attributable to the staff, if it is allocated based on proration, it should be reported in column 2.
18	Direct/Indirect Cost	In the webinar there was reference to separating out costs for crisis stabilization and mobile crisis response. Can you please explain how we do that?	You can separately report the known direct costs for those services (e.g. staff and supplies that directly relate to the services) and estimate/allocate non-direct expenses based on reasonable allocation statistics (utilization, aggregate expenses, square footage, staff hours, etc.).
19	Direct/Indirect Cost	On the trial balance line "Other Direct costs not already included", are we able to add multiple categories? The spreadsheet has 27a, but does not allow for the creation of 27b, c, etc.	An updated cost report template has been uploaded to the SharePoint link. There may be steps required by excel to enable the macros once downloaded to your computer.
20	Direct/Indirect Cost	What worksheet on the cost report do we use to separate out MCR and Crisis Stabilization?	The separation for crisis services will not occur on the cost report. It should be included in support submitted with the cost report.
21	Direct/Indirect Cost	Non-Medicaid clients: My understanding is that we provide ALL costs for CCBHC services, regardless of the funding source of the client population we are serving, correct? For visits, I assume we only provide numbers for Medicaid clients, is that correct?	Total visits should be used when reporting visits, similar to reporting total costs. The PPS rate is calculated by dividing total costs of allowable CCBHC services by total allowable visits, regardless of payor source. However, the PPS rate will only be paid for the Medicaid members.
22	Direct/Indirect Cost	For Line 27a, should everything else be lumped on one line? Or should we add separate lines for? Staff Recruitment? Office supplies? Conference and training fees? Client Transportation? Advertising? Accreditation? Memberships and Dues? Answering service provider?	It can be added on one line, or add separate lines as you see appropriate. If you do include on one line, please be sure the support submitted with the cost report shows how much was broken down into the different expense types. FYI, client transportation is not an allowable CCBHC cost, so if it is incurred by your CCBHC, it should be reported in the non-CCBHC section of the cost report.
23	Direct/Indirect Cost	If we have an approved indirect cost rate through the GATA process from the Department of Human Services (not a federal agency). Should this indirect rate be included on indirect cost allocation tab?	Per the cost report instructions the rate entered should be approved by a "cognizant agency". Additionally, it refers to the Federal funding as a requirement used in determining the indirect rate/method. Based on this, it appears that using a state assigned indirect rate would not be appropriate, and you should use the federal indirect rate, if you have one, or one of the other methods to assign indirect costs.
24	PPS-1 Methodology	My understanding is that Illinois is looking at the CC PPS-1 methodology. Should we only complete the	You do not need to complete the Monthly Visits or PPS-2 tabs.

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		report as such or do we need to also enter the monthly data?	
25	Telehealth	What types of costs are included in telehealth line 26? Cell phones? Hotspots? Fiber? Laptops? Electronic medical record hosting fees?	Costs reported for telehealth could be equipment, software, or any other items purchased to provide services via telehealth. As a note, please be sure to capitalize costs, if appropriate, and report only the depreciation expense on the cost report.
26	SEP/Supported Housing	When implementing SEP and Supported Housing, does this require an EBP model? If so, will the state be providing guidance on which SEP/Supported Housing EBP needs to be used?	Further guidance regarding EBPs and SEP/Supported Housing will be given during the certification process.
27	Allowable Procedure Code List	Our CCBHC sites have teams supporting ACT (assertive community treatment) and CST (community support teams) which engage our patients in the community and are reimbursed through Medicaid. Should these teams be included in the CCBHC cost report?	Yes, both are included on allowable procedure code list.
28	Service Codes	I recall from training that service codes were mentioned, but I do not see anywhere on the template where anything like this is requested. Do we need to provide service codes anywhere on the cost report?	Service codes will be included on the supporting documentation you submit for your visit calculations. You should send the detailed file utilized to roll-up the claims data to calculate the daily visits. This level of detail is not included on the cost report, rather the supporting documentation.
29	Rent	For lines like rent do we put 100% of the rent the agency pays on this line or only the portion covered by CCBHC? Where does rent for administration and other non-Medicaid programs get recorded?	Please refer to email sent to providers on 12/1/2023 for further clarification on reporting of costs at sites other than the CCBHC.

Additional questions can be submitted by email to

ILCCBHC@mslc.com

Please continue to monitor the HFS CCBHC website for more information and FAQ updates.